



AUSTRALIAN LOT FEEDERS ASSOCIATION



Media Release

20 October, 2009

Cattle numbers on feed remain steady

The September quarter ALFA/ MLA survey has indicated that while cattle numbers on feed were 17% higher than the same period last year, they remain steady compared to the previous quarter as difficult market conditions persist.

Australian Lot Feeders' Association (ALFA) President Jim Cudmore stated that "cattle numbers on feed remained at 743,000 head with the benefit of modest declines in feeder cattle and grain prices offset by the rising Australian dollar and continuing sluggish demand in export markets".

"While turnoff increased by 8% over the quarter, the increase in cattle numbers in Queensland and Victoria was countered by a decline in Western Australia".

"Feeder cattle prices averaged 3% lower than the corresponding quarter last year as a result of decreased competition from re-stockers and processors, along with increased supply in NSW and Queensland as continuing dry conditions forced cattle onto the market".

"Feed grain prices were on average 26% lower than this time last year as a strong northern hemisphere harvest improved global grain stocks while the predicted 18% increase in Australia's winter crop and strong Australian dollar also applied downward pressure".

Meat & Livestock Australia's Chief Economist, Peter Weeks stated that "grain fed beef exports remained steady compared to the same period last year, with the bullish Australian dollar and increased US competition stifling the sector's recovery from the global financial crisis".

"Compared to the same period last year, Australian grain fed beef exports rose 1% into Japan but declined 5% into Korea".

"Trading conditions into these key markets also became tougher as the quarter progressed with the Australian dollar increasing by 6% against both the Japanese yen and Korean won".

Mr Cudmore continued, "Whilst the grain fed beef sector remains upbeat, the sectors prosperity will be determined by a number of interrelated but uncertain variables".

"The on-going global financial crisis, interest rates, Australian dollar along with the size of the summer crop will be closely monitored by the industry over the next 6 to 12 months, Mr Cudmore concluded".

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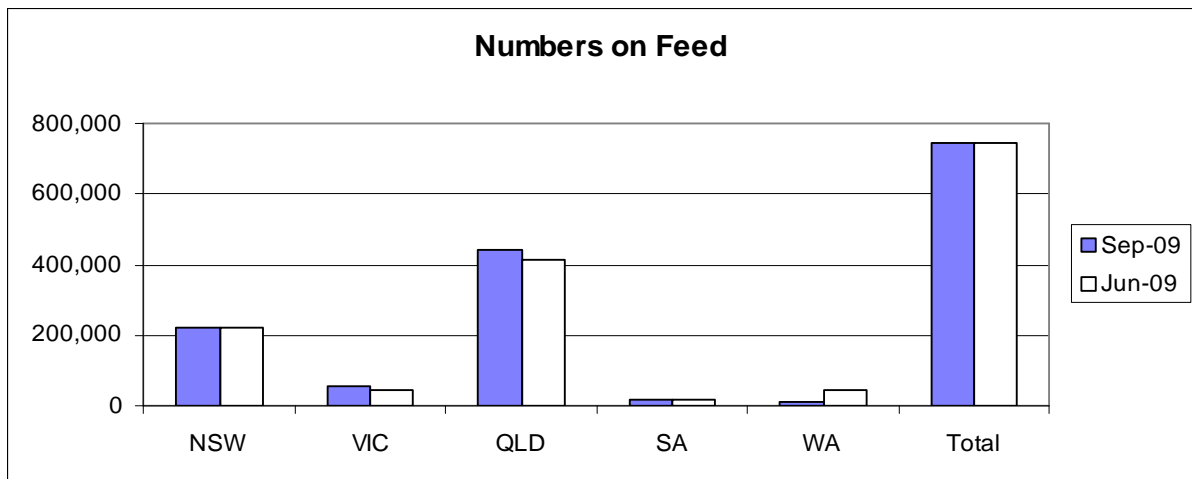
ALFA / MLA FEEDLOT SURVEY
July – September 2009

Cattle numbers on feed, capacity and capacity utilisation

Numbers on Feed	<i>NSW</i>	<i>VIC</i>	<i>QLD</i>	<i>SA</i>	<i>WA</i>	Total
Sep-09	221,883	54,022	439,621	17,862	9,664	743,052
Jun-09	222,216	44,411	415,099	18,027	43,790	743,543
Sep-08	199,170	27,923	386,201	17,311	5,110	635,715

Capacity	<i>NSW</i>	<i>VIC</i>	<i>QLD</i>	<i>SA</i>	<i>WA</i>	Total
Sep-09	425,375	84,197	627,204	29,288	104,265	1,270,329
Jun-09	404,884	77,418	627,873	31,771	101,116	1,243,062
Sep-08	389,922	80,405	577,822	32,391	90,230	1,170,770

