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Report Highlights:

Lower feed prices are expected to boost producer profits in 2024, thereby increasing domestic beef and pork production. Beef imports are forecast to decrease, and pork imports are expected to remain nearly flat. Higher beef prices in 2024 are expected to constrain beef consumption to a marginal increase and lead to higher pork consumption as consumers shift from beef to relatively less expensive pork. Factors such as increased support from social welfare programs, less headline inflation, increased minimum wages, and hotel, restaurant, and institution (HRI) sector demand support beef and pork consumption.

Executive Summary

The calf crop is forecast at 8.6 million head in 2024, a one percent increase compared to 2023. Relative easing of prices for inputs such as feed and increased domestic and export demand are forecast to drive up calf production. However, high energy and logistics costs and rising interest rates will add extra pressure on farming margins. High interest rates limit capital investment and capacity expansion. Slaughter is forecast at 7.1 million head, a two percent increase over 2023. Slaughter is forecast to increase in 2024 to satisfy increased export demand.

Cattle imports for 2024 are forecast at 65,000 head, a 14 percent increase from 2023. Imports during 2024 are expected to increase as more cattlemen invest in better genetics. Cattle exports for 2024 are forecast at 1.4 million head, a four percent increase compared to 2023. Exports are expected to continue growing as the United States demand continues to increase.

The beef production forecast for 2024 is 2.3 million metric tons (MMT) carcass weight equivalent (CWE), a two percent increase from 2023. Processors are expected to continue to adapt to economic challenges, broaden their portfolios, and offer innovative products to reach different segments of the population. Despite higher beef prices, consumption is forecast to marginally increase mostly due to hotel, restaurant, and institution (HRI) sector demand.

The pig crop is forecast at 22.2 million head in 2024, slightly higher than 2023. Swine production continues to grow, although at a slower pace compared to growth from 2022 to 2023. Mexico's swine industry continues to invest in better genetics and technology, and biosafety mechanisms to improve production.

Pork production is forecast at 1.6 MMT CWE in 2024, an increase of two percent compared to 2023. Lower feed costs in 2024 are anticipated to lead to heavier slaughter weights and increased pork production. Additionally, growing domestic demand for pork will provide certainty to encourage investment by pork producers and is expected to incentivize increased production.

Pork imports are forecast at 1.4 MMT CWE in 2024, nearly unchanged from a record in 2023. A weaker peso compared to the U.S. dollar is expected to temper increased imports which are forecast flat. Pork exports in 2024 are forecast to grow by two percent to 265,000 MT CWE driven by demand in Asian markets for value-added products.

Cattle

Table 1: Cattle – Production, Supply, and Distribution (PSD)

Animal Numbers, Cattle	2022		2023		2024	
	Jan 2022		Jan 2023		Jan 2024	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Total Cattle Beg. Stks (1000 HEAD)	17,314	17,314	17,850	17,763	17,950	17,840
Dairy Cows Beg. Stocks (1000 HEAD)	3,550	3,550	3,600	3,600	3,650	3,650
Beef Cows Beg. Stocks (1000 HEAD)	8,000	8,000	8,050	8,050	8,075	8,075
Production (Calf Crop) (1000 HEAD)	8,350	8,350	8,475	8,475	8,600	8,600
Total Imports (1000 HEAD)	105	112	50	57	55	65
Total Supply (1000 HEAD)	25,769	25,776	26,375	26,295	26,605	26,505
Total Exports (1000 HEAD)	871	965	1,265	1,295	1,330	1,350
Cow Slaughter (1000 HEAD)	1,490	1,490	1,500	1,500	1,520	1,520
Calf Slaughter (1000 HEAD)	280	280	290	290	300	300
Other Slaughter (1000 HEAD)	5,010	5,010	5,125	5,125	5,230	5,230
Total Slaughter (1000 HEAD)	6,780	6,780	6,915	6,915	7,050	7,050
Loss and Residual (1000 HEAD)	268	268	245	245	275	275
Ending Inventories (1000 HEAD)	17,850	17,763	17,950	17,840	17,950	17,830
Total Distribution (1000 HEAD)	25,769	25,776	26,375	26,295	26,605	26,505

(1000 HEAD)
Not official USDA data. Historical data revisions (from 2022 onward) were updated for cattle exports.

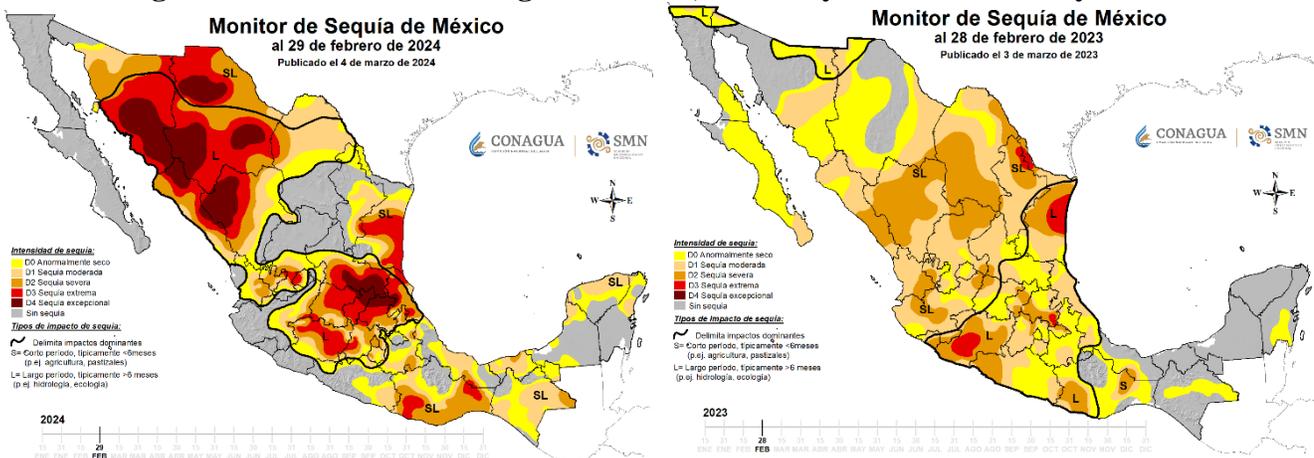
Production

2024

The calf crop forecast for 2024 is 8.6 million head, a one percent increase compared to the previous year. This higher calf crop stems from producer decisions in 2023 as despite high feed prices during 2022 and the first half of 2023, producers bred livestock and increased the breeding herd. These decisions were likely based on the positive beef and cattle demand outlook and expected lower feed costs for 2024 and beyond.

However, while the breeding herd continues to expand, productivity improves, and the calf crop is forecast higher in 2024, additional growth is constrained by high energy costs, issues related to logistics, high interest rates, and poor weather conditions. Above average drought conditions were present in Mexico in 2023 and at the start of 2024. Nevertheless, according to the Agricultural and Fisheries Information Service (SIAP) and Post sources, adequate water is available to support livestock production at current levels.

