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Report Highlights:

Paraguayan beef exports in 2027 are forecast at 460,000 tons carcass weight equivalent (CWE), among the five highest levels on record. Higher production and only marginal growth in domestic beef consumption are expected to increase exportable supplies, with most additional output directed to foreign markets. Meanwhile, poultry and pork consumption are forecast to continue expanding as rising domestic production and new investment increase supplies and support further market growth.

Production

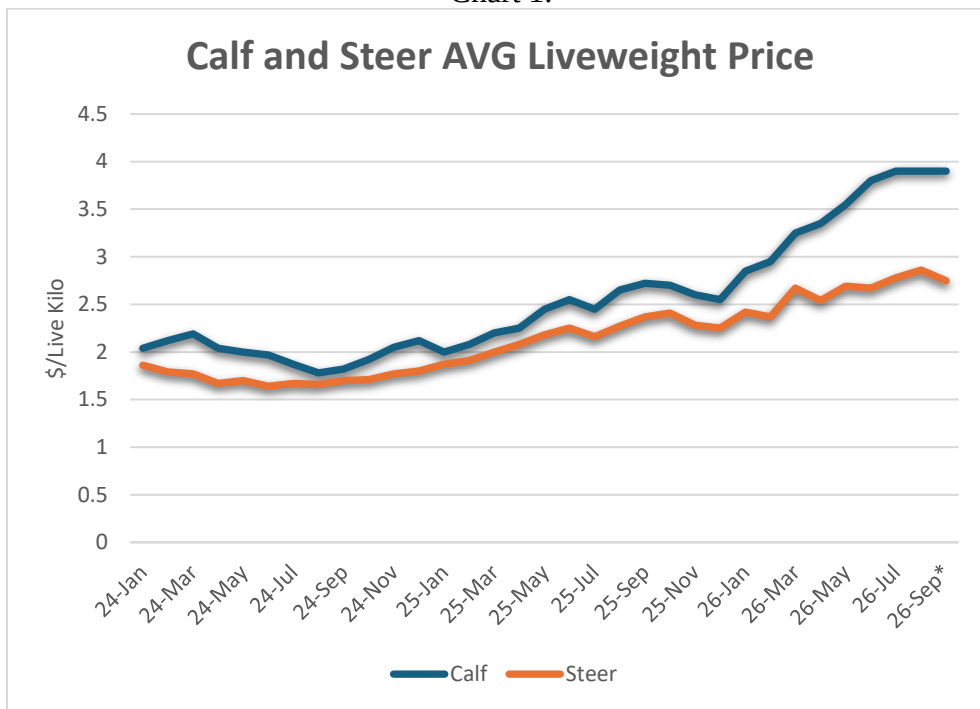
Paraguayan beef production in 2027 is forecast at 620,000 tons carcass weight equivalent (CWE), a slight recovery from 2026 and the second-highest level on record. Both cattle slaughter and average carcass weights are projected to increase marginally.

Total cattle slaughter in 2027 is projected at 2.4 million head, 50,000 head more than in 2026. Slaughter in 2026 is expected to be significantly below the record level reached in 2025 and to return to the more typical levels seen during 2020-2023. Despite continued gains in efficiency and a higher extraction rate as feeding systems become more intensive, slaughter in 2027 is not expected to increase substantially because the cattle herd is at its lowest level in 15 years. Prolonged dry conditions reduced forage availability and cattle performance, forcing many producers to market larger than normal volumes of females between 2020 and mid-2025.

The average carcass weight in 2027 is projected to increase by about three kilograms per head. Greater use of more efficient feeding systems, combined with higher calf prices relative to finished cattle, is encouraging producers to extend backgrounding and finishing periods and add more weight before slaughter. In 2026, the average carcass weight is estimated to increase by 14 kilograms, or nearly six percent, from 2025. This sharp increase reflects both changes in slaughter composition and overall animal feeding. Overall slaughter is lower, while the share of lighter females has declined as producers begin rebuilding their herds. At the same time, improved weather and pasture conditions and greater use of grain have supported better feeding conditions.

