



China Mainland Red Meat Market Update

April 2025
Global Market Insights



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Contents

MACRO

Pages 6-9

- Macro factors impacting China market
- Consumer confidence & economic outlook
- Demographic drivers

TRADE

Pages 10-18

- China's beef and sheepmeat market trends
- Australian beef and sheepmeat exports
- Competitive landscape and outlook

RETAIL

Pages 19-22

- Channels, key players and outlook
- Red meat retail segments
- Factors driving red meat shopping

FOODSERVICE

Pages 23-26




- Restaurant spending
- Tourism
- Foodservice landscape

Key points

- With US beef supply to China significantly reduced, and signals that consumption demand may be picking up again, Chinese customers are seeking quality, reliable red meat products to fill the gap. Australian exporters have a unique opportunity to develop new customers, who will be particularly receptive to ‘why Australia’ messages.
- As high-end restaurants have been under pressure with diners reducing their eating out frequency and spend, operators are looking for ways to bolster margins by optimising lower value cuts. The mid-tier casual chained restaurant segment has been expanding and premiumising, with quality red meat an increasingly important selling point. These operators will also be looking for provenance stories to leverage as a competitive point-of-difference.
- There are good opportunities for Aussie beef and lamb, particularly in more popular and higher-spend cuisine restaurants like Japanese, Steak, Western (Italian, French), Hot Pot and BBQ.
- With more consumers eating at home, retailers are looking for quality red meat to meet growing shopper demand to have nutritious and enjoyable meals at home. The quality consistency and versatility of Australian red meat products are key strengths that retail buyers will be interested in.
- There are growing opportunities in the large cities adjacent to Tier 1 cities, particularly in the Yangtze River Delta, Pearl River Delta, Beijing-Tianjin-Hebei and Chengdu-Chongqing areas.

10 factors shaping China Mainland's red meat market and import demand for Australian Red Meat

Impact on demand for Aussie beef and lamb

Key:  Positive impact  Negative impact  Neutral impact



At Home



Dining out

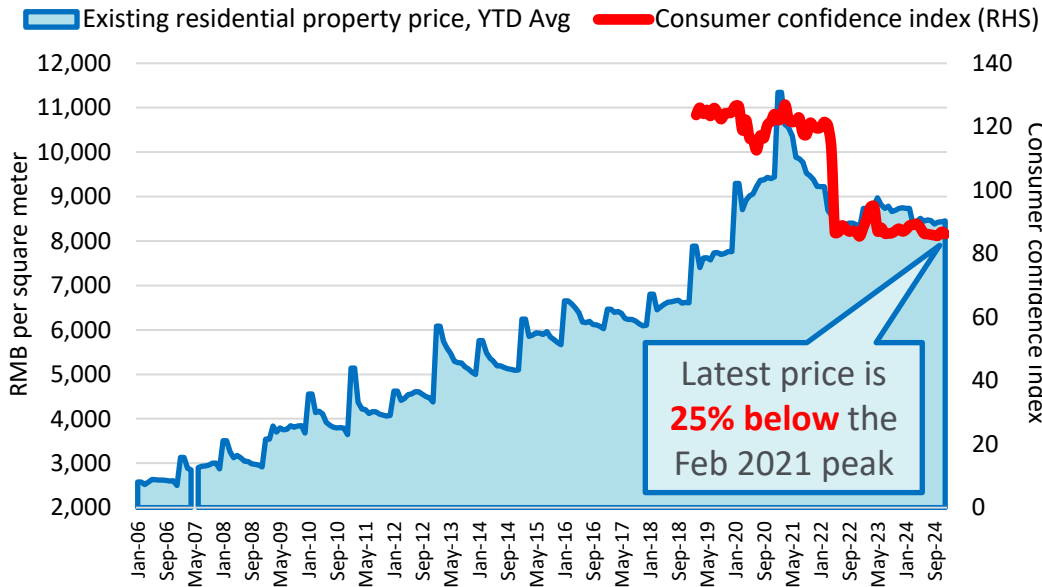


Impact Timing

		At Home	Dining out	Impact Timing
1	Rising China-US trade tensions and global trade uncertainty, plus uncertainty around China Safeguard investigation outcome			Now to next 4+ years
2	Slowly improving consumer confidence and discretionary spending following targeted stimulus			Now to next few years
3	Slowing but still-strong economic growth outlook with growing affluent consumer base			Now to next few years
4	Growing demand for premium red meat imports set to continue			Now to next few years
5	Supply from key premium red meat competitors softening			Next few years
6	Retailers increasing premium red meat ranges for home meal solutions			Ongoing into the future
7	More in-bound and domestic tourism forecast			Ongoing into the future
8	Continued diner caution on discretionary foodservices spending			Ongoing into the future
9	Expansion of mid-tier foodservice segments, esp. chained full-service and chained QSR establishments, using more premium red meat			Ongoing into the future
10	Opportunities for Aussie beef and lamb in a range of cuisine restaurants, particularly in more popular and higher-spend ones like Japanese, Steak, Western (Italian, French), Hot Pot and BBQ			Ongoing into the future

Chinese consumer discretionary spending confidence has been subdued but following government stimulus there are some recent positive signs of economic recovery

After 15+ years of steady rises, declining property prices since 2021 have made consumers feel constrained

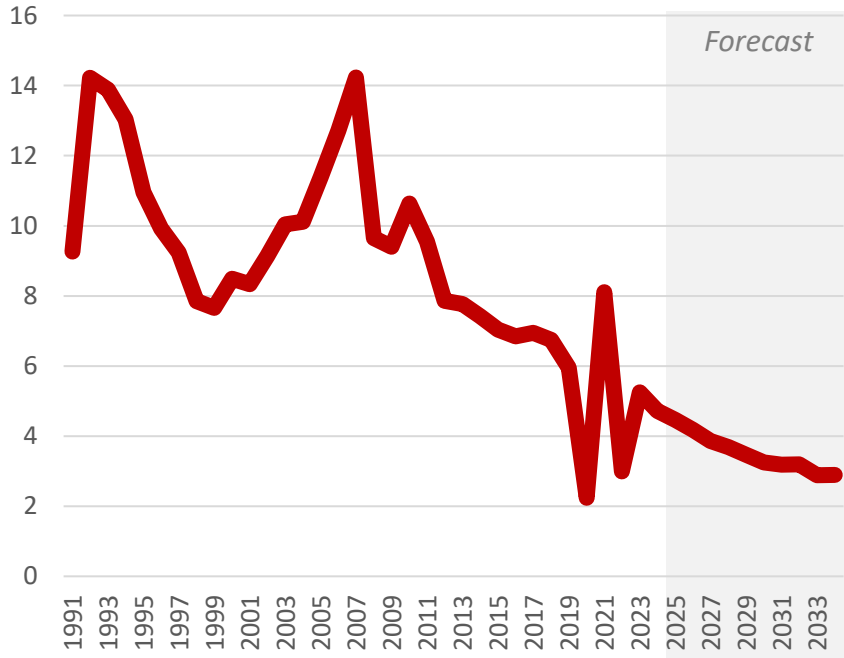


Source: IMA Asia, Consumer Confidence Index by NBS

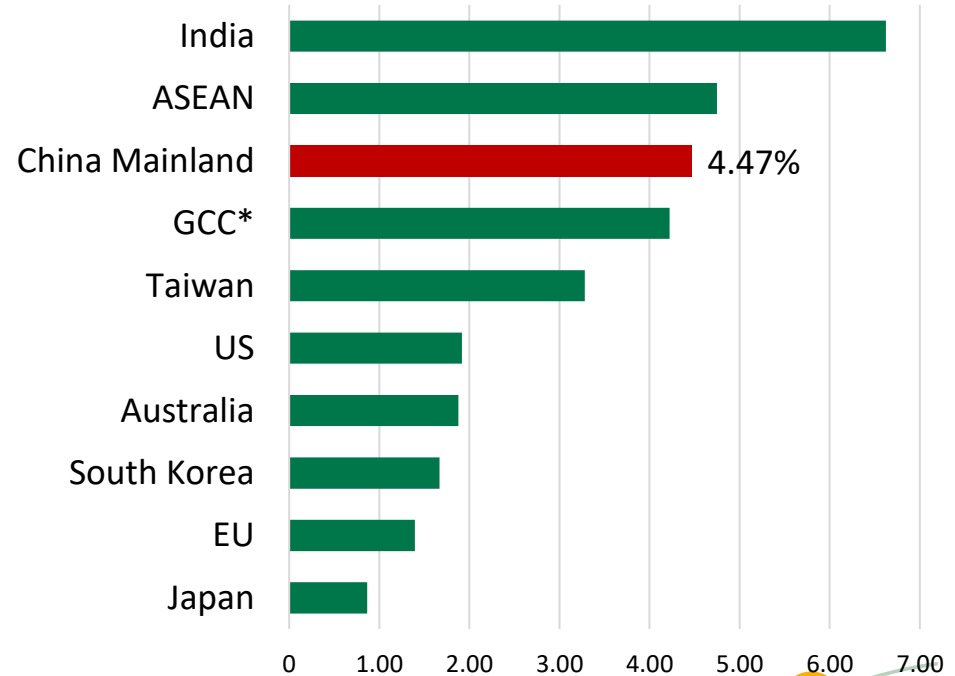
- ✓ After 2 years of deflation, **consumer price inflation** has slowly risen since March 2024, signalling increased demand
- ✓ Outbound international air **traveller numbers** were up 58% YOY in Jan 2025
- ✓ **Exports** grew 6.9% YOY in Dec 2024, up from -4.7% in Dec 2023
- ? Yet to be reflected in up-ticks in retail and catering sales growth, which remain flat up to Dec 2024

China's GDP growth is forecast to continue to slow to more sustainable levels but remains strong by global standards

China real GDP growth % year-on-year



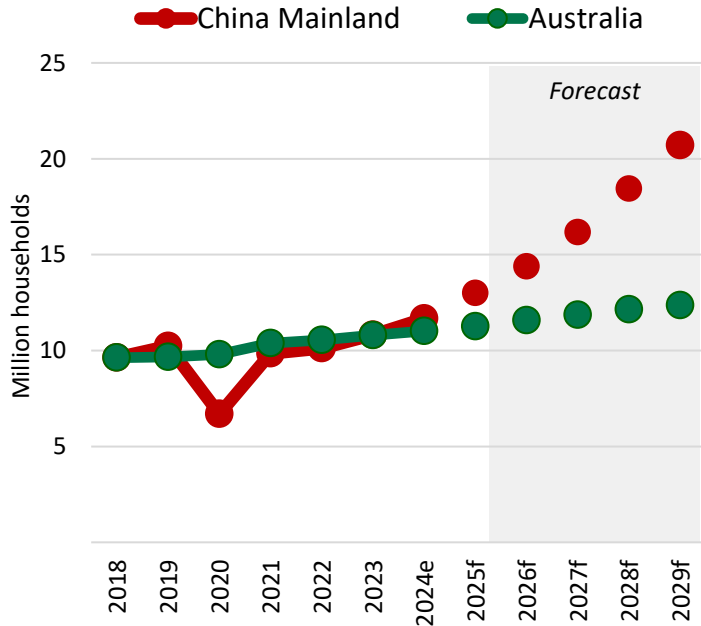
Real GDP growth % year-on-year, 2025f



Source: Fitch Solutions, Data accessed 04/04/2025

The number of affluent households in China is forecast to continue to grow backed by government aim to achieve 50% “middle class” population by 2035. The ageing population offers both challenges and opportunities.

