MEAT & LIVESTOCK AUSTRALIA MARKET INFORMATION

Lot feeding brief

Results for the March quarter 2025 feedlot survey

Erin Lukey – Senior Market Information Analyst – insights@mla.com.au

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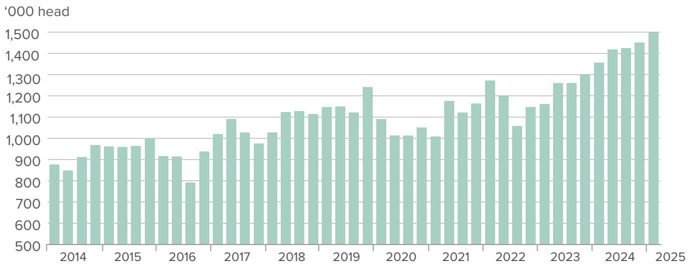
National summary

- The March quarter was the first in 12 months where capacity in the feedlot sector did not grow. Capacity declined by just 0.1% to 1,656,501 head.
- Over the quarter, 858,613 head of cattle were turned off, up 9% on Q4 2024 and 13% on the year prior.
- Demand for pen space led to numbers quickly being replaced. The number of cattle on feed lifted to a record 1,497,325, up 3% on the previous quarter and 11% on the year prior. This caused a lift in utilisation to 90% (the highest on record).
- Strong global demand and stable margins have buoyed confidence in the sector.

From the previous quarter:

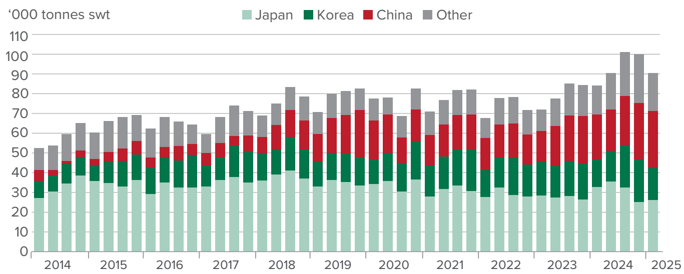
- Conditions across Queensland have remained relatively strong compared to other states. Feedlots have been able to maintain current programs, but also take on cattle from other states that have been impacted by dry conditions. Utilisation hit a record 93%, with near record numbers on feed up 1% to 851,190 head. Turn-off over the quarter remained stable at 484,714 head.

Figure 1: Cattle on feed



Source: MLA/ALFA

Figure 2: Quarterly grainfed beef exports



Source: DAWE

Table 1: Meat & Livestock Australia (MLA)/Australian Lot Feeders' Association (ALFA) survey of feedlot activity

	Feedlot capacity			Numbers on feed			Utilisation %		
	Mar-25	Dec-24	Mar-24	**Mar-25**	Dec-24	Mar-24	**Mar-25**	Dec-24	Mar-24
NSW	**486,999**	491,299	463,150	**442,735**	415,793	365,268	**91**	85	79
Vic	**84,513**	84,575	84,575	**69,613**	66,924	62,358	**82**	79	74
Qld	**918,607**	915,504	888,865	**851,190**	839,397	802,451	**93**	92	90
SA	**77,618**	77,618	67,507	**71,060**	70,665	65,102	**92**	91	96
WA	**88,764**	88,764	89,814	**62,727**	57,702	59,568	**71**	65	66
Australia	**1,656,501**	1,657,760	1,593,911	**1,497,325**	1,450,481	1,354,747	**90**	87	85

Source: MLA/ALFA

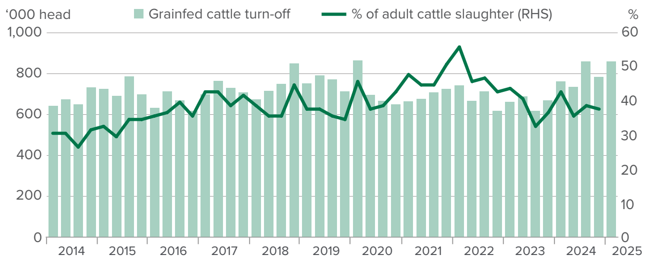
From the previous quarter: continued...

