Industry projections 2019

Australian cattle

MLA's Market Intelligence – globalindustryinsights@mla.com.au

KEY POINTS

- Herd to contract while dry conditions persist
- Shrinking pool of cattle to impact cattle turn-off
- Cattle on feed to ease from record highs
- Strong demand from Asia, but increasing competition from the US and South America

KEY 2019 NUMBERS

Slaughter:
7.6 million head

Carcase weights:
289 kg/head

Production:
2.2 million tonnes cwt

Beef exports:
1.06 million tonnes swt

* Graphic illustrates year-on-year change

Summary

Cattle slaughter is forecast to drop 3% to 7.6 million head in 2019, as persistent dry conditions in many key cattle producing regions have heavily reduced the size of the breeding herd and potential pool of available finished cattle.

The national herd is now expected to fall to its lowest levels since the mid-1990s – the dry conditions that swept across NSW and south-west Queensland have undone much of the rebuild achieved since the 2013–2015 drought. The prospect of another below average northern wet season and a largely negative three-month rainfall outlook will likely mean many producers that retained stock in 2018 will commence or continue destocking in the months ahead.

Compared to last year, many producers entered 2019 with depleted feed stockpiles, hoping for a turn-around in seasonal conditions to avoid mounting feed costs. The number of cattle on feed is expected to drop from the record levels reached in 2018 to around one million head, on average, in 2019. Lot feeders face similar feed cost pressures but remain incentivised by strong international demand for grainfed product and a lack of alternatives for finishing cattle in the current conditions.

Carcase weights are expected to drop below 290kg/head as the female kill remains elevated and the ability and cost to finish cattle remains challenging. In line with the forecast decrease in slaughter, beef production is projected to drop 4% to 2.2 million tonnes carcase weight (cwt) in 2019.

Many factors are set to assist export prices in 2019, such as a low Australian dollar and the largely positive shifts in demand for Australian beef in key markets. However, increased supplies from the US and Brazil will see competition ramp up, while the unfolding US-China trade war may act as an economic handbrake in two of Australia's major beef markets and have wider implications for the global economy, threatening to dampen any significant upside potential.

Overall, the development of seasonal conditions in Australia will likely override these global forces in the near-term. Any further destocking will see downward pressure on prices, particularly for store condition cattle. Finished cattle will likely remain supported to some degree, given lower supply and strong demand fundamentals.

If there is a major improvement in seasonal conditions across eastern Australia, supplies will tighten sharply and fierce restocker competition may re-emerge, as was the case in 2016. The elevated level of female slaughter in 2018 means breeder cattle, in particular, will remain in short supply and high demand if conditions improve. Many producers will be eager to hold onto breeders they still have to avoid the expensive exercise of restocking when conditions turnaround.

Assumptions

For the purpose of these projections, below average seasonal conditions have been assumed for the first four months of 2019 for Australia's cattle producing regions, before returning to average levels out to 2022. The latest Bureau of Meteorology (BOM) three-month outlook indicates a higher chance of below average rainfall and hotter-than-average temperatures for WA, western SA and the majority of eastern and south-eastern Australia for the February to April period. This outlook follows an extremely challenging 2018 and provides little prospect of relief to widespread rainfall deficiencies across Australia before late autumn (at the earliest), particularly drought-stricken NSW and parts of south-west Queensland.

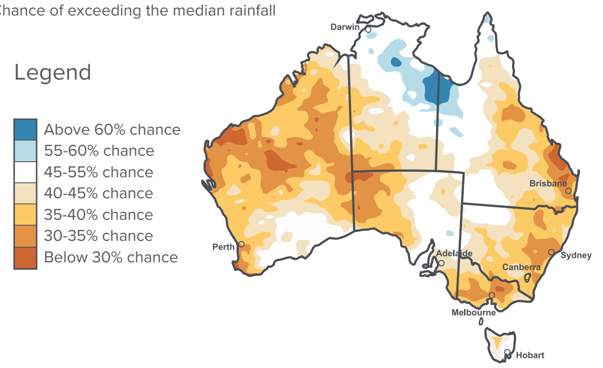
The Australian dollar eased in 2018 against all major currencies, including the US dollar (-13%), Japanese yen (-11%), Korean won (-9%), Chinese renminbi (-5%), euro (-5%) and Indonesian rupiah (-4%). The Australian-US exchange rate moved 10US¢ lower over the course of 2018, opening at 81US¢, before closing the year at 71US¢ and recently dipping below US70c for the first time since 2016.

The major banks have largely similar views for the Australian dollar in 2019, with forecasts ranging from 70US¢ to 75US¢. The performance of the Australian dollar, versus other major currencies, will be driven by comparative economic performance and how trade tensions impact the broader global economy.

Fluctuations in the Australian dollar are, as ever, extremely difficult to predict. Hence, current exchange rates are assumed for these projections but any major swings in exchange rates may have a significant influence.

