Quarterly Markets Update

2025-26 production season | Quarter 4: July to September 2026

Kia ora, and welcome to Beef + Lamb New Zealand's latest markets update, reviewing the 2025–26 season. We'll look beyond the farmgate at how key beef and lamb export markets are performing.

Tell us what you think!

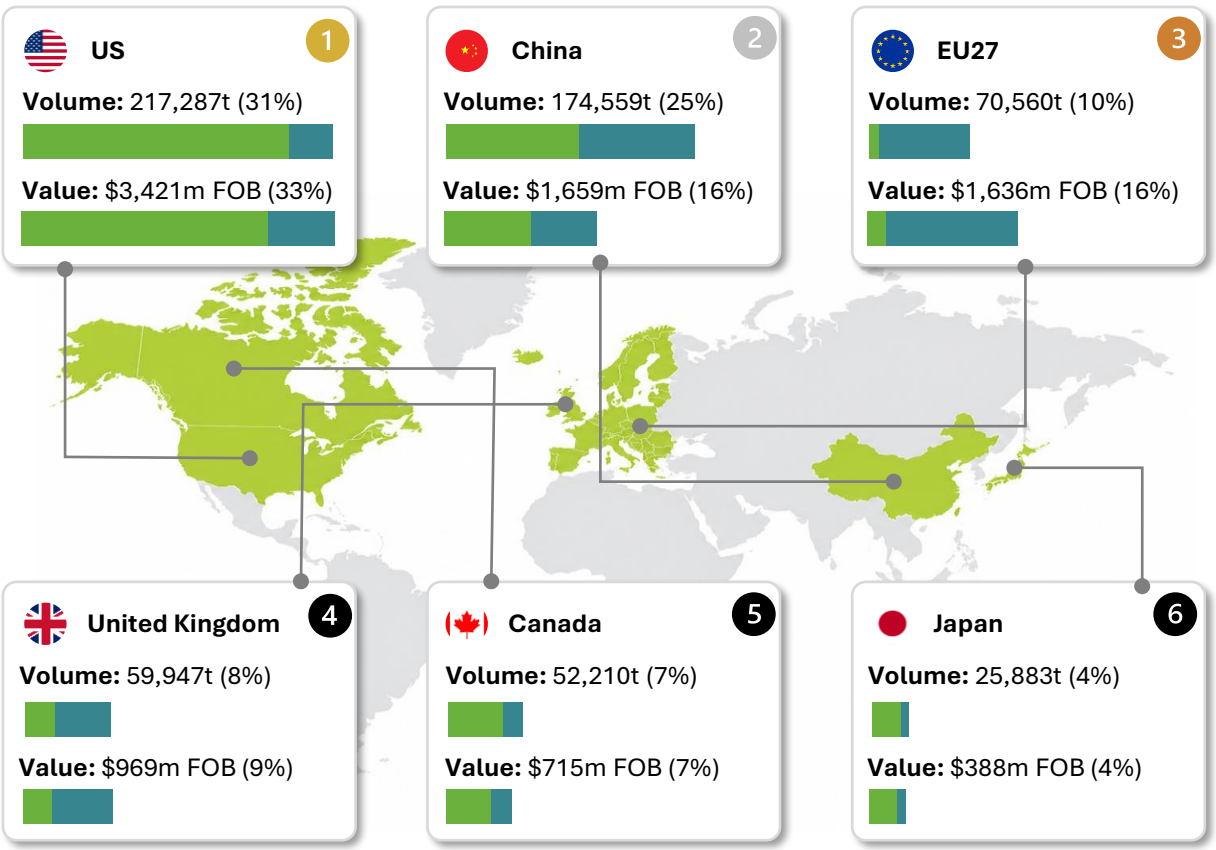
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A strong 2025-26 sets the stage for a positive season ahead

The 2025–26 season was strong for New Zealand beef and lamb exporters, with export values up 56% for beef and 43% for lamb compared with 2020–21. Tight global supply and resilient demand supported returns and are expected to keep prices historically high into 2026–27. However, affordability pressures, trade uncertainty and a stronger NZD are expected to limit further gains. The outlook remains positive, with export receipts forecast to remain around 2025–26 levels, although easing farm-gate prices and rising input costs are expected to reduce farm profitability.