Figure 1: Year-to-Year Drought Situation, February 2024 vs. February 2023



Source: Comisión Nacional del Agua (CONAGUA) and Servicio Meteorológico Nacional (SMN)

For the first quarter (Q1) of 2024 (January-March), the National Commission for Water (CONAGUA) projects temperatures to be between 11 and 14 percent above average. These temperatures would be in the highest in the past decade and correspond to a 1.2 degrees Celsius increase in the national average minimum temperature.

Large differences in cattle production across Mexico's different regions is a hindrance for production growth. Very few producers use advanced technology and record keeping, which limits the collection of strategic performance indicators to increase production and minimize mortality. Producers continue to farm by "old school" methods, mostly limited by economic resources, and thus have poor productivity and are at a higher risk when the market shifts due to adverse conditions.

Additionally, limited access to farm credit, high costs of fuel and energy, and high interest rates further limit breeding decisions and expansion of the breeding herd.

2023

The calf crop for 2023 is estimated at 8.5 million head, one percent higher than 2022. Despite high feed prices in 2021, many producers made the decision to breed, an investment that is reflected in the increased calf crop production figure for 2023. However, although increased domestic and export demand were forecast, producers faced various challenges that constrained additional growth in the calf crop.

Slaughter

2024

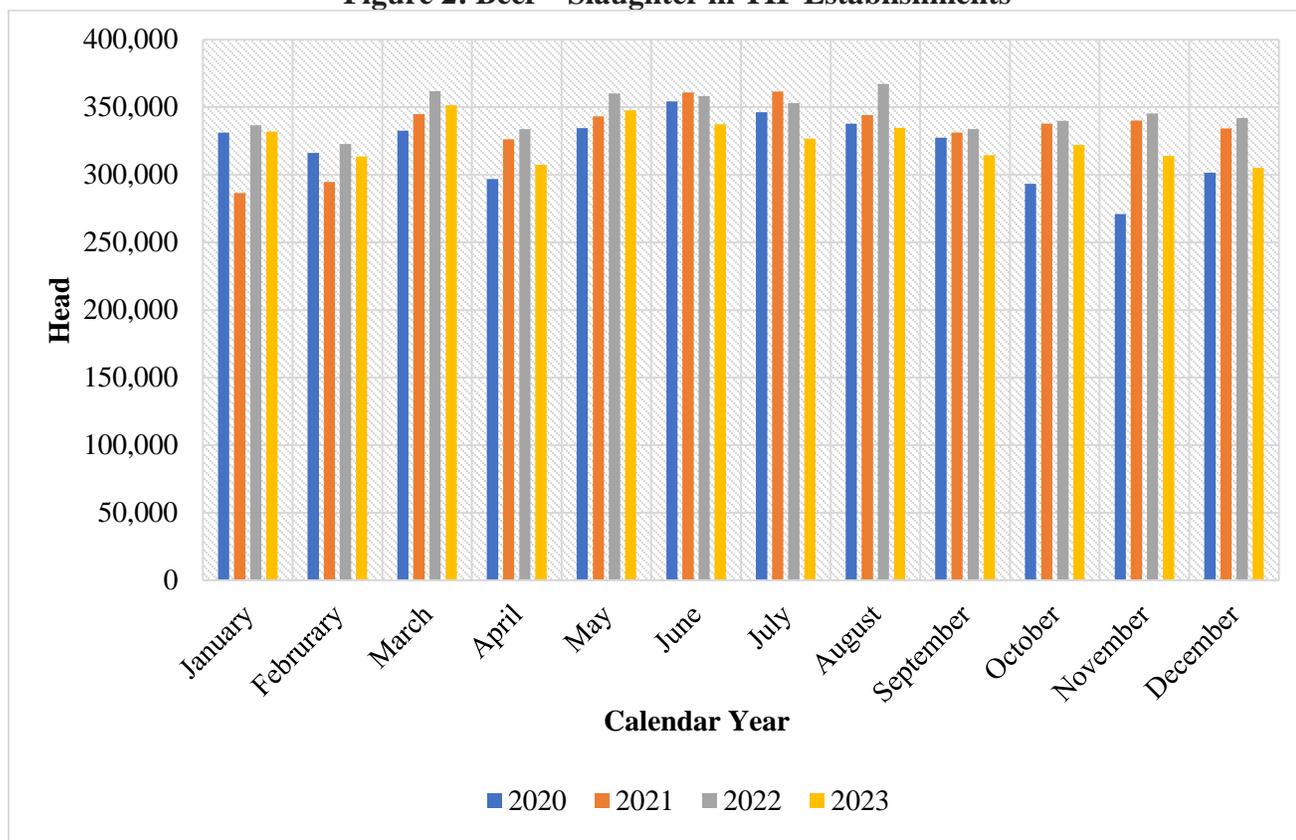
Slaughter is forecast at 7.1 million head, two percent higher compared to 2023. Slaughter is expected to increase in 2024 to satisfy growing beef production, especially for exports.

2023

Slaughter is forecast at 6.9 million head, two percent higher than 2022. According to the National Service for Agricultural Health, Food Safety and Agri-food Quality (SENASICA), slaughter at Federally Inspected (TIF) establishments averaged 327,000 head per month, or a utilization of 57 percent installed capacity for cattle slaughter at this kind of establishment.

In Mexico, there are a total of 1,198 slaughter facilities divided into three categories: TIF, Municipal, and Private. The seven states of Jalisco (13), Nuevo Leon (13), Sonora (11), Sinaloa (7), Guanajuato (6), Puebla (6), and Yucatan (6) hold over half of the TIF slaughter facilities out of the 121 total facilities across Mexico. Slaughter from TIF establishments is regulated by the Secretariat of Agriculture (SADER) through SENASICA and production is validated by federal inspectors for sanitary, food safety, and quality in processing. Retail stores require their suppliers to be certified under TIF.

Figure 2: Beef – Slaughter in TIF Establishments



Source: National Service for Agricultural Health, Food Safety and Agri-food Quality (SENASICA)

Trade

Imports

2024

Post forecasts cattle imports for 2024 at 65,000 head, a 14 percent increase from 2023. Imports during 2024 are expected to increase as more cattlemen invest in better genetics. Relatively lower input prices compared to 2023 and 2022 provide more certainty to cattle producers to invest in their herds.

2023

The 2023 import estimate is 57,000 head, a 49 percent decrease compared to 2022. Uncertainty from public insecurity (i.e. animal transport truck robberies, cattle thefts, extortion) disincentivized imports of live animals for genetics during 2023. Additionally, there were fewer available live cattle for imports for immediate slaughter from the United States.