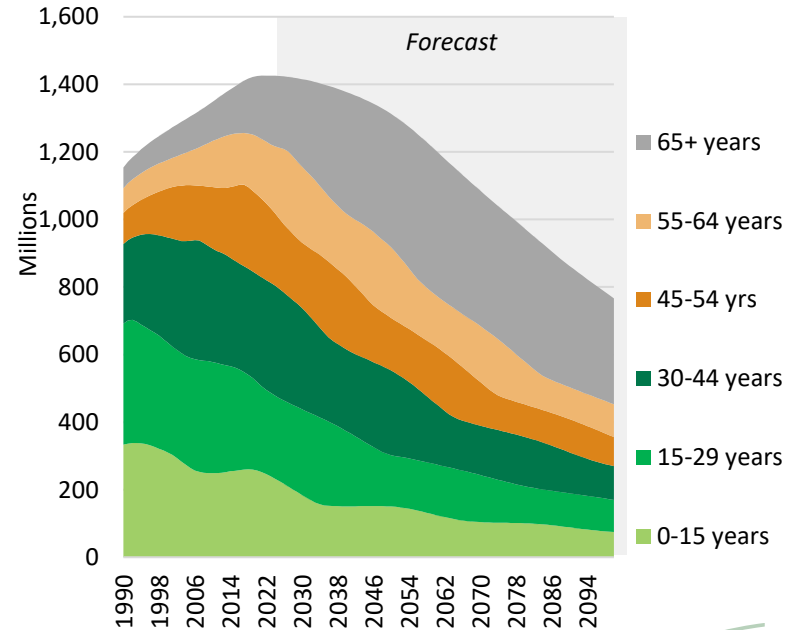
Affluent households, earning US\$35,000+ annual disposable income



In 2028
China will be #2
(after US) with
144,897
Ultra Rich
Individuals*

Among the fastest
growing Ultra Rich
population
2023-2028 %
China +47%
Global avr +28%

China population by age groups

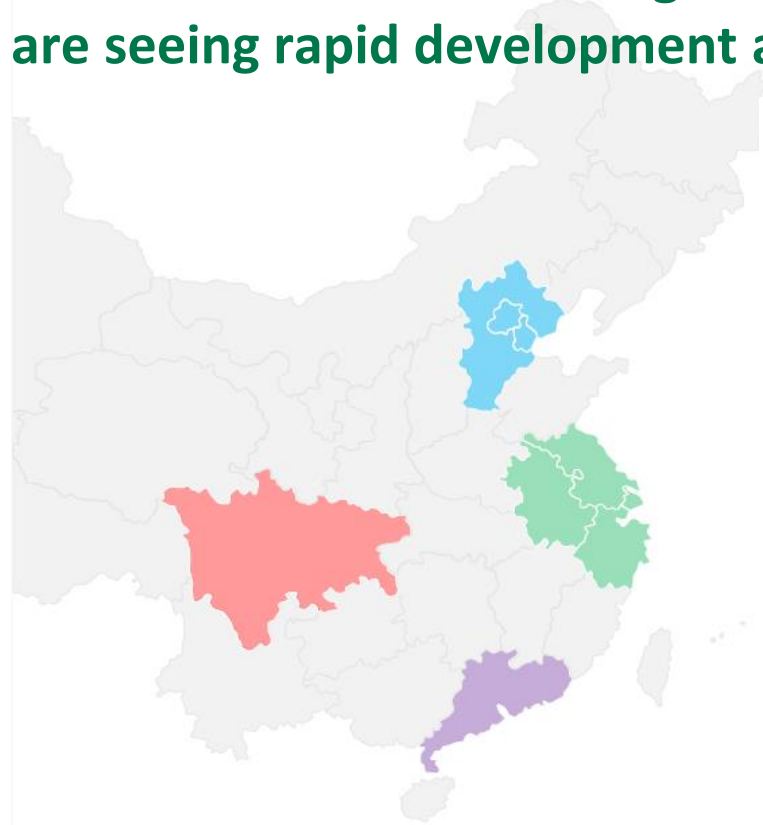


Source: Fitch Solutions, data accessed 04/04/2025

*Ultra High Net Worth Individuals = have >\$30m in assets.
Source: Frank Knight Wealth Report 2024.

Source: Fitch Solutions, data accessed 04/04/2025

Tier 1 cities still have the largest concentrations of affluent consumers but surrounding lower tier cities in the “mega city clusters” are seeing rapid development and rising consumer spending power



THE YANGTZE RIVER DELTA

- At 3.7% of the country’s size, 16.8% of the population and 24.0% of China’s total GDP, the Yangtze River Delta has been the driving force behind the country’s economic transformation.
- Four of our key cities (**Shanghai, Hangzhou, Nanjing, Suzhou**) are found within this mega cluster and are home to 37% of restaurants promoting Aussie red meat analysed in this report

BEIJING-TIANJIN-HEBEI

- Home to around 109 million people, this cluster is the center of economic activity in the north. The region is undergoing a heavy reshuffle as “non-capital functions” are being moved out of Beijing to surrounding cities.
- Only one of our key cities (**Beijing**) falls within this cluster, although **Tianjin** ranked 18th under our criteria.

THE PEARL RIVER DELTA

- This cluster is home to Guangzhou and Shenzhen which are the manufacturing and technology powerhouses of China. Home to a large and wealthy consumer base, the region also boasts a highly educated workforce.
- Four of our key cities (**Guangzhou, Shenzhen, Foshan and Dongguan**) can be found here, as well as 25% of restaurants analysed.

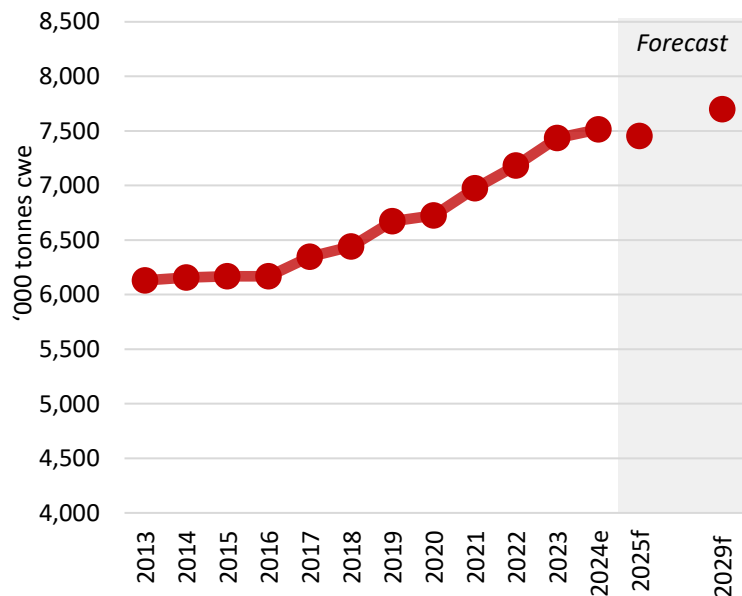
CHENGDU-CHONGQING

- Known as the “Twin City Circle”, this cluster plays a pivotal role in the development of western and southwestern China. This cluster was promoted to equal importance with the other three in 2019.
- Only Chengdu made it to our top 15, however Chongqing was close at 17th.

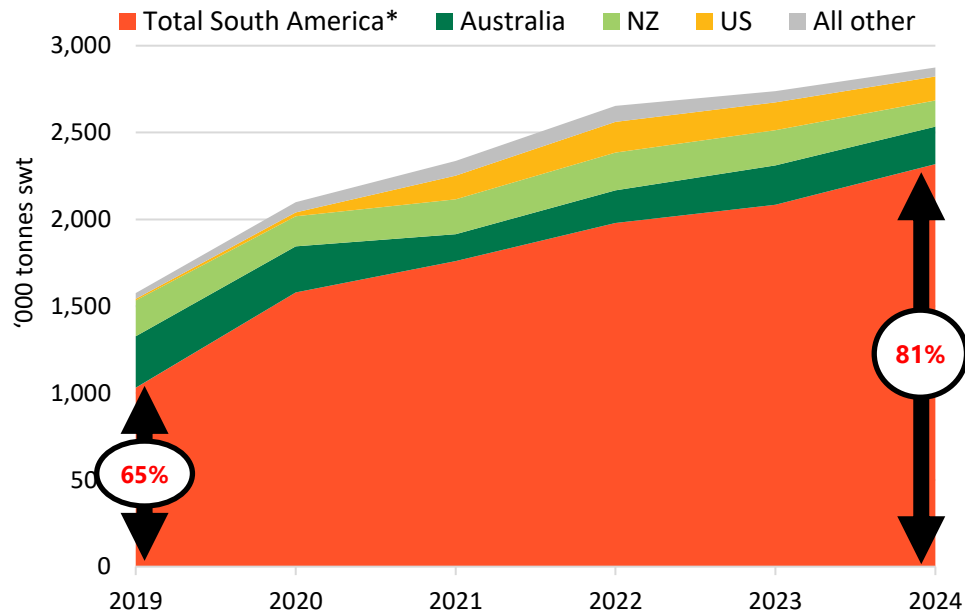


The China beef market has seen more domestic products and a surge of South American imports. In 2024, Australia's beef contributed 7.5% volume share and 11% value share.

