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Japan

Livestock and Products Semi-annual

2016 Market Situation Summary and 2017 Outlook

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Report Highlights:
Japanese beef production continued to decline in 2016, while pork production rebounded. U.S. chilled beef exports grew 50 percent, driving the U.S. share of total beef imports to a 13-year high. U.S. beef exports to Japan should continue to grow in 2017, capturing additional market share. Higher volumes of North American and Japanese chilled pork helped fuel record consumption in 2016, while European suppliers dominated the market for frozen cuts.

Keywords: Japan, JA 7011, Beef, Pork, Livestock Semi-annual, 2017

Executive Summary:

Japanese beef production fell for a fourth straight year in 2016, though heavier slaughter weights offset some of the decline in slaughter. Increasing Wagyu cow retention in response to sustained, record-setting feeder calf prices points to an increased calf crop in 2017 and a modest rebuilding of the Wagyu cattle herd. Larger supplies of U.S. beef and tighter supplies of Japanese domestic and Australian beef helped drive a 50 percent increase in U.S. chilled beef cut exports in 2016, pushing the U.S. share of imported chilled beef up five percentage points to 44 percent. Total beef imports rebounded in 2016, as sharply higher chilled beef imports more than offset a decline in frozen beef import volumes. The United States expanded its share of the total imported beef cuts market by five percentage points, reaching a post-BSE high of 38 percent. FAS Tokyo anticipates 2016 production and trade patterns to continue into 2017, driving U.S. market share to an estimated 42 percent.

2016 Japanese pork production rose on higher slaughter volume as the average piglets per litter figure more than recovered from the effects of Porcine Epidemic Diarrhea virus (PEDv). Pork consumption in Japan set another new record in 2016, as ample domestic and imported supplies kept downward pressure on prices and enhanced pork competitiveness in the ongoing battle for consumer protein spending. Total pork imports rose considerably in 2016, with volumes of chilled and frozen pork cuts growing briskly and prepared pork products volume remaining flat. European Union (EU) suppliers captured and U.S. suppliers ceded equal shares of the import market for frozen cuts in 2016, as large volumes of competitively priced European frozen cuts continued to affect trade dynamics. FAS Tokyo projects total pork imports to recede slightly in 2017 as Japanese processors unwind accumulated stocks of (mostly European) frozen cuts.

Preface:

This report is an update to JA 6019 dated September 9, 2016. FAS Tokyo has updated the 2016 market summary and revised previous supply and distribution estimates based on the Government of Japan's official figures (some are still preliminary). FAS Tokyo has also revised the previous forecast for 2017 based on the most recent market information and industry accounts available to date.

Quantities listed in the text are made on the basis of Carcass Weight Equivalent (CWE) unless specified otherwise. Some numbers in the tables are on a product weight basis and have not been converted to CWE.

Rates of conversion from product weight to CWE are:
Beef Cuts (Boneless) – 1.40
Pork Cuts (Boneless) – 1.30
Processed/Prepared Beef Products – 1.79
Processed/Prepared Pork Products – 1.30

The Agriculture and Livestock Industries Corporation (ALIC) 2016 beef and pork demand and supply data are close approximations of total consumption of chilled and frozen beef and pork cuts, excluding a limited volume of imported prepared products.

Commodities:

Animal Numbers, Cattle

Meat, Beef and Veal

Animal Numbers, Swine

Meat, Swine

Production, Supply and Distribution Data Statistics:

Cattle PS&D

Animal Numbers, Cattle	2015		2016		2017	
Market Begin Year	Jan 2015		Jan 2016		Jan 2017	
Japan	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Total Cattle Beg. Stks	3860	3860	3824	3824	3800	3810
Dairy Cows Beg. Stocks	750	750	752	752	750	745
Beef Cows Beg. Stocks	578	578	588	589	590	595
Production (Calf Crop)	1210	1227	1215	1190	1220	1190
Total Imports	9	9	5	9	10	10
Total Supply	5079	5096	5044	5023	5030	5010
Total Exports	0	0	0	0	0	0
Cow Slaughter	516	514	500	480	495	480
Calf Slaughter	6	6	5	5	5	5
Other Slaughter	595	587	580	566	575	560
Total Slaughter	1117	1107	1085	1051	1075	1045
Loss	138	165	159	162	155	160
Ending Inventories	3824	3824	3800	3810	3800	3805
Total Distribution	5079	5096	5044	5023	5030	5010
(1000 HEAD)						

Not USDA Official Data

Beef and Veal PS&D

Meat, Beef and Veal	2015		2016		2017	
Market Begin Year	Jan 2015		Jan 2016		Jan 2017	
Japan	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Slaughter (Reference)	1117	1107	1085	1051	1075	1045
Beginning Stocks	185	185	185	185	162	151
Production	481	481	465	465	460	460
Total Imports	707	708	715	719	730	745
Total Supply	1373	1374	1365	1369	1352	1356
Total Exports	2	2	3	2	3	2
Human Dom. Consumption	1186	1187	1200	1216	1200	1215
Other Use, Losses	0	0	0	0	0	0
Total Dom. Consumption	1186	1187	1200	1216	1200	1215
Ending Stocks	185	185	162	151	149	139
Total Distribution	1373	1374	1365	1369	1352	1356
(1000 HEAD), (1000 MT CWE)						

Not USDA Official Data

Swine PS&D

Animal Numbers, Swine	2015		2016		2017	
Market Begin Year	Jan 2015		Jan 2016		Jan 2017	
Japan	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Total Beginning Stocks	9440	9440	9313	9313	9150	9100
Sow Beginning Stocks	855	855	845	845	855	845
Production (Pig Crop)	16500	16700	16700	16600	16500	16600
Total Imports	1	1	1	1	1	1
Total Supply	25941	26141	26014	25914	25651	25701
Total Exports	0	0	0	0	0	0
Sow Slaughter	0	0	0	0	0	0
Other Slaughter	16105	16105	16400	16393	16250	16300
Total Slaughter	16105	16105	16400	16393	16250	16300
Loss	523	723	464	421	451	401
Ending Inventories	9313	9313	9150	9100	8950	9000
Total Distribution	25941	26141	26014	25914	25651	25701
(1000 HEAD)						

Not USDA Official Data

Pork PS&D

Meat, Swine	2015		2016		2017	
Market Begin Year	Jan 2015		Jan 2016		Jan 2017	
Japan	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Slaughter (Reference)	16105	16105	16400	16393	16250	16300
Beginning Stocks	246	246	200	200	203	211
Production	1254	1254	1275	1279	1265	1270
Total Imports	1270	1269	1320	1364	1320	1350
Total Supply	2770	2769	2795	2843	2788	2831
Total Exports	2	3	2	2	2	2
Human Dom. Consumption	2568	2566	2590	2630	2585	2624
Other Use, Losses	0	0	0	0	0	0
Total Dom. Consumption	2568	2566	2590	2630	2585	2624
Ending Stocks	200	200	203	211	201	205
Total Distribution	2770	2769	2795	2843	2788	2831
(1000 HEAD), (1000 MT CWE)						

Not USDA Official Data

Beef

2016 Market Situation Summary

Japanese Slaughter, Beef Production Continued to Fall in 2016
Japanese total slaughter declined for the fourth consecutive year in 2016, falling five percent from 2015 to **1.051 million head**. The steady contraction of breeding stock for beef (mostly Black Wagyu) and dairy (mostly Holstein) cattle led to smaller calf crops in 2013 and 2014 (see JA 6019).

Higher average slaughter weights (up two percent from 2015 to 444 kg per head) in 2016 helped to offset some of the decline in total slaughter numbers, resulting in total beef production falling by three percent to **464,661 metric tons** (MT). Lower imported grain prices in 2016 resulted in lower commercial feed prices, supporting heavier slaughter weights and helping cattle feeders partially offset sustained record high feeder calf prices, which rose another 22 percent year-on-year for Black Wagyu and an additional 6 percent for F-1 cross breeds (Wagyu x Holstein) in 2016 (see Table 9).

2016 Japanese cattle slaughter, broken down by breed and in order of total slaughter share:

- Wagyu steer/bull: 238,883 head, down six percent (23 percent of total slaughter)
- Wagyu heifer/cow: 205,520 head, down 11 percent (20 percent)
- Dairy steer/bull: 197,150 head, down five percent (19 percent)
- Dairy heifer/cow: 168,978 head, down five percent (16 percent)
- F-1 cross steer/bull: 120,030 head, up three percent (11 percent)
- F-1 cross heifer/cow: 104,155 head, down one percent (10 percent)
- Calf slaughter (all breeds): 5,153 head, down 13 percent (0.5 percent)

The average finishing age is about 30 months for Wagyu steers, 24 months for F1 cross breeds, and 20 months for Holstein steers.

The decline in Wagyu cow slaughter (down 11 percent) represents both the continued trend of small-scale cow-calf operators exiting the industry without successors as well as a modest increase in the retention of breeding cows in response to stratospheric Wagyu feeder calf prices. Average Wagyu feeder calf prices for Japanese Fiscal Year (JFY) 2016 are on pace to more than double the JFY 2011 average (see Tables 4-A and 9). The effects of tightening Wagyu feeder calf supplies have spilled over into the market for F-1 calves, driving increased utilization of artificial insemination of dairy cows with Wagyu semen and further affecting the supply of dairy cattle for both milk and meat production.

U.S. Chilled Cuts, Frozen Stocks Drove 2016 Beef Consumption Higher
Japanese total beef consumption exceeded previous FAS Tokyo projections, growing two percent to **1.26 million MT** in 2016. Japanese consumption of chilled and frozen cuts rose three percent to an estimated **1.202 million MT**. According to estimates from the Agriculture and Livestock Industries

Corporation (ALIC), the total volume of imported beef cuts on the market rose seven percent in 2016, accounting for 62 percent of total beef supply in Japan (up two percentage points from 2015).[1]

Tighter supplies of Australian and Japanese beef opened additional market opportunities for U.S. chilled beef in 2016 (see Note 1). A relatively stronger yen throughout much of 2016, combined with continued U.S. beef production growth, enhanced the price competitiveness of U.S. beef export offers (see Tables 4-A, 4-C, and 7-B). The average import price of U.S. chilled cuts fell eight percent to $6,912/MT, partially due to the relative strength of the Japanese yen. By comparison, the average import price of Australian chilled cuts rose four percent to $7,491 dollars/MT in 2016, largely on tighter exportable supplies.

> Note 1: U.S. and Australian beef tend to compete more directly with middle-grade (A-2/A-3 or B-2/B-3) Japanese beef, which tends to have less marbling than high-grade (A-4 or A-5) Wagyu beef. While Australia does export grass-fed beef to Japan, more than 70 percent of total Australian exports to Japan is grain fed (much of that 100 days or less on feed). For more on Japanese beef grades, see the Japan Meat Grading Association (JMGA) pamphlet (Japanese only).

Throughout 2016, retailers, hotels and food service outlets across Japan reportedly expanded menu offerings of U.S. chilled cuts. Retailers' increased handling of "American beef" in 2016 helped to snap a three-year decline in Japanese household beef consumption (up four percent over 2015), which had been losing ground relative to lower-priced pork, chicken and other proteins (see Table 1). By penetrating deeper into the hotel and food service sectors (traditional end-users of Australian short-fed, chilled cuts), U.S. beef expanded beyond its usual domain (Korean-style barbecue, family restaurant chains, and high-end hotels / specialty restaurants serving steak) in 2016.

Japanese consumption of imported beef was propelled further in 2016 by Japanese importers unwinding large year-beginning volumes of frozen beef (including large volumes of U.S. short plate cuts and Australian trimmings, which had been purchased at higher prices in 2015). Commonly used in Japanese quick serve restaurant chains (short plate for beef bowls) and Western quick serve chains (trimmings for hamburgers), the latest data from the Japan Food Service Association (JF) confirm that Japanese consumers were eating more plate cuts and trimmings, as Japanese quick serve sales rose six percent (customers up two percent) and Western quick serve sales increased by 10 percent (customers up five percent). Japan's largest hamburger chain posted year-over-year sales of growth of 20 percent in 2016, marking a significant recovery (see Livestock and Products Annual JA 6019 for more information). As a result of the consumption trends listed above, 2016 year-ending stocks were drawn down 18 percent from 2015 to **151,000 MT** (see Table 6-A).

U.S. Chilled Beef Soared in 2016, Offsetting Declines in Frozen Cut Imports

After falling for three straight years, Japanese total beef imports rose two percent in 2016 to **718,868 MT,** including 704,516 MT of beef cuts (up two percent), a small volume of carcasses, and 14,352 MT of prepared products (down six percent) (see Table 7-A). As described in FAS Tokyo's September

[1] ALIC is a Japanese state trading enterprise charged with ensuring a stable supply situation for certain agricultural products through market adjustment and prices stabilization measures, emergency measures, risk management measures, and through the collection and dissemination of market data.

2016 Livestock and Products Annual Report (JA 6019), U.S. beef exports to Japan had been growing sharply in 2016, in spite of a significant import tariff disadvantage relative to Australian cuts (11 percentage points on frozen cuts and 8 percentage points on chilled cuts; see Table 3A:1-d). By the end of 2016, U.S. exports were up 16 percent overall to 268,971 MT, more than offsetting reduced imports from Australia, which were down five percent to 381,945 MT (see Tables 7-A and 3A: I-c). As a result, the U.S. share of Japan's total imports of beef cuts in 2016 rose to 38 percent (up five percentage points from 2015 and a post-bovine spongiform encephalopathy (BSE) high), while Australia's share dropped four percentage points to 54 percent (see Table 7-A).

