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Report Highlights:

Post forecasts China's cattle and beef production to decline in 2027 as lower breeding cow inventories constrain cattle supplies, while improved producer returns will moderate the decline. Beef imports will increase slightly but remain constrained by safeguard measures and soft demand. Swine and pork production will also decline as lower sow inventories reduce slaughter supplies and controls on secondary fattening lower carcass weights. Live cattle and swine imports will remain near 2026 levels, while pork imports will remain stable amid soft consumer demand and historically low import volumes.

EXECUTIVE SUMMARY

FAS China provides this reporting and analysis as a service to U.S. farmers, ranchers, rural communities, and agribusinesses in support of a worldwide agricultural information system and a level playing field for U.S. agriculture.

Cattle Production:
Post forecasts cattle production to decline in 2027 as continued reductions in breeding cow inventories constrain calf production. Despite improved cattle prices and margins in 2026, producers remain cautious about rebuilding herds following prolonged losses.

Cattle Imports:
Post forecasts live cattle imports to remain near 2026 levels in 2027. Improved cattle profitability and government support for breeding herd development will help stabilize demand for imported breeding cattle. However, producers remain cautious about herd expansion, while limited approved suppliers, quarantine requirements, and relatively high procurement costs will constrain import growth.

Beef Production:
Post forecasts beef production to decline slightly in 2027 as lower calf crops and reduced breeding cow slaughter tighten supplies of cattle available for slaughter. Improved cattle and beef prices will support producer returns and limit the decline, while safeguard tariff-rate quotas on imported beef could provide additional support to domestic beef prices.

Beef Consumption:
Post forecasts beef consumption to decline slightly in 2027 as softer consumer spending continues to weigh on demand for relatively high-value animal proteins. Slower food service growth and continued consumer preference for lower-priced menu options will constrain beef demand.

Beef Imports:
Post forecasts beef imports to increase modestly in 2027 from the lower 2026 level as domestic beef production declines. However, imports will remain constrained by China's beef safeguard measures and continued weak consumer demand.

Swine Production:
Post forecasts swine production to decline modestly in 2027 as a smaller breeding sow herd reduces piglet supplies. Continued productivity gains will partially offset lower sow inventories, while government capacity controls and weak producer returns will limit incentives for herd expansion.

Swine Imports:
Post forecasts live swine imports to remain stable in 2027 as continued investment in herd genetics supports baseline demand for imported breeding swine. However, financial pressure on producers, reduced access to U.S. genetics, and limited quarantine capacity will constrain import growth.

Pork Production:
Post forecasts China's pork production to decline in 2027 as lower sow inventories reduce the supply of slaughter-ready swine. Post also expects lower average carcass weights to contribute to the decline. Soft pork demand will further constrain slaughter activity.

Pork Consumption:
Post forecasts pork consumption to decline in 2027 as consumers continue to diversify protein purchases and soft demand persists despite relatively low pork prices. Poultry will continue to compete with pork as an affordable protein, while limited consumer response to low pork prices will constrain consumption growth.

Pork Imports:
Post forecasts pork imports to remain stable in 2027 as lower domestic pork production is offset by soft consumer demand. With imports already at historically low levels, demand from processing channels will support baseline import volumes, while tariffs on U.S. and European Union (EU) pork will continue to constrain import growth.

CATTLE

Table 1. China: Cattle Production, Supply, and Distribution

Animal Numbers, Cattle	2025		2026		2027	
Market Begin Year	Jan 2025		Jan 2026		Jan 2027	
China	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
						Unit: 1,000 Head
Total Cattle Beg. Stks	100,470	100,470	94,080	94,080	0	92,260
Dairy Cows Beg. Stocks	13,000	13,000	12,500	12,500	0	12,100
Beef Cows Beg. Stocks	49,000	49,000	47,000	44,800	0	44,200
Production (Calf Crop)	45,900	45,900	44,000	42,400	0	41,700
Total Imports	30	26	30	25	0	25
Total Supply	146,400	146,396	138,110	136,505	0	133,985
Total Exports	11	11	11	11	0	11
Cow Slaughter	0	0	0	0	0	0
Calf Slaughter	0	0	0	0	0	0
Other Slaughter	51,330	51,330	49,500	43,200	0	43,000
Total Slaughter	51,330	51,330	49,500	43,200	0	43,000
Loss and Residual	979	975	1,039	1,034	0	1,014
Ending Inventories	94,080	94,080	87,560	92,260	0	89,960
Total Distribution	146,400	146,396	138,110	136,505	0	133,985

Note: Not Official USDA Data.

PRODUCTION

Production

Breeding Cow Liquidation Continues to Constrain Cattle Production

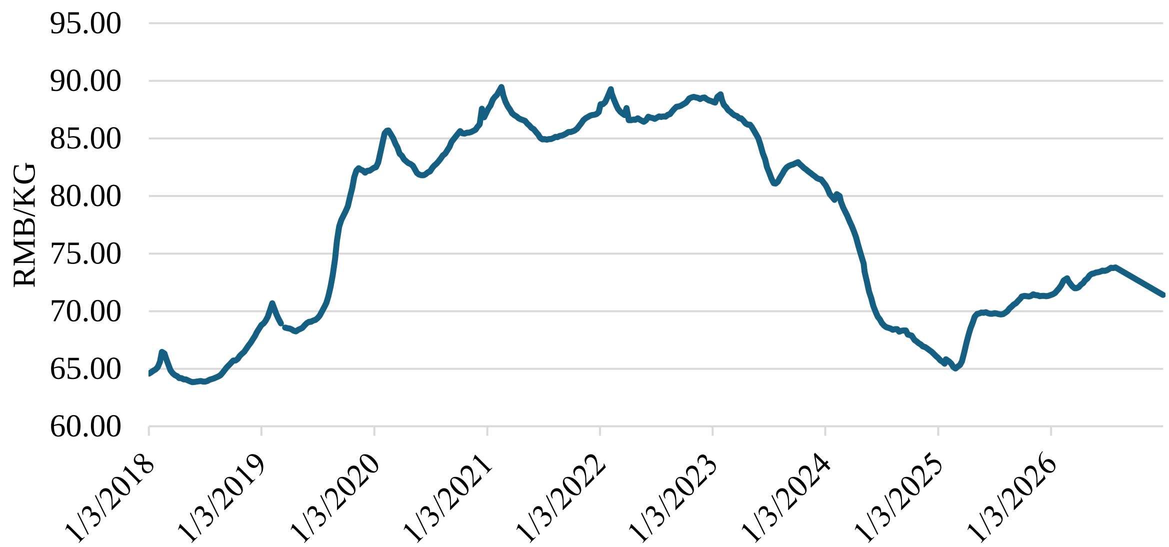
Post forecasts China's cattle production will decline in 2027, although the pace of decline will moderate from 2026. The forecast primarily reflects continued reductions in breeding cow inventories over the past several years. Improved cattle profitability during 2026 and new provincial support programs will slow herd liquidation, but they will not restore breeding cow inventories during the forecast year because producers remain cautious about rebuilding breeding herds after nearly two years of financial losses, and the cattle production cycle means that any rebuilding of the breeding herd will take time.

The National Bureau of Statistics (NBS) reported that China's total cattle inventory, including both beef and dairy cattle, declined 4.3 percent year-on-year at the end of the second quarter of 2026. Although the NBS data include dairy cattle, industry contacts similarly reported continued declines in beef cattle inventories, including breeding cows. Sources indicated that China's beef cattle industry entered a prolonged period of financial losses in mid-2023. Producers across major cattle-producing regions responded by liquidating breeding cows over nearly two years to reduce losses and generate cash flow, and breeding cow inventories continued to decline throughout 2025 and into 2026. Foot-and-mouth disease (FMD) outbreaks in early 2026 also affected cattle production in several northern production regions. Post believes prolonged financial losses remained the primary driver of breeding cow liquidation, while FMD accelerated culling in some affected areas and further reduced breeding cow inventories.

