

Top 20 countries buying U.S. beef products (exports)

Rank	Country	2016 Beef and veal import (in metric tons)	Percent change from 2015	Rank	2016 Beef and veal import value (in billions of dollars)	Percent change from 2015
1	Japan	258,653	+20%	1	\$1,509,935	+18%
2	Mexico	242,373	+8%	3	\$974,903	-11%
3	South Korea	179,280	+42%	2	\$1,059,283	+31%
4	Canada	116,266	-7%	4	\$758,117	-16%
5	Hong Kong	112,770	-7%	5	\$683,756	-14%
6	Egypt	93,223	-11%	8	\$99,252	-35%
7	Taiwan	44,053	+25%	6	\$362,812	+14%
8	Netherlands	11,532	-10%	7	\$136,245	-17%
9	Indonesia	10,783	+602%	15	\$39,399	+231%
10	Chile	10,726	+12%	13	\$53,031	-3%
11	Philippines	10,183	-20%	12	\$54,091	-15%
12	Italy	8,820	+19%	10	\$10,258	-17%
13	Peru	6,613	-22%	20	\$21,062	-17%
14	Vietnam	6,211	+47%	14	\$40,060	+24%
15	Dominican Republic	6,111	-14%	11	\$57,042	-3%
16	United Arab Emirates	5,795	+1%	9	\$66,298	-3%
17	Jamaica	4,733	+13%	21	\$16,340	-1%
18	Guatemala	4,273	+1%	17	\$24,745	-12%
19	The Bahamas	3,269	-1%	18	\$22,978	-7%
20	Kuwait	2,337	-29%	19	\$21,523	-38%
Total all countries		1,187,050	+11%		\$6,342,620	+1%

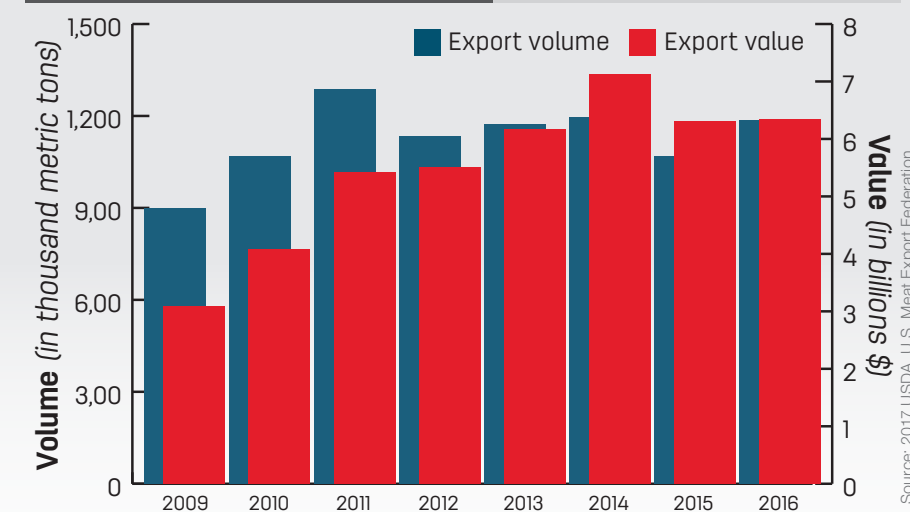
Source: 2017 USDA, U.S. Meat Export Federation (*) denotes a country that is a summation of its component countries. Editor's note: A list graphic for top nations that export beef, showing rank for beef & veal exports, total value in 2016, and % change from 2015. A secondary ranking can be used for the export leaders of beef variety meats with accommodating ranking.

Top 10 countries shipping beef products to the U.S. (imports)

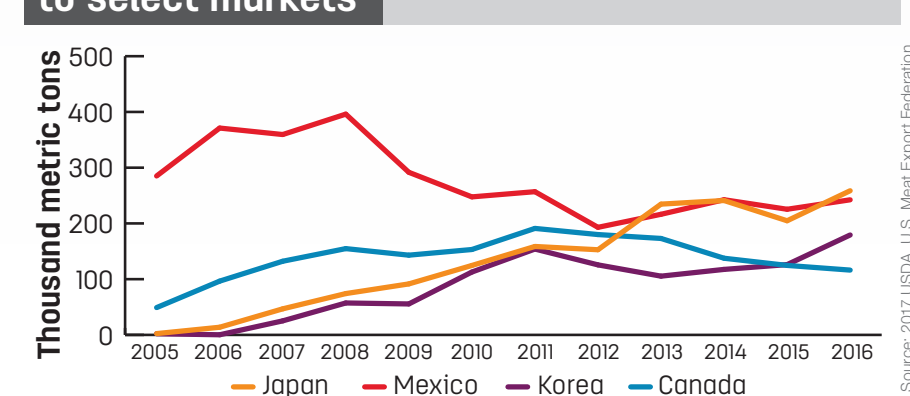
Rank	Country	2016 Beef and veal imported (in metric tons)	Percent change from 2015	Rank	2016 Beef and veal imported value (in billions of dollars)	Percent change from 2015
1	Australia (*)	252,180	-40%	1	\$1,390,879	-44%
2	Canada	248,655	-17%	2	\$1,183,135	+4%
3	New Zealand (*)	203,049	-8%	4	\$920,368	-23%
4	Mexico	182,936	+25%	3	\$1,012,735	NA
5	Uruguay	38,491	-12%	6	\$225,259	-20%
6	Nicaragua	37,541	+8%	7	\$163,121	-8%
7	Brazil	37,331	+2%	5	\$289,374	-5%
8	Costa Rica	9,174	-0.3%	8	\$36,963	-19%
9	Ireland	1,716	+65%	10	\$11,606	+58%
10	Japan	839	-16%	9	\$18,705	-22%
Total all countries		1,012,741	-10%		\$5,256,592	-21%

