



Lot feeding brief

Results for the March quarter 2021 feedlot survey

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Summary

- The number of cattle on feed declined slightly in the March quarter and 7.6% on year-ago levels, reported at 1,005,035 head.
- The number of cattle on feed for the March quarter is 3% below the five-year quarter average.
- National feedlot capacity rose slightly from the record December quarter levels to 1,450,482 head – demonstrating continued confidence of the lot feeding industry.

From the previous quarter:

- Queensland cattle on feed decreased by 8% from the previous quarter to 542,176 head.
- SA cattle on feed declined 13% to 36,526 head.
- Cattle on feed numbers in WA increased by 22% to 56,782 head.
- NSW remained steady, reporting 311,957 head cattle on feed, a change of -0.7%.
- Victoria also held firm, increasing by 1.4% to 57,594 head.
- National feedlot utilisation declined slightly to 69%, well below the five-year quarter average of 80%.

Figure 1: Cattle on feed

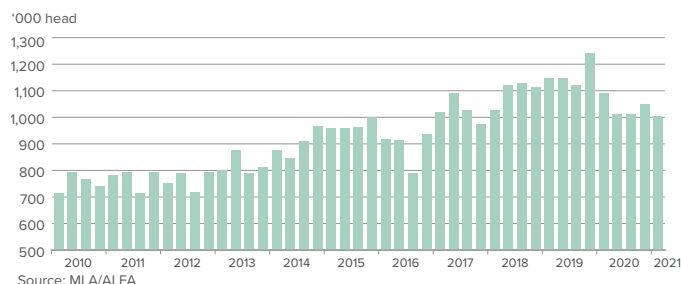


Figure 2: Quarterly grainfed beef exports

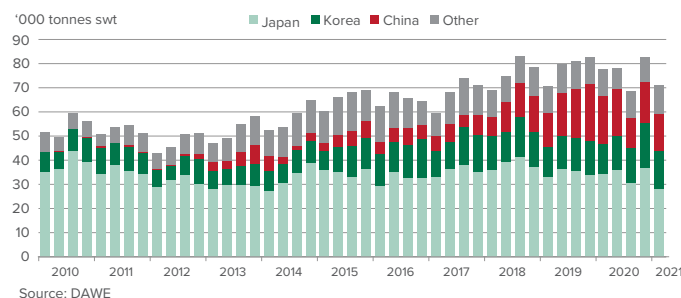


Table 1: MLA/ALFA Survey of feedlot activity

	Feedlot capacity			Numbers on feed			Utilisation %		
	Mar-21	Dec-20	Mar-20	Mar-21	Dec-20	Mar-20	Mar-21	Dec-20	Mar-20
NSW	411,274	408,277	389,038	311,957	314,281	304,110	76	77	78
Vic	79,392	79,392	77,792	57,594	56,816	70,243	73	72	90
Qld	832,725	830,376	803,549	542,176	588,692	606,633	65	71	75
SA	53,614	53,614	53,614	36,526	42,216	47,016	68	79	88
WA	73,477	73,477	73,477	56,782	46,302	59,592	77	63	81
Australia	1,450,482	1,445,136	1,397,470	1,005,035	1,048,307	1,087,594	69	73	78

Source: MLA/ALFA, AUS-MEAT

Currency

- In the March quarter, the A\$ averaged US77¢, an increase of 6% from the previous quarter and 17% higher year-on-year.
- Against the Japanese Yen, the A\$ increased 7% from the previous quarter to average 81.97¥.
- Against the Korean Won, the A\$ averaged 861.83₩, a notable increase of 6% on the previous quarter.

Grainfed exports

- Australian grainfed exports decreased 14% in the March quarter to 70,968 tonnes swt, down 8.5% on the same quarter last year.
- Japan remained Australia’s largest export market for grainfed beef, with volumes reaching 27,804 tonnes swt, down 23% on the December 2020 quarter.
- Korean exports declined 16% on the previous quarter to 15,939 tonnes swt, however, this was still a 26% increase year-on-year.
- Exports to China reported a slight decline in the March quarter to 15,269 tonnes swt, down 2.6% on the December quarter and a 22% decline on the same quarter last year.