Exports

2024

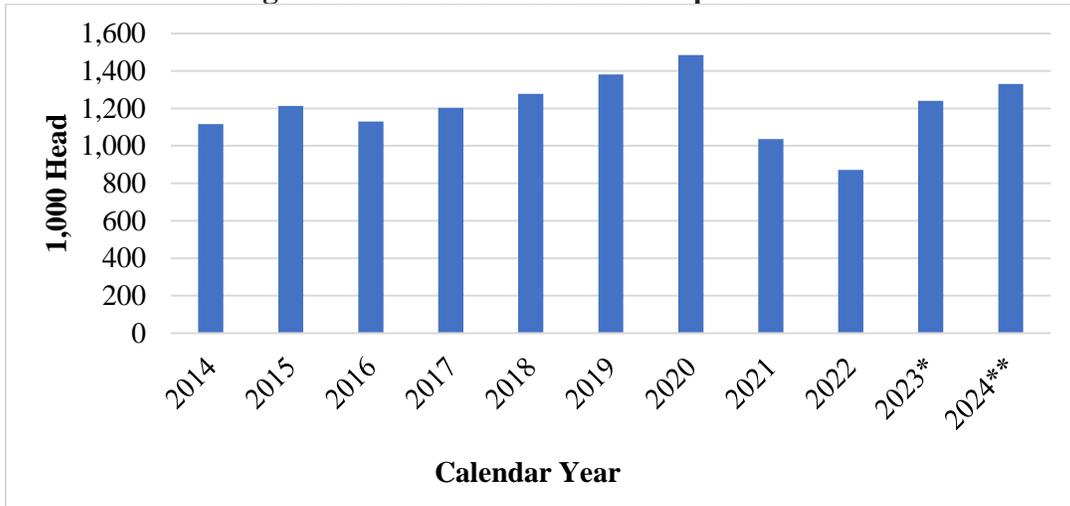
Cattle exports for 2024 are forecast at 1.4 million head, a four percent increase over 2023. Exports are expected to continue to grow as the United States demand continues to increase. Cattle exports are a

profitable business for Mexican exporters. Mexican exporters participate in the National Campaign Against Bovine Tuberculosis to increase herd surveillance and reduce disease prevalence. Over the last five years, more municipalities have gained disease-free classifications and increased access to the United States market.

2023

Cattle exports for 2023 are estimated at 1.3 million head, a 34 percent increase compared to 2022. Live cattle exports increased due to strong demand from the United States and profitable prices for Mexican exporters.

Figure 3: Mexico’s Live Cattle Exports



Source: Trade Data Monitor**2024 forecast/*2023 estimate

Beef

Table 2: Beef – Production, Supply, and Distribution (PSD)

Meat, Beef and Veal Market Year Begins	2022		2023		2024	
	Jan 2022		Jan 2023		Jan 2024	
Mexico	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Slaughter (Reference) (1000 HEAD)	6,780	6,780	6,915	6,915	7,050	7,050
Beginning Stocks (1000 MT CWE)	0	0	0	0	0	0
Production (1000 MT CWE)	2,177	2,177	2,220	2,215	2,255	2,255
Total Imports (1000 MT CWE)	166	166	200	200	190	190
Total Supply (1000 MT CWE)	2,343	2,343	2,420	2,415	2,445	2,445
Total Exports (1000 MT CWE)	398	398	340	340	365	365
Human Dom. Consumption (1000 MT CWE)	1,945	1,945	2,080	2,075	2,080	2,080
Other Use, Losses (1000 MT CWE)	0	0	0	0	0	0
Total Dom. Consumption (1000 MT CWE)	1,945	1,945	2,080	2,075	2,080	2,080
Ending Stocks (1000 MT CWE)	0	0	0	0	0	0
Total Distribution (1000 MT CWE)	2,343	2,343	2,420	2,415	2,445	2,445

(1000 HEAD), (1000 MT CWE)

Not official USDA data.

Production

2024

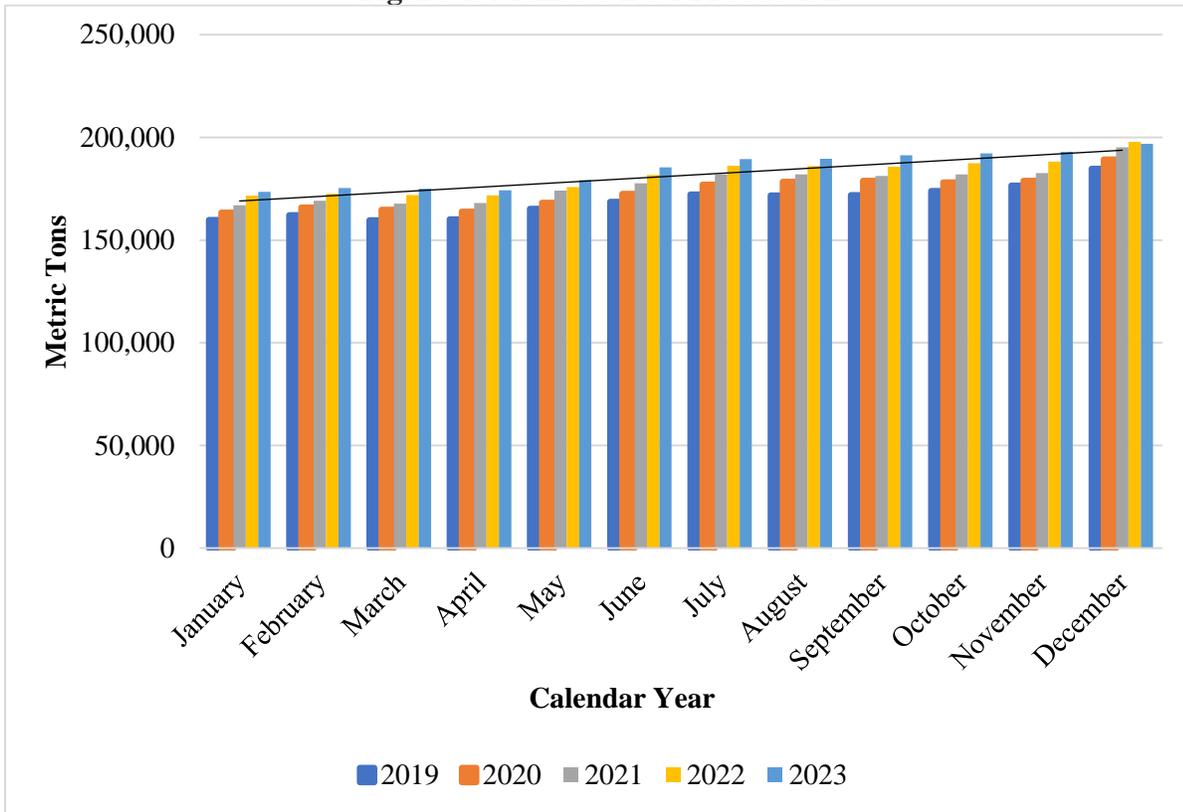
The Post forecast for 2024 beef production is 2.3 MMT CWE, a two percent increase from 2023. The beef sector is forecast to grow in part due to HRI and demand from populations with higher incomes. Processors are expected to adapt to challenges by broadening their portfolios and offering value-added products (e.g. sausage, deli meat, charcuterie slices) to reach different sectors of the population. Production is also partially driven by the HRI sector which continues to grow.

