

ALFA DIARY

2 May
SMARTBEEF Sponsorship
& Exhibition Prospectus
goes live at
www.smartbeef.com.au

3 May
R&D Committee Meeting -
Brisbane

14-16 May
MPM Program Session 2,
Sydney

22-23 May
ALFA Council Meeting

1 June
ALFA Annual Recognition
of Excellence Program
Launch

7 June
Early Bird Registrations
close - Effective Team
Communication Workshop
Series

30 June
Last day of 2018-19 ALFA
Membership Year

1 July
New ALFA Membership
Year 2019-20 commences

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LOT FEEDING OUTLOOK: WHAT LIES AHEAD?

Prepared by [MLA Market News](#)

While growing Asian demand continues to drive investment in the lot feeding sector, uncertainty surrounding cattle and grain supply could provide a challenge in 2019.

A declining Australian dollar and expanding export opportunities have supported finished cattle prices for the last two years, while feeder cattle (a major feedlot input cost) have eased. These dynamics have helped support feedlot margins; however, elevated grain prices continue to represent a major challenge.

Looking ahead, the supply of quality feeder cattle will likely be impacted by adverse weather conditions across many production regions.

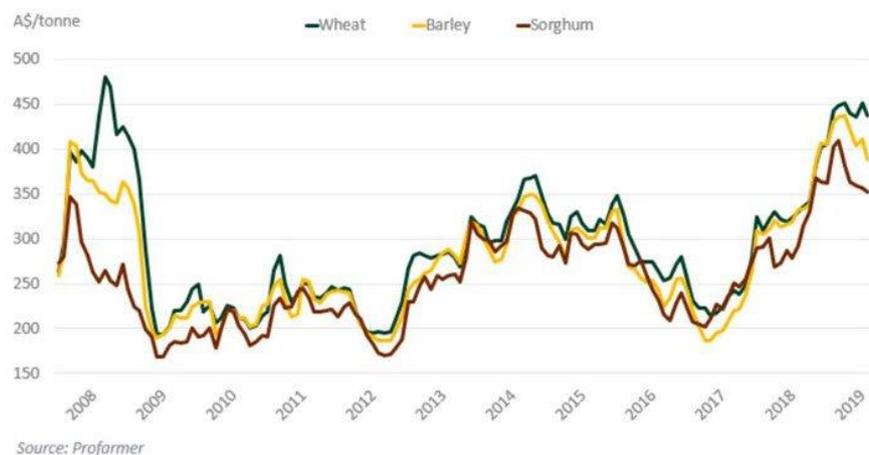
Numbers on feed

Cattle on feed numbers are expected to remain close to record levels when the results of the latest ALFA/MLA lot feeding brief are released soon.

Grain outlook

While barley and sorghum have eased from their October peaks, wheat remains close to record highs. Looking to Darling Downs delivered grain prices on 15 February; sorghum fell 18% since the start of October 2018 to \$347/tonne, barley declined 13% to \$384/tonne and wheat eased just 7% to \$430/tonne.

Darling Downs grain prices



Turning to the prospects for late-planted sorghum in northern NSW and southern Queensland, a recent ABARES crop report suggests the prolonged dry spell and high daily maximum temperatures have reduced yield potentials. As the window for beneficial rain for summer crops rapidly closes, grain growers now turn their focus to the winter cropping season.

With grain production significantly reduced during 2017 and 2018, end users across the eastern states have been relying on shipments from WA for months. Any alleviation in supply pressure will now likely be reliant on good autumn rain to kick off winter cereal crops. However, even if this was to eventuate, harvest generally doesn't start before October.

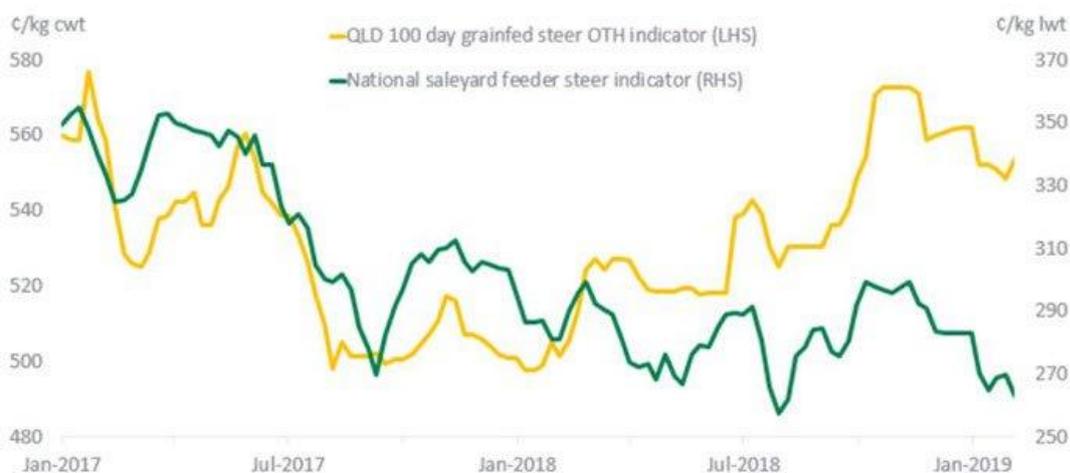
Feeder and finished cattle prices

Feeder cattle prices have followed the wider young cattle market downwards this year, while finished cattle remain relatively well supported. This divergence would have gone some way to alleviating the cost pressures associated with spiking grain prices during the last two years.

