



10th May 2012

Media Release

Grain fed cattle numbers fall

Continuing the trend of quarterly fluctuations in grain fed cattle numbers on feed, results from the latest ALFA/ MLA March survey showed a 5% decline.

Australian Lot Feeders' Association (ALFA) President Jim Cudmore commented that the survey outcome was the result of predominantly the consistently high Australian dollar and the perpetuation of difficult international trading conditions.

"The Australian dollar for the quarter was up 5% against the US year on year, feeder cattle up 1% whilst strong US beef competition continued to eat into the subdued international beef demand that currently exists."

"Although feed grain prices helped improve lot feeder margins (sorghum and wheat averaged 24% and 20% lower year-on-year in the Darling Downs), feeder cattle prices remained strong on the back of ongoing good seasonal conditions (and hence high re-stocker demand for young cattle)."

"The wave of cattle placed on feed in the final months of 2011 due to a fall in new crop grain prices across the eastern states, were not replaced in the March quarter of 2012."

"Cattle numbers on feed fell in Queensland, NSW and Victoria with Western Australia conversely experiencing an increase to levels more attune to those normally experienced this time of year".

"Capacity utilisation remained at 60% following reductions in feedlot capacity in NSW, Victoria and South Australia mainly due to feedlots voluntarily suspending their quality assurance accreditation."

Meat & Livestock Australia's Manager for Market Information and Analysis, Tim McRae stated that "grain fed exports to our major markets were down, with a 16% year-on-year decline to Japan and a 35% reduction in Korea."

"Exports to Japan over the quarter were sluggish, influenced by slow demand, growing presence of the US in the market and increasing supplies of Japanese beef."

"Similarly, Korean exports during the first quarter of 2012 also stuttered, although from historically high 2011 volumes."

"Total grain fed beef exports were 42,860 tonnes for the March quarter - 16% lower year-on-year."

"With global uncertainty likely to continue to impact upon the fundamentals affecting grain fed beef demand, lot feeders and exporters will be hopeful of price improvements in the next quarter."

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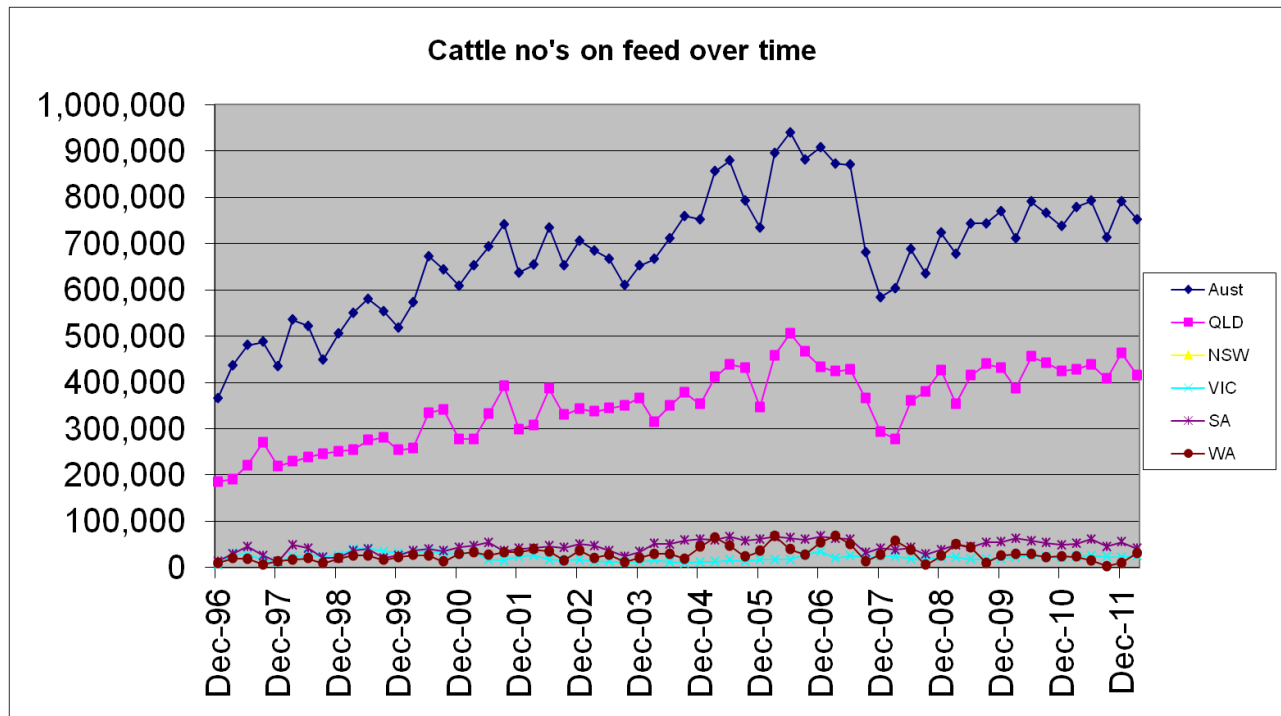
ALFA / MLA FEEDLOT SURVEY
Jan-Mar 2012