China beef production



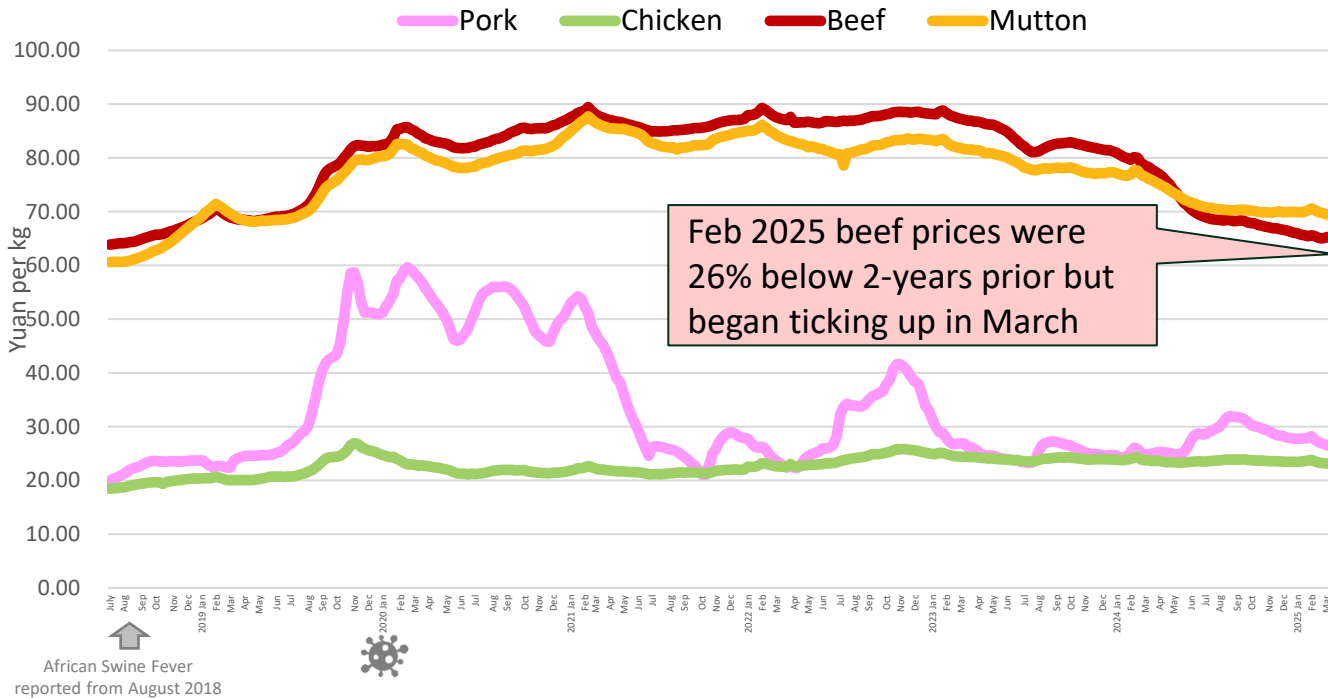
China beef imports by key suppliers



China beef prices had trended down since 2023, with weak demand and strong LATAM imports contributing, triggering China's Beef Safeguard Investigation. But prices have turned up over the past month, pointing to a possible turnaround.



China county retail meat prices



中华人民共和国商务部 2024-12-27 15:30
 商务部公告2024年第60号 关于对进口牛肉进行保障措施立案调查的公告

WORLD TRADE ORGANIZATION

China launches safeguard investigation on meat of bovine animals

On 27 December 2024, China notified the WTO's Committee on Safeguards that it initiated on 27 December 2024 a safeguard investigation on meat of bovine animals.

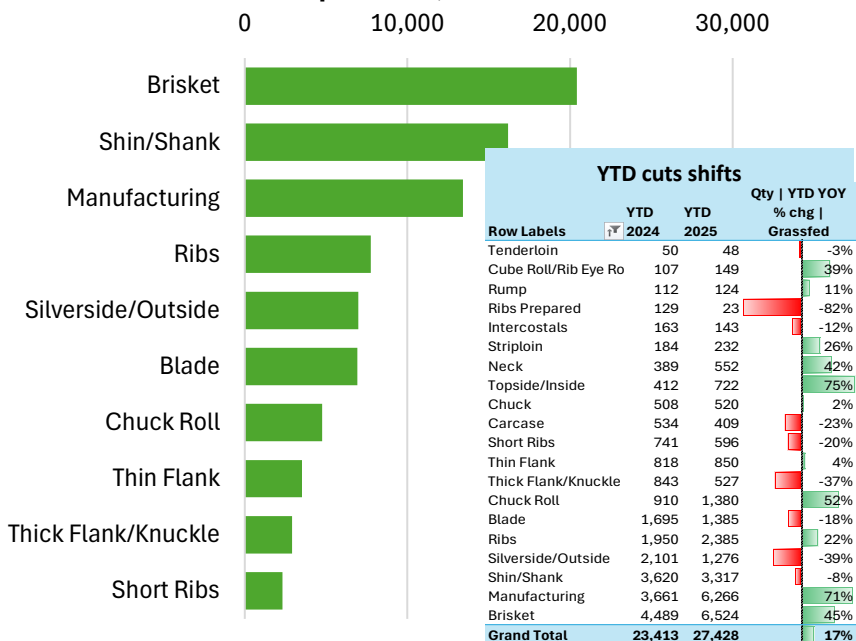
MLA has contributed to Australian industry's submission in support of maintaining our current market access conditions, which already includes a beef safeguard measure

Source: Ministry of Agriculture and Rural Affairs, China. Prices collected from 500 county markets across China.

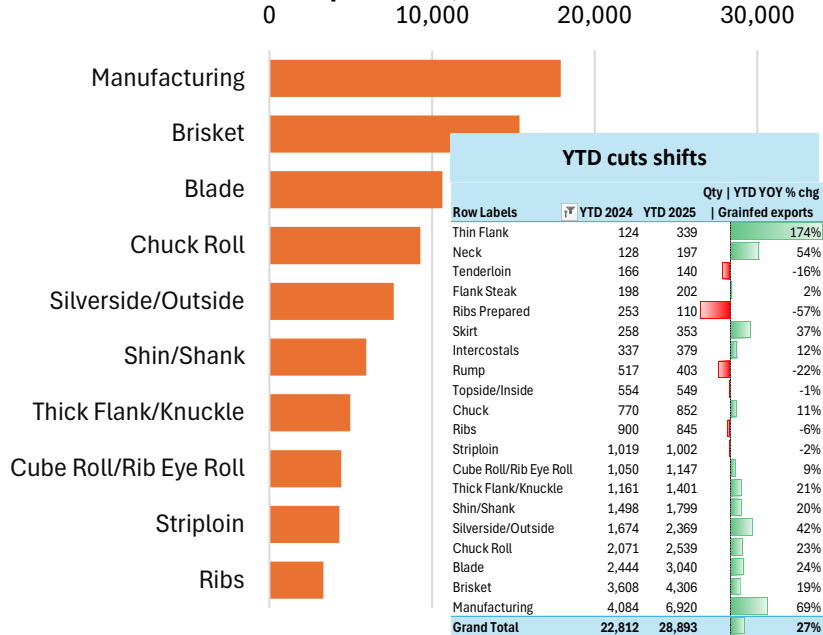


While brisket, manufacturing, shin/shank and blade are Australia's major cuts exported to China, there has been diversification with higher value grainfed cuts growing over time. Due to cost-of-living pressures in recent years, there has been stronger demand for a range of lower value cuts.

Australian grassfed beef exports to China
- Top 10 cuts, 2024



Australian grainfed beef exports to China
- Top 10 Cuts, 2024

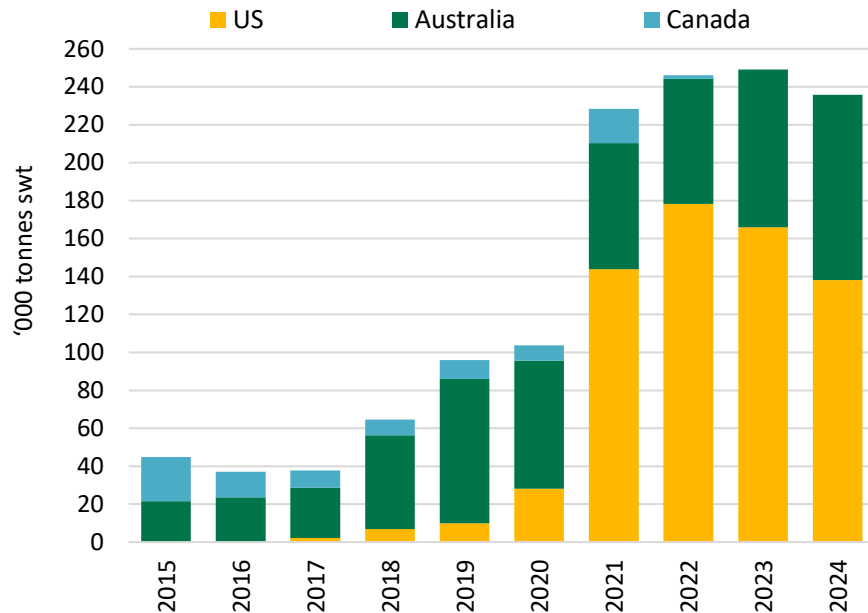


Source: DAFF, Tonnes swt, Chilled and Frozen combined, YTD = Year-to-date Jan-Mar Q1.