The national saleyard feeder steer indicator averaged 263¢/kg live weight (lwt) on 18 February, just 2% above a two-year low of 259¢/kg lwt (August 2018). In fact, the indicator has fallen 24% since January 2017.

On the other hand, the Queensland 100-day grainfed steer over-the-hooks indicator sat at 554¢/kg carcass weight (cwt), just 4% below a two-year high of 577¢/kg cwt (reached in February 2017).

Feeder steers vs finished steers



Source: MLA's NLRS

Grainfed beef exports

In 2018, grainfed exports rose 12% year-on-year to surpass 300,000 tonnes shipped weight (swt) for the first time. All three of Australia's major markets recorded strong gains, with volumes to Japan and Korea both lifting 8% year-on-year, while volumes to China leapt 87%. Growth in the Chinese market has meant that Japan and Korea now account for less than 70% of all Australian grainfed exports, compared to 95% in 2004.

Faced with mounting competition stemming from the US, Australian beef continues to benefit from a lift in overall demand in Japan – especially among the younger generations. Between 2016 and 2018, total Japanese beef imports (from all suppliers) grew 21% to reach the highest calendar year volume since 2001, the year in which Bovine Spongiform Encephalopathy was first discovered in Japan.

Korea's high-earning consumer base with a preference for grainfed beef supports the high quality beef trade from Australia. Grainfed product accounted for 37% of Australian beef exports to Korea in 2018.

Demand from China has been a major boost for the industry in recent years; however, a number of uncertainties remain in this market. Trade access negotiations and the potential impacts of a trade war with the US will be key areas to watch as 2019 progresses.

ANTIMICROBIAL STEWARDSHIP (AMS) SELF-LEARNING MODULES – LAUNCH DELAYED

The e-learning modules were due to be launched this month, however, due to some technical issues, the launch has been slightly delayed.

We are hopeful the issues will be resolved this week and we will be able to launch later this week – we appreciate your patience. An email will be sent directly to lot feeders as soon as the modules are available to allow self registration for the online learning modules.



REGISTRATIONS NOW OPEN

Registrations have now opened for ALFA's newest workshop series, designed to upskill your team and build upon your team's interpersonal skills to create effective communication flows and promote a greater team culture.

Feedlot sites are based on teams working well. And we all know the best teams are those that are made up of all different types of people, in terms of skills, backgrounds, ideas and thoughts. However, this can at times pose specific challenges in the workplace when these characteristics clash. That's why ALFA has developed this new workshop series for lot feeders to attend, and anyone else who works in a team environment.

Register one staff member, or the whole team – either way the benefits will be felt throughout the team.

After attending the workshop participants will be able to:

- Identify different personality styles and understand how these can impact on the way individuals prefer to communicate and be communicated with.
- Understand the impact that different personality styles can have on relationships and teamwork and how to get the best out of themselves and their teammates.
- Understand how conflict can arise from personality differences and learn strategies to manage these within a team.
- Use strategies to communicate better with others and work as a team.

Workshop sizes will be limited to 25 people per workshop to allow for maximum interaction and value for each participant.

See below for scheduled workshop locations and dates:

- **Oakey, QLD** 9 July 2019
- **Oakey, QLD** 10 July 2019
- **Condamine, QLD** 11 July 2019

The workshop will run from 8:30am - 4:00pm.

If you would like to organise a workshop on site for your team (it requires a min. 25 people to run) – please email madeleine.hamilton@feedlots.com.au to discuss options.

[Click here](#) to download the workshop flyer

[Click here](#) to download a registration form (*Early Bird rates available until 7 June*)

ALFA 2019/20 MEMBERSHIP RENEWALS

All ALFA Members should have now received their membership renewal letter for the 2019/20 Membership year.

Thank you to those that have already renewed their membership. If you have not yet received your renewal notice, please let ALFA's Membership Manager - Madie Hamilton know via email at madeleine.hamilton@feedlots.com.au and it can be resent to you. Or alternatively, call the office on (02) 9290 3700 and Nat in our friendly accounts team can help you.

ALFA operates under a direct membership model and so it is extremely important to us that we continue to fulfil our duty as the peak national body for the Australian cattle feedlot industry and deliver value to our members. ALFA's four main roles are to represent the cattle feedlot industry; responsibly direct the expenditure of the grain fed cattle transaction levy; improve the industry through standards, training, events, leadership, awards, careers development and employment facilitation; and provide a high-quality membership service to you, our members.

The current membership year will conclude on 30 June 2019. Afterwhich, the new 2019-20 membership year will commence on 1 July 2019 and we are looking forward to continuing to bring value to our members through exceptional representation, events, information and training.

ALFA thanks its Platinum Members for their ongoing support of ALFA and the Industry



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*The Program & Registrations will go live in July 2019
and will be available at www.smartbeef.com.au*