

Industry projections 2021

Australian sheep – June update





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KEY POINTS

- The national flock is rebuilding in 2021 far faster than initially expected.
- Lamb slaughter to accelerate in the second half of 2021.
- Record lamb production forecast in 2023.



KEY 2021 NUMBERS

-  **Lamb slaughter:**
20.3 million head
-  **Lamb production:**
495,000 tonnes cwt
-  **Lamb exports:**
280,000 tonnes swt
-  **Sheep slaughter:**
6.1 million head

* Graphic illustrates year-on-year change

Summary

In 2021, the national sheep flock is expected to grow by 6.3% to 68.1 million head, back above 2019 levels. This follows the flock falling to its lowest level on record in 2020, at 64 million head, after years of drought. By 2023, the flock is expected to be 75.4 million head.

Improved conditions in eastern Australia over the last year helped initiate a flock rebuild in late 2020. Favourable conditions for the first half of this year and a positive outlook for all major sheep producing regions in 2021, mean the pace of the national flock rebuild is faster than initially expected.

Lower than previously expected sheep and lamb slaughter, is driving the increased pace of the rebuild. Although still forecast to be above 2020 levels, 2021 lamb slaughter is not expected to reach the 4% growth originally forecast in MLA's February projections.

This year, MLA forecast sheep and lamb slaughter to be 6.1 million head and 20.3 million head, respectively. If this occurs, lamb slaughter could be up 1.5% on 2020 levels due to an increased lamb cohort and the fact many Victorian processors had reduced capacities in 2020 because of COVID-19 restrictions. Producers are also holding onto ewes for breeding purposes, reducing sheep slaughter levels.

In 2021, carcase weights are expected to remain in line with 2020 levels as favourable seasonal conditions and feed availability remain high.

The fall in mutton slaughter will largely offset any gains in lamb production. While lamb production is forecast to increase on the back of higher weights and slightly higher slaughter, total sheepmeat production will be relatively stable compared to 2020 levels – at 650,000 tonnes cwt.

Internationally, exports are in a similar position to production, as gains in lamb exports are expected to be offset by falling mutton exports. These stable export figures are being driven by supply, not a fall in demand. Encouragingly, in the first four months of 2021 mutton exports to China and lamb exports to the USA have both experienced double digit year-on-year growth, up 34% and 14% respectively.

A decision by the Qatar Government to remove subsidies on Australian sheep has contributed to live export forecasts falling 21%, to 640,000 head. Compounding this has been the transportation of over 2 million sheep from WA to the east coast in 2020, depleting the pool of available sheep for the live export trade. Encouragingly, Australia has received market access into the Saudi Arabian live export market after a 10-year hiatus – a great opportunity for the Australian live sheep trade.

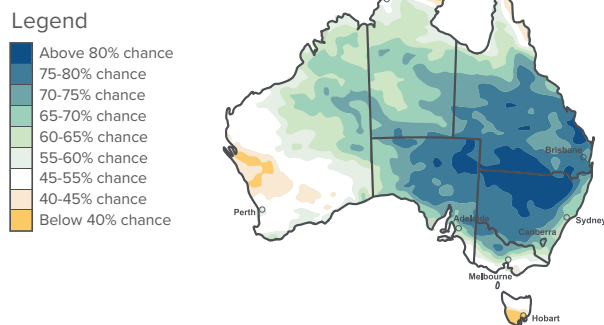
Saleyard prices in 2021 are expected to remain high, though slightly lower than the records set in 2020 and 2019, indicative of a flock rebuild that is maturing.

As the aforementioned factors suggest, the sheep flock is in good shape to rebuild and grow, which will help Australia continue its position as a global export leader now and into the future.

Climate assumptions

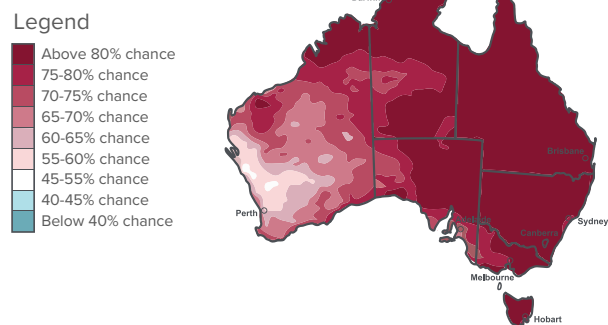
The Bureau of Meteorology (BOM) is forecasting above-average rainfall for much of eastern and southern Australia over the winter months. BOM is also forecasting above-average minimum, maximum and average temperatures for the three months ahead. This will promote favourable pasture growth over winter, helping support mothering ewes and milk production for increased lamb weight gains.

