



MEDIA RELEASE

12 August 2019

Feedlot sector continues to support beef production

Cattle on feed have again broken new ground reaching 1,147,393 head for the April – June 2019 quarter, according to latest results of the latest Australian Lot Feeders' Association (ALFA) and Meat and Livestock Australia (MLA) survey.

This represented an overall increase of 1,830 head, or 0.2%, from the previous quarter with increases recorded in Victoria and Western Australia. Victoria increased by 5,980 head, or 8.5%, to 76,552 head and Western Australia increased by 1,099, or 2.1%, to 53,454 head compared to the March quarter. Queensland and New South Wales experienced very modest decreases in numbers on feed, down 0.1% and 0.7% from the December quarter respectively; while South Australia experienced a 4.8% decrease in numbers on feed, to 47,747 head.

ALFA President, Bryce Camm, said that it was not unexpected to see cattle on feed again reach record levels given the prolonged poor conditions across cattle producing areas and the accelerated destocking rates we've seen.

"Cattle on feed has consistently been above 1 million head for the last 18 months reflecting the important role feedlots play in managing climate variability and delivering high-quality beef to our global customers," Mr Camm said.

"Feedlot capacity also continued to rise reaching 1,382,441 head this quarter. The additional 81,000 head from year ago levels reflects investor confidence and the strong demand signals for Australian high-quality grain fed beef."

Adam Cheetham, MLA's Senior Market Analyst, said that despite ongoing challenging conditions combined with high supplementary feed costs, demand for high quality Australian grain fed cattle in export markets has remained robust.

"Grain fed exports for the 2018-19 fiscal year totalled 311,986 tonnes swt, easily surpassing the record established in the 2017-18 fiscal year," Mr Cheetham said.

"For the June quarter major volume gains were experienced into China, up 40%, and Korea, up 9%, from year-ago levels.

"This strong demand was reflected in the prices finished cattle received during the period with the Queensland 100-day grain fed steer over-the-hook indicator improving by 10% (or 51¢) year-on-year in the June quarter to average 572¢/kg cwt," Mr Cheetham said.

**ALFA / MLA FEEDLOT SURVEY
Apr - Jun 2019**

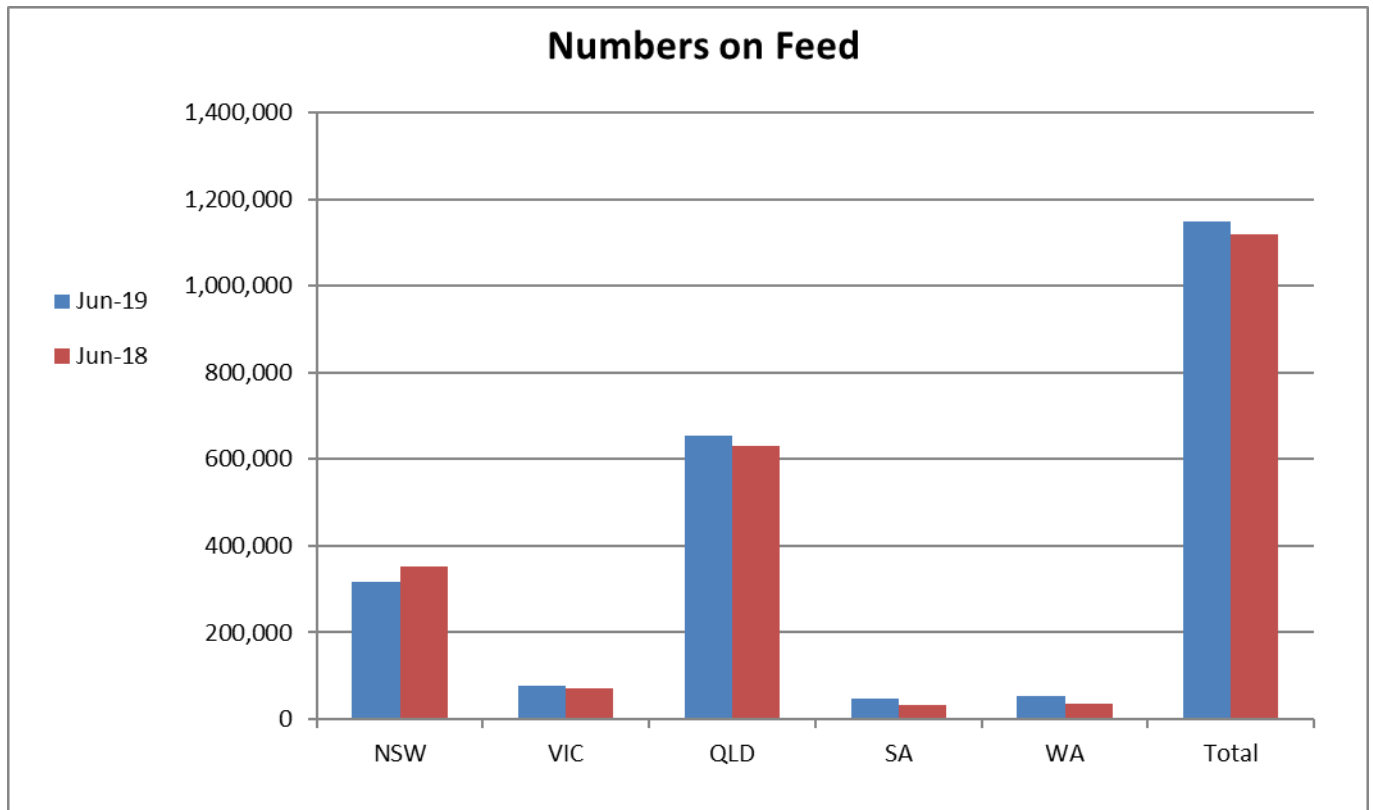
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Cattle Numbers on Feed