Beef	**427,342** tonnes	**$5.78b** FOB	**$13,522** $/tonne	**83** Markets
Lamb	**280,162** tonnes	**$4.54b** FOB	**$16,207** $/tonne	**100** Markets

Diagram Key: ***Beef*** ***Lamb***

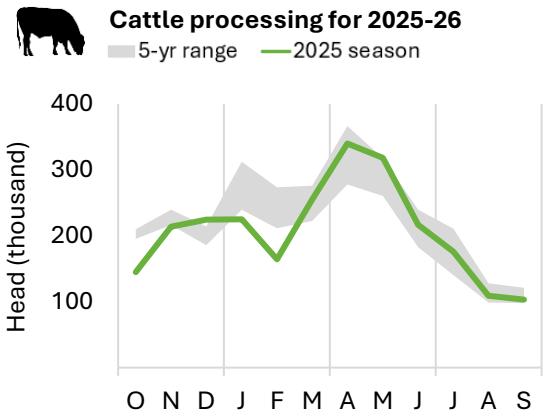


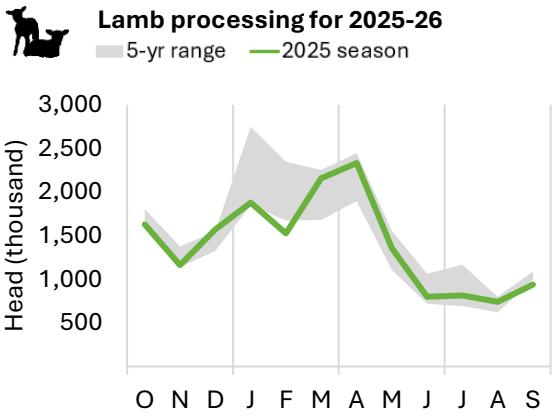
The top six markets accounted for 85% of total export volume and value.

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New Zealand Production

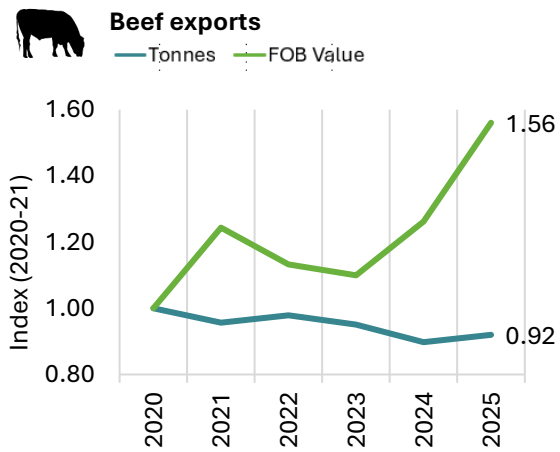
Cattle and lamb processing followed a broadly typical seasonal pattern in 2025-26. Processing of both was slower through parts of summer as strong pasture growth encouraged farmers to hold stock longer, before lifting strongly through autumn to peak during quarter three. In 2025-26, the industry processed 2.49 million beef cattle (+1.3% from 2024-25) and 16.9 million lambs (-1.1% from 2024-25)

