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Report Highlights:

South Korea's rebounding consumer demand for beef and pork, together with elevated retail prices, led to greater domestic slaughter and import totals in 2022 and into 2023. However, macroeconomic challenges such as inflation and currency flux have precipitated a steep rise in input costs for Korean livestock producers and forced consumers to reconsider spending decisions. A full domestic supply of Hanwoo beef coupled with tighter U.S. availability will increase market competition in Korea’s meat market over the next year. Conversely, high feed and energy costs will curb Korea’s domestic pork production for the remainder of 2023 and sway purchasers towards cheaper imported product.

Contents

Explanatory Notes

Conversion Rates:

In a continuous effort to improve data reliability, the "New Post" trade forecast in this report reflects new conversion rates. Historical data revisions (from 2005 onward) will be published on April 11, 2023 in the PSD database (http://www.fas.usda.gov/psdonline).

Beef and Veal Conversion Factors		
Code	Description	Conversion Rate*
020110	Bovine carcasses and half carcasses, fresh or chilled	1.0
020120	Bovine cuts bone in, fresh or chilled	1.0
020130	Bovine cuts boneless, fresh or chilled	1.36
020210	Bovine carcasses and half carcasses, frozen	1.0
020220	Bovine cuts bone in, frozen	1.0
020230	Bovine cuts boneless, frozen	1.36
021020	Bovine meat salted, dried or smoked	1.74
160250	Bovine meat, offal nes, not livers, prepared/preserve	1.79
* Exception		
Argentina - Exports of HS 160250 are excluded.		

Pork Conversion Factors		Conversion factor
HS Code	Description	(T to CWE)
020311	Carcasses/half-carcasses, fr/ch	1.00
020312	Bone-In hams, shoulders and cuts thereof, fr/ch	1.00
020319	Other pork cuts, fr/ch	1.30
020321	Carcasses/half-carcasses, frozen	1.00
020322	Bone-In hams, shoulders and cuts thereof, frozen	1.00
020329	Other pork cuts, frozen	1.30
021011	Bone-In hams, shoulders and cuts thereof, processed	1.10
021012	Bellies (streaky) and cuts thereof, processed	1.20
021019	Other meat of swine, processed	1.16
160241	Hams and cuts thereof, prep/pres	1.30
160242	Shoulders and cuts thereof, prep/pres	1.30
160249	Other meat of swine including mixtures, prep/pres	1.30

The definition of Carcass Weight Equivalent/Product Weight Equivalent remains the same. All quantities (beef and pork) are in Carcass Weight Equivalent (CWE) unless otherwise noted as Product Weight Equivalent (PWE). CWE is the weight of an animal after slaughter and removal of internal organs, head, and skin. PWE is the actual weight of the meat product exported.

Cattle

Production

Despite high feed costs, Hanwoo and beef cattle inventories remain at historic levels due to steady earnings in both breeding and feed farms over the last eight years. However, ample supply and decreased consumer demand for Hanwoo beef has reduced live cattle prices over the last year. As a result, Korean ranchers reduced inventories in the latter half of 2022. Korea's typical ratio of inventory to cow slaughter hovers around 45 percent. This figure jumped to 48 percent in 2022 as producers moved cow stocks to the market. Higher cow slaughter ratios, coupled with lower semen sales in 2022, signal a more pessimistic outlook for the cattle market in Korea. Still, ample supply of cattle under two years of age will keep Korea's inventory strong through 2023 with the expected drop manifesting by 2024.

Table 1: Hanwoo Inventory by Age (1,000 head and percent)

Description	2022 (A)	2021 (B)	2017-2021 Average (C)	Change (%)	
				(A) / (B)	(A) / (C)
Under 1 year	999	1,008	959	-0.9	4.2
1 – 2 years	997	949	899	5.1	10.9
Over 2 years	1,532	1,458	1,383	5.1	5.1
Total	3,528	3,415	3,240	3.3	3.3

Note: Cattle inventory as of end of December for each year.
Source: Korea Rural Economic Institute

Table 2: Hanwoo Semen Sales (Unit: 1,000 straws)

Month	2018	2019	2020	2021	2022	% Change
Jan	134	138	157	172	171	-0.6
Feb	119	48	168	162	171	5.6
Mar	166	207	155	179	171	-4.5
Apr	55	196	213	209	183	-12.4
May	237	195	207	209	206	-1.4
Jun	233	196	231	233	233	-
Jul	223	231	207	226	199	-11.9
Aug	195	183	211	214	192	-10.3
Sep	189	183	227	183	202	10.4
Oct	179	185	205	220	220	-
Nov	151	192	186	170	176	3.5
Dec	174	141	194	197	162	-17.8
Total	**2,055**	**2,095**	**2,361**	**2,374**	**2,281**	**-3.9**

Source: Global Strategy Networking Journal (GS&J), Korea Rural Economic Institute, National Agricultural Cooperative Federation, Korea Hanwoo Association
Note: 1/ The percent change column compares of 2022 sales versus the same month in 2021.
2/ The low semen sales in Apr. 2018 were caused by an outbreak of FMD. The drop in Feb. 2019 was likely due to a price reduction in calves that discouraged ranchers from increasing herd size.

