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Global Agricultural Information Network

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Japan

Livestock and Products Annual

2018 Market Situation Update and 2019 Outlook

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Report Highlights:

FAS/Tokyo projects Japanese beef slaughter to decrease slightly in 2018 and 2019 as the number of domestic cattle operations continues to decline. Remaining producers are likely to steadily expand herds on declining wagyu calf prices. Swine slaughter is forecast to remain stable in 2018 and dip only slightly in 2019 as producers gradually exit the industry. Flat pork production in both years will leave room for increased imports to meet growing consumer demand.

Commodities:

Animal Numbers, Cattle

Meat, Beef and Veal

Animal Numbers, Swine

Meat, Swine

Executive Summary

FAS/Tokyo projects total Japanese domestic cattle slaughter to continue trending downward to 1.040 million head in 2018. A slight increase in slaughter during the first five months of 2018 due to shortened feeding times is expected to normalize in the second half as producers take advantage of falling calf prices to replenish their herds. Beef production is projected to remain stable at 470,000 MT on slightly higher average carcass weights. Beef imports slowed in the first few months of 2018, due in part to Japan's safeguard tariff on U.S. frozen beef, but rebounded in April after the safeguard tariff expired. Responding to strong consumer demand for beef, FAS/Tokyo projects imports to grow to 835,000 MT in 2018, accounting for nearly two-thirds of domestic consumption. Prevailing market dynamics are expected to continue in 2019 as flat domestic production leaves room for increased imports to meet sustained consumer demand.

Japanese swine slaughter is projected to remain relatively flat in 2018 at 16.335 million head yielding 1.285 million MT of pork. As aging farmers exit the industry, FAS/Tokyo forecasts that sow stocks and piglet production will continue to trend gradually downward in 2018 and 2019. Meanwhile, sustained growth in pork consumption is expected to lead to increased imports of chilled and frozen pork. FAS/Tokyo forecasts domestic production to hold steady in 2019 as slightly higher finishing weights offset a marginal decrease in total swine slaughter. Imports are forecast to continue to account for just over half of domestic consumption.

Preface:

This report is an update to [JA8010](#) dated February 14, 2018. Quantities listed in the text are made on the basis of Carcass Weight Equivalent (CWE) unless specified otherwise.

Rates of conversion from product weight to CWE are:

Beef Cuts (Boneless) – 1.40

Pork Cuts (Boneless) – 1.30

Processed/Prepared Beef Products – 1.79

Processed/Prepared Pork Products – 1.30

Production, Supply and Distribution Data Statistics:

Cattle PS&D

Animal Numbers, Cattle Market Begin Year Japan	2017		2018		2019	
	Jan 2017		Jan 2018		Jan 2019	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Total Cattle Beg. Stocks	3822	3822	3895	3842	0	3850
Dairy Cows Beg. Stocks	735	735	745	731	0	745
Beef Cows Beg. Stocks	597	597	595	610	0	615
Production (Calf Crop)	1274	1194	1190	1200	0	1200
Total Imports	15	15	10	9	0	10
Total Supply	5111	5031	5095	5051	0	5060
Total Exports	0	0	0	0	0	0
Cow Slaughter	468	468	470	465	0	460
Calf Slaughter	5	5	5	5	0	5
Other Slaughter	572	572	565	570	0	570
Total Slaughter	1045	1045	1040	1040	0	1035
Loss	171	144	165	161	0	170
Ending Inventories	3895	3842	3890	3850	0	3855
Total Distribution	5111	5031	5095	5051	0	5060

(1000 HEAD)

Not USDA Official Data

Beef and Veal PS&D

Meat, Beef and Veal Market Begin Year Japan	2017		2018		2019	
	Jan 2017		Jan 2018		Jan 2019	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Slaughter (Reference)	1045	1045	1040	1040	0	1035
Beginning Stocks	151	151	156	156	0	143
Production	469	469	470	470	0	468
Total Imports	817	817	832	835	0	845
Total Supply	1437	1437	1458	1461	0	1456
Total Exports	4	3	4	3	0	3
Human Dom. Consumption	1277	1278	1314	1315	0	1315
Other Use, Losses	0	0	0	0	0	0
Total Dom. Consumption	1277	1278	1314	1315	0	1315
Ending Stocks	156	156	140	143	0	138
Total Distribution	1437	1437	1458	1461	0	1456

(1000 HEAD) ,(1000 MT CWE)

Not USDA Official Data

Swine PS&D

Animal Numbers, Swine Market Begin Year Japan	2017		2018		2019	
	Jan 2017		Jan 2018		Jan 2019	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Total Beginning Stocks	9346	9346	9346	9280	0	9260
Sow Beginning Stocks	839	839	835	830	0	825
Production (Pig Crop)	16785	16785	16700	16695	0	16600
Total Imports	1	1	1	1	0	1
Total Supply	26132	26132	26047	25976	0	25861
Total Exports	0	0	0	0	0	0
Sow Slaughter	0	0	0	0	0	0
Other Slaughter	16336	16336	16340	16335	0	16325
Total Slaughter	16336	16336	16340	16335	0	16325
Loss	450	516	450	381	0	371
Ending Inventories	9346	9280	9257	9260	0	9165
Total Distribution	26132	26132	26047	25976	0	25861

(1000 HEAD)

Not USDA Official Data

Pork PS&D

Meat, Swine Market Begin Year Japan	2017		2018		2019	
	Jan 2017		Jan 2018		Jan 2019	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Slaughter (Reference)	16336	16336	16340	16335	0	16325
Beginning Stocks	211	211	222	222	0	227
Production	1282	1282	1280	1285	0	1285
Total Imports	1475	1477	1500	1505	0	1510
Total Supply	2968	2970	3002	3012	0	3022
Total Exports	5	5	5	5	0	5
Human Dom. Consumption	2741	2743	2777	2780	0	2791
Other Use, Losses	0	0	0	0	0	0
Total Dom. Consumption	2741	2743	2777	2780	0	2791
Ending Stocks	222	222	220	227	0	226
Total Distribution	2968	2970	3002	3012	0	3022

(1000 HEAD) ,(1000 MT CWE)

Not USDA Official Data

Beef

2018 Market Situation Summary

Production

The number of Japanese cattle operations continued to decline in early 2018. According to a survey by Japan's Ministry of Agriculture, Forestry, and Fisheries (MAFF), the number of beef cattle operations as of February 1, 2018 stood at 48,300, down 3.6 percent from the previous year and seven percent from 2016. Based on the MAFF survey, FAS/Tokyo revises 2017 calf production downward to 1.194 million head and 2018 total beginning cattle stock numbers down to 3.842 million head.