Increases in imports of (primarily U.S.) chilled beef cuts (up 12 percent to 320,754 MT), exceeded the decline in frozen beef imports (down eight percent to 383,762 MT). U.S. exports of chilled cuts skyrocketed up 50 percent to 142,415 MT in 2016, capturing an additional 5 percentage points of chilled cut market share and narrowing the gap with Australia, which ceded 11 percentage points, falling to 41 percent or 163,769 MT (see Tables 7-B and 4-C).

The meteoric rise in imports of U.S. chilled beef volumes exceeded the chilled beef safeguard trigger level for non-Economic Partnership Agreement (EPA) trade partners in the third quarter (Oct. – Dec.) of JFY 2016, as total volumes of 90,350 MT far outstripped the trigger level of 70,308 MT on a customs-cleared weight basis (see Table 3-A: I-b). However, as Japanese total chilled beef imports from all trade partners over that same period only reached 183,264 MT (well short of the 230,642 MT level for the all trade partners safeguard trigger level) the safeguard snap-back tariffs for chilled beef were not implemented (see Table 3-A: I-a as well as the Notes to Table 3-A for a more detailed description of the current volumetric safeguard mechanism). The chances for triggering the chilled beef safeguard in JFY 2016 remain negligible, as an additional 109,109 MT of chilled beef could be imported in the fourth quarter (equivalent to 36,370 MT per month) before exceeding the all trade partners safeguard trigger level of 292,355 MT.

Japanese imports of Australian beef fell by less than FAS Tokyo had anticipated in the September 2016 Livestock and Products Annual Report (JA 6019), as Australian slaughter weights rose three percent above the 2015 level to 287 kg according to Meat and Livestock Australia data. Though total Australian cattle slaughter numbers (including calves) were down approximately 19 percent in 2016 to 7.830 million head, total production fell by only 16 percent to 2.125 million MT. Australian beef and veal exports in 2016 totaled 1.018 million MT (on a shipped weight basis), of which some 116,657 MT (or nine percent) was destined for Japan (see Table 1).

Industry sources attribute the 2016 decline in imports of frozen cuts to the unwinding of U.S. frozen short plate stocks (for beef bowls and Korean-style barbecue) and of Australian grass-fed frozen trimmings (for hamburger patties), supporting FAS Tokyo analysis of JF data. In 2016, imports of frozen plates/briskets (HS 0202.30.030) fell nine percent to 165,241 MT (U.S. down eight percent to 110,628 MT and Australia down 12 percent to 32,644 MT). In 2016, imports of frozen trimmings (HS 0202.30.090) fell four percent to 154,515 MT, with Australia (down three percent to 150,052 MT) accounting for 97 percent of the total volume.

2017 Market Outlook Update

Consumption Flat, But Another Strong Year Expected for U.S. Beef in 2017

FAS Tokyo does not foresee any significant changes from the 2017 market outlook presented in the September 2016 Livestock and Products Annual Report (see JA 6019), in which tight supplies of Japanese and Australian beef should continue to create opportunities for U.S. beef in the Japanese market. FAS Tokyo anticipates that 2016 market dynamics will continue through 2017, as consumption growth of relatively higher priced beef (both domestic and imported) could be limited by intense cross-commodity competition with ample supplies of pork and broiler meat. Accordingly, FAS Tokyo anticipates total beef consumption growth in 2017 to be flat at **1.25 million MT**.

Japanese total cattle slaughter is projected to fall slightly to **1.045 million head**, on slightly lower calf crops in 2014 – 2015, driving total production down slightly to **460,000 MT** on relatively heavy slaughter weights.

FAS Tokyo raised its 2017 forecast for total Japanese beef imports up another 15,000 MT to **745,000 MT** (chilled and frozen cuts up four percent to 731,000 MT; prepared products unchanged at 14,000 MT). Similar to 2016, FAS Tokyo anticipates U.S. beef expanding its presence on Japanese retail shelves and in food service outlets, as continued high levels of U.S. production place downward pressure on price offers for U.S. chilled cuts, while Australian beef supplies (especially short-fed chilled cuts) may tighten further in 2017. The latest USDA forecast for U.S. beef production anticipates a three percent increase in 2017 and lower average prices for fed steers. The most recent Meat & Livestock Australia analysis projects total cattle (including calves) slaughter falling an additional four percent in 2017 to 7.725 million head
(or 2.076 million MT, down three percent from 2016 on a carcass weight basis) and total beef exports falling five percent to 970,000 MT (shipped weight basis).

The recent launch of several U.S. beef brands by major Japanese meat importers could provide additional tailwinds for U.S. beef prospects in Japan in 2017. With marketing strategies appealing to the story behind the product and exacting product specifications, which can include grade, breed, finishing weight, and even specific feeder calf suppliers, Japanese meat importers have made a significant investment in expanding future U.S. beef import volumes. If these brands succeed, Japanese retailers and food service outlets could generate additional demand for high-value U.S. chilled cuts in 2017 and beyond.

FAS Tokyo projects the U.S. share of total imported beef cuts to climb another four percentage points in 2017 (to 42 percent, or 308,000 MT), largely on lower Australian volumes, which FAS Tokyo forecasts falling to 371,000 MT (down three percentage points to 51 percent).

Following the significant drawdown of stocks in 2016, traders will have to replenish frozen middle meats and trimmings in 2017 or 2018 to ensure that end-users (Japanese and Western quick serve chains) have sufficient running stocks. With price offers for Australian grass-fed trimmings likely to remain high in 2017, FAS Tokyo is forecasting 2017 year-ending stocks down another eight percent to **139,000 MT**.

Pork

2016 Market Situation Summary

Japanese Production, Slaughter Fully Recovered from PEDv

Despite a smaller beginning sow inventory of 844,700 head (down five percent from 2014 year beginning), Japan's total hog slaughter increased modestly in 2016 to **16.393 million head** (up two percent from 2015), lifting total production to **1.279 million MT** (also up two percent).

With average carcass weight unchanged in 2016 (at about 78 kg) and sow inventory lower, the explanation for increased slaughter and production is an increase in the number of pigs-per-litter. The primary explanation for the discernable increase in pigs-per-litter numbers is a near full recovery from Porcine Epidemic Diarrhea Virus (PEDv), which had hampered Japanese production since it emerged in 2013. Following a peak in 2014, the number of reported cases and of swine lost to PEDv continued to decline through 2016. According to an industry source, efforts by Japanese swine breeders to expand utilization of breeding sows with improved pigs-per-litter genetics further supported the increase in national pigs-per-litter numbers in 2016 (see Note 2).

According to the latest data from the Ministry of Agriculture, Forestry and Fisheries (MAFF), between September 2016 and January 2017, there were 35 reported cases across 12 prefectures, resulting in the death of 937 out of 6,855 infected animals. Looking back at the 12-month period from September 2015 through August 2016, there were 117 reported cases across 16 prefectures, resulting in the death of 30,987 out of 148,033 infected animals.

> Note 2: As reported in the September 2016 Livestock and Products Annual Report (JA 6019), Japan did not collect national swine inventory data in 2015, due to the national agricultural census (taken every five years). FAS Tokyo adjusted the 2015 – 2016 pig crop estimates in the live swine PS&D to account for the reported increase in average pigs-per-litter. Except for the year beginning sow inventory, there are no publically available monthly data for sow slaughter or pig crops, thus these numbers are estimated in the PS&D.

Back-to-Back Record High Consumption on Larger Volumes, Lower Prices

After hitting an historic high in 2015, Japan's total pork consumption climbed another two percent in 2016 to **2.63 million MT**. The total consumption of chilled and frozen pork cuts is estimated to have increased three percent in 2016 to **2.384 million MT** (see Note 3). According to 2016 ALIC pork demand and supply estimates, the volume of imported pork cuts in distribution grew four percent year-on-year, reaching 49 percent of the total market (up one percentage point from 2015), while the volume of domestic pork cuts increased by one percent (falling one percentage point to 51 percent market share). Ample pork supplies maintained downward pressure on market prices in 2016, enhancing the competitiveness of pork relative to broiler meat, which was equally plentiful in 2016, and helping Japanese buyers set a new consumption record for the second year in-a-row (see Tables 5-B, 5-C).

> Note 3: In addition to chilled and frozen cuts, the consumption figure reported in the PS&D table also contains imported prepared products, including a large volume of frozen U.S. seasoned ground pork. Japanese total imports of prepared products were unchanged from 2015 at 244,000 MT.

Higher volumes of lower-priced North American chilled pork cuts on retail shelves, which distribute nearly half of the pork consumed in Japan, helped to drive Japanese household pork consumption up three percent in 2016 (see Table 1). Lower-priced, imported chilled and frozen cuts also drove strong sales in the food service and ready-to-eat food sectors (including lunch box vendors), helping to shatter

the consumption record previously set in 2015 (see Note 4). According to sources, Japanese pork cutlet (tonkatsu) chain restaurants are the largest end-users of U.S. and Canadian chilled loins; beef bowl (gyudon) chain restaurants (which also serve 'pork bowl') consume large volumes of frozen bellies; lunch box (bento) vendors favor frozen picnics and bellies; Japanese hot pot restaurants use paper-thin slices of frozen bellies for 'shabu shabu'; and ramen shops take frozen shoulder and leg cuts for the roasted slices of pork that adorn many bowls of noodles in Japan.

The large volumes of EU-origin frozen cuts that continued to arrive in 2016 could not be fully absorbed by the processing sector, where demand remained sluggish. Recently published data from the Japan Ham and Sausage Processors Cooperative Association indicate that the volume of chilled and frozen pork cuts used for processed products (mainly ham, bacon and sausage) in 2016 was unchanged at 439,915 MT (on a boneless equivalent basis and excluding the volume of imported seasoned ground pork). While utilization of imported cuts was down one percent to 315,047, utilization of domestic cuts was up two percent to 124,868 MT, and utilization of imported seasoned ground pork was 11 percent higher at 111,002 MT (on a product weight basis). As 2016 imports of seasoned ground pork were down slightly, the data point towards drawing down stocks of frozen seasoned ground pork in response to strong sales of lower-priced sausages, dumplings, and other processed products in the value segment of the sector (see
Table 8-D).

Note 4: The latest MAFF estimates of pork utilization by market segment for JFY 2015 were:
Households – 49 percent
Food Service and Institutional – 27 percent
Processing – 24 percent
Please note the above information is a correction to the data provided in JA6019, in which FAS Tokyo transposed the numbers for the Processing and Food Service and Institutional sectors.

Solid Demand, Large Global Supplies Drove 2016 Imports Higher

Recovering from a dip in 2015, Japan's total pork imports rose nine percent in 2016 to **1.364 million MT**, even higher than FAS Tokyo anticipated in the previous annual forecast (see JA 6019). Total imports of chilled and frozen pork cuts (including several thousand MT of carcasses) were up 9 percent to **1.12 million MT**, with increases in chilled cuts up 10 percent (to 462,157 MT) and frozen cuts up 8 percent (to 657,378 MT) (see Tables 8-A, 8-B, and 8-C). The total import figure also included 244,000 MT of prepared products, primarily seasoned ground pork from the United States and Canada (see Table 8-D).

Stronger than expected performance in retail outlets as well as expanded food service utilization helped push imports of chilled cuts from the United States and Canada higher in 2016, up 10 percent (to 268,302 MT) and 13 percent (to 178,403 MT) respectively. U.S. and Canadian chilled cuts account for 97 percent of Japan's total imports of chilled cuts (see Tables 8-B, 8-C). U.S. chilled cut export offers benefitted in 2016 from a relatively stronger yen and ample exportable supplies, as U.S. production expanded in 2015 – 2016 following recovery from the worst effects of PEDv and on lower feed prices.

EU suppliers continued to expand their presence in frozen cut segment of the Japanese market, as the bloc increased its market share to 62 percent (up four percentage points from 2015) on total frozen cut shipments of 407,881 MT (up 16 percent from 2015). While the continued rise of EU pork exports to

Japan can dominate the discussion of frozen cuts, sustained growth of Mexican frozen cut exports to the Japanese market should not be overlooked. Japanese imports of frozen cuts from Mexico rose 12 percent in 2016 to 82,298 MT (equal to 13 percent market share), as strong food service demand for pork cuts requiring higher levels of manual labor bolster the competitiveness of suppliers with relatively lower labor costs (see the March 2014 Livestock and Products Semi-Annual Report JA 4006).

Despite total imports of frozen cuts climbing eight percent year-on-year to 505,675 MT, U.S. and Canadian suppliers ceded significant market share (four and two percentage points, respectively) to EU and Mexican suppliers in 2016 (see Table 8-C). U.S. exports of frozen cuts to Japan fell 19 percent in 2016 (to 74,991 MT), while Canadian exports fell 7 percent
(to 53,814 MT), pushing the two suppliers down to the fourth and fifth largest suppliers to the Japanese market (each down two positions from 2013). Sustained high levels of production across major EU suppliers and the continued enforcement of wide-ranging Russian import bans on EU pork through the end of 2016 created considerable additional supplies of frozen pork cuts in the global market, much of which has landed in Asian importing countries. However, following the February 23, 2017 Appellate Body ruling at the World Trade Organization (WTO), which confirmed earlier WTO findings, it is unclear how long, or in what form, the Russian import bans will continue in 2017.

Imports of prepared pork products (including seasoned ground pork from North America as well as fully cooked products like ready-to-eat dumplings from China) remained flat in 2016 at 244,093 MT (roughly the same level as 2015). As mentioned earlier, imports of seasoned ground pork (the largest single component of the prepared products segment) were lower in 2016, with volumes from leading suppliers the United States and Canada falling to 143,533 MT and 19,538 MT, respectively (see Table 8-D).

As processing demand remained relatively sluggish in 2016, the sizable influx of EU-origin frozen cuts generated excess supply. While a portion of that excess supply penetrated deeper into the food service sector (as described above), a sizable volume ended up in stocks, which ended 2016 five percent higher at **211,000 MT**.

