Recent Price Trends in the Meat Industry

An overview of Animal Slaughtering and Processing price indexes

U.S. Import and Export Price Indexes contain data on changes in the prices of nonmilitary goods and services traded between the United States and the world. The U.S. Bureau of Labor Statistics produces these indexes, which are Principal Federal Economic Indicators.
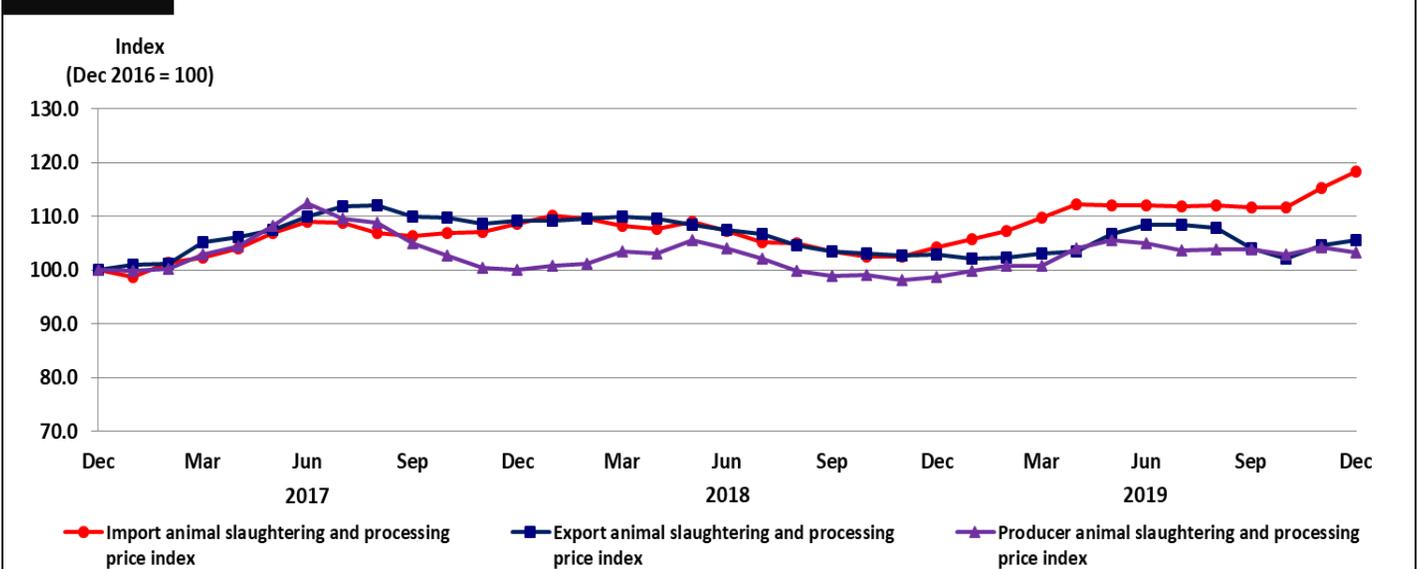
Q: How have import animal slaughtering and processing prices trended over the 2017–2019 period? (See chart 1)

- Animal slaughtering and processing import prices advanced 18.4 percent from December 2016 to December 2019.The import price index for animal slaughtering and processing increased 8.6 percent from December 2016 to December 2017. The index then decreased 4.0 percent in 2018 and increased 13.6 percent in 2019.

- The import price index peaked in December 2019 for the 3-year period ended December 2019, after advancing 19.9 percent from a 3-year low in January 2017.

Q: How did import animal slaughtering and processing prices compare with other economic data?

- Import prices trended similarly to export and producer prices in 2017 and 2018, before rising more sharply in 2019. Like import and export prices, producer prices trended upward overall from December 2016 to December 2019.

- The producer price index for animal slaughtering and processing did not change from December 2016 to December 2017. The index decreased 1.2 percent in 2018 and increased 5.2 percent in 2019. Producer prices increased 4.0 percent over the 3-year period ended December 2019.

Chart 1   Import, export, and producer animal slaughtering and processing price indexes

NOTE: Index values have been rebased to December 2016.
SOURCE: U.S. Bureau of Labor Statistics.

Q: How have export animal slaughtering and processing prices trended over the 2017–2019 period? (See chart 1)

- Export animal slaughtering and processing prices increased 5.6 percent from December 2016 to December 2019. Export prices advanced 9.3 percent in 2017 and decreased 5.8 percent in 2018. Export prices then rose 2.5 percent in 2019.

- The export price index peaked in August 2017 for the 3-year period ended December 2019 after advancing 12.0 percent from a 3-year low in December 2016.

Q: What are the top six exporting states and territories for animal slaughtering and processing? (See chart 2)

- In 2019, the total trade value of exported animal slaughtering and processing was just under $22.5 billion, up $0.1 billion from 2018. The top 6 exporting states made up over 51 percent of this value.

- Texas ranked first for exported animal slaughtering and processing with $3.3 billion in export trade, which accounted for 14.7 percent of total U.S. exports.

- Nebraska ranked second with $2.0 billion in trade dollar value, accounting for 9.1 percent of total U.S. animal slaughtering and processing exports.

Q: How are import and export price indexes useful to you?

Import and export price indexes can provide a new perspective for your trade analyses. Although many sources report domestic market prices and trade volume, IPP data are unique in measuring import and export price movement.

For example, if you are involved in the meat industry and are considering conducting business overseas, IPP animal slaughtering and processing indexes can supplement your industry research by providing long-term import and export price trends.

Q: How are import and export price indexes used?

Import and export price indexes are used for a variety of purposes:

- In the conversion of U.S. trade figures from current dollars to constant dollars in U.S. trade statistics including the Bureau of Economic Analysis' Quarterly Gross Domestic Product and the Census Bureau's monthly U.S. trade statistics.

- To assess the impact of international trade on domestic inflation and the competitive position of the United States.

- As a tool for analyzing fiscal and monetary policy, measuring the impact of exchange rates, and escalating trade contracts.

- To identify industry-specific and global price trends.

Chart 2 — Top six exporting states and territories for animal slaughtering and processing in 2019

Billions of dollars

State	Value
Texas	$3.3
Nebraska	$2.0
Kansas	$1.8
Iowa	$1.7
Colorado	$1.4
California	$1.4

SOURCE: U.S. Census Bureau, Foreign Trade Statistics.

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