



Markets mixed after eastern states rain

Widespread, decent rainfall across the eastern states this week had a mixed impact on markets, with most cattle indicators increasing, while sheep and lamb categories fluctuated from day to day.

The rain saw cattle producers opt to hold stock, and consequently, the reduced saleyard offerings helped turn some of the recent price declines around. Further assisting price improvements this week was more interest from restockers, along with consistent demand from processors. Heavy steers gained the most ground, up 12¢, to finish Thursday on 329¢/kg cwt.

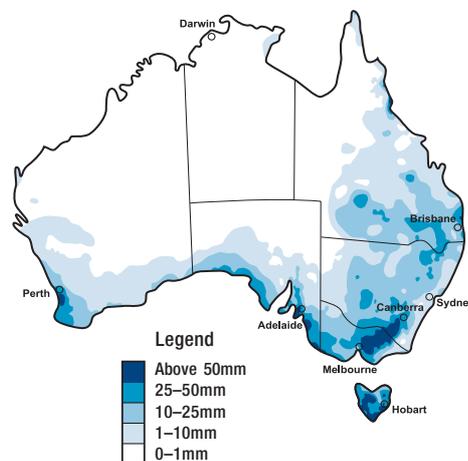
Indicative of the tightening cow supply and strong demand from processors, medium cow prices jumped 8¢, to average 265¢/kg cwt, while the EYCI recovered 10¢ this week, to close Thursday's markets on 328.25¢/kg cwt.

In contrast, lamb saleyard offerings were up significantly this week, as producers aimed to capitalise on the price gains of recent weeks, and under the increased supplies, national lamb price indicators came under pressure. Nationally, trade lambs increased 6¢, to finish on 508¢/kg cwt, while light lambs slipped 12¢, to finish on 409¢/kg cwt. Highlighting the shortening mutton supplies, after a number of months with very high slaughter, the mutton indicator rose 31¢ this week, to finish on 291¢/kg cwt.

The latest BOM three month rainfall outlook has forecast large swathes of the eastern states to receive well above average falls from August to October. If these falls eventuate, on top of the very wet June and early July for some regions in the southern states, sheep and cattle supplies are likely to continue tightening over the coming months.

Weather watch...

Rainfall analysis – week ending 25 July 2013



Source: Bureau of Meteorology

Good falls across eastern states

The eastern states received good falls this week, with parts of Victoria, NSW and Tasmania receiving up to 100mm, while the southern coastal region of WA experienced lighter falls. Temperatures were cooler across most regions, after several cold fronts crossed the eastern states early in the week. Northern Australia had another dry week, with most of the region again recording no rainfall.

Key developments:

Cow prices rebound from lows recorded in May – page 2

New season lambs boost supply – page 3

Average beef farm cash incomes decline – ABARES – page 7

National saleyard indicators

MLA's NLRS

Cattle	Weight	Muscle/Fat		TW	LW	LY
Trade steer	330-400kg	C3	(¢/kg lwt)	195	195	212
			(¢/kg cwt)	359	356	391
Medium steer	400-500kg	C3	(¢/kg lwt)	171	170	182
			(¢/kg cwt)	314	316	347
Heavy steer	500-600kg	C4	(¢/kg lwt)	182	176	190
			(¢/kg cwt)	329	317	345
Medium cow	400-520kg	D3	(¢/kg lwt)	128	124	140
			(¢/kg cwt)	265	257	288
Feeder steer	330-400kg	C2	(¢/kg lwt)	187	181	206

Sheep and lambs

Restocker/feeder lamb	0-18kg	1-2	(\$/head)	51	46	61
Merino lamb	16-22kg	2-3	(¢/kg cwt)	419	422	403
Light lamb*	12-18kg	2-3	(¢/kg cwt)	409	421	431
Trade lamb [#]	18-22kg	2-4	(¢/kg cwt)	508	502	439
Heavy lamb [#]	22kg +	2-4	(¢/kg cwt)	530	529	417
Mutton	18-24kg	2-3	(¢/kg cwt)	291	260	320

*1st & 2nd cross & Merino, [#]1st & 2nd cross

National over the hooks indicators

MLA's NLRS

Cattle (¢/kg cwt)	Weight	Muscle	Fat	TW	LW	LY
Trade steer	220-260kg	A-C	3-12	320	316	328
Medium steer	260-300kg	A-C	7-22	313	313	326
Heavy steer	300-420kg	A-C	7-22	318	318	331
Medium cow	240-280kg	A-E	3-22	252	250	275
Sheep and lambs (¢/kg cwt)						
Medium trade lamb	18-20kg		2-4	491	482	448
Heavy trade lamb	20-22kg		2-4	490	480	444
Heavy lamb	22kg +		2-4	488	480	434
Mutton	18-24kg		2-4	248	240	271

TW = This week, LW = Last week, LY = Last year

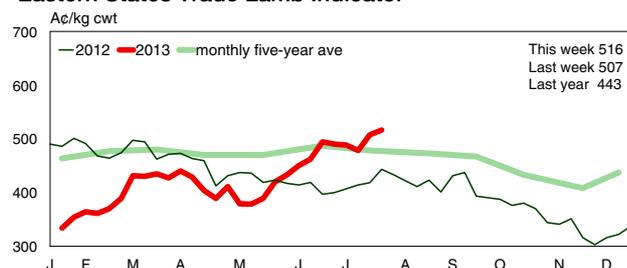
Livestock prices

MLA's NLRS

Eastern Young Cattle Indicator (EYCI)



Eastern States Trade Lamb Indicator

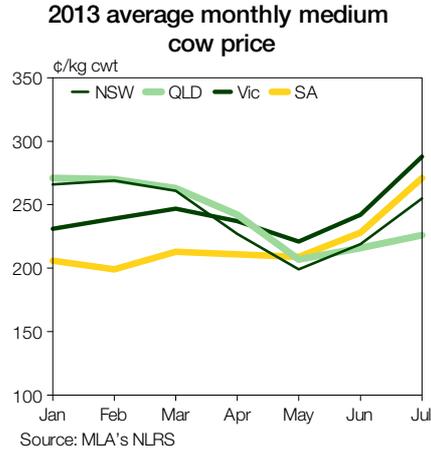


Cow prices rebound from lows recorded in May

Cow prices have rebounded in recent weeks, triggered by a surge in processor interest, not only for well-finished lines, but also plain conditioned manufacturing lines.

