



AUSTRALIAN LOT FEEDERS ASSOCIATION



Media Release

21st April, 2010

Cattle numbers on feed fall over March quarter

The March quarter ALFA/ MLA survey has shown that cattle numbers on feed reduced by 8% to 711,198 head as a result of an increase in grain and feeder cattle prices, the strong Australian dollar and increased US competition in our major overseas markets.

Australian Lot Feeders' Association (ALFA) President Jim Cudmore stated "the slight increases in cattle numbers on feed in southern states was more than offset by the 10% and 12% reductions in Queensland and NSW".

"Sorghum prices increased by 15% year on year due to low summer crop expectations, whilst good January and February rains in Queensland and NSW encouraged grass fed producers to hold onto feeder cattle leading to reduced supplies and buoyant domestic steer prices".

"These cost of production increases were aggravated by the persistently strong Australian currency (36% higher than the March 2009 quarter) and increased US competition in both the Japan and Korean markets thereby discouraging grain fed cattle placements for the export market".

"Nevertheless, cattle numbers on feed and capacity utilisation were higher in virtually all states than the corresponding March 2009 quarter providing some cause for optimism".

Meat & Livestock Australia's Chief Economist, Peter Weeks stated that "year on year results for grain fed product in our key markets were mixed with exports 4% lower into Japan and 53% higher into Korea".

"Unfortunately, the combination of a rise in the Australian dollar and aggressive US marketing campaigns, enabled the US to increase imports into Japan and Korea by 39% and 23% respectively".

"With a promising start to the winter cropping calendar and some export markets beginning to show signs of recovery, we hope that the currently untapped capacity within the industry can be effectively utilised in the very near future", Jim Cudmore concluded.

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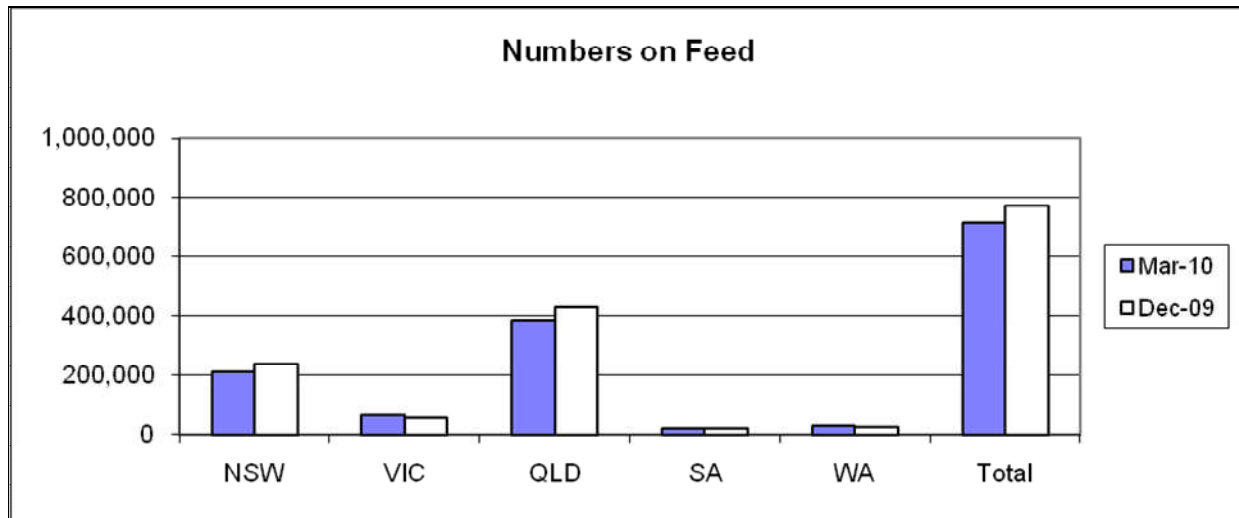
ALFA / MLA FEEDLOT SURVEY
January – March 2010

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
Mar-10	208,969	63,563	387,872	22,163	28,631	711,198
Dec-09	238,579	55,300	431,695	18,217	26,432	770,223
Mar-09	196,348	44,816	368,988	20,699	46,954	677,805

Capacity	<i>NSW</i>	<i>VIC</i>	<i>QLD</i>	<i>SA</i>	<i>WA</i>	Total
Mar-10	424,784	81,893	627,306	30,835	99,465	1,264,283
Dec-09	426,374	80,419	625,317	29,288	103,265	1,264,663
Mar-09	397,538	79,532	633,062	31,921	102,016	1,244,069

