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Report Highlights:

Brazil is the third-largest chicken meat producer and the largest chicken meat exporter in the world. Post forecasts chicken meat production will increase in 2026 due to consistent external demand, a lower currency valuation, sluggish socio-economic performance, lower production costs, and increased domestic consumption. Brazil is currently free from Highly Pathogenic Avian Influenza (HPAI) in commercial plants. Post estimates domestic consumption to increase in 2026. Chicken meat exports are forecast to increase in 2026, as Brazil opens new markets and consolidates and diversifies exports to existing markets. Negotiating regionalization clauses to its current health certificates with the objective of protecting exports remains a priority for Brazil.

EXECUTIVE SUMMARY

Production

Brazil is the third-largest chicken meat producer in the world after the United States and the People`s Republic of China (PRC). Chicken meat production in 2026 is forecast at 15.7 million metric tons (MMT), a two percent increase from 2025 and a record high for Brazil. This forecast is based on consistent external demand and improved domestic consumption, despite sluggish socio-economic performance. Brazil's commercial plants are currently free from Highly Pathogenic Avian Influenza (HPAI).

Consumption

Post forecasts domestic chicken consumption in 2026 at 10.6 MMT, a one percent increase from 2025, as decreased consumption of other animal protein sources is expected. Post anticipates 67 percent of Brazilian chicken production will be consumed domestically in 2026.

Trade

Brazil is forecast to remain the world's largest exporter of chicken meat in 2026 at nearly 5.2 MMT, an increase of four percent. These values do not include chicken paws. The government of Brazil is working to open new markets, increase product diversity in existing markets, and negotiate regionalization clauses to its current health certificates to avoid market closure in case of new Highly Pathogenic Avian Influenza (HPAI) and Newcastle Disease cases in commercial operations. Brazil continues to focus on halal markets for exports. Post forecasts chicken meat imports at 5,000 MT in 2026, coming from Argentina and Chile.

Figure 1

Chicken Meat Production, Supply, and Distribution

Meat, Chicken	2024		2025		2026	
Market Year Begins	Jan 2024		Jan 2025		Jan 2026	
Brazil	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Beginning Stocks (1000 MT)	0	0	0	0	0	0
Production (1000 MT)	15000	15000	15450	15450	15700	15700
Total Imports (1000 MT)	5	5	5	5	5	5
Total Supply (1000 MT)	15005	15005	15455	15455	15705	15705
Total Exports (1000 MT)	4894	4894	4975	4970	5250	5150
Human Consumption (1000 MT)	10111	10111	10480	10485	10455	10555
Other Use, Losses (1000 MT)	0	0	0	0	0	0
Total Dom. Consumption (1000 MT)	10111	10111	10480	10485	10455	10555
Total Use (1000 MT)	15005	15005	15455	15455	15705	15705
Ending Stocks (1000 MT)	0	0	0	0	0	0
Total Distribution (1000 MT)	15005	15005	15455	15455	15705	15705
(1000 MT)						
OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query						

Source: Not Official USDA Data

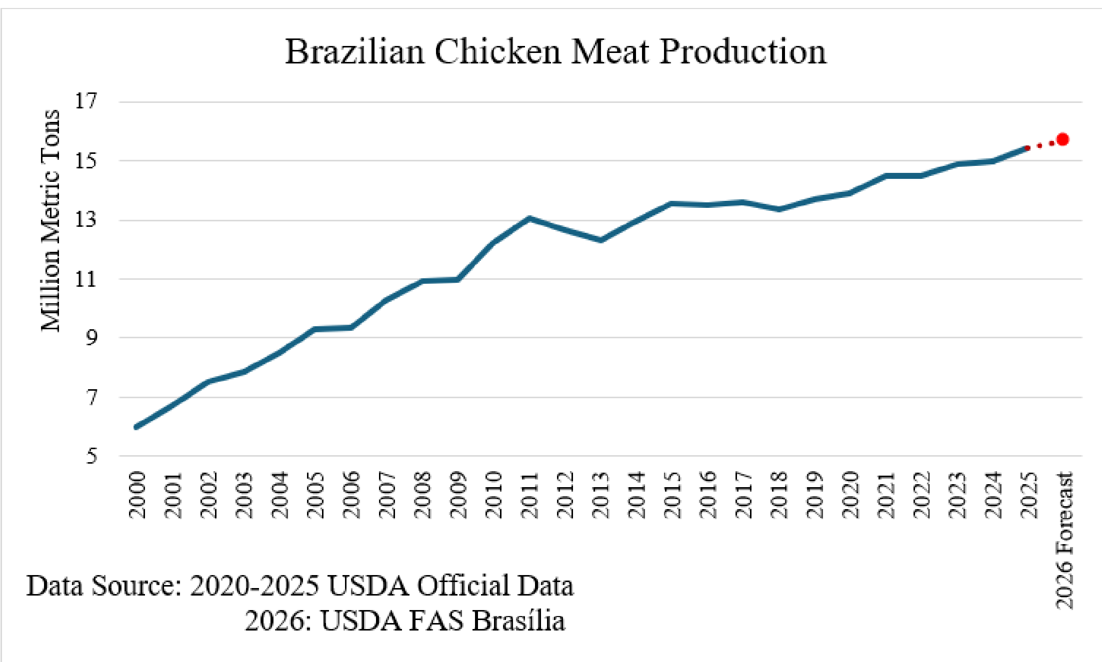
POULTRY

1. Production

Brazil is the third-largest chicken meat producer in the world, behind the United States and the PRC, per official USDA data. Post forecasts chicken meat production in 2026 to increase two percent from 2025, reaching 15.7 million metric tons (MMT). This forecast is based on consistent external demand, lower currency valuation, reduced production costs, and increased domestic consumption, despite sluggish socio-economic performance expected for the country. Post forecasts that production in 2026 will reach record levels, as presented in Figure 2.

Figure 2

Brazilian Chicken Meat Production, 2000-2025 and 2026 Forecast

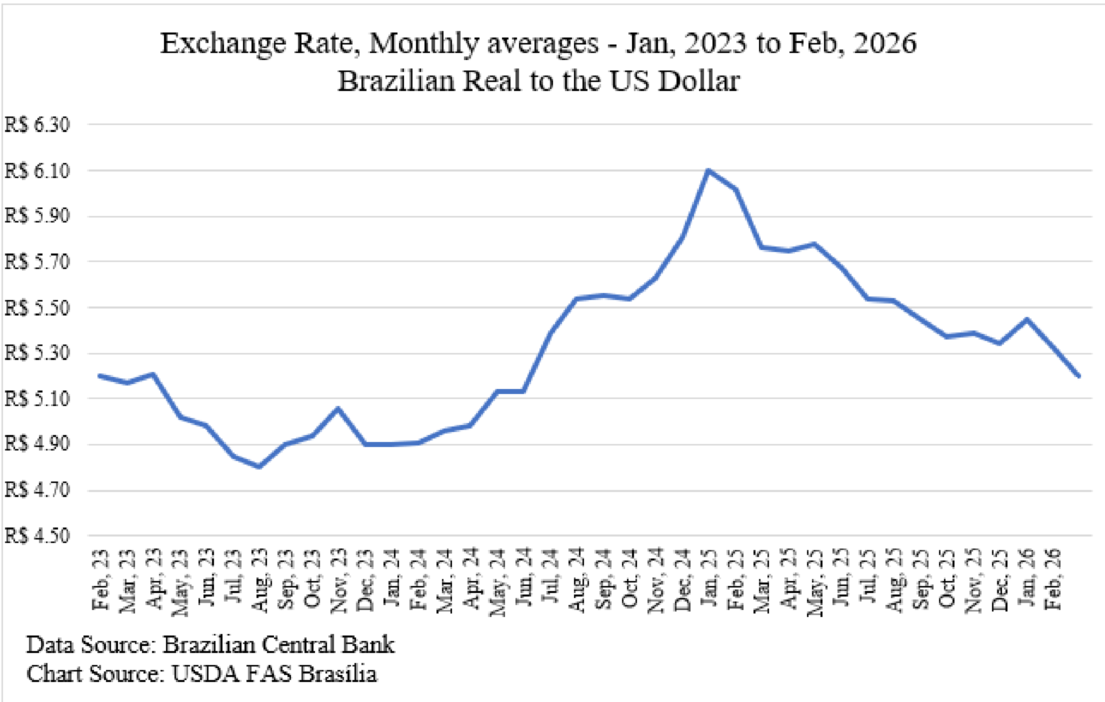


1.1. Socio-Economic Factors to Weigh on Production

The Brazilian Central Bank (BCB) forecasts GDP to grow 1.82 percent in 2026, following 2.2 percent growth in 2025. The Central Bank Focus Survey published on February 27th anticipates inflation at 3.91 percent in 2026. The exchange rate for the Brazilian real to U.S. dollars is forecast at R$5.42 to USD1.00 in 2026. While the real gained value against the U.S. dollar over the past year, it remains significantly devalued relative to historical averages of the past decade, affecting production and exports.