Improved Profitability Will Slow Herd Liquidation

Improved cattle profitability during 2026 and new provincial support programs will slow the pace of breeding cow liquidation. As shown in Chart 1, national average beef prices recovered from the lows recorded in 2025, supporting higher live cattle prices and improved producer returns. Industry contacts reported that stronger feeding margins reduced financial pressure on producers, while several provincial governments introduced policies to retain breeding cows, expand high-quality breeding herds, and support artificial insemination, frozen semen, and breeding herd expansion projects. However, producers remain cautious about rebuilding breeding herds after nearly two years of financial losses, despite improved profitability and government support.

Chart 1. China: National Average Beef Price



Source: Ministry of Agriculture and Rural Affairs (MARA).

Limited Productivity Growth Will Not Offset Lower Breeding Cow Inventories

Unlike China's swine and poultry industries, the beef sector remains highly fragmented and continues to rely heavily on small-scale producers. Post does not expect meaningful improvements in production efficiency because most producers continue to operate small, traditional production systems with limited adoption of advanced genetics and modern management practices. Improved profitability and government support will mainly reduce the pace of breeding cow liquidation rather than generate significant productivity gains during the forecast year.

TRADE

Live Cattle Imports May Cease Declining

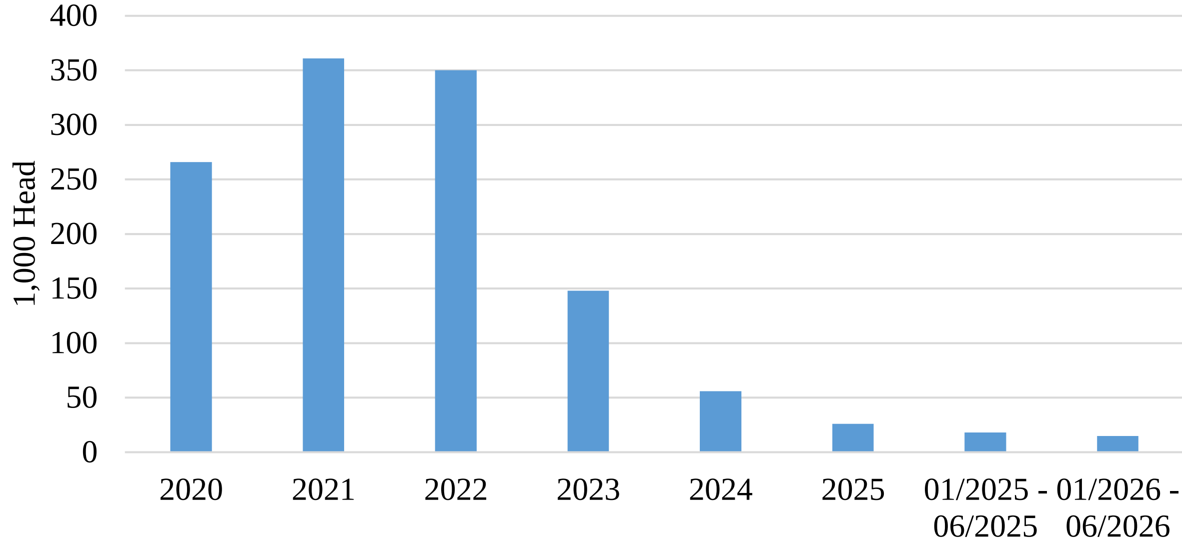
Post forecasts China's live cattle imports will cease declining in 2027 and remain near 2026 levels. Improved cattle profitability during 2026 reduced financial pressure on producers, while central and provincial governments continued introducing policies to support breeding herd development. Several provinces expanded programs to retain breeding cows, improve herd quality, promote artificial insemination, encourage the use of superior genetics, and support breeding herd expansion. Although these policies do not directly support live cattle imports, they improve producers' financial conditions and breeding confidence, helping stabilize demand for imported breeding cattle. However, producers remain cautious about expanding breeding herds after nearly two years of financial losses, limiting the potential for import growth.

Although the United States is currently not eligible to export live cattle to China, Post learned from multiple industry contacts that companies remain interested in importing U.S. breeding cattle if market access is restored. China's approved suppliers of breeding cattle remain limited, and quarantine requirements, project approval procedures, and relatively high procurement costs will continue to constrain imports during the forecast year.

Post Lowers 2026 Live Cattle Import Forecast

China's live cattle imports declined approximately 17 percent year-on-year during the first half of 2026 (see Chart 2). Post lowers its 2026 live cattle import forecast based on the slower pace of imports during the first half of the year. Imports during the remainder of 2026 will likely remain limited by the small number of approved suppliers, quarantine requirements, project approval procedures, and relatively high procurement costs.

Chart 2. China: Live Cattle Imports



Source: Trade Data Monitor, LLC and Post Forecast.

BEEF

Table 2. China: Beef Production, Supply, and Distribution

Meat, Beef and Veal	2025		2026		2027	
Market Begin Year	Jan 2025		Jan 2026		Jan 2027	
China	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Units: 1,000 Head, 1,000 MT CWE						
Slaughter (Reference)	51,330	51,330	49,500	43,200	0	43,000
Beginning Stocks	0	0	0	0	0	0
Production	8,010	8,010	7,600	6,780	0	6,750
Total Imports	3,658	3,658	3,200	3,600	0	3,620
Total Supply	11,668	11,668	10,800	10,380	0	10,370
Total Exports	24	24	25	26	0	26
Human Dom. Consumption	11,644	11,644	10,775	10,354	0	10,344
Other Use, Losses	0	0	0	0	0	0
Total Dom. Consumption	11,644	11,644	10,775	10,354	0	10,344
Ending Stocks	0	0	0	0	0	0
Total Distribution	11,668	11,668	10,800	10,380	0	10,370

Note: Not Official USDA Data.

PRODUCTION

Beef Production to Decline Slightly in 2027

Post forecasts China's beef production will decline slightly in 2027 as supplies of slaughter-ready cattle continue to tighten. Lower calf crops in previous years will reduce the number of cattle reaching market weight in 2027, limiting animals available for slaughter. Although cattle prices have improved from last year's lows, the biological production cycle means recent market improvements will not generate additional market-ready cattle in time to support 2027 production. Instead, fewer breeding cows will enter the slaughter pipeline as cull animals, reducing an important source of beef production that supported supplies during the recent industry-wide herd liquidation.

However, improving market conditions will limit the decline in beef production. Beef and cattle prices recovered during 2026, improving producer returns and supporting production incentives. In 2027, safeguard tariff-rate quotas will continue to constrain imported beef supplies, which could provide additional support to domestic beef prices and encourage producers to maintain production despite tighter cattle supplies.

Post Lowers Its 2026 Beef Production Forecast

Post lowers its 2026 beef production forecast based on weaker cattle slaughter and beef production during the first half of the year. According to NBS, beef production declined 1.0 percent year-on-year during January–June 2026, while beef cattle slaughter declined 3.8 percent. Post expects tighter supplies of slaughter-ready cattle following the prolonged herd liquidation to continue limiting slaughter during the remainder of the year.

CONSUMPTION

Beef Consumption to Decline in 2027

Post forecasts China's beef consumption will decline in 2027 as softer consumer spending continues to weigh on demand for relatively high-value animal proteins. Although overall food consumption remains stable, consumers have become increasingly price conscious, encouraging restaurants to offer greater value and lower-priced menu options while limiting demand growth for higher-cost ingredients such as beef.

Slower Food Service Growth to Weigh on Beef Demand

Food service remains one of the most important end-use channels for beef, particularly through hot pot, barbecue, beef noodle restaurants, and Chinese-style dining. According to China's NBS, growth in catering revenue slowed from 5.3 percent in 2024 to 3.2 percent in 2025, and further moderated to 2.8 percent during the first half of 2026, indicating slower growth in food service spending. Industry contacts similarly report that restaurant operators continue to focus on affordability by lowering average customer spending and promoting value-oriented menu offerings to maintain customer traffic.