2017 Market Outlook Update

Consumption, Imports Expected to Remain High in 2017, Down from Recent Record
FAS Tokyo has not changed the 2017 year beginning sow inventory or 2017 pig crop estimates. Assuming that the year beginning sow inventory is sustained, FAS Tokyo projects Japan's total hog slaughter to fall slightly in 2017 to around **16.30 million head** (**1.270 million MT** of total production), as farmers continue to exit the industry without successors (see Note 5). FAS Tokyo anticipates that continued evolution of the Japanese industry (farms operated by Japanese ham and sausage manufacturers, farms operated by agricultural cooperatives, and semi-integrated farms jointly operated by multiple individual owners) will mitigate the effects of the decline, but will not prevent net contraction of production in Japan.

> Note 5: The 2017 national swine inventory data is due to be released in July 2017. There are no publically available data for sow slaughter and pig crops.

With Japanese domestic production in 2017 forecast at nearly the same level as 2016, volumes of Japanese chilled pork for retail and food service outlets should remain large enough to maintain downward pressure on consumer prices. With considerable exportable supplies of North American chilled cuts anticipated to be available in 2017, according to the latest long-term USDA projections, downward pressure on export price offers are expected to maintain the competitiveness of imported chilled cuts, sustaining high distribution levels in the retail sector and high utilization rates in the food service and institutional sectors. With Russian import bans on EU-origin pork products scheduled to remain in place through August 2017, ample supplies of EU and North American frozen cuts should be available through much of 2017.

However, with a relatively weaker yen (dropping roughly 10 percent of its value against the dollar since November 2016) and considerable carryover stocks of frozen cuts from brisk 2016 trade, Japanese importers should be less aggressive in procuring frozen cuts in 2017. With Japanese broiler meat consumption anticipated at near-record levels in 2017 (see the October 2016 Poultry and Products Annual Report JA 6026), there will be considerable demand for Japanese consumer spending on animal proteins at the value end of the spectrum. At the other end of the spectrum, increasing supplies of chilled U.S. beef at relatively lower price offers (compared to recent years) could support additional Japanese consumer spending on beef, as a relative luxury item becomes more attainable in 2017. Japanese households have increased consumption of pork by 9 percent over the last five years (associated with a 24 percent increase in consumer expenditure on pork over that same time) and consumption of broiler meat by
11 percent, while household beef consumption has remained relatively flat; it is unclear how much further animal protein consumption could increase in 2017 (see Table 1).

Amid particularly pitched competition between animal proteins in 2017, FAS Tokyo forecasts that total pork consumption will decline imperceptibly from the 2016 record high to **2.624 million MT** in 2017. On marginally lower total consumption, flat or lower consumption of processed pork products, sizeable year-beginning stocks, and a relatively weaker yen, FAS Tokyo anticipates that total pork imports will be slightly lower in 2017 at **1.350 million MT**, with imports of chilled cuts essentially flat and smaller volumes of frozen cuts from the EU. As pork processors unwind frozen stocks and moderate purchases of frozen cuts in 2017, FAS Tokyo projects year-ending stocks fiver percent lower at **205,000 MT.**

Supplemental Tables:

Table 1: Average Household Expenditures and Quantities Purchased of Selected Commodities (Two or more persons per household)

	Beef		Pork		Chicken	
	Expenditure (JP Yen)	Quantity (Grams)	Expenditure (JP Yen)	Quantity (Grams)	Expenditure (JP Yen)	Quantity (Grams)
2011	**18,597**	**6,782**	**24,740**	**18,989**	**12,802**	**13,705**
2012	**18,173**	**6,765**	**23,771**	**18,770**	**12,769**	**14,614**
% Chg.	**-2%**	**0%**	**-4%**	**-1%**	**0%**	**7%**
2013	**19,559**	**6,894**	**24,989**	**19,460**	**13,260**	**15,133**
% Chg.	**8%**	**2%**	**5%**	**4%**	**4%**	**4%**
2014	**21,120**	**6,584**	**27,622**	**19,288**	**14,527**	**15,491**
% Chg.	**8%**	**-4%**	**11%**	**-1%**	**10%**	**2%**
2015	**21,125**	**6,208**	**29,713**	**19,869**	**15,307**	**15,691**
% Chg.	**0%**	**-6%**	**8%**	**3%**	**5%**	**1%**

	Beef				Pork				Chicken			
	Expenditure (JP Yen)		Quantity (Grams)		Expenditure (JP Yen)		Quantity (Grams)		Expenditure (JP Yen)		Quantity (Grams)	
Jan.	1,843	4%	515	-4%	2,575	6%	1,739	8%	1,336	8%	1,335	6%
Feb.	1,650	11%	503	6%	2,492	5%	1,684	7%	1,292	5%	1,310	2%
Mar.	1,737	8%	523	8%	2,474	-1%	1,779	7%	1,302	1%	1,433	7%
Apr.	1,733	6%	527	9%	2,404	-2%	1,689	2%	1,226	-5%	1,303	-1%
May	1,839	3%	517	-9%	2,425	-1%	1,651	1%	1,253	1%	1,331	5%
Jun.	1,648	7%	503	3%	2,317	-6%	1,657	0%	1,154	-5%	1,326	3%
Jul.	1,732	6%	512	9%	2,341	-1%	1,608	0%	1,123	-2%	1,187	3%
Aug.	1,880	3%	553	5%	2,385	-2%	1,626	4%	1,114	-1%	1,160	4%
Sept.	1,529	-4%	497	0%	2,331	-2%	1,598	0%	1,189	-3%	1,293	0%
Oct.	1,628	-2%	526	7%	2,529	-2%	1,806	3%	1,303	0%	1,426	4%
Nov.	1,680	1%	539	9%	2,505	-3%	1,755	2%	1,352	2%	1,493	7%
Dec.	2,938	1%	722	4%	2,688	-1%	1,829	2%	1,646	-2%	1,641	2%
2016	**21,837**		**6,437**		**29,466**		**20,421**		**15,290**		**16,238**	
% Chg.	**3%**		**4%**		**-1%**		**3%**		**0%**		**3%**	

Source: Household Expenditure and Purchase Survey, Ministry of Internal Affairs and Communication Bureau

	Ground Meat		Ham		Sausage	
	Expenditure (JP Yen)	Quantity (Grams)	Expenditure (JP Yen)	Quantity (Grams)	Expenditure (JP Yen)	Quantity (Grams)
2011	**1,982**	**1,892**	**5,634**	**3,025**	**7,099**	**5,400**
2012	**1,920**	**1,860**	**5,626**	**3,059**	**7,076**	**5,466**
% Chg.	**-3%**	**-2%**	**0%**	**1%**	**0%**	**1%**
2013	**1,952**	**1,848**	**5,630**	**3,007**	**7,211**	**5,524**
% Chg.	**-3%**	**-2%**	**0%**	**1%**	**0%**	**1%**
2014	**2,256**	**1,912**	**5,833**	**2,891**	**7,467**	**5,371**
% Chg.	**16%**	**3%**	**4%**	**-4%**	**4%**	**-3%**
2015	**2,430**	**1,871**	**5,807**	**2,863**	**7,189**	**5,132**
% Chg.	**8%**	**-2%**	**0%**	**-1%**	**-4%**	**-4%**

	Ground Meat				Ham				Sausage			
	Expenditure (JP Yen)		Quantity (Grams)		Expenditure (JP Yen)		Quantity (Grams)		Expenditure (JP Yen)		Quantity (Grams)	
Jan.	199	8%	157	3%	356	8%	177	0%	559	-2%	395	1%
Feb.	205	6%	159	7%	315	-2%	156	-4%	583	0%	414	5%
Mar.	218	11%	167	14%	346	-4%	185	4%	616	-3%	428	-3%
Apr.	216	4%	162	-1%	361	-7%	173	-13%	620	-5%	441	-1%
May	220	6%	176	11%	415	-6%	208	-5%	662	2%	464	5%
Jun.	212	-1%	157	-4%	484	-1%	256	6%	595	-4%	430	-2%
Jul.	207	1%	165	4%	668	7%	330	2%	596	-1%	425	4%
Aug.	211	7%	156	4%	455	-14%	233	-11%	631	-4%	437	2%
Sept.	207	-4%	160	-3%	346	-7%	177	-11%	616	-4%	420	-6%
Oct.	203	-3%	168	2%	335	-10%	181	-2%	632	0%	459	1%
Nov.	201	-5%	162	2%	547	12%	293	19%	623	7%	452	11%
Dec.	188	1%	152	7%	876	-20%	400	-15%	654	79%	461	7%
2016	**2,487**		**1,941**		**5,504**		**2,769**		**7,387**		**5,226**	
% Chg.	**2%**		**4%**		**-5%**		**-3%**		**3%**		**2%**	

Source: Household Expenditure and Purchase Survey, Ministry of Internal Affairs and Communication Bureau

	Bacon		Yakitori		Cutlet	
	Expenditure (JP Yen)	Quantity (Grams)	Expenditure (JP Yen)	Quantity (Grams)	Expenditure (JP Yen)	Quantity (Grams)
2011	**2,429**	**1,489**	**1,896**		**1,548**	
2012	**2,398**	**1,470**	**1,952**		**1,587**	
% Chg.	**-1%**	**-1%**	**3%**		**2%**	
2013	**2,417**	**1,476**	**1,911**		**1,603**	
% Chg.	**-1%**	**-1%**	**3%**		**2%**	
2014	**2,601**	**1,479**	**2,012**		**1,746**	
% Chg.	**8%**	**0%**	**5%**		**9%**	
2015	**2,655**	**1,481**	**2,157**		**1,870**	
% Chg.	**6%**	**5%**	**-2%**		**-2%**	

	Bacon				Yakitori				Cutlet			
	Expenditure (JP Yen)		Quantity (Grams)		Expenditure (JP Yen)		Quantity (Grams)		Expenditure (JP Yen)		Quantity (Grams)	
Jan.	184	-6%	104	-10%	146	-1%			171	23%		
Feb.	210	0%	113	-4%	156	8%			156	7%		
Mar.	223	-7%	129	-1%	168	-8%			179	10%		
Apr.	218	-6%	126	0%	162	-7%			177	9%		
May	228	-5%	128	-1%	170	-10%			204	26%		
Jun.	224	-5%	128	-5%	175	8%			154	1%		
Jul.	215	0%	125	2%	222	8%			162	1%		
Aug.	225	6%	122	6%	258	4%			160	0%		
Sept.	215	-5%	123	-1%	170	-7%			150	-1%		
Oct.	221	-1%	127	-1%	191	6%			152	-6%		
Nov.	216	0%	124	1%	152	-1%			140	-8%		
Dec.	221	5%	123	7%	193	1%			142	-10%		
2016	**2,600**		**1,472**		**2,163**				**1,947**			
% Chg. (2016/2015)	**-2%**		**-1%**		**0%**		**n.a.**		**4%**		**n.a.**	

Source: Household Expenditure and Purchase Survey, Ministry of Internal Affairs and Communication Bureau

Table 2: Australian Beef Exports to Japan

Unit: Metric Ton (Shipped Weight Basis)

Calendar Year	2014	2015	% Chg.	2016	% Chg.
Chilled Beef	**126,987**	**127,633**	**1%**	**116,657**	**-9%**
Grass	37,762	32,617	-14%	31,994	-2%
Grain fed	89,225	95,016	6%	84,663	-11%
Frozen Beef	**166,792**	**157,590**	**-6%**	**147,668**	**-6%**
Grass	125,371	112,922	-10%	103,326	-8%
Grain fed	41,421	44,668	8%	44,342	-1%
TOTAL	**293,779**	**285,223**	**-3%**	**264,325**	**-7%**
Grass	163,133	145,540	-11%	135,320	-7%
Grain fed	130,646	139,684	7%	129,005	-8%

Calendar Year	2014	2015		2016	
	Share	Share		Share	
Chilled Beef	**100%**	**100%**		**100%**	
Grass	30%	26%		27%	
Grain fed	70%	74%		73%	
Frozen Beef	**100%**	**100%**		**100%**	
Grass	75%	72%		70%	
Grain fed	25%	28%		30%	
TOTAL	**100%**	**100%**		**100%**	
Grass	56%	51%		51%	
Grain fed	44%	49%		49%	

Source: Meat Livestock Australia (Compiled by FAS Tokyo)

Table 3-A: Beef Safeguard Monitor

I-a. Safeguard Trigger Levels for All Trade Partners for JFY 2016 and Actual Imports Year to Date

Unit: Metric Ton (Customs Clearances Basis)

	Trigger Levels after Adjustments per EPA with Australia	**Cum. Total**			
Chilled Beef					
		Actual Entry	April	May	June
I (Apr. - Jun.)	**74,339**	**61,724**	20,867	19,640	21,217
			July	August	September
I - II (Apr. - Sept.)	**152,456**	**121,552**	21,055	19,591	19,182
			October	November	December
II - III (Apr. - Dec.)	**230,642**	**183,246**	17,513	21,145	23,036
			January	February	March
III - IV (Apr. - Mar.)	**292,355**	**183,246**			
Frozen Beef					
		Cum. Total			
		Actual Entry	April	May	June
I (Apr. - Jun.)	**100,130**	**76,187**	31,287	26,728	18,172
			July	August	September
I - II (Apr. - Sept.)	**189,644**	**155,187**	36,768	19,113	23,119
			October	November	December
II - III (Apr. - Dec.)	**267,962**	**223,490**	23,769	22,555	21,979
			January	February	March
III - IV (Apr. - Mar.)	**327,195**	**223,490**			

Source: Ministry of Finance

I-b. Safeguard Trigger Levels for Non-EPA Trade Partners for JFY 2016 and Actual Imports Year to Date