Source: 2017 Department of Commerce, U.S. Census Bureau, Foreign Trade Statistics (*) denotes a country that is a summation of its component countries. Editor's note: A list graphic for top nations that export beef, showing rank for beef & veal exports, total value in 2016, and % change from 2015. A secondary ranking can be used for the export leaders of beef variety meats with accommodating ranking.

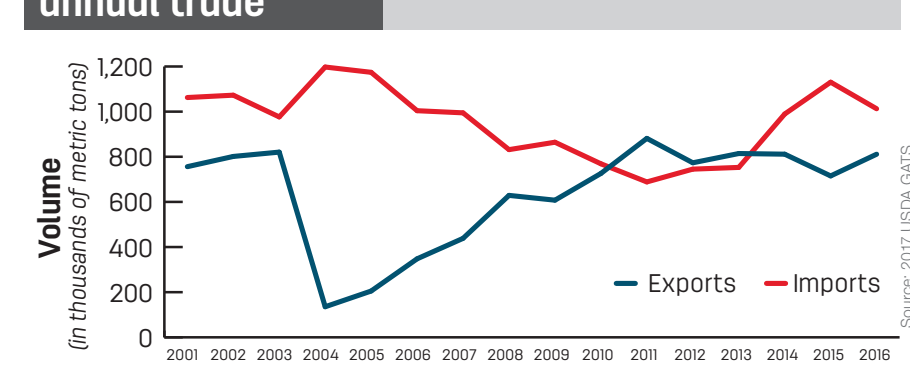
U.S. beef products export volume and value