Figure 3

Average Monthly Exchange Rate – January 2023 to February, 2026



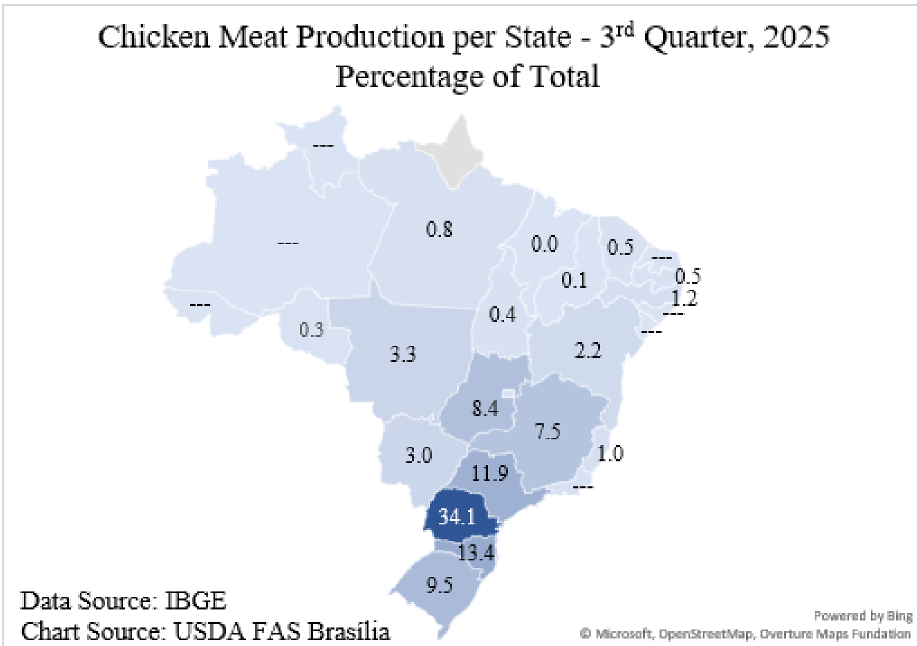
The Institute of Geography and Statistics' (IBGE) latest data reports that Brazil had 5.5 million unemployed people in the fourth quarter of 2025, representing a 5.1 percent unemployment rate. However, there are an additional 2.6 million people that have stopped looking for work. The total underutilized rate for the fourth quarter of 2025 was 13.4 percent. Other factors, such as high interest rates, tariffs and taxes, fiscal uncertainties, and regulatory issues, all weigh on producers' capacity to make investments, manage risk, and make decisions related to production.

1.2. Production by States

Figure 4 shows chicken meat production across Brazil for the third quarter of 2025, the most recent IBGE final data available. The darker the color, the higher the percentage of Brazilian slaughter in the state. The South region of Brazil – composed of the states of Paraná, Santa Catarina, and Rio Grande do Sul – continues to lead the country with 57 percent of national chicken production. Paraná state is the single largest producer, responsible for 34 percent of total chicken meat coming out of Brazil in the third quarter of 2025, followed by Santa Catarina, São Paulo, Rio Grande do Sul, and Goiás states. States marked with “---” are those where production takes place, but the amount of establishments in the state is small enough that sharing the exact production numbers would disclose sensitive company data.

Figure 4

Brazilian Chicken Meat Production by State – Third Quarter, 2025 – Percentage of Total



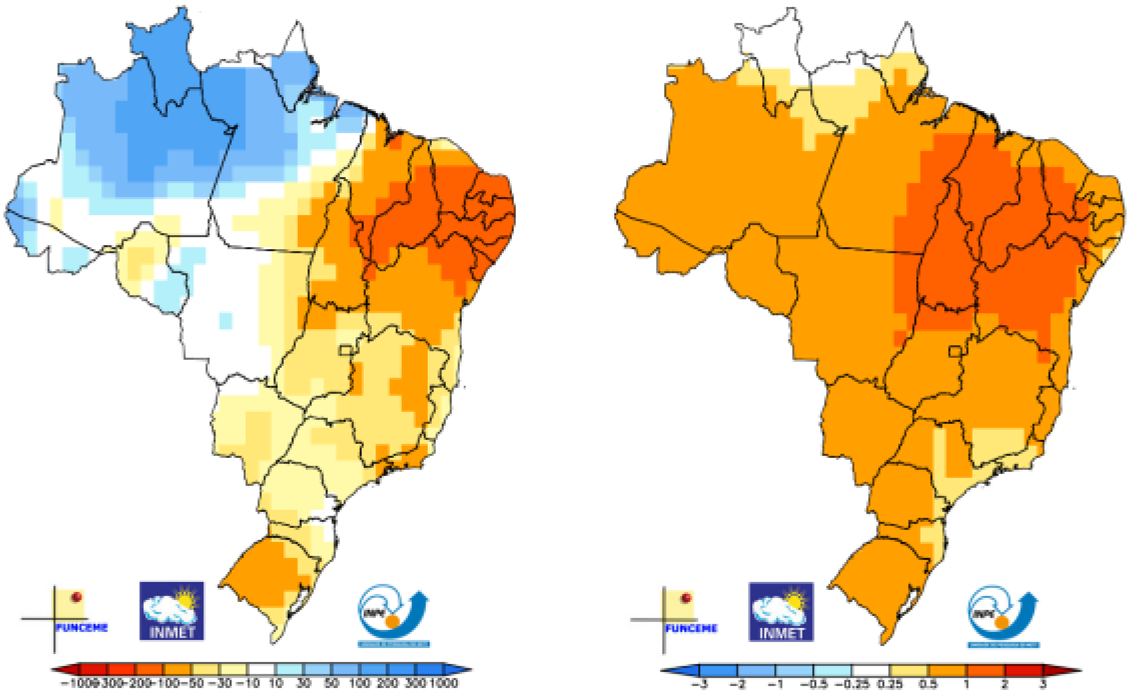
Weather Conditions

Climate is an important factor in chicken production. The ideal temperature for production varies between 18°C to 24°C (64° to 75°F). Temperatures outside of this range impact the chickens’ thermal balance. Subject to higher temperatures, chickens tend to drink more water and eat less feed – gaining less weight and producing fewer eggs. Subject to lower temperatures, chickens tend to pile up, not eating or drinking enough to gain adequate weight for slaughter and becoming more susceptible to respiratory diseases. Poultry house humidity also impacts chicken comfort and production, with ideal ranges of humidity from 40 to 70 percent.

Forecasts from the National Meteorology Institute (INMET) predict that rainfall will be near or below average in the south of Brazil in January, February, and March of 2026. Temperatures are forecast to be above average in the region. Since these states are the largest poultry producers in Brazil, it is important to carefully monitor temperature changes due to the potential impacts mentioned above. The maps in Figure 5 show, to the left, the forecast of rainfall abnormalities in the country; and to the right, temperature abnormalities in the quarter.

Figure 5

Rainfall (L) and Temperature (R) Abnormalities Forecast – January to March, 2026.