Figure 1: Australian rainfall outlook – July to Sept 2021
Chance of exceeding the median rainfall



Source: Bureau of Meteorology (issued 3rd June 2021)

Figure 2: Australian minimum temperature – July to Sept 2021
Chance of exceeding the median minimum temp



Source: Bureau of Meteorology (issued 3rd June 2021)

BOM is forecasting average rainfall in WA between June and September, following a favourable autumn period due to cyclone Seroja and the ensuing rainfall. The wet autumn period in WA is expected to boost producer confidence and promote a flock rebuild in the state after several drier years which drove WA producers to offload more than 2 million sheep to the east coast.

The wet autumn in WA and high canola prices may lead to an increase in the area cropped at the expense of sheep production. Additionally, if a strong season does not eventuate in WA, producer confidence may soften and yardings could increase.

COVID-19

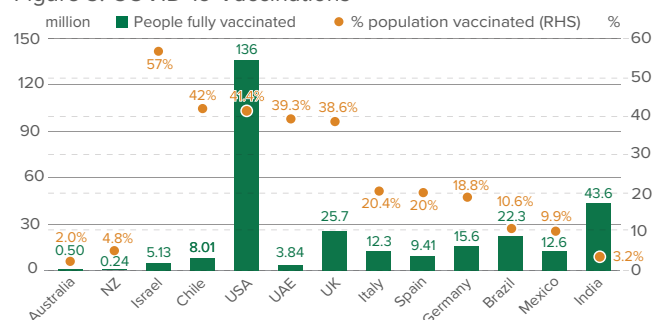
In the first five months of 2021, there have already been signs that the world is recovering from COVID-19. Many countries, including the UK, the UAE, the USA, Israel and Chile are close to being fully vaccinated. This has allowed international travel and hospitality in these countries to resume.

However, not all countries are in the recovery stage just yet. Countries such as India and Turkey continue to deal with high infection rates and are still subject to a number of restrictions. Locally, Australia is still experiencing sporadic outbreaks.

The global rollout of vaccines is on track to reach five billion doses by October 2021 (at the date of writing, 1.9 billion vaccine doses had been administered). However, hesitation around vaccines remains an issue, and has slightly slowed global uptake.

On the back of global vaccine programs, the International Monetary Fund (IMF) is forecasting global GDP to grow by 5.2% in 2021. Around the world, this increase in GDP will lead to higher incomes and more discretionary spending, and will likely lead to increased demand for protein, specifically red meat.

Figure 3: COVID-19 Vaccinations



Source: Our World in Data (Oxford University)

Globally, the COVID-19 recovery will be dependent on the efficacy and pace of vaccine rollouts and the ability of countries to prevent the spread, especially of new variations.

Wool prices

The Eastern Market Indicator (EMI) currently sits at 1,320¢ (as at 28 May 2021). This is 53.7%, or 461¢/kg, above the 858¢/kg recorded in September 2020 when the price of wool was at a 10-year low. The current EMI price is in line with the ABARES forecast from March this year, which predicted the EMI would average 1,300¢/kg for the 2021-22 financial year.

Continued demand for raw wool from China, Czechia, Italy and India are underpinning the wool price recovery. End consumer demand for woollen garments, suits and activewear is expected to continually improve as the world recovers from COVID-19 and retail sales begin to increase.

The rebound in wool prices will encourage the retention of Merino ewes that make up 76% of all Australian breeding ewes.

The climbing EMI and current sheep prices are likely to fuel confidence in the Australian sheep industry and help support the flock rebuild.

Figure 4: Eastern Market Indicator (EMI)



Exchange rate

Earlier this year the Australian dollar (A\$) hit its highest level in three years – reaching 79.9US¢ on 24 February 2021. Since then, the Australian exchange rate has softened slightly, and was 77US¢ as at 21 May 2021.

The current price is a 39% appreciation on March 2020 levels, further squeezing processors' margins already being impacted by high sheep and lamb prices.

Key export commodities tend to impact the Australian exchange rate. Record iron ore prices, a key Australian export and major driver of the A\$ value, have eased since early May when it was above US\$218/tonne.

Despite easing slightly since its highs in February, all major banks in Australia have the A\$ sitting between 75US¢ and 83US¢ at the end of 2021. These predictions are close to the range that the A\$ has operated this year.

Figure 5: US/AU exchange rate



Flock

In 2021, the national flock is expected to increase by 6.3% to 68.1 million head. This is an upwards revision of 700,000 sheep on our February release as the flock rebuilds faster than initially anticipated due to revised lower lamb and sheep slaughter numbers, down on previous estimates.

The lower slaughter numbers for sheep and lambs, which MLA forecast to be 6.1 million head and 20.3 million head respectively in 2021, are being driven by continued good weather in key sheep producing regions, with the exception of central and western Victoria. These strong seasonal conditions are encouraging producers to retain more ewes and ewe lambs for breeding purposes.