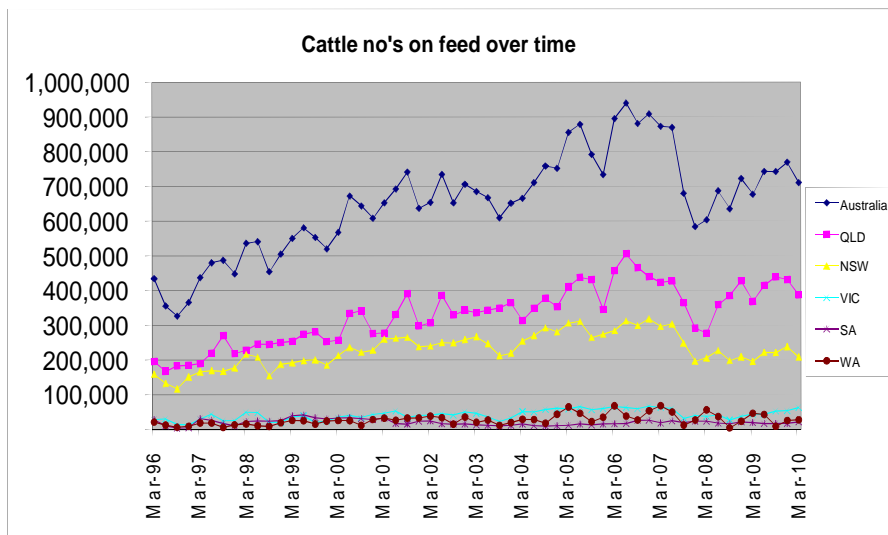
Utilisation	<i>NSW</i>	<i>VIC</i>	<i>QLD</i>	<i>SA</i>	<i>WA</i>	Total
Mar-10	49%	78%	62%	72%	29%	56%
Dec-09	56%	69%	69%	62%	26%	61%
Mar-09	49%	56%	58%	65%	46%	54%



ALFA / MLA FEEDLOT SURVEY January – March 2010

Market Destination

	Mar-10		Dec-09		Mar-09	
	Numbers	%	Numbers	%	Numbers	%
Export	452104	63.6%	506187	65.7%	449729	66.4%
Domestic	247622	34.8%	234475	30.4%	225784	33.3%
Unknown	11472	1.6%	29561	3.8%	2292	0.3%
Total	711,198	100.0%	770,223	100.0%	677,805	100.0%

