



# Media Release

26<sup>th</sup> July, 2010

## Cattle on feed numbers up though challenges remain

The June quarter ALFA/ MLA survey has shown that while cattle numbers on feed increased by 11% to 790,000 over the quarter on the back of higher than expected sorghum supplies and solid domestic beef demand, export demand remains weak.

Australian Lot Feeders' Association (ALFA) President Jim Cudmore stated "the majority of the increase was experienced in Queensland and NSW where static sorghum prices, resilient domestic beef demand and increased processor interest encouraged lot feeders to increase numbers over the short term."

"With the marginal decline in feed grain prices in southern states more than offset by the highest feeder cattle prices experienced since 2008, increases in cattle numbers on feed were consequently constrained in Victoria, South Australia and WA."

"Fortunately the northern sorghum crop proved better than expected and export sorghum demand was only modest leaving sufficient supplies to encourage cattle placements in northern NSW and Qld."

"The favourable turn in the season in many eastern state regions during late summer, and the associated potential for a reduction in grass fed cattle through the mid year supply period, enhanced interest from processors in shoring up supply."

"Undoubtedly the wet weather induced supply interruptions experienced in Queensland earlier in the year played a role in their purchasing behaviour."

Meat & Livestock Australia's Chief Economist, Peter Weeks stated, "grain fed beef exports were 2% down on the previous year, largely due to lacklustre demand, a strong Australian currency and increased US competition."

"Grain fed exports to Japan were down 6% on the previous year on the back of a 11% increase in currency against the yen and a 43% increase in US beef imports."

"In contrast, exports to Korea were up 28% year on year with the Australian dollar remaining fairly stable against the won, local beef production well down and US imports increasing by only 13% on the same period last year."

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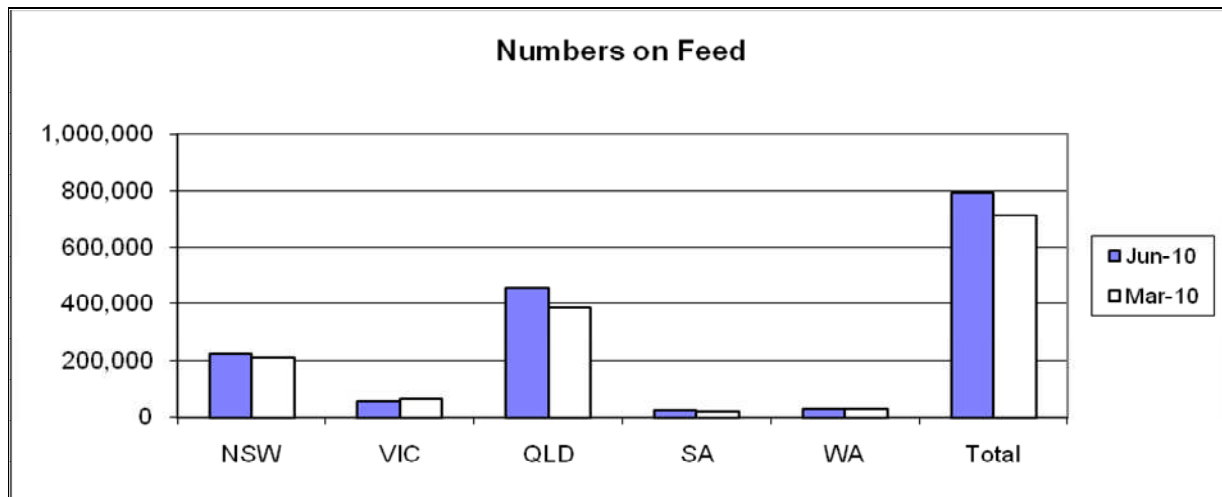
**ALFA / MLA FEEDLOT SURVEY**  
**April – June 2010**

**Cattle numbers on feed, capacity and capacity utilisation**

<b>Numbers on Feed</b>	<i>NSW</i>	<i>VIC</i>	<i>QLD</i>	<i>SA</i>	<i>WA</i>	<b>Total</b>
Jun-10	223,197	57,555	455,307	26,274	28,439	<b>790,772</b>
Mar-10	208,969	63,563	387,872	22,163	28,631	<b>711,198</b>
Jun-09	222,216	44,411	415,099	18,027	43,790	<b>743,543</b>

<b>Capacity</b>	<i>NSW</i>	<i>VIC</i>	<i>QLD</i>	<i>SA</i>	<i>WA</i>	<b>Total</b>
Jun-10	424,934	80,419	645,870	31,835	99,765	<b>1,282,823</b>
Mar-10	424,784	81,893	627,306	30,835	99,465	<b>1,264,283</b>
Jun-09	404,884	77,418	627,873	31,771	101,116	<b>1,243,062</b>