High interest rates are projected to constrain growth in Mexican beef production in 2024. Mexico's Central Bank (BANXICO) reference interest rate is maintained at a record high to slow inflation and expected to remain at elevated levels throughout the year. Although lower feed prices are expected to boost producer profits in 2024, sources also indicate that high interest may lead to increased production costs for beef producers, increased debts, and dampened large increases to investment in the industry.

2023

Post's beef production estimate for 2023 is 2.2 MMT CWE, a two percent increase from the previous year. Processors increased production to meet increased domestic demand. Increased imports of raw materials at relatively lower costs helped support production growth. The HRI sector and decreased overall inflation also boosted beef demand. Imports with zero tariffs under the Presidential Anti-Inflation decree (see policy section) allowed processors to procure materials more competitively from foreign suppliers with which Mexico does not have free trade agreements (FTA), such as Brazil and Argentina. In 2023, Veracruz led beef carcass production, followed by Jalisco, Chiapas, Durango, Baja California, Sinaloa, and San Luis Potosi. These states alone made up a third of the value and volume of meat production at the national level. Beef processing for product development was led by Nuevo Leon and Jalisco.

Figure 4: Mexico’s Beef Production



Source: Agricultural and Fisheries Information Service (SIAP)

Consumption

2024

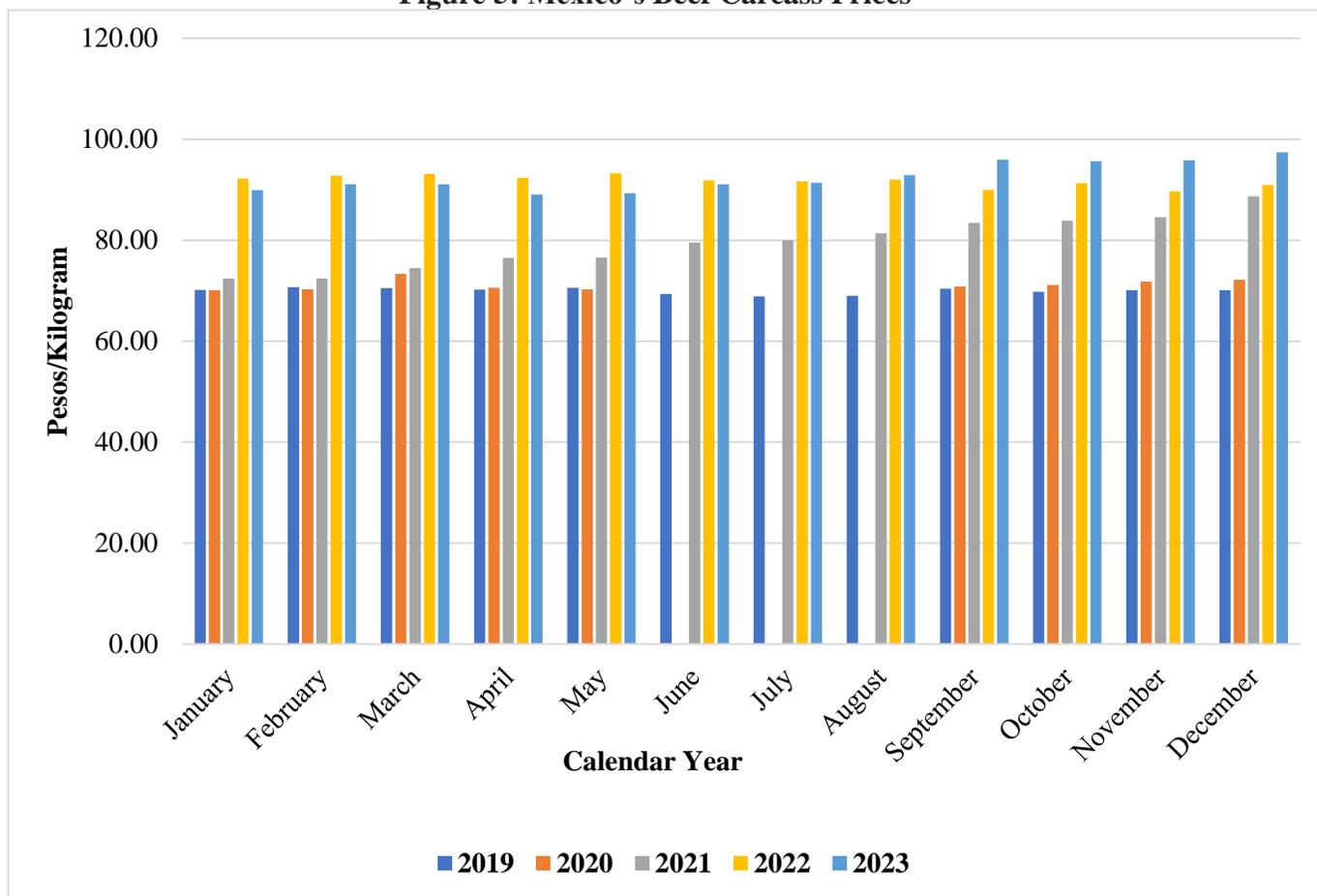
Post forecasts beef consumption in 2024 to marginally increase from 2023 at 2.1 MMT CWE. Consumption is supported by HRI demand and some household demand. Beef consumption is supported by both higher income populations and households with increased disposable incomes from social welfare programs, decreased headline inflation, and increased minimum wages.

Currently, the Mexican beef sector is facing a scenario of evolving consumer preferences. While Mexican beef consumption is mainly price-driven, other factors impacting demand include perceptions about healthiness and portion sizes, environmental impacts, and animal welfare. The Mexican beef industry has adapted by offering innovative products and packaging to respond to consumer trends. Inflationary and economic pressures over the last several years have made Mexican consumers more price conscious.

2023

Post estimates 2023 beef consumption at 2.075 MMT CWE, a seven percent increase compared with 2022. Beef consumption was boosted by decreased overall inflation in 2023. Some consumers reportedly consumed more beef as a symbol of economic wealth after a more difficult economy in 2022. Population growth, a recovering economy, and urbanization drove greater demand for livestock products, including beef. The HRI sector also led to a steady increase in beef consumption.

Figure 5: Mexico’s Beef Carcass Prices



Source: Agricultural and Fisheries Information Service (SIAP)
 Note: June-July 2020 data not reported by SIAP.