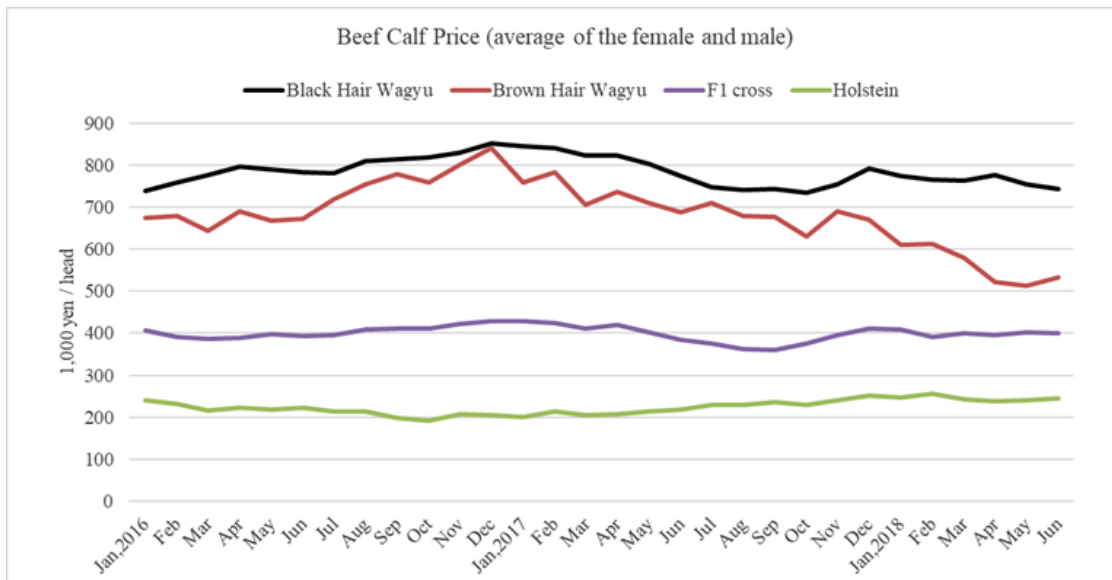
Japan's total cattle slaughter in the first five months of 2018 increased 1.6 percent to 415,464 head compared to the previous year. Slaughter breakdown by breed in order of total slaughter share was as follows:

- Wagyu steer/bull: 93,281 head, up 3.3 percent (23 percent share of total slaughter)
- Wagyu heifer/cow: 78,930 head, up 3.1 percent (19 percent share)
- Dairy steer/bull: 73,572 head, down 6.0 percent (18 percent share)
- Dairy heifer/cow: 64,352 head, up 1.1 percent (16 percent share)
- F-1 cross steer/bull: 52,802 head, up 3.6 percent (13 percent share)
- F-1 cross heifer/cow: 46,473 head, up 8.6 percent (11 percent share)
- Calf slaughter (all breeds): 1,865 head, down 15.9 percent (0.4 percent share)
- Other: 4,189 head, down 0.5 percent (1 percent share)

Note: The typical finishing age is about 30 months for wagyu steers, 24 months for F1 cross breeds, and 20 months for Holstein steers.

Reduced dairy cattle slaughter was offset by increased wagyu and F-1 slaughter due to shorter feeding times. In response to high wagyu calf prices in 2015 and 2016, FAS/Tokyo learned that many producers opted to shorten the typical finishing age for wagyu from 30 months to 28 months in order to create room to purchase new calves at lower prices in 2017 and 2018. As calf prices continue to normalize, FAS/Tokyo projects that second half slaughter numbers will revert to the long-term downward trend, bringing the 2018 year-end total to 1.040 million head. Overall beef production is projected to hold steady at 470,000 MT on slightly heavier carcass weights.

Figure 1



Source: Agriculture & Livestock Industries Corporation

Prices for black and brown hair wagyu calves continued to fall after peaking in late 2016. The per head market price for black hair wagyu calves decreased from 852,000 yen in December 2016 to 743,000 yen in June 2018. Brown hair wagyu calf prices dropped from 841,000 yen to 533,000 yen during the same

period. Feeding operations are expected to take advantage of lower prices to increase calf purchases and replenish herds. As such, FAS/Tokyo projects ending cattle inventories to increase marginally from the previous year to 3.850 million head.

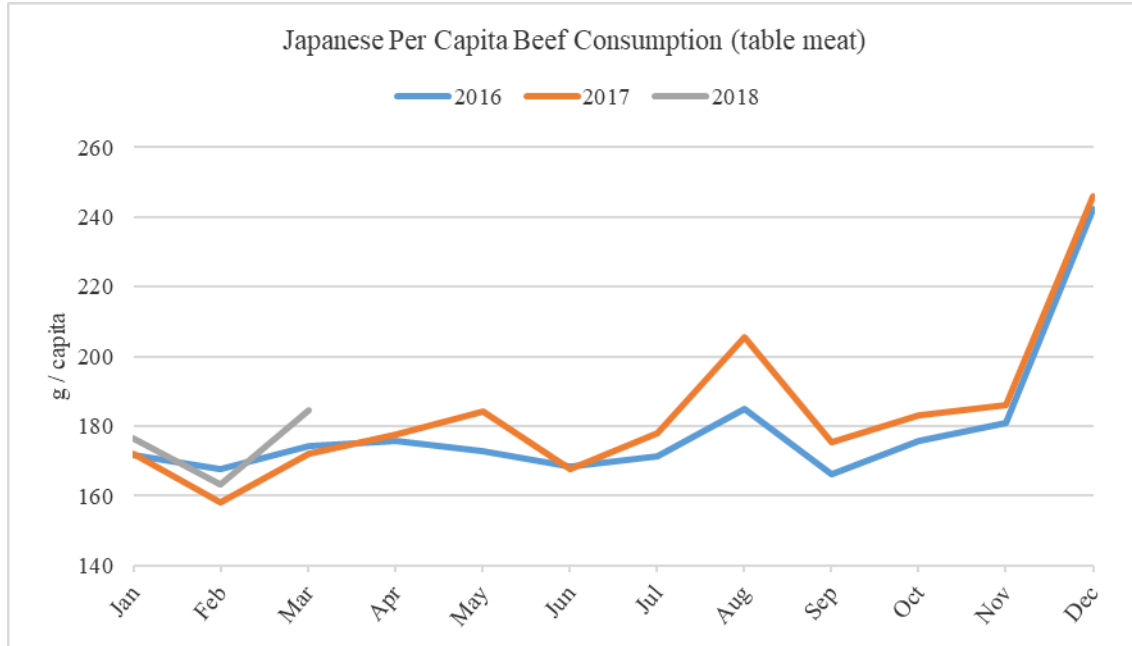
Meanwhile, a shortage in Holstein calves due to dairy operations using wagyu embryo transfers to capitalize on high wagyu calf prices has in turn pushed Holstein calf prices upward. In response, the Government of Japan is utilizing a support program to incentivize dairy operations to produce Holstein calves, though it will take some time before this has a measurable impact on cattle stocks.