Table 3: Live Hanwoo Beef Cattle Prices (Thousand won / head)

Month	Calf (4–5-month-old)						Cow (600 Kg.)			Steer (600 Kg.)		
	Female			Male								
	2020	2021	2022	2020	2021	2022	2020	2021	2022	2020	2021	2022
Jan	2840	2990	N/A	3246	3877	3329	5895	6372	6026	5672	5372	5370
Feb	2960	2880	N/A	3068	3891	3198	5893	6209	5882	5479	5207	5148
Mar	N/A	3500	N/A	3132	3641	2893	5943	6263	5701	4983	5348	5154
Apr	3010	4500	N/A	3332	3597	3048	5837	6322	5600	5326	6434	4967
May	N/A	3350	N/A	3554	3709	3379	6015	6379	5521	5536	6289	5163
Jun	3189	3350	2278	4393	3956	3547	6255	6508	5753	5504	7159	5193
Jul	3196	3351	2050	3426	4342	3158	6051	6369	5551	5171	6412	5053
Aug	2848	4185	1630	3667	3851	3217	6232	6499	5511	5423	6447	4801
Sep	2571	3200	2400	3733	3893	3147	6101	6529	5621	5420	5854	5317
Oct	2629	2850	2001	3736	3669	3045	6291	6751	5538	5232	5504	4944
Nov	3180	N/A	1553	3348	3409	3018	6430	6602	5391	5429	5735	5016
Dec	2792	1800	1310	3321	3315	2506	6266	6534	4782	5461	6407	4113

Source: National Agricultural Cooperative Federation
(Exchange rate US$1 = 1,300.0 won (As of February 17, 2023)

Table 4: Monthly Cattle Slaughter Trend

Year	Month	Cow		Bulls/steers		Total	
		Head	Percent of total	Head	Percent of total	Sub-total	Percent of annual
2020	Jan	42,770	44.1	54,161	55.9	96,931	10.9
	Feb	25,275	45.3	30,466	54.7	55,741	6.3
	Mar	31,943	48.2	34,361	51.8	66,304	7.5
	Apr	33,230	47.9	36,104	52.1	69,334	7.8
	May	33,278	49.2	34,376	50.8	67,654	7.6
	Jun	36,646	49.4	37,537	50.6	74,183	8.4
	Jul	33,202	48.6	35,178	51.4	68,380	7.7
	Aug	34,696	46.0	40,725	54.0	75,421	8.5
	Sep	47,866	45.6	57,086	54.4	104,952	11.8
	Oct	26,750	41.9	37,141	58.1	63,891	7.2
	Nov	29,960	43.9	38,219	56.1	68,179	7.7
	Dec	34,405	45.1	41,822	54.9	76,227	8.6
	Total	**410,021**	**46.2**	**477,176**	**53.8**	**887,197**	**100.0**
2021	Jan	48,642	43.1	64,331	56.9	112,973	12.1
	Feb	24,740	47.8	27,018	52.2	51,758	5.5
	Mar	33,715	47.4	37,340	52.6	71,055	7.6
	Apr	34,549	48.5	36,620	51.5	71,169	7.6

	May	32,959	49.0	34,337	51.0	67,296	7.2
	Jun	34,854	49.4	35,673	50.6	70,527	7.6
	Jul	31,448	49.4	32,164	50.6	63,612	6.8
	Aug	41,550	44.6	51,698	55.4	93,248	10.0
	Sep	42,572	45.9	50,202	54.1	92,774	9.9
	Oct	30,943	44.2	39037	55.8	69,980	7.5
	Nov	33,988	43.4	44,340	56.6	78,328	8.4
	Dec	40,562	44.5	50,579	55.5	91,141	9.8
	Total	**430,522**	**46.1**	**503,339**	**53.9**	**933,861**	**100.0**
2022	Jan	50,055	10.3	65,081	12.3	115,136	11.3
	Feb	23,529	4.8	27,945	5.3	51,474	5.1
	Mar	35,288	7.3	39,399	7.5	74,687	7.4
	Apr	38,311	7.9	40,418	7.7	78,729	7.8
	May	40,693	8.4	40,745	7.7	81,438	8.0
	Jun	37,771	7.8	35,680	6.8	73,451	7.2
	Jul	36,975	7.6	34,333	6.5	71,308	7.0
	Aug	63,279	13.0	66,681	12.6	129,960	12.8
	Sep	32,673	6.7	34,569	6.5	67,242	6.6
	Oct	36,501	7.5	41,486	7.9	77,987	7.7
	Nov	40,538	8.3	43,244	8.2	83,782	8.3
	Dec	51,115	10.5	58,377	11.1	109,492	10.8
	Total	**486,728**	**48.0**	**527,958**	**52.0**	**1,014,686**	**100.0**