Trade

Imports

2024

The beef import forecast for 2024 is 190,000 MT CWE, a decrease of five percent from import levels in 2023. As the strong peso loses momentum, imports are expected to become less appealing, and processors will depend more on domestic production to satisfy demand. Despite the forecasted decrease in imports, high levels of fresh and chilled products from the United States through duty free access are forecast to continue. Additionally, Mexico’s anti-inflationary program will incentive beef imports from non-FTA countries. The United States is expected to remain the major supplier of beef to Mexico due to freight and logistical advantages.

2023

The 2023 beef import estimate is 200,000 MT CWE, an increase of 20 percent compared to the previous year. A strong peso boosted imports to satisfy growing beef demand. The zero tariff anti-inflationary programs also slightly increased imports from non- FTA countries such as Brazil and Argentina.

According to industry, high interest rates and growing public insecurity limited beef production. Imports were therefore increased to satisfy demand. Some surveys estimate that nearly 85 percent of businesses felt an impact of robberies on their operations in 2023, either directly at their establishment or through robberies during the transportation of goods. Crime also led to increased costs and inflationary pressures in the beef sector.

Exports

2024

The beef export forecast for 2024 is 365,000 MT CWE, a seven percent increase from 2023. According to sources, Mexican exports continue to grow due to demand for high value and high labor products such as short loin and tenderloin steaks. In 2024, industry expects to increase their market share in Korea and Japan. Export growth for Mexico is expected to be driven mainly by demand in Asia and existing relationships hold potential for growth. The challenges for Mexican beef exports in 2024 include uncertainty related to the aftermath of Mexico's elections in June 2024, which will define public policies moving forward to the next presidential administration.

2023

The 2023 beef export estimate is 340,000 MT CWE, a 15 percent decrease from the previous year. The decrease is a result of increased domestic demand for beef and the "super peso," which made Mexico's exports less price competitive.

Swine

Table 3: Swine - Production, Supply, and Distribution (PSD)

Animal Numbers, Swine Market Year Begins Mexico	2022		2023		2024	
	Jan 2022		Jan 2023		Jan 2024	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Total Beginning Stocks (1000 HEAD)	11,775	11,775	12,250	12,250	12,560	12,700
Sow Beginning Stocks (1000 HEAD)	1,285	1,285	1,305	1,305	1,310	1,310
Production (Pig Crop) (1000 HEAD)	21,700	21,700	22,075	22,075	22,150	22,175
Total Imports (1000 HEAD)	6	6	10	10	10	10
Total Supply (1000 HEAD)	33,481	33,481	34,335	34,335	34,720	34,885
Total Exports (1000 HEAD)	0	0	0	0	0	0
Sow Slaughter (1000 HEAD)	0	0	0	0	0	0
Other Slaughter (1000 HEAD)	20,400	20,400	20,925	20,750	21,000	21,150
Total Slaughter (1000 HEAD)	20,400	20,400	20,925	20,750	21,000	21,150
Loss and Residual (1000 HEAD)	831	831	850	885	850	840
Ending Inventories (1000 HEAD)	12,250	12,250	12,560	12,700	12,870	12,895
Total Distribution (1000 HEAD)	33,481	33,481	34,335	34,335	34,720	34,885
(1000 HEAD)						

Not official USDA data

Production

2024

Post forecasts the pig crop at 22.2 million head in 2024, a marginal increase from 2023. Swine production continues to grow due to vertical integration of large companies, more affordable feed prices, and a steady domestic demand for pork. With no immediate animal health challenges, Mexico's swine industry continues to benefit from better genetics, technology, and improved biosafety practices against Porcine Reproductive and Respiratory Syndrome (PRRS).

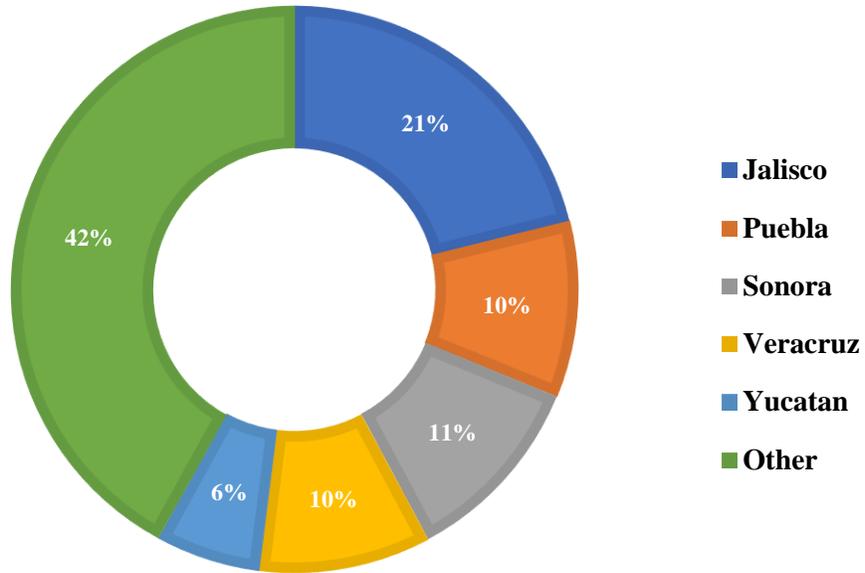
2023

Post estimates the pig crop at 22.1 million head in 2023, a two percent increase from 2022. Despite market saturation from pork imports and decreased live hog prices, domestic pig production increased due to lower litter mortality levels.

Hog farming is an important activity in Mexico and provides one of the main sources of protein for the Mexican population. Pork is the second most consumed animal protein in the country after chicken meat. Beyond pork production, the swine sector also produces many swine by-products, such as blood, serum, leather, and protein concentrates.

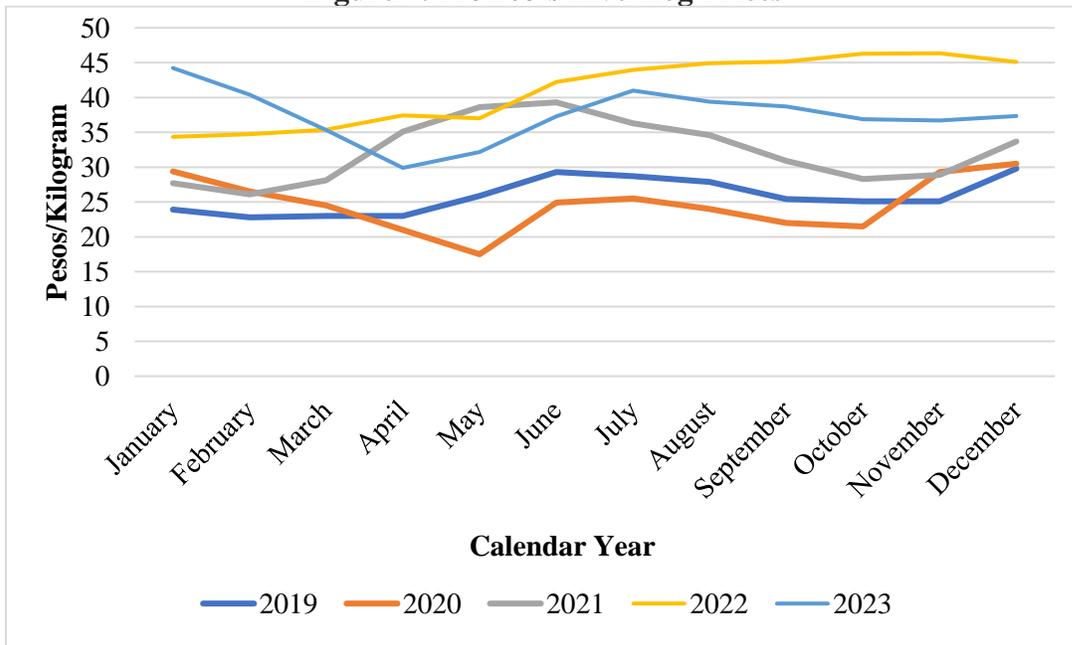
Swine production continues to be led and consolidates in Jalisco, Sonora, Puebla, Veracruz, and Yucatan. These states host the biggest commercial operations for swine and pork production, which rely on technical and semi-technical production systems. Remaining Mexican states rely on swine production as an agricultural activity but lack capital to become major producers, so their production is usually consumed locally. According to SADER, there are currently close to 8,000 swine producers in Mexico.