Improved rainfall since May 2025 and strong global beef demand have significantly strengthened production conditions and market incentives for Paraguay's cattle sector. Very high prices for both calves and finished cattle are encouraging producers to rebuild their herds as returns have improved significantly following several years of economic difficulties. A decline in calf production, combined with heavy cow and heifer slaughter during the dry period, reduced the national cattle herd from an average of around 14 million head in 2014-2021 to an estimated 12.8 million head in 2026. The chart below highlights the current imbalance in the calf market. Calves are particularly scarce, as their numbers declined more sharply than the overall herd.

Chart 1.



Source: OAA Buenos Aires

* First week

Cow-calf operations are currently benefiting from strong returns, supported by high calf and cull cow prices. Post contacts indicate herd rebuilding remains in its early stages, as many breeders are still carrying debts accumulated during the difficult years. However, input distributors report producers are investing in new pastures to replace those lost during the drought, as well as in fencing, handling facilities, chutes, and corrals. There is also considerable investment in cattle genetics, focused primarily on Nelore (*Bos indicus*) of Brazilian origin and, Brangus, Brahman, and Braford. Breeders incorporate genetics that provide earlier maturity and heavier weaning weights, greater hardiness and ability to thrive under lower-input conditions, and improved feed-conversion efficiency. New genetics are being adopted to adapt cattle to more intensive feeding systems and heavier slaughter weights. Some breeders, however, report heifers still need somewhat greater frame size to finish at heavier weights. To improve its herd and grow beef production, Paraguay would need to increase its average weaning rates which in the recent past have been 48-50 percent. With good weather and pasture conditions weaning rates in 2026 could have increased to 52 percent. Most progressive cattlemen average 62-63 percent or higher.

After weaning at approximately 180-220 kilograms, virtually all calves, both male and female, are backgrounded on pasture with mineral supplementation. More progressive producers are increasingly using dry distiller's grains (DDGS) or grains to accelerate production especially during winter. Many operations either breed and background their own calves or purchase calves for backgrounding and subsequent finishing. Many large producers with high productive soils carry out the entire cycle, from breeding through finishing. Backgrounding typically ends when cattle reach approximately 350-370 kilograms, or even heavier, at which point they enter the finishing stage.

Based on private estimates, Paraguay's finishing stage can currently be divided into three main systems. Approximately 35 percent of cattle are finished on highly productive pastures supplemented with

mineral salt, dry corn, and, in some cases, sorghum. Average daily gains in these systems range from 1.1 to 1.3 kilograms of liveweight. Another 30 percent are finished in confinement under highly intensive feeding and health programs based primarily on dry grain, corn silage, DDGS, and conserved forage, including hay and silage. Average daily gains in these operations range from 1.3 to 1.5 kilograms. The remaining 35 percent are finished exclusively on highly productive tropical pastures with mineral supplementation. Under good pasture conditions, daily gains can range from 0.8 to 1.0 kilograms.

The use of growth promotants are prohibited in Paraguay. Increased corn availability is supporting greater grain feeding in the cattle sector. Paraguay's corn production is expanding, driven by growing demand from both the livestock and ethanol industries, while exports remain significant.

High cattle prices combined with relatively low corn prices are encouraging greater use of grain in cattle feeding. During the dry years, many producers were forced to rely on feedlots to maintain production because pasture productivity was severely affected. Through this experience, many producers became more familiar with grain feeding, particularly its ability to increase productivity and stabilize production throughout the year.

Post contacts estimate Paraguay currently has slightly more than 200 feedlots, with capacity of approximately 350,000-400,000 head. Roughly 30-40 percent operate as custom feedlots, while the remainder are privately owned by cattle producers. There is currently large investment in expanding feedlot capacity. Large meatpackers are becoming increasingly involved in cattle feeding to secure a portion of their supply and better control the timing, weight, and quality of cattle delivered to their plants. Two Mennonite colony cooperatives are practically vertically integrated, sourcing cattle from their members and managing backgrounding and finishing on pasture and/or in their own feedlots before supplying their large meatpacking plants. Several other local packers, including some owned by large cattle companies, also operate feedlots.