Data Source: INMET Monthly Agri Climatological Report January 2026

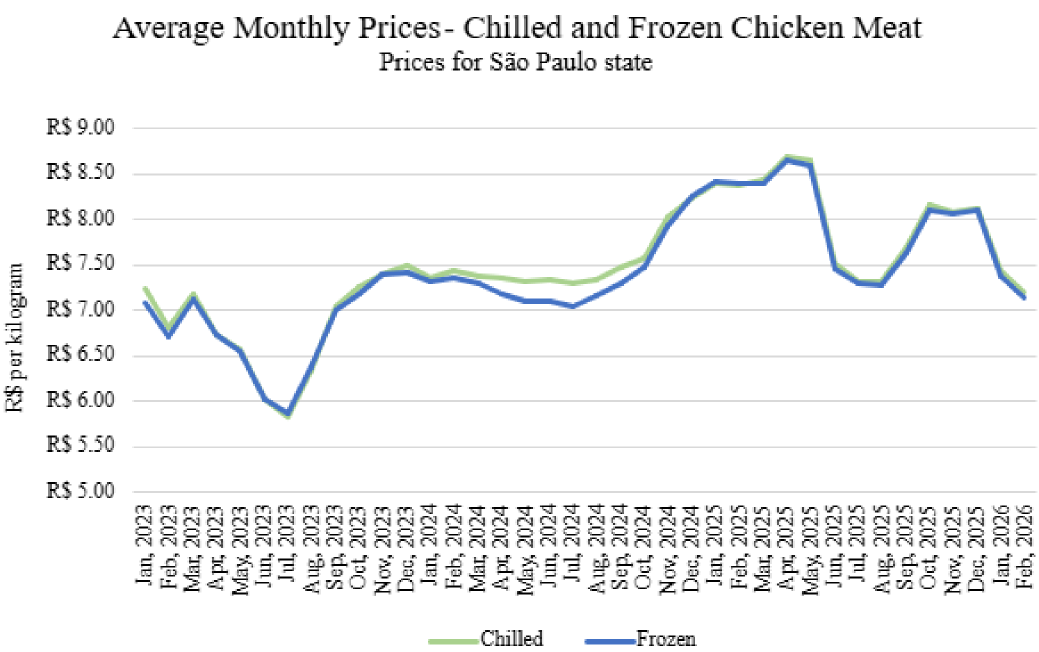
The National Oceanic and Atmospheric Administration (NOAA) predicts a transition from La Niña to neutral conditions for El Niño in February to April 2026. Poultry producers continue to monitor weather conditions, as abrupt climate changes can lead to increased bird deaths and require increased electricity expenditures to protect the birds. Furthermore, weather changes could also impact feed availability as some of these weather phenomena have a direct impact on grain production.

1.3. Price and Profitability Outlook

Post estimates poultry prices will recover in 2026 following the disruption caused by the first outbreak of HPAI in a commercial plant in May 2025. More information on the outbreak in section "1.5. Sanitary Status" of this report. The forecast is based on overall decreased input costs sustained by a reduction in feed costs, domestic inflation, increased domestic demand due to increase in competing animal protein prices, and external demand. The average price per kilogram of chilled chicken meat in 2025 was R$8.06 (USD1.44), and frozen chicken was sold at an average price of R$8.04 (USD1.44). The graph in Figure 6 shows the average monthly prices for chilled and frozen chicken since January 2023 and shows the effects of the HPAI case in a commercial plant, as well as a recovery in prices as markets reopened.

Figure 6

Average Monthly Prices – Chilled and Frozen Chicken Meat



Data Source: CEPEA
Chart Source: USDA FAS Brasília

Despite the HPAI case, producers expanded production in 2025 and are forecasted to do so in 2026 as well. Given the short lifecycle of chickens, producers balance demand and production levels more quickly than other animal protein producers, such as cattle and swine, whose lifecycles are much longer than chickens.

1.4. Production Costs

1.4.1. Cost of Feed

For 2026, the National Union for Animal Feed Industry (Sindirações) forecasts 93 million tons of feed production. While final feed production for 2025 is still being assessed, the Union estimated in December 2025 that 89.9 million tons of feed were produced that year, close to a three percent annual increase. Sindirações initial forecast for 2025 production was higher, close to 94 million tons.

The union estimated 2.6 percent growth overall for poultry feed, reaching 45.3 million tons in 2025. For broilers, Sindirações estimates 2025 feed production at 37.9 million tons, representing a 2.6 percent increase from 2024. For layers, the union estimates the 2025 production at 7.35 million tons, a 247 percent increase from the previous year.

For both broilers and layers, the top macro ingredient used for feed is corn, followed by soybean meal. The feed industry is highly dependent on the animal protein sector – especially poultry and swine production. Industry sources indicate there is idle capacity in the feed industry, estimated at roughly 10 MMT, meaning production could ramp up if needed. Furthermore, contacts relay that as more corn is used for ethanol blending, feed industries are already evaluating other ingredients and commodities for feed use in the future.

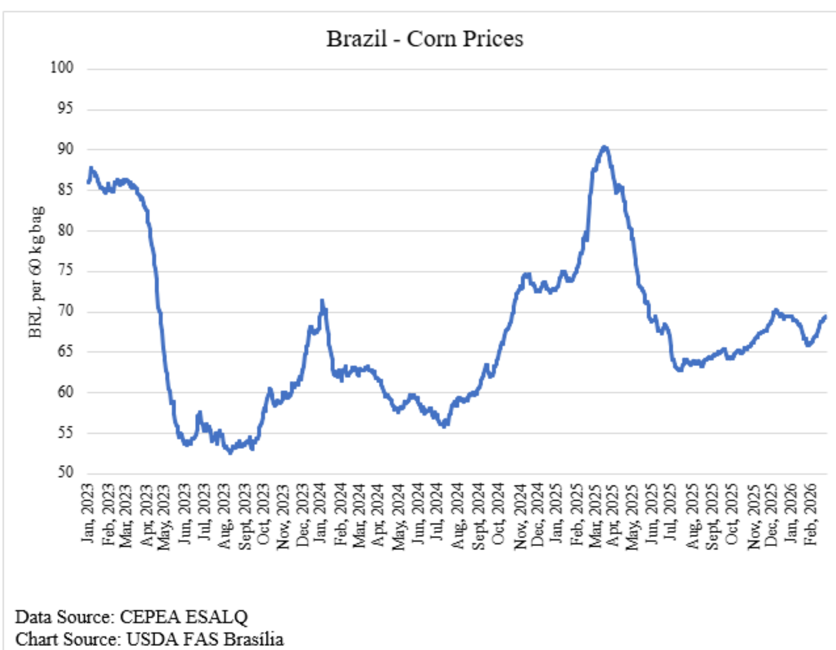
As a major producer of both corn and soybean meal, Brazil has a competitive advantage when producing chicken for subsequent slaughter due to favorable costs of feed. For crop season 2025/2026, USDA forecasts increased crops from the previous harvest.

Corn

The USDA World Agricultural Supply and Demand Estimates (WASDE), published on February 10, 2026, forecasts Brazil´s corn production for MY 2025/26 at 131 MMT, declining primarily due to the effects of the La Niña weather phenomenon. Brazil is expected to remain the third-largest corn producer in the world, behind the United States and the PRC. Corn prices fluctuated significantly in 2025, compared to 2024, as seen in Figure 7.