Unit: Metric Ton (Customs Clearances Basis)

	Trigger Level Outside SSG* per EPAs	Cum. Total			
Chilled Beef					
		Actual Entry	April	May	June
I (Apr. - Jun.)	**20,743**	**28,221**	9,074	9,043	10,104
			July	August	September
I - II (Apr. - Sept.)	**45,068**	**57,880**	10,339	9,436	9,884
			October	November	December
II - III (Apr. - Dec.)	**70,308**	**90,353**	9,579	10,578	12,316
			January	February	March
III - IV (Apr. - Mar.)	**93,372**	**90,353**			
Frozen Beef					
		Cum. Total			
		Actual Entry	April	May	June
I (Apr. - Jun.)	**31,952**	**30,314**	10,929	11,411	7,974
			July	August	September
I - II (Apr. - Sept.)	**71,208**	**65,017**	17,091	7,258	10,354
			October	November	December
II - III (Apr. - Dec.)	**102,490**	**90,787**	9,853	8,491	7,426
			January	February	March
III - IV (Apr. - Mar.)	**129,501**	**90,787**			

Source: Ministry of Finance

I-c. Safeguard Trigger for Australian Beef Under JAEPA for JFY 2016 and Actual Imports Year to Date

Unit: Metric Ton (Customs Clearances Basis)

		Cum. Total			
		Actual Entry	April	May	June
		33,090	11,771	10,390	10,929
			July	August	September
Chilled Beef, Annual SG	**198,300**	**62,662**	10,535	9,919	9,118
			October	November	December
		91,291	7,767	10,338	10,524
			January	February	March
		91,291			

Source: Ministry of Finance

Unit: Metric Ton (Customs Clearances Basis)

		Cum. Total			
		Actual Entry	April	May	June
		44,795	20,355	14,833	9,607
			July	August	September
Frozen Beef, Annual SG	**198,300**	**87,863**	19,058	11,514	12,496
			October	November	December
		129,646	13,661	13,794	14,328
			January	February	March
		129,646			

Source: Ministry of Finance

Note: With the January 15, 2015 implementation of the Japan-Australia Economic Partnership Agreement (JAEPA), Japan adjusted the beef safeguard trigger mechanism, such that the beef safeguard is triggered only if the following two conditions are met:

1. When cumulative quarterly imports for chilled and for frozen beef (each calculated separately) from the world exceed 117 percent of the previous year's imports (Table 3-A: I-a), **AND**

    - When cumulative quarterly imports for chilled and for frozen beef (each calculated separately) from all non-EPA partner countries (i.e., imports from the United States, Canada and New Zealand plus imports from EPA partner countries in excess of EPA beef TRQ limits) exceed 117 percent of the previous year's imports (see Table 3-A, I-b)

Exceeding the trigger level for only one of the above conditions will not trigger the beef safeguard.

In the event that the trigger levels for both conditions are exceeded, then the import duty for non-EPA trade partners would revert to 50 percent (from the current 38.5 percent), while the import duty for EPA trade partners would climb to 38.5 percent. Prior to this adjustment, the so-called special safeguard (SSG) trigger level was calculated from imports from all trade partners, as in Tables I-a.

Tables 3-a represents annual safeguard monitoring results for Australian beef under JAEPA and the table below represents the tariff reduction and safeguard trigger levels for Australian beef under the JAEPA. Tariff reductions for Australian chilled and frozen beef were substantially front-loaded in the first two years of the agreement, after which annual tariff reductions will slow considerably (roughly 0.6 percent per annum for chilled beef; roughly 0.3 percent per annum for frozen beef from years 3-12 and 0.9 percent per annum for years 13-18).

I-d. Japan-Australia Economic Partnership Agreement Tariff Reduction Schedule

			Tariff Reduction Schedule								Remarks
Frozen Beef		JFY (April - March)	JFY 2014	JFY 2015	JFY 2016	**JFY 2017**	5	10	11-17	18	(50% reduction after 18 Years)
	Tariff Rate	38.5% (Bound Rate)	30.5	28.5	27.5	**27.2**	26.9	25.6	~	19.5	
	Safeguard Trigger Level (1,000 Metric Ton)		195	196.7				**210**			The level to be re-negotiated after 10 years.
Chilled Beef		JFY (April - March)	JFY 2014	JFY 2015	JFY 2016	**JFY 2017**	5	10	11-14	15	
	Tariff Rate	38.5% (Bound Rate)	32.5	31.5	30.5	**29.9**	29.3	26.4	~	23.5	(40% reduction after 15 years)
	Safeguard Trigger Level (1,000 Metric Ton)		130	131.7				**145**			The level to be re-negotiated after 10 years.
Source: MAFF Meat and Egg Division											

Table 3-B: Pork Safeguard Monitor

Pork Safeguard Trigger Levels for JFY 2016 and Actual Imports Year to Date

Unit: Metric Ton

	Trigger Level	**Cum. Total**			
	Quarterly Cum.	**Actual Entry**	April	May	June
I (Apr. - Jun.)	**214,698**	**196,265**	69,109	59,871	67,285
			July	August	September
I - II (Apr. - Sept.)	**433,353**	**386,265**	59,061	66,403	64,536
			October	November	December
I - III (Apr. - Dec.)	**650,670**	**582,037**	62,048	68,105	65,619
			January	February	March
I - IV (Apr. - Mar.)	**851,582**	**582,037**			

Source: Ministry of Finance

Table 4-A: Average Wholesale Auction Price of Medium Grade Domestic Beef Carcasses by Breed, Tokyo Market

Unit: Yen/Kg.

WAGYU STEER A-3 GRADE					
Year/Quarter	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Yearly Avg.
2012	1,292	1,440	1,431	1,619	1,446
2013	1,608	1,729	1,705	1,821	1,716
% Chg.	24%	20%	19%	12%	19%
2014	1,645	1,687	1,739	1,965	1,759
% Chg.	2%	-2%	2%	8%	3%
2015	2,106	2,148	2,185	2,436	2,219
% Chg.	28%	27%	26%	24%	26%
2016	2,520	2,504	2,373	2,435	2,446
% Chg.	20%	17%	9%	-0%	**10%**
WAGYU STEER A-2 GRADE					
Year/Quarter	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Yearly Avg.
2012	1,042	1,257	1,255	1,446	1,250
2013	1,453	1,579	1,552	1,646	1,557
% Chg.	39%	26%	24%	14%	25%
2014	1,486	1,538	1,578	1,821	1,606
% Chg.	2%	-3%	2%	11%	3%
2015	1,944	1,992	2,003	2,271	2,052
% Chg.	31%	29%	27%	25%	28%
2016	2,380	2,364	2,123	2,147	2,232
% Chg.	22%	19%	6%	-5%	**9%**
WAGYU Heifer A-3 GRADE					
Year/Quarter	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Yearly Avg.
2012	1,250	1,390	1,445	1,618	1,426
2013	1,590	1,696	1,687	1,788	1,690
% Chg.	27%	22%	17%	11%	19%
2014	1,647	1,670	1,696	1,927	1,735
% Chg.	4%	-2%	1%	8%	3%
2015	2,487	2,084	2,133	2,380	2,159
% Chg.	51%	25%	26%	24%	24%
2016	2,439	2,463	2,297	2,380	2,379
% Chg.	-2%	18%	8%	0%	10%
Holstein Steer B-2 Grade					
Year/Quarter	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Yearly Avg.
2012	380	590	591	661	555
2013	716	768	773	813	767
% Chg.	89%	30%	31%	23%	38%
2014	782	821	803	884	822
% Chg.	9%	7%	4%	9%	7%
2015	990	1,102	1,098	1,109	1,075
% Chg.	27%	34%	37%	26%	31%
2016	1,066	1,062	987	998	1,020
% Chg.	8%	-4%	-10%	-10%	-5%
Holstein Cow C-2 GRADE					
Year/Quarter	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Yearly Avg.
2012	232	366	349	316	316
2013	378	486	538	536	484
% Chg.	63%	33%	54%	69%	53%
2014	534	604	649	650	609
% Chg.	41%	24%	21%	21%	26%
2015	687	817	788	780	768
% Chg.	29%	35%	21%	20%	26%
2016	736	749	725	635	718
% Chg.	7%	-8%	-8%	-19%	**-7%**

Unit: Yen/Kg.

F1 Cross Breed Heifer B-3 GRADE					
Year/Quarter	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Yearly Avg.
2012	847	1,043	1,050	1,129	1,017
2013	1,084	1,177	1,209	1,283	1,188
% Chg.	28%	13%	15%	14%	17%
2014	1,155	1,196	1,218	1,351	1,230
% Chg.	7%	2%	1%	5%	4%
2015	1,465	1,602	1,611	1,688	1,592
% Chg.	27%	34%	32%	25%	29%
2016	1,643	1,662	1,636	1,630	1,622
% Chg.	12%	4%	2%	-3%	2%
F1 Cross Breed Heifer B-2 GRADE					
Year/Quarter	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Yearly Avg.
2012	676	917	927	979	875
2013	970	1,081	1,090	1,176	1,079
% Chg.	43%	18%	18%	20%	23%
2014	1,027	1,066	1,088	1,230	1,103
% Chg.	6%	-1%	-0%	5%	2%
2015	1,485	1,508	1,469	1,525	1,466
% Chg.	45%	42%	35%	24%	33%
2016	1,486	1,514	1,425	1,420	1,434
% Chg.	0%	0%	-3%	-7%	**-2%**
F1 Cross Breed Steer B-3 GRADE					
Year/Quarter	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Yearly Avg.
2012	931	1,068	1,089	1,157	1,061
2013	1,116	1,206	1,256	1,328	1,226
% Chg.	20%	13%	15%	15%	16%
2014	1,205	1,240	1,260	1,404	1,277
% Chg.	8%	3%	0%	6%	4%
2015	1,499	1,644	1,652	1,747	1,636
% Chg.	24%	33%	31%	24%	28%
2016	1,629	1,702	1,699	1,696	1,682
% Chg.	9%	4%	3%	-3%	3%
F1 Cross Breed Steer B-2 GRADE					
Year/Quarter	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Yearly Avg.
2012	747	960	964	1,026	924
2013	1,000	1,100	1,139	1,207	1,112
% Chg.	34%	15%	18%	18%	20%
2014	1,073	1,120	1,121	1,282	1,149
% Chg.	7%	2%	-2%	6%	3%
2015	1,404	1,549	1,509	1,669	1,533
% Chg.	31%	38%	35%	30%	33%
2016	1,434	1,548	1,494	1,484	1,490
% Chg.	2%	-0%	-1%	-11%	-3%

Source: ALIC Monthly (Quarterly average price is compiled by FAS Tokyo based on ALIC monthly data)

Table 4-B: Average Wholesale Price of Imported Beef Cuts

Australian Beef, Grain Short-Fed, Chilled Cuts

Unit: JP Yen/Kg.

Full-set					
Year/Quarter	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Yearly Avg.
2011	842	803	758	772	794
2012	797	863	813	814	822
% Chg.	-5%	8%	7%	5%	4%
2013	923	956	931	962	943
% Chg.	16%	11%	14%	18%	15%
2014	985	998	1,090	1,172	1,061
% Chg.	7%	4%	17%	22%	13%
2015	1,234	1,211	1,177	1,223	1,211
% Chg.	25%	21%	8%	4%	14%
2016	1,179	1,130	1,065	1,094	**1,117**
% Chg.	-4%	-7%	-9%	-11%	**-8%**
Chuck Roll					
Year/Quarter	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Yearly Avg.
2011	787	725	687	718	730
2012	713	725	711	745	724
% Chg.	-5%	8%	7%	5%	4%
2013	820	859	833	894	852
% Chg.	15%	19%	17%	20%	18%
2014	904	934	1,031	1,058	982
% Chg.	10%	9%	24%	18%	15%
2015	1,186	1,204	1,200	1,227	1,204
% Chg.	31%	29%	16%	16%	23%
2016	1,188	1,223	1,046	1,138	**1,149**
% Chg.	0%	2%	-13%	-7%	**-5%**
Point-end Brisket					
Year/Quarter	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Yearly Avg.
2011	662	612	577	596	612
2012	586	614	584	625	602
% Chg.	-5%	8%	7%	5%	4%
2013	693	709	688	740	708
% Chg.	18%	16%	18%	18%	18%
2014	800	782	858	956	849
% Chg.	15%	10%	25%	29%	20%
2015	986	982	948	961	969
% Chg.	23%	26%	10%	0%	14%
2016	892	854	792	879	**854**
% Chg.	-9%	-13%	-16%	-9%	**-12%**
Navel-end Brisket					
Year/Quarter	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Yearly Avg.
2011	640	635	581	559	604
2012	580	707	689	635	653
% Chg.	-5%	8%	7%	5%	4%
2013	676	691	697	711	694
% Chg.	17%	-2%	1%	12%	6%
2014	757	792	873	963	846
% Chg.	12%	15%	25%	36%	22%
2015	989	939	854	814	899
% Chg.	31%	19%	-2%	-15%	6%
2016	811	754	713	815	773
% Chg.	-18%	-20%	-17%	0%	**-14%**

Unit: Yen/Kg.