Source: Animal and Plant Quarantine Agency

PS&D

Animal Numbers, Cattle	2021		2022		2023	
Market Begin Year	Jan 2021		Jan 2022		Jan 2023	
Korea, Republic of	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Total Cattle Beg. Stks	3805	3805	3956	3990	4098	4084
Dairy Cows Beg. Stocks	314	314	307	307	305	302
Beef Cows Beg. Stocks	1555	1555	1640	1640	1699	1700
Production (Calf Crop)	1096	1130	1156	1120	1122	1132
Total Imports	0	0	0	0	0	0
Total Supply	4901	4935	5112	5110	5220	5216
Total Exports	0	0	0	0	0	0
Cow Slaughter	431	431	470	487	513	535
Calf Slaughter	0	0	0	0	0	0
Other Slaughter	503	503	533	528	577	565
Total Slaughter	934	934	1003	1015	1090	1100
Loss and Residual	11	11	11	11	12	11
Ending Inventories	3956	3990	4098	4084	4118	4105
Total Distribution	4901	4935	5112	5110	5220	5216

Beef

Production

Cutting inventory, Korea's total slaughter numbers increased in 2022. This trend is expected to continue for most of 2023 until prices stabilize. Korea Rural Economic Institute estimates total cattle slaughter will increase 8.5 percent in 2023 over the previous year. A sluggish economy in the first quarter of 2023 has dampened Korea's consumption of high-priced domestic beef. Even while high slaughter rates have helped drive down wholesale supply prices, this action has not carried over to more affordable retail prices. Details on the price gap are covered in the consumption section.

Consumption

Although Korea's COVID-related social distancing restrictions were removed in April 2022, the market has not fully recovered. Korea continues to grapple with economic challenges in its housing sector, high interest rates, inflation, and a stagnant job market. As a result, consumer spending remains tight, including in the country's food sector.

Wholesale price of Hanwoo beef dropped 21.5 percent in the January 1-19, 2023 period, due to increased slaughter numbers. However, the retail price for tenderloin, the most popular barbeque cut, dropped only 12.6 percent over the same period. Likewise, retail prices for rounds dropped 11.2 percent. As end users, Korean consumers are not experiencing the full cost savings seen at wholesale. To revive demand, the Ministry of Agriculture, Food and Rural Affairs introduced a Hanwoo beef promotion that discounted product up to 50 percent off the market price. However, due to a limited budget, the program was short lived with limited effect.

Table 5: Average Amount of Beef Purchased for Consumption at Home (Kilogram)

Type of beef	2019	2020	2021
Hanwoo (domestic beef)	0.61	0.67	0.68
Imported beef	2.78	2.83	2.83

Source: Korea Rural Economic Institute

According to a survey conducted by the Korea Rural Economic Institute in January 2023, consumers reduced their domestic beef purchases by 1.0 percent and 1.8 percent for imported beef in 2022. The lead reasons for reducing beef purchases were 1) high prices (46.8 percent), 2) reduced income availability (15.3 percent) and 3) to improve personal health/diet (13.5 percent).

Table 6: Comparison of Average Retail Price for Beef Short Ribs and Pork Bellies
(Won per 100 grams)

Origin	Quality	2020	2021	2022	Change in price		Price ratio over U.S. frozen beef		
					2021 over 2020	2022 over 2021	2020	2021	2022
Korean Hanwoo	Grade 1	6103	6857	7,425	1.12	1.08	2.48	2.66	1.75
U.S. Beef	Frozen	2464	2581	4248	1.05	1.65	1.00	1.00	1.00
Australian Beef	Frozen	2368	2496	4258	1.05	1.71	0.96	0.397	1.00
Korean Chilled Pork Belly		2122	2429	2612	1.08	1.08	0.99	1.01	0.61
Imported Frozen Pork Belly		1078	1309	1461	1.12	1.12	0.53	0.57	0.34

Source: Korea Agricultural Marketing Information Service (KAMIS) and Korea Institute for Animal Products Quality Evaluation (KAPE) (Exchange rate US$1 = 1,300.0 won (As of February 17, 2023)

Table 7: Retail Prices for Beef Short Ribs (2017 – 2019) Unit: Won per 100 grams

Year	Month	Domestic Hanwoo (chilled)	U.S.A.	Australia
		#1 Grade	Frozen	Frozen
2020	January	6,178	2,514	2,364
	February	5,883	2,517	2,370
	March	5,869	2,517	2,382
	April	-	2,411	2,248
	May	-	2,491	2,358
	June	-	2,396	2,381
	July	-	2,363	2,271
	August		2,490	2,403
	September	6,424	2,478	2,412