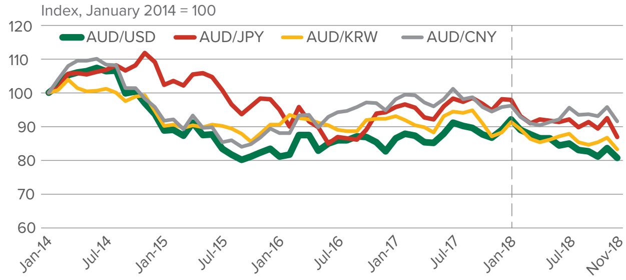
Figure 1: Australian rainfall outlook February to April 2019

Chance of exceeding the median rainfall



Source: BOM

Figure 2: Australian dollar (AUD) currency movements



Source: Reserve Bank of Australia

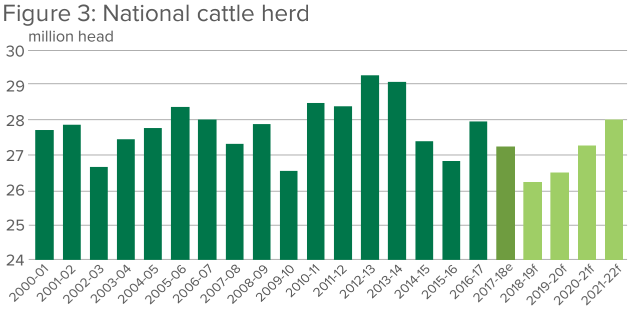
Cattle herd and slaughter

Despite the best intentions of producers heading into 2018, the conditions that prevailed put a halt to the herd-rebuilding phase seen in 2016–17. Severe dry conditions across a large portion of the country forced widespread destocking, especially within the female herd. Adult slaughter rose 9% year-on-year and the female component jumped more that 20%.

The female portion of total slaughter rose above 50% in April, peaked at 54% through the winter months and reached 50.3% on a 12-month rolling average to November – a level only surpassed during the 2002 and 2014 droughts. This high level of destocking saw the national herd decline 2.5% year-on-year, to an estimated 27.3 million head in June 2018.

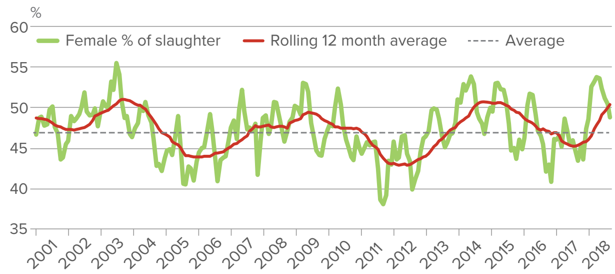
How the northern wet season plays out will have a large effect on the number of cattle available in 2019. With the dry outlook through the first quarter of 2019, it is unlikely that the national herd will revert to a rebuilding phase before winter, particularly with the high cost of feed and relatively strong drought prices for cows. The female component of slaughter has begun to ease back towards 50%, however a fall back to below 47% will be contingent on a widespread break in the drought.

Figure 3: National cattle herd



Source: ABS, MLA forecasts

Figure 4: Female slaughter

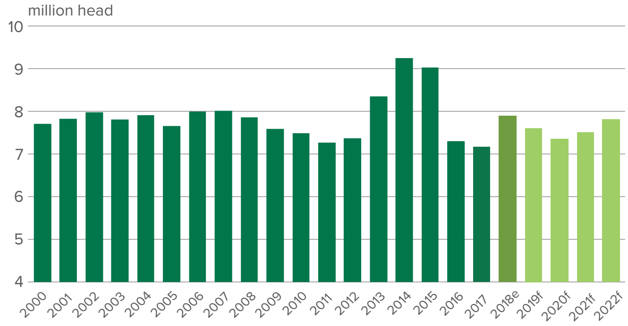


Source: MLA, ABS

As a result of increased slaughter and substantially lower than usual branding rates, particularly across Queensland and NSW, the national herd is expected to decrease a further 3.8% to 26.2 million head by mid-2019, while a return of more average seasonal conditions could see rebuilding recommence later in the year.

Entering 2019 with a lower herd base, slaughter is expected to ease by 3% year-on-year to 7.6 million head. However, the continuation of well-below average rainfall could see this number revised upwards. Similarly, substantial, widespread rain over the remainder of the northern wet season or solid autumn break in the south could see national slaughter return closer to 2016–17 levels.

Figure 5: National adult cattle slaughter



Source: ABS, MLA forecasts

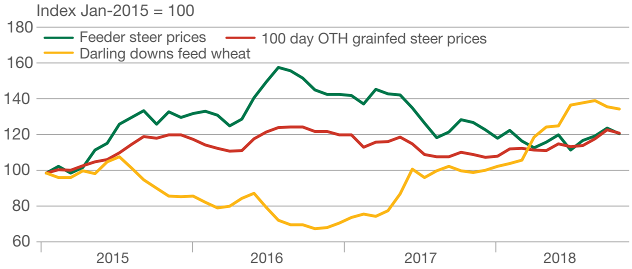
Cattle on feed

Cattle on feed reached record numbers during 2018, despite the high cost of grain. Given the recent difficulty in finishing cattle on grass, the nation's feedlots continue to play a crucial role in mitigating production variability.

While a reasonable sorghum harvest will go some way to alleviating the supply shortage of stock feed, preferred feedlot grains such as barley and wheat will likely remain expensive for the foreseeable future. For this reason, lot feeders will closely monitor the development of the winter cereal cropping season in 2019. Rain could potentially provide some relief as crops are harvested, but would likely mean a sharp short-term increase in the price of feeder cattle. Lot feeders, like the rest of industry, will be hoping for rain, but it is unlikely to provide any short-term margin relief.

