



## Media Release

16<sup>th</sup> May, 2011

Results from the latest ALFA/ MLA March quarter survey indicated that cattle numbers on feed increased by 6% on the previous quarter and 10% year-on-year.

Australian Lot Feeders' Association (ALFA) President Jim Cudmore stated "lot feeder margins eroded over the quarter as feeder cattle price rises, volatile grain prices along with a strengthening Australian dollar were not matched by increases in finished grain fed cattle rates".

"A very wet summer resulting in continued good pasture conditions throughout the eastern seaboard sustained prices for feeder cattle with domestic feeder steers averaging 20% dearer over the quarter than a year earlier whilst the margin between grass and grain finished cattle was greatly reduced".

"The vast majority of the increase in cattle numbers on feed over the quarter was experienced in NSW though rises were also seen in Queensland, South Australia and Victoria".

"The increase reflected the decline in feed grain prices in the southern states in late 2010 due to the wet and prolonged winter harvest. However, despite large domestic feed grain supplies, prices averaged around 15% higher over the quarter in the Riverina and Darling Downs as world commodity markets reacted to some of the lowest US corn stocks to use ratios seen in decades".

"In-market' beef prices rose 23% in our major export market Japan; however with business mainly written in US dollars, this was largely offset by our higher currency".

"Year on year the Australian dollar appreciated 10% against the US dollar, 9% against the Korean Won whilst remaining somewhat flatter against the Yen.

Meat & Livestock Australia's Manager for Market Information and Analysis, Tim McRae stated that "grain fed exports to Japan declined 3% year-on-year for the quarter, as already weak demand was further complicated by a series of catastrophes which struck the nation late in the quarter".

"Korea remained a bright spot for the feedlot industry, with grainfed beef exports rising 37% on a year earlier, even as US beef imports increased significantly. Korean beef buying reached almost record levels during the quarter, driven by an improving economy and higher pork prices".

"Overall, grainfed beef exports totalled 50,777 tonnes swt in the March quarter, back 1% year-on-year and 10% lower than the previous quarter".

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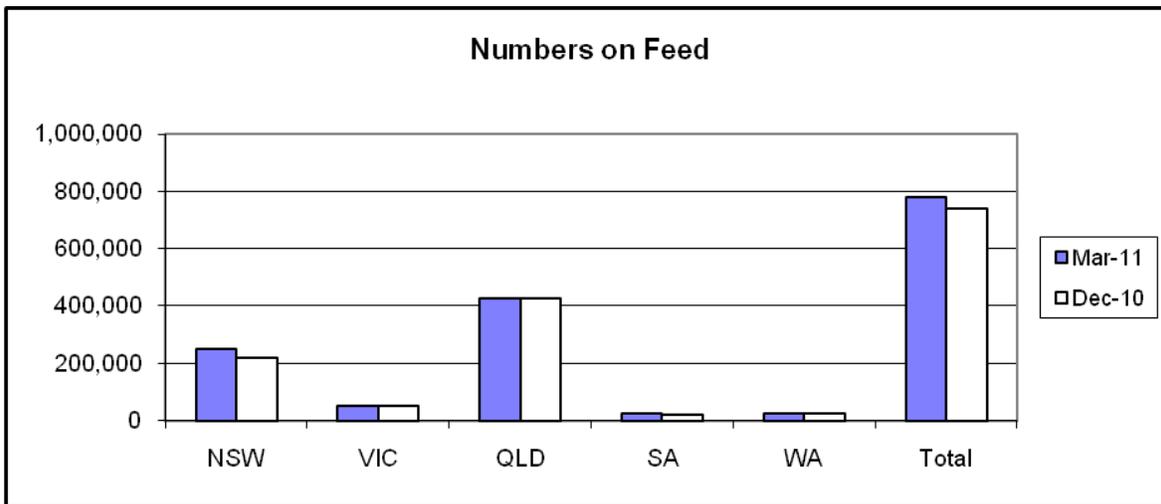
**ALFA / MLA FEEDLOT SURVEY**  
**January – Mar 2011**