Paraguay has a strong animal health status, supported by close collaboration among the government's sanitary service, cattle producers, and meatpackers. The World Organization for Animal Health (WOAH) classifies Paraguay as free from foot-and-mouth disease (FMD) with vaccination and as having negligible BSE (Bovine Spongiform Encephalopathy) risk. The country also maintains programs to control brucellosis and tuberculosis. The main sanitary challenge is controlling ticks and the tick-borne diseases that can reduce cattle productivity.

Following Brazil's decision to stop FMD (Foot-and-mouth disease) vaccination in 2024, there has been considerable discussion in Paraguay about whether the country should follow the same path. SENACSA, the national animal health regulator, favors a gradual transition toward achieving FMD-free status without vaccination. Many cattle producers, however, consider discontinuing vaccination an unnecessary risk, particularly because Paraguay already has access to most of the major beef import markets.

Paraguay has developed several cattle traceability systems over the past three decades. In 1998, SIGOR was established to trace operation, groups of cattle, herds, and their movements. In 2004, SITRAP, a voluntary individual traceability system, was introduced primarily to support beef exports to the EU. The system tracks individual animals from birth to slaughter, including health and sanitary records and movements.

In late 2023, under Law 7221, Paraguay established a mandatory Animal Identification System (SIAP) designed to trace each animal throughout the production and processing chain. Implementation is being phased in, beginning with newly born calves, which receive an electronic button and a visual plastic tag. To date, slightly more than 30 percent of the national herd has been identified under SIAP.

Paraguay has approximately 35 slaughter plants, the 13 largest of which are eligible to export beef to most demanding international markets. These plants accounted for approximately 85 percent of total cattle slaughter in 2025 and are distributed across the country.

The largest meat packing group is Brazilian-owned and operates three plants that accounted for approximately 38 percent of export slaughter during the first half of 2026. Mennonite Colony cooperatives operate three plants that together accounted for another 30 percent. The remaining export plants are mostly locally owned and individually account for approximately 8-9 percent of slaughter on average.

The beef processing industry has seen significant investment over the past two years. Two new large plants started operation, while a small-to-medium-sized plant is under construction. These new plants are all local capital from cattle producers aiming at greater vertical integration. Another plant has reopened under new ownership, adding significant capacity. Most existing operators have also invested in plant modernization, including additional cold-storage capacity, deboning facilities, and improvements in processing efficiency.

Export-oriented plants have been profitable in recent years. However, since mid-2025, cattle prices have increased more rapidly than export prices, putting pressure on their margins.

Approximately 23 small- and medium-sized plants focused primarily on slaughter and processing for the domestic market accounted for around 10 percent of total slaughter in 2025, with several located in the Asunción area. The remainder was processed by smaller abattoirs in the interior, which primarily supply butcher shops and small- and medium-sized markets in their surrounding areas. Overall, Paraguay's slaughter capacity is well above current slaughter volumes.

Trade

Exports

Paraguayan beef exports in 2027 are forecast to increase modestly to 460,000 tons carcass weight equivalent (CWE), as higher production is expected to outpace growth in domestic consumption and increase supplies available for export. The forecast applies USDA's conversion factor rate of 1.36 to convert boneless beef volumes to CWE.

Paraguay's main export markets are expected to remain strong in 2027, both in terms of demand and prices.

Beef exports in January-July 2026 totaled 164,000 tons of product weight, 23 percent below the same period in 2025. However, industry contacts expect exports to recover partially during the remainder of the year, resulting in an estimated eight percent decline for the full year. A larger supply of cattle, combined with heavier slaughter weights, is expected to increase beef availability during the second half

of 2026. At the same time, demand and prices in several key export markets are expected to remain strong, supporting a recovery in shipments.

Frozen boneless beef, Paraguay's main export product, accounted for 92,000 tons of exports in January-July 2026, 32 percent below the same period a year earlier because of lower supplies. The table below shows Paraguay's frozen boneless beef exports during January-July 2026, by main destination, in tons product weight, along with the variation from the same period in 2025.