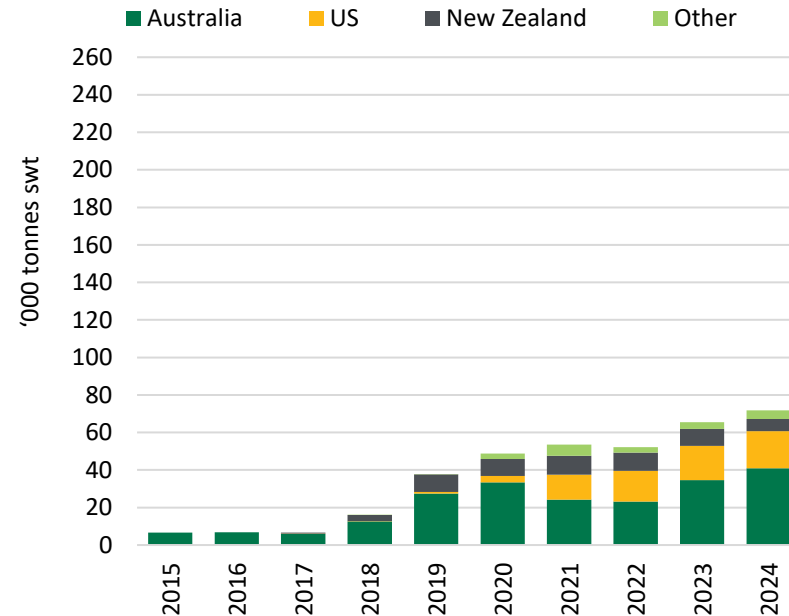


China per capita beef consumption set to keep growing, facilitated by higher imports, with premiumisation a key trend

China grainfed beef imports by key suppliers



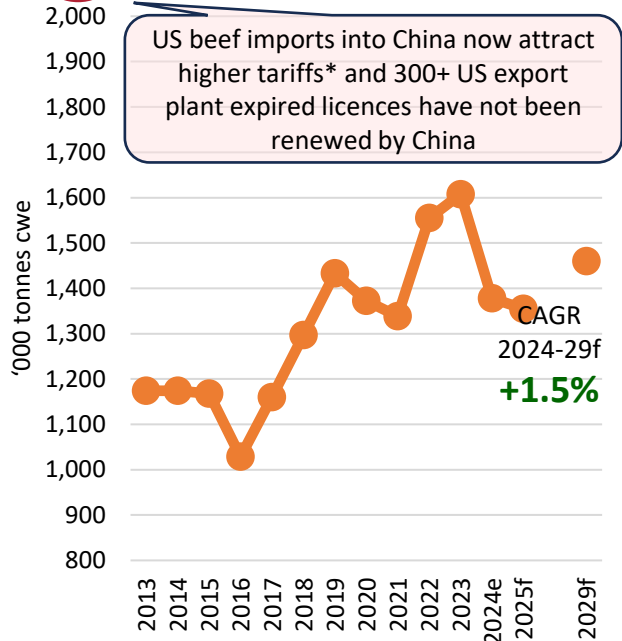
China chilled beef imports by key suppliers



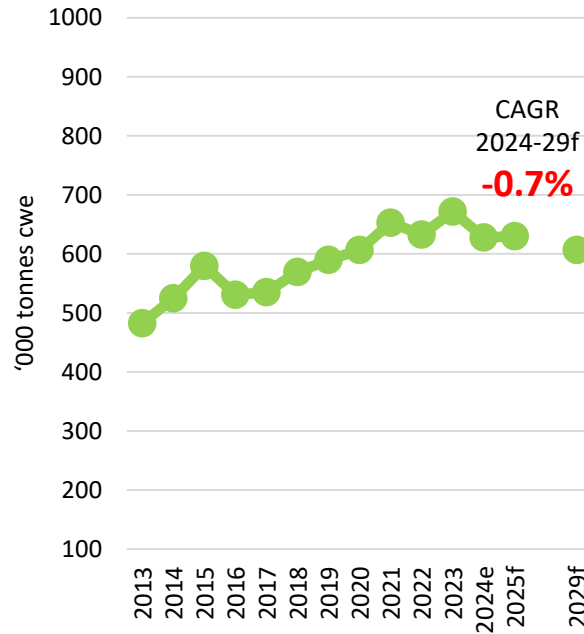
Australia faces on balance somewhat softer competitive pressure in China's premium beef market in the next few years



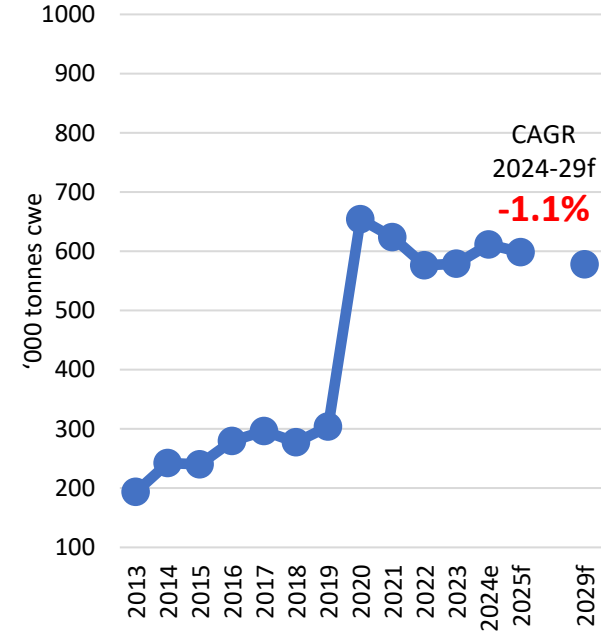
US total global beef exports



NZ total global beef exports



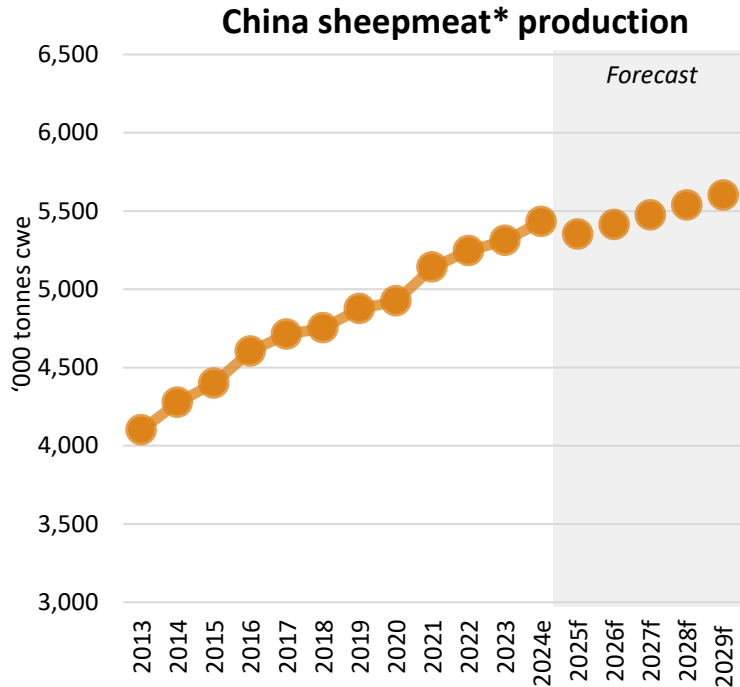
EU total global beef exports



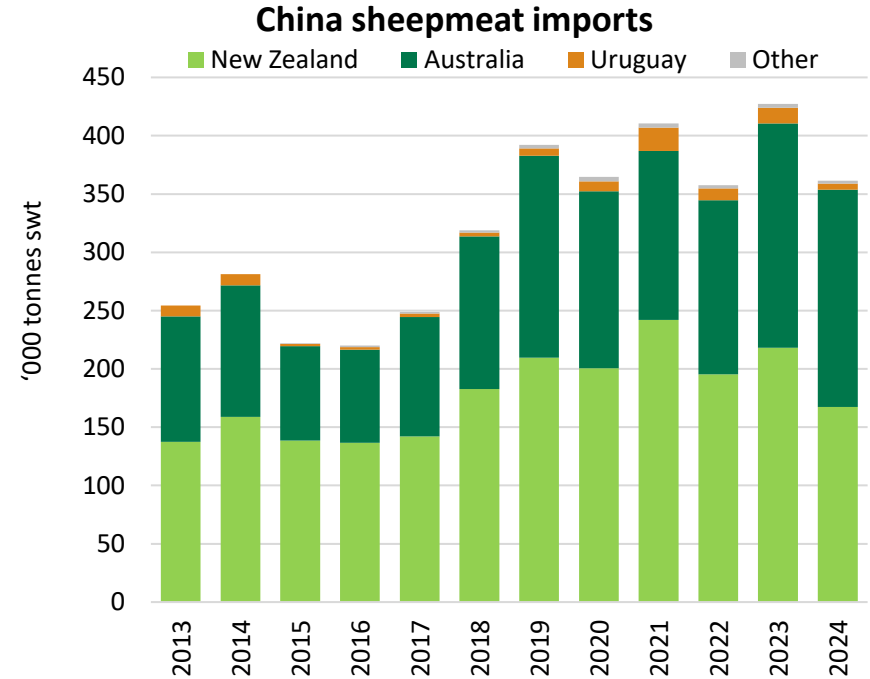
Source: GIRA GMC2024, Includes beef and veal, Note different scales, CAGR = compound annual growth rate. *56% at the time of writing 09/04/2025



Imports will comprise around 7% of sheep and goat meat consumed in China in 2025, with import demand more impacted by domestic production compared to beef. 2025 is expected to see a short-term drop in domestic production.