Profitability continues to be a challenge for many Japanese cattle operations. In May 2018, the Government of Japan announced that it would issue support payments to wagyu beef cattle producers under the Beef Livestock Stabilization Program, also known as *Marukin*, after it was determined that production costs exceeded revenue in January 2018. Under the program, the government will pay wagyu cattle producers 90 percent of the difference between production costs and revenue which is recalculated on a monthly basis. Similar payments have been made to F-1 cross breed and dairy cattle producers since February 2017 and July 2017, respectively. In May 2018, the government set general payments at 16,700 yen per wagyu cattle, 50,300 yen per F-1 cross breed cattle, and 19,700 yen per dairy cattle.

Consumption

Japan's household beef consumption, which accounts for around 30 percent of total beef consumption, continues to trend upward. Monthly per-capita table consumption of beef as of March 2018 was 7.2 percent above 2017. Japanese consumers continue to demonstrate a growing preference for imported red meat which is less expensive and less fatty than domestic beef. The "meat boom" which swept over Japan in 2017 has continued to drive beef consumption in 2018 in both retail and foodservice. In addition to the stand-up steak restaurants described in [JA8010](#), metropolitan areas such as Tokyo and Osaka have seen a proliferation of meat pubs (*niku baru* in Japanese) which serve a wide variety of dishes giving customers the opportunity to taste different cuts of meat. Many meat pubs encourage customers to photograph the different cuts before they are cooked and post the photos on social media to generate interest. With consumer trends continuing to support red meat consumption, FAS/Tokyo maintains its projection for total beef consumption in 2018 at 1.315 million MT.

Figure 2

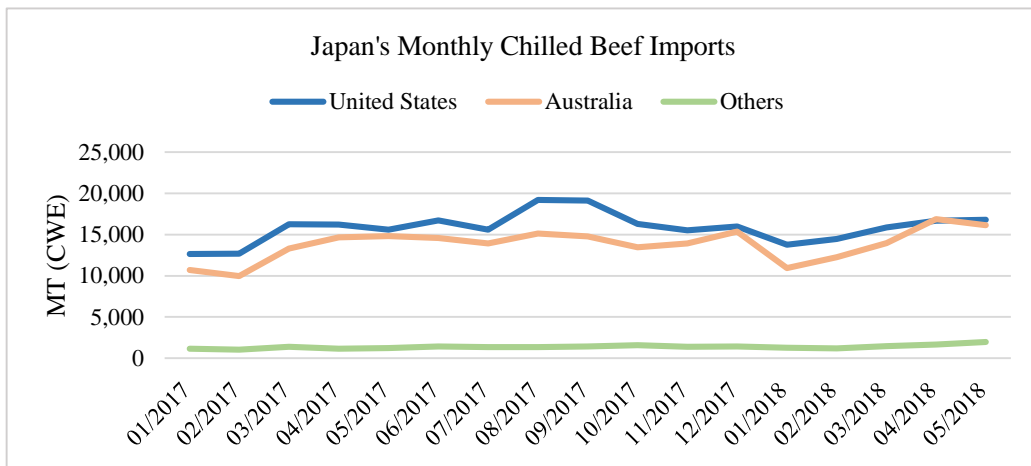


Source: Ministry of Internal Affairs and Communications

Trade

Japan remained a significant importer of beef in early 2018. Japan imported 327,429 MT (CWE) of chilled and frozen beef in the first five months of 2018, up 3.1 percent from the same period in 2017. Imports of Australian beef increased 10.6 percent to 173,421 MT, accounting for 53 percent of the market while imports of U.S. beef dipped 3.7 percent to 129,253 MT, with 39 percent market share.

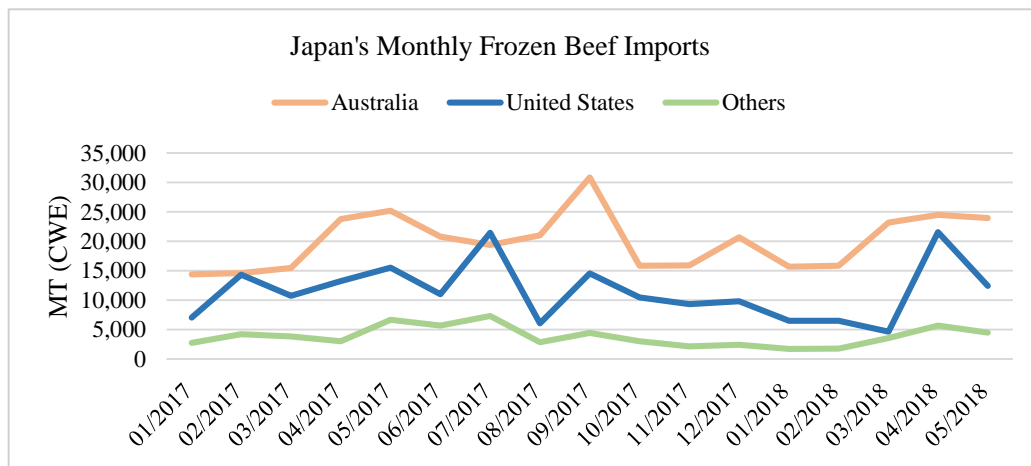
Figure 3



Source: Global Trade Atlas

The volume of chilled beef imported to Japan from January to May in 2018 was 155,269 MT, up 8.8 percent compared to the same period in 2017. Imports from the United States increased 5.7 percent to 77,562 MT, accounting for 50 percent of the chilled market, while Australian chilled beef increased 10.6 percent to 70,175 MT, with 45 percent market share.