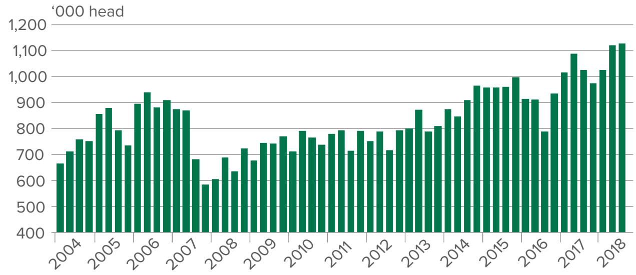
Despite cost pressures, lot feeders appear intent on maintaining valuable relationships with their customers, particularly those in Asian markets such as Japan and Korea. Factoring in solid international demand and a lack of finishing alternatives, cattle on feed will likely remain historically high throughout 2019 but revert to levels closer to one million head.

Figure 6: Key feedlot metrics



Source: MLA, Profarmer (feed grain price)

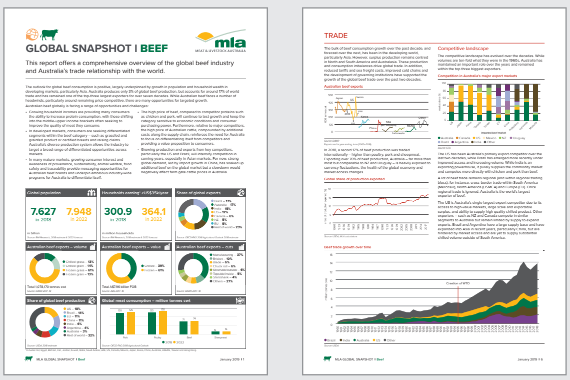
Figure 7: Number of cattle on feed



Source: ALFA, MLA

Global beef snapshot

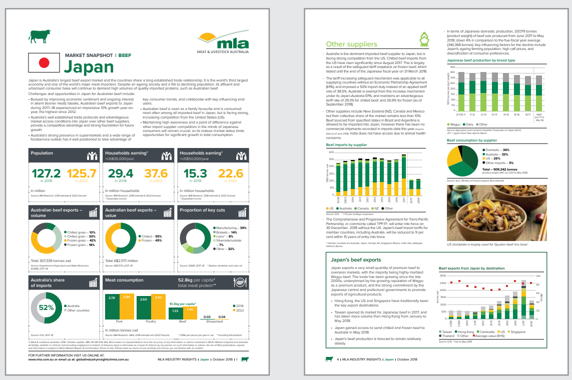
This report offers a comprehensive overview of the global beef industry and Australia's trade relationship with the world.



To view the Global Beef snapshot click here

Market snapshots

MLA's market snapshots aim to give a better understanding of Australia's main red meat markets along with insights into what's driving consumer demand.



To view market specific snapshots click here

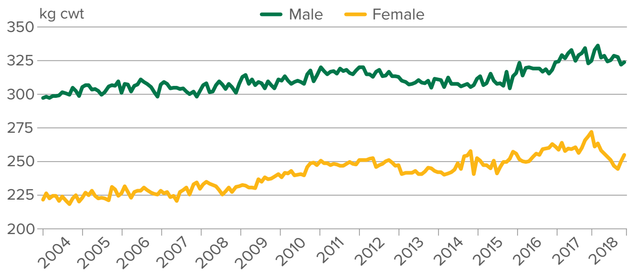
Carcase weights and production

National adult carcase weights are estimated to have fallen 6.2kg to 291kg/head in 2018, underpinned by a lack of pasture and high percentage of female slaughter. Despite the decline, 2018 average carcase weights were still the second highest on record, supported by historically high numbers on feed propping up male weights. Genetic improvements and better management techniques have also had an impact, as average carcase weights have typically increased by 2kg/year over the last 30 years.

In 2019, average adult carcase weights are expected to come back further to 289kg, as female slaughter remains high and seasonal conditions remain sub-optimal. Female carcase weights are predicted to remain fairly stable, at around 256kg, while male carcase weights are likely to decline as pasture conditions remain poor and cattle on feed decline and enter at lower weights.

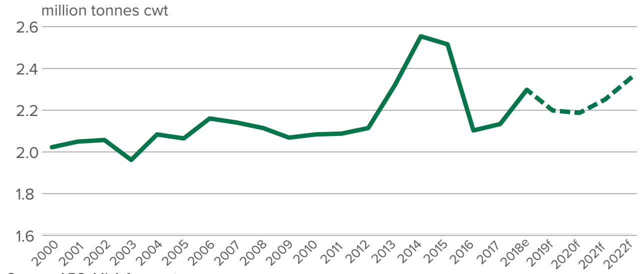
As a result of reduced slaughter and lower carcase weights, total beef production is forecast to decline 4%, to 2.2 million tonnes cwt. However, this could fall further if above-average rainfall occurs over a widespread area, lowering the percentage of female cattle slaughtered, albeit an increase in finished carcase weights would help offset some of the decline.