	October	6,400	2,468	2,388
	November		2,470	2,421
	December		2,472	2,421
2021	January		2,475	2,469
	February	6,525	2,462	2,457
	March		2,452	2,401
	April		2,446	2,394
	May		2,452	2,414
	June		2,493	2,447
	July		2,562	2,493
	August		2,577	2,477
	September		2,609	2,457
	October		2,682	2,583
	November		2,796	2,622
	December	7,850	2,934	2,717
2022	January	9,613	4,094	3,456
	February	9,618	4,098	3,727
	March	8,493	4,165	3,934
	April	7,481	4,282	4,248
	May	7,134	4,404	4,413
	June	6,840	4,379	4,568
	July	6,753	4,277	4,447
	August	6,646	4,284	4,487
	September	6,694	4,271	4,393

	October	6,663	4,340	4,427
	November	6,687	4,232	4,486
	December	6,630	4,139	4,474

Source: Korea Agricultural Marketing Information Service (KAMIS) and Korea Institute for Animal Products Quality Evaluation (KAPE)

Note: Price series from January 1, 2022 is provided by the Korea Institute for Animal Products Quality Evaluation. Previous data comes from Korea Agricultural Marketing Information Service. (Exchange rate US$1 = 1,300.0 won (As of February 17, 2023)

Trade

A strong U.S. dollar and forecasted tighter supply of U.S. red meat in 2023 will temper the rate of growth for beef exports to Korea over the next year. Additionally, a full domestic supply of Hanwoo beef will increase overall market competition in the country's meat market.

The United States was Korea's largest supplier of imported beef in 2022. Strong consumer confidence in U.S. beef continues to be an important factor in the growth of sales to Korea. According to research conducted by Gallup in December 2022, Korea's perception on U.S. beef has improved significantly over the past decade. The confidence level of U.S. beef safety has risen to 68 percent, compared to 38 percent a decade ago.

Australia, the second largest beef supplier to Korea, is subject to an Agricultural Safeguard (ASG) under the Korea-Australia Free Trade Agreement (FTA). In 2023, the trigger level for beef is set at 184,742 MT, with a safeguard duty of 30 percent. Traditionally, once Australia reaches its trigger level, it will focus more on its price-competitive chilled product exports.

Table 8: Korea: Beef Imports (Thousand dollars and metric tons)

Country	Annual 2020		Annual 2021		Annual 2022	
	Value	Volume	Value	Volume	Value	Volume
United States	1,731,836	243,198	2,093,138	249,950	2,540,986	256,909
Australia	1,026,799	170,238	1,260,164	179,260	1,348,586	167,747
New Zealand	70,077	15,362	99,452	20,082	138,167	21,787
Mexico	31,887	7,511	33,715	7,444	39,072	7,209
Canada	31,395	5,965	61,003	9,675	161,614	19,066
Uruguay	3,935	796	13,021	2,626	10,877	1,896
Chile	1,805	457	1,699	416	938	222
Others	4,449	925	10,076	1,750	12,428	1,993
Total	2,902,183	444,452	3,572,268	471,203	4,252,668	476,829

Source: Korea Trade Statistics Promotion Institute
Product weight equivalent basis

Includes HS 0201 (fresh/chilled), HS 0202 (frozen), HS 021020 and 160250 (processed beef products)

Table 9: Wholesale price competitiveness of U.S. Beef against Australian Beef

<table>
<tr><td>Category</td><td rowspan="2">Country</td><td>Unit</td><td>2022</td><td>2023</td><td>2024</td><td>2027</td><td>2032</td></tr>
<tr><td>Exchange rate</td><td>Won / US dollar</td><td>1,293</td><td>1,304</td><td>1,282</td><td>1,206</td><td>1,195</td></tr>
<tr><td rowspan="2">Import price</td><td>U.S.A.</td><td rowspan="2">U.S. dollar / Kg.</td><td>8.6</td><td>9.2</td><td>9.5</td><td>9.6</td><td>9.6</td></tr>
<tr><td>Australia</td><td>6.7</td><td>7.1</td><td>7.4</td><td>7.4</td><td>7.4</td></tr>
<tr><td rowspan="2">Import duty</td><td>U.S.A.</td><td rowspan="2">Percent</td><td>10.7</td><td>8.0</td><td>5.3</td><td>0.0</td><td>0.0</td></tr>
<tr><td>Australia</td><td>16.0</td><td>13.3</td><td>10.7</td><td>2.6</td><td>0.0</td></tr>
<tr><td rowspan="2">Wholesale price</td><td>U.S.A.</td><td rowspan="2">Won / Kg.</td><td>13,383</td><td>14,024</td><td>13,996</td><td>12,715</td><td>12,606</td></tr>
<tr><td>Australia</td><td>10,782</td><td>11,306</td><td>11,291</td><td>10,056</td><td>9,756</td></tr>
</table>

* Data for 2023 – 2032 are projections.
Source: Korea Rural Economic Institute

Table 10: Comparison of Beef Import Duties Among Free Trade Agreements (Unit: Percent)