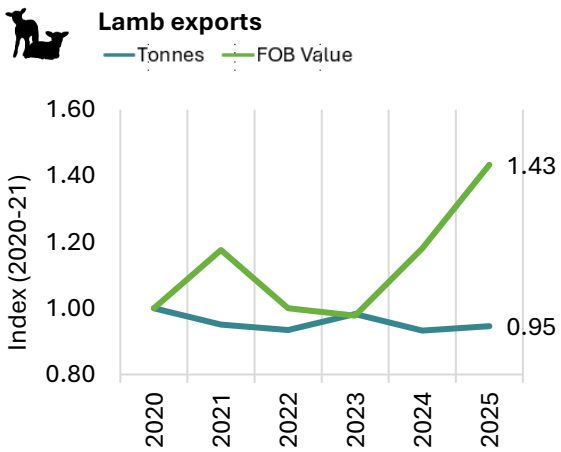




Export Summary

Over the full 2025–26 season, beef and lamb export volumes remained slightly below 2020 levels, while export values were much stronger. Beef export value was 56% higher than in 2020, despite volumes being 8% lower, while lamb export value was 43% higher, with volumes 5% lower. This shows the strength of pricing through the season, supported by tight global red meat supply, enduring demand from key markets and favourable market access conditions.





Market Deep Dives

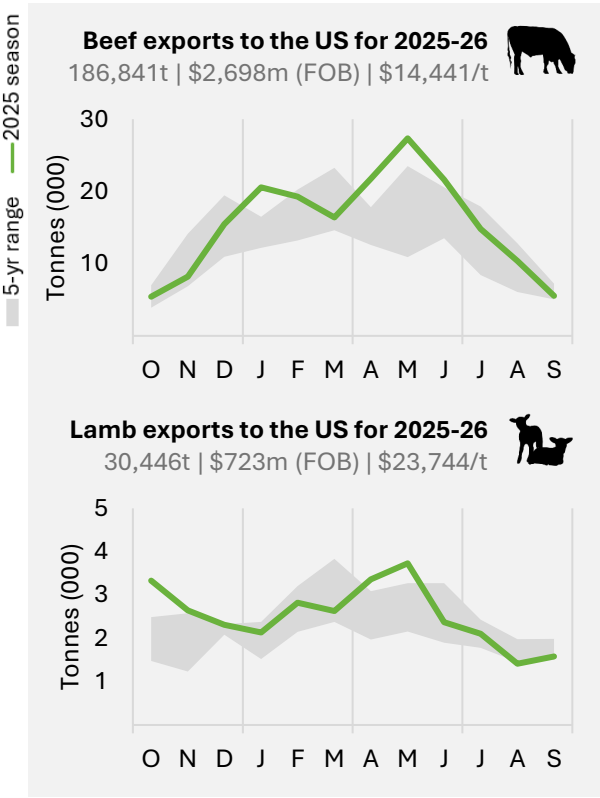
The following three pages present some high-level commentary on demand from and exports to New Zealand's top six export markets for beef and lamb: US, China, EU27, UK, Canada and Japan.

#1 United States of America (US)

The US was New Zealand's largest export market for beef and lamb products in 2025-26, valued at over $3.4 billion. 86% of total volume exported to the US was beef. Demand for imported lean beef was high alongside domestic production, supporting strong returns for New Zealand beef exporters. Consumers continued to buy as prices rose, although consumer confidence softened late in the season as household budgets remained under pressure from rising living costs, particularly energy as the conflict in the Middle East continues.

Health and nutrition trends remain supportive of lean red meat demand. However, competition to supply the US increased late in the season as more Brazilian beef became available and was encouraged into the US market.