Figure 8: Adult carcase weights



Source: ABS

Figure 9: National beef and veal production



Source: ABS, MLA forecasts

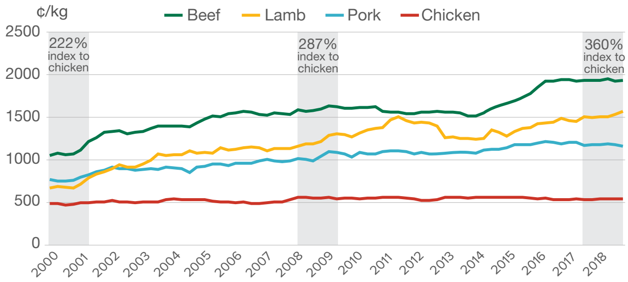
Domestic demand

Australia's total domestic beef consumption has been steady in recent years, following a sharp drop in 2015 induced by a significant increase in the retail price of beef. Beef sales, along with many other categories, faced a challenging year in 2018, with a difficult trading environment across Australia. Lacklustre household income growth, combined with a rising cost of living (electricity, childcare, etc), led to more cautious consumers and supressed consumer spending.

The average retail price of beef for the first nine months of 2018 was up only slightly on 2017 and 2016, but was still the highest on record at $19.33/kg. Since 2013, the average retail price of beef has increased over 26%, while pork has gone up only 8% and chicken has actually dropped 3% over the same period. The relationship between retail price and per capita consumption is extremely strong, reflected in consumer research, which continues to show that price as the main reason for consumers eating less red meat, well above health or animal welfare/environmental concerns.

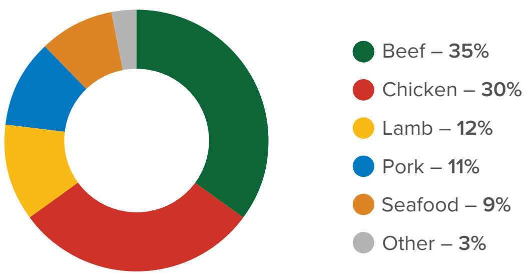
Despite these recent challenges, Australians still love beef and they remain one of the largest per capita consumers of beef in the world. In 2018, beef maintained its market leading position with a 35% value share of fresh meat retail sales in Australia (AC Nielsen Homescan). Maintaining beef's per capita consumption will be a challenge as forecast supply constraints in coming years place further pressure on beef prices and may potentially lead to a growing price spread against chicken and pork. Reinforcing beef's strengths as a superior, versatile, quality and nutritious offering will be critical to keeping its large role in Australian consumer diets.

Figure 10: ABS retail price – Beef index to chicken



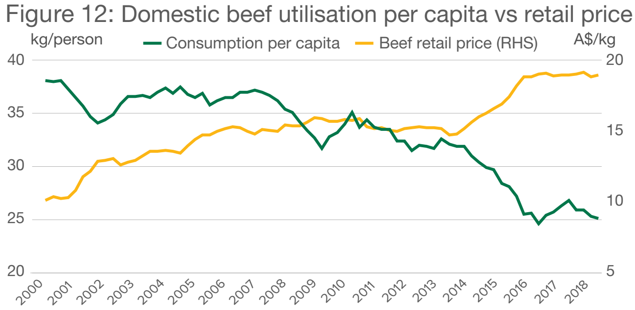
Source: ABS, ABARES

Figure 11: Retail fresh meat value share in Australia – 2018



Source: AC Nielsen Homescan, MAT to 01/12/2018

Figure 12: Domestic beef utilisation per capita vs retail price



Source: ABS, ABARES, MLA estimates

International markets

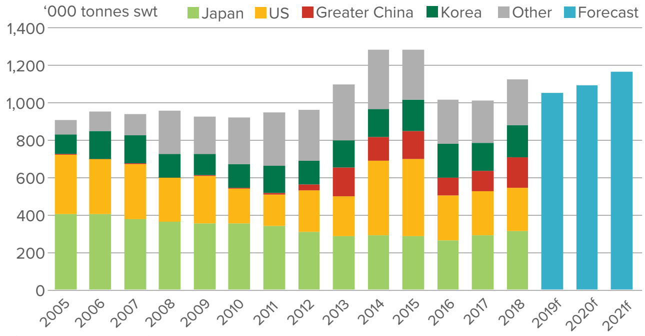
Global demand for Australian beef remains largely positive. Households in developing markets, where incomes continue to rise, are seeking to improve the quantity and quality of meat they consume. Another round of beef tariff cuts – particularly in Japan, Korea and China – will provide further economic benefits for Australian beef in key markets. Forecasts for the Australian dollar indicate further support for exports, as was the case throughout the second half of 2018, with the major Australian banks predicting the dollar to remain below 75US¢ during 2019.

However, global financial markets have begun to show cracks in recent months and the chance of a downturn in the global economy appears more likely than a year ago. The US and China remain embroiled in a trade war but, with both economies showing signs of fragility, the outcome of the 90-day truce (ending 1 March) may provide a clearer direction for the global economy in the year ahead. Overall, strong global demand for beef last year, led by significant import growth in China, soaked up additional beef on the global market. However, a global economic slowdown, at a time of expanding supplies in the US and South America, would negatively affect farm gate cattle prices in Australia.

African Swine Fever continues to spread throughout China, increasing the likelihood of the country looking to overseas markets to supplement protein demand, providing support to the global beef market.

