



Eastern Young Cattle Indicator

The Eastern Young Cattle Indicator, or EYCI, is a seven-day rolling average of young cattle from 25 saleyards across Queensland, NSW and Victoria. It is expressed in cents per kilogram carcass (or dressed) weight (¢/kg cwt) and is rounded to the nearest ¼ cent. The EYCI is produced by Meat & Livestock Australia's National Livestock Reporting Service (NLRS).

What is a seven-day rolling average?

At any point in time, a seven-day rolling average includes data from the past seven days. In the case of the EYCI, this refers to seven calendar days, or one week.

EYCI composition

The EYCI includes vealer and yearling heifers and steers, grade score C2 or C3, with live weight from 200kg (Table 1). The sales included in the EYCI are outlined in Table 2.

Table 1: Cattle categories in the EYCI

Classification	Muscle and fat score	Live weight (kg)
Vealer steers	C2 & C3	200.1 – 280
		280.1 – 330
		330.1+
Vealer heifers	C2 & C3	200.1 – 280
		280.1 – 330
		330.1+
Yearling steers	C2 & C3	200.1 – 330
		330 – 400
		400.1+
Yearling heifers	C2 & C3	200.1 – 330
		330 – 400
		400.1+



Table 2: Prime sales in the EYCI*

Monday		Tuesday		Wednesday		Thursday	
Forbes	NSW	CTLX Carcoar	NSW	Casino	NSW	Armidale	NSW
TRLX Tamworth	NSW	Gunnedah	NSW	Finley	NSW	Dubbo	NSW
Wagga Wagga	NSW	IRLX Inverell	NSW	Moss Vale	NSW	Roma Prime	QLD
Toowoomba	QLD	Scone	NSW	Singleton	NSW	Bairnsdale	VIC
CVLX Ballarat	VIC	Roma Store	QLD	Dalby	QLD		
Pakenham	VIC	Warwick	QLD	Warrnambool	VIC		
		Camperdown	VIC				
		NVLX Barnawartha	VIC				
		Shepparton	VIC				



* Subject to revision

How is the EYCI calculated?

The EYCI is the average price of all cattle meeting the EYCI specifications from the past seven calendar days. It is calculated as follows, using the average live weight (lwt) price, dressing percentage and number of head for individual pens.

- 1 The carcase weight (cwt) price for each pen is calculated.

$$\text{CWT} = \text{lwt price} \div \text{dressing percentage}$$

(expressed as a fraction e.g. 55% = 0.55)

- 2 The average price for each pen is weighted by the number of head in the pen. This is done by calculating the pen value.

$$\text{Pen value} = \text{cwt price} \times \text{head in pen}$$

- 3 The EYCI value (¢/kg cwt) is obtained by dividing the sum of all pen values by the total number of cattle meeting the EYCI specifications and rounding to the nearest ¼ cent.

$$\text{EYCI} = \frac{\text{Sum of all pen values}}{\text{Total head in EYCI}}$$

The EYCI is a benchmark indicator of general cattle markets

The EYCI is designed to be applicable to a wide range of beef industry participants, and describes general movements in cattle market prices in much the same way that the All Ordinaries share index describes general price movements in the stock market.

The EYCI is generally a good indicator of the physical market, with movements in the EYCI closely reflecting movements in many cattle prices. This is demonstrated by the high correlations observed between selected prices and the EYCI (Table 4). The higher the correlation between two prices, the better the relationship.

Movements in the EYCI also closely reflect movements in young cattle prices in states outside the EYCI. This is to be expected, as many major Australian and global factors that influence beef demand and supply have an impact across all states. In addition, interstate trading opportunities and movements of cattle and beef also prevent young cattle prices from moving too far from those in neighbouring states.

Price movements in WA and Tasmania follow the general trends of the EYCI due to the influences described above. However, these states show evidence of other price trends related to distance from major markets, focus on other trades such as live export, or local buyer factors (e.g. meat works closures or openings) and regional weather influences. MLA's NLRS also generates a young cattle indicator for WA.

You can subscribe to both the EYCI and WA Young Cattle Indicator (WYCI) daily summaries via this link: <https://www.mla.com.au/prices-markets/subscriptions>

Table 4: Relationship between the EYCI and selected physical prices (calculated for five years)



Category*	Correlation (%)
Domestic trade steer – QLD	95%
Domestic trade steer – NSW	97%
Domestic trade steer – VIC	94%
Domestic trade steer – SA	94%
Feeder steer – eastern states	99%

* All categories refer to saleyard prices except for Feeder steer – eastern states, which is a paddock sale indicator.

Price movements

It is important to note that movements in prices in individual saleyards and for individual young cattle categories are likely to be much more volatile than the EYCI, while still subject to the same underlying price trends.

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