Improved conditions in WA are likely to impact producer intentions in the state. It is likely that the wet autumn and good outlook for winter will cease any flock liquidation in the state, stopping the flow of sheep to east that lead to 2 million sheep being trucked across the Nullarbor in 2020.

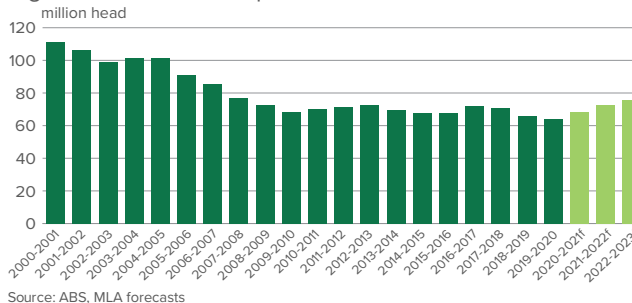
The favourable conditions in WA will encourage producers to rebuild their flocks. A recent MLA benchmarking report found that mixed sheep and cropping farms in WA are the most profitable in the world, reinforcing the rebuild mentality in the state.

The shorter gestation length of sheep and their ability to turn off stock at younger ages and lighter weights means the flock rebuild is happening faster than the cattle herd rebuild. The trend in producers joining an increasing number of ewe lambs is contributing to the fast rebuild, as more lambs are being produced over shorter periods.

Forecasts of mild temperatures are likely to support significantly higher marking rates and limit lamb mortality rates through winter. Abundant feed and improved ewe management practices to maintain body condition during pregnancy are also expected to contribute to marking rates being above 90% in 2021, resulting in a larger lamb cohort.

MLA forecasts that the national flock could reach 75.4 million by 2023. The last time the flock was this large was in 2013. A flock of 75.4 million head would be 18% higher than 2020 levels.

Figure 6: National sheep flock



Source: ABS, MLA forecasts

Slaughter

MLA has revised both sheep and lamb slaughter down from February's projections. In 2021, MLA forecast sheep and lamb slaughter to be 6.1 million head and 20.3 million head, respectively. This revision is now driven by producer appetites to retain older cull ewes and join a higher percentage of ewe lambs for breeding purposes.

Despite being revised down from the February Projections, lamb slaughter is still expected to be above 2020 levels, when 20 million head were slaughtered. The increase in lamb slaughter for 2021 is based on a large lamb cohort for the year that allows producers to both retain more lambs for rebuilding purposes and sell more wethers into the prime lamb trade.

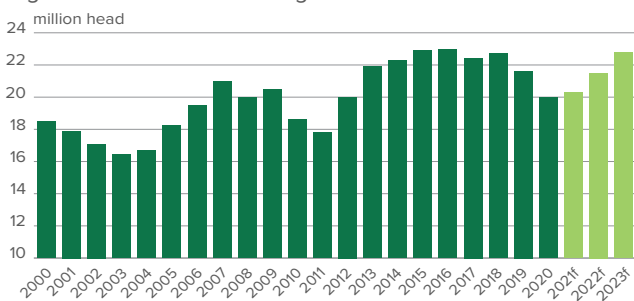
MLA forecast lamb slaughter to return to 21.5 million head in 2022, a level that reflects historical trends, coinciding with the flock rebuild reaching maturity.

During the traditional spring flush, there may be an uptick in heavy lamb slaughter. This will be driven by improved quality of feed for ewe milk production and forecast milder winter temperatures aiding lamb growth, weight gain and limiting mortality rates.

Increased supply during the spring flush would translate into higher production volumes due to heavier carcass weights and high slaughter numbers.

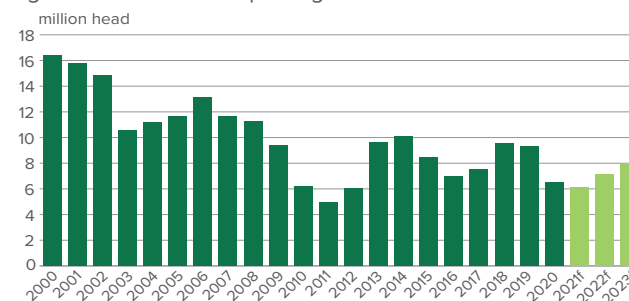
In 2020, lamb processing capacity in Victoria was impacted by COVID-19 social distancing measures in the latter half on the year. Therefore, it is expected that in the second half of 2021, lamb slaughter numbers could exceed those of 2020.