This trend is also reflected in the performance of major restaurant chains. For example, one of China's leading hot pot restaurant chains reported that same-store average daily sales declined about 20 percent year-over-year during the first quarter of 2026 and 26 percent during the second quarter. As hot pot represents one of China's largest beef-consuming restaurant segments, continued weakness in this sector suggests softer demand for beef from the food service industry.

Industry contacts report that food service operators increasingly favor lower-priced imported beef, such as from South America, to control food costs. However, safeguard tariff-rate quotas on major South American suppliers continue to restrict the availability of competitively priced imported beef in 2027, limiting restaurants' ability to source lower-cost beef and further constraining beef consumption (see Trade section for additional discussion of safeguard measures).

TRADE

Beef Imports to Increase Marginally in 2027

Post forecasts China's beef imports will increase marginally in 2027. The annual safeguard tariff-rate quotas (TRQs) will increase by approximately 2 percent in 2027, providing slightly more room for imports. However, supplier-specific TRQs will continue to constrain import growth.

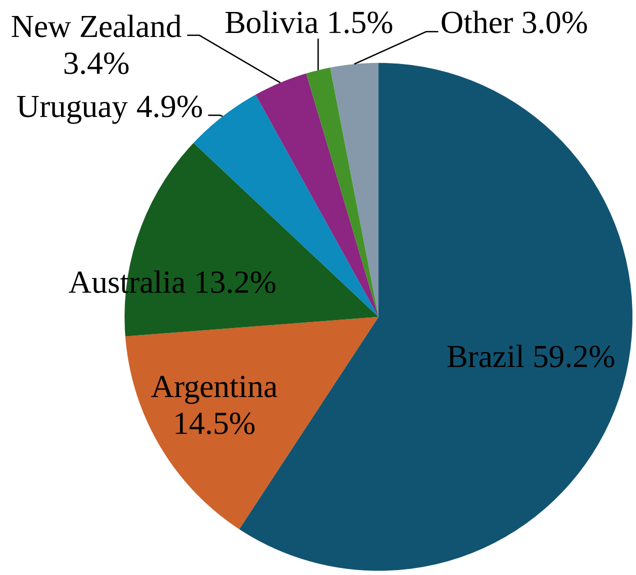
Safeguard Measures to Continue Limiting Imports

On December 31, 2025, China's Ministry of Commerce (MOFCOM) announced safeguard measures on imported beef following the conclusion of its safeguard investigation. The measures took effect on January 1, 2026, and will remain in place through December 31, 2028. Under the measures, China established annual supplier-specific TRQs, with imports exceeding the in-quota volume subject to an additional 55-percent tariff. Quota utilization has progressed particularly quickly among several leading suppliers. Australia reached 100 percent of its 2026 quota by June 18, Brazil reached 90 percent by August 10, and Argentina reached 50 percent by August 5. In 2027, the annual TRQs will increase by approximately 2 percent from the previous year. However, unused quota cannot be transferred between suppliers, limiting import flexibility. Although certain developing countries remain exempt from the safeguard measures, these suppliers accounted for only about four percent of China's beef imports during the first half of 2026 and are unlikely to materially increase overall imports. For more information on the beef safeguard TRQs, please see GAIN report CH2026-0001.

Brazil to Remain the Dominant Supplier; U.S. Exports to Recover Gradually

Sources expect Brazil will remain China's dominant beef supplier because of its competitive prices and large exportable supplies (see Chart 3). However, Brazil's TRQ will continue to constrain shipments once the in-quota volume is fully utilized.

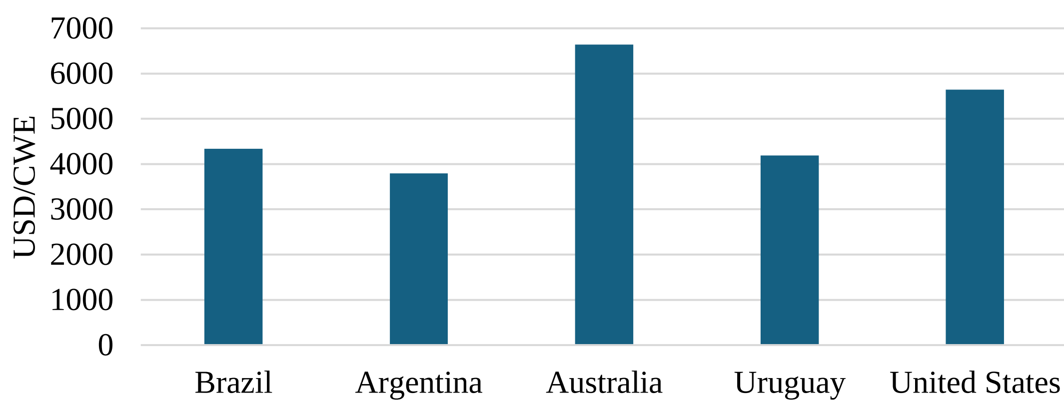
Chart 3. China: Beef Imports by Origin, January–June 2026



Source: Trade Data Monitor, LLC.

Post expects U.S. beef exports to recover gradually from the exceptionally low level in 2026 following the renewal of establishment registrations. In May 2026, the General Administration of Customs of China (GACC) renewed the registrations of 425 U.S. beef establishments and approved 77 newly registered establishments. However, industry contacts do not expect registrations alone to result in a significant increase in exports because several large establishments remain suspended, residue testing requirements and customs clearance risks remain concerns, and U.S. beef remains less price competitive than South American beef (see Chart 4).

Chart 4. China: Average Beef Import Unit Value by Major Supplier, January–June 2026



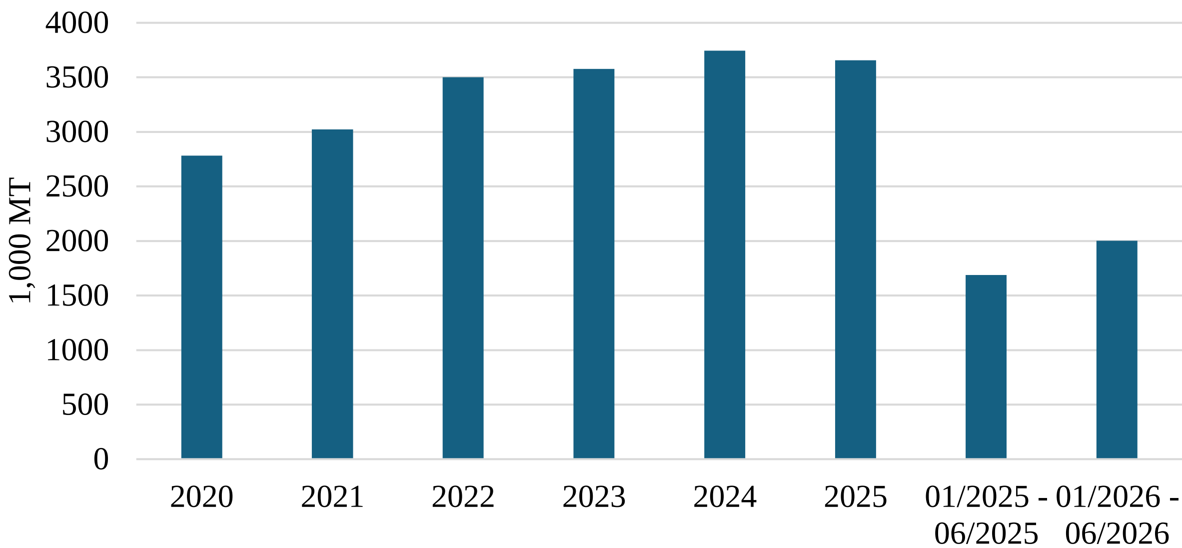
Source: Trade Data Monitor, LLC.

