International Beef Market Intelligence – *a look ahead*

Prepared by Meat Advisory 27th August 2026

Global Beef Market Outlook September →

Increased volatility driven by US cattle shortage and trade disruptions

1. **The US has a structural beef shortage** and is now actively trying to import more beef.
2. **US packers are cutting capacity** because there aren't enough cattle to run plants economically and losses are mounting.
3. **Brazil is simultaneously running into restrictions in its two most important markets — China and the EU.**
4. **China's safeguard quota is forcing the world's major exporters to compete for alternative destinations.**

This will lead to a **significant redistribution of global beef flows into the last third of 2026.**

Global beef prices will continue to rise, but disruptions will create challenges for producers traders and distributors.

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1. USA — THE MOST IMPORTANT DEVELOPMENT

Tyson's restructuring is more significant than simply "another plant closure"

On 13 August, Tyson announced that it will:

- close **Joslin, Illinois**, a beef plant capable of processing around 3,000 cattle/day;
- close **Eagle Mountain, Utah**, its case-ready facility;
- pursue the sale of **Pasco, Washington**, which can process around 2,000 cattle/day;
- concentrate beef operations around **Dakota City, Nebraska; Holcomb, Kansas; and Amarillo, Texas**;
- and restart a second shift at Amarillo as cattle become available.

This follows Tyson's earlier closure of its Lexington, Nebraska plant.

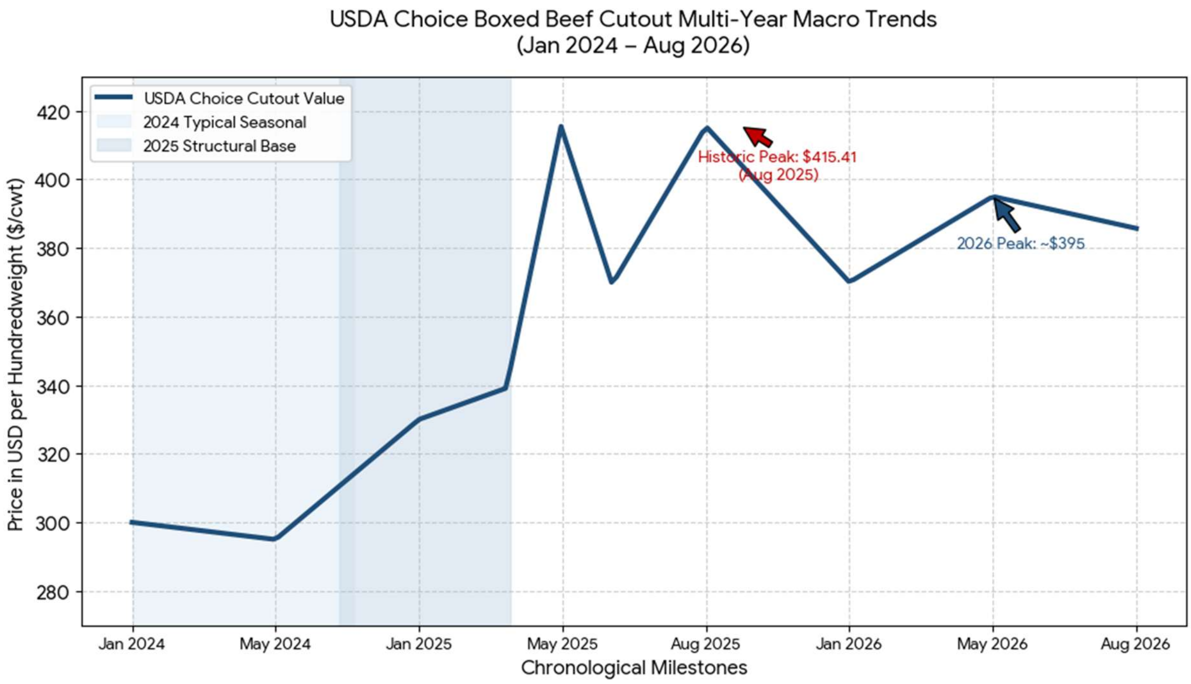
The knub of the issue:

Not fundamentally a demand problem – it's a **cattle availability problem**.

Tyson is effectively rationalising its slaughter network because the US has **too much processing capacity for the number of cattle available**.

And the economics are brutal: **Tyson will lose between $500mn - $650mn in FY 26 on beef.**

The USDA Choice cutout has also slipped from the August 2025 historic peak in a choppy market, punctuated by external influences such as the live cattle ban from Mexico (*reopened on a limited scale on 24 August with very strict protocols*) and President Trump's announcement of plans to temporarily remove out-of-quota tariffs on up to 300,000mt of ground beef imports for the next 90 days. This could create a huge pull for grinding beef from around the world.