Australian beef exports ended 2018 at 1.13 million tonnes shipped weight (swt), the third largest year on record and the sixth consecutive year exceeding one million tonnes. Japan, the US and Korea continued to lead the way as the three largest markets, but China recorded the strongest growth. Australian beef exports are forecast to follow production and decline 6% year-on-year, to 1.06 million tonnes swt in 2019.

Figure 13: Australian beef exports to contract in 2019



Source: DAWR, MLA forecasts

Japan

Japan finished 2018 as Australia's biggest export beef market for the third consecutive year. Shipments to Japan increased by 8% to 316,000 tonnes swt, dominated by chilled grainfed (96,000 tonnes swt) and frozen grassfed exports (129,000 tonnes swt) but with strong growth in chilled grassfed (+17%) and frozen grainfed (+8%) categories. The strong presence of Australian beef across supermarket chains and foodservice outlets will keep it extremely well positioned to take advantage of key consumer trends and growing demand in the years ahead.

The increased presence of US beef in the Japanese market will continue to pressure Australia's share in 2019, as will domestic supply constraints in Australia. However, effective from 30 December, the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) will reduce the tariff on frozen and chilled beef to 9% over 15 years – as opposed to the 19.5% for frozen beef and 23.5% for chilled beef secured under Japan-Australia Economic Partnership Agreement (JAEPA). This outcome places Australian beef in a prime position to defend its market leading position in Japan in the long term.

US

Beef exports to the US in 2018 totalled 231,000 tonnes swt, back 1% on 2017 levels. Shipments to the US were constrained by rising US beef production, but also limited by robust demand from North Asia – US importers at times paid a premium for Australian manufacturing beef compared to domestic product. The prospects for Australian beef to the market in the year ahead look likely to mirror 2018, as US production of all meat protein expands further. The US economy was buoyant throughout 2018 but, more recently, has started to show signs of fragility. Any sharp downturn would likely flow through to reduced traffic in the foodservice sector, where the majority of Australian beef is consumed.

Manufacturing beef exports accounted for 61% of Australian shipments to the US in 2018. However, amid growing US beef supplies and some fast-food service outlets moving to 'fresh only' (chilled) menu options, Australian manufacturing beef exports declined 5% in 2018. Fortunately, Asian markets – particularly China, the Philippines and Indonesia – have emerged as eager buyers of manufacturing product traditionally destined for the US. In addition, premium branded grassfed beef remains a key growth category in US retail and foodservice; chilled Australian grassfed shipments increased 3% in 2018, to 60,000 tonnes swt, accounting for a record 26% of beef exports to the US. With limited domestic production capacity, US demand for grassfed beef is supported by consumers who perceive it as better for the environment and animal welfare, along with it being more natural and healthier.

South Korea

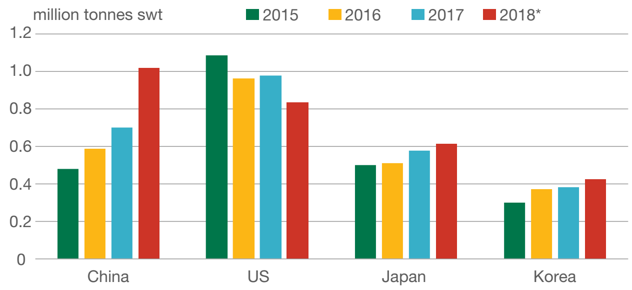
At 170,000 tonnes swt in 2018 – a lift of 15% year-on-year – Korea defended its status as Australia's third largest export destination. Korean consumers have a strong preference for Australian beef and exports to the country have benefited from excellent demand. Domestic *Hanwoo* production growth has been limited and unable to support growing consumer demand. Despite export growth to Korea, Australia's volume and value market share came under pressure from a lift in US production and subsequent spike in beef exports. The Korea-Australia Free Trade Agreement (KAFTA) saw imported beef tariffs decline from 26.6% to 24.0% in 2018. However, Australia has triggered the safeguard in each of the past five years, temporarily eliminating the benefits of tariff reductions and disadvantaging Australia against the US. In 2019, the US will hold a 5.4% tariff advantage and significantly higher safeguard volume, under the Korea-US Free Trade Agreement (KORUS).

China

The Australian beef industry has been one beneficiary of China's transformation into a global importing powerhouse, as the economy shifts to become more consumption-driven. In 2018, Australian beef exports to China increased 48% year-on-year to 163,000 tonnes swt, with an increase in low and high value cuts, surpassing the previous high in 2013 when the imported beef market was in its infancy. Chilled beef exports edged over 20,000 tonnes swt but remain restricted by technical barriers, particularly the number of eligible plants that can export chilled product to China. Frozen grainfed and grassfed shipments surged 78% and 33%, respectively.

The Chinese beef market has become increasingly competitive as more countries are granted access – UK, France and Ireland gained access in 2018 – and existing South American suppliers ramp up trade. Fortunately, Australian beef will continue to benefit from an ability to offer highly differentiated product and as one of the few suppliers of chilled product. Up-scale hot pot restaurant chains, mid-level western and Chinese-style restaurants, quick service restaurant chains and the rapidly changing retail sector provide growth opportunities for Australia beef. In 2019, an additional customs duty will apply if Australian imports exceed 174,454 tonnes swt.