Industry contacts reported that many U.S. exporters resumed shipments cautiously because they remained uncertain whether initial shipments would clear Chinese customs smoothly following the resumption of registrations. Some smaller establishments shipped only limited trial volumes to evaluate customs inspection outcomes, while several larger exporters delayed or limited shipments because of concerns over residue testing and customs clearance risks. Importers also remained cautious because of uncertainty surrounding future tariffs, product availability, and bilateral trade conditions.

Post Maintains Its 2026 Beef Import Forecast

Post maintains its 2026 beef import forecast despite stronger first-half imports because the safeguard measures will constrain imports from major suppliers during the second half of the year. China imported approximately 2 million metric tons (MMT) of beef during the first half of 2026, compared to 1.7 MMT during the same period in 2025 (see Chart 5). The increase primarily reflected importers accelerating shipments before major suppliers approached their in-quota volumes rather than stronger domestic demand. Higher inventories and more cautious purchasing will also moderate imports during the remainder of the year.

Chart 5. China: Beef Imports



Source: Trade Data Monitor, LLC and Post Forecast.

SWINE

Table 3. China: Swine Production, Supply, and Distribution

Animal Numbers, Swine	2025		2026		2027	
Market Begin Year	Jan 2025		Jan-26		Jan-27	
China	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
						Unit: 1,000 Head
Total Beginning Stocks	427,430	427,430	429,670	429,670	0	421,304
Sow Beginning Stocks	40,780	40,780	39,610	39,610	0	37,500
Production (Pig Crop)	731,000	731,000	732,000	731,000	0	726,000
Total Imports	8	8	8	2	0	2
Total Supply	1,158,438	1,158,438	1,161,678	1,160,672	0	1,147,306
Total Exports	1,225	1,225	1,275	1,350	0	1,400
Sow Slaughter	0	0	0	0	0	0
Other Slaughter	719,730	719,730	723,000	730,000	0	718,500
Total Slaughter	719,730	719,730	723,000	730,000	0	718,500
Loss and Residual	7,813	7,813	7,473	8,018	0	7,906
Ending Inventories	429,670	429,670	429,930	421,304	0	419,500
Total Distribution	1,158,438	1,158,438	1,161,678	1,160,672	0	1,147,306

Note: Not Official USDA Data.

PRODUCTION

Swine Production to Decline Modestly in 2027

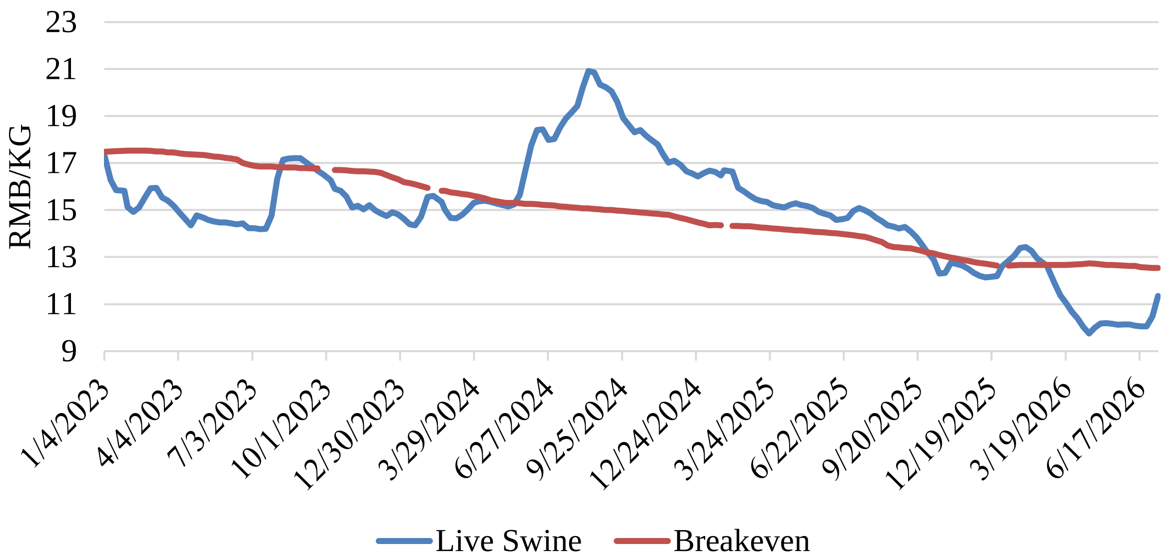
Post forecasts China's swine production to decline modestly in 2027 as continued reductions in the breeding sow herd outweigh further gains in reproductive performance. Post maintains its 2026 forecast because productivity improvements continue to offset much of the impact from declining sow inventories. However, the sharper decline in breeding sows during the first half of 2026 could reduce piglet supplies entering 2027.

According to NBS, China's breeding sow inventory declined to 37.8 million head at the end of the second quarter of 2026, down 6.5 percent from a year earlier. The breeding herd is now only slightly above the government's revised normal inventory target of 37.5 million head, indicating that industry capacity is moving toward the government's preferred level.

Weak Producer Returns Continue to Reduce Breeding Sow Inventories

Post expects weak producer returns to remain the primary driver of breeding sow reductions through 2026. Industry sources indicate that low profitability has encouraged producers to cull low-performing sows, reduce gilt replacement, postpone expansion plans, and focus on improving operating efficiency rather than increasing herd size. As shown in Chart 6, average live swine prices remained close to or below estimated farrow-to-finish breakeven levels for much of the first half of 2026, limiting producers' incentives to rebuild breeding herds.

Chart 6. China: National Average Live Swine Price



Source: MARA and industry sources.
Note: "Breakeven"[1] refers to estimated cost of farrow-to-finish

Leading integrated producers have largely shifted from expansion to efficiency. Multiple leading producers reported continued improvements in breeding efficiency through herd optimization, genetic improvement, and standardized production management.

Smaller producers continue to face greater financial pressure. Industry sources indicate that many independent producers have reduced gilt retention, marketed piglets to improve cash flow, or exited production altogether. Compared to integrated producers, smaller farms generally have higher production costs, more limited access to financing, and fewer resources to withstand prolonged losses, resulting in faster reductions in breeding sow inventories.

Government Policies Continue to Reinforce Capacity Reduction

Post expects government policy to continue supporting industry-wide capacity control during the forecast period. MARA has strengthened its production capacity control framework through the Comprehensive Swine Production Capacity Regulation Plan (2026 Revision), released in May 2026. The revised plan lowered the national target for normal breeding sow inventories from

[1] Statistics of "breakeven" are from industry sources.

approximately 39 million head to 37.5 million head, tightened inventory control ranges, and established a more coordinated capacity management framework centered on breeding sow inventories.

The revised plan signals the government's intention to maintain a smaller but more productive national breeding herd, reinforcing expectations that sow inventories will remain under tighter control during the forecast period.

Environmental Regulations Continue to Accelerate Industry Consolidation

Post expects stricter environmental requirements to contribute to additional breeding sow reductions, particularly among smaller producers. Beginning March 1, 2026, China implemented the Technical Guidelines for Accounting Ammonia Emission Reductions from Large-scale Livestock Farms, which specifically apply to large-scale livestock farms. China's Environmental Code, which takes effect on August 15, 2026, establishes broader environmental requirements for livestock production, including requirements applicable to entities and individuals engaged in livestock production.

Industry sources indicate that compliance costs associated with environmental requirements place greater pressure on smaller producers that lack the financial resources to upgrade facilities. In contrast, integrated producers generally operate newer facilities and have greater access to capital, allowing them to comply with stricter standards more easily. Post expects these regulations to accelerate the exit of less-efficient producers and further consolidate China's swine industry.

Higher Productivity Will Partially Offset Smaller Sow Inventories

Post expects continued productivity gains to partially offset the decline in breeding sow inventories. China's leading producers continue improving genetics, breeding management, nutrition, and herd structure, allowing more piglets to be produced from fewer breeding sows.