<table>
<tr><td colspan="2">Commodity</td><td>KORUS FTA</td><td>Korea – Australia FTA</td><td>Korea – Canada FTA</td></tr>
<tr><td rowspan="5">Beef</td><td>Content of Free Trade Agreement</td><td>Duty phased out in 15 years plus Agricultural Safeguard (Already in 11th year of phase out)</td><td>Duty phased out in 15 years plus Agricultural Safeguard (Already in 6th year of phase out)</td><td>Duty phased out in 15 years plus Agricultural Safeguard (In its 5th year of phase out)</td></tr>
<tr><td>Base duty</td><td>40.0</td><td>40.0</td><td>40.0</td></tr>
<tr><td>Applicable duty in 2022</td><td>10.6</td><td>16.0</td><td>18.6</td></tr>
<tr><td>Applicable duty in 2023</td><td>8.0</td><td>13.3</td><td>16.0</td></tr>
<tr><td>Applicable duty in 2024</td><td>5.3</td><td>10.6</td><td>13.3</td></tr>
</table>

PS&D

Meat, Beef and Veal	2021		2022		2023	
Market Begin Year	Jan 2021		Jan 2022		Jan 2023	
Korea, Republic of	USDA Officia	New Post	USDA Officia	New Post	USDA Officia	New Post
Slaughter (Reference)	934	934	1003	1015	1090	1100
Beginning Stocks	15	15	15	15	15	15
Production	304	304	326	330	354	379
Total Imports	588	588	600	595	610	595
Total Supply	907	907	941	940	979	989
Total Exports	0	0	0	0	0	0
Human Dom. Consum	892	892	926	925	964	974
Other Use, Losses	0	0	0	0	0	0
Total Dom. Consump	892	892	926	925	964	974
Ending Stocks	15	15	15	15	15	15
Total Distribution	907	907	941	940	979	989

Swine

Production

Total swine supply is expected to decline due to high production costs. Compound feed prices during the first 11 months of 2022 increased 22.0 percent over the same period in 2021. Over the past few years, Korean producers have increased sow numbers based on high farmgate prices. This trend changed in May 2022 when sales prices could not keep pace with input and labor costs. Accordingly, sow numbers have gradually fallen during the second half of 2022 and, subsequently, 2023 total piglet production is expected to be down.

Table 11: Producers Intention to Raise Sows

Year	March	April	May	June	July	August
2023	99.6	99.5	99.5	99.4	99.4	99.4
2022	100.0	100.2	100.2	100.2	100.3	100.4
Change (Percent)	-0.4	-0.7	-0.7	-0.8	-0.9	-1.0

Source: Korea Rural Economic Institute

Table 12: Average Hog Production Cost by Farm Size (Won per 100 kilograms)

<table>
<tr><th>Description</th><th>Under 1,000 head</th><th>1,000 – 1,999 head</th><th>2,000 – 2,999 head</th><th>Over 3,000 head</th><th>Average</th><th>2021 Wholesale price</th></tr>
<tr><td>Production cost (Won/100 Kg.)</td><td>350,692</td><td>308,967</td><td>282,038</td><td>264,658</td><td>283,662</td><td rowspan="2">4,200 ~ 4,300 won/Kg.</td></tr>
<tr><td>Converted into wholesale price (Won/Kg.)</td><td>4,572</td><td>4,028</td><td>3,677</td><td>3,451</td><td>3,698</td></tr>
</table>

Source: Korea Statistics Service and Korea Rural Economic Institute
(Exchange rate US$1 = 1,300.0 won (As of February 17, 2023)

Table 13: Farm Gate Hog Prices (Thousand Won/Head, 110 kg. /head)

Month	2018	2019	2020	2021	2022
January	325	273	247	309	370
February	347	265	274	298	349
March	343	318	330	345	361
April	375	369	362	390	443
May	391	351	432	421	539
June	438	354	399	439	494
July	432	344	412	433	474
August	408	353	363	452	499
September	414	404	399	453	472
October	330	265	339	386	447
November	310	313	356	445	442
December	303	282	356	433	451
Annual average	368	285	353	398	445

Source: National Agricultural Cooperative Federation
(Exchange rate US$1 = 1,300.0 won (As of February 17, 2023)

African Swine Fever (ASF) continues to be found in wild boars along Korea's northern military border and has been detected in areas further south. Korea recorded seven cases of ASF in commercial farms in 2022. Depopulated farms along Korea's border have begun to restock their operations. Also, in 2022 the prevalence of Porcine Reproductive and Respiratory Syndrome (PRRS) decreased slightly but Porcine Epidemic Disease (PED) jumped in 2022 after a low level of detection in 2021. This too was a factor in lower piglet production in 2022, despite higher sow numbers.