Figure 3: Grainfed cattle turn-off

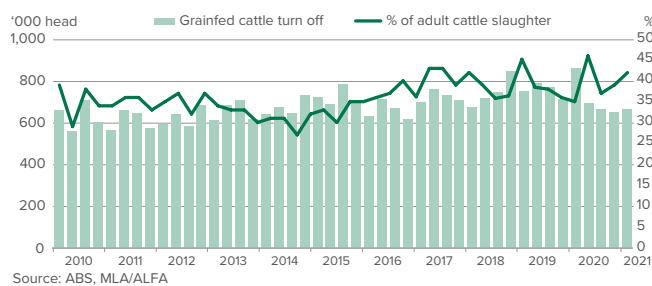


Figure 4: Feed grain and feeder steer prices

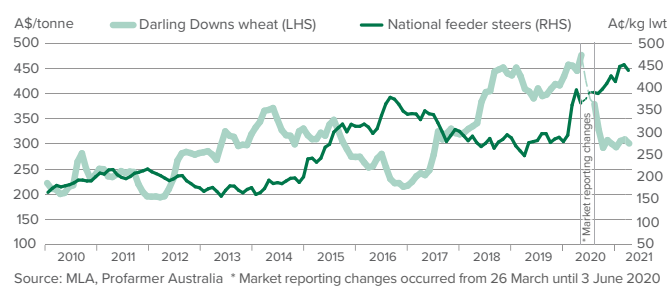
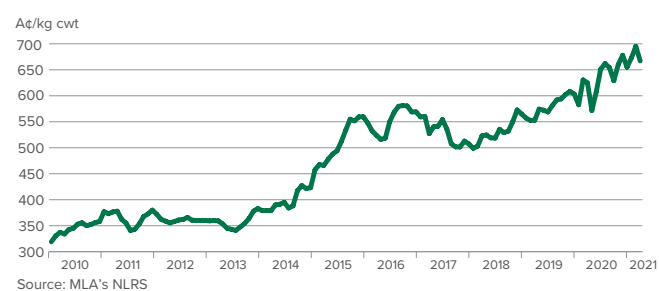


Figure 5: Queensland 100-day Grainfed Steer OTH Indicator



Domestic feeder cattle prices

- The Queensland 100-day Grainfed Steer OTH Indicator continued to trade at elevated levels, producing a record March quarter average of 677¢/kg cwt, 2% higher than the December quarter and 10% above year-ago levels. With the ongoing herd rebuild supporting maintained store competition and lowering throughput in the finished market, prices have remained elevated for the start of the year.
- The National Feeder Steer Indicator averaged 446¢/kg lwt in the March quarter, an increase of 7% on the previous quarter and 27% on year-ago levels. Continued restocker competition aided the indicator’s steady increase throughout the quarter.

Grain prices

- In the March quarter, wheat ex-Darling Downs prices increased slightly by 1% from the previous quarter to average \$305/tonne. This is 33% below March 2020 levels due to the expectation of strong cropping seasons.
- Barley averaged \$272/tonne, up 4% on the previous quarter but 30% below year-ago levels.

Table 2: Numbers on feed by feedlot size

Feedlot size (head)	Mar-21	Dec-20	Mar-20
< 500	8,763	7,995	12,039
500-1,000	39,729	31,390	37,730
1,000-10,000	328,051	331,470	344,593
>10,000	628,492	677,450	693,232
Total	1,005,035	1,048,305	1,087,594

Source: MLA/ALFA

Table 3: Quarterly cattle feedlot turn-off

	Mar-21	Dec-20	Mar-20
Head			
NSW	219,087	175,172	214,120
Vic	47,089	33,084	58,407
Qld	321,600	409,843	500,790
SA	26,256	22,588	35,564
WA	51,504	8,554	54,522
Australia	665,536	649,241	863,403

Source: MLA/ALFA

Table 4: Feedlot turn-off

	FY2020	FY2019	FY2010
Head			
NSW	794,237	791,526	636,347
Vic	215,592	200,875	210,209
Qld	1,758,572	1,920,116	1,377,701
SA	121,512	110,853	93,191
WA	154,221	117,958	108,493
Australia	2,425,941	3,141,328	3,044,134

Source: MLA/ALFA