Figure 14: China leads imported beef growth



Source: IHS Markit, *2018 is year ending November

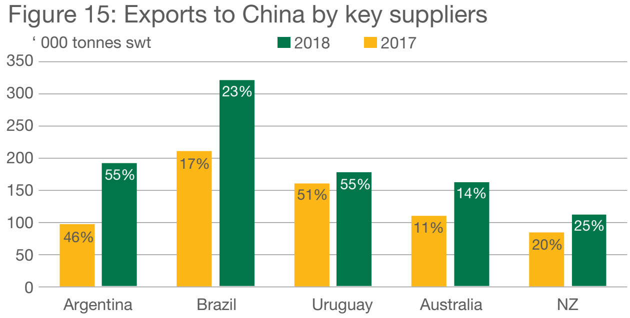
Competitors

US beef production is forecast to increase 3% in 2019, to a record 12.6 million tonnes cwt. US beef exports in 2018 lifted 10% to 850,000 tonnes swt (year-to-October). Japan and Korea have been the main export markets for expanding US beef production, with shipments increasing 8% and 36% year-on-year, respectively. US beef exports are forecast to increase 2% this year, accounting for approximately 12% of US beef production.

Cattle futures imply that beef demand in the US will remain robust in 2019, as consumer appetites for beef show no signs of subsiding. The strength of the US economy will be a key determinant of US demand; a downturn similar to that during the Global Financial Crisis would reduce consumption and push additional beef onto the global market. US cattle slaughter will remain elevated throughout the year, as marketing rates find support from larger feedlot inventories and strong demand. However, 2019 is forecast to mark the end of the current US cattle inventory build-up.

Brazilian beef exports in 2018 totalled 1.35 million tonnes swt, a 12% increase compared to 2017. Beef production is forecast to lift 3% in 2019 to 10.2 million tonnes. However, higher slaughter levels last year, the result of strong export demand, will see a lower-than-expected increase in the herd this year. The performance of the domestic economy is still a concern – as is the case for many countries in the region – however, any noticeable improvement would likely support domestic cattle prices. Brazilian beef exports are forecast to increase 5% to just under 1.4 million tonnes swt in 2019 and could also benefit from the return of Russia as a beef import market.

Figure 15: Exports to China by key suppliers



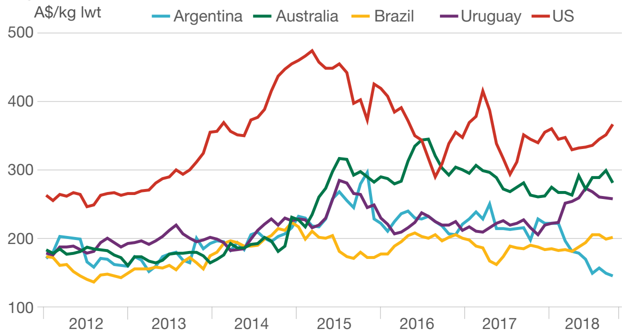
Source: IHS Markit – % indicates suppliers share of total beef exports to China, DAWR

Argentine beef production is forecast to increase 2% in 2019 to 3.0 million tonnes cwt. Export markets will benefit from the increased supply, compounded further by soaring levels of inflation and a severely devalued peso undermining domestic purchasing power. Argentine beef has become extremely competitive on the global market – beef exports totalled 325,000 tonnes swt last year (year-to-November), an increase of 72% year-on-year, almost all of which was destined for China. Argentine beef exports are forecast for further growth this year, albeit less pronounced, up 11%.

The reintroduction of a beef export tax – four pesos per dollar – has not been enough to limit the outflow of product into global markets. New market access opportunities – like the recently secured 20,000 tonne country specific quota to the US – will be a long-term priority for Argentine beef exports, but short-term competition from Argentina will remain in China.

Uruguayan beef exports in 2018 were 6% higher year-on-year at 321,000 tonnes swt (year-to-November). Strong demand from export markets, including live export, has caused Uruguayan inventories to steadily decline. As a result, in 2019 Uruguayan beef production is forecast to fall 7% to 535,000 tonnes cwt and their exports will follow a similar trend, falling 6%.

Figure 16: Global cattle prices compared



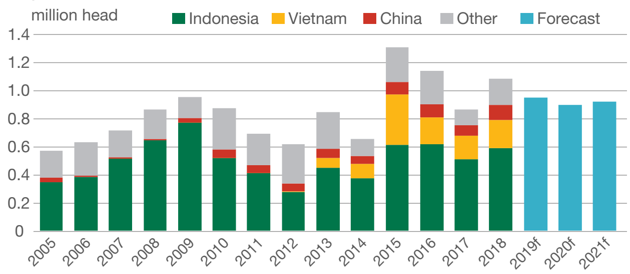
Source: MLA (Australia); Esalq/Cepea (Brazil); USDA (US).Cattle specifications vary between indicators. MLA calculations

Live exports

Live cattle exports are forecast to decline in 2019 to 950,000 head, as a contraction in the northern herd limits the availability of cattle suitable for export. Although not as dry as the eastern seaboard, parts of northern Australia suffered rainfall deficiencies in 2018 and the current wet season will be pivotal in ensuring the quantity and quality of feed is available for the year ahead.

Having an overwhelming influence on the trade is the high cost of Australian cattle destined for price sensitive markets, such as Indonesia and Vietnam. A further rain-induced lift in the Australian cattle market could apply additional pressure to already expensive export cattle prices. Export feeder steer prices trading out of Darwin have experienced a gradual lift since October due to waning supplies. However, while challenges abound, the fundamentals for beef consumption growth in South-East Asia remain strong, with the region hosting some of the fastest growing populations and economies in the world.