Figure 7

Brazil – Corn Prices

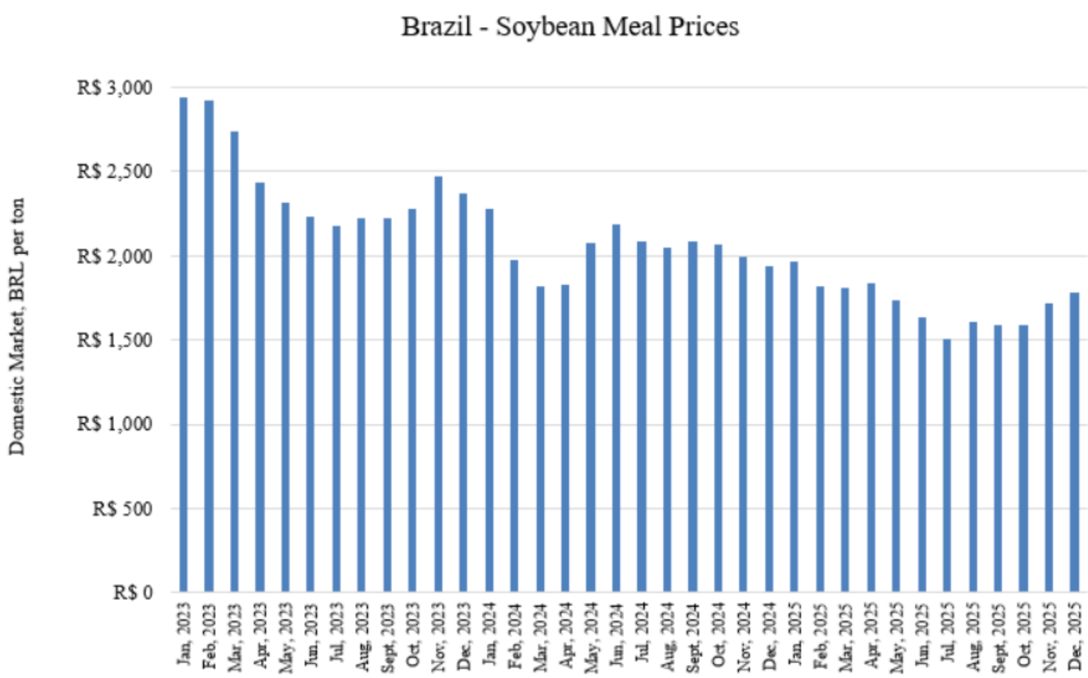


Soybean

As of February 10th, the WASDE forecasts Brazil's soybean production at 180 MMT for MY 2025/26, given a forecasted 3.1 percent growth in planted area due to increased domestic and foreign demand, signaling the potential for a new record crop. Brazil remains the world's largest soybean producer.

Figure 8

Brazil – Soybean Meal Prices



Data Source: ABIOVE, Brazilian Association of Oilseed Industries
Chart Source: USDA FAS Brasília

Impact of Feed Costs on Production

In January 2026, feed costs for chicken production were 8.6 percent cheaper than in the past 12 months, constituting the only cost that decreased. For 2026, Post forecasts that record corn and soybean crops will continue to positively impact the poultry industry, lowering feed costs and making it easier for producers to balance other production costs, as seen in the following subsection.

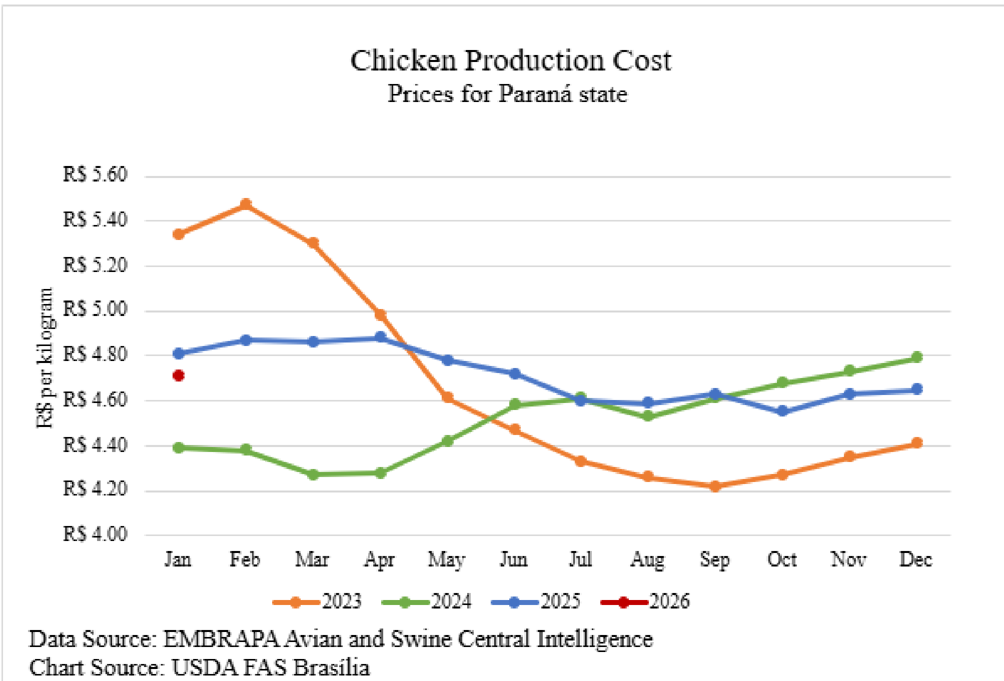
1.5.2. Other Production Costs

The state of Paraná serves as a national reference for poultry costs due to the size of its operations. The table in Figure 9 shows Paraná producers experienced overall lower production costs per kilogram in

January 2026 when compared to the previous year. In the first month of 2026, production costs averaged R$ 4.71 (USD 0.88) - see more details in Figure 10 Poultry Production Costs. For the remainder of 2026, Post forecasts production costs to remain relatively stable from 2025, as improvements are forecasted in corn and soybean crops. International demand and the devalued Brazilian currency will also favor production, which is estimated to reach 15.7 MMT in 2026.

Figure 9

Chicken Production Cost for Paraná State



The Brazilian Company of Agricultural Research (EMBRAPA) compiles an index for poultry production costs, called *ICPFrango*. In January 2026, feed costs accounted for close to two thirds of total production costs in the state of Paraná. Other expenses including investments in genetics, cost of labor, electricity, bedding, heating, and transportation also compose production costs. The table in Figure 10 shows that, in January 2026, the only increase in costs for the sector was for genetics.

Figure 10

Poultry Production Costs

Poultry Production Costs - January, 2026		
Item	Value difference compared to previous 12 months	Percentage of total
Feed	-8.64%	63.27%
Genetics	+19.36%	18.96%
Labor	+1.87%	4.52%
Animal Health	+9.02%	0.90%
Electric Energy/ Bed/ Heating	+2.23%	2.53%
Maintenance/ Insurance	0.00%	0.70%
Transportation	+7.39%	1.57%
Funrural - Assistance Fund for Rural Workers	+7.39%	0.20%
Others	+1.83%	0.24%
Depreciation	0.00%	2.63%
Capital Cost	+10.59%	4.50%
Total	**-2.10%**	**100%**

Data Source: EMBRAPA Swine and Poultry, ICPFrango
Chart Source: USDA FAS Brasília

Figure 11 presents prices for live chickens, soybean meal, and corn in the state of Paraná from January 2022 to February 2026. As shown in the table, the average price of live chickens in February 2026 was 1.7 percent higher when compared to the same month the previous year.

Figure 11

Costs for Paraná State

Costs for Paraná state - R$/kilogram													
	Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Live Chicken	2023	5	4.98	4.91	4.86	4.77	4.54	4.4	4.48	4.46	4.47	4.53	4.63
	2024	4.59	4.55	4.53	4.46	4.45	4.32	4.45	4.64	4.66	4.56	4.63	4.61
	2025	4.46	4.64	4.67	5.07	5.25	4.97	5.01	4.92	4.97	5.13	5.02	4.96
	2026	4.62	4.72										
Soybean Meal	2023	3.15	3.09	2.88	2.57	2.41	2.32	2.44	2.41	2.40	2.40	2.63	2.51
	2024	2.28	2.12	1.98	2.01	2.28	2.31	2.24	2.15	2.25	2.26	2.19	2.13
	2025	2.08	2.02	1.96	1.93	1.83	1.81	1.80	1.69	1.70	1.70	1.78	1.82
	2026	1.93	1.91										
Corn	2023	1.44	1.42	1.38	1.21	0.96	0.92	0.91	0.88	0.85	0.88	0.90	0.98
	2024	0.99	0.96	0.94	0.96	0.97	0.97	0.96	0.98	1.00	1.09	1.16	1.16
	2025	1.18	1.22	1.30	1.23	1.12	1.05	1.00	1.01	1.02	1.02	1.04	1.07
	2026	1.08	1.02										

Data Sources: EMBRAPA Avian and Swine Central Intelligence and Paraná Secretariat of Agriculture and Food Supply - DERAL
Chart Source: USDA FAS Brasília

Throughout 2025, the industry worked to adjust production by increasing placement when needed. Post contacts also note that during the pandemic, the poultry industry made substantial investment to increase production. These investments point to idle capacity in production, which can be utilized if profit margins increase for producers.

For 2026, Post forecasts Brazil will see two percent growth in production. As idle capacity is available, producers will continue to balance placement levels, international and domestic demand to determine production levels. The forecasts in this report assume the continuation of Brazil's sanitary status and any related policies as of September 22, 2025.