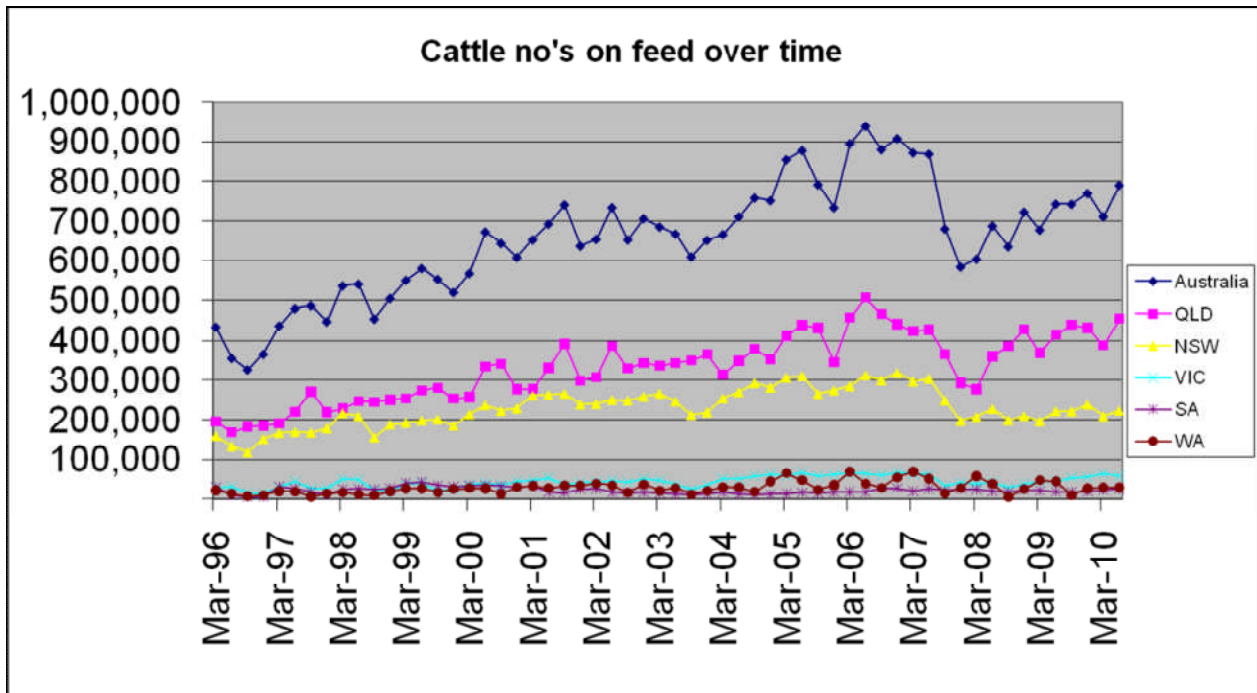
<b>Utilisation</b>	<i>NSW</i>	<i>VIC</i>	<i>QLD</i>	<i>SA</i>	<i>WA</i>	<b>Total</b>
Jun-10	53%	72%	70%	83%	29%	<b>62%</b>
Mar-10	49%	78%	62%	72%	29%	<b>56%</b>
Jun-09	55%	57%	66%	57%	43%	<b>60%</b>



**ALFA / MLA FEEDLOT SURVEY**  
**April – June 2010**

**Market Destination**

	Jun-10		Mar-10		Jun-09	
	Numbers	%	Numbers	%	Numbers	%
<b>Export</b>	508834	64.3%	452104	63.6%	497657	66.9%
<b>Domestic</b>	247314	31.3%	247622	34.8%	240965	32.4%
<b>Unknown</b>	34624	4.4%	11472	1.6%	4923	0.7%
<b>Total</b>	790,772	100.0%	711,198	100.0%	743,545	100.0%