Figure 17: Live cattle exports



Source: DAWR, MLA forecasts

Cattle exports to Indonesia in 2018 totalled 589,000 head, up 15% from a year ago. Feeder cattle (538,000 head) drove exports to Indonesia last year, with the number of breeders exported well under the target required by the Indonesian government's 5:1 feeder-breeder policy. Audits of the policy were scheduled to commence in December 2018 but the outcome remains unclear. The ongoing presence of Indian buffalo meat (IBM) will continue to challenge Australian live cattle in the market, and the Indonesia government last month announced it would continue the import program in 2019, with permits for a further 100,000 tonnes issued to fulfil beef demand during Ramadan and Idul Fitri this year. Following the conclusion of negotiations in August 2018, implementation of the Indonesia-Australia Comprehensive Economic Agreement (IA-CEPA) has been delayed. However, once approved, the agreement should provide further stability for cattle exports to Indonesia.

Cattle exports to Vietnam reached just above 202,000 head in 2018, up 22% from year-ago levels. Demand for beef typically increases in the lead up to the Vietnamese New Year festival in February, supporting demand for Australian cattle. However, for the year ahead exports to the market will be strongly tested by the availability and price of Australian cattle.

Cattle exports to China increased 44% year-on-year to 109,000 head in 2018 – shipments predominantly consisted of breeders but growth was led by a three-fold increase in slaughter cattle (30,000 head). However, slaughter cattle continue to face numerous barriers to entry in China – a value-added tax, a 14-day imposed processing timeframe and regional limitations on sourcing cattle from blue tongue virus zones – and earlier growth in the trade appears to have plateaued.

Cattle exports to the Middle East are also faced with an array of challenges. Israel has commenced the process to pass legislation phasing out all livestock imports, while Turkey, balancing domestic policy, has issued a temporary suspension of imported cattle – combined, these markets received close to 80,000 cattle in 2018. Trade to the Middle East will also be tested by the dynamics in the sheep industry, as cattle to the region are shipped in mixed-species loads to reduce costs.

Prices

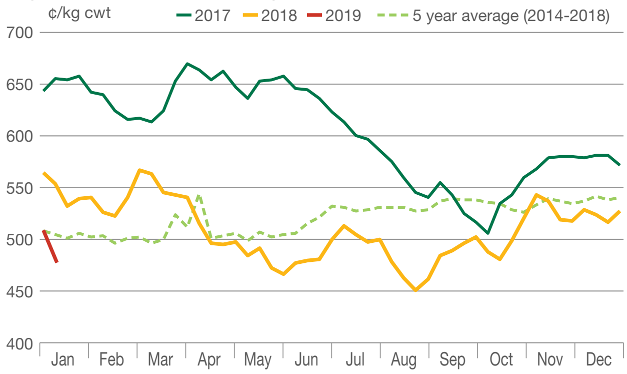
The store market was the major casualty of the drought in 2018, with the Eastern Young Cattle Indicator (EYCI) averaging 511¢/kg carcase weight (cwt), down 91¢ or 15% year-on-year. Given the high hopes with which many producers entered 2018, the decline reflects a disappointing year. More recently, a continuation of sub-optimal weather conditions has seen the EYCI fall below 480¢/kg cwt in the first half of January 2019.

While restocker buyers were largely market spectators in 2018, lot feeder and processor buyers competed with slightly more vigour at times. A lack of pasture resulted in tightening supplies of finished cattle as the year progressed, boosting prices for steers and cows in reasonable condition. As such, heavier finished categories performed well relative to their lighter-weight counterparts during the year.

In terms of national saleyard indicators, heavy steers outperformed other categories in 2018, averaging 504¢/kg cwt, down 4% year-on-year. On the other hand, trade steers fell 10% to average 536¢/kg cwt. The national medium cow indicator declined 10% on year-ago levels, averaging 403¢/kg cwt in 2018. Considering the heightened level of supply, falls in cow prices may have been more pronounced had it not been for solid export demand for manufacturing beef.

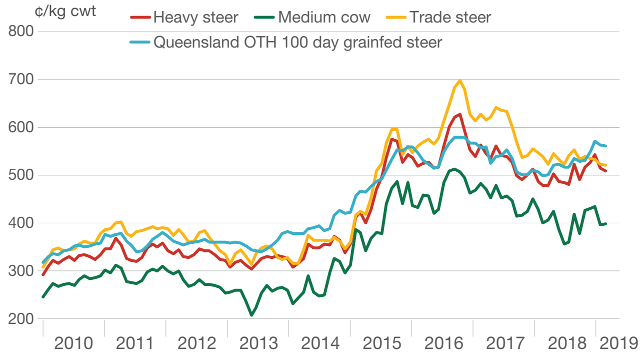
Rising consumption of high quality grainfed beef in key export markets saw slightly more stable prices for feeder cattle when compared to the wider store market. Feeder steers fell 5% over the year to close at 291¢/kg live weight (lwt), but remained 11% above the five-year average.