Cattle numbers on feed, capacity and capacity utilisation

Numbers on Feed	NSW	VIC	QLD	SA	WA	Total
Mar-12	238,703	41,109	415,508	25,440	31,353	752,113
Dec-11	240,154	54,870	463,520	22,748	9,683	790,975
Mar-11	251,428	51,696	428,400	23,951	23,414	778,889

Capacity	NSW	VIC	QLD	SA	WA	Total
Mar-12	388,749	107,645	631,598	25,837	101,404	1,255,233
Dec-11	419,692	132,745	630,704	29,200	101,604	1,313,945
Mar-11	429,361	93,724	648,167	33,030	103,165	1,307,447

Utilisation	NSW	VIC	QLD	SA	WA	Total
Mar-12	61%	38%	66%	98%	31%	60%
Dec-11	57%	41%	73%	78%	10%	60%
Mar-11	59%	55%	66%	73%	23%	60%

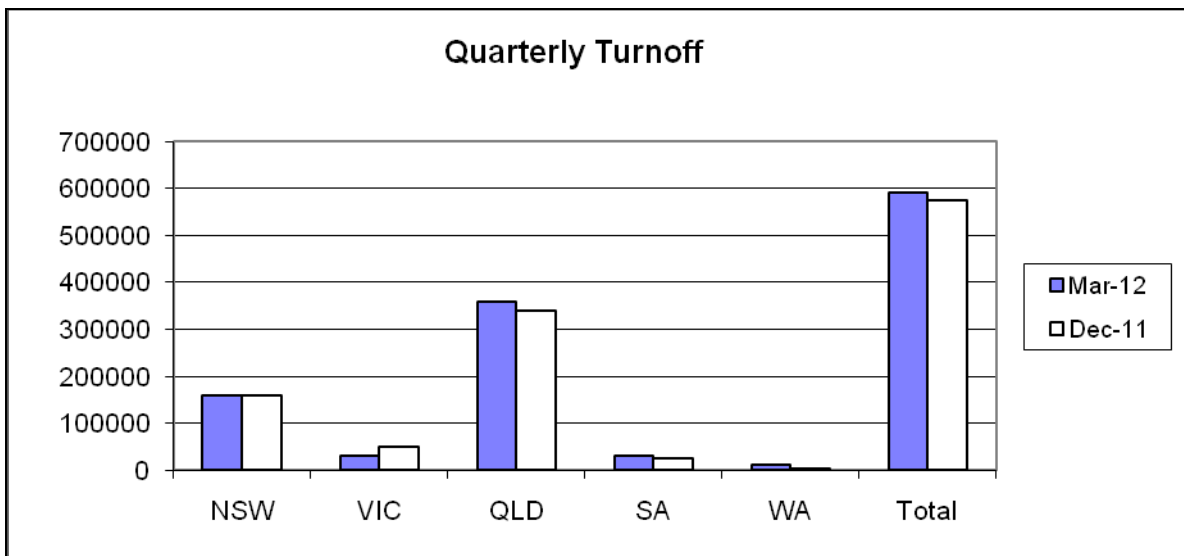


ALFA / MLA FEEDLOT SURVEY
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Total Cattle Turnoff