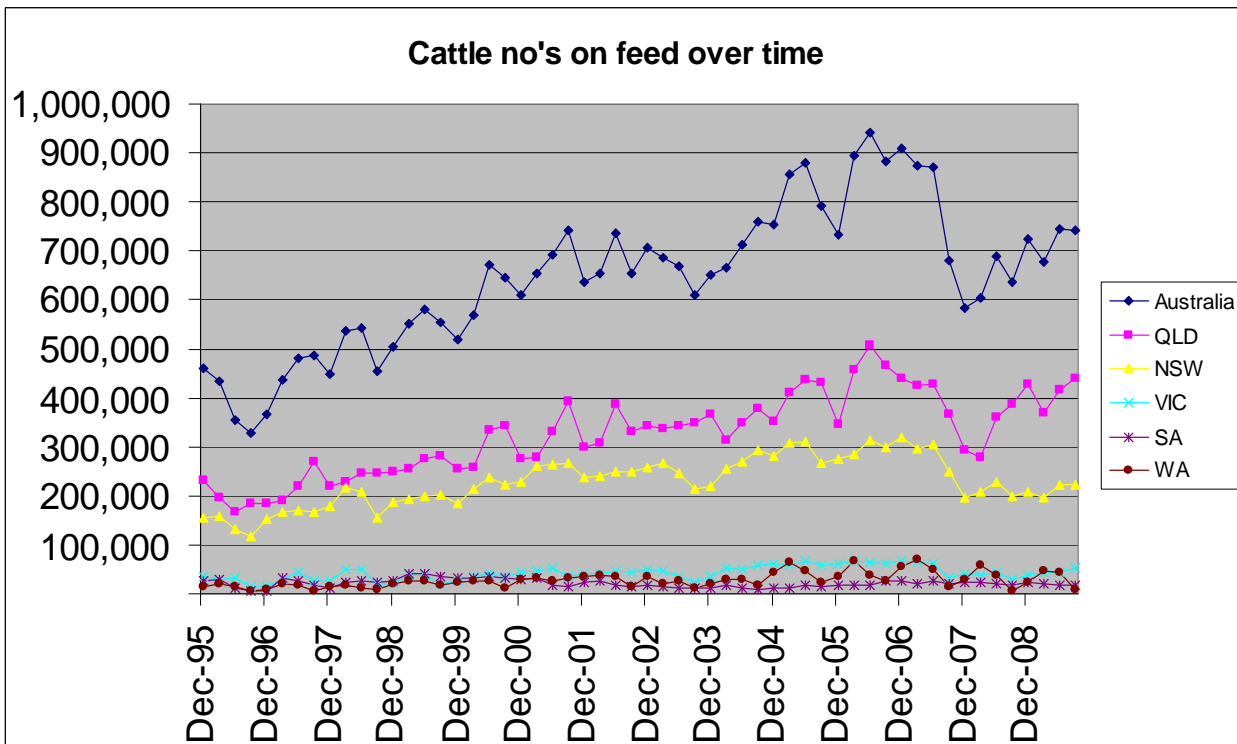
Utilisation	<i>NSW</i>	<i>VIC</i>	<i>QLD</i>	<i>SA</i>	<i>WA</i>	Total
Sep-09	52%	64%	70%	61%	9%	58%
Jun-09	55%	57%	66%	57%	43%	60%
Sep-08	51%	35%	67%	53%	6%	54%



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Market Destination

	Sep-09		Jun-09		Sep-08	
	Numbers	%	Numbers	%	Numbers	%
Export	513958	69.2%	497657	66.9%	465138	73.2%
Domestic	227223	30.6%	240965	32.4%	164857	25.9%
Unknown	1871	0.3%	4923	0.7%	5720	0.9%
Total	743,052	100.0%	743,543	100.0%	635,715	100.0%