Figure 6: Mexico's Swine Herd Distribution



Source: Agricultural and Fisheries Information Service (SIAP)

Figure 7: Mexico's Live Hog Prices



Source: National System of Market Information (SNIIIM)

During the past five years, the swine sector received significant criticism from environmental rights groups on alleged negative impacts from waste leading to groundwater contamination. In response,

producers in Mexico shifted to more responsible uses of resources, especially of water and residual water treatment. They developed and adopted new technologies to lead Mexico’s meat industry in sustainability through waste management technologies such as waste lagoons and biodigesters. Animal welfare is also an increased priority for industry to reduce mortality. More Mexican companies place an emphasis on best practices such as handling, transportation, and ventilation.

Slaughter

2024

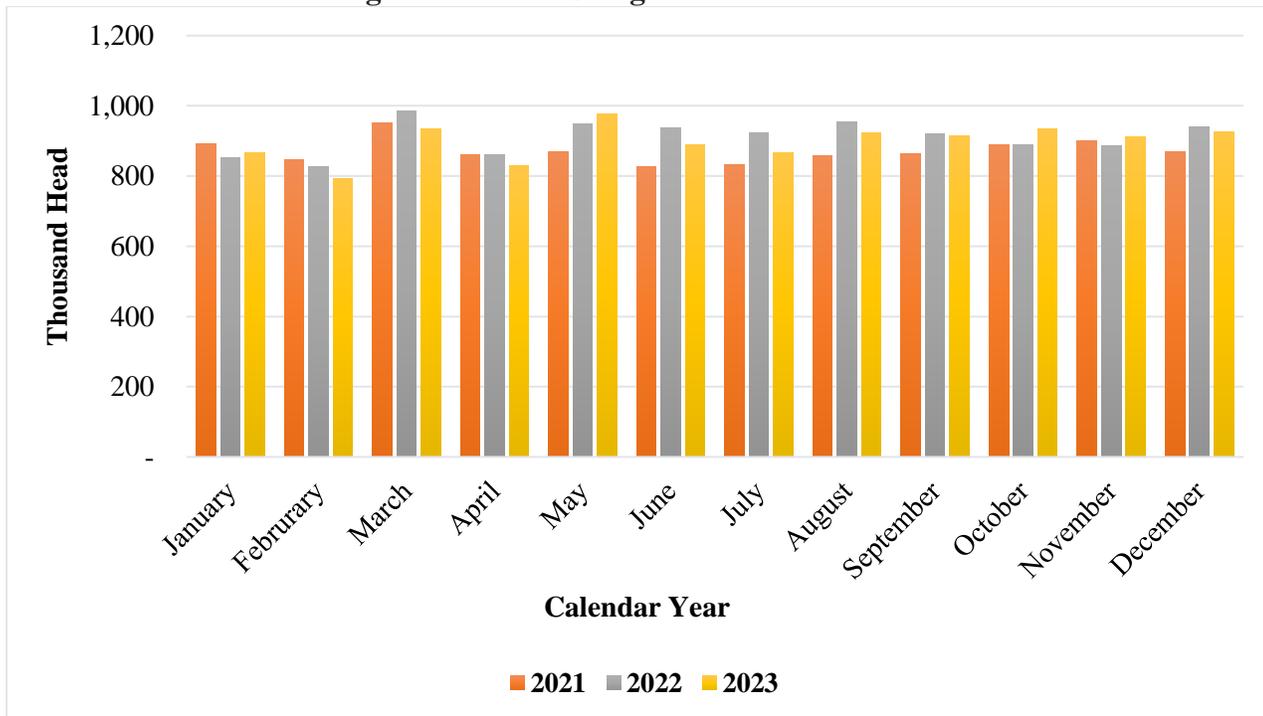
Post forecasts slaughter at 21.2 million head in 2024, a two percent increase from 2023. Slaughter is expected to increase due to more pork production demand.

2023

Post estimates slaughter at 20.8 million head in 2023, a two percent increase from 2022, and in line with the USDA estimate. The slaughter increased due to higher domestic pork prices and strong domestic demand.

In 2023, Mexico used 79 percent of its slaughter capacity at TIF establishments and 67 percent of its non-TIF capacity. While previous slaughter capacity levels are not available, increased pork imports may explain why full capacity is not utilized. These percentages reflect a strong demand for pork for domestic consumption.

Figure 8: Pork – Slaughter in TIF Establishments



Source: National Service for Agricultural Health, Food Safety and Agri-food Quality (SENASICA)

Trade

Imports

2024

Post forecasts swine imports at 10,000 head in 2024, unchanged from 2023. The swine industry continues to invest in better genetics. However, economic conditions for the pork industry, such as lower live hog prices, are expected to contain imports at previous year levels.

2023

Post estimates imports at 10,000 head in 2023, a 67 percent increase from the previous year. Mexico increased imports to improve the genetic pool of the herd for heavier carcasses and increased muscle mass. Producers sought better yields and performance through disease resistant sows to keep the Mexican herd as healthy as possible.

Exports

Mexico does not export live swine. All domestic swine production is used to satisfy domestic demand for pork.