1.5. Sanitary Status

1.5.1. Avian Influenza

Brazil first reported a case of highly pathogenic avian influenza (HPAI) in wild birds to the World Organization for Animal Health (WOAH) on May 15, 2023, starting in Espírito Santo. Two years later, on May 15, 2025, the Ministry of Agriculture and Livestock confirmed the country's first commercial poultry outbreak, detected in a breeder facility for fertile egg production in Montenegro, Rio Grande do Sul. All culling and egg elimination was completed by May 18.

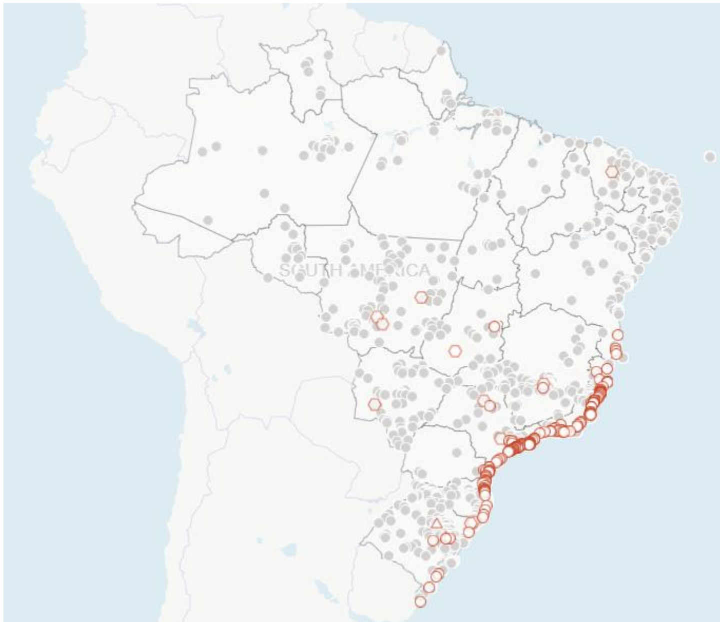
Immediately following the detection, Brazil notified WOAH and liaised with governments worldwide to give notice of the outbreak and Brazilian government actions taken. Trade restrictions related to the export of chicken meat, chicken products, eggs and egg products followed. Trade restrictions varied according to negotiated health certificates, per country and per product. Restrictions varied at the country-level, state-level, and municipality-level, depending on the regionalization clauses agreed to between Brazil and its trading partners.

As of March 1, 2026, Brazil has confirmed 187 cases of HPAI, one in a commercial plant, 14 in backyard flocks, and the rest in wild birds, spread in 12 different states and the Federal District. There were no additional cases either active or under investigation on that date. Brazil is therefore currently free of HPAI for commercial purposes. The map in Figure 12, prepared by MAPA, shows the locations (white with red border) where HPAI cases have been confirmed. In gray are cases where laboratory testing dismissed possible cases. Triangles mark cases in commercial plants, hexagons mark backyard cases, and circles mark wild bird cases. MAPA has prepared a complete public-facing dashboard to provide additional details for all HPAI cases.

For further information regarding the discovery of the disease in Brazil and measures taken by the Government of Brazil in response to the discovery and planned future actions, please refer to Post's previous Poultry and Products reports: Reports BR2023-0022, BR2024-0002, BR2024-0028, BR2025-0005 and BR2025-0038. For more information on the commercial plant case and the immediate trade restrictions imposed by different trading partners, please consult BR2025-0015.

Figure 12

Brazil HPAI Cases – As of March 1, 2026.



Data Source: Brazilian Ministry of Agriculture and Livestock, Poultry Respiratory and Nervous Syndrome Dashboard

The majority of cases occurred near shorelines, which corresponds with the migratory routes of wild birds that pass through Brazil. Industry and government officials have implemented crisis management protocols which have proven to be effective in response to the commercial plant case. Monitoring and biosafety measures have been strengthened at all levels, from government measures to industry investments and media campaigns to inform the general public.

As of February 2026, Argentina reported HPAI cases in commercial plants and Uruguay reported disease detections in wild birds. Because these countries border the Brazilian region where most production occurs, MAPA is closely monitoring the cases and has reinforced control measures to prevent the possible spread of the disease to Brazil's commercial plants.

1.5.2. Newcastle Disease

On July 17th, 2024, MAPA confirmed an outbreak of Newcastle Disease (NCD) in a commercial poultry plant located in Anta Gorda, in the state of Rio Grande do Sul. Prior to this occurrence, the most recent cases of the disease in Brazil were in 2006 in backyard birds. Several contacts consider the 2024 incident an isolated case, likely triggered by hail damage that broke the poultry house roof, leading to the death of animals and creating conditions for the disease to spread. NCD tracking is available on the same MAPA dashboard: the Poultry Respiratory and Nervous Syndrome dashboard.

As of March 1st, there are no current cases of NDC in Brazil, neither confirmed nor under investigation. For more details on government measures taken from the outset of the outbreak, please consult Post's Poultry and Products Annual Report [BR2024-0028].

2. Consumption

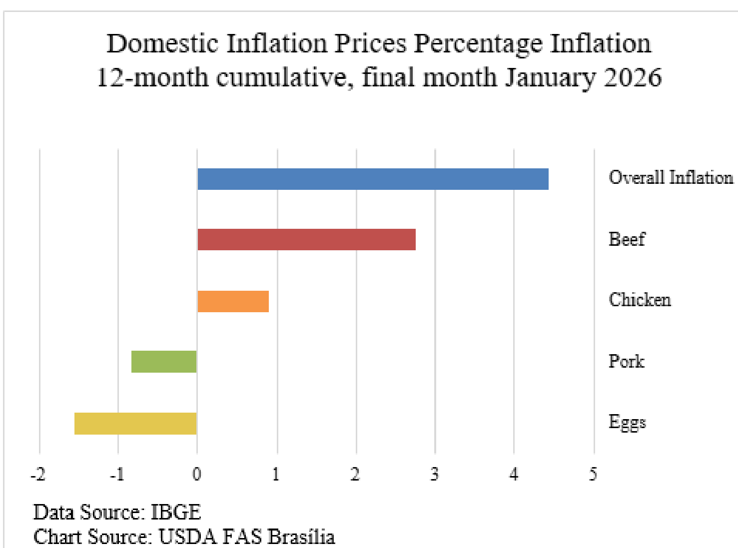
Post forecasts domestic chicken consumption in 2026 at 10.6 MMT RTC, growing one percent from the previous year. Post anticipates that 67 percent of Brazilian chicken production will be consumed domestically in 2026.

The Brazilian Central Bank (BCB) forecasts moderate economic performance in 2026, with GDP growth at 1.82 percent, per the latest data available from the BCB Focus Bulletin. The inflation rate is forecast at 3.91 percent in 2026. Domestic consumption can potentially benefit from social aid programs to the population in most need, as well as from an increased minimum wage. The Institute of Geography and Statistics (IBGE) reports 5.5 million unemployed people in the last quarter of 2025 and an additional 2.6 million people who have stopped looking for work. While these factors may negatively impact household purchasing power and thus consumption, the high costs of other animal protein sources, such as beef, will lead to an increase in consumption.

Chicken remains the most widely consumed animal protein in Brazil, as it is commonly the substitute for preferred, but more expensive, beef. As seen in Figure 13, inflation in the domestic retail market for chicken had a slight increase of 0.91 percent in the past 12-month cumulative, per official IBGE data.