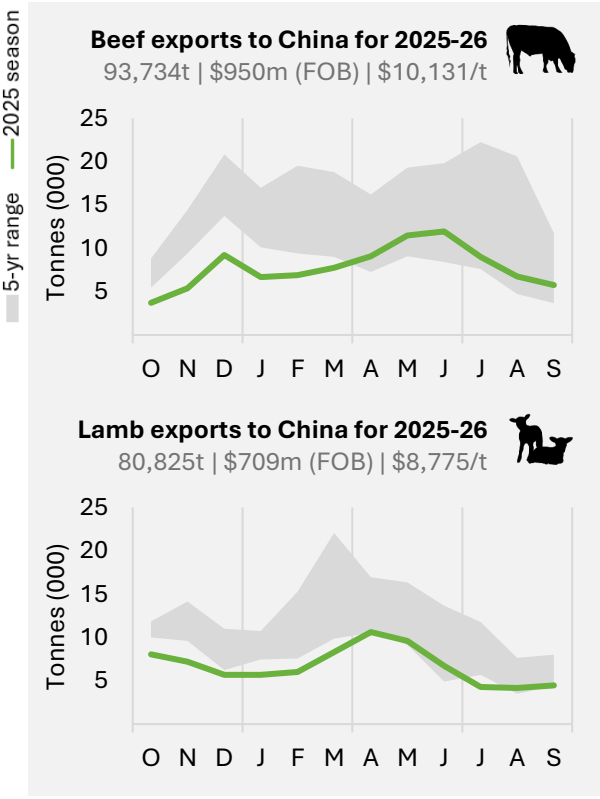
The ongoing US lamb safeguard investigation creates uncertainty for the year ahead. B+LNZ and MIA continue to work together to represent New Zealand farmers' interests in the process.



#2 China

China remained an important but challenging market for New Zealand beef and lamb, valued at $1.66 billion. Demand has not returned to the levels seen several seasons ago, with exports below the lows of the previous 5 years early in 2025-26. Weak consumer confidence and cautious household spending continue to weigh on red meat purchases. Consumers remain highly price sensitive, with some trading down to lower-value cuts or switching to cheaper proteins.

Despite this, China continues to play an important role for New Zealand, particularly for lamb volume and whole-carcass value. The main positive was a lift in beef exports during Q3 and Q4 on previous seasons as New Zealand's relative competitiveness improved when Brazil and Australia reached quota constraints. This may create an opportunity early in the 2026-27 season, although the opportunity may be limited with soft demand and increased imports at the start of the new quota year on 1 January 2027.



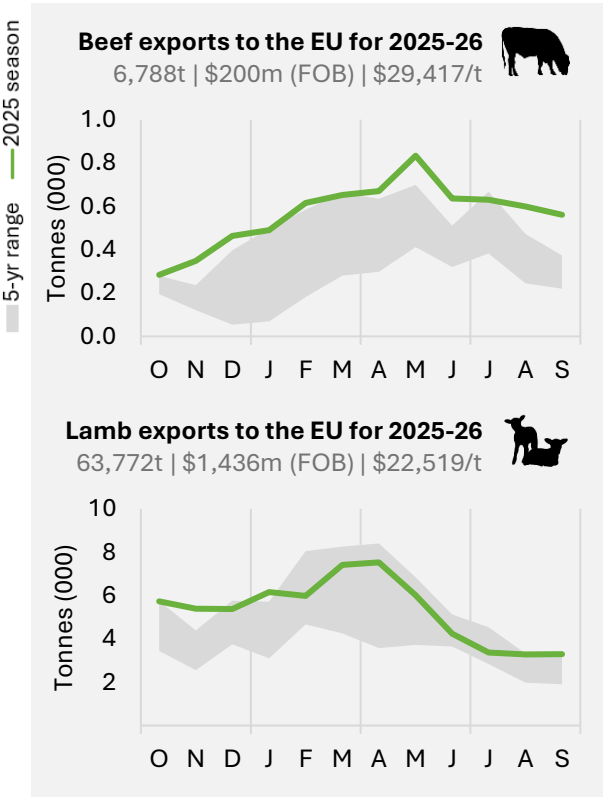
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#3 European Union (EU27)

The EU continued to be New Zealand's highest value market for lamb for the 2025-26 season, valued at $1.44 billion. Beef exports to the EU increased but remained a small share of New Zealand's beef exports. Brazilian beef has been excluded from the EU since September 2026 over compliance with EU antimicrobial requirements, potentially creating additional opportunities for New Zealand beef exporters. However, any upside for beef to the EU is constrained by the small FTA beef quota.