Pork

Table 4: Pork – Production, Supply, and Distribution (PSD)

Meat, Swine Market Year Begins Mexico	2022		2023		2024	
	Jan 2022		Jan 2023		Jan 2024	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Slaughter (Reference) (1000 HEAD)	20,400	20,400	20,925	20,750	21,000	21,150
Beginning Stocks (1000 MT CWE)	0	0	0	0	0	0
Production (1000 MT CWE)	1,530	1,530	1,570	1,557	1,600	1,590
Total Imports (1000 MT CWE)	1,299	1,299	1,340	1,354	1,340	1,350
Total Supply (1000 MT CWE)	2,829	2,829	2,910	2,911	2,940	2,940
Total Exports (1000 MT CWE)	285	285	260	258	265	265
Human Dom. Consumption (1000 MT CWE)	2,544	2,544	2,650	2,653	2,675	2,675
Other Use, Losses (1000 MT CWE)	0	0	0	0	0	0
Total Dom. Consumption (1000 MT CWE)	2,544	2,544	2,650	2,653	2,675	2,675
Ending Stocks (1000 MT CWE)	0	0	0	0	0	0
Total Distribution (1000 MT CWE)	2,829	2,829	2,910	2,911	2,940	2,940

(1000 HEAD) ,(1000 MT CWE)

Not official USDA data

Production

2024

Post forecasts production at 1.6 MMT CWE in 2024, an increase of two percent compared to 2023. Lower feed costs in 2024 are anticipated to lead to heavier slaughter weights and increased pork production. A strong and growing domestic demand is expected to bring certainty to pork producers to invest and increase production. Improved productivity and animal health, soften the impact of the challenging market conditions and are expected to support increased production.

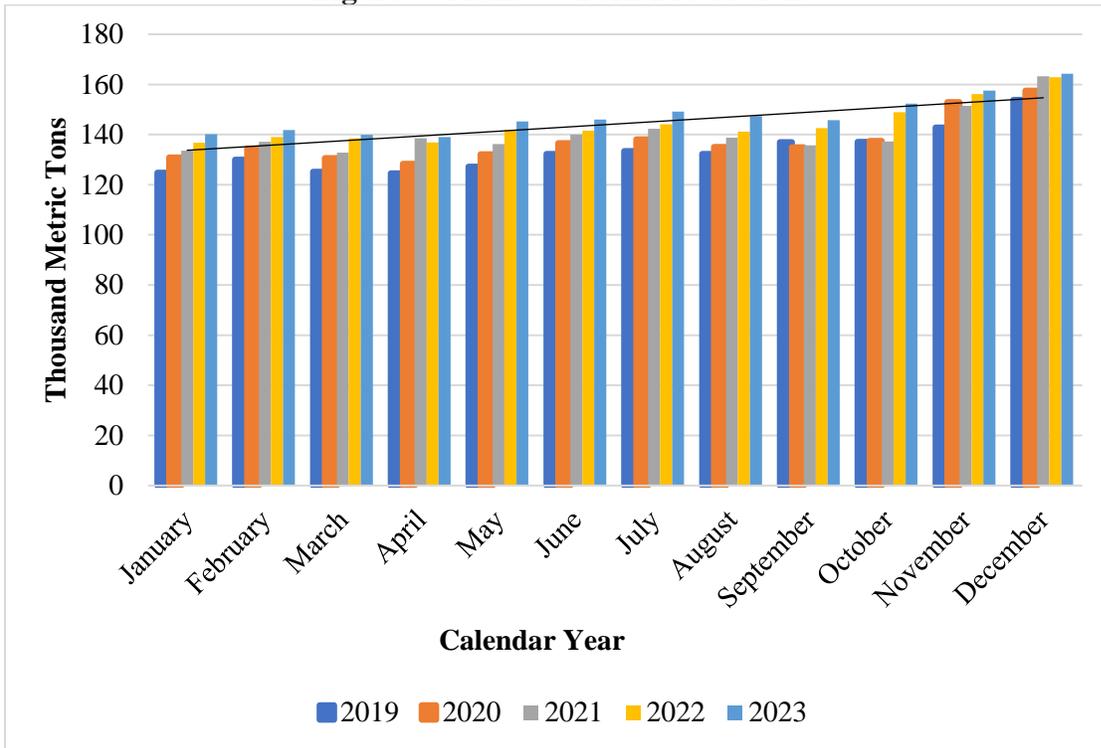
Industry challenges in 2024 and 2023 include product diversification to comply with market demand for ready to eat and ready to cook products, meeting production costs to adapt new technologies, and protecting animal health and food safety.

Growing public insecurity is also a concern for the pork industry. According to a risk management consultant, 56 freight/cargo trucks are stolen every day in Mexico. Cargo transportation thefts in Mexico are projected to increase in 2024 based on the trend of increasingly violent behavior by criminal groups. Attacks in the center states of the country (State of Mexico, Puebla, Guanajuato, Jalisco, and Michoacan) occur with greater frequency. These states are high pork producing regions and producers in these regions will transfer the extra costs derived from insecurity to the final consumer.

2023

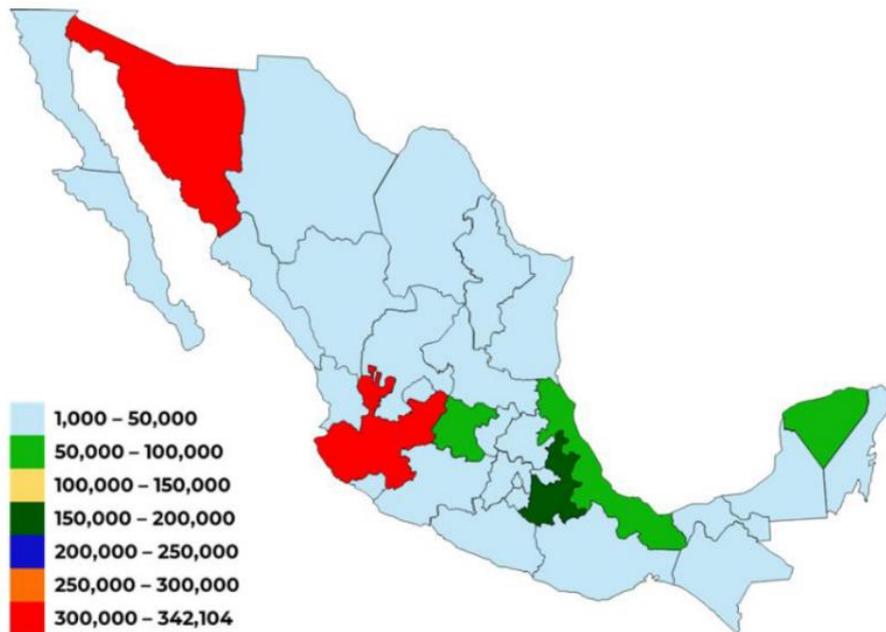
Post estimates production at 1.6 MMT CWE in 2023, a two percent increase compared to 2022. Low hog prices in comparison to production costs impacted pork production during the first half of the year, although price improvements were seen in the latter part of the year.

