



Lot feeding brief

Results for the September quarter 2021 feedlot survey

Ripley Atkinson – Market Information Analyst – ratkinson@mla.com.au

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Summary

- Cattle on feed numbers declined slightly across the September quarter, reported at 1,119,093 head, an increase of 10.8% on the year-ago levels.
- The number of cattle on feed are 10% higher the five-year September average.
- National feedlot capacity remained firm on June 2021 levels, to 1,447,716 head – demonstrating the continued confidence of the feeding industry.
- Most states decreased slightly in the September quarter with WA experiencing the largest % decline by 24%.

From the previous quarter:

- NSW and QLD both experienced slight decreases of 302,369 and 690,229 head, down 6.9% and 2.6% respectively.
- SA and Victoria remained steady reporting 36,327 head and 61,334 cattle on feed respectively.
- The national feedlot utilisation decreased to 77% for the September quarter, equal to the five-year September average. WA experienced the largest decrease of 13%, with NSW and QLD falling 6% and 2% respectively to 73% and 83%. Victoria and SA declined 4% and 1% respectively hitting 78% and 68%.

Figure 1: Cattle on feed

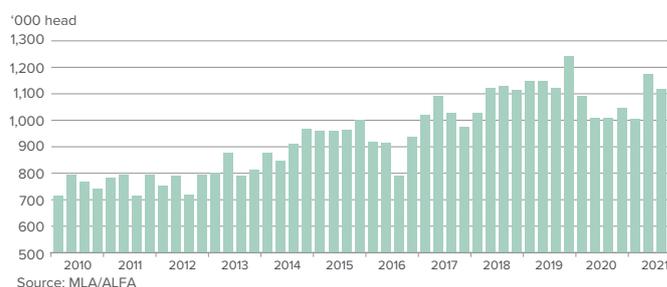


Figure 2: Quarterly grainfed beef exports

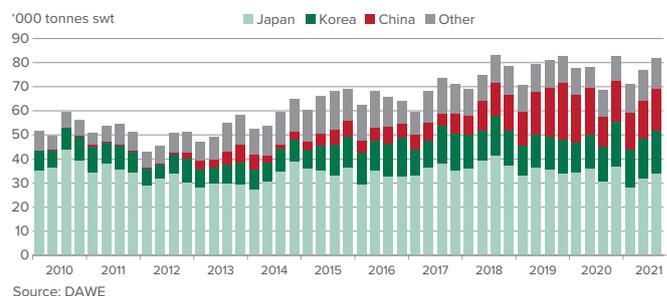


Table 1: MLA/ALFA Survey of feedlot activity

	Feedlot capacity			Numbers on feed			Utilisation %		
	Sep-21	Jun-21	Sep-20	Sep-21	Jun-21	Sep-20	Sep-21	Jun-21	Sep-20
NSW	414,263	412,274	411,538	302,369	324,715	295,752	73	79	72
Vic	78,892	78,892	79,392	61,334	65,027	46,963	78	82	59
Qld	827,270	829,628	831,179	690,229	708,557	591,664	83	85	71
SA	53,814	53,814	53,614	36,327	37,003	38,003	68	69	71
WA	73,477	73,477	73,477	28,834	38,350	37,938	39	52	52
Australia	1,447,716	1,448,085	1,449,200	1,119,093	1,173,652	1,010,320	77	81	70

Source: MLA/ALFA

Currency

■ In the September quarter, the A\$ averaged US73.5¢, lower than the previous quarter and 2.8% higher year-on-year.

■ Against the Japanese Yen, the A\$ increased 6.6% from the September 2021 quarter to average 80.92¥ in the September quarter this year.

■ Against the Korean Won, the A\$ averaged 851.89₩, a minute increase on year ago levels, up by 0.3%.

Grainfed exports

■ Australian grainfed exports increased 7% in the September quarter to 81,812 tonnes shipped weight (swt), up 19% from the September 2020 quarter.