Figure 13

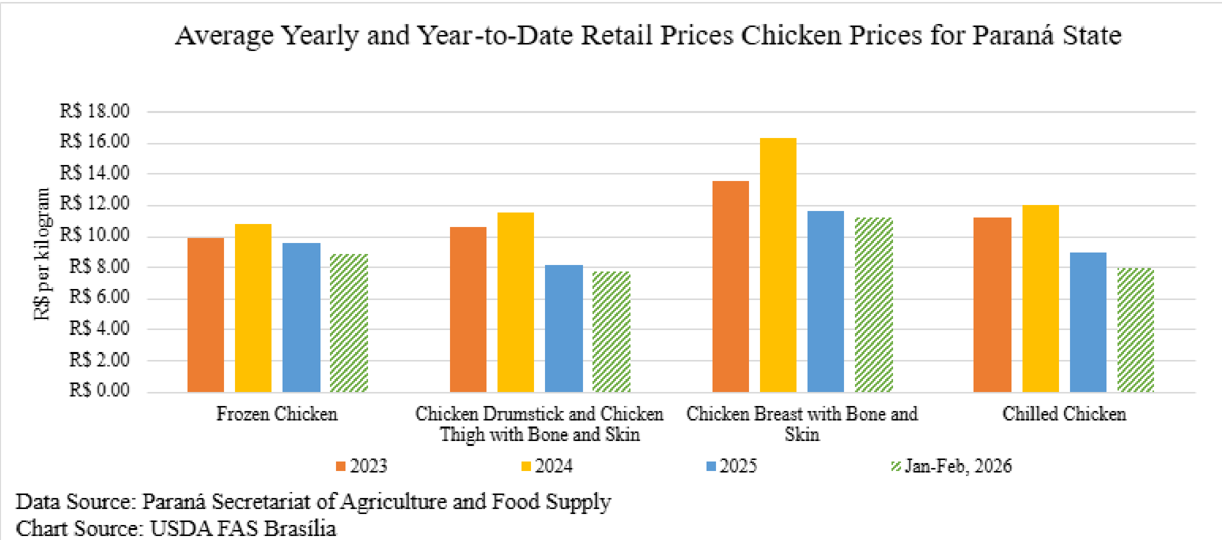
Domestic Retail Prices Percentage Inflation



The state of Paraná serves as the reference for chicken production in Brazil. The state's Secretariat of Agriculture and Food Supply monitors different cuts compared to IBGE surveys, and their data shows the variation in prices, as demonstrated in Figure 14.

Figure 14

Average Yearly and Year-to-date Retail Prices – Chicken – Paraná state



As seen in Figure 14, prices in 2025 decreased in every category when compared to previous years. In the period of January to February 2026, prices further decreased in the state. Post forecasts a one percent increase in domestic consumption in 2026, as production levels are forecast up. Additionally, chicken meat competes with other animal protein sources: beef consumption is estimated down and pork consumption is forecasted one percent up in 2026. For more information on beef and pork production and consumption in Brazil, please refer to Post's Livestock Semi-Annual Report, BR2026-0010.

3. Trade

3.1. Exports

Post forecasts Brazil will remain the world's largest exporter of chicken meat in 2026, a position it will continue to hold despite the 2025 HPAI incidence and its impact on trade. Chicken meat exports are forecast at 5.2 MMT RTC in 2026, which represents a four percent increase from 2025. Post forecasts exports will account for 33 percent of all production in Brazil in 2026.

Note that Post and official USDA forecasts do not include chicken paws, but official Brazilian statistics do. Furthermore, Post and official USDA forecasts consider policy in place. As of March 1st, all trade had been reestablished following the HPAI case in a commercial plant in 2025.

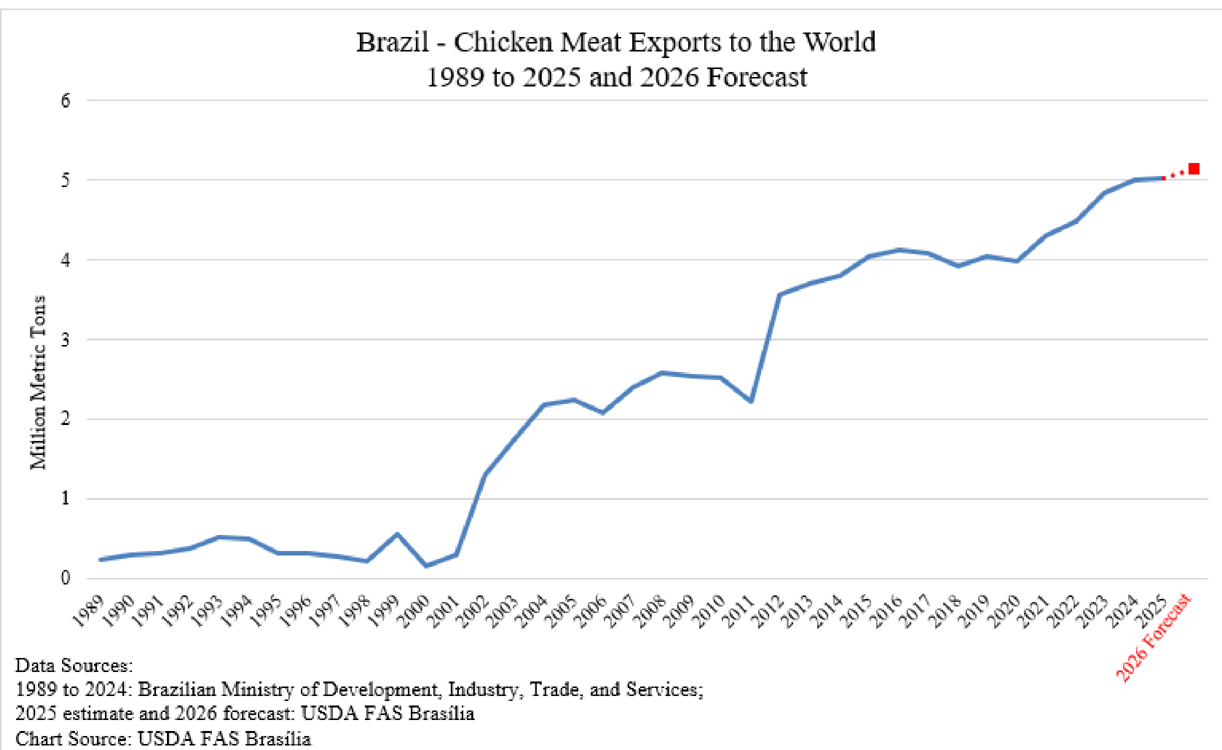
This forecast is based on increased production; estimated exports; Brazil's current sanitary status as free from HPAI in commercial plants; price competitiveness; and competitor exporters facing challenges with production due to animal disease.

Official Brazilian government data from the Ministry of Development, Industry, Trade, and Services (MDIC) indicates that despite all trade restrictions imposed due to the HPAI incident in 2025, Brazil exported 3.72 percent more than in 2024, exporting 5.02 MMT of chicken meat (including paws).

The graph in Figure 15 shows the evolution of Brazil's exports of chicken meat to the world since the beginning of the historical series.

Figure 15

Brazilian Chicken Meat Exports to the World



Post's 2026 forecast results from consistent external demand, new market openings, increased domestic consumption, and devalued – although improving – local currency, which incentivizes producers to export, and hence gain more for the investments they have made to increase production capacity in recent years. Figure 3 shows the fluctuation of the exchange rate in the last few years.

Per USDA data, Brazil is expected to be responsible for over 35 percent of global exports of chicken meat in 2026. Brazil is followed by the United States and the European Union as the top three largest chicken meat exporters. Together, the United States and the EU account for an additional 32.6 percent of global exports.

HPAI Trade Implications

Following the discovery of HPAI in Brazil in May 2023, Brazil successful kept the disease from reaching commercial poultry production plants for two years. Following the May 2025 commercial plant case, however, several trading partners imposed restrictions at different levels: national, state, municipality or zone level. For some countries, the level of restrictions imposed varied depending on the product, varying between municipal to state-level restrictions.

After all the culling and appropriate cleaning in the affected property and subsequent sanitary void period concluded, Brazil officially declared itself free from HPAI to the WOAH on June 18, 2025. At that point, trade restrictions started being modified and/or lifted by trading partners. While some countries lifted restrictions more quickly, others took longer to do so. Some modified the level of restrictions before finally lifting them. Total trade was only reestablished on December 26, 2025, when Canada lifted its restrictions, the final country to do so.

Regionalization

MAPA continues to diligently work on negotiating regionalization agreements with major importing countries to mitigate future potential outbreaks of HPAI or NCD in commercial plants. MAPA's work towards negotiating health certificate modifications individually with its trading partners was essential in Brazil's quick recovery in exports after the discovery of the May 2025 HPAI case.