Cube Roll					
Year/Quarter	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Yearly Avg.
2011	1,717	1,740	1,770	1,798	1,756
2012	1,852	1,988	1,973	1,873	1,921
% Chg.	-5%	8%	7%	5%	4%
2013	1,948	2,089	2,133	2,104	2,069
% Chg.	5%	5%	8%	12%	8%
2014	2,122	2,181	2,104	2,158	2,141
% Chg.	9%	4%	-1%	3%	4%
2015	2,228	2,218	2,283	2,490	2,305
% Chg.	5%	2%	9%	15%	8%
2016	2,557	2,478	2,401	2,470	2,477
% Chg.	15%	12%	5%	-1%	7%
Strip Loin					
Year/Quarter	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Yearly Avg.
2011	1,398	1,355	1,314	1,242	1,327
2012	1,336	1,602	1,439	1,377	1,438
% Chg.	-5%	8%	7%	5%	4%
2013	1,616	1,681	1,591	1,520	1,602
% Chg.	21%	5%	11%	10%	11%
2014	1,516	1,545	1,711	1,701	1,618
% Chg.	-6%	-8%	8%	12%	1%
2015	1,699	1,738	1,885	1,885	1,802
% Chg.	12%	12%	10%	11%	11%
2016	1,919	1,906	1,794	1,821	1,860
% Chg.	13%	10%	-5%	-3%	3%
Tender Loin					
Year/Quarter	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Yearly Avg.
2011	2,608	2,461	2,340	2,504	2,478
2012	2,661	2,899	2,803	2,752	2,779
% Chg.	-5%	8%	7%	5%	4%
2013	2,971	3,151	3,147	3,136	3,101
% Chg.	12%	9%	12%	14%	12%
2014	3,124	3,069	3,056	3,239	3,122
% Chg.	5%	-3%	-3%	3%	1%
2015	3,284	3,283	3,395	3,673	3,409
% Chg.	5%	7%	11%	13%	9%
2016	3,719	3,635	3,398	3,529	3,570
% Chg.	13%	11%	0%	-4%	5%
Top Side					
Year/Quarter	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Yearly Avg.
2011	741	644	627	638	663
2012	676	724	662	684	686
% Chg.	-9%	12%	6%	7%	4%
2013	775	813	781	849	805
% Chg.	15%	12%	18%	24%	17%
2014	858	856	971	1,013	925
% Chg.	11%	5%	24%	19%	15%
2015	1,029	1,006	1,054	1,069	1,039
% Chg.	20%	17%	9%	5%	12%
2016	1,009	989	976	971	986
% Chg.	-2%	-2%	-7%	-9%	-5%

Source: ALIC Monthly (Quarterly average price is compiled by FAS Tokyo based on ALIC monthly data)

Australian Beef, Frozen Cuts

Unit: Yen/Kg.

Navel End Brisket (Short Plate)					
Year/Quarter	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Yearly Avg.
2011	518	489	463	455	481
2012	480	546	544	510	520
% Chg.	-7%	12%	17%	12%	8%
2013	541	590	589	606	581
% Chg.	13%	8%	8%	19%	12%
2014	636	681	827	934	770
% Chg.	18%	15%	41%	54%	32%
2015	782	690	600	581	663
% Chg.	23%	1%	-27%	-38%	-14%
2016	562	593	597	626	595
% Chg.	-28%	-14%	-1%	8%	-10%
Clod					
Year/Quarter	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Yearly Avg.
2011	610	586	552	551	575
2012	534	543	532	541	538
% Chg.	-13%	-7%	-4%	-2%	-6%
2013	625	685	639	673	655
% Chg.	17%	26%	20%	24%	22%
2014	710	747	835	917	802
% Chg.	13%	9%	31%	36%	22%
2015	910	874	873	865	881
% Chg.	28%	17%	5%	-6%	10%
2016	836	802	787	787	803
% Chg.	-8%	-8%	-10%	-9%	-9%
Silver Side					
Year/Quarter	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Yearly Avg.
2011	603	586	564	565	579
2012	587	583	556	560	571
% Chg.	-3%	-1%	-1%	-1%	-1%
2013	609	649	639	676	643
% Chg.	4%	11%	15%	21%	13%
2014	704	749	829	929	803
% Chg.	16%	15%	30%	37%	25%
2015	883	842	853	874	863
% Chg.	25%	12%	3%	-6%	7%
2016	830	759	746	776	778
% Chg.	-6%	-10%	-12%	-11%	-10%
Top Side					
Year/Quarter	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Yearly Avg.
2011	662	633	610	613	629
2012	636	642	613	608	625
% Chg.	-4%	1%	1%	-1%	-1%
2013	672	787	753	807	755
% Chg.	6%	23%	23%	33%	21%
2014	840	839	930	955	891
% Chg.	25%	7%	24%	18%	18%
2015	944	941	936	988	952
% Chg.	12%	12%	1%	3%	7%
2016	944	875	877	870	891
% Chg.	-0%	-7%	-6%	-12%	-6%

Unit: Yen/Kg.

Trimming, 80 CL					
Year/Quarter	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Yearly Avg.
2011	493	478	449	440	465
2012	452	464	301	448	416
% Chg.	-8%	-3%	-33%	2%	-11%
2013	520	559	544	549	543
% Chg.	15%	20%	81%	23%	30%
2014	551	581	746	846	681
% Chg.	6%	4%	37%	54%	25%
2015	757	680	639	610	672
% Chg.	37%	17%	-14%	-28%	-1%
2016	562	585	614	602	591
% Chg.	-26%	-14%	-4%	-1%	-12%
Trimming, Cow 85 CL					
Year/Quarter	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Yearly Avg.
2011	517	505	468	461	488
2012	479	496	458	484	479
% Chg.	-7%	-2%	-2%	5%	-2%
2013	572	595	567	571	576
% Chg.	19%	20%	24%	18%	20%
2014	587	638	800	879	726
% Chg.	3%	7%	41%	54%	26%
2015	783	699	702	676	715
% Chg.	33%	10%	-12%	-23%	-1%
2016	613	621	657	643	634
% Chg.	-22%	-11%	-6%	-5%	-11%

Source: ALIC Monthly (Quarterly average price is compiled by FAS Tokyo based on ALIC monthly data)
Note: Trimmings are typically from grass-fed animals. Other frozen cuts are from grain-fed and grass-fed animals.

Table 4-C: Average Wholesale Price of Imported Beef Cuts

U.S. Beef, Chilled Cuts, Grain Fed

Unit: Yen/Kg.

Rib Eye Roll (No 112A)					
Year/Quarter	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Yearly Avg.
2012	1,761	1,833	1,828	2,011	1,858
2013	2,099	2,141	2,198	2,399	2,210
% Chg.	19%	17%	20%	19%	19%
2014	2,402	2,431	2,639	2,842	2,579
% Chg.	14%	14%	20%	18%	17%
2015	3,123	3,375	3,504	3,408	3,353
% Chg.	30%	39%	33%	20%	30%
2016	3,223	3,242	2,892	2,778	3,034
% Chg.	3%	-4%	-17%	-18%	-10%
Strip Loin (No 180)					
Year/Quarter	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Yearly Avg.
2012	1,501	1,738	1,798	1,637	1,668
2013	1,819	2,099	2,083	1,926	1,982
% Chg.	21%	21%	16%	18%	19%
2014	2,023	2,436	2,511	2,308	2,320
% Chg.	11%	16%	21%	20%	17%
2015	2,450	3,058	3,155	2,699	2,841
% Chg.	21%	26%	26%	17%	22%
2016	2,643	2,841	2,640	2,255	2,595
% Chg.	8%	-7%	-16%	-16%	-9%
Full Tender Loin (No. 189A)					
Year/Quarter	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Yearly Avg.
2012	2,590	2,670	2,617	2,883	2,690
2013	3,153	3,094	3,134	3,446	3,207
% Chg.	22%	16%	20%	20%	19%
2014	3,645	3,562	3,619	4,061	3,722
% Chg.	16%	15%	15%	18%	16%
2015	4,133	4,301	4,530	4,799	4,441
% Chg.	13%	21%	25%	18%	19%
2016	4,329	4,171	3,694	3,621	3,954
% Chg.	5%	-3%	-18%	-25%	-11%
Boneless Short Rib					
Year/Quarter	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Yearly Avg.
2012	1,864	1,906	1,831	1,816	1,854
2013	2,172	2,474	2,543	2,677	2,467
% Chg.	17%	30%	39%	47%	33%
2014	2,826	2,939	3,199	3,412	3,094
% Chg.	30%	19%	26%	27%	25%
2015	3,703	3,510	2,643	2,444	3,075
% Chg.	31%	19%	-17%	-28%	-1%
2016	2,698	2,615	2,495	2,563	2,593
% Chg.	-27%	-25%	-6%	5%	-16%
Hanging Tender					
Year/Quarter	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Yearly Avg.
2012	732	843	847	872	824
2013	894	950	963	907	928
% Chg.	22%	13%	14%	4%	13%
2014	938	972	1,095	1,269	1,069
% Chg.	5%	2%	14%	40%	15%
2015	1,359	1,401	1,434	1,389	1,396
% Chg.	45%	44%	31%	9%	31%
2016	1,358	1,365	1,316	1,201	1,310
% Chg.	-0%	-3%	-8%	-14%	-6%

Unit: Yen/Kg.

Outside Skirt					
Year/Quarter	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Yearly Avg.
2012	1,155	1,407	1,325	1,321	1,302
2013	1,391	1,414	1,333	1,299	1,360
% Chg.	20%	1%	1%	-2%	4%
2014	1,341	1,542	1,727	1,808	1,604
% Chg.	-4%	9%	30%	39%	18%
2015	1,913	2,022	2,189	2,046	2,042
% Chg.	43%	31%	27%	13%	27%
2016	1,997	2,058	2,007	1,781	1,961
% Chg.	4%	2%	-8%	-13%	-4%
Tongue					
Year/Quarter	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Yearly Avg.
2012	1,498	1,571	1,547	1,596	1,553
2013	1,579	1,493	1,433	1,402	1,477
% Chg.	5%	-5%	-7%	-12%	-5%
2014	1,500	1,568	1,519	1,589	1,544
% Chg.	-5%	5%	6%	13%	5%
2015	1,718	1,759	1,811	1,812	1,775
% Chg.	15%	12%	19%	14%	15%
2016	1,835	1,912	2,162	2,037	1,987
% Chg.	7%	9%	19%	12%	12%
Chuck Eye Roll					
Year/Quarter	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Yearly Avg.
2012	788	772	747	840	786
2013	891	904	905	1,016	929
% Chg.	13%	17%	21%	21%	18%
2014	1,093	1,074	1,169	1,297	1,158
% Chg.	23%	19%	29%	28%	25%
2015	1,493	1,406	1,459	1,425	1,446
% Chg.	37%	31%	25%	10%	25%
2016	1,402	1,262	1,077	1,146	1,222
% Chg.	-6%	-10%	-26%	-20%	-15%
Chuck Rib					
Year/Quarter	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Yearly Avg.
2012	1,133	1,276	1,206	1,160	1,194
2013	1,389	1,596	1,626	1,725	1,584
% Chg.	23%	25%	35%	49%	33%
2014	1,743	1,813	1,899	2,012	1,867
% Chg.	26%	14%	17%	17%	18%
2015	2,319	2,122	1,684	1,549	1,919
% Chg.	33%	17%	-11%	-23%	3%
2016	1,806	1,823	1,772	1,704	1,776
% Chg.	-22%	-14%	5%	10%	-7%

Source: ALIC monthly data (quarterly average price is compiled by FAS Tokyo based on ALIC monthly data).

U.S. Frozen Beef, Grain-Fed, Frozen Cuts

Unit: Yen/Kg.

Short Plate					
Year/Quarter	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Yearly Avg.
2012	687	888	738	659	743
2013	611	577	564	568	580
% Chg.	-11%	-35%	-23%	-14%	-22%
2014	625	759	968	1,062	854
% Chg.	2%	32%	71%	87%	47%
2015	900	692	587	598	694
% Chg.	44%	-9%	-39%	-44%	-19%
2016	554	550	529	614	562
% Chg.	-38%	-21%	-10%	3%	-19%
Short Rib					
Year/Quarter	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Yearly Avg.
2012	1,766	1,836	1,660	1,616	1,719
2013	1,928	2,297	2,379	2,550	2,289
% Chg.	9%	25%	43%	58%	33%
2014	2,697	2,827	3,015	3,259	2,949
% Chg.	40%	23%	27%	28%	29%
2015	3,324	3,321	2,493	2,352	2,872
% Chg.	23%	18%	-17%	-28%	-3%
2016	2,472	2,540	2,315	2,342	2,417
% Chg.	-26%	-24%	-7%	-0%	-16%
Chuck Eye Roll					
Year/Quarter	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Yearly Avg.
2012	653	686	684	696	680
2013	763	814	803	815	799
% Chg.	17%	19%	17%	17%	18%
2014	848	890	1,051	1,107	974
% Chg.	11%	9%	31%	36%	22%
2015	1,157	1,263	1,353	1,328	1,275
% Chg.	36%	42%	29%	20%	31%
2016	1,264	1,144	979	968	1,089
% Chg.	9%	-9%	-28%	-27%	-15%
Chuck Rib					
Year/Quarter	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Yearly Avg.
2012	916	1,402	1,136	1,020	1,118
2013	1,215	1,440	1,428	1,481	1,391
% Chg.	33%	3%	26%	45%	24%
2014	1,578	1,714	1,879	1,920	1,773
% Chg.	30%	19%	32%	30%	27%
2015	1,942	1,964	1,528	1,397	1,708
% Chg.	23%	15%	-19%	-27%	-4%
2016	1,574	1,758	1,647	1,504	1,621
% Chg.	-19%	-10%	8%	8%	-5%
Shoulder Clod					
Year/Quarter	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Yearly Avg.
2012	623	676	661	659	655
2013	623	676	661	659	655
% Chg.	0%	0%	0%	0%	0%
2014	726	763	895	977	841
% Chg.	17%	13%	35%	48%	28%
2015	984	968	1,011	969	983
% Chg.	36%	27%	13%	-1%	17%
2016	959	870	763	737	832
% Chg.	-3%	-10%	-25%	-24%	-15%

Source: ALIC monthly data (quarterly average price is compiled by FAS Tokyo based on ALIC monthly data).