Figure 7: National lamb slaughter



Source: ABS, MLA forecasts

Figure 8: National sheep slaughter



Source: ABS, MLA forecasts

Carcase weights

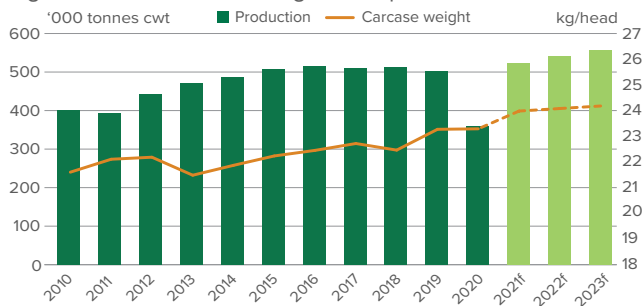
Average national lamb carcase weights will continue to be underpinned by improved seasonal conditions across key sheep regions and relatively high prices that are providing producers with an incentive to add additional kilos to animals.

Better conditioned lambs will see average national lamb carcase weights for 2021 lift marginally to 24.4kg, up 0.4kg/head on 2020 levels. MLA is not expecting significantly increased weights in 2021, given 2020 was also a year with abundant feed that assisted good lamb growth.

Average sheep carcase weights are expected to remain in line with 2020 weights at 25.8kg/head. Continued feed availability is underpinning these stable weights. Greater investments into sheep lot and containment feeding during the 2018-19 drought supported carcase weights in periods of pasture shortfalls.

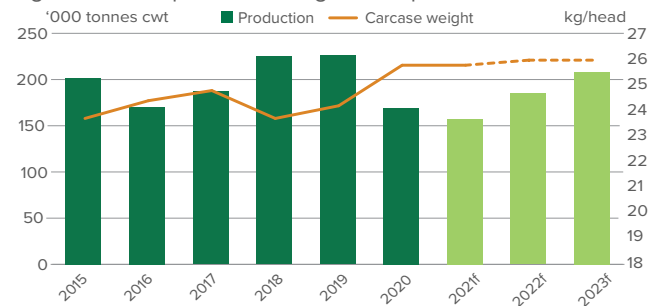
Looking ahead, sheep weights will remain steady, with a marginal lift forecast in 2022 to 26kg/head.

Figure 9: Lamb carcase weights and production



Source: ABS, MLA forecasts

Figure 10: Sheep carcase weights and production



Source: ABS, MLA forecasts

Production

With heavier lambs and increasing throughput, lamb production is expected to lift 15,000 tonnes cwt to 495,000 tonnes cwt. Increased lamb slaughter over the next two years, together with heavier carcase weights are forecast to deliver record lamb production in 2023 of 560,000 tonnes cwt.

In contrast, sheep production in 2021 is set to fall to 155,000 tonnes cwt. The fall in production is a direct result of falling slaughter numbers, on the back of the continuing flock recovery. By 2023 mutton production is expected to hit 210,000 tonnes cwt. Unlike with lamb production, this will not be a record.

Encouragingly, Australia continues to be a major global exporter of lamb and mutton, and there is strong international demand for Australian sheepmeat. Therefore, as production increases in the coming years, Australia will be able to meet overseas demand for product.

Labor shortages remain an issue for Australia's processing sector. Continued issues in sourcing labour could affect the capacity of Australian abattoirs, reducing slaughter numbers. A flow on of reduced processor capacity would be lower slaughter and production.

**It is important to note that the sheep projections are based on the assumption that there will not be any major disruption to lamb processing in 2021 or subsequent years. If lamb processing capacity is significantly disrupted, the forecast production and slaughter numbers may not be achieved.*

Domestic demand

The domestic market (Australia) is the most important market for Australian grown lamb, as more than a third of production is consumed domestically. In 2020, lamb captured a 12% share of fresh meat retail sales by value, reinforcing that Australia remains one of the largest per capita consumers of sheepmeat in the world.

However, a combination of reasons, including increasing export demand, price pressures and changes to Australian demographics have led to a gradual drop in Australia's consumption of lamb in the past 10 years.

So far in 2021, despite COVID-19 uncertainties, economic changes and political challenges, lamb consumption has been resilient. In the face of constantly rising prices, last summer lamb grew faster than total fresh meat sales at a retail level. However, in the long-term, there are still affordability pressures on lamb's role in Australian diets.

High retail prices remains the biggest driver of falling lamb consumption in recent years. After a dip at the end of 2020, lamb prices reached a new retail price record in March 2021 at \$18.49/kg, 50¢ higher than last quarter and 30¢ higher than the same quarter last year.

Except for chicken, all the major proteins experienced a jump in retail prices in the March 2021 quarter compared to a year ago, with beef up 8%, pork up 2% and lamb up 2%. Lamb, beef and pork all increased to their highest prices on record.