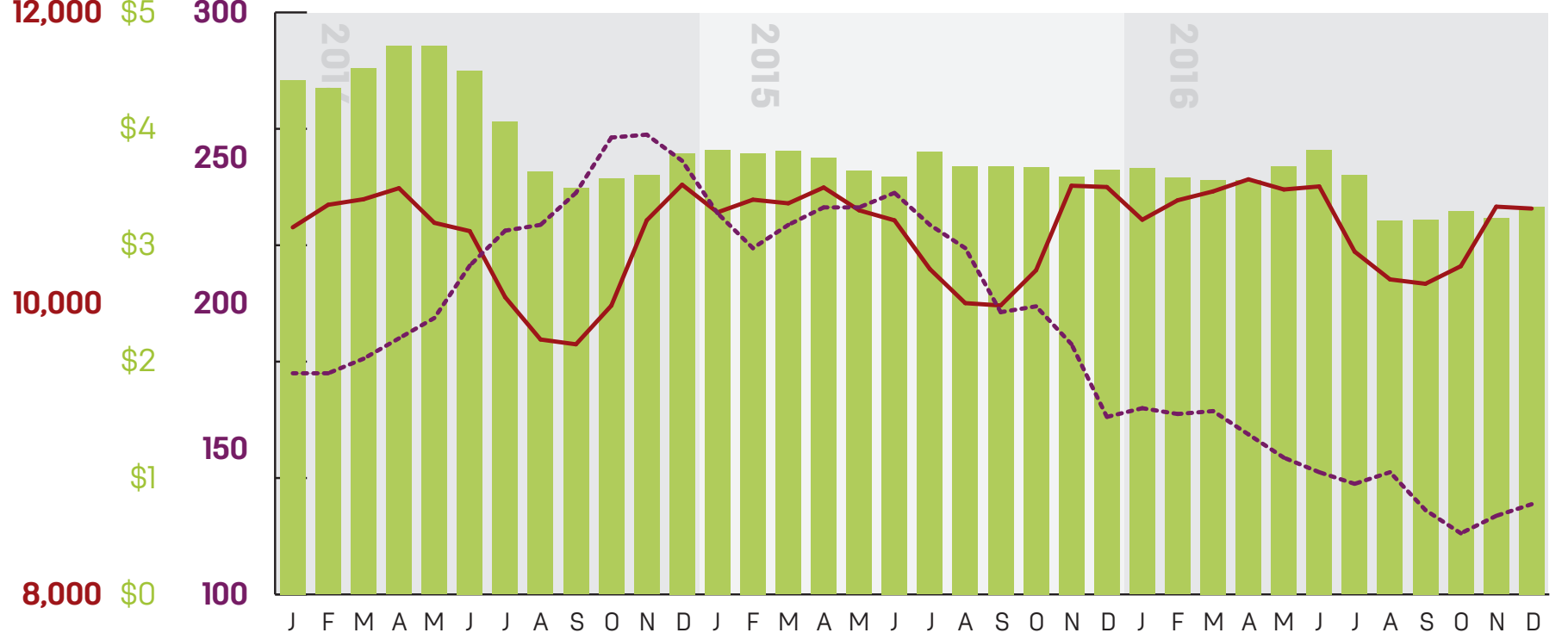
U.S. beef exports to select markets



U.S. beef and veal annual trade

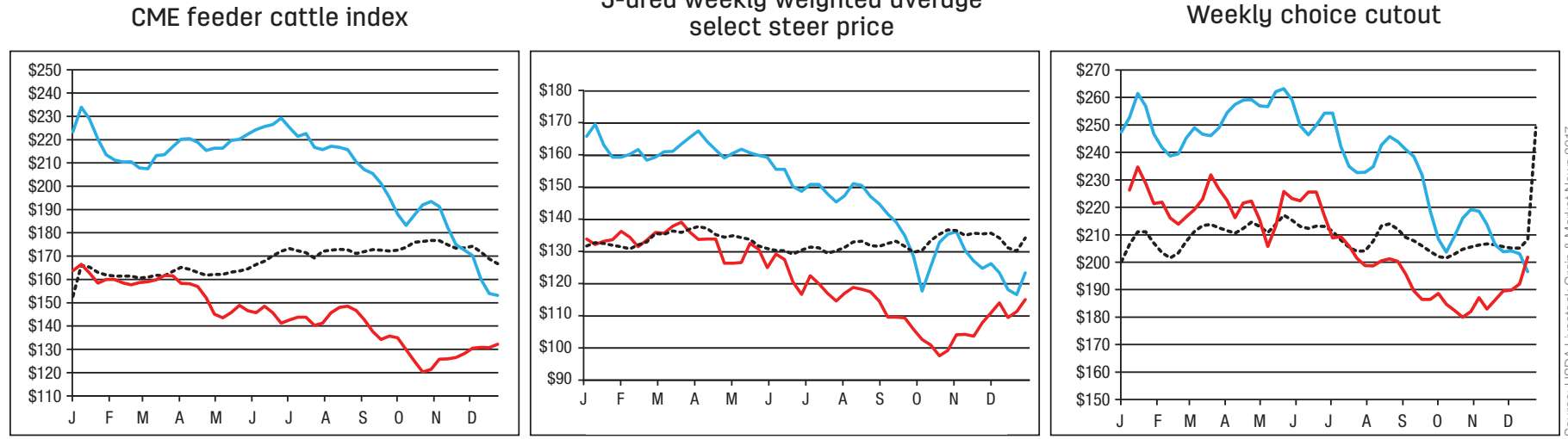


2014-2016 — Monthly cattle on feed, corn price and feeder calf prices



Source: USDA NASS 2017 *Feedlots with capacity over 1,000 head

Cattle price indexes and spreads



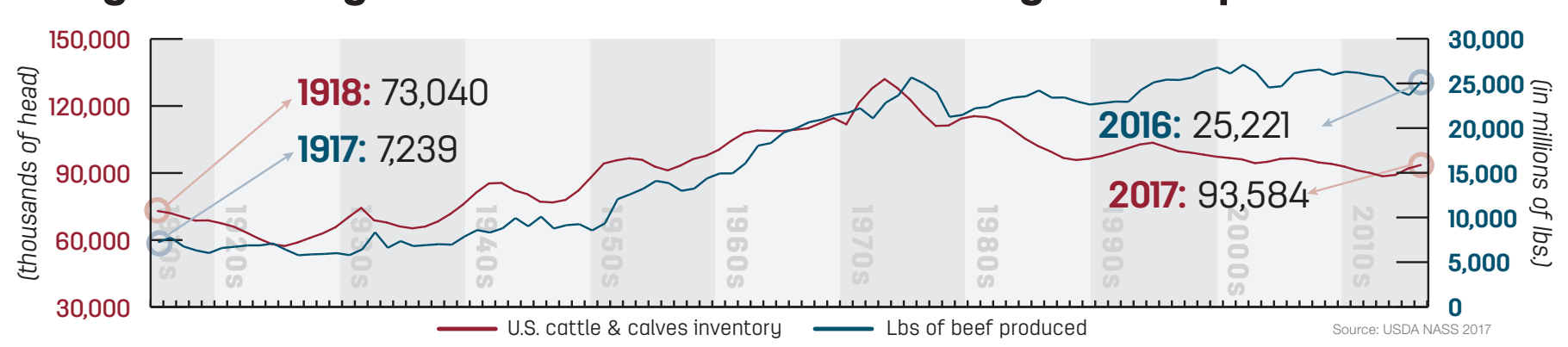
Source: USDA Livestock, Grain & Market News 2017