Figure 4



Source: Global Trade Atlas

Japan's imports of frozen beef were 172,159 MT from January to May 2018, down 1.5 percent from the previous year. Imports of Australian frozen beef increased 10.5 percent to 103,246 MT, accounting for 60 percent of the market while U.S. frozen beef imports decreased 15 percent to 51,693 MT, accounting for 30 percent of the market.

The overall decrease in U.S. frozen beef imports in the first five months of 2018 is partly attributable to Japan's application of a safeguard tariff on U.S. frozen beef which increased the tariff rate from 38.5 percent to 50 percent from August 1, 2017 to March 31, 2018 (see [JA8021](#) for more information). Japanese importers appeared to reduce purchases in the first three months of 2018 until the tariff reverted to 38.5 percent on April 1. In April and May 2018, U.S. frozen beef imports increased 18.4 percent compared to the previous year while Australia frozen beef decreased one percent. FAS/Tokyo anticipates that importers will exercise caution to avoid triggering the safeguard tariff in 2018.

While tariffs on U.S. beef remain at 38.5 percent, tariffs on Australian beef continue to fall under the Japan-Australia Economic Partnership Agreement. On April 1, 2018, tariffs on Australian chilled and frozen beef fell to 29.3 and 26.9 percent, respectively. With domestic supplies remaining limited and retailers and foodservice providers looking to increase purchases of imported beef, FAS/Tokyo projects that imports will continue to trend upward in 2018 to 835,000 MT.

FAS/Tokyo has learned that some Japanese meat companies have started to import calves from Australia for raising and slaughtering in Japan, in which case the beef is permitted to be labeled and sold as domestic product. High domestic calf prices are driving this business. However, volumes remain limited and FAS/Tokyo does not forecast any significant impact on meat imports.

2019 Market Outlook

FAS/Tokyo forecasts that strong red meat consumption trends in Japan will continue into 2019, sustaining at 1.315 million MT. Domestic cattle slaughter is expected to continue trending downward, falling to 1.035 million head and causing beef production to contract slightly to 468,000 MT. Government efforts to incentivize dairy operations to boost Holstein calf production in an effort to lower prices will lead to a marginal increase in dairy cattle stocks, but it will take several years before this translates to increased Holstein slaughter numbers.

FAS/Tokyo forecasts that strong consumer demand for beef will be primarily met by increased imports. The United States and Australia will continue to compete for market share in both the chilled and frozen beef sectors. With imports remaining cost competitive compared to domestic beef, FAS/Tokyo projects beef imports to increase to 845,000 MT. Ending stocks are forecast to tighten slightly to 138,000 MT.

Pork

2018 Market Situation and Summary Outlook

Production

According to official Government of Japan statistics, Japan's hog population stood at 7.677 million head as of February 1, 2018, down 1.5 percent from 2017. The decline in hog stocks stems primarily from continued contraction of Japan's hog industry. The number of hog farms in operation as of February 1 decreased 4.3 percent from the previous year, to 4,470, as aging farmers continued to exit the industry. In many cases, these operations are subsumed by neighboring farms so that the overall decrease in Japan's swine population is less dramatic. In 2018 the average number of swine-per-farm was 2,056 head, up 2.7 percent from the previous year. Notably, the number of farms raising 2,000 or more head in 2018 increased 4 percent compared to 2017 while those raising less than 2,000 head decreased 6.8 percent. Nevertheless, the industry remains skewed toward smaller operations, with 56 percent of farms raising less than 1,000 head and 26 percent raising less than 300.

Figure 5

		Swine per farm					
		1 - 299	300 - 499	500 - 999	1,000 - 1,999	2000 - 2999	3,000 <
2017	Farms	1,104	473	897	801	327	663
	Share (%)	26	11	21	19	8	16
2018	Farms	1,060	405	798	789	363	667
	Share (%)	26	10	20	19	9	16
<i>Year on year change (%)</i>		<i>-4.0</i>	<i>-14.4</i>	<i>-11.0</i>	<i>-1.5</i>	<i>11.0</i>	<i>0.6</i>

Source: MAFF

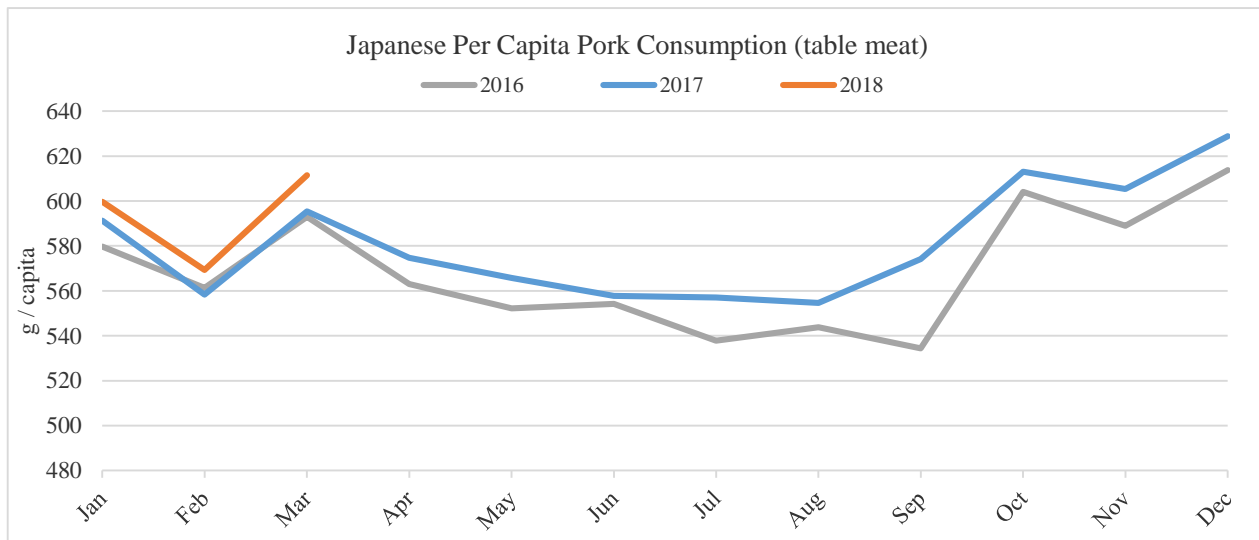
The majority of Japanese hog farms are vertically integrated with 81.4 percent containing both piglet production and hog fattening operations as Japanese farmers generally prefer to manage their own piglet production to mitigate price risks.