Lamb remains 1.4 times the price of pork and three times the price of chicken, with these price differentials only growing. For lamb, this means justifying and delivering value to the consumer is becoming even more critical. Despite price pressures, lamb's share of retail fresh meat dollar sales remained stable in the last year, with growth in lamb legs and cutlets offsetting the decline in sausages and chops (Nielsen Homescan).

Australian retail shelves are getting more competitive each year as population demographics shift, with growing migration (30% of all Australians are now born overseas) and exposure to new cuisines expanding. Maintaining per capita lamb consumption will be a challenge, as forecast supply constraints in coming years place further pressure on lamb prices and lead to a growing price premium over chicken and pork. However, there are still plenty of opportunity areas, particularly around consumer demand for taste, better quality, more nutritious, versatile and convenient food offerings.

International markets

The global outbreak of COVID-19 continues to bring a raft of challenges and unique circumstances. Recent roadblocks for international trade related to port congestion and a shortage of containers resulting in bottlenecks and increased costs through the supply chain. However, this year the global trade environment is expected to improve, particularly as vaccines are distributed, countries exit lockdowns and international travel options emerge.

For the year-to-April, sheepmeat exports were 124,000 tonnes swt, a decline of 18% on 2020 levels. Consequently, eight of Australia's top 10 sheepmeat markets have experienced year-on-year (YOY) declines on 2020 volumes. Encouragingly, trade to South Korea and Saudi Arabia continues to grow, while export volumes to China remain similar to 2020 levels.

Regardless of the reduction in export volumes, high Australian livestock prices and encouraging demand from international markets are supporting the value of trade. The Australian export price for lamb is currently 13% above the five-year historical average.

For the year ahead, Australian lamb exports are forecast to reach 280,000 tonnes swt, a 6% lift on 2020 levels. Resurgent demand across international markets is expected, particularly as foodservice and tourism industries should regain momentum towards the latter half of the year as more of the global population is vaccinated. However, Australian mutton exports are forecast to fall 10% to 125,000 tonnes swt, with supply challenges continuing to restrain the available product for export.

Figure 11: Australian sheepmeat export volumes

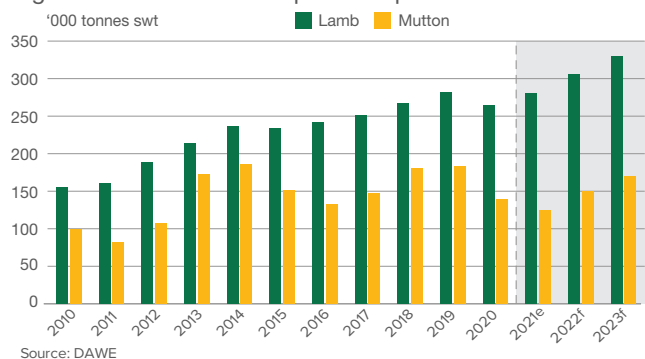
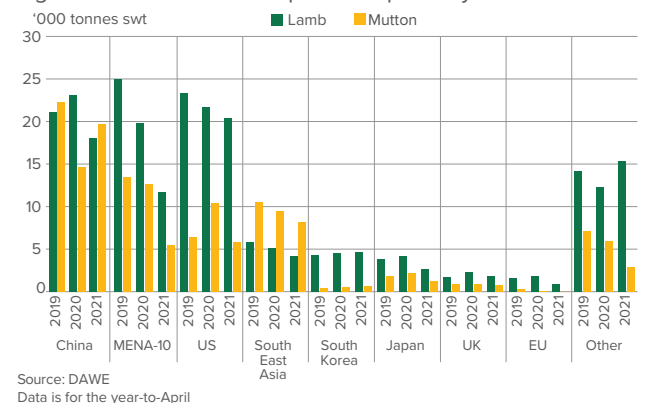


Figure 12: Australian sheepmeat exports by destination



Global foodservice and retail

COVID-19 lockdowns and social distancing measures caused global meat sales through foodservice channels to plummet. Economies that depend on tourism and transit hubs were especially affected. In combination with supply challenges, disruptions to flight paths and economic activity within key Middle Eastern markets meant that last year Australian sheepmeat exports to the MENA region fell 25% on 2019 levels.

Historically, the majority of Australian lamb and mutton exports are consumed through foodservice channels. However, as a result of COVID-19 there was a rise in retail sales of Australian sheepmeat in global markets, helping to offset the impact of reduced foodservice sales.

As vaccines are distributed globally and lockdown restrictions ease, tourism and foodservice industries are expected to rebound, lending support to demand for imported red meat. However, it is expected that while economic demand drivers should improve relative to 2020, constrained supply will remain a huge factor for Australia's export industry.