Southern processors have been most active in comparison to their northern counterparts, with reports of shortening cow supplies pressuring processors to re-enter the saleyard market to fill orders. The recent weakening of the A\$ value has also assisted the resurgence for processor interest, with reports suggesting that there has been increased demand for grinding beef.

Medium weight (400-520kg D3 cwt) cow prices in Queensland saleyards averaged 226¢/kg cwt at the close of Thursday's markets, up 18¢/kg cwt compared to the low recorded in May, although still back 46¢/kg cwt from January. Medium cow prices through NSW have increased 55¢/kg cwt since May, averaging 255¢/kg cwt, while Victoria has had the largest rise, up 67¢/kg cwt, averaging 288¢/kg cwt. Cows in SA averaged 271¢/kg cwt on Thursday, up 78¢/kg cwt since May, and 65¢/kg cwt since January.



MLA's NLRS

Eastern states over-the-hook rates vary

Direct-to-works rates were mixed across the eastern states this week, with Queensland back 3¢ to 5¢/kg cwt, while southern processors increased prices 5¢ to 10¢/kg cwt. Quality cattle through Queensland reportedly continue to hold condition as winter remains mild, while in the south, cattle are starting to deteriorate as the cold weather persists.

Heavy grown steers (300-420kg, 0-2 tooth) eased 5¢/kg cwt in southern Queensland to average 295¢/kg cwt, with sufficient numbers still available. Rates in NSW lifted 4¢/kg cwt on average this week, to finish on 310¢/kg cwt, while heavy grown steers in Victoria averaged 333¢/kg cwt, unchanged week-on-week.

MLA's NLRS

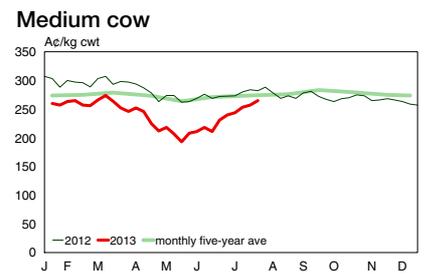
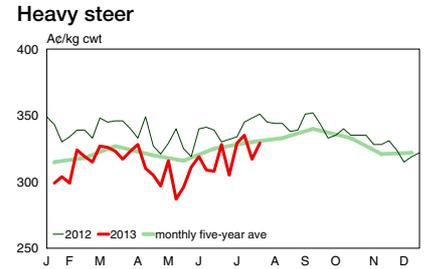
Cattle indicators rally across the eastern states

Most eastern states cattle indicators recorded an increase this week, ranging from 3¢ to 12¢/kg cwt. The shift in processor interest to saleyards across all categories has been the main driver behind recent price improvements, along with some renewed restocker interest in Queensland. The Eastern Young Cattle Indicator (EYCI) continued to improve at the close of Thursday's markets, averaging 328.25¢/kg cwt, up 10¢/kg cwt on last week, although back just under 55¢/kg cwt from this time last year.

The trade steer indicator lifted a further 3¢/kg cwt on last week, to average 359¢/kg cwt, while medium steers slipped 34¢/kg cwt, back from a strong rise last week, to finish on 303¢/kg cwt. Heavy steers were up by 12¢/kg cwt, averaging 329¢/kg cwt, while medium cows continue to rise week-on-week, making 268¢/kg cwt. The feeder steer indicator lifted 5¢/kg lwt averaging close to 186¢/kg lwt.

MLA's NLRS

National indicators

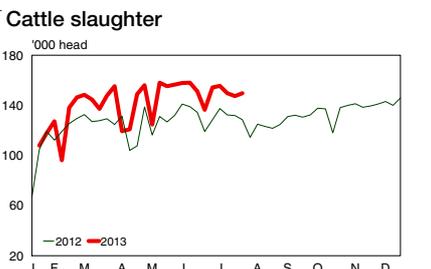


Cattle movements

MLA's NLRS

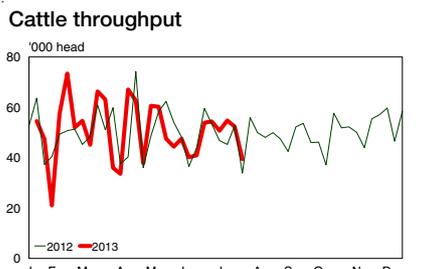
Slaughter statistics - for week ending 19/07/13

		TW	LW	LY
Qld	Cattle	80,820	81,454	57,908
	Calves	460	468	1,580
NSW	Cattle	37,069	34,698	29,405
	Calves	4,224	3,743	3,497
Vic	Cattle	23,805	23,129	17,310
	Calves	5,235	5,116	4,881
SA	Cattle	3,611	3,560	6,479
	Calves	45	53	17
Tas	Cattle	4,267	4,581	3,382
	Calves	187	379	392



Saleyard throughput - for week ending 25/07/13 At NLRS reported centres

	TW	LW	LY
Qld	12,312	22,099	24,421
NSW	12,699	15,385	16,664
Vic	10,508	10,185	8,894
SA	2,135	1,918	3,009
WA	1,746	2,707	2,862
Tas	82	41	55



Cattle price data is contained on page 9 market statistics.

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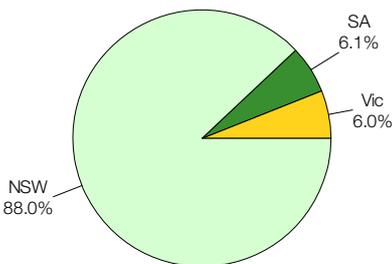
New season lambs boost supply

New season lamb supply gained some momentum this week, at markets reported by MLA's National Livestock Reporting Service, with a total of 7,001 head yarded across the eastern states. July, primarily the time of year when new season lambs begin to appear, caused supply to more than double week-on-week, and was 3% higher than the corresponding week last year.