Figure 9: Mexico's Pork Production



Source: Agricultural and Fisheries Information Service (SIAP)

Figure 10: Mexico's Pork Production (MT CWE)



Source: Agricultural and Fisheries Information Service (SIAP)

Consumption

2024

Post forecasts pork consumption at 2.7 MMT CWE in 2024, one percent higher than 2023. Consumption is expected to grow despite pork price fluctuations and shifting consumption patterns. Consumers are cautious about purchases and their budgets particularly during the uncertainty of an election year. Consumers are expected to be more hesitant with big purchases and reduce spending per purchase. However, pork may benefit from the relatively higher cost of beef.

Pork processors are expected to provide more cost-effective value-added products, especially for price conscious consumers. Promotional initiatives and educational advertisements are expected to be a requirement in 2024 for Mexican companies to grow in domestic and international markets.

2023

Post estimates pork consumption at 2.65 MMT CWE in 2023, four percent higher than 2022. Despite upward inflation during the first half of 2023, consumers continued to increase pork consumption. As the price gap between chicken meat and pork narrowed, pork consumption increased. Innovative packaging and new store sales formats boosted pork consumption, especially in the medium to high-income sectors of the population. Innovations in pork presentations from high-end cuts to variety meats, for example through products advertised as “pork ribeye” or “pork offal tacos” provided Mexican consumers with a broader set of possibilities for different budgets.

Pork consumption in Mexico still faces the perception among some consumers that pork is not healthy. Consumers who can afford pork demand healthy food options and industry seeks to educate these customers on the health benefits of eating pork. Industry is also developing products with high quality nutritional content in more practical packaging that extends product shelf life.

Trade

Imports

2024

Post forecasts pork imports at 1.4 MMT CWE in 2024, nearly flat compared to 2023. The Mexican “super peso” is expected to weaken in the second half of 2024, diminishing the peso’s strength compared to the United States dollar which supported record imports in 2023.

The United States and Canada are Mexico’s main pork suppliers. The extended Presidential Anti-Inflation decree with zero tariffs from third countries will keep processors seeking new business opportunities. However, the program is not forecast to increase pork access from non-free trade agreement partners due to duty free access to fresh and chilled products from the United States. Additionally, in November 2023, market access for Brazilian pork was temporarily suspended due to an injunction filed by local pork producers and due to legal proceedings, it is unclear when the access will resume.

2023

Post estimates pork imports at a record 1.35 MMT CWE in 2023, a four percent increase compared to 2022. Mexico increased imports to satisfy its growing demand for pork and the United States is the main supplier.

Several initiatives during the current presidential administration (2018-2024) boosted domestic pork demand, thereby pushing up imports to satisfy demand. Both social welfare programs and increased minimum wages resulted in more spending money for lower income populations, boosting domestic pork demand.

Exports

2024

Post forecasts pork exports at 265,000 MT CWE in 2024, a three percent increase from 2023. Mexico is expected to increase exports to Asian markets such as Japan and Korea, where value-added Mexican products such as pork skewers, one inch pork cubes, or tailored market specific cuts are appreciated and paid for accordingly. According to industry, China is not viewed as the same strong destination for Mexican pork as it was in 2020-2021.

2023

Post estimates pork exports at 258,000 MT CWE in 2023, a nine percent decrease from the previous year. The strong Mexican peso diminished export power and hindered Mexican pork competitiveness in markets such as the United States, Korea, and Japan. This trend is expected to recover in 2024.

Policy

February 2023 Corn Decree

On February 13, Mexico published [a presidential decree](#) which includes a directive that, “The dependencies and entities of the Federal Public Administration will carry out the actions leading to the effect of carrying out the gradual substitution of genetically modified corn for animal feed and for industrial use for human food.” On August 17, the United States Trade Representative [announced](#) the United States establishment of a dispute settlement panel under the United States-Mexico-Canada Agreement (USMCA) regarding certain Mexican measures concerning biotech corn.

Extension of Presidential Anti-Inflation Decree

On December 27, 2023, the Government of Mexico published a presidential decree to extend the exemption of tariffs and easing of administrative procedures for the importation of basic food basket products through December 31, 2024 (see GAIN Report [MX2024-0004](#)). The inflation decree extension is expected to increase tariff-free imports from countries that do not currently have a free trade agreement with Mexico. The related Harmonized System (HS) codes are listed below.

CODE	DESCRIPTION	NOTE
01.02	Live animals of the bovine species	
0102.29.99	Others.	
02.01	Meat of bovine animals, fresh or chilled.	
0201.10.01	Carcasses and half-carcasses.	
0201.20.99	Other cuts (pieces) without bone.	
0201.30.01	Boned.	
02.02	Meat of bovine animals, frozen.	
0202.10.01	Carcasses and half-carcasses.	
0202.20.99	Other cuts (pieces) without bone.	
0202.30.01	Boned.	
02.03	Meat from swine animals, fresh, chilled or frozen.	
0203.11.01	Carcasses and half-carcasses.	
0203.12.01	Legs, shoulders, and their pieces, without bone.	
0203.19.99	The others.	
0203.21.01	Carcasses and half-carcasses.	
0203.22.01	Legs, shoulders, and their pieces, without bone.	
0203.29.99	The others.	

Specifications for the Regulation of Products for Animal Use or Consumption

On November 6, 2023, Mexico’s Secretariat of Agriculture (SADER) published Official Mexican Standard NOM-012-SAG/ZOO-2020: Specifications for the Regulation of Products for Animal Use or Consumption (see GAIN Report [MX2023-0060](#)). The standard outlines specifications for the production, storage, distribution, marketing, quality control, and verification of products for animal use or consumption for nutritional purposes and disease management.

Mexico Welcomed 2024 with a 20 Percent Minimum Wage Increase

On January 1, 2024, Mexico’s minimum wage in the northern border cities increased to \$377.89 MXP/day (\$21.5 USD), and \$248.93 MXP/day (\$14.22 USD) in the rest of the country. The wage increase reflects the minimum daily wage that a worker must receive for the services rendered during the workday and benefits an estimated 8.9 million Mexicans working in the formal sector. Roughly 54 percent of the Mexican labor force is ‘informal’ and thus would not benefit directly from any official wage increase.

NOM-036 Manual Labor Standard Comes into Force

On March 31, 2024, the revised Mexican Standard [NOM-036](#) comes into force, which restricts the amount of lifting and other manual labor considerations. Some meat processing companies share concern the standard could reduce labor availability and at least temporarily impact operations which already face existing labor shortages.

For More Information

Visit the FAS headquarters' home page at [Error! Hyperlink reference not valid.](#) for a complete selection of FAS worldwide agricultural reporting.

Report Number	Title	Dated
MX2023-0040	Livestock and Products Annual	08/03/2023
MX2023-0005	Livestock and Products Semi-annual	02/21/2023
MX2022-0046	Livestock and Products Annual	09/06/2022
MX2022-0003	Livestock and Products Semi-annual	03/29/2022
MX2021-0042	Livestock and Products Annual	07/29/2021
MX2021-0005	Livestock and Products Semi-annual	03/16/2021
MX2020-0038	Livestock and Products Annual	07/30/2020

Attachments:

No Attachments