Table 5-A: Average Wholesale Auction Price of Domestic Hog Carcasses, Tokyo Market
Category by Meat Grade

Unit: Yen/Kg.

Excellent Grade					
Year/Month	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Yearly Avg.
2011	466	506	493	411	469
2012	422	478	475	408	446
% chg.	-9%	-6%	-4%	-1%	-5%
2013	419	496	521	501	484
% chg.	-1%	4%	10%	23%	9%
2,014	468	622	566	597	563
% chg.	12%	25%	9%	19%	16%
2015	574	568	597	497	559
% chg.	23%	-9%	5%	-17%	-1%
2016	490	572	524	511	-1%
% chg.	-15%	1%	-12%	3%	
Medium Grade					
Year/Month	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Yearly Avg.
2011	425	475	455	375	433
2012	381	430	434	369	404
% chg.	-10%	-10%	-5%	-2%	-7%
2013	370	459	487	475	448
% chg.	-3%	7%	12%	29%	11%
2014	443	596	543	577	540
% chg.	20%	30%	12%	21%	21%
2015	546	539	571	474	532
% chg.	23%	-10%	5%	-18%	-1%
2016	457	545	500	486	497
% chg.	-16%	1%	-12%	3%	-7%

Source: ALIC monthly data (quarterly average price is compiled by FAS Tokyo based on ALIC monthly data).

Table 5-B: Average Wholesale Price of Fresh/Chilled Domestic Pork Cuts

Unit: JPY per Kg.

Full-set, Chilled					
Year/Month	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Yearly Avg.
2011	685	729	704	586	676
2012	598	664	670	576	627
% chg.	-13%	-9%	-5%	-2%	-7%
2013	584	700	742	703	682
% chg.	-2%	5%	11%	22%	9%
2014	686	861	779	809	784
% chg.	17%	23%	5%	15%	15%
2015	796	798	833	694	780
% chg.	16%	-7%	7%	-14%	-0%
2016	685	760	711	671	707
% chg.	-14%	-5%	-15%	-3%	-9%
Picnic: Chilled					
Year/Month	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Yearly Avg.
2011	498	550	525	446	505
2012	439	477	476	414	451
% chg.	-12%	-13%	-9%	-7%	-11%
2013	425	536	551	531	511
% chg.	-3%	12%	16%	28%	13%
2014	524	678	627	598	607
% chg.	23%	27%	14%	13%	19%
2015	580	589	619	522	578
% chg.	11%	-13%	-1%	-13%	-5%
2016	513	595	566	542	554
% chg.	-12%	1%	-9%	4%	-4%
Shoulder Loin: Chilled					
Year/Month	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Yearly Avg.
2011	874	875	874	779	851
2012	768	814	840	792	803
% chg.	-12%	-7%	-4%	2%	-6%
2013	775	856	959	960	887
% chg.	1%	5%	14%	21%	10%
2014	883	1,063	991	1,061	999
% chg.	14%	24%	3%	11%	13%
2015	1,022	986	1,101	969	1,019
% chg.	16%	-7%	11%	-9%	2%
2016	908	983			
% chg.	-11%	-0%			
Loin: Chilled					
Year/Month	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Yearly Avg.
2011	917	915	925	810	892
2012	798	853	871	805	832
% chg.	-13%	-7%	-6%	-1%	-7%
2013	796	877	961	926	890
% chg.	-0%	3%	10%	15%	7%
2014	888	1,089	1,027	1,071	1,019
% chg.	12%	24%	7%	16%	14%
2015	1,071	1,043	1,140	983	1,059
% chg.	21%	-4%	11%	-8%	4%
2016	919	952	985	971	962
% chg.	-14%	-9%	-11%	0%	-6%

Unit: Yen/Kg.

Tender Loin: Chilled					
Year/Month	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Yearly Avg.
2011	963	996	991	886	959
2012	865	926	925	860	894
% chg.	-10%	-7%	-7%	-3%	-7%
2013	852	961	1,027	990	958
% chg.	-1%	4%	11%	15%	7%
2014	960	1,186	1,135	1,123	1,101
% chg.	13%	23%	11%	13%	15%
2015	1,191	1,219	1,257	1,049	1,179
% chg.	24%	3%	11%	-7%	7%
2016	1,041	1,189	1,117	1,042	1,097
% chg.	-13%	-2%	-11%	-1%	-7%
Belly: Chilled					
Year/Month	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Yearly Avg.
2011	878	868	817	754	829
2012	763	765	758	771	764
% chg.	-13%	-12%	-7%	2%	-8%
2013	763	806	851	934	839
% chg.	0%	5%	12%	21%	10%
2014	895	1,040	944	1,058	984
% chg.	17%	29%	11%	13%	17%
2015	1,014	901	929	924	942
% chg.	13%	-13%	-2%	-13%	-4%
2016	885	904	873	924	897
% chg.	-13%	0%	-6%	0%	-5%
Ham: Chilled					
Year/Month	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Yearly Avg.
2011	516	569	550	467	526
2012	457	508	503	436	476
% chg.	-11%	-11%	-8%	-7%	-9%
2013	451	571	583	563	542
% chg.	-1%	12%	16%	29%	14%
2014	558	721	669	629	644
% chg.	24%	26%	15%	12%	19%
2015	613	625	653	552	611
% chg.	10%	-13%	-2%	-12%	-5%
2016	546	653	598	577	593
% chg.	-11%	4%	-8%	5%	-3%

Source: ALIC monthly data (quarterly average price is compiled by FAS Tokyo based on ALIC monthly data)

Table 5-C: Average Wholesale Price of Imported Chilled Pork Cuts

Imported Cuts, Chilled Category

Unit: JP Yen/Kg.

Loin, US: Chilled					
	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Yearly Avg.
2011	601	597	596	584	595
2012	601	595	601	595	598
% chg.	0%	-0%	1%	2%	1%
2013	589	589	601	596	594
% chg.	-2%	-1%	0%	0%	-1%
2014	615	732	694	686	682
% chg.	4%	24%	15%	15%	15%
2015	666	638	655	610	643
% chg.	8%	-13%	-6%	-11%	-6%
2016	600	597	599	586	595
% chg.	-10%	-7%	-9%	-4%	-7%
Loin, Canada: Chilled					
	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Yearly Avg.
2011	620	618	619	600	614
2012	617	611	609	602	610
% chg.	-0%	-1%	-2%	0%	-1%
2013	599	601	604	599	601
% chg.	-3%	-2%	-1%	-1%	-2%
2014	627	756	725	712	705
% chg.	5%	26%	20%	19%	17%
2015	710	656	703	655	681
% chg.	13%	-13%	-3%	-8%	-3%
2016	633	633	638	623	632
% chg.	-11%	-3%	-9%	-5%	-7%
Tender Loin, US: Chilled					
	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Yearly Avg.
2011	689	692	690	689	690
2012	687	685	686	679	684
% chg.	-0%	-1%	-1%	-1%	-1%
2013	681	687	759	769	724
% chg.	-1%	0%	11%	13%	6%
2014	813	927	919	936	899
% chg.	19%	35%	21%	22%	24%
2015	970	923	946	897	934
% chg.	19%	-0%	3%	-4%	4%
2016	884	831	783	761	815
% chg.	-9%	-10%	-17%	-15%	-13%
Tender Loin, Canada: Chilled					
	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Yearly Avg.
2011	781	774	771	763	772
2012	762	736	730	717	736
% chg.	-2%	-5%	-5%	-6%	-5%
2013	727	727	815	816	771
% chg.	-5%	-1%	12%	14%	5%
2014	851	961	978	955	936
% chg.	17%	32%	20%	17%	21%
2015	985	987	1,012	980	991
% chg.	16%	3%	4%	3%	6%
2016	950	920	881	860	903
% chg.	-4%	-7%	-13%	-12%	-9%

Unit: Yen/Kg.

Shoulder Loin, US: Chilled					
	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Yearly Avg.
2011	619	632	630	608	622
2012	614	604	608	612	609
% chg.	-1%	-5%	-3%	1%	-2%
2013	598	605	641	657	625
% chg.	-3%	0%	5%	7%	3%
2014	670	787	830	811	774
% chg.	12%	30%	29%	23%	24%
2015	818	761	781	734	773
% chg.	22%	-3%	-6%	-9%	-0%
2016	720	681	691	671	691
% chg.	-12%	-11%	**-12%**	**-9%**	-11%
Shoulder Loin, Canada: Chilled					
	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Yearly Avg.
2011	642	654	654	633	646
2012	635	628	631	636	632
% chg.	-1%	-4%	-4%	0%	-2%
2013	618	625	655	665	641
% chg.	-3%	-1%	4%	5%	1%
2014	683	820	854	830	797
% chg.	11%	31%	30%	25%	24%
2015	830	772	803	757	790
% chg.	22%	-6%	-6%	-9%	-1%
2016	745	708	721	699	720
% chg.	-10%	-8%	-10%	-8%	-9%

Source: ALIC monthly data (quarterly average price is compiled by FAS Tokyo based on ALIC monthly data)

Table 6-A: Monthly Ending Beef Stock Estimate

Unit: Metric Ton (CWE converted)

	2013	2014	% Chg.	2015	% Chg.	2016	% Chg.
Jan.	128,838	166,335	29%	184,775	11%	177,155	-4%
Feb.	120,344	155,893	30%	176,648	13%	168,689	-5%
Mar.	119,699	150,046	25%	178,385	19%	162,392	-9%
Apr.	117,029	149,295	28%	188,873	27%	160,255	-15%
May	135,064	145,508	8%	196,265	35%	167,520	-15%
Jun.	145,328	154,976	7%	202,262	31%	171,811	-15%
Jul.	172,175	161,944	-6%	202,241	25%	177,565	-12%
Aug.	187,239	171,396	-8%	198,636	16%	178,413	-10%
Sept..	182,398	181,558	-0%	200,381	10%	174,805	-13%
Oct.	186,949	188,727	1%	197,273	5%	162,847	-17%
Nov.	183,560	191,113	4%	196,574	3%	158,376	-19%
Dec.	170,537	185,395	9%	185,345	-0%	151,116	-18%

Source: ALIC monthly data

Table 6-B: Monthly Ending Pork Stock Estimates

Unit: Metric Ton (CWE Converted)

Month/Year	2013	2014	% Chg.	2015	% Chg.	2016	% Chg.
Jan.	227,915	213,346	-6%	240,042	13%	218,539	-9%
Feb.	229,814	209,024	-9%	233,146	12%	218,742	-6%
Mar.	226,928	210,978	-7%	232,172	10%	220,194	-5%
Apr.	226,129	213,498	-6%	244,282	14%	225,502	-8%
May	231,345	229,268	-1%	251,971	10%	231,754	-8%
Jun.	224,888	244,787	9%	245,311	0%	234,361	-4%
Jul.	219,863	266,367	21%	238,221	-11%	223,907	-6%
Aug.	217,903	274,021	26%	232,287	-15%	229,206	-1%
Sept..	211,461	275,977	31%	220,672	-20%	220,194	-0%
Oct.	209,986	286,718	37%	213,147	-26%	212,792	-0%
Nov.	198,884	264,953	33%	207,094	-22%	213,507	3%
Dec.	195,273	245,651	26%	200,170	-19%	210,908	5%

Source: ALIC monthly data

Table 7-A: Japanese Total Beef Imports YTD, Chilled and Frozen Cuts Combined/CIF Price

Unit: Metric Ton (Customs Clearance Basis)

Partner Country	Calendar Year			% Share			% Change
	2014	2015	2016	2014	2015	2016	2016/2015
World	**518,708**	**493,986**	**503,226**	**100%**	**100%**	**100%**	**2%**
Australia	280,842	288,581	272,824	54%	58%	54%	-5%
United States	188,675	165,427	192,122	36%	33%	38%	16%
New Zealand	24,112	16,652	16,393	5%	3%	3%	-2%
Canada	14,104	9,941	13,458	3%	2%	3%	35%
Mexico	10,369	11,840	7,352	2%	2%	1%	-38%
Others	606	1,545	1,077	0%	0%	0%	-30%

Source of Data: Global Trade Atlas (Japan Ministry of Finance)

Unit: U.S. Dollar per Metric Ton

Partner Country	Calendar Year			% Change
	2014	2015	2016	2016/2015
World	**5,565**	**5,637**	**5,285**	**-6%**
Australia	5,234	5,479	5,298	-3%
United States	6,105	5,900	5,279	-11%
New Zealand	5,697	6,481	6,360	-2%
Canada	4,448	4,623	3,850	-17%
Mexico	5,808	5,606	4,906	-12%

Source of Data: Global Trade Atlas (Japan Ministry of Finance)

Table 7-B: Japanese Beef Imports YTD, Chilled Cuts/CIF Price

Unit: Metric Ton (Customs Clearance Basis)

Partner Country	Calendar Year			% Share			% Change
	2014	2015	2016	2014	2015	2016	2016/2015
World	**219,253**	**204,668**	**229,110**	**100%**	**100%**	**100%**	**12%**
Australia	125,457	127,704	116,978	57%	62%	51%	-8%
United States	83,528	67,592	101,725	38%	33%	44%	50%
New Zealand	5,541	4,870	5,441	3%	2%	2%	12%
Canada	1,832	1,743	2,452	1%	1%	1%	41%
Mexico	2,843	2,712	2,422	1%	1%	1%	-11%
Others	52	47	92	0%	0%	0%	96%

Source of Data: Global Trade Atlas (Japan Ministry of Finance)

