

We here at MeatEx believe that Canada is the future. We want you to see the potential that we see as well. The main areas where we see Canada standing out are:

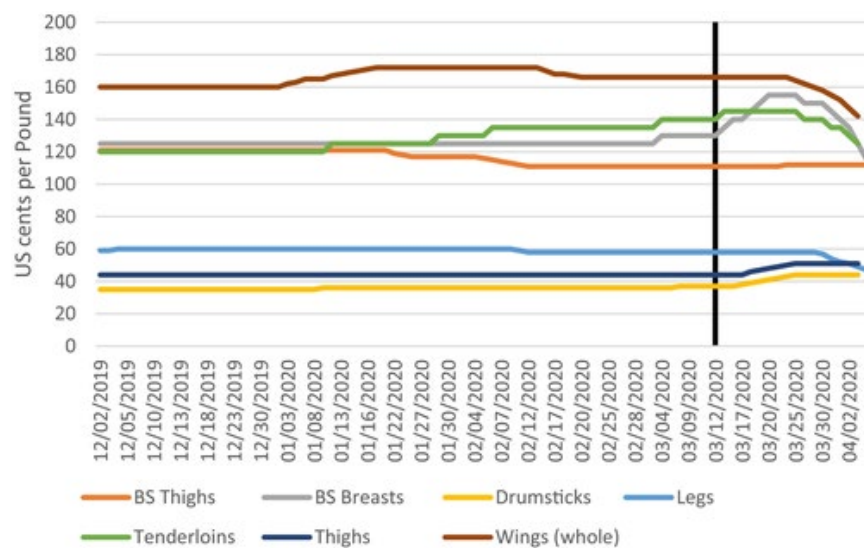
- Government support for COVID recovery of the meat and poultry industry
- Diversity of the population and multicultural society
- Poultry consumption rates in Canada and the region of the Americas
- Continuing demand for chicken and poultry, despite price inflation
- Access and the high trade level between Canada and the USA
- Trends and Forecasts for 2021 and beyond

This second issue of MeatEx Canada’s mini-report will focus mainly on chicken and poultry.

The chicken and poultry industry in Canada has not escaped the impacts of COVID. However, this has resulted in more of a shift rather than net reduction to the industry. There have been two key trends that MeatEx Canada wants to share with you:

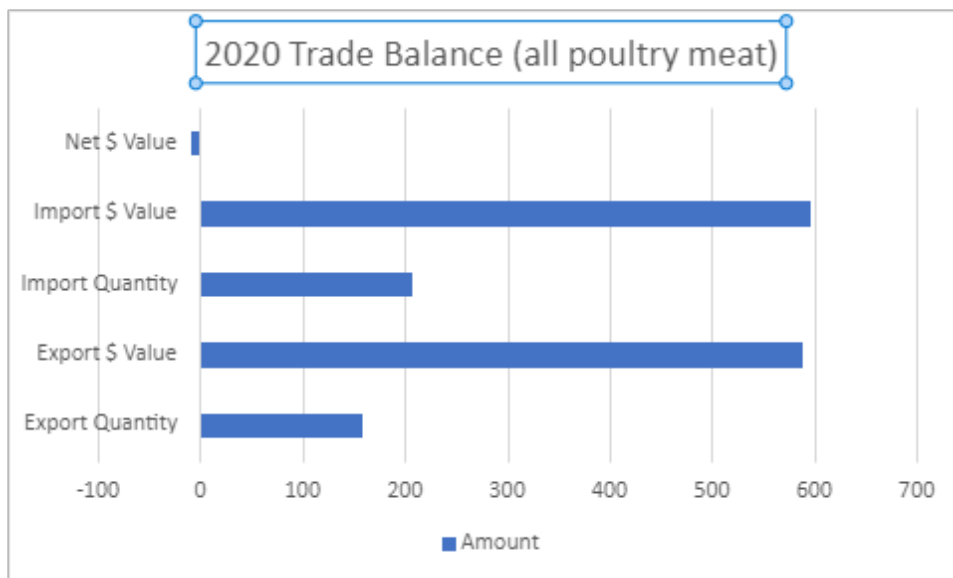
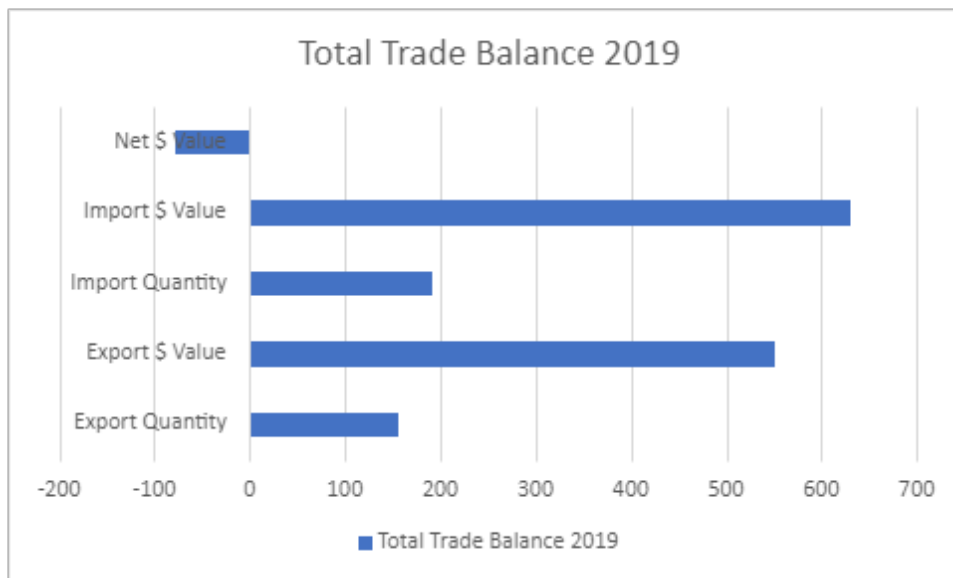
- Product Type Shift
- Trade Balance

Buying has shifted away from the products destined for the hospitality industry, due to the closure of bars and restaurants, but has increased at the grocery store for all the newly created foodies and Instagram chefs cooking at home. As you can see from the chart below, there have been reductions in buying of the products such as Wings, that are usually purchased in hospitality, but only slight decreases or even small increases in the products more often consumed at home such as thighs and drumsticks. This could shift back after COVID as restaurants reopen.



Source Weersink, Alfons, Mike von Massow, and Brendan McDougall. "Economic thoughts on the potential implications of COVID-19 on the Canadian dairy and poultry sectors." *Canadian Journal of Agricultural Economics/Revue canadienne d'agroeconomie* 68.2 (2020): 195-200.

The chicken and poultry trade balance also had a \$70 million difference between 2019 and 2020, getting closer to equality. Canada's exports increased by \$36 million, while imports fell by \$32 million. This means Canada is doing more internal trade, but in general this is likely because purchasing numbers are decreasing. This trend could change back but represents a great opportunity for operations working within Canada to increase their share of the domestic market.



Source: <https://www.agr.gc.ca/eng/canadas-agriculture-sectors/animal-industry/poultry-and-egg-market-information/imports-and-exports/statistics-canada-poultry-and-egg-trade-reports/?id=1384971854405>