U.S. pushes beef cow herd to pre-drought levels

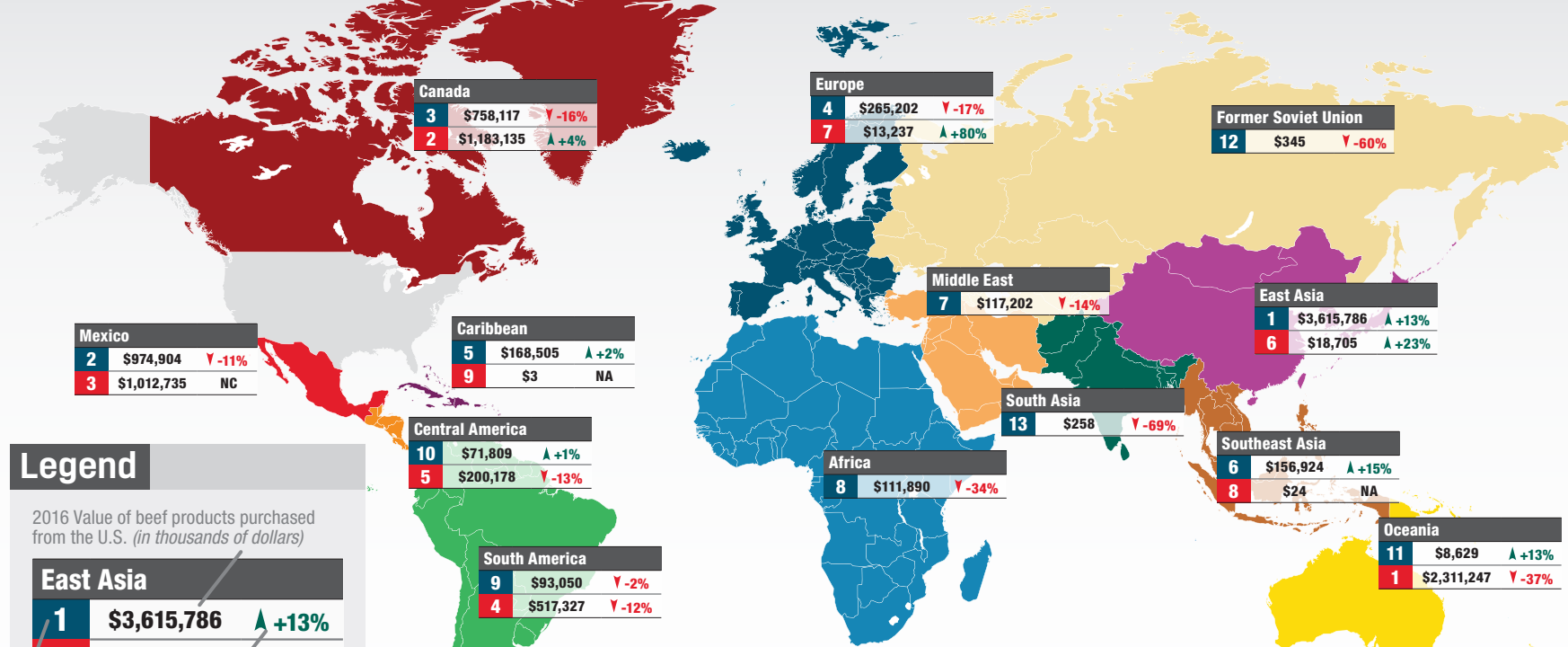
Progressive Cattleman Editor David Cooper