Table 14: Number of Porcine Disease Outbreak Cases (Farms)

Disease	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
PED	1	12	169	94	82	77	221	137	161	40	229
PRRS	47	69	47	44	40	20	29	29	18	44	35
ASF								14	3	5	7

Source: Animal and Plant Quarantine Agency, Korea Animal Health Integrated System

Table 15: Number of Sows and Swine by Age (Thousand head)

Year	Month	Sow 1/	Number of swine by age				
			Under 2 months	2-4 month	4-6 month	6-8 month	Over 8 months
2018	Mar	1058	3488	3279	3302	113	974
	Jun	1069	3545	3411	3252	116	981
	Sep	1063	3619	3598	3313	139	971
	Dec	1063	3508	3474	3248	131	972
2019	Mar	1063	3512	3434	3160	116	977
	Jun	1070	3554	3468	3196	122	977
	Sep	1063	3660	3586	3374	117	976
	Dec	1026	3497	3453	3257	132	941
2020	Mar	1041	3525	3415	3188	127	954
	Jun	1023	3505	3314	3205	125	939
	Sep	1010	3522	3429	3363	121	930
	Dec	1001	3399	3379	3257	120	923
2021	Mar	1025	3525	3315	3244	124	939
	Jun	1041	3559	3373	3142	131	946
	Sep	1024	3601	3550	3248	118	947
	Dec	1023	3482	3454	3215	121	944
2022	Mar	1024	3501	3404	3198	123	943
	Jun	1021	3546	3349	3212	121	938
	Sep	1008	3545	3481	3254	116	930
	Dec	995	3477	3394	3222	119	912

Source: Korea Statistics Administration
1/ Swine over eight months are sows and part of the swine herd that are 6-8 months old are sows
2/ Sow numbers are based on the first day of each month and may not match with PS&D sow numbers, which are based on Dec, 31.
3/ The Korea Statistics Administration changed the data basis from sampling basis to traceability numbers from April 2018 and swine numbers have been updated based on traceability numbers from the March 2017 data.

Table 16: Monthly Swine Slaughter

Year	Month	Slaughter number (heads)		
		Total	Gilt/Sows	Boar
2020	Jan	1,562,642	766,028	826,614
	Feb	1,566,810	754,242	812,568
	Mar	1,583,419	758,429	824,990
	Apr	1,604,913	767,901	837,012
	May	1,410,414	676,240	734,174
	Jun	1,398,273	675,198	723,075
	Jul	1,485,424	713,511	771,913
	Aug	1,341,670	650,946	690,724
	Sep	1,496,322	732,666	763,656
	Oct	1,546,152	747,053	799,099
	Nov	1,616,111	779,277	838,834
	Dec	1,685,802	812,280	873,522
	Total	**18,329,952**	**8,833,771**	**9,496,181**
2021	Jan	1,600,274	777,247	823,027
	Feb	1,416,529	687,952	728,577
	Mar	1,689,063	819,876	869,187
	Apr	1,551,034	756,170	794,864
	May	1,440,219	705,781	734,438
	Jun	1,448,976	713,406	735,570
	Jul	1,347,743	661,469	686,274
	Aug	1,416,102	697,540	718,562

	Sep	1,489,258	732,265	756,993
	Oct	1,540,333	753,586	786,747
	Nov	1,720,536	843,497	877,039
	Dec	1,722,700	842,811	879,889
	Total	**18,382,767**	**8,991,600**	**9,391,167**
2022	Jan	1,577,332	771,979	805,353
	Feb	1,483,825	728,796	755,029
	Mar	1,701,190	839,645	861,545
	Apr	1,539,877	753,717	786,160
	May	1,528,772	747,428	781,344
	Jun	1,445,203	706,816	738,387
	Jul	1,309,132	646,093	663,039
	Aug	1,533,399	754,571	778,828
	Sep	1,420,093	696,255	723,838
	Oct	1,576,589	769,230	807,359
	Nov	1,751,458	854,868	896,590
	Dec	1,689,345	827,138	862,207
	Total	**18,556,215**	**9,096,536**	**9,459,679**

Source: Animal and Plant Quarantine Agency

Table 17: Pork Wholesale Prices

Year/ Month	2016	2017	2018	2019	2020	2021	2022
January	4396	4582	3853	3241	2922	3663	4385
February	3920	4536	4114	3143	3247	3526	4135
March	4246	4710	4063	3768	3914	4083	4273
April	4461	5153	4439	4370	4285	4626	5250
May	4969	5222	4635	4159	5114	4990	6385
June	5437	5751	5192	4200	4733	5203	5861
July	4881	5528	5120	4076	4888	5137	5612
August	4829	5643	4838	4179	4303	5363	5919
September	4970	5421	4909	4791	4727	5374	5596
October	4415	4281	3911	3143	3335	4572	5296
November	4540	4507	3675	3705	4221	5272	5240
December	4335	4345	3597	3341	4217	5129	5344

Source: Korea Meat Trade Association, National Agricultural Cooperative Federation
(Exchange rate US$1 = 1,300.0 won (As of February 17, 2023)

PS&D

Animal Numbers, Swine	2021		2022		2023	
Market Begin Year	Jan 2021		Jan 2022		Jan 2023	
Korea, Republic of	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Total Beginning Stocks	11078	11078	11217	11217	11832	11124
Sow Beginning Stocks	1001	1001	1023	1023	1015	995
Production (Pig Crop)	20473	20473	21164	20389	20313	19830
Total Imports	2	2	1	1	1	1
Total Supply	31553	31553	32382	31607	32146	30955
Total Exports	0	0	0	0	0	0
Sow Slaughter	0	0	0	0	0	0
Other Slaughter	18383	18383	18500	18556	18350	18043
Total Slaughter	18383	18383	18500	18556	18350	18043
Loss and Residual	1953	1953	2050	1927	2045	1887
Ending Inventories	11217	11217	11832	11124	11751	11025
Total Distribution	31553	31553	32382	31607	32146	30955

Pork

Production

Note: Please refer to the explanatory notes in the cattle section for conversion rates.