Japan’s total swine slaughter in the first five months of 2018 was 6.859 million head, up 0.7 percent from 2017. Pork production was up 1.1 percent to 541,745 MT on slightly heavier yields. FAS/Tokyo projects this upward trend to continue in the second half of 2018, with annual pork production up slightly to 1.285 million MT.

Consumption

Japanese household consumption of pork continues to grow year after year. As discussed in [JA8010](#), pork has benefitted from the “meat boom” in Japan with per-capita consumption increasing as consumers switch from fish to more affordable proteins such as pork. While beef has been the main beneficiary of the meat boom, it remains a luxury food for many consumers who prefer pork as their daily go-to protein for home meal preparation. As seen in Figure 6, monthly per-capita table consumption of pork in the first few months of 2018 continued to climb from increased levels in 2017, reaching approximately 610 grams per person in March 2018. FAS/Tokyo projects consumption to continue trending upward in 2018, reaching 2.780 million MT.

Figure 6

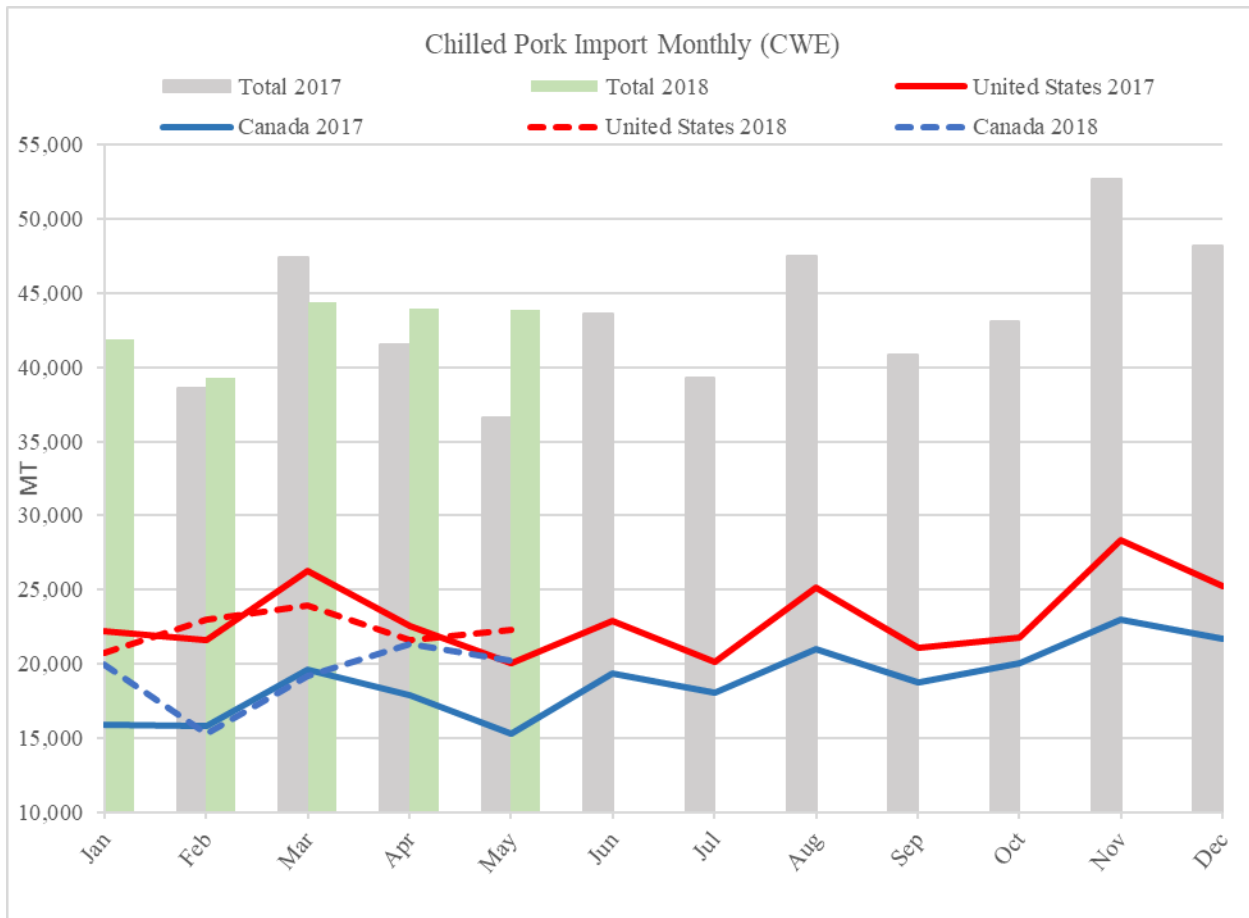


Source: Ministry of Internal Affairs and Communications

Trade

Japan imported 213,358 MT of chilled pork in the first five months of 2018, up five percent from the same period in 2017. The United States accounted for 52 percent of this volume with 111,549 MT, down one percent from 2017 while Canada accounted for 45 percent at 95,926 MT, up 14 percent from 2017. Canada has continued to gain share in Japan’s chilled pork market as buyers seek to diversify suppliers in order to mitigate supply shocks such as the West Coast port strike of 2015.