- Record utilisation and numbers on feed in NSW reflect the continued reliance on the state to support finishing stock on grain. Turn-off lifted 8% to 227,314 head while the sector saw the second largest number on feed of 442,735, up 6%. This led to record utilisation of 91% in a stable of 486,999.
- Utilisation in SA feedlots lifted to 92% this quarter, despite a record turn-off of 48,770 head. Persistent dry conditions continue to place pressure on producers across the state, ensuring continued reliance on grain to finish stock. Numbers on feed lifted slightly by 1% to 71,060 head while capacity remained stable at 77,618 head.
- Victorian utilisation grew 3% to 82%, as conditions continue to dry out. Access to affordable feed is becoming more difficult and costs continue to rise. Numbers on feed lifted 4% to 69,613 head despite turn-off lifting to 46,580 head.
- Turn-off in WA feedlots spiked 255% to 51,235 head. As a largely seasonal sector – with March as the traditional peak – intense increases are expected, though volumes remain 10% up on the year prior. Numbers on feed lifted 9% on the previous quarter and 5% on March 2024 to 62,727, with utilisation up to 71% while capacity remained flat at 88,764 head.

Grainfed exports

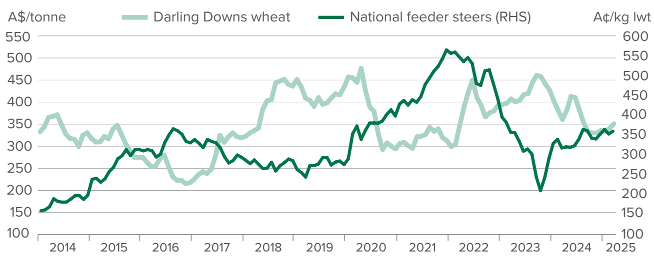
- Australia's competitiveness in global markets is being supported by exchange rate dynamics and strong supply chain adaptability.
- In the March quarter, China remained Australia's largest market for grainfed beef, importing more than Q4 2024. China imported 29,043 tonnes, up 1% quarterly and 27% last year, making up 32% of the grainfed trade. Demand from the growing Chinese middle class will continue to have an impact on the grainfed export mix.

Figure 3: Grainfed cattle turn-off



Source: ABS, MLA/ALFA

Figure 4: Feed grain and feeder steer prices



Source: MLA, Profarmer Australia

- Japan has seen a significant 20% year-on-year drop in grainfed export volumes due to increasing cold stores in-country, reducing their demand for imported beef. Australia exported 29% of grainfed exports, or 26,230 tonnes to Japan.
- A 16% year-on-year lift in Korea meant that Australia sent 18% of its grainfed exports product to the country, or 15,969 tonnes. This volume is down from last quarter's record but remains firm on long-term averages.
- The 'Other Market' category makeup reduced to 21% of exports, though remained firm on averages, reflecting a strong and varied export mix.

Domestic feeder cattle price, supply and weights

- The National Livestock Reporting Service (NLRS) Feeder Steer Indicator throughput stayed relatively flat into the March quarter, up slightly to 650,000 head.
- Feeder prices lifted across most states, despite an increase to cattle supply. National prices lifted 4% to 362¢/kg liveweight, around 9% above year-ago levels.
- Darling Downs wheat prices also increased in the March quarter, lifting 3% to $341/tonne. However, this is nearly 10% below year-ago levels.
- An annual lift of 9% in the steer price combined with a 10% reduction in the feed price reflects a relatively stable system, supporting lot feeder margins.

Table 2: Numbers on feed by feedlot size

Feedlot size (head)	Mar-25	Dec-24	Mar-24
< 500	**9,298**	7,896	11,505
500-1,000	**38,475**	29,376	40,721
1,000-10,000	**423,101**	417,882	390,101
>10,000	**1,026,451**	995,327	912,420
Total	**1,497,325**	1,450,481	1,354,747

Source: MLA/ALFA

Table 3: Quarterly cattle feedlot turn-off

	Mar-25	Dec-24	Mar-24
		Head	
NSW	**227,314**	210,996	184,041
Vic	**46,580**	36,305	45,571
Qld	**484,714**	482,793	448,653
SA	**48,770**	39,919	36,714
WA	**51,235**	14,437	46,571
Australia	**858,613**	784,450	761,550

Source: MLA/ALFA