One leading producer reported pigs per sow per year (PSY) of approximately 26 in 2025 and set a long-term target of more than 32, reflecting continued investment in genetics and standardized production management. Another publicly listed producer recently revised its management incentive program to focus primarily on PSY and feed conversion ratio (FCR) rather than revenue, profit, or marketing volume, underscoring the industry's growing emphasis on biological efficiency instead of production scale. A third leading producer reported continued improvements in key reproductive indicators during the first quarter of 2026, including higher litter weaning rates, improved gilt replacement rates, and better breeding performance. The company also stated that future productivity gains will rely on continued improvements in herd health, disease prevention, genetic selection, and breeding management rather than expansion of breeding sow inventories. These examples indicate that China's largest producers continue to improve biological efficiency despite operating smaller breeding herds.

Although productivity gains will continue supporting piglet production, Post expects they will offset only part of the decline in breeding sow inventories. As a result, Post forecasts China's swine production to decline modestly in 2027.

TRADE

Swine Imports

Live Swine Imports to Remain Stable in 2027

Post forecasts China's live swine imports to remain stable in 2027. Imports will continue to consist almost entirely of breeding swine used to improve genetic performance rather than expand production capacity. Continued investment in herd genetics will support a baseline level of imports. However, prolonged financial pressure on producers and reduced access to U.S. breeding swine will limit import growth.

Prolonged Industry Losses to Limit Import Growth

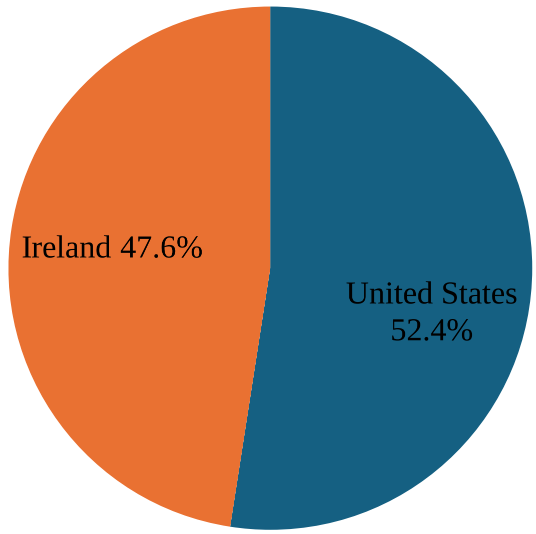
Weak profitability has reduced producers' ability to support large breeding stock purchases. Importing breeding swine requires substantial investment in transportation, quarantine, and isolation in addition to the purchase cost. Post expects producers to prioritize essential genetic upgrades while delaying discretionary imports or reducing shipment sizes, limiting import growth in 2027.

Reduced Access to U.S. Genetics to Constrain Import Growth

Industry contacts report that approvals and shipments of U.S. breeding swine have been effectively on hold since June 2026. Planned selection visits and charter shipments have been postponed, although contacts have not received a formal written notice announcing a suspension. Contacts indicated that the delays may be related to Chinese authorities' concerns regarding New World screwworm (NWS) in the United States, but Post is not aware of an official notice linking the shipment delays to NWS.

Reduced access to U.S. breeding swine has narrowed sourcing options for Chinese importers. While alternative suppliers remain available, industry contacts note that U.S. genetics offer advantages in feed conversion, finishing performance, and carcass characteristics. Some Chinese breeding programs also rely on U.S. genetic lines, limiting the extent to which other suppliers can fully replace U.S. stock. The United States remained China's largest supplier of imported breeding swine during the first half of 2026 (see Chart 7).

Chart 7. China: Live Swine Imports by Origin, January–June 2026



Source: Trade Data Monitor, LLC.

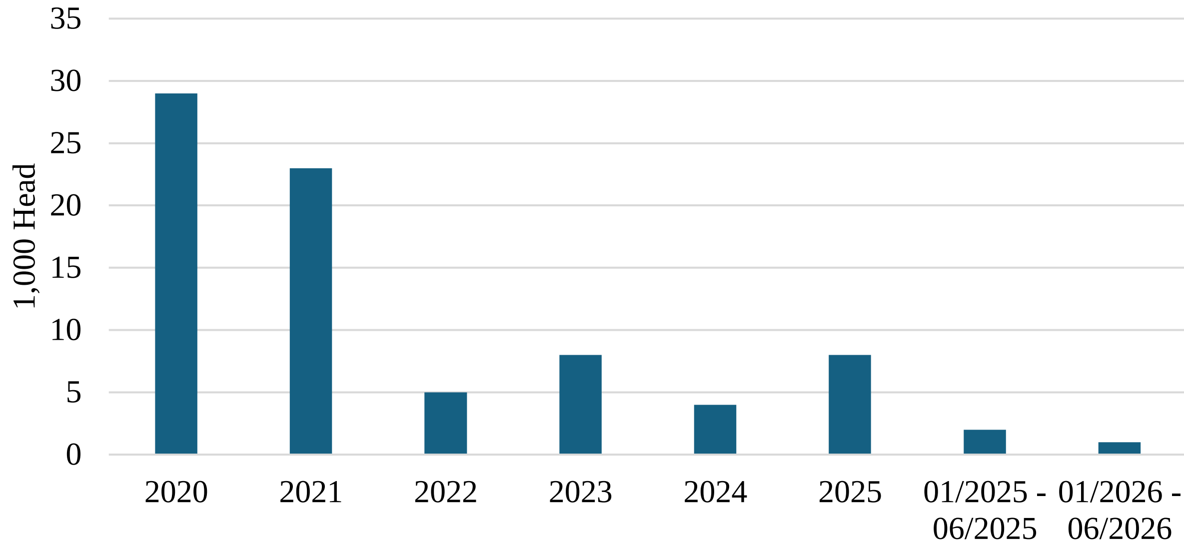
Limited Quarantine Capacity Continues to Constrain Imports

Limited quarantine capacity remains a structural constraint on breeding swine imports. Because imported breeding swine are subject to strict quarantine and isolation requirements, available quarantine capacity influences both the timing and volume of import shipments. Post understands that additional quarantine facilities have been developed, including a new facility in Xinjiang intended to support future imported breeding swine shipments. However, industry contacts noted that reliance on leased quarantine facilities increases costs and complicates shipment scheduling, making import planning more difficult for breeding companies.

Post Lowers the 2026 Import Forecast

Post lowers its 2026 live swine import forecast based on lower-than-expected imports during the first half of the year and delays to planned U.S. breeding swine shipments. As shown in Chart 8, China imported approximately 1,000 head during January–June 2026, well below levels of 2025. Several U.S. breeding stock purchases and charter shipments planned for the second half of the year have also been postponed. The downward revision reflects shipment delays and supply constraints rather than a change in China’s long-term demand for imported genetics.

Chart 8. China: Live Swine Imports



Source: Trade Data Monitor, LLC.

Swine Exports

Live Swine Exports to Continue Recovering in 2027

Post forecasts China's live swine exports to continue recovering in 2027 as tourism and food service demand continue to recover in Hong Kong and Macau, China's primary export markets for live swine. During the first half of 2026, Hong Kong received approximately 26.7 million visitors, up 13 percent year-over-year, while Macau recorded 20.9 million visitor arrivals, an increase of 9 percent. The continued recovery in tourism will support food service demand and live swine imports in both markets. Although China's live swine exports have recovered steadily in recent years, export volumes remain below pre-African swine fever (ASF) levels, leaving room for further gradual recovery.