Source: GIRA GAMC2025, Includes sheepmeat and goat meat

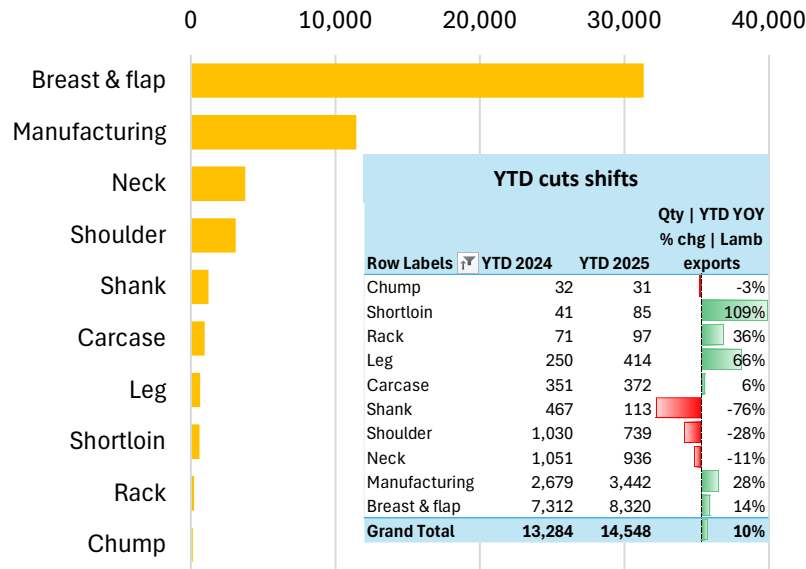


Source: Trade Data Monitor (TDM)

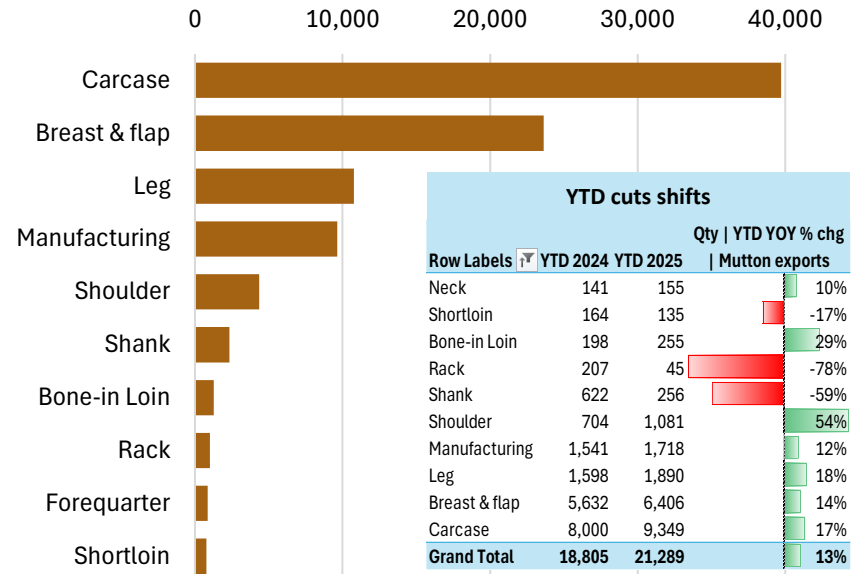


Carcase, Breast & Flap and Manufacturing are the key Australian sheepmeat cuts exported to China, with the majority further processed locally for the foodservice sector

Australian lamb exports to China - Top 10 cuts, 2024



Australian mutton exports to China - Top 10 cuts, 2024

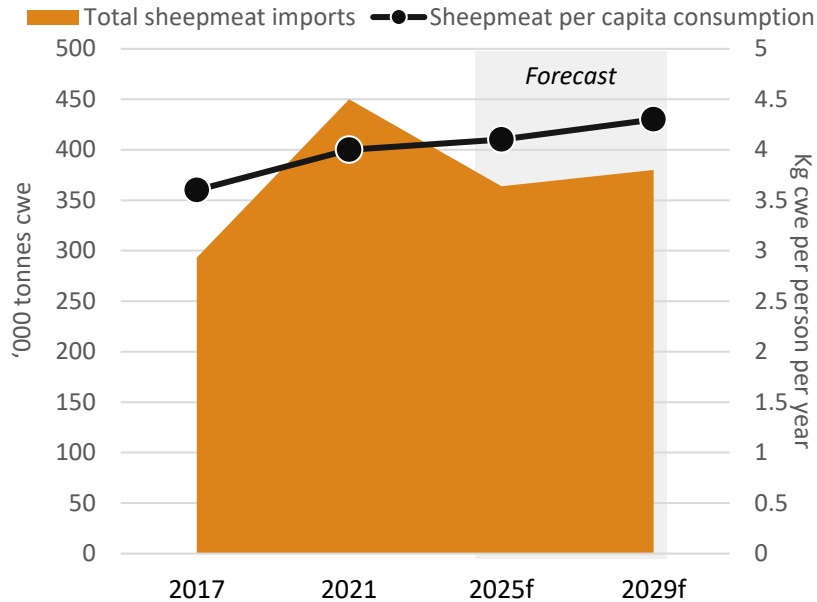


Source: DAFF, Tonnes swt, YTD = Year-to-date Jan-Mar Q1.



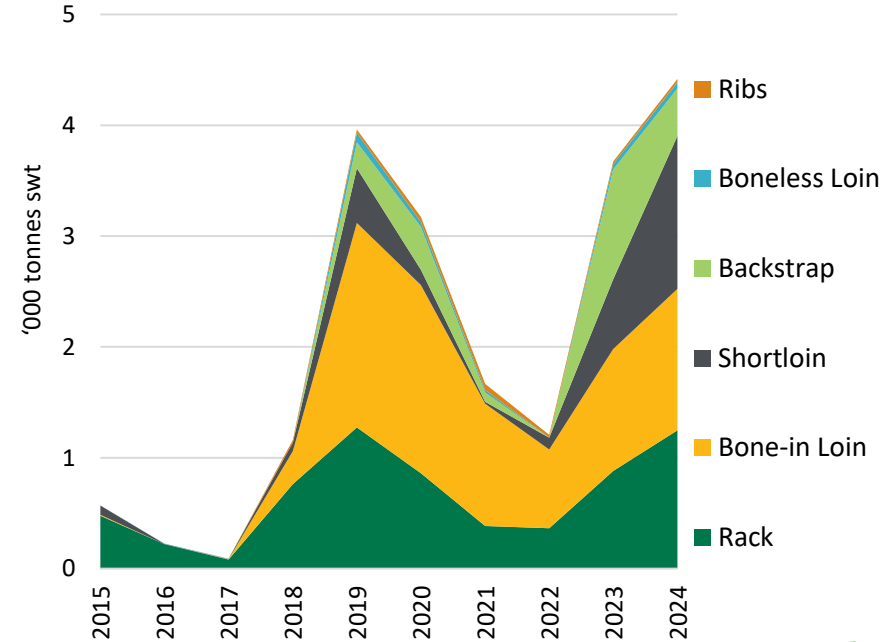
China sheepmeat consumption is still increasing but import demand is more impacted by domestic production than beef, with some premiumisation beginning to occur

China sheepmeat imports and per capita consumption



Source: GIRA, Includes sheep and goat meat

Australian premium sheepmeat cuts exports to China



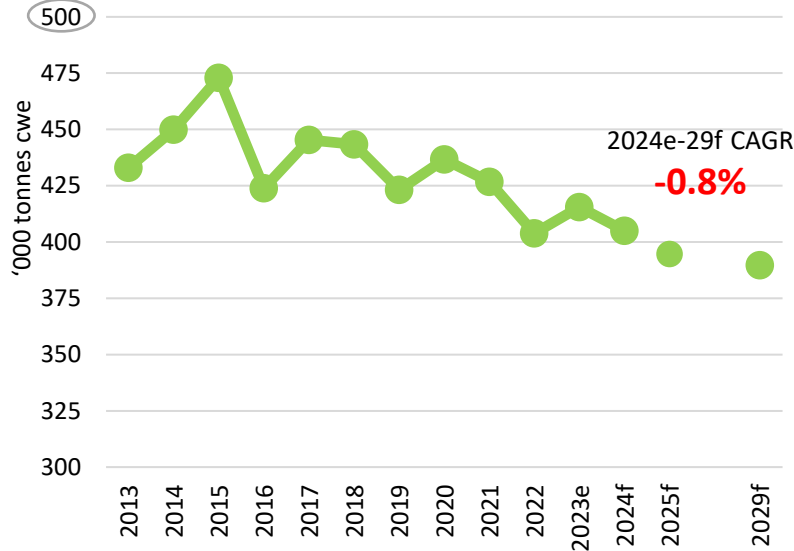
Source: DAFF, Includes Lamb and Mutton, Chilled and Frozen Sheepmeat



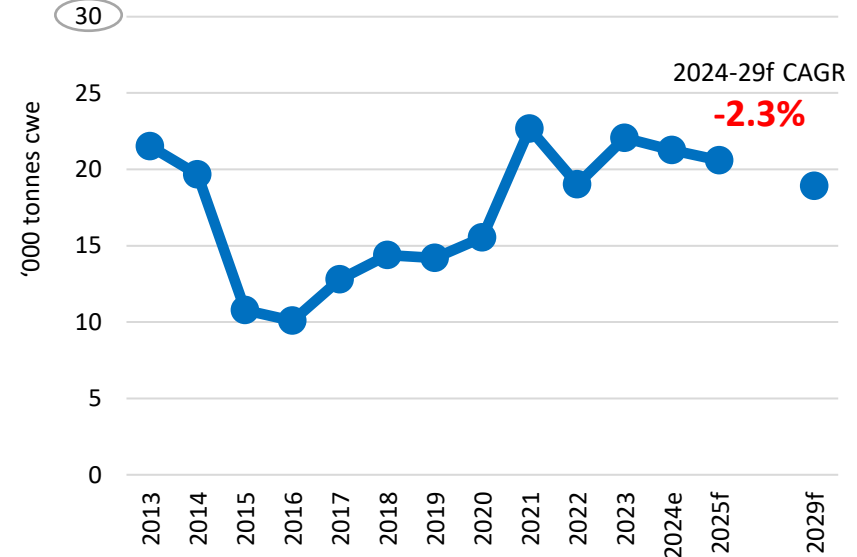
New Zealand and Uruguay sheepmeat exports are forecast to continue to decline in the coming years out to 2029, reducing import competition for Australia



NZ global sheepmeat exports



Uruguay global sheepmeat exports



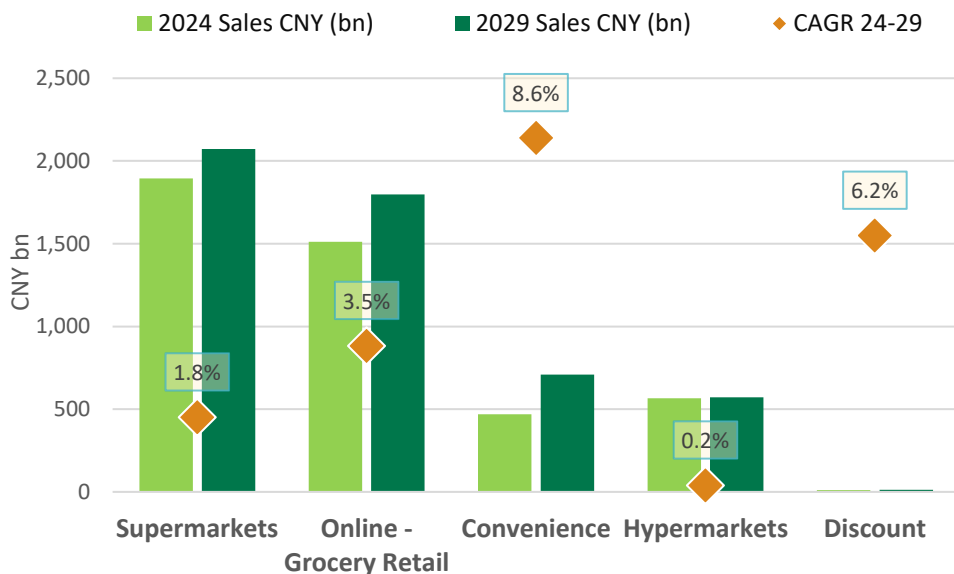
Source: GIRA GMC2024, Includes sheepmeat and goat meat, Note different scale here, CAGR = compound annual growth rate.