Numbers on Feed	NSW	VIC	QLD	SA	WA	Total
Jun-19	316,812	76,552	652,829	47,747	53,454	1,147,393
Mar-19	318,941	70,572	653,528	50,166	52,355	1,145,563
Jun-18	351,821	70,965	629,493	32,894	35,285	1,120,459



Total Cattle Turnoff

Total Turnoff (quarterly)	NSW	VIC	QLD	SA	WA	Total
Jun-19	196,255	58,526	457,474	37,584	41,159	790,996
Mar-19	199,843	55,507	428,618	29,182	39,602	752,752
Jun-18	187,463	46,027	420,512	22,061	40,674	716,738

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Cattle Numbers on Feed

	Numbers on Feed Jun 19	Numbers on Feed Mar 19	Numbers on Feed Jun 18
New South Wales			
Less than 500 head	693	936	1,404
500 -1000 head	5,235	3,041	13,312
1000 - 10000 head	106,415	102,801	117,916
over 10000 head	204,469	212,163	219,189
State Total	316,812	318,941	351,821
Queensland			
Less than 500 head	7,103	8,456	7,941
500 -1000 head	20,938	19,141	14,373
1000 - 10000 head	200,900	216,925	223,287
over 10000 head	423,888	409,006	383,892
State Total	652,829	653,528	629,493
Victoria			
500 -1000 head	3,395	4,455	4,960
1000 - 10000 head	26,989	26,117	19,005
over 10000 head	46,168	40,000	47,000
State Total	76,552	70,572	70,965
South Australia			
Less than 500 head	1,072	1,174	1,136
500 -1000 head	3,142	1,943	1,388
1000 - 10000 head	27,730	31,214	17,371
over 10000 head	15,802	15,836	13,000
State Total	47,747	50,166	32,894
Western Australia			
Less than 500 head	1,209	3,785	611
500 -1000 head	4,664	6,392	3,868
1000 - 10000 head	47,581	42,178	30,806
State Total	53,454	52,355	35,285
Australia			
Less than 500 head	10,078	14,351	11,092
500 -1000 head	37,374	34,971	37,900
1000 - 10000 head	409,615	419,236	408,386
over 10000 head	690,326	677,004	663,081
Total	1,147,393	1,145,563	1,120,459

Total Feedlot Capacity

Total Capacity	NSW	VIC	QLD	SA	WA	Total
Jun-19	402,641	76,792	779,797	51,734	71,477	1,382,441
Mar-19	400,291	76,151	763,393	51,734	71,477	1,363,046
Jun-18	392,143	76,551	716,522	44,427	71,752	1,301,395

Source: Feedlot Capacity figures are provided by AUS-MEAT Limited (AUS-MEAT). AUS-MEAT owns and administers the National Feedlot Accreditation Scheme (NFAS) on behalf of ALFA and the feedlot sector. Actual Feedlot Capacity figures are reported under the NFAS.

Source: ALFA / MLA, June 2019, National Accredited Feedlot Survey

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