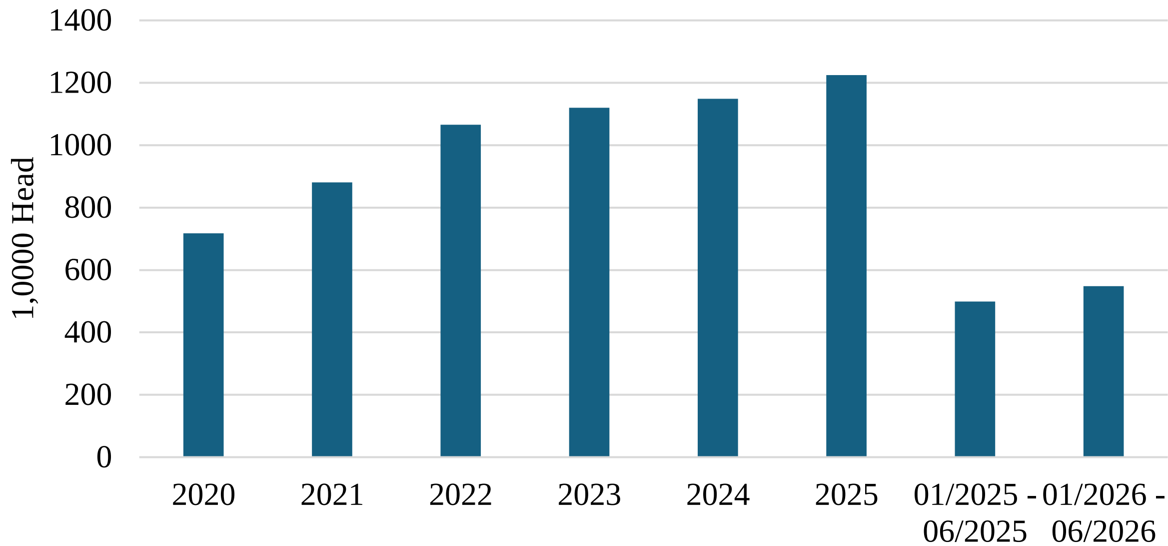
Exports Continue to Recover Following ASF

Before the ASF outbreak, China's live swine exports generally exceeded 1.5 million head annually. Exports declined sharply beginning in 2019 as ASF reduced domestic hog supplies and disrupted live swine shipments to Hong Kong, China's largest export market. Since 2021, exports have recovered steadily, increasing from 881 thousand head in 2021 to 1.225 million head in 2025. Exports continued to strengthen during the first half of 2026, reaching 548 thousand head, nearly 10 percent higher than the same period in 2025. Despite this recovery, export volumes remain well below historical levels prior to the ASF outbreak, supporting Post's expectation that exports will continue to recover gradually in 2027.

Post Raises the 2026 Export Forecast

Post raised its 2026 live swine export forecast based on stronger-than-expected export performance during the first half of the year. As illustrated in Chart 9, live swine exports increased nearly 10 percent year-over-year during January-June 2026, reflecting continued recovery in demand from Hong Kong and Macau as tourism and food service activity strengthened further in both markets. Given the stronger first-half export performance and continued improvement in demand conditions, Post raised its 2026 export forecast while maintaining expectations for continued gradual recovery in 2027.

Chart 9. China: Live Swine Exports



Source: Trade Data Monitor, LLC and Post Forecast.

PORK

Table 4. China: Pork Production, Supply, and Distribution

Meat, Swine	2025		2026		2027	
Market Begin Year	Jan 2025		Jan 2026		Jan 2027	
China	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Units: 1,000 Head, 1,000 MT CWE						
Slaughter (Reference)	719,730	719,730	723,000	730,000	0	718,500
Beginning Stocks	0	0	0	0	0	0
Production	59,380	59,380	59,500	59,680	0	58,350
Total Imports	1,188	1,188	1,000	840	0	840
Total Supply	60,568	60,568	60,500	60,520	0	59,190
Total Exports	123	123	145	165	0	175
Human Dom. Consumption	60,445	60,445	60,355	60,355	0	59,015
Other Use, Losses	0	0	0	0	0	0
Total Dom. Consumption	60,445	60,445	60,355	60,355	0	59,015
Ending Stocks	0	0	0	0	0	0
Total Distribution	60,568	60,568	60,500	60,520	0	59,190

Note: Not Official USDA Data.

PRODUCTION

Pork Production to Decline in 2027

Post forecasts China’s pork production to decline approximately 2 percent in 2027as lower sow inventories reduce the supply of slaughter-ready swine. Post also expects lower average carcass weights to contribute to the decline. Soft pork demand amid continued shifts in consumer purchasing behavior will further constrain slaughter activity.

Lower Sow Inventories and Soft Demand to Reduce Slaughter

Post expects swine slaughter to decline in 2027 as lower breeding sow inventories during 2026 reduce piglet production and, with a biological lag, the number of market-ready swine available for slaughter in 2027. Soft pork demand will also constrain slaughter activity. Slaughter companies are unlikely to raise operating rates substantially while fresh pork sales remain sluggish. Without a meaningful recovery in household, food service, or processing demand, the market will have limited capacity to absorb higher slaughter volumes without renewed downward pressure on prices.

Controls on Secondary Fattening to Lower Carcass Weights

Post expects tighter controls on secondary fattening to reduce average carcass weights in 2027. Secondary fattening involves purchasing market-weight swine and holding them for additional weight gain, which can temporarily reduce market supplies and later result in concentrated sales of heavier animals.

In June 2026, MARA and the National Development and Reform Commission instructed major producers to curb secondary fattening and lower market weights as part of broader efforts to reduce excess pork supplies and stabilize swine prices. Post expects continued enforcement to reduce speculative holding and increase the share of swine marketed at standard weights, lowering pork production per animal compared with periods of widespread secondary fattening.

CONSUMPTION

Pork Consumption to Decline in 2027

Post forecasts China's pork consumption to decline in 2027 as consumers continue to diversify protein purchases and soft demand persists despite relatively low pork prices. Poultry will continue to compete with pork as an affordable protein, while limited consumer response to low pork prices indicates little potential for price-driven consumption growth.

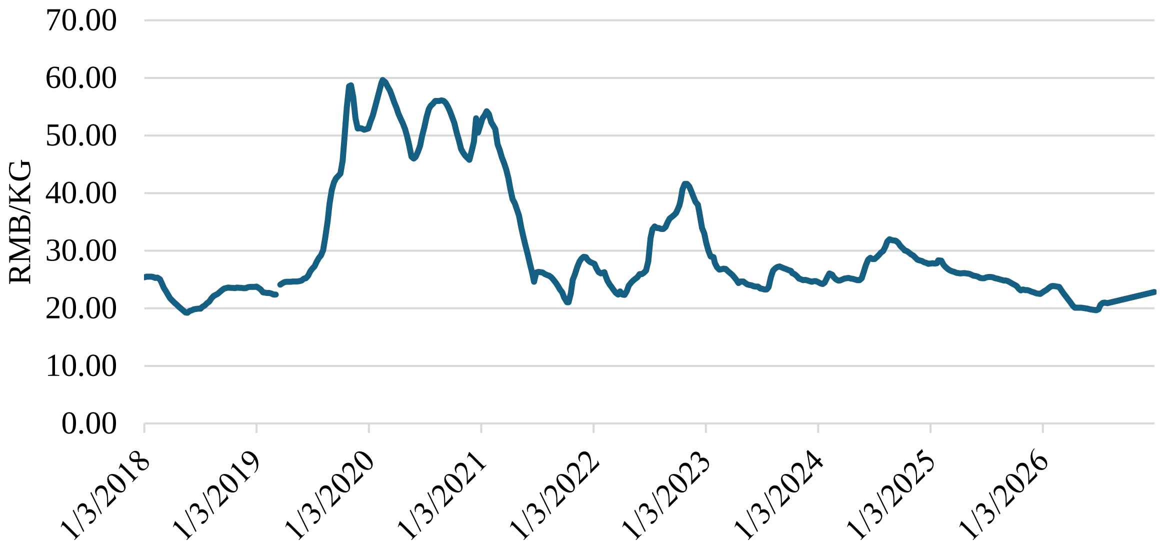
Continued Diversification of Protein Consumption

Chinese consumers continue to diversify their protein consumption, gradually reducing pork's share of total meat consumption. For example, poultry remains the primary substitute due to its affordability and expanding range of value-added products. As a result, pork's share of total meat consumption is likely to continue declining in 2027, further weighing on overall pork consumption.