Key export markets

Demand for red meat in China remains buoyant, particularly as African Swine Fever (ASF) continues to challenge pork producers across the region. While Chinese pork production this year is expected to lift 11% on 2020 volumes, it will remain well short of pre-ASF levels. Hog inventories grew rapidly last year, however, possible new strains of ASF and a recent rise in cases highlight the ongoing uncertainty surrounding China's pork production recovery. As a result, import demand for a range of meat categories, including beef and sheepmeat, is likely to remain upbeat. This will be supported by an economic and foodservice recovery as the impact of COVID-19 continues to ease.

Australian lamb exports to China have eased this year, with volumes down 22% on 2020 levels for the year to-April. In contrast, Australian mutton exports to China have lifted remarkably, up 34% for the 2021 year-to-April. Unfortunately, for many other markets, the lift in competition from China has resulted in sharp year-on-year declines in overall sheepmeat trade.

Figure 13: Chinese sheepmeat import value

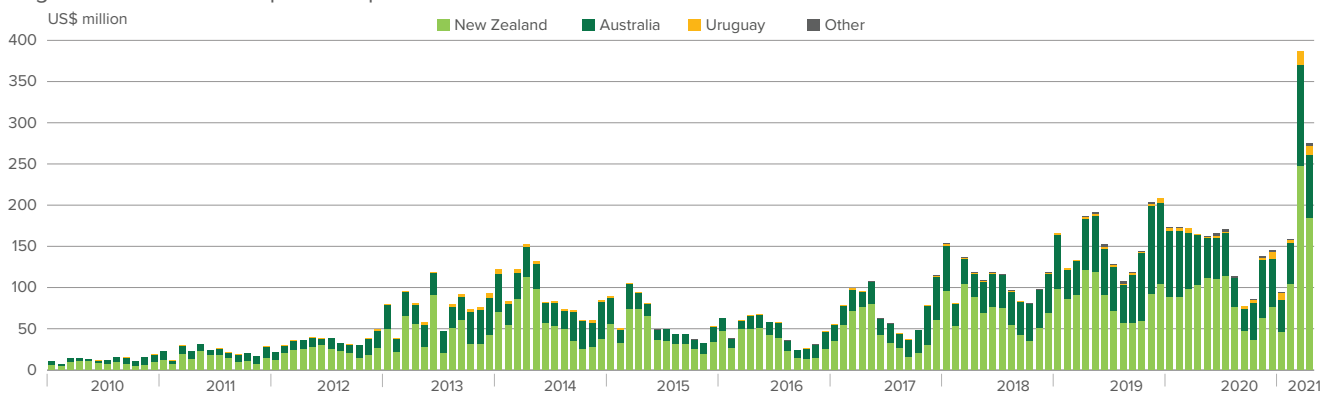
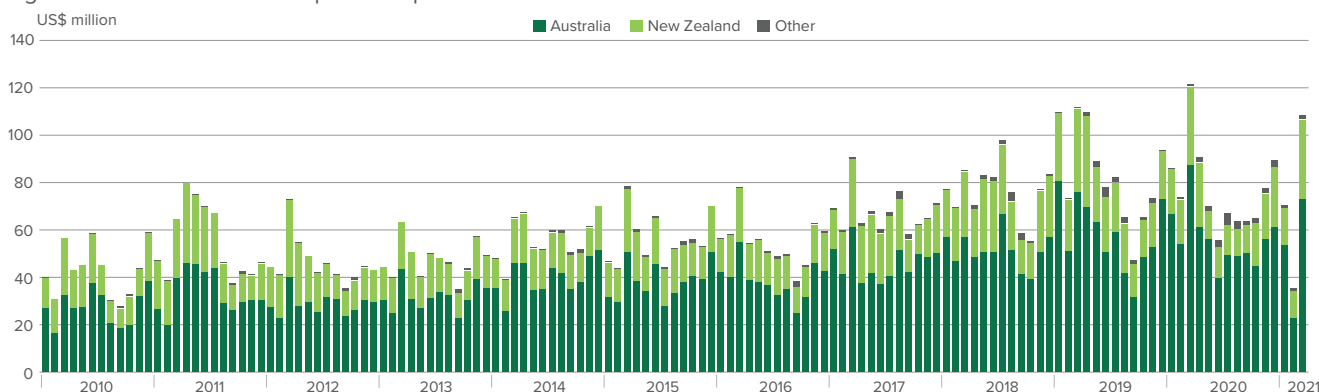


Figure 14: United States sheepmeat import value



While the US foodservice industry has been hit particularly hard by the fallout from COVID-19, businesses remain optimistic, with expectation of a rebound in consumer activity in the second half of 2021. Unprecedented US government stimulus, the anticipation of a successful vaccine rollout and an expected improvement in foodservice demand underpin these positive expectations. These factors create potential for an increase in consumer activity later in the year if restrictions ease.