Beef cow numbers staged an impressive increase in 2016 as the national herd of female cows that calved jumped 3.5 percent, to 31.2 million head. That jump reflected the largest one-year increase in 23 years as the U.S. herd made a third straight year of expansion. Total cattle and calf inventory figures likewise saw a third-consecutive year of increases, as the total herd climbed to 93,584,600 head. That total is the biggest inventory figure since 2010, when two years of difficult drought began pushing overall herd numbers downward. Thanks to favorable weather, abundant grass and steady corn prices, 43 of the 50 states saw their beef cow numbers increase in 2016. Leading the way with 172,000 more beef cows was Oklahoma, making an 8.9 percent jump. Texas and Missouri also had six-figure increases in beef cows with 170,000 (4.0 percent) and 150,000 (7.9 percent) respectively. California also saw some recovery from its drought struggles with a 9.2 percent jump in beef cows, while Kansas added 5.5 percent more, followed by Nebraska (3.7 percent) and Colorado (3.3 percent). South Dakota, Mississippi and Idaho were three beef-producing states that saw beef cow reductions after sizeable increases a year ago. Over a five-year period, Oklahoma has also led the way in overall herd increase, followed by Missouri, North Dakota and Kansas. The herd expansion drove up beef supply in the U.S., as total production went up to 25.2 billion pounds in commercial slaughter weight, an increase of 6.4 percent – the largest one-year production increase in 40 years. While cattle sales jumped 3.3 percent to 41.9 million, cattle sale receipts dropped 18.3 percent to \$63.9 billion. Supply increases were reflected in calf prices through much of the year, as prices started around \$165 per hundredweight (cwt) and skidded down to the \$130 range through the fall run. Five-area weekly weighted average select steer prices saw the same seasonal run with some rough weeks in the October-November period before making a comeback heading into year's end. Corn prices held steady between \$3.21 and \$3.88 throughout 2016. Trade and exports Japan overtook Mexico as the top export destination of U.S. beef in 2016, thanks to the significant demand increase taking place in East Asia. Japan's overall tonnage was followed by Mexico and Hong Kong, which both saw increases of 8 percent and 42 percent more U.S. beef. Taiwan, Indonesia and Chile were also countries seeing more U.S. exports. Export values and volumes both went up in 2016, with volume reaching 1.18 million metric tons (11.2 percent increase) and value hitting \$6.3 billion (0.6 percent increase). The U.S. closed the gap slightly on the trade balance, as imports slid 117,738 metric tons. Nowhere was this reflected more than in the 40 percent drop in imports from Australia. Global production The U.S. retains its top ranking as the world's leading producer of beef with 19.6 percent of the global supply produced, followed by Brazil and the European Union – although the latter two saw their overall percentage drop in 2016. The U.S. remained fourth in overall beef cattle inventory and beef cattle slaughtered, but jumped one place in cattle exported. Production rose for all of the top 10 leading nations in the beef industry, with the exception of Australia which saw a 2.8 percent drop. The U.S. continued to produce the most beef even though it had the fourth most head of cattle in the world.

100-year history: U.S. cattle & calves inventory & beef produced



Source: USDA NASS 2017



Beef production for selected countries

Rank	Country	2017*	2016*	2015*	2014*	2013*	2012*	2011*	2010*				
1	United States	12,086	+5.1%	19.6%	4	93,585	+1.8%	6	95	+37.7%	4	32,666	+4.9%
2	Brazil	9,500	+2.3%	15.4%	2	226,045	+3.1%	5	375	+28.0%	3	38,160	+1.5%
3	European Union	7,875	+0.6%	12.8%	5	89,250	+0.1%	2	1,025	+2.7%	5	27,150	+0.7%
4	China	7,070	+1.0%	11.5%	3	99,173	-1.1%	8	17	NC	1	50,500	+1.0%
5	India	4,250	+1.2%	6.9%	1	303,600	+0.3%	NA	0	NC	2	38,400	+1.1%
6	Argentina	2,760	+4.2%	4.5%	6	53,815	+2.4%	NA	0	NC	6	12,200	+3.4%
7	Australia	2,065	-2.8%	3.4%	7	26,142	-4.6%	3	900	-22.0%	7	7,525	-3.9%
8	Mexico	1,910	+1.6%	3.1%	9	16,490	-0.8%	1	1,175	+4.0%	9	6,010	+0.9%
9	Pakistan	1,780	+1.7%	2.9%	NA	NA	NA	NA	NA	NA	NA	NA	NA
10	Turkey	1,700	+3.5%	2.8%	10	14,091	-0.3%	NA	0	NC	10	4,250	+7.6%
11	Russia	1,310	-1.9%	2.1%	8	18,568	-1.6%	10	10	-9.1%	8	6,420	-2.0%
12	Canada	1,160	-2.7%	1.9%	11	12,065	+0.2%	4	690	-9.9%	12	3,135	+2.3%
13	South Africa	885	-5.3%	1.4%	NA	NA	NA	NA	0	NA	NA	NA	NA
14	Colombia	825	+3.5%	1.3%	NA	NA	NA	NA	9	15	NA	NA	NA
15	New Zealand	648	-5.9%	1.0%	13	9,971	-0.6%	7	50	+22.0%	11	4,175	-4.6%
16	Paraguay	610	NC	1.0%	12	11,960	NA	NA	NA	NA	NA	NA	NA
Total of selected countries		58,286	+1.9%		996,614	+0.8%		4,637	-4.0%		240,181	+1.4%	

Source: USDA Foreign Agricultural Service *Data available for 2017 market year which in some cases may differ from calendar year data.

RED RIGHT. NOW.

Ranch Tested. Rancher Trusted. Red Angus redangus.org

America's Ranches are Our Showroom

Trust a classic!