The most significant supply of new season lambs was in NSW, yarding 6,158 head, while SA and Victoria yarded around 400 head each. In NSW, increased supply at Forbes and Wagga saw both centres yard the most new season lambs this week. The majority of the new season lambs fell into a 20kg to 22kg cwt weight range and presented in good condition.

A rally in lamb prices in recent weeks has enabled new season lamb prices to remain solid compared to 2012. Light weight new season lambs averaged 487¢/kg cwt, while trade and heavy weights settled on around 546¢/kg cwt.

Young lamb yardings



Source: MLA's NLRS

MLA's NLRS

Trade and heavy weight lamb prices show strong gains

Eastern states lamb supply, as reported by MLA's NLRS, increased 14% week-on-week, as supply at Wagga and Forbes lifted. Eastern states trade and heavy weight lamb prices this week hit their highest levels since 2011, before larger supply at Wagga later in the week saw prices ease.

At the conclusion of Thursday's markets, the eastern states restocker lamb indicator increased 36¢ week-on-week, to average 363¢/kg cwt. Merino lambs lost 5¢, to 425¢/kg cwt, while light lambs decreased 9¢, to 411¢/kg cwt. The eastern states trade lamb indicator lifted 9¢, to 516¢/kg cwt, while heavy lambs gained 6¢, to 531¢/kg cwt.

Despite eastern states sheep supply 19% higher week-on-week, as supply in all states increased, the eastern states mutton indicator rallied under strong demand, to finish Thursday 19¢ higher on 297¢/kg cwt.

MLA's NLRS

Sheep and lamb movements

MLA's NLRS

Slaughter statistics - for week ending 19/07/13

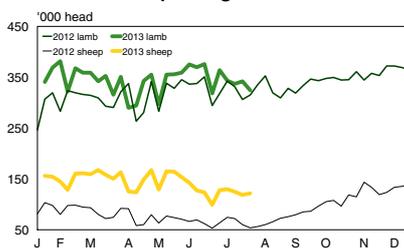
		19/07/13		
		TW	LW	LY
Vic	Lambs	172,230	187,076	161,860
	Sheep	50,615	52,639	24,375
NSW	Lambs	96,443	96,784	98,167
	Sheep	43,284	44,461	14,814
SA	Lambs	33,207	33,619	57,283
	Sheep	12,082	8,278	8,475
Qld	Lambs	5,919	5,586	5,349
	Sheep	11,874	10,321	7,169
Tas	Lambs	16,578	18,678	12,027
	Sheep	3,493	2,677	1,120

Saleyard throughput - for week ending 25/07/13

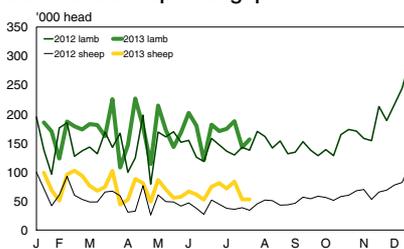
At NLRS reported centres

		25/07/13		
		TW	LW	LY
Vic	Lambs	30,719	32,498	38,708
	Sheep	14,438	14,031	8,828
NSW	Lambs	102,858	85,390	101,217
	Sheep	29,626	22,900	20,000
SA	Lambs	12,926	10,485	15,446
	Sheep	3,467	3,126	5,098
WA	Lambs	9,150	13,100	14,200
	Sheep	5,366	11,838	11,449
Tas	Lambs	925	1,100	425
	Sheep	50	1,100	25

Lamb and sheep slaughter



Lamb and sheep throughput



Lamb over-the-hook rates push higher

Eastern states over-the-hook lamb rates, as reported by the National Livestock Reporting Service, were firm to slightly higher this week across all categories. The dearer physical market prices are continuing to place upward pressure on processors, with supply in recent weeks tightening as winter deepens.

Light weight (0-18kg cwt) lambs in Victoria gained 15¢, to settle on 485¢/kg cwt, while trade weight (18-22kg cwt) lambs lifted 8¢ to 9¢, to average 520¢/kg cwt. In NSW, rates for light and trade weight lambs were unchanged, while heavy lambs (22-26kg cwt) increased slightly to top at 540¢/kg cwt. Across SA, lambs rates were also unchanged, with trade weight (18-22kg cwt) lambs topping at 540¢/kg cwt.

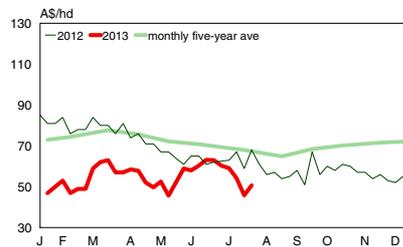
Sheep rates remained firm in SA and NSW, while light weight (0-18kg cwt) mutton in Victoria lifted 10¢ to 11¢, to average 210¢/kg cwt. Medium weight (18-24kg cwt) mutton in Victoria also increased, reaching 280¢/kg cwt.

MLA's NLRS

National indicators

MLA's NLRS

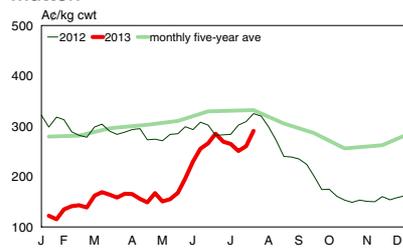
Restocker feeder lamb



Heavy lamb



Mutton



Sheep and lamb price data is contained on page 9 market statistics.

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Wet spring forecast across eastern Australia

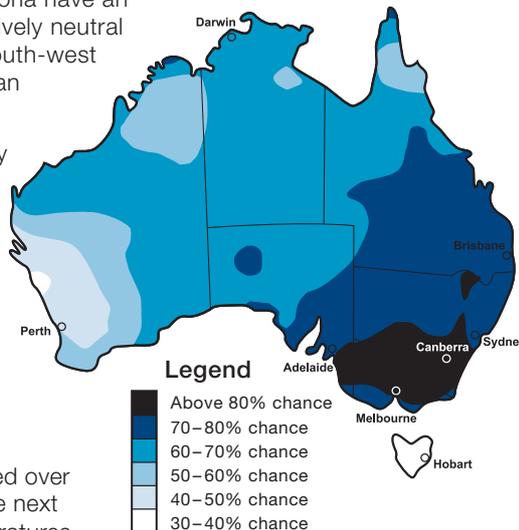
According to the Bureau of Meteorology (BOM), well above average rainfall is forecast for eastern Australia from August to October, following the wet June and reasonable July, and hopefully setting producers up for a more comfortable summer.

