



Lot feeding brief

Results for the September quarter 2023 feedlot survey

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Summary

- Numbers on feed continued an upward trend, increasing by 1,545 to 1,258,377 head. This small increase made the September quarter the second highest cattle on feed volume on record, only behind Q1 2022.
- Capacity figures increased to highest on record at 1,576,858, with utilisation at 80%.
- Quarterly turnoff fell by 10%, to 618,017 head in the September quarter, the lowest quarterly turnoff figure since Q4 2013.

From the previous quarter:

- In Q3 2023, numbers on feed remained relatively stable in most states. NSW and SA saw small increases of 3% and 1% respectively. There was a small drop of 5% in Victoria.
- WA numbers on feed fell by 42% from the June quarter to 30,405 head, the lowest figure in the state since September 2021.
- For the second quarter in a row, Queensland recorded its highest number of cattle on feed on record, rising by 2% to 774,052 head.
- Capacity figures in each state were steady, though nationally increasing by 21,231. Utilisation rates kept at 80%, just above the 5-year utilisation average (79%).

Figure 1: Cattle on feed

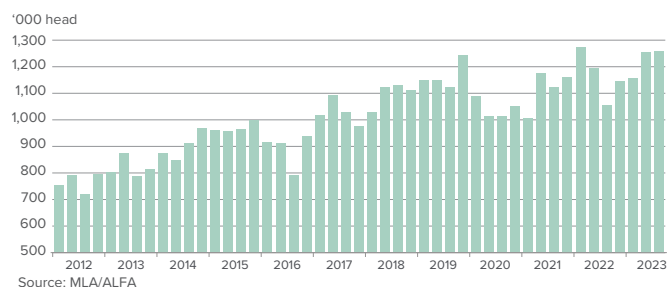


Figure 2: Quarterly grainfed beef exports

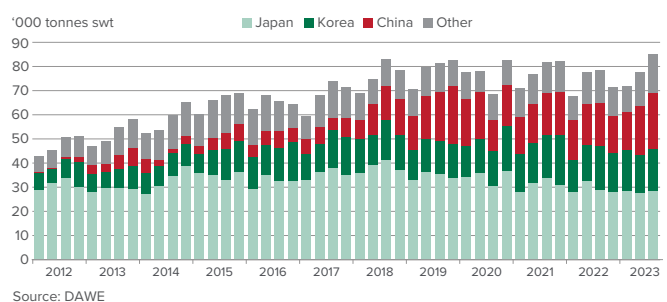


Table 1: MLA/ALFA Survey of feedlot activity

	Feedlot capacity			Numbers on feed			Utilisation %		
	Sep-23	Jun-23	Sep-22	Sep-23	Jun-23	Sep-22	Sep-23	Jun-23	Sep-22
NSW	460,633	447,393	442,617	347,199	337,524	305,554	75	75	69
Vic	82,392	82,392	78,892	55,737	58,613	45,135	68	71	57
Qld	878,705	869,485	829,167	774,052	758,080	626,125	88	87	76
SA	64,940	64,440	69,094	50,984	50,318	38,836	79	78	56
WA	90,188	91,917	91,526	30,405	52,297	40,406	34	57	44
Australia	1,576,858	1,555,627	1,511,296	1,258,377	1,256,832	1,056,056	80	81	70

Source: MLA/ALFA

Grainfed exports

- Grainfed beef exports increased by 10% to 85,050 tonnes, making Q3 2023 the largest quarter on record.
- After easing in Q2, Japan and South Korea markets recovered, increasing by 3% and 10% respectively.
- Exports to China maintained growth for the third quarter in a row to 22,998 tonnes, a 30% increase year on year, making this the second largest export quarter on record.
- Japan remained Australia's largest market for grain fed cattle making up 33% of total export volumes, though down 10% on the 5-year average. The Korean market maintains a 21% market share, and China's market share is up 5% on 5-year averages to 27%.
- Despite record grainfed exports, the grain fed beef share of total meat exports dropped last quarter due to elevated grassfed supply hitting markets.

Domestic feeder cattle price, supply and weights

- The NLRs feeder steer indicator dropped 46 cents quarter on quarter, with a -42% change year on year.
- Feeder steer head count through saleyards was up, reaching 80,397 head, a 23% increase on yardings year on year.
- Average feeder steer weights have remained relatively stable at 408kg/head, 8kg lower than the June quarter.

Figure 3: Grainfed cattle turn-off

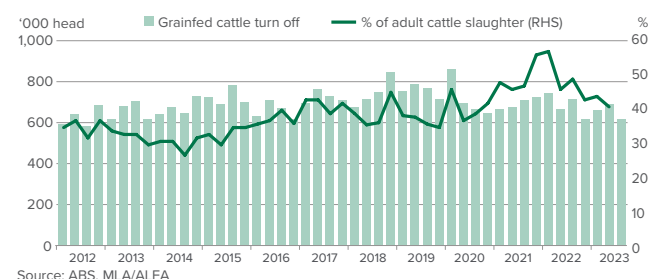
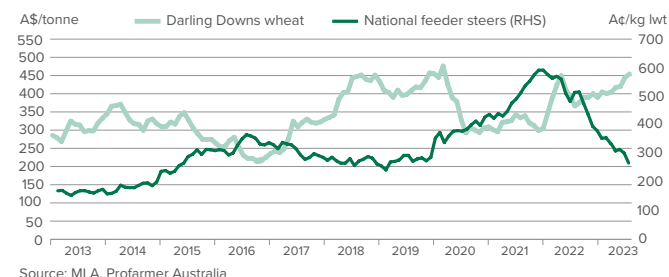


Figure 4: Feed grain and feeder steer prices



Grain prices

- Darling Downs wheat prices rose for the third quarter in a row, growing by 8% to \$439/tonne.
- Compared with year-ago levels, Q3 2022 was 13%, or \$49/tonne lower than the current quarter.

Table 2: Numbers on feed by feedlot size

Feedlot size (head)	Sep-23	Jun-23	Sep-22
< 500	11,405	10,464	8,575
500-1,000	35,365	33,283	33,621
1,000-10,000	349,711	377,654	300,501
>10,000	861,896	835,431	713,359
Total	1,258,377	1,256,832	1,056,056

Source: MLA/ALFA

Table 3: Quarterly cattle feedlot turn-off

	Sep-23	Jun-23	Sep-22
Head			
NSW	163,580	165,279	168,254
Vic	28,390	55,788	43,724
Qld	358,827	408,826	434,298
SA	28,044	24,154	31,193
WA	39,176	34,497	36,454
Australia	618,017	688,544	713,923

Source: MLA/ALFA

Table 4: Feedlot turn-off

	FY2023	FY2022	FY2012
Head			
NSW	845,027	715,403	644,736
Vic	170,811	174,048	136,031
Qld	1,958,091	1,727,457	1,593,951
SA	127,827	92,768	89,377
WA	150,254	134,629	103,366
Australia	3,252,010	2,844,305	2,567,461

Source: MLA/ALFA