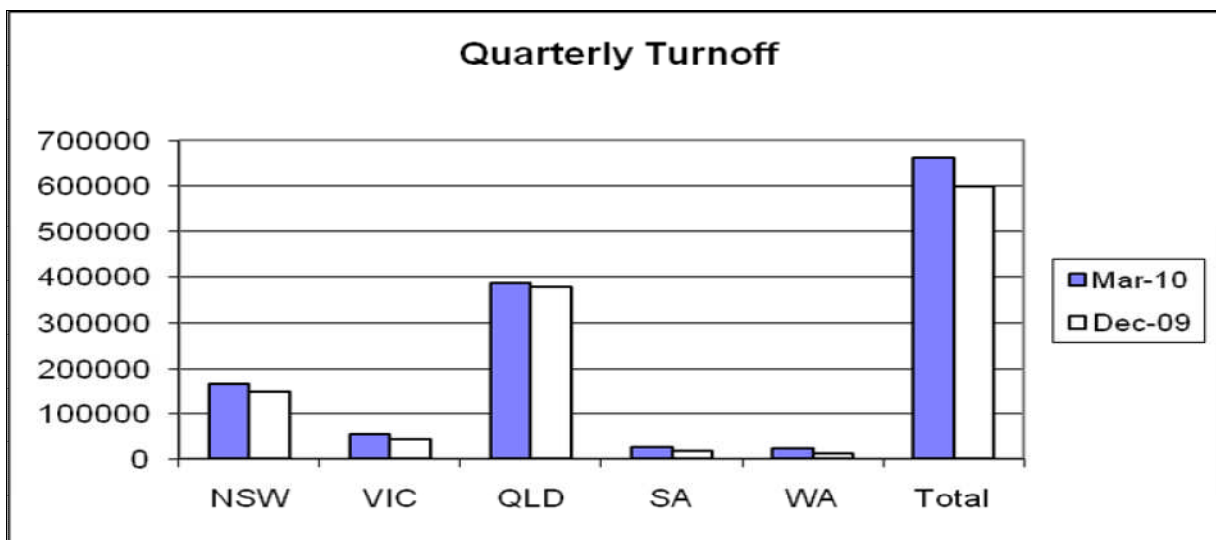


ALFA / MLA FEEDLOT SURVEY
January – March 2010

Total Cattle Turnoff

<i>Total Turnoff (year ending)</i>						
	NSW	VIC	QLD	SA	WA	Total
Mar-10	168744	55372	386483	26301	24009	660909
Dec-09	147215	45413	377437	17479	11559	599103
Mar-09	120913	28590	363647	22080	29085	564315

<i>Total Turnoff (quarterly)</i>	NSW	VIC	QLD	SA	WA	Total
Dec-09	147215	45413	377437	17479	11559	599103
Sep-09	171006	57046	326652	16035	36361	607100
Dec-08	137554	33840	371981	16553	5022	564950



ALFA / MLA FEEDLOT SURVEY
January – March 2010

State Breakdown by Feedlot Size

	Capacity Mar 10	Capacity Dec 09	Capacity Mar 09	Numbers on Feed Mar 10	Numbers on Feed Dec 09	Numbers on Feed Mar 09
New South Wales						
Less than 500 head	7,309	7,499	8,529	1,951	2,039	2,321
500 - 1000 head	22,202	21,602	19,203	7,672	7,956	6,432
1000 - 10000 head	109,700	111,700	115,474	50,411	51,136	33,559
over 10000 head	285,573	285,573	254,333	148,935	177,448	154,036
<i>State Total</i>	<i>424,784</i>	<i>426,374</i>	<i>397,538</i>	<i>208,969</i>	<i>238,579</i>	<i>196,348</i>
Queensland						
Less than 500 head	44,984	46,419	50,375	8,313	10,643	9,132
500 - 1000 head	48,274	47,126	49,125	12,753	16,758	13,393
1000 - 10000 head	226,642	224,366	226,156	146,542	175,068	135,503
over 10000 head	307,406	307,406	307,406	220,264	229,226	210,960
<i>State Total</i>	<i>627,306</i>	<i>625,317</i>	<i>633,062</i>	<i>387,872</i>	<i>431,695</i>	<i>368,988</i>
Victoria						
Less than 500 head	1,894	420	1,538	1,084	0	1,118
500 - 1000 head	1,000	1,000	3,995	0	0	1,996
1000 - 10000 head	24,494	24,494	18,533	21,631	19,426	9,385
over 10000 head	54,505	54,505	55,466	40,848	35,874	32,317
<i>State Total</i>	<i>81,893</i>	<i>80,419</i>	<i>79,532</i>	<i>63,563</i>	<i>55,300</i>	<i>44,816</i>
South Australia						
Less than 500 head	3,290	3,978	4,128	2,245	1,997	1,695
500 - 1000 head	7,975	7,385	7,368	5,911	3,616	4,512
1000 - 10000 head	19,570	17,925	20,425	14,007	12,604	14,492
over 10000 head	0	0	0	0	0	0
<i>State Total</i>	<i>30,835</i>	<i>29,288</i>	<i>31,921</i>	<i>22,163</i>	<i>18,217</i>	<i>20,699</i>
Western Australia						
Less than 500 head	15,665	19,065	20,216	4,865	1,493	9,680
500 - 1000 head	6,100	4,300	3,800	0	0	0
1000 - 10000 head	77,700	79,900	78,000	23,766	24,939	37,274
over 10000 head	0	0	0	0	0	0
<i>State Total</i>	<i>99,465</i>	<i>103,265</i>	<i>102,016</i>	<i>28,631</i>	<i>26,432</i>	<i>46,954</i>
Australia						
Less than 500 head	73,142	77,381	84,786	18,458	16,172	23,946
500 - 1000 head	85,551	81,413	83,491	26,336	28,330	26,333
1000 - 10000 head	458,106	458,385	458,588	256,357	283,173	230,213
over 10000 head	647,484	647,484	617,205	410,047	442,548	397,313
<i>Total</i>	<i>1,264,283</i>	<i>1,264,663</i>	<i>1,244,069</i>	<i>711,198</i>	<i>770,223</i>	<i>677,805</i>