Regions across south-east Queensland and northern NSW are projected to have a 75% chance of receiving rainfall levels above the median, while parts of southern NSW and most of Victoria have an 80% chance. In contrast, there is a relatively neutral to below average outlook for much of south-west WA, with a 40–55% chance of higher than median rainfall.

While poor growing conditions were fairly widespread in early 2013, the predicted rainfall will bring good moisture levels across key livestock supply areas in time for spring. Griffith, for example, in south-west NSW, recorded 66.4mm between April and June, around 31% below the mean for this time of year, so above average rain for the rest of winter and into spring would be more than welcome.

Cooler daytime temperatures are predicted over most of eastern mainland Australia for the next three months, with above average temperatures likely across the tropical north, south-west WA and Tasmania. In comparison, the chance of exceeding the median minimum temperature across the eastern mainland is 30–50%, whereas chances in excess of 80% are likely throughout northern Australia, south-west WA, coastal southern Australia and Tasmania.

Rainfall analysis – chance of exceeding the median rainfall – August to October 2013



Source: Bureau of Meteorology

Potential co-product values improve in June

The potential co-product value for a prime steer (average 274kg cwt) during June increased 12% year-on-year, to average \$191.91/head, underpinned by significant price gains for tallow and hides (Kurrajong Meat Technology – June co-products monitor).

Hide (241-280kg) prices continued gains made through May and were dearer compared to June last year, averaging \$60.88/hide. The average value for beef tallow (\$48.80/head) during June was up 8% on the corresponding period last year. Strong demand for renewable fuels in Singapore has continued to lift prices, which are expected to remain steady for the remainder of winter. The potential value for meat and bone meal increased marginally (3%) year-on-year, averaging \$31.28/head, yet reduced 1% on May, with export demand reportedly steady, particularly from Indonesia. Beef offal values during June improved 4% on May, to average \$50.85/head, yet decreased 2% on the corresponding period last year, underpinned by a large decrease in tongue, kidney and heart prices.

Hide indicator (\$/hide)

MLA's NLRS

MLA's NLRS

	Green hides					
	141-180kg cwt			221-280kg cwt		
	TW	LW	LY	TW	LW	LY
Qld	nq	nq	20.80	nq	nq	31.90
NSW	nq	nq	20.17	nq	nq	32.83
Vic & SA - cow	nq	nq	23.00	nq	nq	36.00
Vic & SA - ylg, ox, hfr	nq	nq	26.00	nq	nq	39.67
	Tick free			Ticky		
Weight	TW	LW	LY	TW	LW	LY
23-32kg/hide	nq	nq	42.50	nq	nq	27.75
32kg+/hide	nq	nq	50.63	nq	nq	41.00
	Brine cured hides (Qld)					
Weight	TW	LW	LY	TW	LW	LY
23-27kg/hide	nq	nq	58.13	nq	nq	nq
27-31kg/hide	nq	nq	64.63	nq	nq	nq

Goat rates continue to trend higher

Export goat rates, as reported by MLA's National Livestock Reporting Service, continued to increase this week, reaching a top of 260¢/kg cwt.

Recent widespread rainfall has tightened supply, consequently placing upward pressure on prices. Supplies are likely to remain tight, given the most recent rainfall outlook.

MLA's NLRS

Goats OTH prices (¢/kg cwt)

MLA's NLRS

Category	TW	LF*	LY
0-8kg	nq	nq	nq
8.1-10kg	243	241	244
10.1-12kg	244	242	249
12.1-16kg	244	242	249
16.1-20kg	244	242	247
20.1kg+	244	242	247

* LF = Last fortnight

Tallow (\$/t, delivered in store)

	TW	LW	LY
Prime - Melbourne	nq	nq	735
Prime - Brisbane	nq	nq	735
Bleachable fancy	nq	nq	700

Grain feed prices (\$/tonne)

Darling Downs	TW	LW	LY
Wheat	310	315	277
Barley	315	315	257
Sorghum	285	295	230
Riverina			
Wheat	277	283	250
Barley	255	258	230
Sorghum*	nq	nq	218

*includes freight Source: Profarmer

Eastern Market Wool Indicator (¢/kg)

	TW	LW	LY
AWEX E.M.I	nq	nq	nq

Source: Australian Wool Exchange Ltd. www.awex.com.au

Skin indicator (¢/skin)

MLA's NLRS

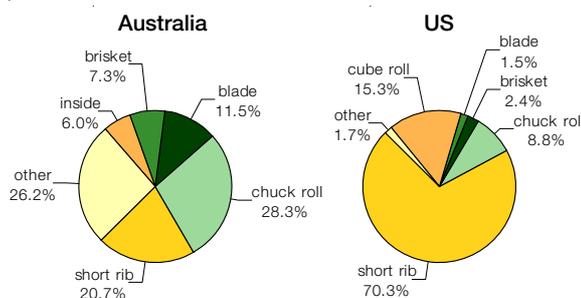
w/e 19/7/13				
Lambs		TW	LW	LY
2"+	16.1 - 20kg	838	838	625
	20.1 - 24kg	969	969	731
	24.1kg +	1113	1113	763
1"-2"	16.1 - 20kg	900	900	625
	20.1 - 24kg	1150	1150	850
	24.1kg +	1200	1200	875
0.5"-1"	16.1 - 20kg	575	575	500
	20.1 - 24kg	925	925	700
	24.1kg +	1100	1100	800
New season	16.1 - 20kg	750	750	575
	20.1 - 24kg	850	850	750
	24.1kg +	nq	nq	800
Merino sheep (average 25 micron)				
1.5"-2"	16.1 - 20kg	900	900	700
	20.1 - 24kg	1025	1175	800
	24.1kg +	1175	1325	900

Beef demand stagnant in Korea

The beef trade in Korea reportedly continued to slow this week, primarily due to a combination of regular Hanwoo beef promotions and tightened consumer spending ahead of a summer holiday and Chuseok. In addition, *Yonhap News* reported, while Korea's pork imported prices during June were down 1.6% year-on-year, beef import prices rose slightly (1.4%), which also impacted the beef trade in the Korean market.