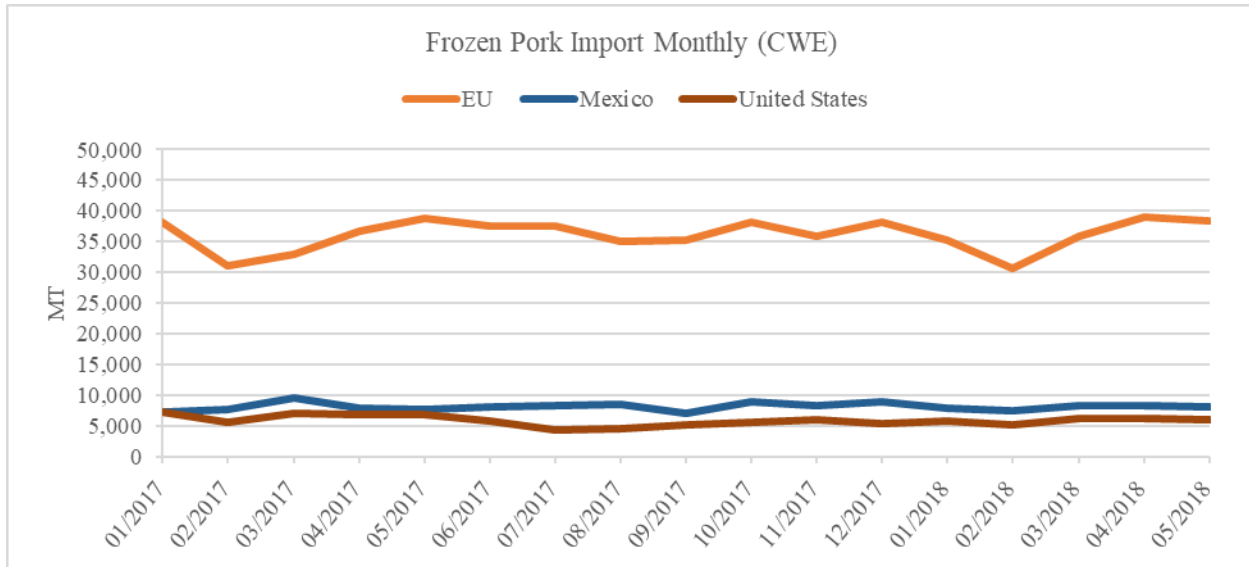
Figure 7



Source: Global Trade Atlas

Japan's imports of frozen pork in the first five months of 2018 was 281,520 MT, down 2.6 percent from 2017. Denmark accounted for 22 percent of volume at 60,986 MT, up nine percent from same period in 2017. Imports from Mexico, the second largest supplier at 14 percent, increased one percent to 40,215 MT. The United States remained the third largest supplier accounting for 10 percent of the market at 29,361 MT, down 13 percent from 2017. Similar to chilled pork, competition remains intense for Japan's frozen pork sector with buyers looking for cost-competitive cuts to supply Japan's processors of ham and sausage products.

Figure 8



Source: Global Trade Atlas

FAS/Tokyo projects that Japan's pork imports will continue to grow in the second half of 2018, driven primarily by retail demand for chilled cuts from the United States and Canada. As such, FAS/Tokyo revises the semi-annual import forecast upward slightly to 1.505 million MT.

2019 Market Outlook

FAS/Tokyo forecasts Japan's pork production to remain flat in 2018 at 1.285 million MT. As the industry continues to contract and weed out smaller producers, larger operations are expected to produce sufficiently heavier hogs to offset overall lower slaughter numbers. With the meat boom showing no sign of slowing down, pork consumption is likely to continue steady growth as consumers look for affordable alternatives to satisfy a growing national appetite for meat. FAS/Tokyo estimates Japanese pork consumption to grow to 2.791 million MT in 2019, with imports rising in tandem to 1.510 million MT to fill the domestic supply gap. Ending stocks are forecast to remain stable at 226,000 MT.

Supplemental Tables:

Table 1-A: Beef Safeguard Monitor

I-a. Trigger Levels for All Trade Partners for JFY 2018 and Actual Imports Year to Date

Unit: Metric Ton (Customs Clearances Basis)

	Trigger Levels for JFY 2018	Cum. Total			
Chilled Beef					
		Actual Entry	April	May	June
Q1 (Apr-Jun)	80,525	73,521*	25,139	24,915	23,467*
			July	August	September
Q1-Q2 (Apr-Sep)	165,647				
			October	November	December
Q1-Q3 (Apr-Dec)	244,968				
			January	February	March
Q1-Q4 (Apr-Mar)	316,165				
Frozen Beef					
		Actual Entry	April	May	June
Q1 (Apr-Jun)	104,427	90,096*	37,002	29,224	23,870*
			July	August	September
Q1-Q2 (Apr-Sep)	211,350				
			October	November	December
Q1-Q3 (Apr-Dec)	286,291				
			January	February	March
Q1-Q4 (Apr-Mar)	352,683				

*preliminary data

I-b. Trigger Levels for Non-EPA Trade Partners for JFY 2018 and Actual Imports Year to Date

Unit: Metric Ton (Customs Clearances Basis)

	Trigger Levels for JFY 2017	Cum. Total			
Chilled Beef					
		Actual Entry	April	May	June
Q1 (Apr-Jun)	43,205	37,973 *	13,047	13,061	11,865*
			July	August	September
Q1-Q2 (Apr-Sep)	91,008				
			October	November	December
Q1-Q3 (Apr-Dec)	133,837				
			January	February	March
Q1-Q4 (Apr-Mar)	173,251				
Frozen Beef					
		Actual Entry	April	May	June
Q1 (Apr-Jun)	44,254	40,004*	19,466	11,091	9,447 *

			July	August	September
Q1-Q2 (Apr-Sep)	89,315				
			October	November	December
Q1-Q3 (Apr-Dec)	118,330				
			January	February	March
Q1-Q4 (Apr-Mar)	136,775				

*preliminary data

Source: ALIC and Ministry of Finance

Note: With the January 15, 2015 implementation of the Japan-Australia Economic Partnership Agreement (JAPEA), Japan adjusted the beef safeguard trigger mechanism, such that the beef safeguard is triggered only if the following two conditions are met:

1. Cumulative quarterly imports for chilled and for frozen beef (each calculated separately) from the world exceed 117 percent of the previous year's imports (Table 1-A: I-a), **AND**
2. Cumulative quarterly imports for chilled and for frozen beef (each calculated separately) from all non-EPA partner countries (i.e., imports from the United States, Canada and New Zealand plus imports from EPA partner countries in excess of EPA beef tariff rate quota limits) exceed 117 percent of the previous year's imports (see Table 1-A: I-b).

Exceeding the trigger level for only one of the above conditions will not trigger the beef safeguard.

In the event that the trigger levels for both conditions are exceeded, then the import duty for non-EPA trade partners would revert to 50 percent (from the current 38.5 percent), while the import duty for EPA trade partners would climb to 38.5 percent. Prior to this adjustment, the so-called special safeguard (SSG) trigger level was calculated from imports from all trade partners, as in Tables I-a.

