MEAT & LIVESTOCK AUSTRALIA MARKET INFORMATION

Top 10 trends of 2025

1 US protein deficit – shaping global trade

The tightening of the United States (US) beef domestic supply remains a key global market driver. The US herd is at its lowest level since 1952, following consecutive drought years, and beef production remains constrained with a deficit of nearly 1.4m tonnes (US Department of Agriculture).

Ongoing supply pressure has kept domestic prices high and fueled import demand, especially from Australia. With more US beef directed to local consumption, Australia continues to strengthen its export share in other markets such as Japan and Korea. The global impact is also affecting demand for other read meat e.g. lamb.

2 More beef from fewer animals

Australia is projected to achieve record beef production in 2025, reaching 20.79m tonnes. Notably, this milestone will be accomplished with 9.02m head of cattle slaughtered – 300,000 fewer than in 2014 – the year the current record was reached. This reflects a 10% increase in average carcase weight, with yields up 33kg per head since 2014. The milestone highlights ongoing efficiency gains across the supply chain, supported by improved genetics and on-farm productivity.

3 Record lamb prices

Lamb and mutton prices have reached unprecedented levels in 2025, with heavy lamb prices peaking at 1,245¢/kg cwt in August. While high prices were driven by perceptions of limited supply, actual lamb production is expected to be 610,000 tonnes – a 3% decrease from 2024 but still 1.8% higher than in 2023 when oversupply was a concern.

4 Record goat production and more diversified market

Goat production continues its upward trend, with weekly slaughter consistently above 70,000 head. The 2024 record of 3.39m head is looking likely to be beaten in 2025. Meanwhile, export markets are becoming more diverse, with South Korea, Mainland China and Canada increasing their market share and reducing reliance on the US as the dominant destination.

5 Expansion of the feedlot sector

The capacity of Australia's feedlot sector and the number of animals on feed has continued to rise. As of 30 June 2025, there was a record 1.58m cattle on feed.

Feedlot capacity also reached an all-time high of 1.71m head, with utilisation at 93%. This growth reflects sustained investment and robust demand for grain-fed beef. However, it also suggests the industry will need to grow to absorb any significant lift in turnoff.

6 International trade uncertainty

The global trade environment in 2025 has experienced increased volatility and complexity. New tariffs in the US, expanded market access for South American producers and evolving trade flows with Greater China and North Asia have all contributed to a dynamic landscape. Despite this, Australia's investment in securing preferential access and market diversification, coupled with a strong reputation for quality, safety and reliability, has underpinned sustained global demand for red meat. This has helped support relatively high prices and contributed to record export performance.

7 Live cattle industry resilience

Live cattle exports have rebounded and are expected to reach nearly 800,000 head in 2025, nearing 2022 levels. This recovery reflects strong northern herd numbers after favourable wet seasons and sustained demand from Indonesia, where Australian cattle remain critical to food security. Demand is also evolving, with emerging interest from new markets, including Middle Eastern and North African markets.

8 Evolution of sheep farms

Australian sheep farming continues to evolve with a shift toward meat breeds, driven by robust lamb prices and weaker wool prices. The national flock is now younger and more productive, reflecting genetic and management improvements made during the 2020–2023 rebuild. Lamb feedlotting, though still developing, is expanding as producers seek to maximise stocking rates, and manage seasonal and parasite challenges.

9 Premium lamb on the rise

The premium segment of the lamb market has grown significantly in 2025, highlighted by the launch of K7 lamb and the national rollout of lamb Meat Standards Australia (MSA). For the broader industry, genomics, objective measurement technology and individual carcase feedback has unlocked further lamb and sheep industry value to enable the adoption of the cuts-based eating quality model for sheepmeat. Value-based marketing is expected to further enhance returns from premium lamb products.

10 Dual weather patterns shaping markets

Weather conditions in 2025 have continued to influence market dynamics. The north remains the driving force behind the rebuild. Alternately, southern regions have been experiencing destocking due to drought. The 2025 northern wet season was delayed, but in April Queensland received several weather events, which provided significant rainfall across cattle producing regions. The differing weather cycles in northern and southern Australia have affected pricing and buying trends. Southern processors have been active in northern markets for processor ready stock. Restocker prices remain high in Queensland due to available pasture and positive sentiment, but they are subdued in the south.