■ Japan continued to be Australia's largest export market for grainfed beef, with volumes exported reaching 33612 tonnes swt, up 10% on the September 2020 quarter.

■ Korea still just surpasses China in volume of grainfed exports in the September quarter, up 11% on the previous quarter to 18,192 tonnes swt. Exports to China also reported a slight increase, up 7% on the June quarter to 17,228 tonnes swt, up 35% on the same quarter last year.

Figure 3: Grainfed cattle turn-off

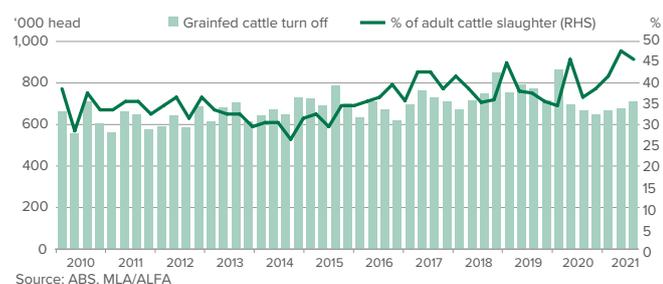


Figure 4: Feed grain and feeder steer prices

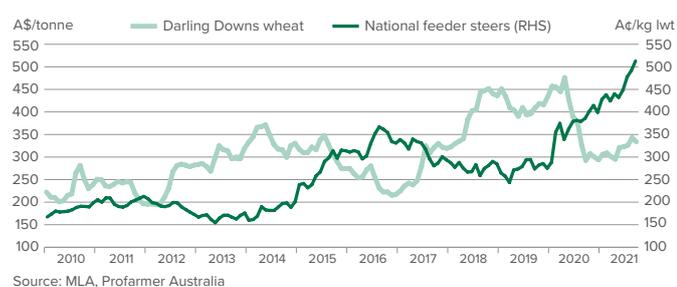


Figure 5: Queensland 100-day Grainfed Steer OTH Indicator



Domestic feeder cattle prices

■ The Queensland 100 day grainfed steer over-the-hook (OTH) indicator continued to trade at record levels, averaging 694¢/kg carcass weight (cwt) in the September quarter, 2.5% higher than the June quarter levels and 7% above year-ago levels. The ongoing herd rebuild limited the supply of finished cattle, resulting in higher OTH prices across the board.

■ The national feeder steer indicator averaged 497¢/kg live weight (lwt) in the September quarter, an increase of 12.4% on the previous quarter. The indicator held a steady increase through the quarter as a direct result of continuing restocker competition and need to acquire supply, continuing to launch into record territory. Up 29% on year ago levels.

Grain prices

■ In the September quarter wheat ex-Darling Downs prices increased, up 7% from the previous quarter to average \$333/tonne. These prices are 1.5% below September 2020 levels. Barley averaged \$293/tonne, up 2.8% on the previous quarter and 1.3% below year-ago levels.

Table 2: Numbers on feed by feedlot size

Feedlot size (head)	Sep-21	Jun-21	Sep-20
< 500	5,506	10,529	9,903
500-1,000	35,481	38,325	31,918
1,000-10,000	325,524	372,311	335,335
>10,000	752,582	752,487	633,164
Total	1,119,093	1,173,652	1,010,320

Source: MLA/ALFA

Table 3: Quarterly cattle feedlot turn-off

	Sep-21	Jun-21	Sep-20
	Head		
NSW	185,405	171,612	152,377
Vic	44,960	46,600	41,066
Qld	410,750	397,429	413,908
SA	26,974	28,712	27,901
WA	40,282	30,949	31,570
Australia	708,371	675,302	666,822

Source: MLA/ALFA

Table 4: Feedlot turn-off

	FY2021	FY2020	FY2010
	Head		
NSW	718,248	794,237	636,347
Vic	167,839	215,592	210,209
Qld	1,542,780	1,758,572	1,377,701
SA	105,457	121,512	93,191
WA	122,577	154,221	108,493
Australia	2,656,901	3,044,134	2,425,941

Source: MLA/ALFA