Therefore, this week's prices for imported beef remained relatively steady week-on-week. Australian chuck roll prices this week were KRW 8,100/kg, easing 1% on last week, but 9% higher than the same week last year. US short rib prices remained at high levels and increased another 1% on last week, to KRW 15,000/kg.

Korean beef imports - June 2013



Source: Quarantine and Inspection Agency

According to the import statistics released by the Quarantine and Inspection Agency, Korea secured greater volumes of chuck roll and blade during June, at 3,505 tonnes swt (up 29% year-on-year) and 1,388 tonnes swt (up 105% year-on-year), respectively (on a quarantine cleared basis). Assisting the increased monthly imports was a year-on-year rise in imports of Australian chuck roll and blade, at 2,959 tonnes swt (up 56%) and 1,204 tonnes swt (up 137%) each.

In contrast, Korean short rib imports during June fell by a substantial 30% year-on-year, to 7,157 tonnes swt. The decrease was due to lower import volumes from both Australia (2,166 tonnes swt, down 11% year-on-year) and the US (3,502 tonnes swt, down 44% year-on-year). The volume of US frozen short rib almost halved on June last year, at 3,256 tonnes swt (down 46% year-on-year). While the US still accounted for 49% of Korea's total short rib imports during June, its share was down significantly from 60% in June last year, with Australia increasing to 30% in June 2013 from 24% in June last year.

Similar to short ribs, the import of brisket during June dropped substantially year-on-year (down 67%), to 974 tonnes swt, with the volume of US brisket contracting 95%, to only 122 tonnes swt from 2,366 tonnes swt in June 2012. In contrast, Korea took more Australian brisket during June, at 761 tonnes swt (up 70% year-on-year).

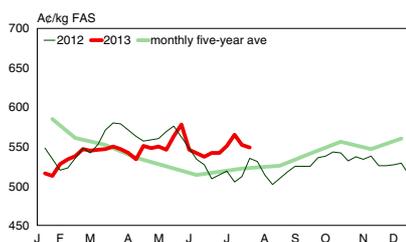
Uruguay gain further market access

According to the Uruguayan government, Russia recently extended expiry dates for imported Uruguayan chilled beef, from 15 days (from slaughter to sale) to 90 days. In 2012 Russia imported 41,141 tonnes swt of chilled beef from Uruguay.

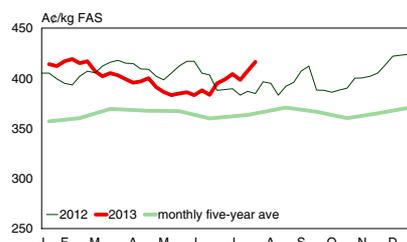
Export price watch

Source: Australian trade, US trade

Japan grassfed fullset price



90CL cow price to US



Tighter supply outlook spurs US beef buyers

Imported 90CL cow beef prices continued to improve this week, lifting a further 3.5US¢, to 185US¢/lb CIF (up 7.8A¢, to 416.2A¢/kg FAS).

Assisting the improvements was a smaller amount of product available from NZ, while Australian exporters were asking a higher price, looking to recoup some value from the declining A\$. Domestic 90CL prices were slightly lower than last week, but traded in a narrower band, with supplies reportedly beginning to slip.

Among other imported beef prices from Australia and NZ, there was very little change from last week in US\$ terms.

The slowdown in the weekly NZ cattle kill was the key factor that US importers and end users took into account this week, as NZ is the largest supplier of imported beef to date in 2013.

With NZ supplies expected to slow, and Australian exporters focusing on China, the value of the A\$ and ongoing strength of Chinese buyers will be important in determining the availability of imported beef as the year progresses.

Major demand indicators (A¢/kg FAS)

	TW	LW	LY
Japan			
Grassfed f/set	549	552	531
Shortfed f/set	nq	nq	nq
CF 85CL	385	379	nq
US			
Cow 90CL	416	407	396
Trim 85CL	395	394	360
Knuckles - steer	558	557	477

Source: Trade

US lamb market

	w/e 19/7/13		
	TW	LW	LY
HRI leg (US¢/lb)	433	433	553
HRI rack (US¢/lb)	675	638	820
US lambs 55-65lb (US¢/lb dw)	273	274	333
US sheep and lamb slaughter* ('000 head)	37	42	31

*w/e 6/7/13

Source: HRI Buyers Guide, USDA

Exchange rate

Major currencies

	around 4pm 25/7/13		
	TW	LW	LY
US dollar	0.916	0.917	1.033
Japanese yen	91.54	91.74	80.83
Korean won	1023	1031	1184
UK pound	0.597	0.604	0.668
Euro	0.693	0.700	0.851
NZ dollar	1.146	1.165	1.302
Indonesia rupiah	9399	9222	9785

Source: Infoscian

TW = This week, LW = Last week, LY = Last year

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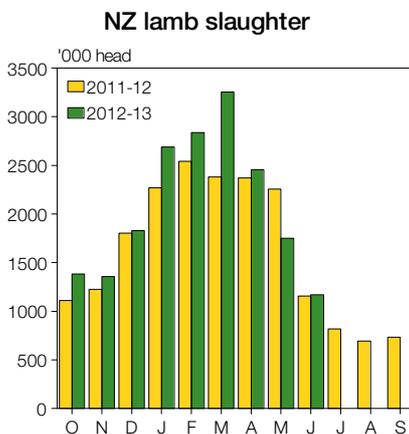
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Tight lamb supply to grip NZ in 2013-14

Two very different seasons in New Zealand (NZ), have resulted in projected 2012-13 (October–September) lamb slaughter numbers being revised to 20.3 million head, according to Beef + Lamb New Zealand.

Record lambing percentages in the spring of 2012, combined with the recent drought in the March quarter of this year, have seen the highest year-to-date (October – June) slaughter since 2009-10, which will see supply tighten severely in the last three months of the year.