Cattle prices

US Cattle live futures have subsequently weakened to as much as a 9-month low as the market digested Tyson's announcement and the prospect of additional imports.

The important distinction is:

High beef prices are not translating into healthy packer margins because cattle prices remain very high.

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3. This changes the Brazil story

Brazil is suddenly caught between two enormous forces.

China

China's Ministry of Commerce said Brazilian beef imports had already reached **90% of Brazil's 2026 country quota by 10 August**.

Brazil therefore has limited room to continue sending additional volumes to China without encountering the punitive over-quota tariff.

EU

Then there is the EU.

The current position is that Brazilian animal-origin imports, including beef, will be suspended from **3 September 2026**, following the EU's concerns regarding Brazilian compliance with antimicrobial-use requirements.

And this is happening despite Brazil having exported approximately **1.7 million tonnes of beef in the first half of 2026**, up around 15% year-on-year.

So Brazil has potentially lost or constrained two major outlets **at exactly the moment when its export volumes are running extremely strongly**.

The obvious question:

Where does the Brazilian beef go?

The US is an obvious candidate.

Brazil has already been redirecting beef towards the US and other markets as the China quota fills.

Trump's new import initiative potentially makes that even more attractive. But lack of any concrete framework and the logistical issues involved in moving 300,000mt within the mooted 90 day framework are leaving a lot of questions unanswered.

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4. Brazil's price advantage remains enormous

As of14 August, AHDB quotes Brazilian deadweight steer prices at approximately:

£3.28/kg

compared with the EU at more than:

£5.30/kg.

That enormous differential explains why Brazilian beef remains so commercially competitive.

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5. CHINA — the quota is now biting

The Chinese safeguard system is fundamentally changing the international beef trade.

Brazil is already at **90% of its 2026 quota**.

Argentina has reached roughly **50%** of its safeguard quota, while Australia has also been moving rapidly towards its limit.

The critical issue is the **55% tariff on beef above the country-specific quota**.

That means exporters cannot simply say:

"China is paying the highest price, therefore send everything to China."

They now have to calculate:

China price within quota

versus

netback elsewhere.

That is going to create much more active global trading.

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6. Australia — probably the best-positioned major exporter

Australia's cattle price has eased from its April highs but remains relatively strong, around **£4.70/kg liveweight equivalent** according to AHDB's latest global comparison.

The big advantage Australia has is **market optionality**.

Australia can sell into:

- USA
- China
- Japan
- Korea
- Middle East
- other Asian markets

And its US relationship is already substantial.

Australian beef exports to the US were more than **410,000 tonnes last year**, according to recent reporting.

The Trump announcement therefore matters enormously to Australia.

If the US import programme genuinely opens substantial additional manufacturing-beef volume, Australia is one of the origins most capable of responding quickly.

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7. Australia — one interesting warning sign

There's also a more subtle development.

Australian lean trimmings going into the US were recently quoted around **US342c/lb**, with Australian export values around **A$10.83/kg CIF**.

That market had been weakening because of tariff uncertainty.

Trump's announcement potentially changes the economics again.

US manufacturing beef values will become one of the most closely watched prices in the world beef trade over the next month.

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8. Uruguay

Uruguay remains in a strong strategic position, although there are some issues to watch.

AHDB's latest global cattle data puts Uruguay around:

US$3.40/kg deadweight

versus Argentina around:

US$3.20/kg.

Uruguay's 2026 production/export outlook remains strong, with USDA previously forecasting approximately **520,000 tonnes CWE of exports**, which would be its second-highest level on record.

But China is becoming a problem.

China suspended **Frigorífico Tacuarembó** on 6 August following an imidocarb residue issue — reportedly the plant's second such case in 2026.

That is particularly important because China has historically been Uruguay's dominant market.

The good news is that Uruguay has excellent alternative access, particularly:

US + EU + Israel + other premium markets.

9. Argentina

Beef exports during the first five months of 2026 were around **271,000 tonnes**, up 8%, while export revenue increased almost **45%**, reflecting much stronger international values.

Argentina also has increasing access to the US manufacturing market.

Earlier this year the US increased the volume of Argentine beef permitted under its preferential arrangements, potentially giving Argentina an additional **80,000 tonnes of lean beef trimmings**.

That becomes highly relevant if Trump's 300,000-tonne programme is implemented as currently indicated.