There are growth opportunities across China's modern retail channels for Australian red meat offerings, with online and convenience channels seeing particularly rapid growth



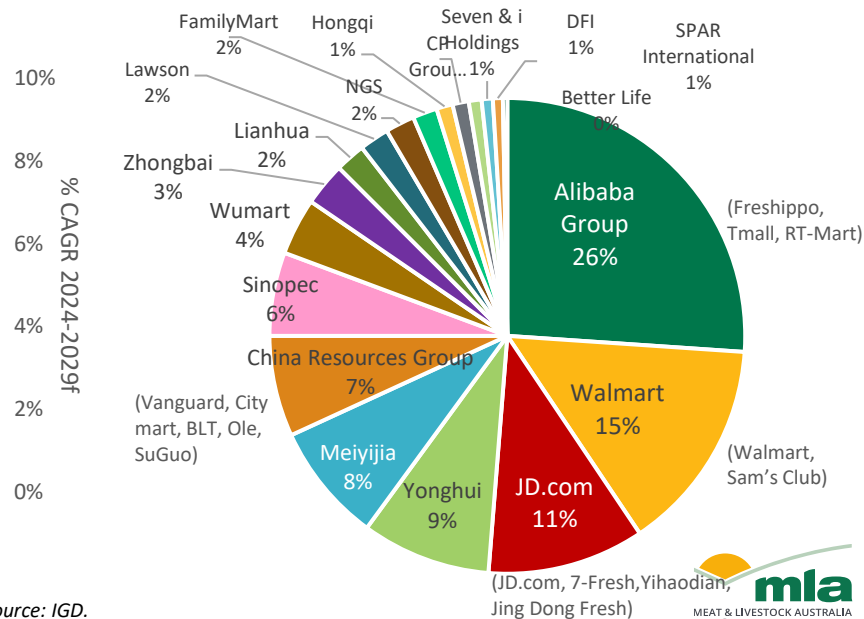
- China's national total grocery retail sales value in 2025f will be around USD1,556 bn (CNY111,36 bn)
- Traditional channels like wet markets and small independent stores still account for around 59% of total grocery sales nationally
- In modern retail, Supermarkets are the largest modern channel but Online is a close second and Convenience stores are growing strongly

China national modern retail channel sales and outlook



Source: IGD

China national Top 20 modern retailer groups, 2025f



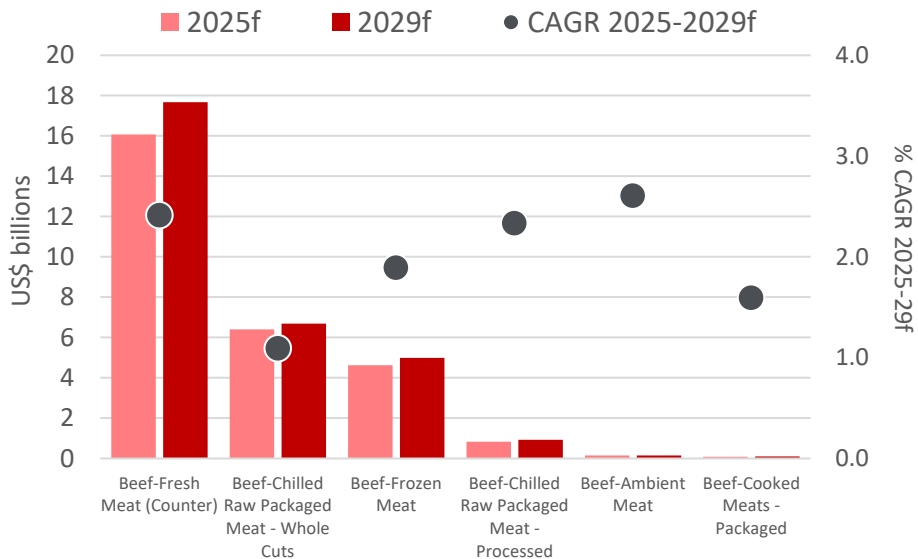
Source: IGD.

% share based on total grocery sales value of these top 20 retailers of USD132bn

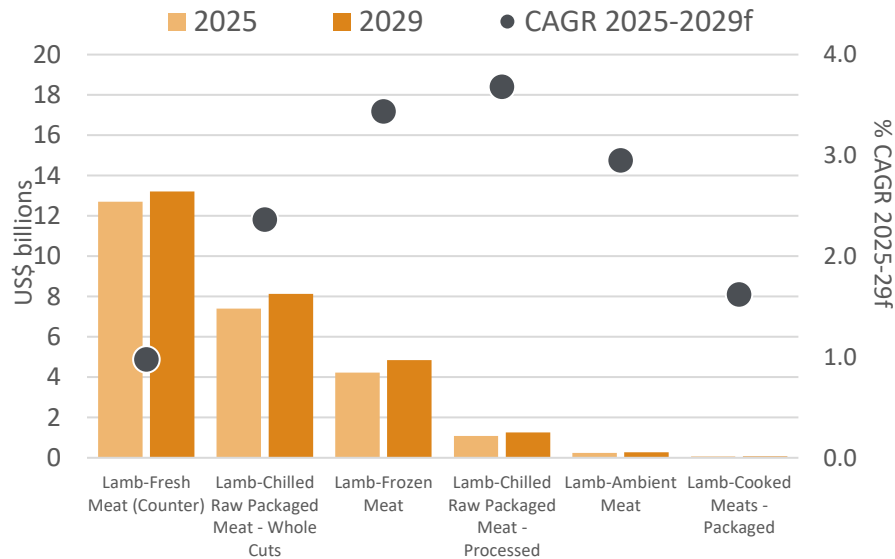


Red meat retail sales are forecast to grow across categories but particularly for chilled processed beef, frozen lamb and chilled processed lamb

China beef retail sales by category and outlook



China lamb retail sales by category and outlook

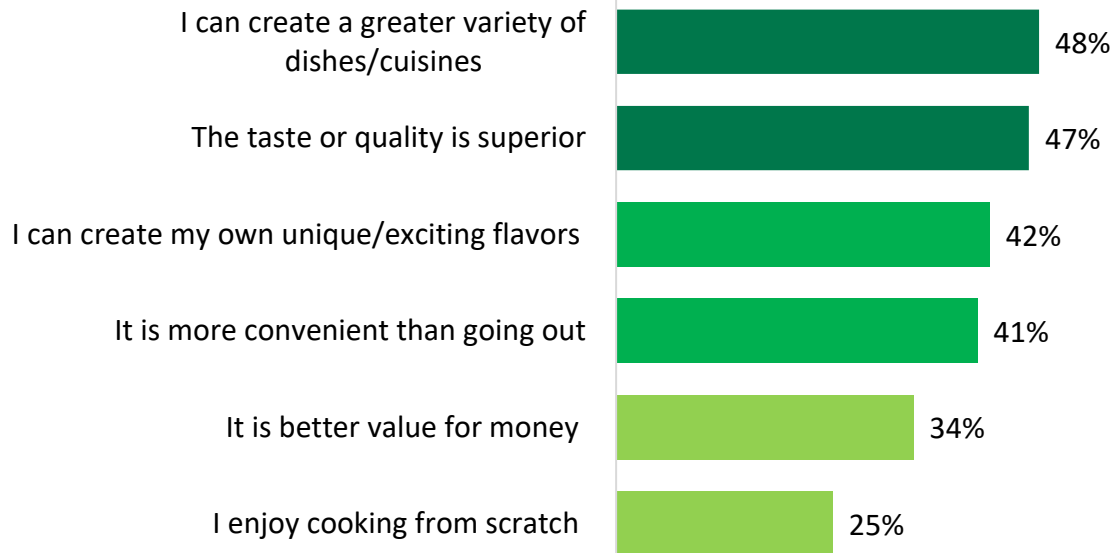


Source: GlobalData, Data accessed 07/04/2025, Sales value through all retail channels combined, CAGR = compound annual growth rate.