Beef + Lamb NZ forecast 2013-14 slaughter numbers to drop sharply to 18.2 million head – down 2.1 million on the revised 2012-13 provisional estimate. This is in part due to a 1% reduction in the ewe flock, on the back of heavy sheep slaughter so far in 2012-13 (up 19% on the same period last year); but more so because of tight feed conditions before joining, resulting in ewes being joined in poorer condition. Consequently, lower than average lambing rates are expected, putting significant pressure on NZ's lamb supply.



Source: Beef + Lamb NZ

Paraguay regains full access to the Chilean market

Almost two years after the last Foot-and-Mouth Disease outbreak, Paraguay has finally regained full access to the Chilean market – its major export destination for beef. After achieving partial access in December 2012, the trade has remained sluggish for the first half of the year. Interestingly, total Paraguayan beef shipments are at record levels so far in 2013, totalling 108,094 tonnes swt – an increase of 34% year-on-year.

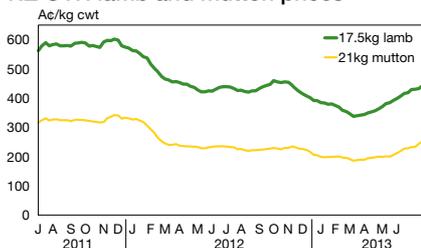
In 2010, Paraguayan beef shipments to Chile accounted for 42% of total exports, at 84,226 tonnes swt. The ban on Paraguayan beef in September 2011 emerged as an opportunity for some of the major beef exporting countries, especially those in South America. Chilean beef imports increased 4% in 2012, to 130,444 tonnes swt and continued to rise during the first five months of 2013, up 18% year-on-year, to 57,147 tonnes.

The record Paraguayan beef exports during the first half of the year, totalling 108,094 tonnes swt, was driven by a surge in exports to Russia (up 6%, to 68,647 tonnes swt), which became a major destination since November 2011, replacing Chile. Exports to Israel and Hong Kong also increased substantially, to 7,339 tonnes swt and 4,420 tonnes swt, respectively.

The expansion of access for Paraguay, combined with the better prices paid by the Chilean market (export price to Russia averaged US\$4.06/kg during the first half of the year while to Chile averaged US\$6.08/kg) is expected to see a surge of product into Chile in the coming months.

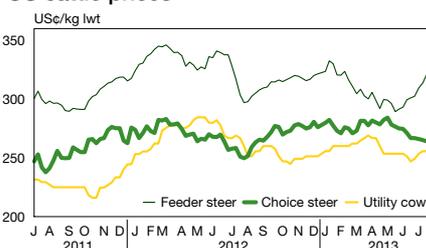
Competitor prices

NZ OTH lamb and mutton prices



Source: NZX Agrifax

US cattle prices



Source: USDA

US fed cattle numbers remain low

The latest figures from the United States Department of Agriculture's *Cattle on Feed* report show fewer cattle in US feedlots (with a capacity of 1,000 head or more) as at 1 July 2013, along with fewer cattle placed on feed during June and fewer fed cattle marketed during June. High production costs, especially for feed, and a reduced availability of suitable cattle continue to impact production levels.

The total feedlot inventory at 1 July 2013 was 10.37 million head, 3% lower than the corresponding time in 2012.

There were 1.59 million cattle placed on feed during June, which was 5% fewer than last year, 39% of which were over 800lb (363kg), compared with just 20% under 600lb (272kg). This implies that there will be more cattle finished earlier in 2013 than normal. Analysis by Steiner Consulting suggests that US cattle slaughter will be down by 5-6% through the final quarter of 2013 and the first quarter of 2014, with further declines possible in the second quarter of 2014 – putting substantial upwards pressure on beef and cattle prices.

US beef price indicators (US\$/lb)

	TW	LW	LY
90CL fresh	199.0	201.0	207.0
Chucks	221.5	221.5	210.5
Choice beef cutout	186.3	189.2	180.0
5 mkt fed steer (lwt)	120.0	119.9	113.2
CME feeder cattle (lwt)	145.8	145.5	134.7
Cutter cow carcass (lwt)	116.0	116.0	118.0

Source: Urner Barry, USDA

Cattle slaughter ('000 head)

	TW	LW	LY
w/e 6/7/13			
US - total	557	654	645
year to date	16,489	15,932	17,298
US - cows	98	115	125
year to date	3,284	3,186	3,313
w/e 19/7/13			
Uruguay - total	30	32	36
year to date	1,228	1,198	1,160

Source: USDA, World Beef Report

NZ livestock prices (A\$/kg)

	TW	LW	LY
w/e 26/7/13			
Bulls 296-320kg	341	336	293
Cows 170-195kg	253	249	222
Steers 295-320kg	355	349	294

Source: NZX Agrifax

NZ export lamb market

	TW	LW	LY
A\$/kg w/e 19/7/13			
NZ chilled export leg to EU	691	692	589
NZ lamb 17.5kg cwt	432	430	433

Source: NZX Agrifax

TW = This week, LW = Last week, LY = Last year

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Cattle and sheep live exports increase in May

Live cattle exports during May rose significantly, up 49% year-on-year, at 82,761 head, with the majority of shipments to Indonesia, at 41,830 head, up 84% over the period. Exports to the Philippines (7,700 head) and Vietnam (1,384 head) also improved, up 292% and 458% year-on-year, respectively.

Live sheep exports in May were 48% higher than the corresponding month in 2012, at 245,330 head, with the majority sent to Jordan (89,334 head), followed by Kuwait (68,188 head), up 13% year-on-year. Shipments to Malaysia (614 head) and Turkey (75 head), on the other hand, were down 62% and almost 100%, year-on-year, respectively.

Total live goat exports fell 26% year-on-year, at 5,023 head, with the greatest number shipped to Malaysia (3,130 head), which was 44% lower year-on-year, while exports to Singapore (1,493 head) were up 41% on May 2012.