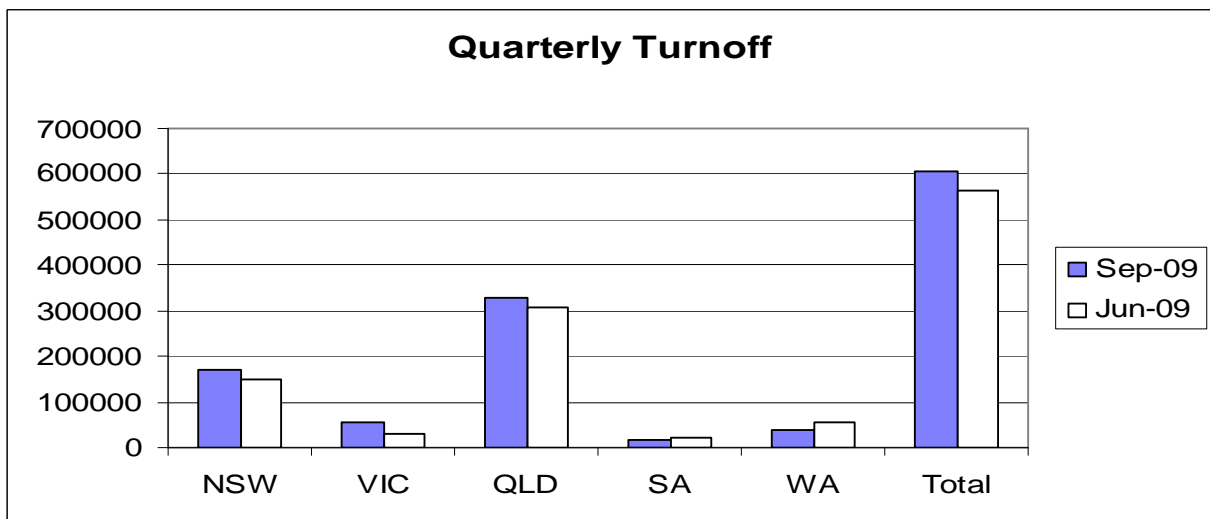


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Total Cattle Turnoff

Total Turnoff (year ending)						
	NSW	VIC	QLD	SA	WA	Total
Dec-08	570,099	150,271	1,212,738	76,910	124,485	2,134,503
Dec-07	717,243	197,930	1,261,965	79,036	148,021	2,404,195
Dec-06	702,085	208,248	1,495,867	70,054	149,847	2,626,101

Total Turnoff (quarterly)	NSW	VIC	QLD	SA	WA	Total
Sep-09	171006	57046	326652	16035	36361	607100
Jun-09	148310	30565	307223	21687	53596	561381
Sep-08	163292	42646	351376	18499	29098	604911



ALFA / MLA FEEDLOT SURVEY
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State Breakdown by Feedlot Size

	Capacity Sep 09	Capacity Jun 09	Capacity Sep 08	Numbers on Feed Sep 09	Numbers on Feed Jun 09	Numbers on Feed Sep 08
New South Wales						
Less than 500 head	7,499	7,749	7,228	3,317	4,585	4,420
500 - 1000 head	20,603	21,602	19,702	3,054	6,353	5,104
1000 - 10000 head	111,700	107,200	108,660	40,440	38,195	27,365
over 10000 head	285,573	268,333	254,333	175,072	173,083	162,281
<i>State Total</i>	425,375	404,884	389,922	221,883	222,216	199,170
Queensland						
Less than 500 head	46,419	49,888	45,218	18,680	16,464	15,695
500 - 1000 head	47,126	48,625	39,622	22,588	15,454	5,856
1000 - 10000 head	219,520	221,954	205,576	161,680	173,949	141,751
over 10000 head	314,139	307,406	287,406	236,673	209,232	222,899
<i>State Total</i>	627,204	627,873	577,822	439,621	415,099	386,201
Victoria						
Less than 500 head	1,225	420	0	405	0	0
500 - 1000 head	3,973	1,999	2,406	593	0	1,906
1000 - 10000 head	26,999	18,064	15,960	22,927	13,475	6,277
over 10000 head	52,000	56,935	62,039	30,097	30,936	19,740
<i>State Total</i>	84,197	77,418	80,405	54,022	44,411	27,923
South Australia						
Less than 500 head	3,978	3,978	4,328	934	1,574	1,500
500 - 1000 head	7,385	7,368	7,638	3,315	4,332	2,114
1000 - 10000 head	17,925	20,425	20,425	13,613	12,121	13,697
over 10000 head	0	0	0	0	0	0
<i>State Total</i>	29,288	31,771	32,391	17,862	18,027	17,311
Western Australia						
Less than 500 head	11,705	19,316	15,930	0	4,267	0
500 - 1000 head	11,660	3,800	1,500	0	0	0
1000 - 10000 head	60,900	78,000	72,800	6,027	39,523	5,110
over 10000 head	20,000	0	0	3,637	0	0
<i>State Total</i>	104,265	101,116	90,230	9,664	43,790	5,110
Australia						
Less than 500 head	70,826	81,351	72,704	23,336	26,890	21,615
500 - 1000 head	90,747	83,394	70,868	29,550	26,139	14,980
1000 - 10000 head	437,044	445,643	423,421	244,687	277,263	194,200
over 10000 head	671,712	632,674	603,778	445,479	413,251	404,920
<i>Total</i>	1,270,329	1,243,062	1,170,770	743,052	743,543	635,715