Table 1. Paraguay Frozen Boneless Beef Exports January to July 2026

Country	Volume Tons	Variation %
United States	30,000	46
Taiwan	21,000	-24
Israel	17,700	11
Canada	8,600	45
Chile	2,600	-66
Russian Fed.	2,000	-82
EU	1,000	-28
Brazil	900	-76

Source: OAA Buenos Aires with Trade Data Monitor, Inc. data

Paraguayan exports of boneless chilled beef totaled 68,000 tons in January-July 2026, 8 percent below the same period in 2025. The table below shows exports by main destination, in tons product weight, and the year-on-year variation.

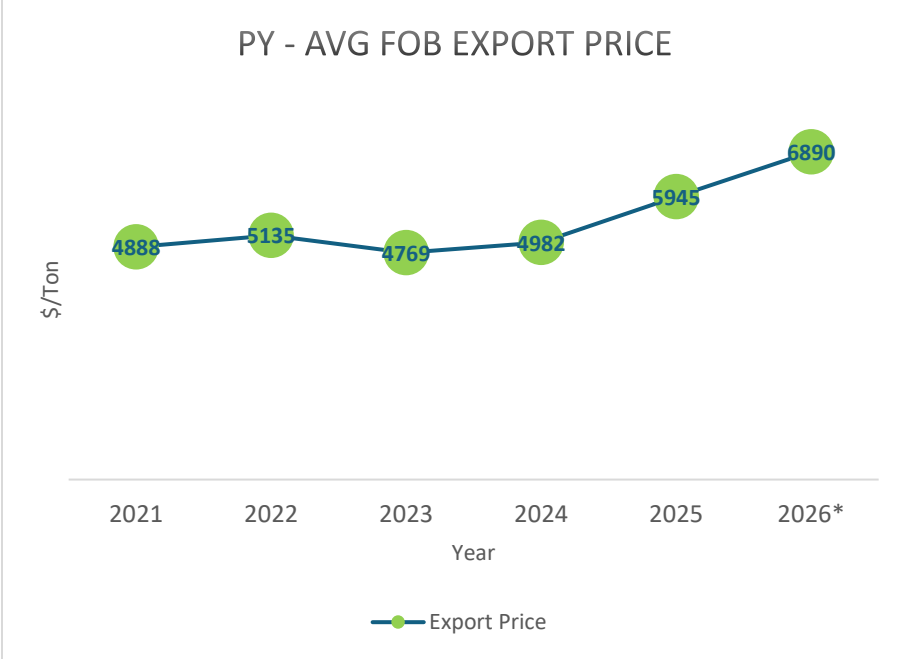
Table 2. Paraguay Chilled Bones Beef Exports January to July 2026

Country	Volume Tons	Variation %
Chile	47,400	-19
Israel	7,600	116
Brazil	6,300	-23
Uruguay	3,400	74
Colombia	1,100	6000
EU	600	-29

Source: Post with Trade Data Monitor, Inc. data

Despite record-high FOB prices, the 25 percent appreciation of the Guarani against the US dollar over the past 16 months has significantly reduced exporters’ margins. The stronger currency raises the dollar cost of locally denominated expenses, particularly cattle purchases and processing costs.

Chart 2. Paraguay Average Export Prices



Source: Post with TDM *January-July

During the first seven months of 2026, Paraguay’s beef exports remained concentrated in a relatively small number of markets. Chile, the United States, Israel, and Taiwan were the four largest destinations by volume, together accounting for 78 percent of total exports. By value, Chile, Israel, and the United States ranked as the three largest markets.

Chile is expected to remain Paraguay’s largest export market in 2027, although shipments are likely to continue the decline that began in 2024 as exports to the United States and Israel expanded rapidly. Paraguayan beef also faces strong competition from Brazil in this market. Paraguay primarily exports complete assortments of boneless chilled beef, typically consisting of approximately 20 cuts from steers and heifers under 30 months of age, although most cattle are slaughtered at closer to 24 months. About 10 percent of exports consist of frozen cuts, primarily for industrial use.