Figure 18: Eastern Young Cattle Indicator



Source: MLA

Figure 19: Australian cattle prices



Source: MLA

Although 2018 was a poor year overall for the young cattle market, promising price movements at different stages alluded to underlying producer intentions. On the back of decent, albeit fairly isolated rainfall events in March and October, the EYCI lifted rapidly.

Looking ahead, weather will most likely have the strongest impact on domestic cattle prices. However, exchange rates, US and South American production, market access developments and Chinese demand will all play an important part.

Producers will continue to look for opportunities to rebuild depleted herds under the right conditions. A major improvement in seasonal conditions across eastern Australia would likely see supplies tighten significantly, having an immediate and substantial positive impact on prices.

The major concern for the industry is the scenario in which conditions do not improve during the southern autumn and coming in to winter. This would likely result in further destocking and downward pressure on prices, particularly for store condition cattle. Unfortunately, this scenario is becoming more probable as the year progresses. A reversal of current conditions would require far more sustained rainfall than the occasional showers and storms that have thus far defined the summer.

Finished cattle will likely remain supported, given the fact that demand fundamentals remain strong, and supply of quality slaughter cattle will remain tight. As pastures are yet to establish in most regions, and an immediate alleviation in high grain prices is not expected, heavy cattle could potentially remain undersupplied well into 2019.

Situation and outlook for the Australian cattle industry

	2014	2015	2016	2017	2018e	2019^f	% change 2019^f on 2018	2020^f	2021^f	2022^f	% change 2022^f on 2018
Cattle numbers ('000 head)*											
cattle	29,100	27,413	26,845	27,965	27,255	*26,200*		*26,500*	*27,300*	*28,000*	*3%*
percentage change	-0.7%	-5.8%	-2.1%	4.2%	-2.5%	*-3.8%*		*1.0%*	*2.9%*	*2.8%*	
Slaughterings ('000 head)											
cattle	9,226	9,007	7,288	7,158	7,875	*7,600*	*-3%*	*7,350*	*7,500*	*7,800*	*-1%*
calves	688	667	542	413	470	*450*	*-4%*	*425*	*475*	*525*	*12%*
total	9,914	9,675	7,830	7,571	8,345	*8,050*	*-4%*	*7,775*	*7,975*	*8,325*	*0%*
Average carcase weight (kg)											
cattle	276.8	279.1	288.2	297.6	291.4	*289.2*	*-1%*	*297.1*	*300.1*	*302.2*	*4%*
calves	64.9	55.6	53.9	45.7	42.0	*43.0*	*2%*	*45.0*	*45.0*	*45.0*	*7%*
Production ('000 tonnes carcase weight)											
beef	2,554	2,514	2,101	2,130	2,294	*2,198*	*-4%*	*2,183*	*2,250*	*2,357*	*3%*
veal	41.3	32.9	24.2	18.9	19.7	*19.4*	*-2%*	*19.1*	*21.4*	*23.6*	*20%*
total beef and veal	2,595	2,547	2,125	2,149	2,314	*2,217*	*-4%*	*2,203*	*2,272*	*2,381*	*3%*
Cattle exports ('000 head)											
cattle	1,292	1,332	1,126	855	1,089	*950*	*-13%*	*900*	*925*	*950*	*-13%*
Beef exports ('000 tonnes)**											
total, carcase weight	1,881	1,888	1,497	1,493	1,655	*1,561*	*-6%*	*1,548*	*1,607*	*1,712*	*3%*
total, shipped weight	1,287	1,285	1,018	1,015	1,126	*1,062*	*-6%*	*1,053*	*1,093*	*1,164*	*3%*
Domestic utilisation ('000 tonnes carcase weight)***											
total, carcase weight	702	646	614	643	647	*643*	*-1%*	*642*	*652*	*656*	*1%*
kg/head***	29.9	27.1	25.2	26.0	25.8	*25.2*		*24.8*	*24.8*	*24.6*	

Source: ABS, DAWR, MLA forecasts

f = forecast (italics)

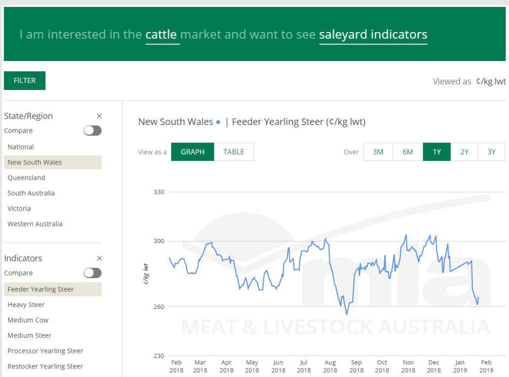
* From 2016 is an MLA estimate based on ABS Data - Figures as of 30th June

** excl. canned/misc

*** Domestic meat consumption is measured by removing the portion of exports (DAWR data) from total production (ABS data) and assuming the difference is consumed (or at least disappears) domestically. Imports are also added to domestic consumption when present. Per capita consumption is calculated by dividing domestic consumption by ABS population data. Please note that domestic per capita consumption is entirely a supply statistic and does not take account of waste or non-food uses of livestock meat products.

MLA's interactive market information tool

Filter the latest data to best suit your needs from our comprehensive warehouse of saleyard, over-the-hook, slaughter, throughput, skins and feeder information. All saleyard reports are now also accompanied with audio commentary from your local market reporter so you can listen at your leisure.



Click here to access the NEW Market Reports and Prices