I-c. Safeguard Trigger for Australian Beef Under JAPEA for JFY 2018 and Actual Imports Year to Date

Unit: Metric Ton (Customs Clearances Basis)

Chilled Beef, Annual SG	136,700	Cum. Total			
		Actual Entry	April	May	June
		34,891*	12,052	11,516	11,323*
			July	August	September
			October	November	December
			January	February	March

*preliminary data

Source: Ministry of Finance

Unit: Metric Ton (Customs Clearances Basis)

Frozen Beef, Annual SG	201,700	Cum. Total			
		Actual Entry	April	May	June
		48,111*	17,505	17,126	13,480*
			July	August	September
			October	November	December
			January	February	March

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*preliminary data

Source: ALIC and Ministry of Finance

Table I-c represents annual safeguard monitoring results for Australian beef under JAEPA and the table below represents the tariff reduction and safeguard trigger levels for Australian beef under the JAEPA. Tariff reductions for Australian chilled and frozen beef were substantially front-loaded in the first two years of the agreement, after which annual tariff reductions will slow considerably (roughly 0.6 percent per annum for chilled beef; roughly 0.3 percent per annum for frozen beef from years 3-12 and 0.9 percent per annum for years 13-18).

I-d. Japan-Australia Economic Partnership Agreement Tariff Reduction Schedule

		Tariff Reduction Schedule									Remarks
		JFY (April - March)	JFY 2014	JFY 2015	JFY 2016	JFY 2017	JFY 2018	Year 10	11- 17	18	(50% reduction after 18 Years)
Frozen Beef	Tariff Rate	38.5% (Bound Rate)	30.5	28.5	27.5	27.2	26.9	25.6	~	19.5	
	Safeguard Trigger Level (1,000 Metric Ton)		195	196.7			201.7	210			The level to be re- negotiated after 10 years.
		JFY (April - March)	JFY 2014	JFY 2015	JFY 2016	JFY 2017	JFY 2018	10	11- 14	15	
Chilled Beef	Tariff Rate	38.5% (Bound Rate)	32.5	31.5	30.5	29.9	29.3	26.4	~	23.5	(40% reduction after 15 years)
	Safeguard Trigger Level (1,000 Metric Ton)		130	131.7			136.7	145			The level to be re- negotiated after 10 years.
		JFY (April - March)	JFY 2014	JFY 2015	JFY 2016	JFY 2017	JFY 2018	10	11- 14	15	

Source: MAFF Meat and Egg Division

Table 1-B: Pork Safeguard Monitor

Pork Safeguard Trigger Levels for JFY 2018 and Actual Imports Year to Date

Unit: Metric Ton

	Trigger Level	Cum. Total			
	Quarterly Cum.	Actual Entry	April	May	June
I (Apr. - Jun.)	234,248	144,004	72,516	71,488	
			July	August	September
I - II (Apr. - Sept.)	461,351				
			October	November	December
I - III (Apr. - Dec.)	700,073				
			January	February	March
I - IV (Apr. - Mar.)	931,184				

Source: ALIC and Ministry of Finance

Table 2-A: Monthly Ending Beef Stock Estimates

United: Metric Ton (CWE Converted)

Month / Year	2015	2016	% Chg.	2017	% Chg.	2018	% Chg.
Jan	184,775	177,155	-4	147,329	-17	149,493	1
Feb	176,648	168,689	-5	144,337	-14	145,652	1
Mar	178,385	162,392	-9	143,910	-11	136,595	-5
Apr	188,873	160,255	-15	143,895	-10		
May	196,265	167,520	-15	147,473	-12		
Jun	202,262	171,811	-15	151,698	-12		
Jul	202,241	177,565	-12	159,134	-10		
Aug	198,636	178,413	-10	162,439	-9		
Sep	200,381	174,805	-13	166,804	-5		
Oct	197,273	162,847	-17	165,682	2		
Nov	196,574	158,376	-19	164,479	4		
Dec	185,345	151,116	-18	155,753	3		

Sources : MAFF,"Meat Marketing Statistics", Ministry of Finance,"Japan Exports and Imports.", Figures for stocks are estimated by ALIC.

Table 2-B: Monthly Ending Pork Stock Estimates

United: Metric Ton (CWE Converted)

Month / Year	2015	2016	% Chg.	2017	% Chg.	2018	% Chg.
Jan	240,042	218,539	-9	228,337	4	229,785	1
Feb	233,146	218,742	-6	222,435	2	236,361	6
Mar	232,172	220,194	-5	230,775	5	235,266	2
Apr	244,282	225,502	-8	226,226	0		
May	251,971	231,754	-8	236,863	2		
Jun	245,311	234,361	-4	235,581	1		
Jul	238,221	223,907	-6	228,890	2		
Aug	232,287	229,206	-1	230,182	0		
Sep	220,672	220,194	0	222,369	1		
Oct	213,147	212,792	0	217,122	2		
Nov	207,094	213,507	3	220,510	3		
Dec	200,170	210,908	5	222,074	5		

Sources : MAFF,"Meat Marketing Statistics", Ministry of Finance,"Japan Exports and Imports.", Figures for stocks are estimated by ALIC.

Table 3-A: Japanese Year Beginning Cattle Inventory
Beef Cattle Inventory (Part 1)

Unite: Farm/Head

Year Beginning (As of Feb. 1)	Total Number of Farms	Grand Total (Beef and Dairy Breed Combined)	Beef Breed Total					Cows for Breeding (Cow Calf Rearing)
			Beef Breed Total	Black Wagyu	Brown Wagyu	Others		
2009	77,300	2,923,000	1,889,000	1,810,000	28,800	50,400	682,100	
2010	74,400	2,892,000	1,924,000	1,853,000	26,000	44,700	683,900	
% Chg.	-4	-1	2	2	-10	-11	0	
2011	69,600	2,763,000	1,868,000	1,805,000	24,500	38,700	667,900	
% Chg.	-6	-4	-3	-3	-6	-13	-2	
2012	65,200	2,723,000	1,831,000	1,773,000	22,700	35,700	642,200	
% Chg.	-6	-1	-2	-2	-7	-8	-4	
2013	61,300	2,642,000	1,769,000	1,714,000	21,700	33,300	618,400	
% Chg.	-6	-3	-3	-3	-4	-7	-4	
2014	57,500	2,567,000	1,716,000	1,663,000	21,100	31,900	595,200	
% Chg.	-6	-3	-3	-3	-3	-4	-4	
2015	54,400	2,489,000	1,661,000	1,612,000	20,800	28,300	579,500	
% Chg.	-5	-3	-3	-3	-1	-11	-3	
2016	51,900	2,479,000	1,642,000	1,594,000	20,500	27,400	589,100	
% Chg.	-5	0	-1	-1	-1	-3	2	
2017	50,100	2,499,000	1,664,000	1,618,000	21,000	25,000	597,300	
% Chg.	-3	1	1	2	2	-9	1	
2018	48,300	2,514,000	1,701,000	1,653,000	21,800	26,500	597,300	
% Chg.	-4	1	2	2	4	6	0	