The EU opportunity is strongest for lamb, particularly high-value cuts such as racks, loins, shanks and legs.

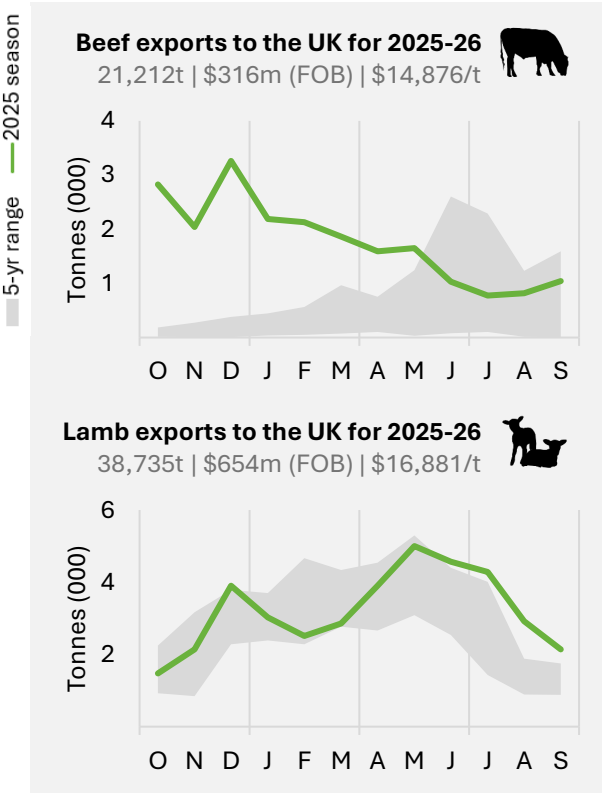
The main constraint is consumer affordability. Energy-driven cost of living pressure has increased throughout the season as the Middle East conflict continues. This is encouraging households to make more price-conscious choices between cuts and proteins.



#4 United Kingdom (UK)

The UK remained an important high-value market for New Zealand beef and lamb in 2025–26. Lamb exports were valued at $654 million, reinforcing the UK's role as a key market for New Zealand lamb, while beef exports continued to grow following the NZ–UK FTA – to $316 million. Growth in beef exports remains positive, but is still constrained by New Zealand's allocated quota and out-of-quota tariff rate.

Tight domestic beef and sheepmeat supply continued to support demand for imported product and helped lift prices through the season. However, like the EU, affordability remains a key constraint for consumers. British households are still cautious with higher living costs, particularly the influence of energy and grocery prices. As prices have risen, consumers have become more selective, with retail and foodservice sales volumes for both beef and lamb easing over the 52 weeks to early September.



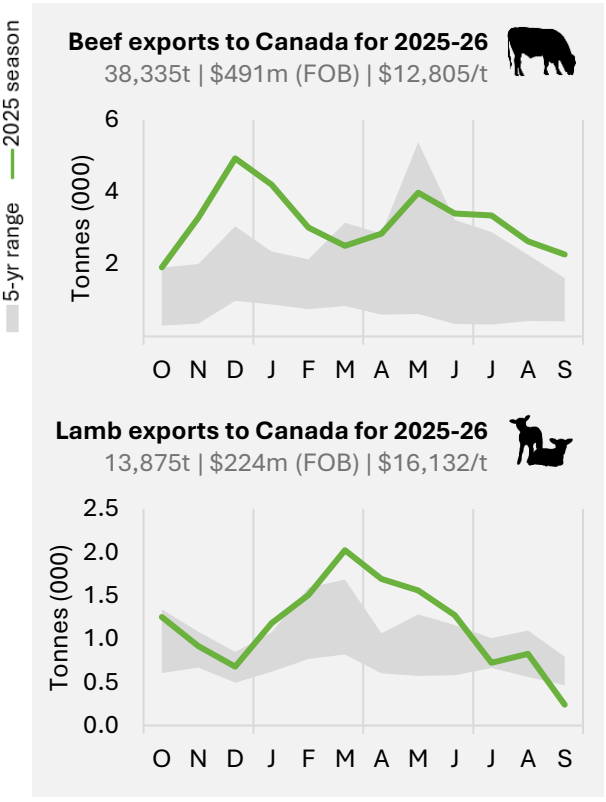
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#5 Canada