Israel is forecast to become the second-largest market in 2027 if current high prices are maintained. Meatpackers have been obtaining particularly strong returns from this destination. Israel primarily imports kosher frozen and chilled boneless forequarter cuts for retail and industrial use, with smaller volumes of frozen bone-in beef. Most of the beef is sourced from young bulls.

The United States is expected to be Paraguay’s third-largest market by volume in 2027. Paraguay can export under the 52,000-ton tariff-rate quota (TRQ) available to countries without an individual U.S. quota, at a duty of \$44 per ton. However, Brazil actively uses this quota and typically fills most of it early in the year, with product held in bonded cold storage until the next quota period opens. Paraguayan

exporters estimate that 8,000-10,000 tons entered the US under the “other countries” quota in 2026, with a similar volume expected in 2027.

U.S. imports of Paraguayan beef totaled 30,000 tons product weight in January-July 2026, 46 percent above the same period in 2025. Most of this volume entered outside the quota and was therefore subject to the 26.4 percent tariff. Virtually all exports consisted of frozen 85-90 chemical lean (CL) beef blocks for industrial use. Shipments have been dominated by the largest Paraguayan export group, which has its own U.S. distribution network and conducts significant intra-company trade. Other exporters report achieving more attractive returns similar products to markets such as Israel and Taiwan.

The US government recently announced a temporary tariff-free quota of 300,000 tons for lean beef trimmings for industrial use, intended to increase supplies for ground beef production and help reduce retail prices. Shipments are scheduled from September through November in monthly tranches of 100,000 tons. Paraguayan exporters estimate they could supply approximately 5,000-10,000 tons of this quota. However, Brazilian beef is expected to account for most of the quota, supported by product already in bonded warehouses, shipments in transit, and additional production. In addition, Brazilian beef is significantly more price-competitive than Paraguayan product.

Taiwan is expected to remain an important destination for Paraguayan beef in 2027, although volumes could drop somewhat. Taiwan imports frozen boneless beef, including cuts such as shin shank, oyster blade, chuck tender, and knuckles, among others.

Canada has been an increasingly important market since it began importing Paraguayan beef in 2024. It purchases similar products as the United States and offers considerable growth potential, even though its market is substantially smaller.

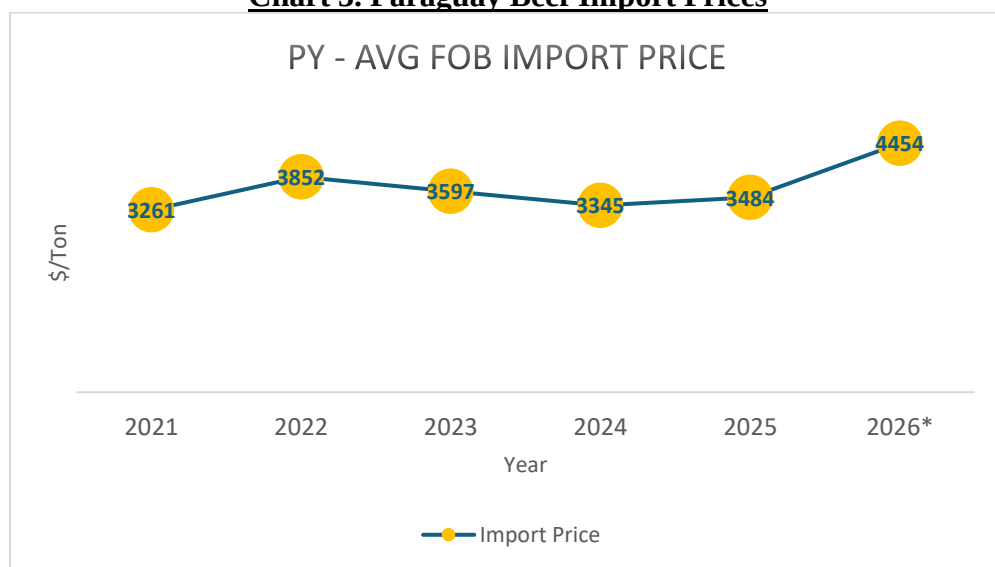
Exports to Brazil are also important but are likely to decline in 2027 because Brazilian beef is highly price-competitive relative to Paraguayan product. Brazil primarily imports chilled top sirloin cap (picanha), a popular cut, along with smaller volumes of other cuts.