Increased cooking of red meat at home has been facilitated by higher penetration of home cooking appliances like grills, ovens and air fryers and availability of larger ranges of pre-prepared products



Ranking of the most influential factors when affluent Chinese consumers decide to cook meals at home

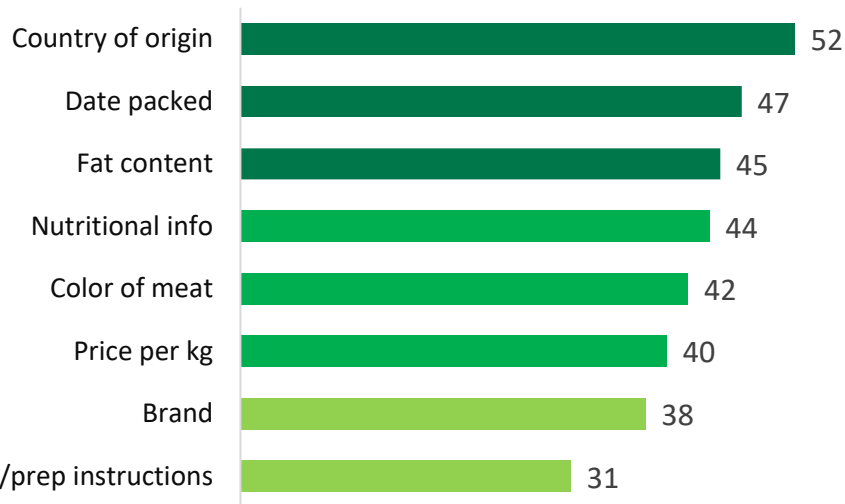


Source: MLA, November 2024, Shanghai

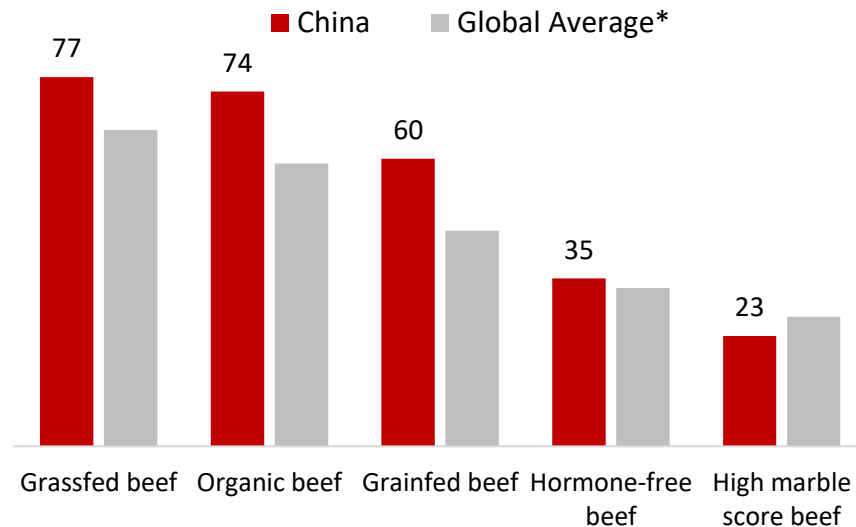
Source: GlobalData Q4 2022, Upper income group

Our target affluent urban Chinese red meat shoppers prioritise country-of-origin, freshness and naturalness. Increased knowledge about quality attributes has grown demand for higher quality products.

Key 5 things affluent urban Chinese shoppers seek when purchasing beef, % Agree



Awareness of beef types, %



Source: MLA Global Consumer Tracker China, 2024.

Survey covered: Shanghai, Beijing, Guangzhou, Chengdu and Chongqing cities. Affluent = h'holds earning RMB200,000+ annual taxable income.

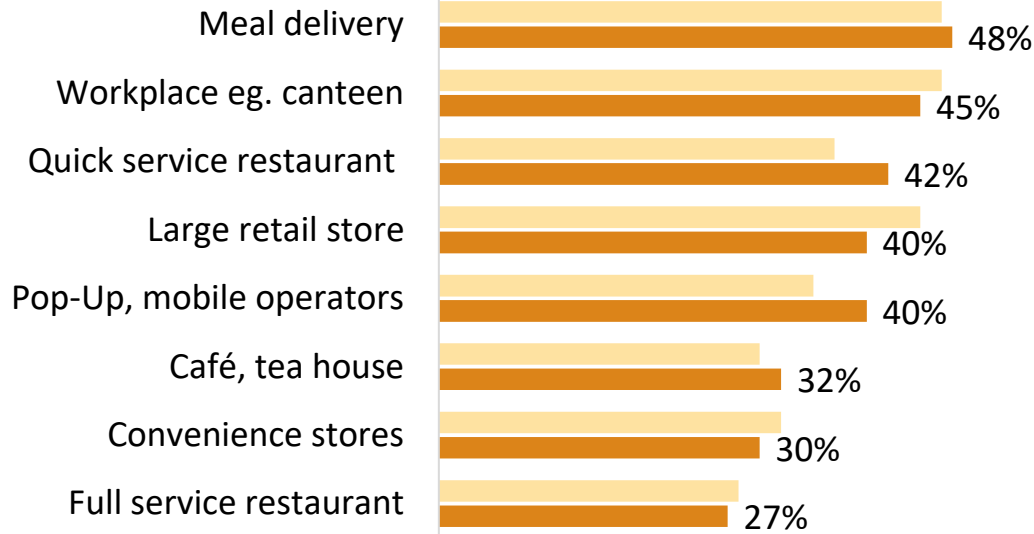
Source: MLA Global Consumer Tracker China, 2023.

*Global Average = average of USA, Saudi Arabia, the UAE, China, South Korea, Japan, Hong Kong, Indonesia, Malaysia, Vietnam, Thailand

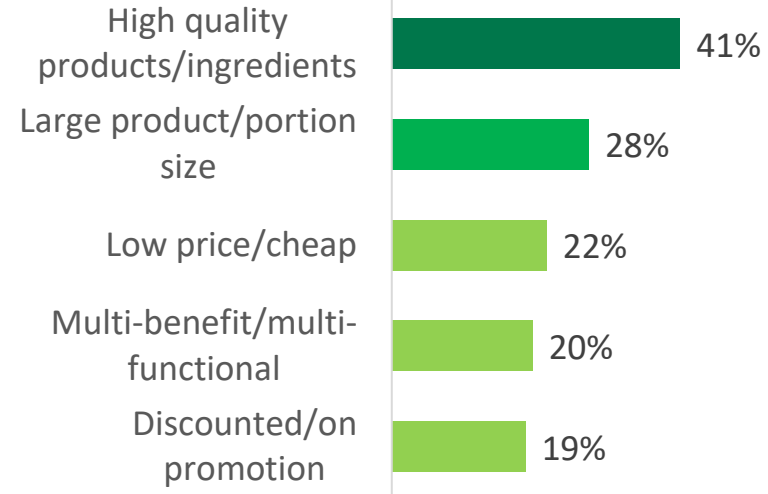
In recent years, high-end restaurants have been challenged by reduced discretionary spending, while lower to mid-tier casual establishments have expanded. Red meat still features on-menu and diners prioritise strong value propositions.

Order food/drinks at least once a week via...

2024 Q2 2024Q4



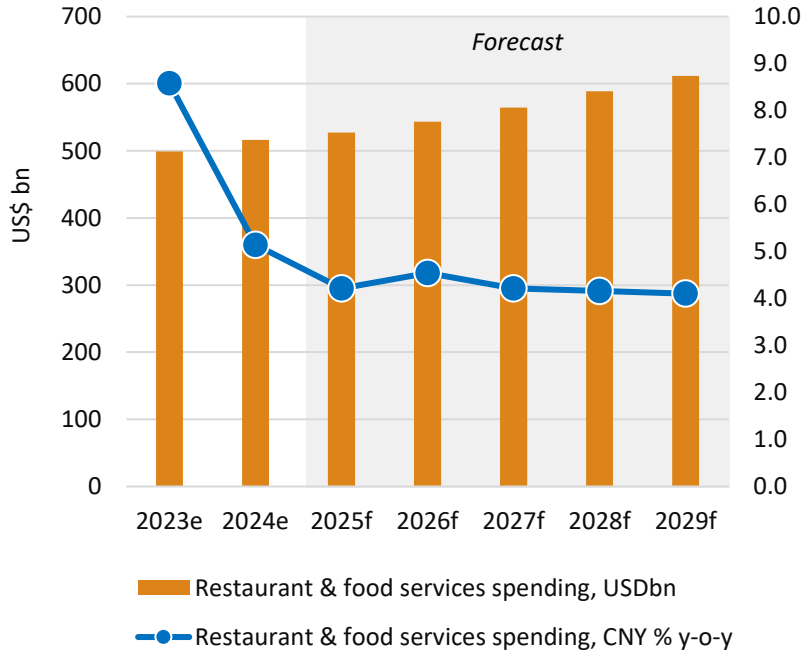
When spending on meat, “good value for money” means high quality product above all else



Source: GlobalData Global Consumer Survey, 2024Q4, % Agree Scores.

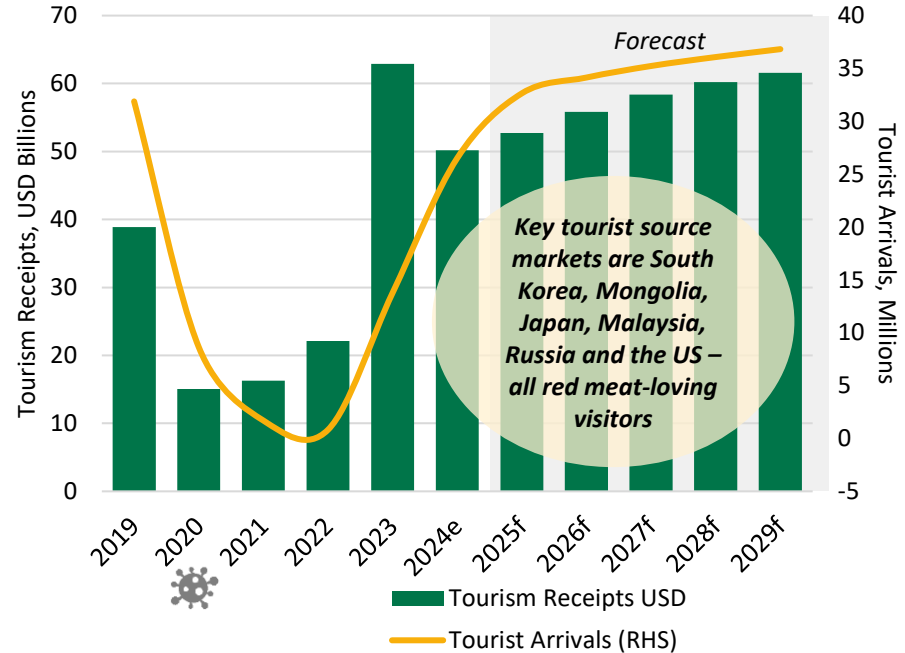
Growth in restaurant spending and tourism still presents opportunities for Australian red meat in the foodservices sector