POWDER RIVER LIVESTOCK HANDLING EQUIPMENT

STgenetics View our full bull lineup at: www.STgen.com

YOUR SOURCE FOR SexedULTRA4M HIGH FERTILITY SEX-SORTED SEMEN

THE BEST WAY TO PREDICT THE FUTURE IS TO Create It

866.589.1708 BEEF@STGEN.COM

NOT ALL MINERAL IS THE SAME

Our Weatherized Mineral Resists Caking & Won't Blow Away

Complete & Balanced Nutrition with True Chelates

Costs Only Pennies per Head per Day

CONTACT YOUR LOCAL DEALER • kaydeefeed.com • 844-9KAYDEE

KayDee Since 1920

QLF QUALITY LIQUID FEEDS

CATTLE PERFORMANCE... START TO FINISH

Get proper nutrition for your cattle with QLF liquid supplements.

- Improve Feed Efficiency
- Greater Additive Efficacy
- Improve Ration Palatability

www.qlf.com 800.236.2345

2017 U.S. beef industry statistics

sponsored by:

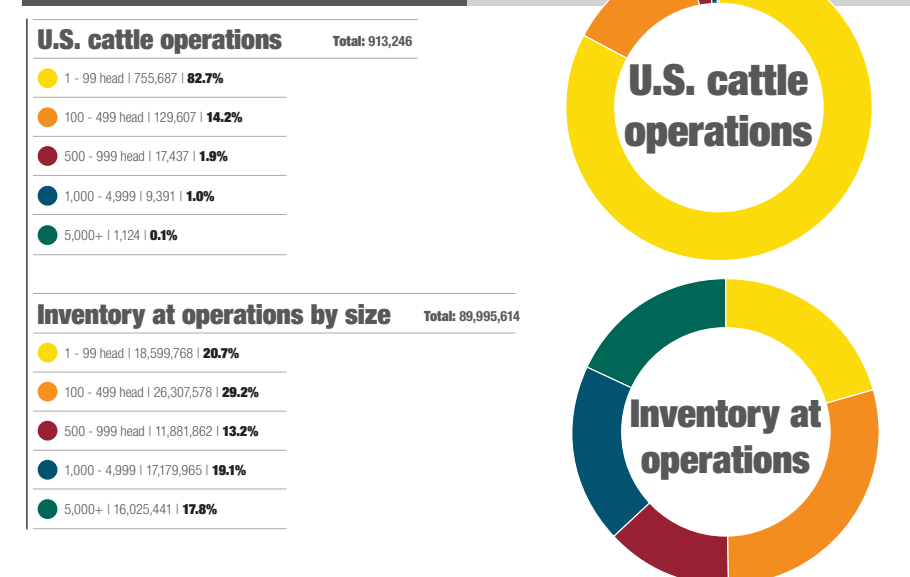


Top 50 beef cow counties

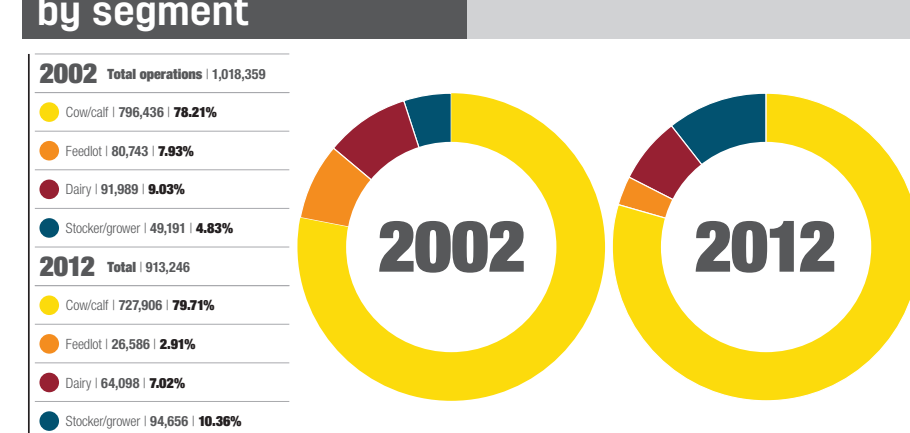
State	County	2017 head	2017 Rank	2016 head	2016 Rank	Change (annual)
NE	Cherry	150,000	1	145,000	1	+3.4%
NE	Holt	97,000	2	93,000	2	+4.3%
NE	Custer	96,000	3	92,000	3	+4.3%
FL	Okeechobee	81,000	4	81,000	4	NC
MT	Beaverhead	80,000	5	80,000	5	NC
SD	Meade	73,000	6	74,000	6	-1.4%
OR	Malheur	71,000	7	69,000	8	+2.9%
FL	Highlands	70,000	8	70,000	8	NC
OK	Osage	67,000	9	63,000	11	+6.3%
OR	Harney	67,000	10	65,000	9	+3.1%
TX	Gonzales	66,000	11	63,000	11	+4.8%
TX	Lavaca	66,000	11	63,000	11	+4.8%
MT	Fergus	65,000	13	65,000	9	NC
FL	Osceola	61,000	14	61,000	14	NC
FL	Polk	61,000	14	61,000	14	NC
AR	Benton	61,000	14	60,000	16	+1.7%
ND	Morton	61,000	14	58,000	18	+5.2%
OK	Craig	60,000	18	55,000	20	+9.1%
SD	Perkins	59,000	19	59,000	17	NC
CO	Weid	59,000	19	56,000	19	+5.4%
TX	De Witt	55,000	21	53,000	21	+3.8%
WY	Carbon	54,000	22	53,000	21	+1.9%
TX	Brazoria	54,000	22	51,000	29	+5.9%
MT	Phillips	53,000	24	53,000	21	NC
MT	Garfield	53,000	24	53,000	21	NC
MT	Carter	53,000	24	52,000	21	NC
MT	Powder River	53,000	24	53,000	21	NC
WY	Campbell	53,000	24	52,000	27	+1.9%
WY	Fremont	53,000	24	52,000	27	+1.9%
MO	Lawrence	53,000	24	49,000	34	+8.2%
OK	Caddo	53,000	24	49,000	34	+8.2%
AR	Washington	52,000	32	51,000	29	+2.0%
TX	Leon	52,000	32	49,500	32	+5.1%
MT	Rosebud	51,000	34	51,000	29	NC
NE	Sheridan	51,000	34	49,500	33	+3.0%
TX	Fayette	50,000	36	48,500	37	+3.1%
NE	Knox	49,500	37	47,500	38	+4.2%
MT	Big Horn	49,000	38	49,000	34	NC
MO	Polk	48,500	39	45,000	41	+7.8%
OK	Bryan	48,500	39	44,500	44	+9.0%
OK	Leflore	48,000	41	44,000	46	+9.1%
MT	Madison	47,000	42	47,000	39	NC
TX	Houston	47,000	42	45,000	41	+4.4%
ND	Grant	47,000	42	44,500	44	+5.6%
ID	Owyhee	46,500	45	46,500	40	NC
OK	Pittsburg	46,500	45	42,500	53	+9.4%
MO	Barry	45,500	47	42,500	53	+7.1%
MT	Blaine	45,000	48	45,000	41	NC
TX	Limestone	45,000	48	43,500	48	+3.4%
ND	Dunn	45,000	48	42,500	53	+5.9%