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

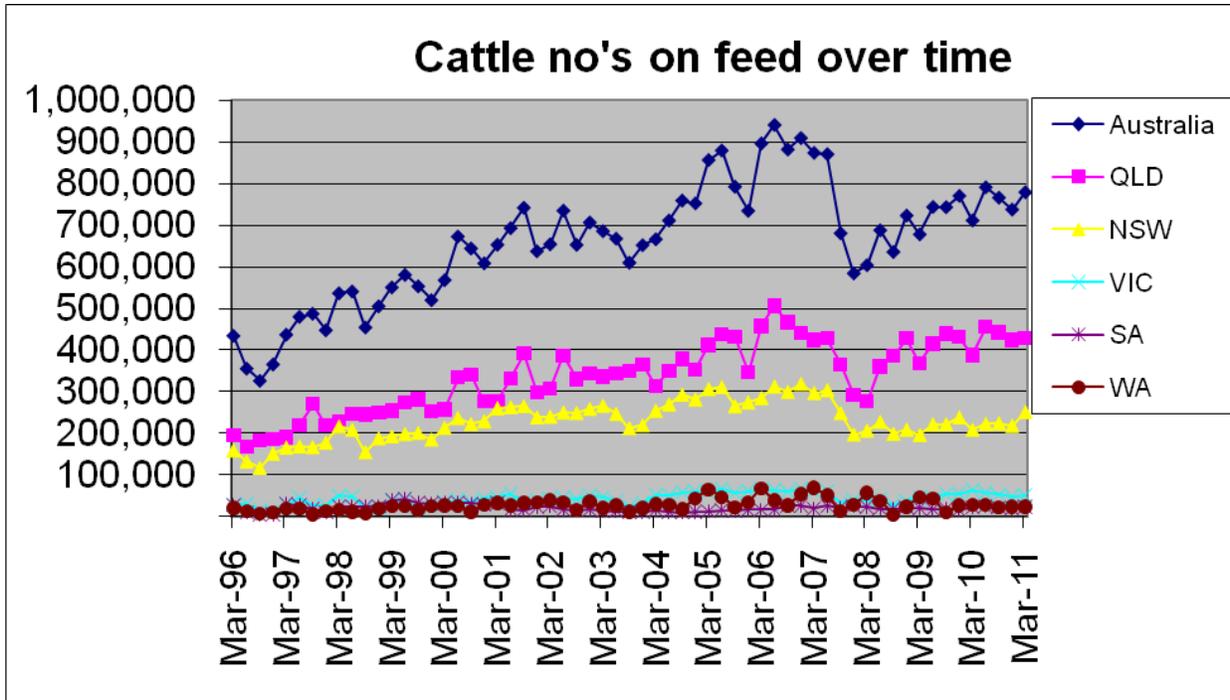
<b>Numbers on Feed</b>	<i>NSW</i>	<i>VIC</i>	<i>QLD</i>	<i>SA</i>	<i>WA</i>	<b>Total</b>
Mar-11	251,430	51,697	428,402	23,952	23,413	<b>778,894</b>
Dec-10	218,650	48,835	424,554	20,956	24,434	<b>737,429</b>
Mar-10	208,969	63,563	387,872	22,163	28,631	<b>711,198</b>

<b>Capacity</b>	<i>NSW</i>	<i>VIC</i>	<i>QLD</i>	<i>SA</i>	<i>WA</i>	<b>Total</b>
Mar-11	429,361	93,724	648,167	33,030	103,165	<b>1,307,447</b>
Dec-10	431,360	82,613	653,660	32,290	103,165	<b>1,303,088</b>
Mar-10	424,784	81,893	627,306	30,835	99,465	<b>1,264,283</b>

<b>Utilisation</b>	<i>NSW</i>	<i>VIC</i>	<i>QLD</i>	<i>SA</i>	<i>WA</i>	<b>Total</b>
Mar-11	59%	55%	66%	73%	23%	<b>60%</b>
Dec-10	51%	59%	65%	65%	24%	<b>57%</b>
Mar-10	49%	78%	62%	72%	29%	<b>56%</b>



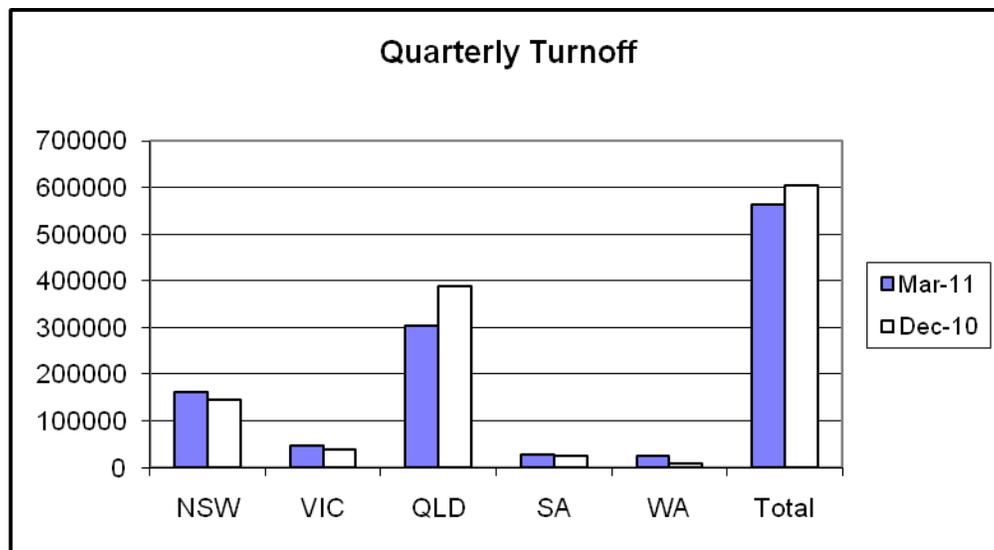
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### Total Cattle Turnoff