Low Pork Prices Fail to Stimulate Demand

Throughout 2026, domestic pork prices remained under pressure as ample market supplies weighed on the market. As shown in Chart 10, pork prices remained relatively low during much of the first half of 2026. However, lower prices generated only limited improvement in pork purchases. Industry contacts and market reports consistently described sluggish wholesale movement, weak retail sales, and only modest seasonal demand recovery despite historically low pork prices. The limited consumer response suggests that lower prices alone are no longer sufficient to stimulate additional pork consumption. Post expects this muted demand response to continue in 2027, contributing to lower pork consumption.

Chart 10. China: National Average Pork Price[2]



Source: MARA.

The Ministry of Commerce (MOFCOM) repeatedly reported throughout 2026 that pork demand remained seasonally weak, with limited support from both food service and household purchases. Although several holidays during the spring and early summer provided temporary boosts to consumption, demand quickly softened afterward and failed to sustain market momentum. Industry data reflected the same trend: the fresh pork sales rate at key slaughterhouses remained 6 to 10 percent below year-earlier levels from March through July in 2026, indicating persistently weak end-user demand despite abundant pork supplies. Post forecasts soft consumer demand will continue to constrain pork consumption in 2027.

TRADE

Pork Imports

Pork Imports in 2027 to Remain Stable as Lower Domestic Production Is Offset by Weak Demand

Post forecasts pork imports will remain stable in 2027. Post expects China's domestic pork production will decline as the industry continues to adjust production following several years of relatively high production levels. However, weaker consumer demand could offset much of the reduction in domestic pork supplies, preventing the emergence of a meaningful supply gap that would support higher imports. China's pork imports have declined for several consecutive years and could reach their lowest level since 2016 in 2026. With import volumes already at a historically low level, Post expects limited room for further declines.

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[2] The pork price reflects the average pork price collected by MARA from monitored traditional markets across China.

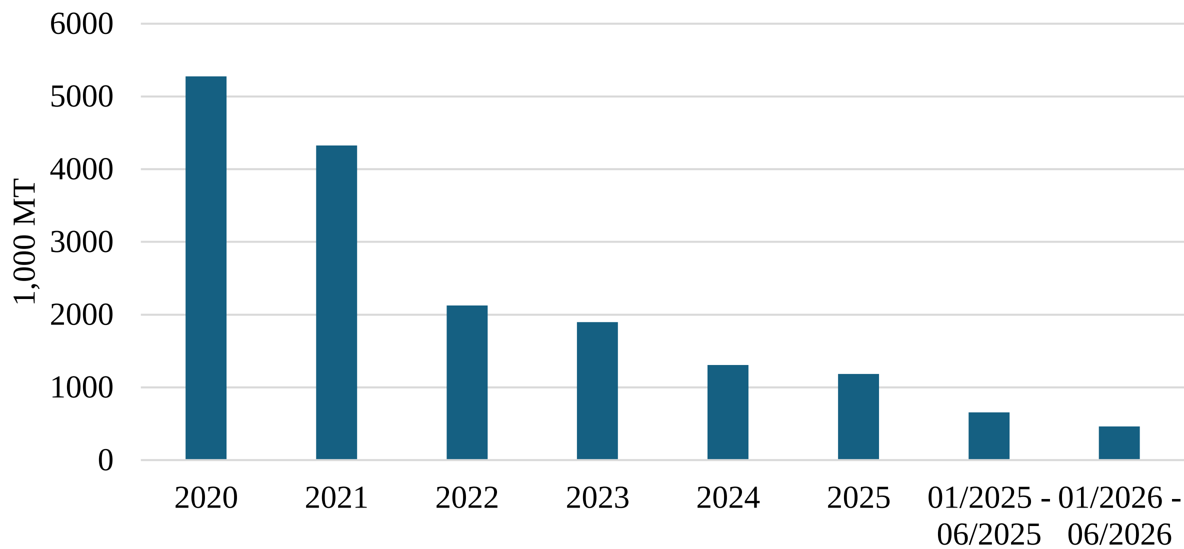
Domestic and Imported Pork Continue to Serve Different Market Channels

Domestic and imported pork continue to serve different market segments. Domestically produced fresh and chilled pork is primarily marketed through wet markets, supermarkets, food service establishments, and retail channels. Imported frozen pork is used mainly as a raw material for further processing, including sausages, prepared foods, braised pork products, and other value-added meat products. However, the two market segments are not completely separate. When domestic pork supplies are ample and prices are competitive, processors increase their use of domestically produced pork, reducing demand for imported frozen pork. Imported pork nevertheless continues to serve an established role in the processing sector, supporting a baseline level of import demand.

Post Lowers 2026 Pork Import Estimate on Stronger Domestic Supply and Weak Demand

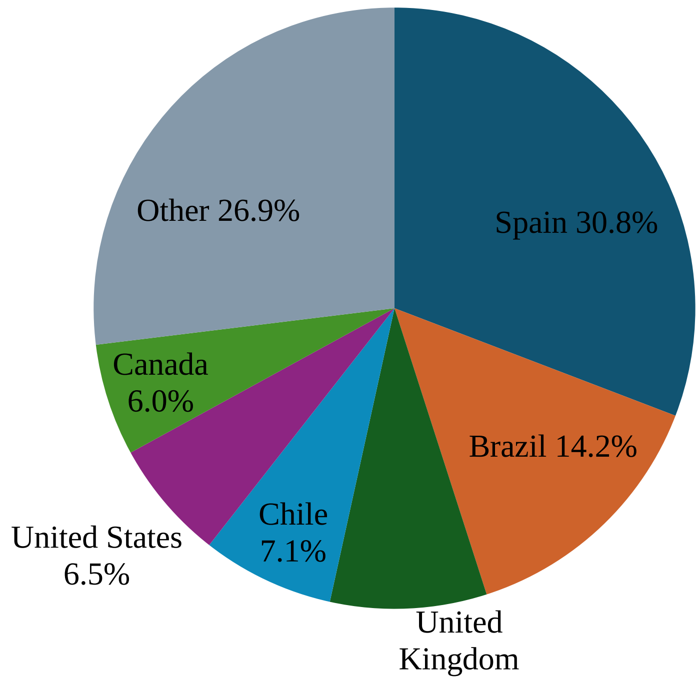
Post lowers its 2026 pork import estimate based on weaker-than-expected imports during the first half of the year. China's pork imports declined approximately 31 percent year-on-year during January–June 2026 (see Chart 11). Domestic pork production increased beyond Post's previous estimate, while weak consumer demand continued to weigh on pork consumption, further reducing demand for imported pork. Spain remained China's largest pork supplier during the first half of 2026, followed by Brazil (see Chart 12).

Chart 11. China: Pork Imports



Source: Trade Data Monitor, LLC.

Chart 12. China: Pork Imports by Origin, January–June 2026



Source: Trade Data Monitor, LLC.

Tariffs Continue to Pressure U.S. and EU Pork Imports

China's anti-dumping duties on European Union (EU) pork remain in effect and will continue through December 2030 under MOFCOM Announcement No. 80 of 2025. U.S. pork also continues to face additional retaliatory tariffs. During 2026, pork imports from both the EU and the United States declined (Please see Policy section below for further explanation on retaliatory tariffs.). Ample domestic pork production and weak consumer demand remained the primary factors reducing China's import demand, while the additional duties further weakened the competitiveness of U.S. and EU pork in the Chinese market. Post expects the continued application of these additional duties to remain a constraint on pork imports from both suppliers in 2027.

