

THE RISING TIDE: GLOBAL BEEF PRICES SET RECORD HIGHS AS SUPPLY CONSTRAINTS BITE



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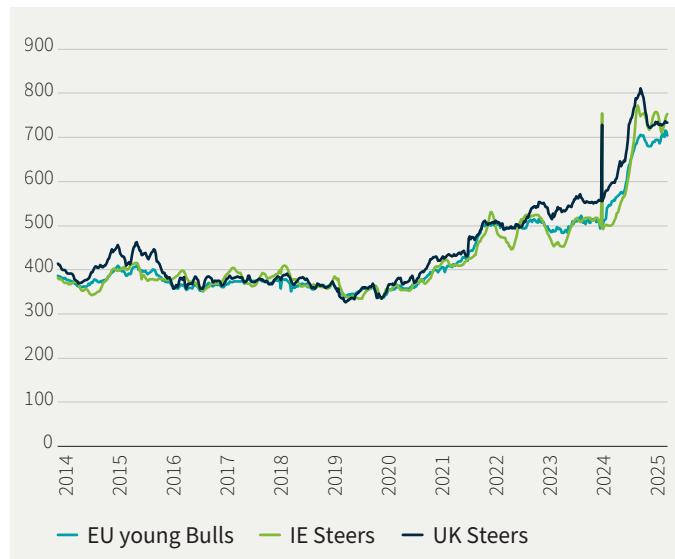
AN ANALYSIS OF WORLDWIDE BEEF MARKET TRENDS AND MEDIUM TERM OUTLOOK

The global beef market has entered a transformative period, with prices reaching unprecedented levels as supply constraints collide with resilient consumer demand. Since 2021, beef prices have increased dramatically across major markets, driven by contracting cattle herds, increased production costs, and shifting trade dynamics.

THE PERFECT STORM: UNDERSTANDING PRICE DRIVERS

In Europe, prices have increased significantly across all markets. Per Bord Bia monitoring data, Irish steers, EU young bulls and UK steers prices have risen 75%, 65% and 63% respectively since 2021.

Prime EU Cattle Composite Price 2014-Present

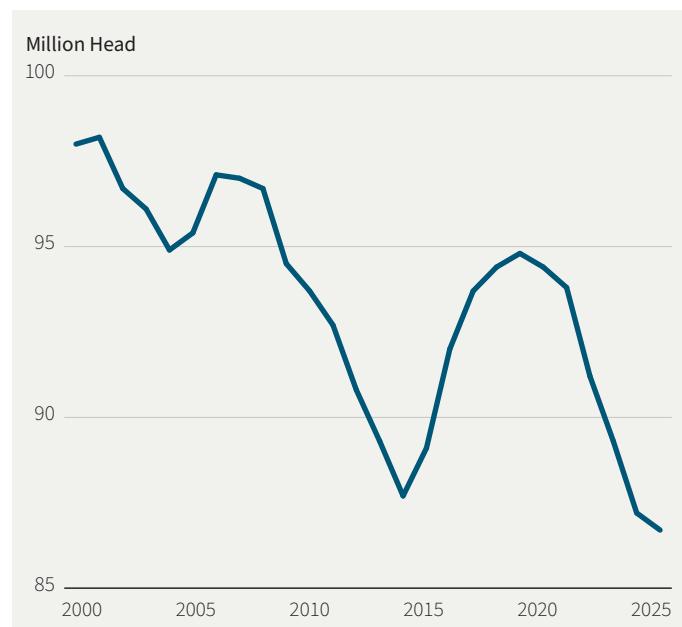


Per Bord Bia, Beef market Tracking 10.11.25 <https://www.bordbia.ie/farmers-growers/prices-markets/cattle-trade-prices/beef-market-tracking/>

The United States has recorded similarly large increases, with ground beef prices increasing 48% and steak prices rising 41% since July 2020. By late 2025, American cattle prices had set new record highs.

The primary driver has been dramatic cattle herd contraction. US cattle inventory has hit its lowest point in nearly 75 years, resulting from persistent drought conditions, elevated feed costs following the Ukraine conflict, and processing plant closures during Covid. As of mid-2025, cattle slaughter stood 6.5% lower than 2024.

All Cattle and calves inventory: United States: January 1



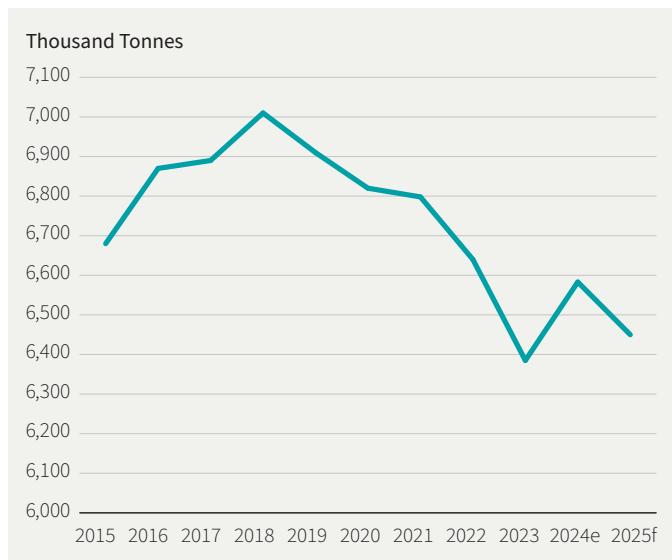
Source: USDA

These reductions extends beyond North America. According to RaboResearch, Brazil and the United States are likely to lead beef production declines in 2025, with reductions also anticipated in China, Europe and New Zealand – an estimated 1% reduction in global supply. In Europe, animal welfare regulations and environmental policies have further constrained production. EU Commission figures show beef production fell 4% (169,000 tonnes) between January and August 2025 in comparison to the same period in 2024¹. UK production is expected to drop 6% in 2025².