Source: USDA NASS 2017

U.S. cattle inventory and operations by size

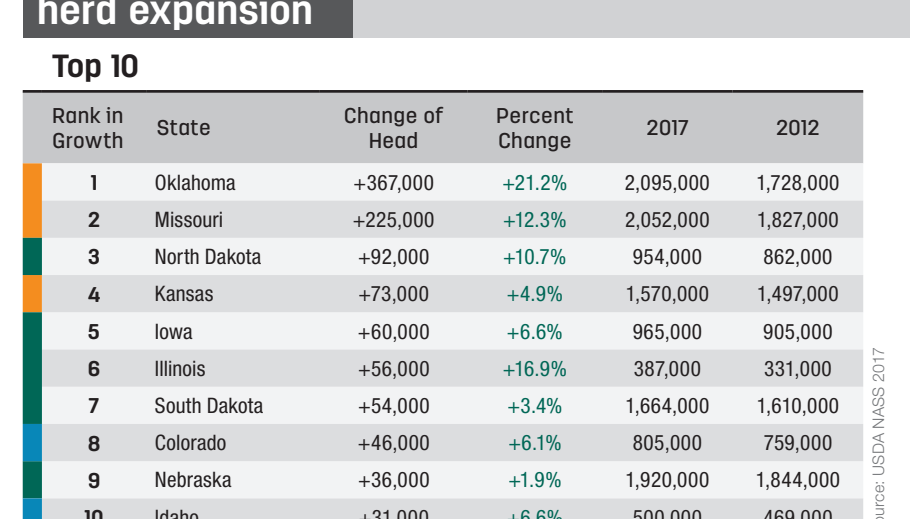


Inventory at operations by size



Note: US Census data are released once every five years. 2012 is the most recent report.