China to improve beef processing and storage facilities

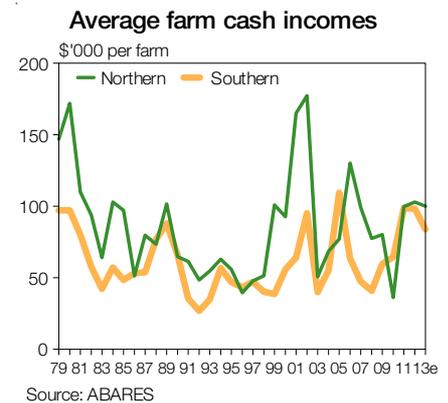
It has been reported that a very large beef cold chain logistics project will be attempted in Binzhou City of Shandong province in China (*Shandong News*). The project aims to build a high level, modern beef processing plant with an annual slaughter capacity of 90,000 head – along with a large beef storage and logistics centre, in accordance with export inspection standard set by Chinese quarantine and EU export requirements. The facilities are reportedly scheduled to be in operation within 2013.

Boneless beef retail prices in China during June hit record prices at RMB 58.86/kg (A\$10.35), with bone-in sheepmeat reaching at RMB 61.41/kg (A\$10.80) – the second highest monthly prices on record (Ministry of Agriculture of the People's Republic of China). Chicken carcass retail prices were at RMB 16.33/kg (A\$2.85) – 7% higher than the previous month. Boneless pork prices rose 6% from the previous month, to RMB 23.14/kg (A\$4.05). However, the monthly pork prices were still 4% lower than June 2008 and 13% below the start of the year.

Average beef farm cash incomes decline in 2012-13 – ABARES

According to the recently released *Australian beef, financial performance of beef cattle producing farms, 2010-11 to 2012-13* by ABARES, average farm cash incomes for both northern and southern producers declined, year-on-year, during 2012-13. Despite a significant increase in beef cattle turnoff, underpinning the decline was weaker cattle prices due to poor seasonal conditions.

Northern farms are segregated into categories by cattle herd size, which are “small” (100-400 head), “medium” (400-1600 head), “large” (1,600-5,400 head) and “very large” (>5,400 head). Interestingly, higher average farm cash incomes during 2012-13 were estimated for the “medium” and “large” herd size groups, as larger increases in turnoff are estimated to have more than offset the reductions in average prices received. The “medium” category rose 21% year-on-year, to an estimated \$94,360 per farm, while “large” enterprise farm cash receipts increased 17%, to \$223,579 per farm. However, the “very large” category estimated farm cash income declined 30% year-on-year, to \$464,134 per farm. Overall, taking all categories into account, average beef farm cash incomes for northern Australia are estimated to have declined slightly in 2012-13, to \$100,000 per farm.



Like the northern beef industry, average southern beef cattle receipts are estimated to have declined 2% year-on-year during 2012-13, due to lower cattle prices, despite increased beef cattle turnoff. The significant difference between the northern and southern beef industry is the greater enterprise diversification in the south, with a combination of sheep, wool, grain and cattle incomes from the one business much more common. For all beef cattle producing farms, farm cash income declined 15% in 2012-13, to an estimated \$84,000 per farm, while for specialist cattle producers, the decline was much less, down 4% year-on-year, to \$52,000 per farm.

In summary, the declines in farm cash incomes have eroded the gains made during 2011-12, and with the very high slaughter, and expected lower branding rates for 2013-14, farm cash incomes are likely to remain tough, particularly in the north. This certainly highlights the impact that a sudden swing in seasonal conditions has on farm cash incomes, and ultimately, profitability.

Global economic growth forecast to remain subdued - IMF

Projected global economic growth has been revised lower than the earlier April forecasts, expected to persist at just over 3% in 2013, according to the latest *World Economic Update*, released by The International Monetary Fund (IMF). The report cited that the lack of growth was largely attributed to weaker consumer demand and disappointing growth in major emerging market economies, such as China.

The US economy has experienced slower than expected growth, going from 2.2% in 2012, to a forecast 1.7% in 2013. Similarly, weaker growth is projected across Europe, as the recession continues to diminish consumer confidence and demand.

The IMF also warns that major emerging markets will most likely also face considerably slower growth outlooks, despite showing significant potential since the global financial crisis. A predicted downshift in growth activity among emerging economies is forecast to moderate the pace of growth to 5% in 2013 and 5.4% in 2014.

Weakening prospects across several regions have generated an unfavourable outlook for many exporters, as commodity prices decline. With beef demand closely correlated with rising incomes and strong economic conditions, the latest outlook from the IMF could be viewed as a negative for the global beef trade. However, for Australian exporters, any slowdown in global demand could be largely offset by a weaker A\$.



Beef and lamb prices to improve in 2013-14 – NAB

According to the recently released NAB *Rural Commodities Wrap – July 2013*, average Australian beef and lamb prices are forecast to increase 4.5% and 8.6% year-on-year, respectively, for the 2013-14 financial year.

Assisting the forecast improved lamb prices is an anticipated 7.1% year-on-year decline in production, underpinned by shorter supplies after much higher slaughter during 2012-13. Beef production for 2013-14, on the other hand, is expected to increase 3% year-on-year. However, according to NAB, prices are expected to improve despite the increase in production.

Encouragingly, NAB also reported some of Australia's largest beef and lamb export markets, namely the US, Japan and the UK as showing signs of economic improvement. The performance of the Japanese economy in particular (as Australia's largest export beef market) is attracting close attention, as the impact of "Abenomics" (the combination of monetary easing and reform intended to end deflation) is assessed.

NAB is also forecasting the A\$ to continue easing, and average 88US¢ by the end of 2013, 85US¢ by mid-2014, and 83US¢ by the end of 2014 - which at such a gentle decline would be very welcome by exporters.

Overall, while there are some headwinds for Australia's largest export markets, as well as domestically, the forecast continued easing of the A\$ and improved cattle and lamb prices, are positive news for the industry.

Wholesale beef prices firm, lamb trending higher

Although there was a slight increase in volume week-on-week, wholesale prices remained firm across the beef trade. Forequarter and butts continued to experience strong demand, while rump and loin cuts were slower to move.

Overall sheep quality improved slightly on recent weeks, with heavy trade weight lambs again reportedly in good condition. Prices were between 30¢ to 50¢/kg higher, with this trend reportedly expected to continue next week.