Pork Exports

Recovering Regional Demand and Competitive Domestic Prices Support Higher Pork Exports

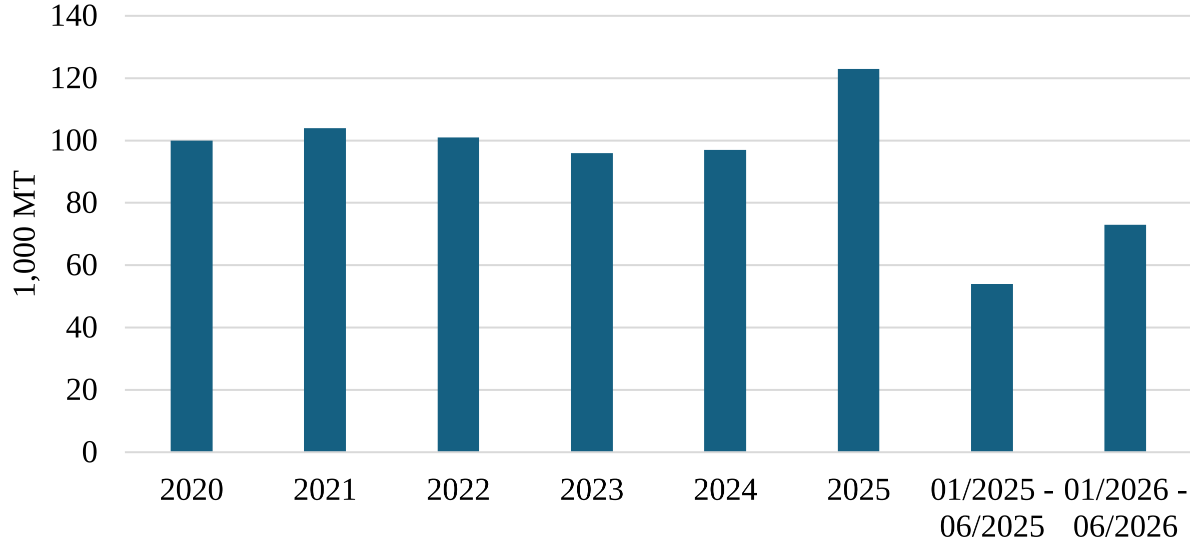
Post forecasts China's pork exports to increase in 2027 as recovering demand in key Asian markets and competitive domestic pork prices continue to support exports. Hong Kong remains China's largest export destination and accounted for approximately half of China's pork exports during the first half of 2026. The continued recovery in Hong Kong's food service, retail, and visitor spending has supported stronger pork demand and higher imports from mainland China. Although exports to Hong Kong have increased over the past two years, shipments remain well below the peak levels recorded during the mid-2010s, leaving room for further recovery in 2027. Exports to several smaller Asian markets, including Cambodia, Singapore, Mongolia, and Laos, also increased in 2026 and could provide additional support for export growth in 2027.

China's domestic pork prices are likely to remain relatively low in 2027, supporting the competitiveness of Chinese pork in nearby export markets. Although Post forecasts pork production to decline modestly in 2027, domestic pork supplies will remain ample, allowing exporters to meet growing demand from nearby Asian markets.

Post Raises 2026 Pork Export Estimate on Stronger First-Half Year Trade

Post raises its 2026 pork export estimate based on stronger-than-anticipated exports during the first half of the year. China exported 73,000 metric tons (MT) of pork during January–June 2026, compared with 54,000 MT during the same period of 2025 (see Chart 13). Stronger demand from Hong Kong and other Asian markets supported export growth. In addition, domestic pork prices remained at relatively low levels throughout much of the first half of 2026, improving the competitiveness of Chinese pork and contributing to stronger export performance than Post previously anticipated.

Chart 13. China: Pork Exports



Source: Trade Data Monitor, LLC.

POLICY

Tariffs on U.S. Products

On November 5, 2025, the State Council Tariff Commission (SCTC) announced the removal of the 10-15 percent tariffs imposed on 740 U.S. agricultural products (SCTC Announcement No. 9 of 2025), including beef and pork, with an effective date of November 10, 2025 (see GAIN Report CH2025-0050). However, the 10 percent reciprocal tariffs on all products from the United States (SCTC Announcement No. 7 of 2025), including beef and pork, remain in place. See GAIN Report CH2025-0209 for additional information on the timeline China's tariffs on U.S. agricultural products.

The tariff exclusion process introduced by the SCTC in March 2020 (see GAIN report CH2020-0017) remains in effect. The program allows importers to apply for tariff exclusions on the Chinese Government's retaliatory Section 301 tariffs on U.S. products, including pork and beef (see Table 5 and Table 6 for specific tariff rates). The exclusion process does not apply to China's retaliatory Section 232 tariffs, which continue to affect U.S. pork products along with many other agricultural goods. The Ministry of Finance has reportedly extended the market-based Section 301 tariff exclusion process to December 31, 2026 (see GAIN Report CH2025-0223). The following tables summarize the current tariffs on U.S. beef and pork exports to China.

Table 5. China: Tariff on U.S. Beef Products

HS Code (8-digit)	Product Description	MFN Rate	Section 301 Retaliation	SCTC Ann. No. 2	MOFCOM May 12, 2025	Total Applied Tariff	Total Applied Tariff with 301 Exclusion
02011000	Meat of bovine animals, fresh or chilled: whole or half-carcasses	20%	25.0%	0%	10%	55.0%	30.0%
02012000	Fresh Or Chilled Unboned Bovine Meat (Excl. Carcasses)	12%	30.0%	0%	10%	52.0%	22.0%
02013000	Fresh Or Chilled Boneless Bovine Meat	12%	30.0%	0%	10%	52.0%	22.0%
02021000	Frozen Bovine Carcasses & Half Carcasses	25%	25.0%	0%	10%	60.0%	35.0%
02022000	Frozen Unboned Bovine Meat (Excl. Carcasses)	12%	30.0%	0%	10%	52.0%	22.0%
02023000	Frozen Boneless Bovine Meat	12%	30.0%	0%	10%	52.0%	22.0%
02102000	Meat Of Bovine Animals, Salted, In Brine, Dried Or S	25%	30.0%	0%	10%	65.0%	35.0%
16025010	Preparations Of Bovine Animal Meat & Offal, In Air	5%	2.5%	0%	10%	17.5%	15.0%
16025090	Preparations Of Bovine Animal Meat & Offal, Nes	5%	25.0%	0%	10%	40.0%	15.0%

Table 6. China: Tariff on U.S. Pork Products

HS Code (8-digit)	Product Description	MFN Rate	Section 232 Retaliation	Section 301 Retaliation	SCTC Ann. No. 2	MOFCOM May 12, 2025	Total Applied Tariff	Total Applied Tariff with 301 Exclusion
02031110	Fresh or chilled, suckling pig: whole or half-carcasses	20%		25.0%	0%	10%	55.0%	30.0%
02031190	Fresh or chilled, other meat of swine: whole or half-carcasses	20%		25.0%	0%	10%	55.0%	30.0%
02031200	Fresh Or Chilled Unboned Hams, Shoulders & Cuts	20%	25%	30.0%	0%	10%	85.0%	55.0%
02031900	Other Fresh Or Chilled Swine Meat	20%	25%	30.0%	0%	10%	85.0%	55.0%
02032110	Frozen, suckling pig: whole or half-carcasses	12%		25.0%	0%	10%	47.0%	22.0%
02032190	Frozen Swine, whole or half-carcasses, Nes	12%	25%	25.0%	0%	10%	72.0%	47.0%
02032200	Frozen Unboned Hams, Shoulders & Cuts Thereof Of	12%	25%	30.0%	0%	10%	77.0%	47.0%
02032900	Other Frozen Swine Meat	12%	25%	30.0%	0%	10%	77.0%	47.0%

Attachments:

No Attachments