Paraguay’s animal health service (SENACSA) continues working to open new markets for Paraguayan beef imports. Contacts expect Mexico could open its market by late 2026, while Turkey may also open in the near term. Negotiations with Peru and Singapore are ongoing.

Imports

Beef imports in 2027 are forecast to remain unchanged from 2026 at 20,000 tons, 17 percent below 2025 levels. As Paraguay’s beef exports increase, driven by very high Strong international beef prices are encouraging Paraguayan exporters to direct more domestic production to foreign markets, while lower priced imported cuts help supplement supplies for domestic consumption. However, import prices have risen significantly in recent months and are expected them to remain elevated in 2027, potentially limiting import demand.

Chart 3. Paraguay Beef Import Prices



Source: Post with Trade Data Monitor, Inc.

* January-July

During the first seven months of 2026, the price of imported chilled beef increased by almost 70 percent compared with the same period in 2025, while frozen beef and bone-in cuts rose by roughly 20 percent. This price differential is encouraging greater imports of frozen and bone-in beef, while chilled imports are declining and being partially replaced by domestic production. The latter has become good business for meatpackers following the appreciation of the local currency. Meat packers report, for example, that rump tail is exported to Chile at around \$8,000 per ton, while it can be sold domestically for almost 50 percent more. Round cuts also show a significant price differential, although large sales of higher-quality beef cuts in the local market remain limited.

Brazil normally accounts for 85–90 percent of Paraguay’s total beef imports, with Argentina and Bolivia supplying most of the balance. Major importers are large meat-packing companies with operations in both Brazil and Paraguay. Given the significant price differential, large volumes of chilled ribs, the most popular beef cut in Paraguay by far, are expected to be imported from Brazil during the final months of 2026 and throughout 2027.

Domestic Consumption

Paraguayan beef consumption in 2027 is forecast at 180,000 tons CWE, nearly 3 percent above the 2026 estimate. Post contacts report domestic demand remains resilient despite beef prices being approximately twice that of pork and three times that of poultry. Many consumers are responding to higher prices by shifting toward less expensive beef cuts rather than reducing their overall consumption of beef.

Paraguay’s gross domestic product is expected to grow by approximately 4 percent in both 2026 and 2027, supporting overall consumer demand. The appreciation of the Guarani is also making beef relatively more affordable for consumers, while encouraging meatpackers to sell some cuts domestically when returns are more attractive than those available in export markets. However, the domestic market’s limited size constrains the volume that can be diverted from exports.

Poultry consumption has increased from about 10 kilograms to 40 kilograms per capita over the past decade, while pork consumption has risen from approximately 3 kilograms to 12 kilograms. In both cases, expanding domestic production has largely met rising local demand while also supporting modest export growth.

Production, Supply, and Demand Statistical Table

Meat, Beef and Veal Market Year Begins Paraguay	2025		2026		2027	
	Jan 2025		Jan 2026		Jan 2027	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Slaughter (Reference) (1000 HEAD)	0	0	0	0	0	0
Beginning Stocks (1000 MT CWE)	0	0	0	0	0	0
Production (1000 MT CWE)	630	630	580	600	0	620
Total Imports (1000 MT CWE)	24	24	35	20	0	20
Total Supply (1000 MT CWE)	654	654	615	620	0	640
Total Exports (1000 MT CWE)	483	483	465	445	0	460
Human Dom. Consumption (1000 MT CWE)	171	171	150	175	0	180
Other Use, Losses (1000 MT CWE)	0	0	0	0	0	0
Total Dom. Consumption (1000 MT CWE)	171	171	150	175	0	180
Ending Stocks (1000 MT CWE)	0	0	0	0	0	0
Total Distribution (1000 MT CWE)	654	654	615	620	0	640
(1000 HEAD) ,(1000 MT CWE)						
OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query						

Attachments:

No Attachments