¹ Imports rise 13% as production drops: EU beef market update | AHDB

² <https://teagasc.ie/news--events/daily/production-declines-to-boost-beef-farm-incomes-in-2025/#:~:text=Despite%20weaker%20consumption%2C%20beef%20production,Cattle%20prices%20and%20throughput>

Beef production in the European Union 2015 to 2025

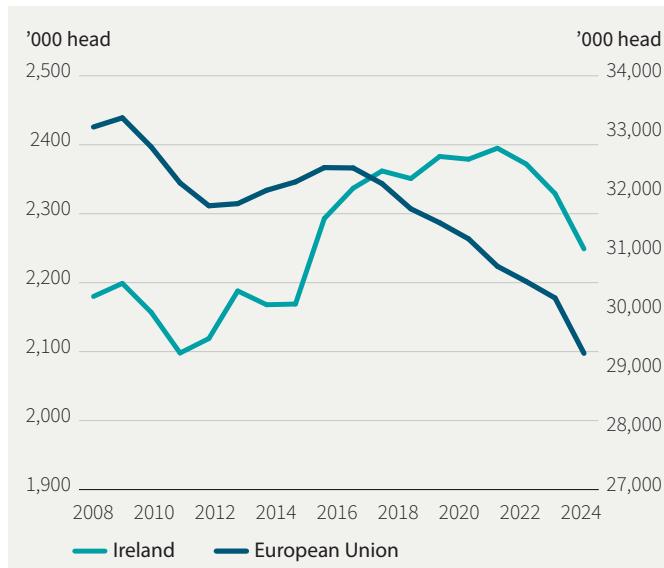


Source: European Commission (2024)

Availing of opportunity

For Irish producers, the global shortage has created opportunity. Irish cattle slaughter is forecast to fall 5% in 2025 to 1.72 million head³. Figures to end October 2025 show over 114,000 fewer animals on farms compared to October 2024.

EU and Irish cow inventory 2007 to 2024



Source: Eurostat

Factory prices have surged from approximately €5.18 per kilogram in late 2023 to €7.77 by mid-2025 – a dramatic 50% increase providing much-needed relief to farmers who have seen little if any return for their work in the last few decades.

The UK remained the strongest market for Irish beef, with exports growing 2% in value to €929.3 million by September. Irish beef imports to the UK increased 13% overall in 2024, with a 15% uplift in the final quarter. However, UK trade deals with countries outside the EU must be monitored for potential negative impacts.

Beyond Europe, Irish beef has gained traction in Asia. Ireland is the biggest European supplier of beef to the Philippines and it is the biggest market for Irish beef outside the UK and the European Union. Exports to Japan have also more than doubled in recent years.

OUTLOOK: SUSTAINED PRICE STRENGTH

Industry analysts project the global beef market will grow from USD 455.18 billion in 2025 to USD 714.61 billion by 2033, exhibiting a 5.8% compound annual growth rate.

Several factors underpin this outlook. First, cattle herd rebuilding takes time. High beef prices mean young stock destined for breeding are instead going for slaughter. Any production increases won't materialise until 2026/27 at the earliest.

Second, consumer demand remains resilient. Growing health consciousness drives protein demand, while demographic trends in emerging markets, particularly Asia, support consumption growth. OECD forecasts 13% increased beef consumption worldwide by 2034⁴.

Third, trade flows are shifting. South American producers prioritise exports as international prices exceed local returns. Brazil experienced 52% year-on-year increase in beef export turnover by mid-2025. Medium-term production growth is forecast in China for domestic use and India where meat processing infrastructure is expanding⁵.

Bord Bia forecasts a “positive market environment” with tighter European and UK supplies underpinning strong prices into 2026 and beyond.

CONCLUSION

The global beef market has entered a sustained period of elevated prices driven by structural supply constraints that won't resolve quickly. Irish producers, with grass-based systems and established export relationships, are well-positioned to benefit – though they must navigate higher input costs and evolving regulatory frameworks. For 2026, dairy farmers may see more favourable margins from dairy beef calves than from milk production, if international dairy price pressures continue beyond Q2 2026.

³ <https://ahdb.org.uk/news/beef-market-update-shortages-forecast-in-irish-cattle-numbers#:~:text=For%202025%2C%20Bord%20Bia%20forecasts%20that%20Irish,fall%20by%205%25%20to%201.24%20million%20head>

⁴ https://www.oecd.org/en/publications/oecd-fao-agricultural-outlook-2025-2034_601276cd-en/full-report/meat_5462e384.html#figure-d1e6515-d0106134ac

⁵ https://www.oecd.org/en/publications/oecd-fao-agricultural-outlook-2025-2034_601276cd-en/full-report/meat_5462e384.html#figure-d1e6515-d0106134ac