The US continues to capture a growing proportion of Australia's chilled lamb exports, accounting for 43% of exports for the year-to-April, with volumes up 13% on the same period last year. Lamb from suppliers other than New Zealand and Australia continues to be limited, providing price support for Australian product.

Retail channels across the US continue to perform well off the back of improving consumer familiarity with lamb. Regardless of expectations, there are still many challenges. Rules regarding capacity and social distancing continue to inhibit the foodservice industry, and the way consumers dine out has changed, with takeaway and delivery options more widely adopted.

Unfortunately, lamb exports to the Middle East remain constrained relative to levels seen early last year. Much of this is to do with the Qatari Government abruptly ending the subsidy on imported lamb, which came into effect at the end of December 2020. Australian lamb exports to Qatar averaged 1,600 tonnes swt per month through 2020 but have hovered around 600 tonnes swt each month this year.

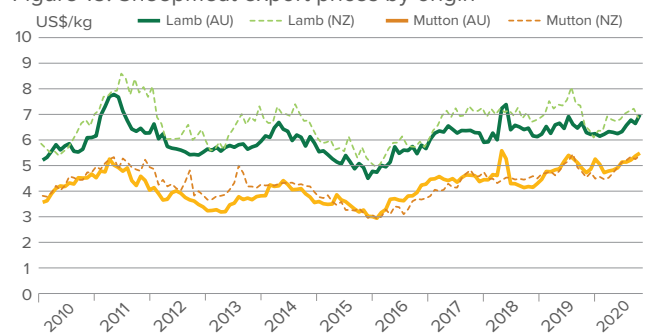
Trade to the United Arab Emirates has also been quiet this year, back 22% on 2020 levels, likely a consequence of elevated prices, tight supply, low tourism activity and poor economic growth. Most sheepmeat to the UAE is delivered by airfreight so reduced air travel has impacted exports to the country.

Competitors

In the first quarter of 2021, New Zealand lamb export volumes contracted 3% on 2020 levels to reach 97,700 tonnes swt. Dry conditions across the country have been incentivising turn-off, however, port congestion and shipping complications continue to create a logistical challenge for exporters.

Furthermore, ongoing disruption from COVID-19 combined with the appreciation of the NZ dollar have been quoted as key drivers shaping the season this year (Beef and Lamb NZ). Demand from China remains strong, with NZ sheepmeat exports to China up 52% for the year-to-March, while trade to other key destinations, such as the UK, and the EU is restrained relative to year-ago levels.

Figure 15: Sheepmeat export prices by origin



Source: IHS Markit
Note: Data current to March 2021

Live sheep exports

Australian live sheep exports are currently forecast to further contract in volume in 2021 by around 20% compared to 2020.

In 2020, 811,511 head were exported at a value of A\$127.5 million, a 27% decline on 2019 by volume but only 9% down by value, thanks to higher sheep prices. For Q1 2021, export volumes were down 35% and value was down 38% year-on-year.

A major factor accelerating the long-term decline in Australian live sheep exports in recent years has been the government ban on exporting to the Gulf during the northern hemisphere summer (effective from early June to late September, with exact dates varying by destination).

Low supply following years of destocking in WA, including the movement of sheep to eastern Australia due to dry conditions in the west, has put upward pressure on WA sheep prices – the state that typically supplies the bulk of Australia's live sheep for export. At the same time, the impact of COVID-19 and lower oil prices on MENA economies in 2020 has somewhat dampened demand for live sheep in some markets.

As anticipated, the Qatar subsidy removal on sheepmeat from locally slaughtered imported Australian sheep (and chilled carcasses), which came into effect from 31 December 2020, has put further downward pressure on demand for live sheep into the region. Qatar was Australia's second largest export market prior to this change and Q1 2021 saw zero sheep exports to the market.

In positive industry news, on 7 April 2021, the Department of Agriculture, Water and the Environment (DAWE) announced that following the development of revised conditions, Australia can resume the export of slaughter sheep and goats to Saudi Arabia after almost a decade-long hiatus. High sheep prices, vaccination protocols and the summer export prohibition mean that it may take until at least the end of 2021 to see exporters benefiting from this market re-opening, but it offers a welcome additional export pathway for the industry.

Saudi Arabia is estimated to have imported around 5 million head of live sheep and goats, mostly from East African countries such as Sudan and Somalia in 2019 prior to COVID-19, and is forecast to exceed 5.7 million head in 2025 (GIRA). With the bulk of these volumes supplied by East African countries that suffer frequent disease outbreaks that make trade volatile, Saudi importers are interested in diversifying to achieve more stability out of Australia.

Aside from East Africa, other notable competitors supplying the region are Romania and Spain.