China post-pandemic foodservice spending



Source: Fitch Solutions, Data accessed February 2025

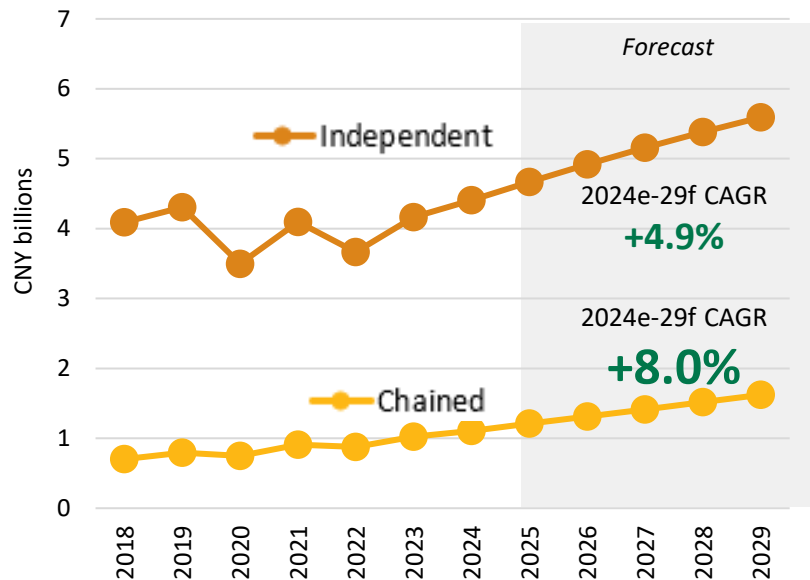
China tourist arrivals and receipts



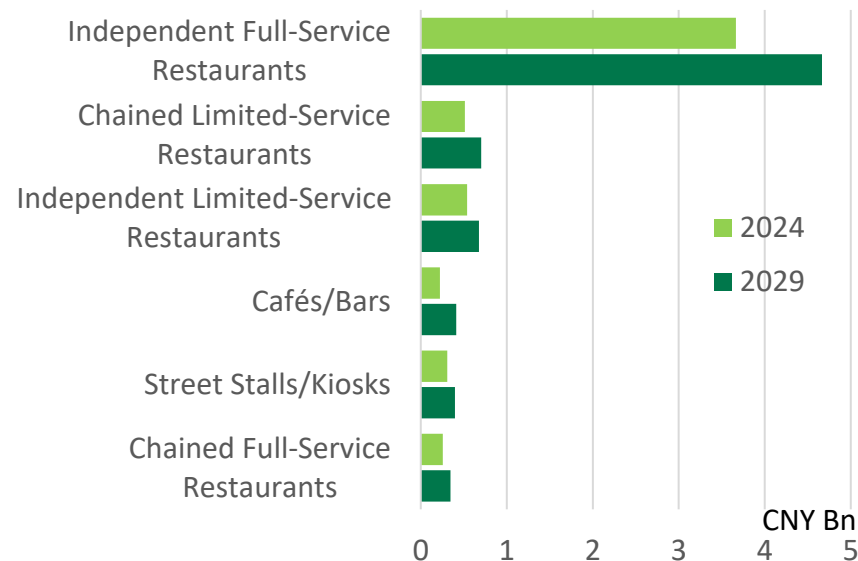
Source: Fitch Solutions, *CAGR = compound annual growth rate, Data accessed 07/04/2025

While all segments in China's foodservice sector are forecast to continue to grow and independent FSRs dominate, chained FSRs and LSRs are forecast to see particularly strong growth in the next few years

China foodservice sales*

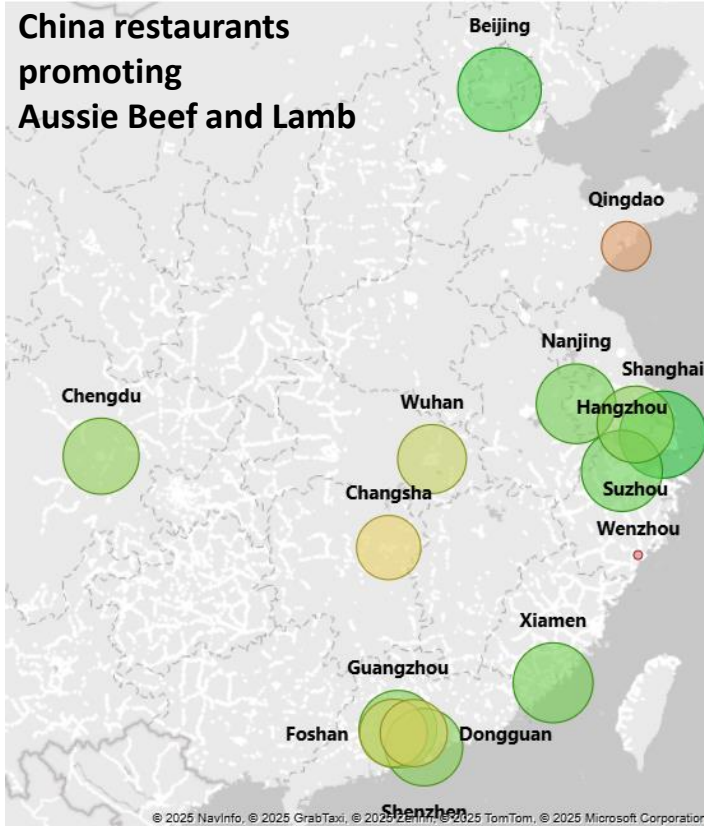


China foodservice sales* and outlook by category



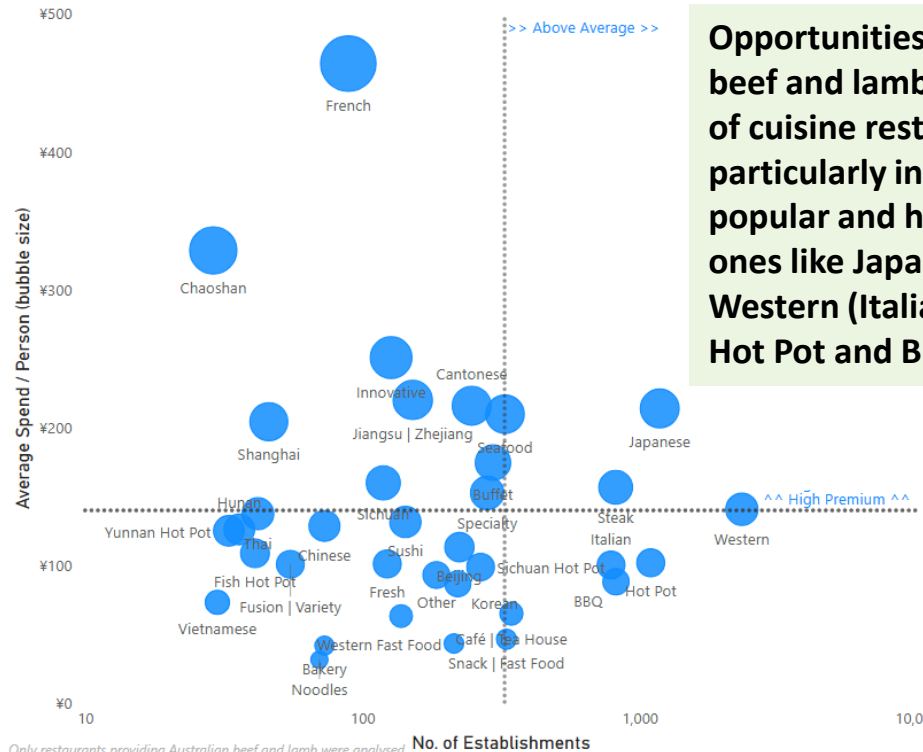
Source: Euromonitor International, includes forecast. *RSP = Retail Selling Price. FSR = Full-Service Restaurant. LSR = Limited-Service Restaurant (fast food + 100% home delivery/takeaway outlets). Cafes/Bars, Bars/Pubs and other include both Chained and Independent

Coastal cities have the highest concentrations of restaurants promoting Aussie beef and lamb, but inland cities are developing fast



Cuisine / Establishment Types on Dianping

by the no. of establishments and average spend / person



Opportunities for Aussie beef and lamb in a range of cuisine restaurants, particularly in more popular and higher-spend ones like Japanese, Steak, Western (Italian, French) Hot Pot and BBQ

Source: MLA/China Skinny Dianping Research on Restaurants in key China cities promoting Aussie beef and lamb, November 2024. Total 11,930 establishments included.

MLA has identified the drivers of growth for different Australian red meat products in the China Mainland market for the next several years

	Peace of Mind 安心享用	Live Better 天然健康	Simply The Best 卓越品质	Ultimate Experience 至臻享受	Make Life Easier 速食雅味
					
Consumer need	Safe, traceable and sustainable red meat	Red meat that supports a healthy, happy lifestyle	Superior eating quality red meat to make meal occasions special	World class red meat to enjoy luxurious meal experiences	Easy and fast red meat meal solutions that are healthy and enjoyable
Elements to highlight to meet consumer needs	<ul style="list-style-type: none"> • Safe (non-harmful) • Transparent and traceable • Sustainable 	<ul style="list-style-type: none"> • Healthy, balanced diet & lifestyle • High quality of life • Happiness & wellness support 	<ul style="list-style-type: none"> • Superior eating quality experience • Making every occasion special 	<ul style="list-style-type: none"> • Luxury dining experiences • Personal, meaningful indulgence 	<ul style="list-style-type: none"> • Convenience innovations • Fast, easy, healthy & quality meal solutions • Enjoyable variety
Potential product solutions	Whole red meat range, with product claims like free-from, non-GMO, sustainable, verifiable traceability/ certification	Grassfed, pasture-raised, Organic, better-for-you options, cuts variety to suit local meal repertoires	Products with eating quality guarantee, info on days on feed, marble score, breed, provenance, gift boxes	Highly marbled beef and lamb, wagyu, unique heritage and provenance story (feed, breed, heritage)	Value-add innovations, semi-prepared, pre-prepared, ready-to-heat, eat and cook, portion packs

THANK YOU

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Aussie Meat Trade Hub:

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