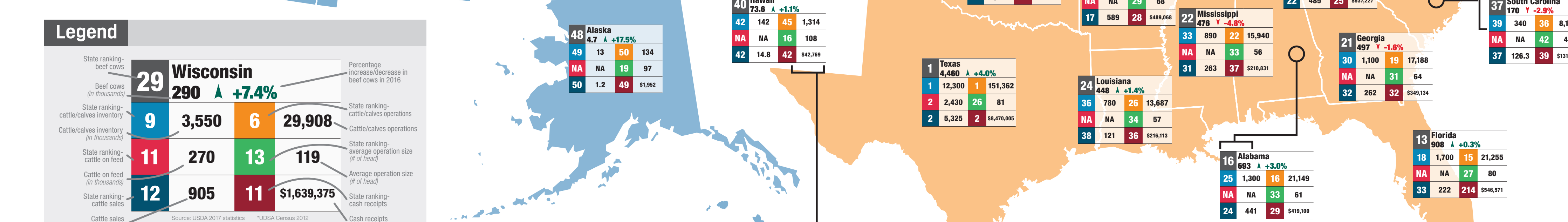
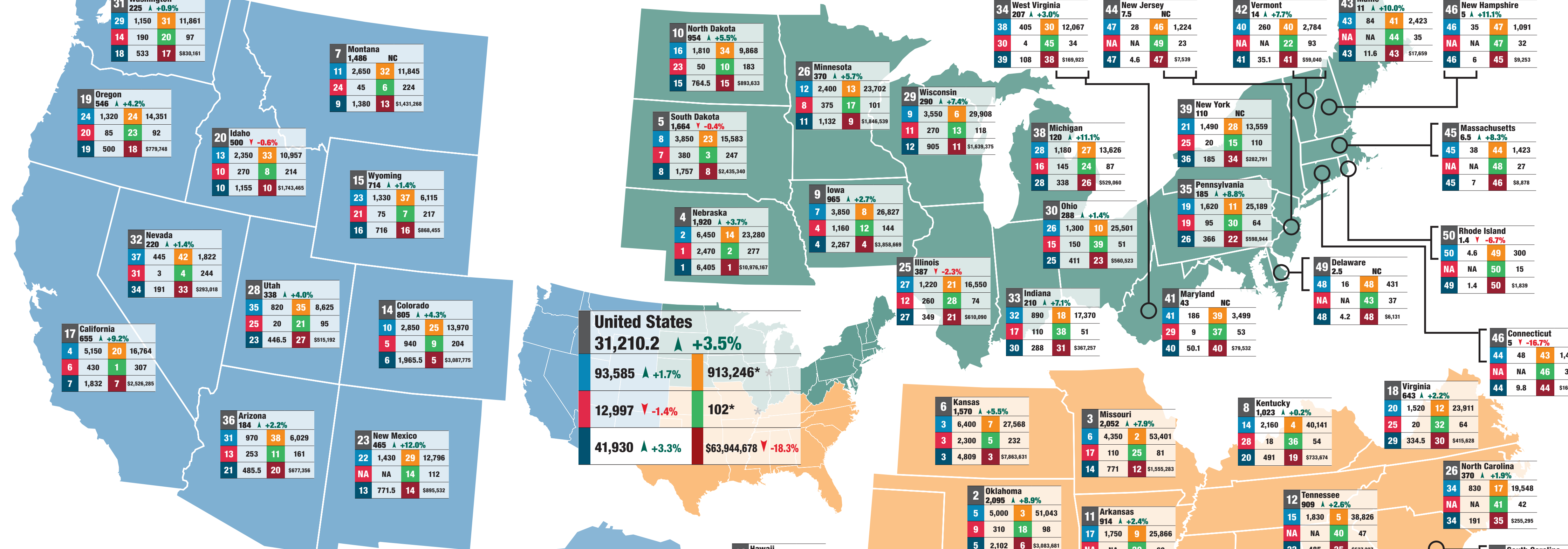
U.S. cattle operations by segment



5-year beef cow herd expansion

Rank in Growth	State	Change of Head	Percent Change	2017	2012
1	Oklahoma	+367,000	+21.2%	2,095,000	1,728,000
2	Missouri	+225,000	+12.3%	2,052,000	1,827,000
3	North Dakota	+92,000	+10.7%	954,000	862,000
4	Kansas	+73,000	+4.9%	1,570,000	1,497,000
5	Iowa	+60,000	+6.6%	965,000	905,000
6	Illinois	+56,000	+16.9%	387,000	331,000
7	South Dakota	+54,000	+3.4%	1,664,000	1,610,000
8	Colorado	+46,000	+6.1%	805,000	759,000
9	Nebraska	+36,000	+1.9%	1,920,000	1,884,000
10	Idaho	+31,000	+6.6%	500,000	469,000

Source: USDA NASS 2017



Source: USDA 2017 statistics *USDA Census 2012

West Region

Cattle/calves

Cattle/calves # of head: 20,620,000
Calf crop: 8,353,000
Cattle on feed: 2,311,000
Cattle sales: 9,992,000
Beef cows: 6,612,300

Cattle/calves operations: 116,583
1-99 head (operations): 93,311
100-499 head (operations): 15,979
500+ head (operations): 7,293

Cash receipts: \$13,692,976,000

North Region

Cattle/calves

Cattle/calves # of head: 30,714,600
Calf crop: 10,841,700
Cattle on feed: 5,498,000
Cattle sales: 15,405,300
Beef cows: 7,765,900

Cattle/calves operations: 267,657
1-99 head (operations): 203,683
100-499 head (operations): 52,705
500+ head (operations): 11,269

Cash receipts: \$24,974,603,000

South Region

Cattle/calves

Cattle/calves # of head: 42,250,000
Calf crop: 15,888,000
Cattle on feed: 5,188,000
Cattle sales: 16,532,800
Beef cows: 17,228,000

Cattle/calves operations: 529,006
1-99 head (operations): 458,693
100-499 head (operations): 60,923
500+ head (operations): 9,390

Cash receipts: \$25,277,099,000

Source: USDA NASS 2017