Unit: U.S. Dollar per Metric Ton

Partner Country	Calendar Year			% Change
	2014	2015	2016	2016/2015
World	**7,260**	**7,358**	**7,247**	**-2%**
Australia	6,705	7,206	7,491	4%
United States	8,010	7,553	6,912	-8%
New Zealand	7,999	8,298	8,314	0%
Mexico	7,968	7,898	7,356	-7%
Canada	7,102	7,081	6,440	-9%

Source of Data: Global Trade Atlas (Japan Ministry of Finance)

Table 7-C: Japanese Beef Imports YTD, Frozen Cuts/CIF Price

Unit: Metric Ton (Customs Clearance Basis)

Partner Country	Calendar Year			% Share			% Change
	2014	2015	2016	2014	2015	2016	2016/2015
World	**299,456**	**289,317**	**274,116**	**100%**	**100%**	**100%**	**-5%**
Australia	155,385	160,876	155,845	52%	56%	57%	-3%
United States	105,147	97,835	90,397	35%	34%	33%	-8%
Canada	12,272	8,198	11,006	4%	3%	4%	34%
New Zealand	18,570	11,782	10,953	6%	4%	4%	-7%
Mexico	7,526	9,128	4,930	3%	3%	2%	-46%
Others	556	1,498	985	0%	1%	0%	-34%

Source of Data: Global Trade Atlas (Japan Ministry of Finance)

Unit: U.S. Dollar per Metric Ton

Partner Country	Calendar Year			% Change
	2014	2015	2016	2016/2015
World	**4,324**	**4,420**	**3,645**	**-18%**
Australia	4,045	4,108	3,652	-11%
United States	4,592	4,758	3,442	-28%
New Zealand	5,010	5,730	5,389	-6%
Canada	4,052	4,100	3,273	-20%
Mexico	4,992	4,925	3,703	-25%

Source of Data: Global Trade Atlas (Japan Ministry of Finance)

Table 7-D: Japanese Beef Imports YTD, Prepared and Processed Products

Unit: Metric Ton (Customs Clearance Basis)

Partner Country	Calendar Year			% Share			% Change
	2014	2015	2016	2014	2015	2016	2016/2015
World	**7,272**	**8,551**	**8,018**	**100%**	**100%**	**100%**	**-6%**
Australia	5,279	4,958	4,649	73%	58%	58%	-6%
United States	138	2,006	2,392	2%	23%	30%	19%
China	1,066	856	432	15%	10%	5%	-50%
New Zealand	345	364	397	5%	4%	5%	9%
Others	444	367	148	6%	4%	2%	-60%

Source of Data: Global Trade Atlas (Japan Ministry of Finance)

Table 7-E: Japanese Beef Edible Offal Imports YTD/CIF Price

Unit: Metric Ton (Customs Clearance Basis)

Partner Country	Calendar Year			% Share			% Change
	2014	2015	2016	2014	2015	2016	2016/2015
World	**61,317**	**61,187**	**67,329**	**100%**	**100%**	**100%**	**10%**
United States	32,926	31,072	35,535	54%	51%	53%	14%
Australia	19,554	20,795	18,185	32%	34%	27%	-13%
New Zealand	4,369	4,733	5,054	7%	8%	8%	7%
Canada	2,307	2,598	4,662	4%	4%	7%	79%
Mexico	1,444	1,202	1,748	2%	2%	3%	45%
Others	717	787	2,145	1%	1%	3%	173%

Source of Data: Global Trade Atlas (Japan Ministry of Finance)

Unit: U.S. Dollar per Metric Ton (Customs Clearance Basis)

Partner Country	Calendar Year			% Change
	2014	2015	2016	2016/2015
World	**9,313**	**9,474**	**11,515**	**22%**
United States	10,770	11,486	13,077	14%
Australia	7,593	7,538	10,174	35%
Canada	8,979	9,432	11,331	20%
New Zealand	6,803	5,726	8,619	51%
Mexico	8,383	8,168	7,962	-3%

Source of Data: Global Trade Atlas (Japan Ministry of Finance)

Table 8-A: Japanese Total Pork Imports YTD, Chilled and Frozen Cuts Combined/CIF Price

Unit: Metric Ton (Customs Clearance Basis)

Partner Country	Calendar Year			% Share			% Change
	2014	2015	2016	2014	2015	2016	2016/2015
World	**829,382**	**790,650**	**861,179**	**100%**	**100%**	**100%**	**9%**
United States	276,033	259,475	264,071	33%	33%	31%	2%
Canada	148,016	165,828	178,628	18%	21%	21%	8%
Denmark	135,346	110,055	118,339	16%	14%	14%	8%
Spain	65,515	73,925	88,664	8%	9%	10%	20%
Mexico	63,041	69,642	75,143	8%	9%	9%	8%
Chile	26,847	22,412	27,485	3%	3%	3%	23%
Netherlands	19,921	19,299	23,962	2%	2%	3%	24%
Hungary	17,898	21,392	21,822	2%	3%	3%	2%
Germany	12,668	9,011	15,170	2%	1%	2%	68%
Italy	10,269	11,155	13,021	1%	1%	2%	17%
France	13,369	10,753	13,010	2%	1%	2%	21%
Austria	17,556	9,581	10,750	2%	1%	1%	12%
Others	22,903	8,122	11,114	3%	1%	1%	37%
EU-28	**312,318**	**270,063**	**313,749**	**38%**	**34%**	**36%**	**16%**

Source of Data: Global Trade Atlas (Japan Ministry of Finance)

Unit: U.S. Dollars per Metric Ton

Partner Country	Calendar Year			% Change
	2014	2015	2016	2016/2015
World	**5,226**	**4,442**	**4,847**	**9%**
United States	5,356	4,491	4,850	8%
Canada	5,252	4,473	4,853	9%
Denmark	5,027	4,337	4,831	11%
Spain	5,210	4,408	4,851	10%
Mexico	5,410	4,501	4,861	8%
Chile	5,173	4,427	4,837	9%
Netherlands	4,955	4,338	4,816	11%
Hungary	5,032	4,357	4,791	10%
Germany	5,023	4,350	4,856	12%
Italy	5,232	4,380	4,912	12%
France	5,045	4,343	4,842	11%
Austria	5,020	4,319	4,859	12%
EU-28	5,069	4,360	4,838	11%

Source of Data: Global Trade Atlas (Japan Ministry of Finance)

Table 8-B: Japanese Pork Imports YTD, Chilled Cuts/CIF Price

Unit: Metric Ton (Customs Clearance Basis)

Partner Country	Calendar Year			% Share			% Change
	2014	2015	2016	2014	2015	2016	2016/2015
World	**300,058**	**322,207**	**355,505**	**100%**	**100%**	**100%**	**10%**
United States	187,709	187,829	206,386	63%	58%	58%	10%
Canada	101,107	121,124	137,233	34%	38%	39%	13%
Mexico	11,194	13,167	11,838	4%	4%	3%	-10%
Others	48	87	48	0%	0%	0%	-45%
EU-28	48	88	49	0%	0%	0%	-44%

Source of Data: World Trade Atlas (Japan Ministry of Finance)

Unit: U.S. Dollar per Metric Ton

Partner Country	Unit Value(United States Dollars)			% Change
	2014	2015	2016	2016/2015
World	5,428	4,529	4,850	7%
United States	5,449	4,526	4,842	7%
Canada	5,377	4,518	4,858	8%
Mexico	5,479	4,636	4,863	5%

Source of Data: Global Trade Atlas (Japan Ministry of Finance)

Table 8-C: Japanese Pork Imports YTD, Frozen Cuts/CIF Price

Unit: Metric Ton (Customs Clearance Basis)

Partner Country	Calendar Year			% Share			% Change
	2014	2015	2016	2014	2015	2016	2016/2015
World	**529,324**	**468,443**	**505,675**	**100%**	**100%**	**100%**	**8%**
Denmark	135,344	110,030	118,339	26%	23%	23%	8%
Spain	65,487	73,902	88,632	12%	16%	18%	20%
Mexico	51,847	56,475	63,306	10%	12%	13%	12%
United States	88,324	71,646	57,685	17%	15%	11%	-19%
Canada	46,909	44,705	41,395	9%	10%	8%	-7%
Chile	26,847	22,412	27,485	5%	5%	5%	23%
Netherlands	19,921	19,275	23,962	4%	4%	5%	24%
Hungary	17,898	21,391	21,822	3%	5%	4%	2%
Germany	12,668	9,011	15,170	2%	2%	3%	68%
Italy	10,266	11,150	13,016	2%	2%	3%	17%
France	13,354	10,741	12,999	3%	2%	3%	21%
Austria	17,556	9,581	10,750	3%	2%	2%	12%
Others	22,903	8,124	11,114	4%	2%	2%	37%
EU-28	312,271	269,974	313,701	59%	58%	62%	16%

Source of Data: Global Trade Atlas (Japan Ministry of Finance)

Unit: U.S. Dollar per Metric Ton

Partner Country	Calendar Year			% Change
	2014	2015	2016	2016/2015
World	**5,112**	**4,382**	**4,845**	**10.57**
Denmark	5,027	4,337	4,831	11.38
Spain	5,203	4,404	4,847	10.08
Mexico	5,395	4,469	4,861	8.75
United States	5,158	4,400	4,877	10.84
Canada	4,982	4,350	4,835	11.16
Chile	5,173	4,427	4,837	9.26
Netherlands	4,955	4,338	4,816	11.01
Hungary	5,032	4,357	4,791	9.98
Germany	5,023	4,350	4,856	11.64
Italy	5,226	4,374	4,907	12.18
France	5,028	4,330	4,832	11.58
Austria	5,020	4,319	4,859	12.49
EU-28	5,067	4,358	4,836	10.96

Source of Data: Global Trade Atlas (Japan Ministry of Finance)

Table 8-D: Japanese Pork Imports YTD, Prepared and Processed Products /CIF Price

Unit: Metric Ton (Customs Clearance Basis)

Partner Country	Calendar Year			% Share			% Change
	2014	2015	2016	2014	2015	2016	2016/2015
World	**196,975**	**187,201**	**187,764**	**100%**	**100%**	**100%**	**0%**
United States	122,525	112,507	110,410	62%	60%	59%	-2%
China	26,285	23,116	22,843	13%	12%	12%	-1%
Canada	20,486	17,466	15,029	10%	9%	8%	-14%
Others	27,679	34,112	39,482	14%	18%	21%	16%
EU-28	11,731	18,207	24,477	6%	10%	13%	34%

Source of Data: Global Trade Atlas (Japan Ministry of Finance)

Unit: U.S. Dollar per Metric Ton

Partner Country	Calendar Year			% Change
	2014	2015	2016	2016/2015
World	**4,266**	**3,749**	**3,524**	**-6%**
United States	3,810	3,273	2,983	-9%
China	4,835	4,618	4,555	-1%
Canada	3,413	2,862	2,677	-6%
EU-28	7,184	4,905	4,379	-11%

Source of Data: Japan Ministry of Finance

Table 9: Average Auction Price of Japanese Feeder Calves for Beef by Breed, JFY YTD

JFY (April - March)	Black Wagyu					
	Number Auctioned		Average Price (Steer/Heifer)		Average Weight	Average Age
	Head	% Chg.	1,000 Yen/Head	% Chg.	Kg	Day
2010	346,596	-11%	390	8%	278	290
2011	359,503	4%	399	2%	277	283
2012	361,557	1%	420	5%	278	282
2013	351,119	-3%	503	20%	277	278
2014	333,995	-5%	571	13%	277	276
2015	322,608	-3%	688	21%	278	276
JFY 2015 (April - March)						
Apr.	26,906	-3%	633	14%		
May	28,450	-4%	640	16%		
Jun.	24,955	-3%	643	17%		
Jul.	30,118	-3%	642	18%		
Aug.	20,308	-2%	657	21%		
Sept.	28,166	-4%	668	21%		
Oct.	24,123	-4%	672	19%		
Nov.	28,453	-2%	693	19%		
Dec.	27,579	-2%	727	23%		
2015 Apr. - Dec.	**239,058**		**664**			
2016 (Jan)	30,145	-4%	739	27%		
Feb.	22,256	-6%	759	25%		
Mar	31,149	-3%	776	25%		
JFY 2016 (April - March)						
Apr.	25,498	-5%	797	26%		
May	26,946	-5%	790	24%		
Jun.	23,748	-5%	784	22%		
Jul.	28,858	-4%	780	22%		
Aug.	19,523	-4%	810	23%		
Sept.	27,310	-3%	815	22%		
Oct.	23,579	-2%	818	22%		
Nov.	26,608	-6%	829	20%		
Dec.	26,679	-3%	852	17%		
2016 Apr. - Dec.	**228,749**	**-4%**	**808**	**22%**		

Source: ALIC monthly data

JFY (April - March)	F1 Cross Breed					
	Number Auctioned		Average Price (Steer/Heifer)		Average Weight	Average Age
	Head	% Chg.	1,000 Yen/Head	% Chg.	Kg	Day
2010	59,354	-11%	261	25%	286	247
2011	61,574	4%	237	-9%	291	248
2012	68,500	11%	226	-4%	295	249
2013	58,454	-15%	297	32%	295	247
2014	62,205	6%	325	19%	297	248
2015	65,027	5%	385	19%	300	249
JFY 2015 (April - March)						
Apr.	5,877	13%	377	28%		
May	5,665	10%	376	27%		
Jun.	6,303	11%	374	24%		
Jul.	5,793	9%	380	25%		
Aug.	4,961	-6%	385	27%		
Sept.	5,894	10%	379	22%		
Oct.	5,302	3%	384	19%		
Nov.	5,023	0%	387	10%		
Dec.	5,254	4%	399	11%		
2015 Apr. - Dec.	**50,072**		**382**			
2016 (Jan)	4,528	-6%	407	15%		
Feb.	5,118	2%	390	14%		
Mar	5,309	3%	387	6%		
JFY 2016 (April - March)						
Apr.	5,180	-12%	388	3%		
May	5,132	-9%	397	6%		
Jun.	5,486	-13%	393	5%		
Jul.	5,131	-11%	395	4%		
Aug.	5,016	1%	409	6%		
Sept.	5,205	-12%	411	8%		
Oct.	5,114	-4%	411	7%		
Nov.	5,061	1%	421	9%		
Dec.	5,121	-3%	429	8%		
2016 Apr. - Dec.	**46,446**	**-7%**	**406**	**6%**		