The Korea Rural Economic Institute projects lower slaughter total for 2023 due to tighter inventory and high production costs. As a result, 2023 pork production is projected to be 2.7 percent lower than the previous year's total. Some of the deficit in domestic pork production will be offset by higher 2022 ending stocks and increased imports. Domestic pork production is expected to decline through 2023 and rebound by 2024 with higher prices and lower domestic supply.

Consumption

Korea has slowly but gradually overcome the pandemic, lifting social distancing restrictions in restaurants in April 2022. In-restaurant dining began to pick up by the summer of 2022 while consumption of pork for in-home dining dropped. The following tables illustrate the shift from home to restaurant dining in 2022 and its impact on household pork purchases. This change in dining pattern will boost consumption of imported pork, as Korea's generally prefer domestic pork for in-home dining and restaurant owners opt to serve a more price competitive imported product.

Table 18. Change in Dining Patterns (Unit: Percent)

Type of Dining	2021	2022
In-home dining	67.3	65.5
Restaurants	32.7	34.5

Source: Korea Rural Economic Institute

Table 19. Average Pork Purchase per Household (January-November)

Description	2022 (A)	2021 (B)	A/B	After lifting of social distancing (C)	During social distancing (D)	C/D
Amount Purchased per purchase (kg.)	0.98	1.07	-7.7	0.99	1.05	-5.7
Frequency of purchase (times purchased)	1.88	1.94	-3.5	1.84	1.92	-4.0
Average purchase amount per household	1.84	2.07	-11.1	1.82	2.02	-9.7

Source: Korea Rural Economic Institute

Despite lifting nearly all COVID-related restrictions, Korea's overall economy faces several challenges on its road to recovery. Korean consumers are keenly aware of their food expenditures as the country grapples with high interest rates, rising energy prices, and inflation. These costs have reduced disposable income for much of the population and forced consumers to seek out more affordable goods and services. Despite Korean consumers' preference for domestic pork, higher prices have swayed purchases towards less expensive imported product.

Table 20. Average Household Pork Purchase Amount in January 2023

	2023	2022	Change
	Kilogram per household and percent		
Total pork purchase amount	1.90	1.98	-4.0
Domestic pork purchase	1.78	1.89	-5.8
Imported Pork Purchase	1.55	1.50	3.3

Source: Kantar Worldwide Panel Division
Note: Purchase amount during the period January 1 – 29, 2023. The figures do not include pork consumed in restaurants.

Trade

Several factors, including a late 2022 Tariff Rate Quota (TRQ) allocation of 70,000 metric tons of pork, significantly increased Korea's imports of frozen pork for processing. As seen in Table 24, annual export volumes from Canada, Spain, and the Netherlands were much higher in 2022 compared to 2021 totals. The 37 percent rise in Canadian pork imports was attributed mainly to the open TRQ allocation, while Spain's 68 percent jump was a result of price competitiveness and growing popularity for Iberico pork in Korean barbeque. However, U.S. pork was less competitive as the U.S. pork prices increased close to 18 percent in 2022 due to low inventory and increased demand within the United States.

Table 21: Average Pork Import Price (Unit: U.S. dollar per kilogram, percent)

Month	2019	2020	2021 (A)	2022 (B)	(B)/(A)
Jan.	2.85	3.12	3.65	3.72	1.9
Feb.	2.93	3.24	3.76	3.70	-1.5
Mar.	2.91	3.40	3.74	3.83	2.2
Apr.	2.86	3.19	3.61	3.78	4.7
May	2.90	3.31	3.87	3.69	-4.6
Jun.	2.90	3.07	3.75	3.76	0.2
Jul.	3.13	3.49	4.53	3.83	-15.6
Aug.	3.25	3.32	4.46	3.78	-15.3
Sep.	3.17	3.29	4.27	3.74	-12.3
Oct.	3.11	3.25	4.21	3.65	-13.5
Nov.	3.15	3.51	3.96	3.72	-6.2
Dec.	3.11	3.40	3.84	3.74	-3.4
Avg.	3.02	3.30	3.98	3.75	-5.8

Source: Trade Data Monitor and Korea Rural Economic Institute

The following table highlights the pork cuts most traded into Korea. Tenderloin and loins are used for producing cutlets and sweet and sour dishes. Picnic and hams are for producing processed meat products, and collar butt, single rib belly, and ribs are targeted for household sales. As can be seen from the table, frozen cuts processing as well as BBQ cuts, such as single-rib bellies and collar butts, all increased in 2022. As COVID-related restrictions have mostly been removed and as Korean consumers as well as restaurant owners seek more price competitive cuts, pork imports in 2023 is forecasted to increase further.