For certain countries, regionalization is applied to a specific kilometer radius from the focus areas, with an additional radius for monitoring. For other trading partners, regionalization is done at the state-level, and for others at the municipality-level. A list of which countries with which Brazil has been able to secure such agreements and at what level is not publicly available. Some health certificates do not mention HPAI or NCD specifically, leading importers to decide for each occurrence what course of action to take, whether suspension is warranted or not, to consider internal food security demands. As the world`s poultry largest exporter, some markets are inclined to regionalize imports from Brazil to maintain availability of a low-cost or preferred animal protein.

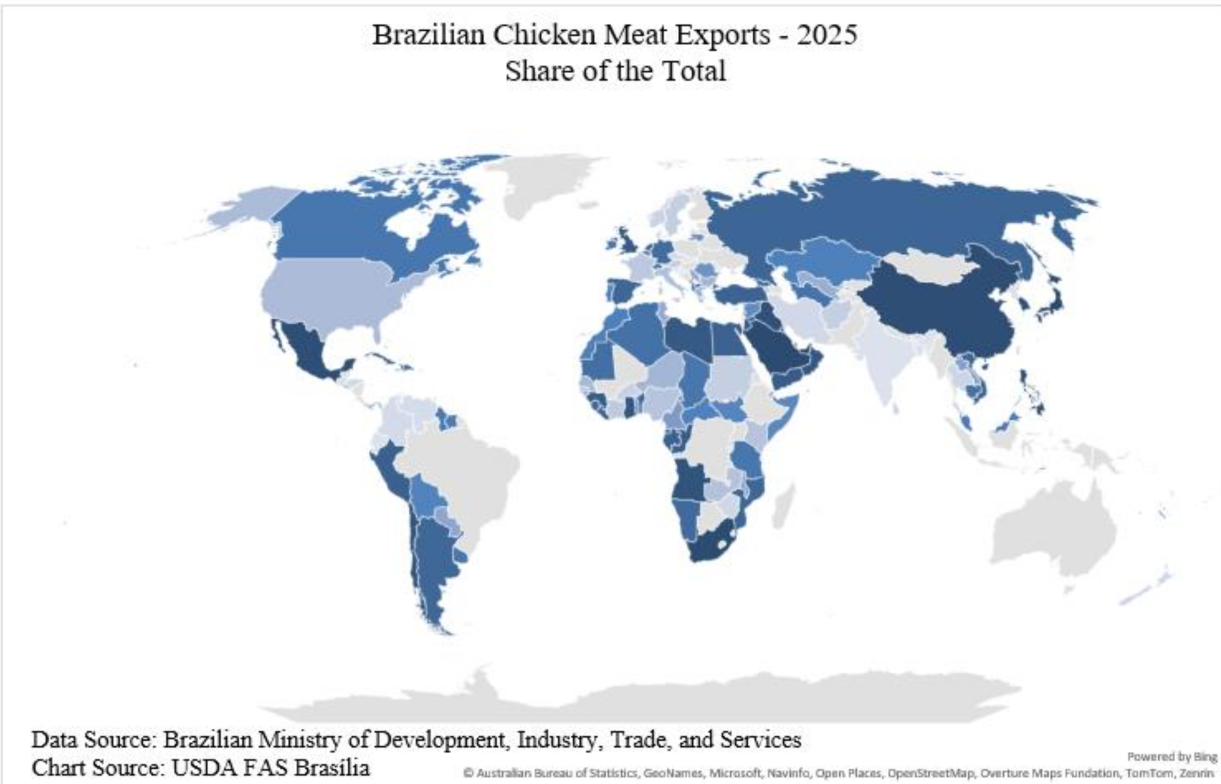
Trading Partners

Different from other animal protein where exports are more concentrated in specific countries, Brazil's exports of chicken meat are diversified. In 2025, Brazil exported close to 5.0 MMT of chicken meat and chicken products – without paws - to 166 countries.

The map in Figure 16 shows Brazil's chicken meat exports to the world. The darker the color, the more exports to that country.

Figure 16

Brazilian Chicken Meat Exports – Share of the Total, 2025

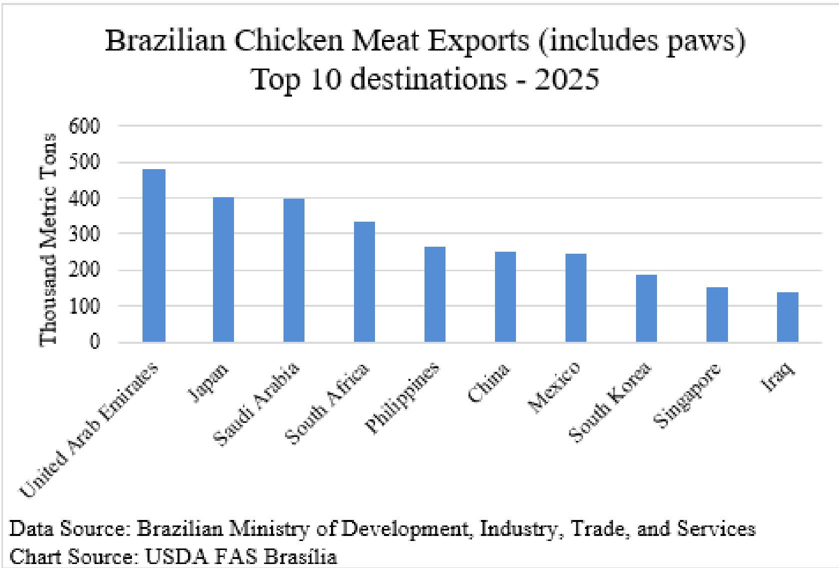


The United Arab Emirates, Japan, Saudi Arabia, South Africa, and the Philippines represent the top five destinations for Brazilian chicken meat in 2025. Brazil exported 1.88 MMT to these countries during the year, accounting for 37.4 percent of all exports.

The top 10 destinations are seen in Figure 17. These countries have consistently been top export destinations for Brazil.

Figure 17

Brazilian Chicken Meat Exports – Share of the Total – Top 10 destinations, 2025



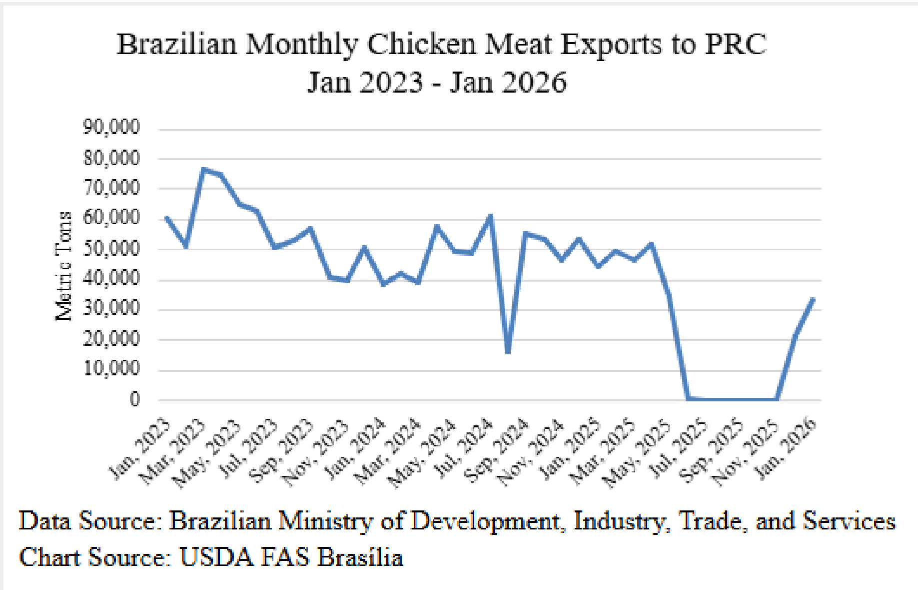
People's Republic of China (PRC)

The PRC had been Brazil's top export market for chicken meat since 2019. In May 2025, however, the PRC suspended trade due to the HPAI outbreak. Due the suspension, which lasted until November 7, 2025, United Arab Emirates surpassed the PRC as Brazil's top market. The PRC finished the year as Brazil's sixth-largest market, the destination for close to five percent of all chicken meat and chicken products exports from Brazil.

Figure 18 shows monthly exports since 2023. In January 2026, Brazilian exports to PRC were 24.6 percent lower than in the same month in 2025.

