



## National Livestock Reporting Service

# Live Export Price Indicator

The Live Export Price Indicator (LEPI) is a 14-day rolling average of the price paid for male feeder-weight cattle from northern Australia being exported to Indonesia via the Port of Darwin. Its price is expressed in a cents-per-kilogram liveweight (lwt) basis in line with how cattle are transacted in the livestock export trade.

### What is a fortnightly (14-day) rolling average?

At any point in time, a fortnightly rolling average includes data from the past 14 calendar days. In the case of the LEPI, the dataset takes the average c/kg lwt price of any animal that meets the LEPI specifications. These average prices per day are then added up and divided by 14. The indicator's price is updated each fortnight and released every second Tuesday.

### LEPI composition

The LEPI is generated on the sale of male feeder cattle, both castrated (steers) and entire (bulls), shipped for export from Darwin to the Indonesian feedlot market. The males will weigh within a range of 280–380kg liveweight (lwt). Muscle scores will be estimated to be C and all fat scores are included.



### Live Export Price Indicator (LEPI) specifications

Indonesian feeder male

Ex Port of Darwin

- » 280–380kg weight range
- » C muscle score



## How is the LEPI calculated?

The LEPI is the average sale price of male feeder cattle purchased by exporters for shipment via Darwin to Indonesia for the previous fortnight. All data shown in the LEPI has been provided by livestock export companies active in the feeder cattle trade to Indonesia.

The average price for each shipment, is weighted by the number of head in each shipment. This is achieved by calculating the consignment value:

$$\text{lwt price} \times \text{head in consignment} = \text{Consignment value}$$

The LEPI (c/kg lwt) is then calculated by dividing the sum of all shipment values by the total number of cattle shipped for the fortnight in the 14-day rolling average. Thus, delivering the indicator price to two decimal places.

$$\text{Sum of all shipping values} \div \text{Total cattle shipped} = \text{LEPI (c/kg lwt)}$$

## The LEPI will be the benchmark for the northern live cattle export market

Much like the Eastern Young Cattle Indicator (EYCI) describes general movements in the young cattle market, the LEPI acts as a key performance indicator for the northern live export market. With feeders destined for Indonesia representing 52% of all live cattle exported annually, this indicator provides the most accurate representation of the market's performance.



Price movements for feeder, slaughter and breeder cattle across northern Australia historically follow the trend of the Indonesian feeder price ex Darwin. As such, prices for male feeder cattle to Indonesia provide the basis for users to calculate price points for different categories of livestock and markets across the northern live cattle trade to SE Asia.

## Price volatility

It is important to recognise that this indicator is generated on a fortnightly basis so volatility can occur. The livestock export trade is seasonal, and volatility can be expected during the Northern wet season period between November and March, when monsoonal rains limit the ability to muster animals and supply tightens. Other influences and external factors will play a role in the market and the LEPI will be subject to these impacts.



\*NTLEA: Northern Territory Live Exporters Association

For further information visit [mla.com.au/lepi](https://mla.com.au/lepi) or email [globalindustryinsights@mla.com.au](mailto:globalindustryinsights@mla.com.au)

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