Argentina's advantage

It has:

- strong US demand;
- China;
- EU;
- Israel;
- premium grass-fed positioning;
- increasing export orientation.

It therefore has good diversification.

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10. EU — structurally short

This remains one of the strongest fundamental stories.

EU beef production in January–April 2026 was approximately **2.2% below 2025**, with declines across most categories and many member states.

So, Europe is dealing with:

lower domestic production

at the same time as:

Brazil potentially disappears as a supplier.

That is a very uncomfortable combination.

EU price

The EU is currently paying a substantial premium to South America.

That creates an extraordinary arbitrage opportunity for eligible exporters.

But there is a fundamental limitation:

There simply isn't sufficient alternative beef to replace Brazil's EU volumes one-for-one.

The market will ration supply through **price**.

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11. UK — potentially one of the biggest beneficiaries

The UK is sometimes forgotten as no longer being part of the EU, and although phytosanitary requirements are similar, quota access is now almost completely different.

There are now potentially three competing supply stories:

1. Domestic UK beef

Very expensive and structurally constrained.

2. EU beef

Available, but increasingly expensive.

3. Non-EU beef

Potentially very attractive if suppliers have access to the appropriate UK TRQs and specifications.

This is particularly interesting given the forthcoming disruption to Brazilian supply in the EU.

The UK could therefore become an increasingly attractive destination for:

Uruguay / Argentina / Australia / New Zealand / US

depending on quota economics and product specification.

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12. The global price hierarchy

The latest AHDB data is a useful snapshot:

Origin	Approx. cattle price	Market position
US USA	£5.30–£6.80/kg	Extremely tight
EU EU	>£5.30/kg	Extremely tight
AU Australia	~£4.70/kg	Strong
UY Uruguay	~US$3.40/kg DW	Strong
AR Argentina	~US$3.20/kg DW	Competitive
BR Brazil	~£3.28/kg DW	Very competitive
PY Paraguay	~US$3.00/kg	Competitive

The striking feature is the **Brazil/EU/US price spread**.

That is the crucial number behind a lot of the current trade-flow changes.

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90 day Outlook

US USA — VERY BULLISH demand / VERY TIGHT supply

The structural cattle shortage isn't going away.

The Tyson closures are a symptom rather than the cause.

Cargill's Fort Morgan plant is expected to restart around 7 September after its labour dispute, but that doesn't solve the underlying cattle shortage.

Watch: US manufacturing beef import prices.

BR Brazil — HIGH RISK / HIGH OPPORTUNITY

This is probably the most interesting origin.

China quota approaching exhaustion + EU suspension = major redistribution requirement.

Brazil has the production and cost advantage to compete aggressively elsewhere.

Watch: US sales and alternative-market pricing.

AU Australia — BULLISH

Probably the best-positioned major exporter.

Strong access to multiple premium markets and significant US experience.

Watch: US lean-beef demand.

UY Uruguay — BULLISH BUT SELECTIVE

Excellent credentials and market access.

China dependence is becoming less attractive, while US/EU opportunities may improve.

Watch: China plant approvals and US netbacks.

AR Argentina — BULLISH

Strong export growth and increasing US opportunity.

Potentially one of the biggest winners from the US import expansion.

EU EU — VERY TIGHT

Lower production + potential Brazilian exclusion.

Watch: Brazilian product actually arriving before 3 September and the subsequent replacement trade.

GB UK — INTERESTING

Potentially a particularly good market for suppliers with the right quota/access.

2. Brazil/EU on 3 September

This as a **hard market event**, not simply another regulatory story.

If Brazil genuinely loses EU access, someone must replace that volume.

That is an opportunity for Uruguay, Argentina, Australia and New Zealand.

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3. China quota utilisation

Brazil at 90% is particularly important.

Once Brazil's quota is exhausted, the next question is:

Where does Brazil's marginal tonne go?

And if the answer is the US, that potentially competes directly with **Uruguay, Argentina and Australia** for the same manufacturing-beef business.

Meat Advisory's View

The international beef market is moving from a period of strong demand and tight supply into a period of major trade-flow reallocation, driven by the US cattle shortage, China's safeguard quotas and the impending exclusion of Brazilian beef from the EU.

There are **three interesting potential commercial plays** emerging:

1. Uruguay → US
Especially where the product can meet the US manufacturing/premium requirements and the new tariff arrangements.

2. Uruguay/Argentina → UK/EU
Particularly if Brazil does stop/get stopped in the EU.

3. Brazil → US/alternative markets
Potentially the biggest volume change but might also disrupt competing origins.

Prepared by **Meat Advisory Limited** from sources including:

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