Figure 18

Brazilian Monthly Chicken Meat Exports to PRC



As seen from the graph, exports to PRC plummeted starting in June of 2025, then restarted as soon as restrictions were lifted. A sharp decrease is also seen in August 2024. On that occasion, Brazil self-imposed restrictions for exports to PRC after NCD was detected in Rio Grande do Sul in mid-July of 2024. Although Brazil lifted the self-suspension after approximately one week, the Chinese General Administration of Customs (GACC) and Ministry of Agriculture and Rural Affairs (MARA) prohibited imports of poultry and poultry products from Rio Grande do Sul on August 2, 2024.

Brazil currently has 81 plants authorized to export poultry and poultry products to the PRC. Of the plants authorized to ship to PRC, 12 are in Rio Grande do Sul; 30 in Paraná; 14 in Santa Catarina; five in both São Paulo and in Mato Grosso do Sul; nine in Minas Gerais; and the remainder in other states. Brazil continues to seek an agreement to regionalize exports to guard against the potential recurrence of diseases such as HPAI and NCD.

According to official USDA data, the PRC is forecasted to increase domestic production in 2026 by three percent, as large vertically integrated white broiler producers continue expanding capacity despite persistent low margins. This can potentially affect the level of imports from Brazil.

Halal Markets

Brazil continues to focus on growing exports to halal markets, such as the United Arab Emirates and Saudi Arabia. The two countries have been long-term and firm partners for Brazil. Brazil is currently the largest halal chicken meat producer in the world. Halal production in Brazil follows traceability criteria and sanitary requirements in partnership with certifying and religious authorities.

Middle East

Brazil has been exporting to the Middle East countries for at least 50 years, marking a strong partnership with the region. With the resurgence of active military conflict in the region in February 2026, Brazilian trade to the region could potentially be impacted. The closure of ports and shipping channels, increased costs due to additional insurance or fuel to circumvent routes, and limited storage could dampen trade. Domestic demand for poultry meat and products in the region will likely also be impacted, as well as key drivers such as tourism, the HRI sector, and Hajj. In addition, domestic production in the Middle East could be impacted, which could impact trade.

United Arab Emirates

The United Arab Emirates (UAE) became the largest destination for Brazilian chicken meat exports in 2025, reaching close to 480,070 tons and increasing 5.5 percent when compared to the previous year. Brazil currently has 119 plants authorized to export poultry meat and products to the UAE. In January 2026, Brazil exported close to 44,400 tons to the UAE, a 14 percent increase from the same month in 2025 and remained as top 1 importer for chicken meat from Brazil.

Japan

Japan was the second-largest destination for Brazilian chicken meat exports in 2025, with close to 402,800 tons exported, decreasing exports by nine percent. Brazil currently has over 145 plants authorized to export poultry meat and products to Japan. In January 2026, Brazil exported close to 29,300 tons to Japan, a 4.1 percent increase from the same month in 2025.

Saudi Arabia

Saudi Arabia was the third-largest destination for Brazilian chicken meat exports in 2025, reaching close to 397,180 tons, a 7.1 percent increase from the previous year. Brazil currently has 18 plants authorized to export poultry and products to Saudi Arabia. There are additional four plants that are currently suspended. In January 2026, Brazil exported close to 33,600 tons to the Saudi Arabia, a 5.5 percent increase from the same month in 2025.

Mexico

Mexico was the seventh-largest destination for Brazilian chicken meat exports in 2025, with close to 243,850 tons exported, a 15 percent increase from the previous year. Brazil currently has 79 plants authorized to export poultry meat and products to Mexico.

In January 2026, Brazil exported close to 8,700 tons to Mexico, a 19 percent decrease from the same month in 2025. The decreased exports could be related to the uncertainties about the extension of exempted tariffs imports of chicken meat into Mexico. On December 31, 2025, Mexico extended the Presidential Anti-Inflation Decree through December 31, 2026. This decree provides tariff exemptions for some agricultural products, including chicken meat. With the publication of the extension, Post forecasts trade with Mexico will continue to increase, as seen in 2025. For more information on the Mexican anti-inflation decree, please refer to Post Mexico City Report MX2026-0003.

European Union: Free Trade Agreement with Mercosur signed

On January 17, 2026, the European Union (EU) and Mercosur (Argentina, Brazil, Paraguay, and Uruguay) signed the EU-Mercosur free trade agreement (FTA) in Asunción, Paraguay, following negotiations started in 1999. The agreement consists of two legal instruments: the Interim Trade Agreement (ITA), covering only trade, and the broader Partnership Agreement (EMPA), which also includes political and cooperation pillars. The signing of the agreement was widely celebrated by the Brazilian government and several sectoral representatives. Mercosur largest exports to the EU are agricultural products.

The agreement includes limited tariff-free quotas for Mercosur products, and once those quotas are reached, current tariffs are reimposed. Moreover, if there are sudden, sharp rises in imports, the EU can impose measures to limit them.

Currently, the Brazilian poultry sector has various quotas for access to the European Union. In the case of chicken meat, Brazil can export 15,050 tons at zero tariff, while volumes exceeding this quota are subject to a tariff of €1,024 per ton. Under the agreement, Brazil, together with other Mercosur countries, will have an annual export quota of 180,000 tons at zero tariff. This quota will start at a lower level in the first year and will be increased in equal annual increments until reaching the full amount in the sixth year. Brazilian chicken meat exports outside the agreement's quota will remain subject to the current tariff rules.

The agreement is currently pending ratification on the EU side. Uruguay and Argentina ratified the agreement on February 26, triggering the clause that provides for the provisional application of the trade deal bilaterally without waiting for all EU member-states to ratify it. In Brazil, the agreement has been approved by the Chamber of Deputies and passed Senate approval on March 4th. The FTA will now need to be ratified by the President of Brazil, who will then issue a presidential decree to enforce the agreement domestically.

In 2025, Brazil exported a little over 127,600 tons of chicken meat and products to the EU, of which over 32 percent was salted poultry. Considering that the EU closed its market to Brazilian chicken meat imports due to the HPAI incident in May 2025, and reopened on September 4, 2025, this was a positive result for Brazilian chicken meat exports. For 2026, Post forecasts increased exports to the European Union, which are facilitated via electronic health certificates, a process that secures speedy analysis of necessary import-export documents and certifications.

For detailed information and analysis on the Mercosur- European Union free trade agreement, please consult Post Brasília Report BR2026-0009. For information on the separate free trade agreement between Mercosur and the European Free Trade Association (EFTA) signed on September, 2025, please consult Post's Poultry Annual Report BR2025-0038.

Diversifying trading partners

New Markets Opening

The Brazilian Ministry of Agriculture and Livestock, along with the Brazilian Ministry of External Affairs continue to expand the consumer pool for Brazil – by opening new markets or by diversifying products to existing markets.

In 2025, Brazil opened 225 new markets in several countries, of which 27 were related to poultry and poultry products. In the first two months of 2026, MAPA already opened four new markets for poultry and poultry products in foreign countries. These new market openings are a targeted effort by MAPA officials to create a wider pool of consumers, further spreading Brazilian poultry and poultry products to the world.

Market Dispute - Indonesia

Since 2014, Brazil has had an open case at the World Trade Organization (WTO) against Indonesia on measures imposed to block Brazil's access to its chicken meat market. Brazil won the case, but Indonesia requested a reasonable deadline to adopt the measures suggested by the WTO. In December 2020, Indonesia appealed into the void of the WTO Dispute Settlement Appellate Body. This further delayed the adoption of the recommendations, as the body has not been functional due to the lack of appointed members.

For more on this case, please refer to Post's 2022 and 2023 Poultry and Products Annual Report, report number BR2022-0051 and report number BR2023-0022. On August 19, 2025, the countries signed an agreement on sanitary requirements for Brazil to export beef to Indonesia. As the sanitary system in Brazil covers all animal protein products, this agreement can potentially facilitate implementation of the WTO decision regarding chicken meat. As of the beginning of March 2026, there are no updates to share on the case. Post will continue to monitor the case.

3.2. Imports

Post forecasts chicken meat imports for 2026 at 5,000 MT. In 2025, Brazil imported 4,631 MT in frozen chicken cuts and edible offal, originating from Argentina and Chile.

Annex 1

Attachments:

No Attachments