Canada remained an important market for New Zealand beef and lamb in 2025–26, with exports valued at $715 million.

Both products tracked above recent seasons, supported by resilient beef demand despite higher prices. Canada Beef reported that per-capita beef consumption increased 3.4% in 2025, while purchasing held up into 2026 even as retail beef prices in April rose 15% year-on-year. However, some consumers shifted towards cheaper cuts to manage household budgets.

With domestic production broadly unchanged, Canadian beef imports increased 5% year-on-year to mid-September. This coincided with growth in Canada's own beef and veal exports, which rose 4% year on year from January to July, led by China, where shipments increased significantly from 52 to 19,609 tonnes. Canada's increased imports therefore came alongside both resilient domestic demand and growing overseas sales.

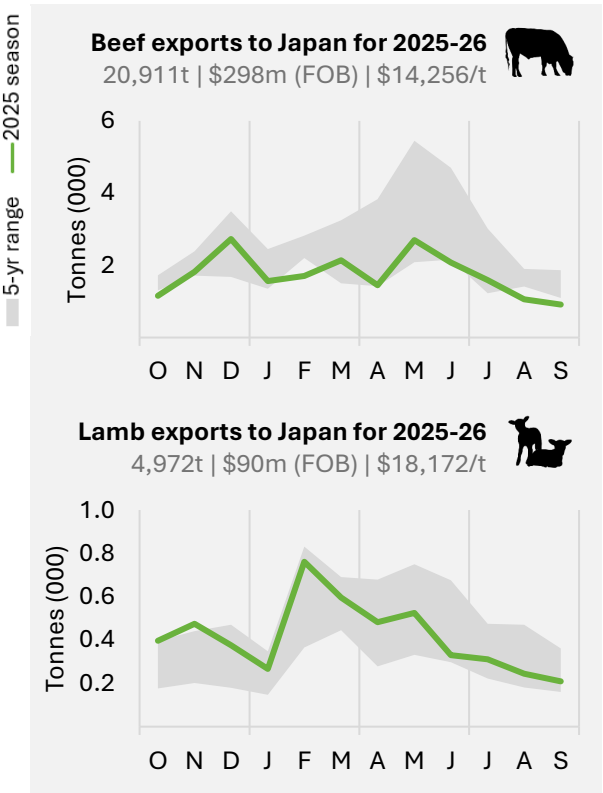


#6 Japan

Japan was an important, high-value market for New Zealand beef and lamb in 2025-26. Beef exports were broadly steady through the season, while lamb occupied a small, premium niche. Demand was supported by foodservice and tourism, but household retail demand remained more cautious.

Cost of living pressures, persistent inflation and a weak yen made imported beef and lamb expensive for Japanese consumers. This is encouraging some shoppers to trade down to cheaper red meat cuts or trade out to cheaper proteins.

Japan's beef production, consumption and imports are expected to decline in 2027, reflecting shrinking cattle herds, fewer breeding farms and value-driven shifts in protein demand. For New Zealand, Japan remains a valuable market, but one where premium positioning and targeted channels will matter more than broad volume growth.



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2025-26 cross-market themes

1. Resilient demand amplified the effect of tight supply
Strong returns in 2025-26 were not just a supply story. Although global beef and sheepmeat supply was tight, the key difference was that demand held up well enough for markets to absorb higher prices. That combination pushed returns above what would normally be expected from supply constraints alone. The demand was strongest from consumers who continued to value quality, consistency and high-protein red meat, even as prices lifted.