Source: ALIC monthly data

JFY (April - March)	Holstein					
	Number Auctioned		Average Price (Steer only)		Average Weight	Average Age
	Head	% Chg.	1,000 Yen/Head	% Chg.	Kg	Day
2010	11,158	2%	85	-3%	266	224
2011	8,109	-27%	93	9%	270	226
2012	7,168	-12%	95	3%	273	229
2013	8,529	19%	127	34%	274	228
2014	10,759	26%	146	15%	276	228
2015	11,924	11%	221	48%	279	226
JFY 2015 (April - March)						
Apr.	1,128	13%	172	25%		
May	783	-16%	189	31%		
Jun.	837	-6%	202	45%		
Jul.	919	1%	220	53%		
Aug.	830	5%	216	64%		
Sept.	927	27%	224	67%		
Oct.	1,146	33%	235	71%		
Nov.	1,053	53%	246	66%		
Dec.	975	15%	252	59%		
2015 Apr. - Dec.	**8,598**		**217**			
2016 (Jan)	907	-6%	241	49%		
Feb.	1,196	22%	232	50%		
Mar	1,223	5%	216	37%		
JFY 2016 (April - March)						
Apr.	1,115	-1%	223	29%		
May	1,004	28%	218	15%		
Jun.	1,174	40%	224	11%		
Jul.	1,022	11%	214	-3%		
Aug.	1,126	36%	213	-1%		
Sept.	1,055	14%	198	-11%		
Oct.	954	-17%	193	-18%		
Nov.	1,087	3%	207	-16%		
Dec.	1,082	11%	205	-19%		
2016 Apr. - Dec.	**9,619**	**12%**	**210**	**-3%**		

ALIC monthly data

Table 10-A: Japanese Year Beginning Cattle Inventory

Beef Cattle Inventory (Part 1)

Unit: Farm/Head

Year Beginning (As of Feb. 1)	Total Number of Farms	Grand Total (Beef and Dairy Breed Combined)	Beef Breed Total				
			Beef Breed Total	Black Wagyu	Brown Wagyu	Others	Cows for Breeding (Cow Calf Rearing)
2007	82,300	2,806,000	1,742,000	1,656,000	31,600	54,600	635,900
2008	80,400	2,890,000	1,823,000	1,734,000	30,400	58,100	667,300
% Chg.	-2%	3%	5%	5%	-4%	6%	5%
2009	77,300	2,923,000	1,889,000	1,810,000	28,800	50,400	682,100
% Chg.	-4%	1%	4%	4%	-5%	-13%	2%
2010	74,400	2,892,000	1,924,000	1,853,000	26,000	44,700	683,900
% Chg.	-4%	-1%	2%	2%	-10%	-11%	0%
2011	69,600	2,763,000	1,868,000	1,805,000	24,500	38,700	667,900
% Chg.	-6%	-4%	-3%	-3%	-6%	-13%	-2%
2012	65,200	2,723,000	1,831,000	1,773,000	22,700	35,700	642,200
% Chg.	-6%	-1%	-2%	-2%	-7%	-8%	-4%
2013	61,300	2,642,000	1,769,000	1,714,000	21,700	33,300	618,400
% Chg.	-6%	-3%	-3%	-3%	-4%	-7%	-4%
2014	57,500	2,567,000	1,716,000	1,663,000	21,100	31,900	595,200
% Chg.	-6%	-3%	-3%	-3%	-3%	-4%	-4%
2015	54,400	2,489,000	1,661,000	1,612,000	20,800	28,300	579,500
% Chg.	-5%	-3%	-3%	-3%	-1%	-11%	-3%
2016	51,900	2,479,000	1,642,000	1,594,000	20,500	27,400	588,100
% Chg.	-5%	0%	-1%	-1%	-1%	-3%	1%

Beef Cattle Inventory (Part 2 - Continuation of Part 1)

Year Beginning (As of Feb. 1)	Dairy Breed Total				Average Number of Cattle Raised per Farm
	Dairy Breed Total	Holstein and Others	F-1 Crossbreed (Holstein x Wagyu)	% Share of F-1 Cross Breed in Total Dairy Breed	
2007	1,064,000	459,800	604,000	57%	34
2008	1,067,000	431,600	635,700	60%	36
% Chg.	0%	-6%	5%		5%
2009	1,033,000	411,300	622,100	60%	38
% Chg.	-3%	-5%	-2%		5%
2010	968,300	421,000	547,300	57%	39
% Chg.	-6%	2%	-12%		3%
2011	894,800	411,800	483,000	54%	40
% Chg.	-8%	-2%	-12%		2%
2012	891,700	392,500	499,100	56%	42
% Chg.	0%	-5%	3%		5%
2013	873,400	375,500	497,900	57%	43
% Chg.	-2%	-4%	0%		3%
2014	851,400	367,500	483,900	57%	45
% Chg.	-3%	-2%	-3%		3%
2015	827,700	345,300	482,400	58%	46
% Chg.	-3%	-6%	0%		3%
2016	837,100	331,800	505,300	60%	48
% Chg.	1%	-4%	5%		4%

Source: MAFF Livestock Statistics

Dairy Cow Inventory

Unit: Farm/Head

Year Beginning (As of Feb. 1)	Total Number of Dairy Farms	Total Number of Dairy Cows	Dairy Cows (Over Two Years of Age)					Heifers (Less Than Two Years of Age)	Animals Raised per Farm
			Total	Cow			Heifer		
				Sub Total	Milking	Dry			
2007	25,400	1,592,000	1,093,000	1,011,000	871,200	140,100	81,200	499,600	63
2008	24,400	1,533,000	1,075,000	998,200	861,500	136,700	76,500	458,000	63
% Chg.									
2009	23,100	1,500,000	1,055,000	985,200	848,000	137,200	69,600	445,100	65
% Chg.	-5%	-2%	-2%	-1%	-2%	0%	-9%	-3%	3%
2010	21,900	1,484,000	1,029,000	963,800	829,700	134,100	65,600	454,900	68
% Chg.	-5%	-1%	-2%	-2%	-2%	-2%	-6%	2%	4%
2011	21,000	1,467,000	999,600	932,900	804,700	128,200	66,700	467,800	70
% Chg.	-4%	-1%	-3%	-3%	-3%	-4%	2%	3%	3%
2012	20,100	1,449,000	1,012,000	942,600	812,700	129,900	69,700	436,700	72
% Chg.	-4%	-1%	1%	1%	1%	1%	4%	-7%	3%
2013	19,400	1,423,000	992,100	923,400	798,300	125,100	68,700	431,300	73
% Chg.	-3%	-2%	-2%	-2%	-2%	-4%	-1%	-1%	2%
2014	18,600	1,395,000	957,800	893,400	772,500	121,000	64,400	436,800	75
% Chg.	-4%	-2%	-3%	-3%	-3%	-3%	-6%	1%	2%
2015	17,700	1,371,000	934,100	869,700	750,100	119,600	64,400	437,200	78
% Chg.	-5%	-2%	-2%	-3%	-3%	-1%	0%	0%	3%
2016	17,000	1,345,000	936,700	871,000	751,700	119,300	65,800	408,300	79
% Chg.	-4%	-2%	0%	0%	0%	0%	2%	-7%	2%

Note: 99 percent of dairy cows raised in Japan are Holstein breed.
Source: MAFF Livestock Statistics

Table 10-B: Japanese Year Beginning Swine Inventory

National Swine Inventory Data

Year Beginning (As of February 1)	Number of Swine Farms (Farm)		Number Raised (Head)					Average Number of Swine Raised per Farm
		Of Farms with Breeding Sows	Total	Breeding Sows (Over 6 Months Old)	Breeding Males (Over 6 Months Old)	Hogs	Others (feeder piglets)	
2000	11,700	10,300	9,806,000	929,300	70,600	8,209,000	597,600	838.1
2001	10,800	9,450	9,788,000	921,500	67,900	8,214,000	584,900	906.3
2002	10,000	8,790	9,612,000	916,400	67,900	8,028,000	599,000	961.2
2003	9,430	8,290	9,725,000	929,300	66,000	8,057,000	673,000	1031.3
2004	8,880	7,770	9,724,000	917,500	63,000	8,052,000	690,900	1095.0
2005	Census Year							
2006	7,800	6,780	9,620,000	907,100	60,000	7,943,000	710,700	1233.3
2007	7,550	6,560	9,759,000	915,000	58,000	8,119,000	667,100	1292.6
2008	7,230	6,250	9,745,000	910,100	57,400	8,117,000	660,900	1347.9
2009	6,890	5,930	9,899,000	936,700	57,100	8,220,000	685,700	1436.7
2010	Census Year							
2011	6,010	5,110	9,768,000	901,800	51,800	8,186,000	628,700	1625.3
2012	5,840	4,900	9,735,000	900,000	51,900	8,145,000	638,700	1667.0
% Chg.	-3%	-4%	0%	0%	0%	-1%	2%	3%
2013	5,570	4,620	9,685,000	899,700	49,100	8,106,000	629,500	1738.8
% Chg.	-5%	-6%	-1%	0%	-5%	0%	-1%	4%
2014	5,270	4,290	9,537,000	885,300	47,500	8,020,000	583,300	1809.7
2015	Census Year							
2016	4,830	3,940	9,313,000	844,700	42,600	7,743,000	682,500	1,928.2
% Chg.	-8%	-8%	-2%	-5%	-10%	-3%	17%	7%

Source: MAFF Livestock Statistics

Table 11: Average Commercial Livestock Feed Prices

	Layer		Broiler		Swine		Dairy Cattle		Beef Cattle for Fattening	
CY (Month)	Yen/MT	% Chg.	Yen/MT	% Chg.	Yen/MT	% Chg.	Yen/MT	% Chg.	Yen/MT	% Chg.
2012	73,357		66,521		60,154		62,852		62,226	
2013	80,693	10%	73,186	10%	66,943	11%	70,549	12%	66,541	7%
2014	83,278	3%	74,606	2%	68,623	3%	72,507	3%	68,008	2%
2015 Jan.	85,580	106.6	76,980	106.0	70,150	105.9	75,010	106.9	70,620	106.9
Feb.	85,730	106.7	77,120	106.4	70,280	106.0	75,090	107.0	70,640	106.8
Mar.	85,700	106.7	77,140	106.4	70,230	105.9	74,890	106.7	70,560	106.7
Apr.	84,790	100.6	76,320	100.9	69,880	100.0	73,510	100.1	69,950	101.5
May.	84,780	100.3	76,290	100.5	69,880	100.0	73,480	100.1	69,950	101.5
Jun.	84,850	100.7	76,290	101.4	69,880	100.2	73,480	100.1	69,910	101.4
Jul.	82,890	96.9	75,060	98.4	68,200	96.9	71,960	96.7	68,440	98.8
Aug.	82,810	96.8	75,030	98.2	68,170	96.8	71,950	96.7	68,450	98.8
Sep.	82,810	96.7	75,030	98.2	68,170	96.8	71,950	96.7	68,390	98.8
Oct.	82,530	99.3	75,010	101.0	67,950	100.0	71,870	99.8	68,250	100.8
Nov.	82,390	99.5	75,010	101.7	67,810	99.8	71,850	99.8	68,040	100.5
Dec.	82,360	99.6	74,930	101.5	67,800	99.7	71,860	99.8	68,040	100.5
2015	**83,935**	**1%**	**75,851**	**2%**	**69,033**	**1%**	**73,075**	**1%**	**69,270**	**2%**
2016 Jan.	80,690	94.3	72,430	94.1	66,930	95.4	70,940	94.6	66,910	94.7
Feb.	80,680	94.1	72,420	93.9	66,830	95.1	70,940	94.5	66,870	94.7
Mar.	80,650	94.1	72,320	93.8	66,400	94.5	70,740	94.5	66,710	94.5
Apr.	77,310	91.2	69,230	90.7	63,190	90.4	67,450	91.8	63,540	90.8
May.	77,190	91.0	69,120	90.6	63,180	90.4	67,390	91.7	63,520	90.8
Jun.	77,170	90.9	69,120	90.6	63,180	90.4	67,390	91.7	63,500	90.8
Jul.	78,350	94.5	70,120	93.4	63,790	93.5	68,500	95.2	63,500	92.8
Aug.	78,340	94.6	70,140	93.5	63,780	93.6	68,510	95.2	63,550	92.8
Sep.	78,340	94.6	70,190	93.5	63,780	93.6	68,500	95.2	63,560	92.9
Oct.	76,100	92.2	68,160	90.9	61,920	91.1	67,300	93.6	62,270	91.2
Nov.	76,080	92.3	68,080	90.8	61,920	91.3	67,400	93.8	62,260	91.5
Dec.	76,080	92.4	68,180	91.0	61,920	91.3	67,440	93.8	62,260	91.5
2016	**78,082**	**-7%**	**69,959**	**-8%**	**63,902**	**-7%**	**68,542**	**-6%**	**64,038**	**-8%**

Source: MAFF (Farm Commodity Price Index Statistics) (Original data was ~~based on~~reported by JFY~~.~~; CY average numbers are prepared by FAS Tokyo)
Note: Average prices are inclusive of consumption tax.