While the 2021 outlook is for a reduction in export volumes, 2022 is forecast to see a modest rebound on the back of increased supply, easing prices and the economic recovery of key trading partners post COVID-19.

Prices

In 2020 and 2021, the sheep market has continued to deal with lower supplies across the majority of categories as producers look to retain stock to rebuild flocks, allowing prices to remain at relatively high levels.

Despite being relatively high in a historical context, all national indicators are down on year-ago levels as 2020 was a period of all-time record prices due to drought-breaking rains. Trade and Heavy Lamb Indicators are 76¢ and 80¢ below year-ago levels, at 831¢/kg and 796¢/kg cwt, respectively.

Most lamb prices have fallen recently as mixed cropping farmers look to offload lambs in the lead up to seeding and shift their attention to cropping. Lighter lamb prices have recently fallen slightly, as producers head into lambing and processor demand softens as the light chilled air-freight lamb carcass sector faces logistical challenges due to reduced flight activity. Meanwhile, trade weight prices have increased slightly due to low supply.

In 2020 and much of 2021, the restocker lamb price has held a substantial premium to other categories compared to previous years, demonstrating the rebuilding sentiment and producer confidence. In 2021, this margin peaked in March at 156¢ (above trade lamb) before gradually falling. This closing premium highlights that restocker demand is softening and trade lamb prices are improving due to low supply.

Heavier lambs have maintained steady supply, with volumes expected to hit the market in late winter and early spring for the spring flush, although this is dependent on rainfall and body condition. Positive growing conditions, particularly in NSW, should support high quality lambs for processors to acquire, helping ensure supply for key markets such as the US, China and the Middle East.

Some regions in Victoria are drying off, so prospects for producers in these areas aren't as promising as for their northern counterparts. Those who purchased restocker lambs at a significant premium will need to maximise weight gain to achieve a solid profit margin.

Interestingly, mutton prices have held up better than heavy lamb prices, reflective of continued demand in key overseas markets and lower supply as producers continue to retain breeding ewes. The National Mutton Indicator is currently tracking 26¢ below year-ago levels at 655¢/kg cwt.

Seasonal conditions over the next three months will have a significant impact on how the market plays out, especially in NSW. WA conditions have improved since previous projections were released, providing more confidence for western producers.

Situation and outlook for the Australian sheep industry

	2015	2016	2017	2018	2019	2020e	2021	% change 2020 ^e on 2019	2022 ^f	2023 ^f	% change 2023 ^f on 2020
Sheep and lamb numbers ('000 head)*											
As at 30 June	68,025	67,543	72,125	70,607	65,755	64,000	68,090		72,450	75,400	18%
Percentage change	-1.9%	-0.7%	6.8%	-2.1%	-6.9%	-2.7%	6.3%		6.4%	4.1%	
Slaughtering ('000 head)											
Sheep	8,487	6,965	7,536	9,521	9,344	6,500	6,100	-6%	7,100	8,000	23%
Lamb	22,876	22,956	22,431	22,725	21,624	20,000	20,300	2%	21,500	22,750	14%
Avg carcase weight (kg)											
Sheep	23.7	24.4	24.8	23.7	24.2	25.7	25.8	0%	26.0	26.0	1%
Lamb	22.2	22.5	22.7	22.5	23.3	24.0	24.4	2%	24.5	24.5	2%
Production ('000 tonnes carcase weight)											
Mutton	202	170	187	225	226	170	155	-9%	185	210	23%
Lamb	509	516	509	511	504	480	495	3%	525	560	16%
Sheep exports ('000 head)											
	2,070	1,840	1,890	1,180	1,118	810	640	-21%	655	670	(17%)
Sheep exports** ('000 tonnes)											
Mutton shipped weight	151	132	147	176	185	140	125	-12%	150	170	20%
Mutton carcase weight	181	161	179	215	226	170	155	12%	180	205	20%
Lamb shipped weight	234	242	251	267	282	264	280	6%	305	330	25%
Lamb carcase weight	277	290	302	324	339	321	340	6%	370	400	25%
Domestic utilisation ('000 tonnes c/c weight)***											
Lamb	231	226	207	187	165	158	155	-4%	155	160	1%
kg/head***	9.7	9.3	8.4	7.5	6.5	6.5	6.1	-6%	6.0	6.0	

Source: ABS, DAWR, MLA forecasts

* From 2017 is an MLA estimate based on ABS Data - Figures as of 30th June. Please note, the flock estimates are based off the new EVAO cut off used by the ABS. Previously this was \$5,000 EVAO, but was changed upwards to \$40,000 EVAO. For more information, please visit www.abs.gov.au

f = forecast
e = estimate

** excl. canned/misc, shipped weight

*** 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.

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