Table 22: Pork Imports by Cuts Unit: MT and percent

Cut		2019	2020	2021 (A)	2022 (B)	(B) / (A)
Chilled	Tenderloin	0	0	0	0	N/A
	Loin	7	33	18	66	366.7
	Collar butt	6,604	5,924	7,675	8,243	107.4
	Picnic	448	613	662	2,239	338.2
	Ham	0	0	0	0	N/A
	Single rib belly	14,173	12,203	16,472	17,214	104.5
	Rib	1	0	2	1	50.0
Frozen	Tenderloin	3	2	0	8	N/A
	Loin	15,933	5,295	11,026	18,494	167.7
	Collar butt	59,290	48,426	37,774	56,358	149.2
	Picnic	152,029	109,754	103,461	162,165	156.7
	Ham	9,555	1,045	814	12,136	1,490.9
	Single rib belly	150,650	116,756	149,811	155,259	103.6
	Rib	10,756	9,691	5,001	9,746	194.9
	Other	1,893	725	41	443	1,080.5
TOTAL		421,342	310,467	332,757	442,372	132.9

Source: Ministry of Food and Drug Safety (The above data is based on inspection conducted for imported pork on a Product Weight Equivalence (PWE) basis.

Table 23: Price Competitiveness of U.S. Pork against EU Pork

Category	Country	Unit	2022	Projection 2023	2024	2027	2032
Exchange rate		Won / U.S. dollar	1,293	1,304	1,282	1,206	1,195
Import price	U.S.A.	U.S. dollar / Kg.	3.66	3.41	3.12	2.92	2.92
	EU		3.70	3.45	3.16	2.95	2.95
	Other		3.7	3.5	3.2	3.0	3.0
Import duty	U.S.A.	Percent	0	0	0	0	0
	EU		0	0	0	0	0
	Other		4.1	4.1	4.1	4.1	4.1
Wholesale price	U.S.A.	Won / Kg.	5,199	4,896	4,401	3,875	3,841
	EU		5,256	4,949	4,450	3,917	3,884
	Other		5,459	5,208	4,681	4,100	4,065

Data for 2023 – 2032 are projections.
(Exchange rate US$1 = 1,300.0 won (As of February 17, 2023)
Source: Korea Rural Economic Institute

Due to Korea's 2020 ban on German pork, imports of these products are now filled by other suppliers, namely Spain, Canada and the Netherlands

Table 24: Korea: Pork Imports Unit: Thousands USD and Metric Tons

Country	Annual 2020		Annual 2021		Annual 2022	
	Value	Volume	Value	Volume	Value	Volume
United States	468,022	162,864	490,927	144,709	542,034	143,727
Germany	289,771	81,812	12,139	2,832	123	22
Spain	203,965	49,445	399,876	88,094	541,223	147,754
Chile	112,186	27,092	140,896	27,155	167,911	33,435
Canada	120,084	39,550	139,673	43,894	199,136	60,341
Netherlands	59,329	13,281	152,335	33,260	199,832	51,276
Austria	55,054	13,463	158,446	30,059	132,020	28,486
Mexico	25,564	6,943	37,797	8,798	38,708	9,811
Denmark	33,698	10,836	114,386	26,510	78,262	22,489
Finland	19,499	5,036	24,064	4,763	24,494	4,902
France	20,021	4,268	46,511	8,764	48,659	9,475
Brazil	11,789	4,037	14,257	3,746	34,636	8,744
Others	18,236	7,925	43,087	16,287	82,807	28,514
Total	1,437,218	426,552	1,774,394	438,871	2,089,845	548,976

Source: Korea Trade Statistics Promotion Institute
Product Weight Equivalent basis
Includes: HS 020311, 020312, 020319 (fresh/chilled), HS 020321, 020322, 020329 (frozen), 021011, 021012,021019, 160241, 160242, and 160249 (processed pork products)

PS&D

Meat, Swine	2021		2022		2023	
Market Begin Year	Jan 2021		Jan 2022		Jan 2023	
Korea, Republic of	USDA Officia	New Post	USDA Officia	New Post	USDA Officia	New Post
Slaughter (Reference)	18383	18383	18500	18556	18350	18043
Beginning Stocks	201	201	171	171	220	223
Production	1407	1407	1415	1419	1403	1380
Total Imports	570	570	725	713	725	725
Total Supply	2178	2178	2311	2303	2348	2328
Total Exports	10	10	9	8	7	8
Human Dom. Consum	1997	1997	2082	2072	2131	2100
Other Use, Losses	0	0	0	0	0	0
Total Dom. Consump	1997	1997	2082	2072	2131	2100
Ending Stocks	171	171	220	223	210	220
Total Distribution	2178	2178	2311	2303	2348	2328

Attachments:

No Attachments