<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-10	634526	207305	1468631	110831	112318	<b>2533611</b>
Dec-09	587444	161614	1374959	77281	130601	<b>2331899</b>
Dec-08	570099	150271	1212738	76910	124485	<b>2134503</b>

<b>Total Turnoff (quarterly)</b>	<b>NSW</b>	<b>VIC</b>	<b>QLD</b>	<b>SA</b>	<b>WA</b>	<b>Total</b>
Mar-11	161128	47294	303605	27236	23978	<b>563241</b>
Dec-10	145382	39277	387744	23593	7710	<b>603706</b>
Mar-10	168744	55372	386483	26301	24009	<b>660909</b>



**ALFA / MLA FEEDLOT SURVEY**  
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**State Breakdown by Feedlot Size**

	Capacity Mar 11	Capacity Dec 10	Capacity Mar 10	Numbers on Feed Mar 11	Numbers on Feed Dec 10	Numbers on Feed Mar 10
<b>New South Wales</b>						
Less than 500 head	7,459	7,459	7,309	651	2,164	1,951
500 -1000 head	20,253	21,252	22,202	4,303	2,726	7,672
1000 - 10000 head	116,076	117,076	109,700	45,684	32,384	50,411
over 10000 head	285,573	285,573	285,573	200,792	181,376	148,935
<i>State Total</i>	<i>429,361</i>	<i>431,360</i>	<i>424,784</i>	<i>251,430</i>	<i>218,650</i>	<i>208,969</i>
<b>Queensland</b>						
Less than 500 head	43,431	46,926	44,984	3,960	4,660	8,313
500 -1000 head	48,588	50,586	48,274	14,519	15,540	12,753
1000 - 10000 head	233,742	233,742	226,642	173,831	140,264	146,542
over 10000 head	322,406	322,406	307,406	236,092	264,090	220,264
<i>State Total</i>	<i>648,167</i>	<i>653,660</i>	<i>627,306</i>	<i>428,402</i>	<i>424,554</i>	<i>387,872</i>
<b>Victoria</b>						
Less than 500 head	1,225	1,814	1,894	532	714	1,084
500 -1000 head	6,500	800	1,000	6,500	0	0
1000 - 10000 head	29,999	29,657	24,494	14,293	15,041	21,631
over 10000 head	56,000	50,342	54,505	30,372	33,080	40,848
<i>State Total</i>	<i>93,724</i>	<i>82,613</i>	<i>81,893</i>	<i>51,697</i>	<i>48,835</i>	<i>63,563</i>
<b>South Australia</b>						
Less than 500 head	3,390	3,390	3,290	1,763	1,025	2,245
500 -1000 head	7,475	7,475	7,975	4,316	2,489	5,911
1000 - 10000 head	22,165	21,425	19,570	17,873	17,442	14,007
over 10000 head	0	0	0	0	0	0
<i>State Total</i>	<i>33,030</i>	<i>32,290</i>	<i>30,835</i>	<i>23,952</i>	<i>20,956</i>	<i>22,163</i>
<b>Western Australia</b>						
Less than 500 head	10,405	15,265	15,665	1,433	2,550	4,865
500 -1000 head	11,660	6,800	6,100	990	0	0
1000 - 10000 head	71,100	71,100	77,700	20,990	21,884	23,766
over 10000 head	10,000	10,000	0	0	0	0
<i>State Total</i>	<i>103,165</i>	<i>103,165</i>	<i>99,465</i>	<i>23,413</i>	<i>24,434</i>	<i>28,631</i>
<b>Australia</b>						
Less than 500 head	65,910	74,854	73,142	8,339	11,113	18,458
500 -1000 head	94,476	86,913	85,551	30,628	20,755	26,336
1000 - 10000 head	473,082	473,000	458,106	272,671	227,015	256,357
over 10000 head	673,979	668,321	647,484	467,256	478,546	410,047
<i>Total</i>	<i>1,307,447</i>	<i>1,303,088</i>	<i>1,264,283</i>	<i>778,894</i>	<i>737,429</i>	<i>711,198</i>