2. Global beef trade flows shifted as China's safeguard measures began to bite
As Australia and Brazil approached or exceeded their China beef safeguard quotas, New Zealand's relative competitiveness into China improved. However, displaced Australian and Brazilian beef was redirected into other markets, increasing competition in higher-value destinations such as North America, the EU and the UK (although Brazil's access to the EU was restricted from 3 September 2026). The opportunity in China is useful for the remainder of the calendar year but may not fully offset greater competition in markets that typically generate stronger returns.

3. High prices made consumer price sensitivity more visible
Consumers were willing to pay higher prices through much of the season, but affordability became a clearer constraint for some consumer segments as the year progressed. Energy costs and wider cost-of-living pressures put more pressure on household budgets, including through the continuing Middle East conflict's impact on energy, freight and input costs. In some markets, consumers traded down to cheaper red meat cuts or switched to lower-cost proteins such as chicken or pork.

4. Market access and compliance became more important
The 2025-26 season reinforced the value of secure market access. China's beef safeguard, the US lamb safeguard investigation, EU restrictions, US tariffs and temporary tariff-free access all show a more protectionist trade environment and have demonstrated how changing trade policy and regulatory requirements can influence global trade flows. For New Zealand, this creates risk but also highlights the value of preferential market access and trade agreements with a diversified combination of markets.

Looking forward to 2026-27

Markets are expected to settle at historically high price levels in 2026–27, rather than continue rising at the pace seen in 2025–26. Tight global beef and lamb supply and resilient demand remain key supports, although cost-of-living pressures, slower economic growth, geopolitical uncertainty, protectionist trade policies and a stronger NZD are expected to temper returns. Farm-gate prices are therefore forecast to ease from 2025–26's exceptional highs but remain well above historical levels.

For farmers, the outlook remains positive, with farm profitability forecast to remain well above the five-year average. However, easing farm-gate prices and rising input costs are expected to reduce profitability slightly from 2025–26, limiting how much of the strong market returns flows through to the bottom line.



Lamb
$207/head
(↓ 8.0%)



Mutton
$144/head
(↓ 4.0%)



All beef
$2,140/head
(↓ 4.5%)

Read the B+LNZ New Season Outlook 2026-27 for more detail.

Key Definitions

Term	Definition
FOB	Free on Board export value, measured before freight, insurance and destination costs are added.
TRQ	A Tariff-Rate Quota allows a set volume of product to enter at a lower tariff before higher tariffs apply.
In-quota access	Product entering a market within the quota volume and usually at a lower tariff.
Out-of-quota tariff	The higher tariff applied once the quota volume has been exceeded.
Safeguard	A trade measure used to assess or respond to rising imports that may harm domestic producers.
Relative competitiveness	How attractive New Zealand product is compared with other suppliers, based on price, access, quality and reliability.
Whole-carcass value	Maximising the value of an animal by selling different cuts into the markets that value them most.
Trade flows	The movement of product between global markets.
Market access	The rules and approvals that allow New Zealand product to be sold into an export market.
Farm-gate price	The price farmers receive for livestock before processing, export and retail costs are added.
Trade down / trade out	Trading down means buying cheaper cuts, while trading out means switching to cheaper proteins.
Foodservice	Sales through restaurants, cafés, hotels and catering rather than supermarkets or retail stores.
FTA	A Free Trade Agreement reduces or removes trade barriers between countries.
Tail / headwinds	Tailwinds support returns, while headwinds put pressure on returns.
Season	The production season used in this report runs from October to September.

Data sources

- Production data: New Zealand Meat Board (NZMB) Production Data.
- Export data: New Zealand Meat Board (NZMB) Export Data.
- Market insights: Informed by a combination of government statistics, industry reports and market intelligence/commentary.

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