Source: MAFF Livestock Statistics

Beef Cattle Inventory (Part 2)

Unite: Farm/Head

Year Beginning (As of Feb. 1)	Dairy Breed Total				Average Number of Cattle Raised per Farm
	Dairy Breed Total	Holstein and Others	F-1 Crossbred (Holstein x Wagyu)	% Share of F-1 Cross Breed in Total Dairy Breed	
2009	1,033,000	411,300	622,100	60	38
2010	968,300	421,000	547,300	57	39
% Chg.	-6	2	-12		3
2011	894,800	411,800	483,000	54	40
% Chg.	-8	-2	-12		102
2012	891,700	392,500	499,100	56	42
% Chg.	0	-5	3		5
2013	873,400	375,500	497,900	57	43
% Chg.	-2	-4	0		3
2014	851,400	367,500	483,900	57	45
% Chg.	-3	-2	-3		3
2015	827,700	345,300	482,400	58	46
% Chg.	-3	-6	0		3
2016	837,100	331,800	505,300	60	48
% Chg.	1	-4	5		4
2017	834,700	313,100	521,600	62	50
% Chg.	0	-6	3		4
2018	813,000	295,100	517,900	64	52
% Chg.	-3	-6	-1		4

Source: MAFF Livestock Statistics

Dairy Cow Inventory

Unit: Farm/Head

Year Beginning (As of Feb. 1)	Total Number of Dairy Farms	Total Number of Dairy Cows	Dairy Cows				Heifers	Animals Raised per Farm	
			(Over Two Years of Age)				(Less Than Two Years of Age)		
			Total	Cow			Heifer		
				Sub Total	Milking	Dry			
2009	23,100	1,500,000	1,055,000	985,200	848,000	137,200	69,600	445,100	65
2010	21,900	1,484,000	1,029,000	963,800	829,700	134,100	65,600	454,900	68
% Chg.	-5	-1	-2	-2	-2	-2	-6	2	4
2011	21,000	1,467,000	999,600	932,900	804,700	128,200	66,700	467,800	70
% Chg.	-4	-1	-3	-3	-3	-4	2	3	3
2012	20,100	1,449,000	1,012,000	942,600	812,700	129,900	69,700	436,700	72
% Chg.	-4	-1	1	1	1	1	4	-7	3
2013	19,400	1,423,000	992,100	923,400	798,300	125,100	68,700	431,300	73
% Chg.	-3	-2	-2	-2	-2	-4	-1	-1	2
2014	18,600	1,395,000	957,800	893,400	772,500	121,000	64,400	436,800	75
% Chg.	-4	-2	-3	-3	-3	-3	-6	1	2
2015	17,700	1,371,000	934,100	869,700	750,100	119,600	64,400	437,200	78
% Chg.	-5	-2	-2	-3	-3	-1	0	0	3
2016	17,000	1,345,000	936,700	871,000	751,700	119,300	65,800	408,300	79
% Chg.	-4	-2	0	0	0	0	2	-7	2
2017	16,400	1,323,000	913,800	852,100	735,200	116,900	61,700	409,300	81
% Chg.	-4	-2	-2	-2	-2	-2	-6	0	2
2018	15,700	1,328,000	906,900	847,200	731,100	116,100	59,700	480,900	85
% Chg.	-4	0	-1	-1	-1	-1	-3	17	5

Note: 99 percent of dairy cows raised in Japan are Holstein breed.

Source: MAFF Livestock Statistics

Table 3-B: Japanese Year Beginning Swine Inventory
National Swine Inventory Data

Unite: Farm/Head

Year Beginning (As of Feb. 1)	Number of Swine Farms		Number Raised					Average Number of Swine Raised per Farm
		Of Farms with Breeding Sows	Total	Breeding Sows	Breeding Males	Hogs	Others	
2002	10,000	8,790	9,612,000	916,400	67,900	8,028,000	599,000	961.2
2003	9,430	8,290	9,725,000	929,300	66,000	8,057,000	673,000	1031.3
2004	8,880	7,770	9,724,000	917,500	63,000	8,052,000	690,900	1095
2005	Census Year							
2006	7,800	6,780	9,620,000	907,100	60,000	7,943,000	710,700	1233.3
2007	7,550	6,560	9,759,000	915,000	58,000	8,119,000	667,100	1292.6
2008	7,230	6,250	9,745,000	910,100	57,400	8,117,000	660,900	1347.9
2009	6,890	5,930	9,899,000	936,700	57,100	8,220,000	685,700	1436.7
2010	Census Year							
2011	6,010	5,110	9,768,000	901,800	51,800	8,186,000	628,700	1625.3
2012	5,840	4,900	9,735,000	900,000	51,900	8,145,000	638,700	1667
% Chg.	-3	-4	0	0	0	-1	2	3
2013	5,570	4,620	9,685,000	899,700	49,100	8,106,000	629,500	1738.8
% Chg.	-5	-6	-1	0	-5	0	-1	4
2014	5,270	4,290	9,537,000	885,300	47,500	8,020,000	583,300	1809.7
2015	Census Year							
2016	4,830	3,940	9,313,000	844,700	42,600	7,743,000	682,500	1,928.20
2017	4,670	3,800	9,346,000	839,300	43,500	7,797,000	666,100	2,001.30
% Chg.	-3	-4	0	-1	2	1	-2	4
2018	4,470	3,640	9,189,000	823,700	39,400	7,677,000	649,600	2,056
% Chg.	-4	-4	-2	-2	-9	-2	-2	3

Source: MAFF Livestock Statistics