Total Turnoff (year ending)	NSW	VIC	QLD	SA	WA	Total
Dec-11	665278	220082	1402924	101822	55026	2445132
Dec-10	634526	207305	1468631	110831	112318	2533611
Dec-09	587444	161614	1374959	77281	130601	2331899
Dec-08	570099	150271	1212738	76910	124485	2134503

Total Turnoff (quarterly)	NSW	VIC	QLD	SA	WA	Total
Mar-12	158565	31327	358045	32179	12083	592199
Dec-11	158478	49878	338978	26307	1185	574826
Mar-11	161128	47294	303605	27236	23978	563241



**ALFA / MLA FEEDLOT SURVEY
Jan-Mar 2012**

State Breakdown by Feedlot Size

	Capacity Mar 12	Capacity Dec 11	Capacity Mar 11	Numbers on Feed Mar 12	Numbers on Feed Dec 12	Numbers on Feed Mar 11
<i>New South Wales</i>						
Less than 500 head	7,209	7,209	7,459	4,458	2,555	651
500 -1000 head	21,754	21,757	20,253	3,898	2,994	4,303
1000 - 10000 head	117,174	119,153	116,076	67,393	60,505	45,683
over 10000 head	242,612	271,573	285,573	162,954	174,100	200,791
<i>State Total</i>	<i>388,749</i>	<i>419,692</i>	<i>429,361</i>	<i>238,703</i>	<i>240,154</i>	<i>251,428</i>
<i>Queensland</i>						
Less than 500 head	38,403	40,610	43,431	4,672	4,869	3,960
500 -1000 head	48,260	49,259	48,588	14,453	16,115	14,518
1000 - 10000 head	222,529	251,224	233,742	128,654	166,293	173,830
over 10000 head	322,406	289,611	322,406	267,729	276,243	236,092
<i>State Total</i>	<i>631,598</i>	<i>630,704</i>	<i>648,167</i>	<i>415,508</i>	<i>463,520</i>	<i>428,400</i>
<i>Victoria</i>						
Less than 500 head	16,146	16,246	1,225	13,885	12,845	532
500 -1000 head	1,000	1,000	6,500	0	0	6,500
1000 - 10000 head	28,499	28,499	29,999	14,648	15,367	14,293
over 10000 head	62,000	87,000	56,000	12,576	26,658	30,371
<i>State Total</i>	<i>107,645</i>	<i>132,745</i>	<i>93,724</i>	<i>41,109</i>	<i>54,870</i>	<i>51,696</i>
<i>South Australia</i>						
Less than 500 head	2,896	7,835	3,390	2,046	4,038	1,763
500 -1000 head	25,837	1,700	7,475	23,394	0	4,315
1000 - 10000 head	0	19,665	22,165	0	18,710	17,873
over 10000 head	0	0	0	0	0	0
<i>State Total</i>	<i>25,837</i>	<i>29,200</i>	<i>33,030</i>	<i>25,440</i>	<i>22,748</i>	<i>23,951</i>
<i>Western Australia</i>						
Less than 500 head	8,844	9,685	10,405	1,645	107	1,434
500 -1000 head	14,160	13,660	11,660	2,540	1,790	990
1000 - 10000 head	78,400	78,259	71,100	27,168	7,786	20,990
over 10000 head	0	0	10,000	0	0	0
<i>State Total</i>	<i>101,404</i>	<i>101,604</i>	<i>103,165</i>	<i>31,353</i>	<i>9,683</i>	<i>23,414</i>
<i>Australia</i>						
Less than 500 head	58,352	81,585	65,910	12,821	24,414	8,340
500 -1000 head	111,011	87,376	94,476	44,285	20,899	30,626
1000 - 10000 head	446,602	496,800	561,746	237,863	268,661	334,931
over 10000 head	627,018	648,184	673,979	443,259	477,001	467,254
<i>Total</i>	<i>1,255,233</i>	<i>1,313,945</i>	<i>1,307,447</i>	<i>752,113</i>	<i>790,975</i>	<i>778,889</i>