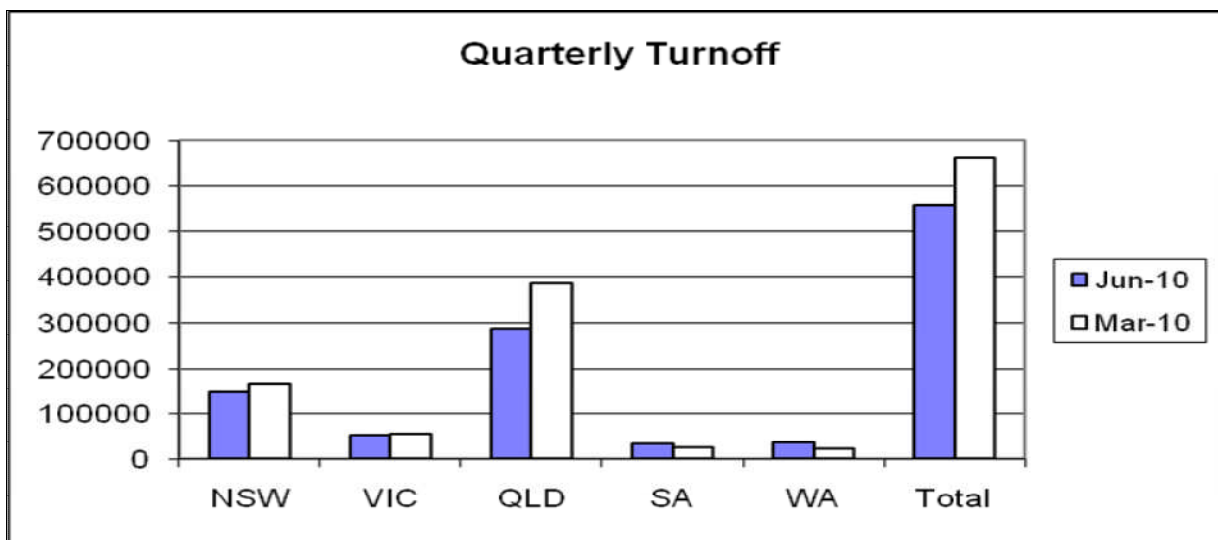


**ALFA / MLA FEEDLOT SURVEY**  
**April – June 2010**

**Total Cattle Turnoff**

<b>Total Turnoff (year ending)</b>						
	<b>NSW</b>	<b>VIC</b>	<b>QLD</b>	<b>SA</b>	<b>WA</b>	<b>Total</b>
Dec-09	587444	161614	1374959	77281	130601	<b>2331899</b>
Dec-08	570099	150271	1212738	76910	124485	<b>2134503</b>
Dec-07	717243	197930	1261965	79036	148021	<b>2404195</b>

<b>Total Turnoff (quarterly)</b>	<b>NSW</b>	<b>VIC</b>	<b>QLD</b>	<b>SA</b>	<b>WA</b>	<b>Total</b>
Jun-10	149382	52378	287129	33376	36564	<b>558829</b>
Mar-10	168744	55372	386483	26301	24009	<b>660909</b>
Jun-09	148310	30565	307223	21687	53596	<b>561381</b>



**ALFA / MLA FEEDLOT SURVEY**  
**April – June 2010**

**State Breakdown by Feedlot Size**

	Capacity Jun 10	Capacity Mar 10	Capacity Jun 09	Numbers on Feed Jun 10	Numbers on Feed Mar 10	Numbers on Feed Jun 09
<b>New South Wales</b>						
Less than 500 head	7,459	7,309	7,749	3,787	1,951	4,585
500 - 1000 head	22,202	22,202	21,602	5,558	7,672	6,353
1000 - 10000 head	109,700	109,700	107,200	49,394	50,411	38,195
over 10000 head	285,573	285,573	268,333	164,458	148,935	173,083
<i>State Total</i>	<i>424,934</i>	<i>424,784</i>	<i>404,884</i>	<i>223,197</i>	<i>208,969</i>	<i>222,216</i>
<b>Queensland</b>						
Less than 500 head	44,558	44,984	49,888	6,742	8,313	16,464
500 - 1000 head	48,264	48,274	48,625	18,314	12,753	15,454
1000 - 10000 head	230,642	226,642	221,954	172,199	146,542	173,949
over 10000 head	322,406	307,406	307,406	258,052	220,264	209,232
<i>State Total</i>	<i>645,870</i>	<i>627,306</i>	<i>627,873</i>	<i>455,307</i>	<i>387,872</i>	<i>415,099</i>
<b>Victoria</b>						
Less than 500 head	420	1,894	420	0	1,084	0
500 - 1000 head	1,000	1,000	1,999	0	0	0
1000 - 10000 head	18,756	24,494	18,064	13,967	21,631	13,475
over 10000 head	60,243	54,505	56,935	43,588	40,848	30,936
<i>State Total</i>	<i>80,419</i>	<i>81,893</i>	<i>77,418</i>	<i>57,555</i>	<i>63,563</i>	<i>44,411</i>
<b>South Australia</b>						
Less than 500 head	3,290	3,290	3,978	1,176	2,245	1,574
500 - 1000 head	7,975	7,975	7,368	5,665	5,911	4,332
1000 - 10000 head	20,570	19,570	20,425	19,433	14,007	12,121
over 10000 head	0	0	0	0	0	0
<i>State Total</i>	<i>31,835</i>	<i>30,835</i>	<i>31,771</i>	<i>26,274</i>	<i>22,163</i>	<i>18,027</i>
<b>Western Australia</b>						
Less than 500 head	16,265	15,665	19,316	2,668	4,865	4,267
500 - 1000 head	5,800	6,100	3,800	0	0	0
1000 - 10000 head	77,700	77,700	78,000	25,771	23,766	39,523
over 10000 head	0	0	0	0	0	0
<i>State Total</i>	<i>99,765</i>	<i>99,465</i>	<i>101,116</i>	<i>28,439</i>	<i>28,631</i>	<i>43,790</i>
<b>Australia</b>						
Less than 500 head	71,992	73,142	81,351	14,373	18,458	26,890
500 - 1000 head	85,241	85,551	83,394	29,537	26,336	26,139
1000 - 10000 head	457,368	458,106	445,643	280,764	256,357	277,263
over 10000 head	668,222	647,484	632,674	466,098	410,047	413,251
<i>Total</i>	<i>1,282,823</i>	<i>1,264,283</i>	<i>1,243,062</i>	<i>790,772</i>	<i>711,198</i>	<i>743,543</i>