Record exports to MENA in 2012-13

The growing importance of the Middle East and North Africa (MENA) region as a destination for Australian red meat exports has been further illustrated at the close of the 2012-13 financial year.

In 2012-13, Australian red meat exports to MENA totalled 160,963 tonnes swt, an increase of 32% on the previous record set in 2011-12. Lamb exports hit record levels, totalling 60,700 tonnes swt, up 35% year-on-year, while beef shipments surpassed the record set in the previous financial year, totalling 49,147 tonnes swt, up 46%. Mutton exports rebounded to their highest level since 2008-09, to 51,116 tonnes swt, growth of 18% year-on-year.

The phenomenal growth in beef exports largely came on the back of a surge in shipments to Saudi Arabia, as Australian beef gained market share after Brazil's ban in 2012. Exports to Saudi Arabia totalled 18,944 tonnes swt in 2012-13 – up more than four-fold year-on-year. This propelled Saudi Arabia to be Australia's largest beef market in the region. However, the Brazilian ban in Saudi Arabia increased competition in other beef markets in the region, with increased quantities of Brazilian beef entering Jordan and the United Arab Emirates (UAE). This has impacted, in the large part, on Australian frozen beef exports, with frozen shipments to the UAE and Jordan down 21% and 19% respectively.

Lamb exports have benefited from growth to Bahrain, Iran and Kuwait. Australian lamb exports to Bahrain totalled 9,713 tonnes swt in 2012-13, up from 229 tonnes swt in 2011-12. Exports to Iran, although sporadic, totalled 7,317 tonnes swt in 2012-13, up more than two-fold year-on-year, while shipments to Kuwait increased 77%, to 3,833 tonnes swt. The UAE remains Australia's largest lamb market, accounting for 25% of Australian exports, while Jordan (20%) also took large quantities of Australian lamb in 2012-13.

The MENA region has, historically, been an important destination for Australian mutton exports, and this remained the case in 2012-13, with 35% of all Australian mutton exports heading to MENA. The growth in Australian mutton exports to all global destinations in 2012-13, to 144,105 tonnes swt, up 62% year-on-year, was a major driver in the increase in shipments to MENA.

Argentinean beef exports and production increase

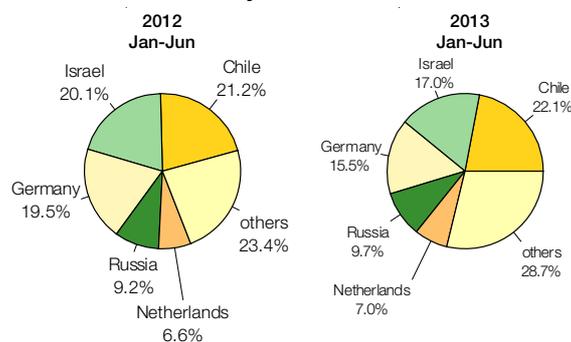
Argentinean beef exports during the first half of 2013 increased 11% year-on-year, to 66,333 tonnes swt, driven by higher demand from Chile, Russia, China and Morocco (IPCVA). Cattle slaughter also increased for the period, with beef production up 9.4% year-on-year, totalling 1.37 million cwe.

The significant depreciation (14% year-on-year) of the Argentinean peso, which averaged 19US¢ for the first half of 2013, combined with stronger international demand, helped Argentinean beef exports recover year-on-year. Chile became the major destination for Argentinean beef, with exports for the first six months of 2013 up 16% year-on-year, to 14,683 tonnes swt, followed by Russia, with exports up 17%, to 6,456 tonnes swt. Shipments to China and Morocco also surged, totalling

3,312 tonnes swt and 3,475 tonnes swt, respectively. While beef exports increased, so did domestic consumption, which accounted for 93% of total production, with per capita consumption up 7.7% year-on-year, averaging 61.1 kg/person.

Argentinean cattle slaughter increased 12% year-on-year, to 6.18 million head, driven by a continued increase in female slaughter, which accounted for 42.4% (2.6% above last year).

Argentinean beef exports by destination



Source: IPCVA



Domestic Indicators

TW = This week, LW = Last week, LY = Last year

Category definitions are as per tables on front page.

Over the hooks cattle indicators (¢/kg cwt)

MLAs NLRS

NOTE: WA over the hooks cattle indicator now as per table on bottom of this page.

	Qld*			NSW			Vic			SA			Tas		
	TW	LW	LY	TW	LW	LY	TW	LW	LY	TW	LW	LY	TW	LW	LY
Trade steer	308	305	315	312	309	322	338	338	346	320	310	330	nq	nq	nq
Medium steer	285	290	308	302	298	320	333	333	342	nq	nq	nq	332	332	335
Heavy steer	295	300	317	310	306	335	333	333	338	nq	nq	nq	332	332	335
Medium cow	238	243	280	247	243	279	265	263	274	265	255	258	245	245	283
EU steer	nq	nq	nq	360	360	345	nq								

* Qld quotes are for Southern Queensland only

Saleyard cattle indicators

MLAs NLRS

NOTE: WA saleyard cattle indicator now as per table on bottom of this page.

	Qld			NSW			Vic			SA			Tas		
	TW	LW	LY												
Trade steer (¢/kg lwt)	178	172	218	197	196	214	194	200	211	181	186	199	166	nq	nq
(¢/kg cwt)	324	312	400	364	359	396	358	363	389	334	343	362	311	nq	nq
Medium steer (¢/kg lwt)	149	149	180	181	175	187	196	187	188	nq	nq	158	175	nq	nq
(¢/kg cwt)	270	272	348	337	327	345	357	349	352	nq	nq	287	324	nq	nq
Heavy steer (¢/kg lwt)	164	161	184	190	188	188	194	191	198	190	nq	nq	nq	nq	nq
(¢/kg cwt)	295	287	333	342	342	345	356	351	360	352	nq	nq	nq	nq	nq
Medium cow (¢/kg lwt)	109	110	138	129	123	137	145	144	147	136	136	141	137	130	139
(¢/kg cwt)	224	225	281	275	261	286	291	301	303	275	272	292	284	271	302
Feeder steer (¢/kg lwt)	169	163	203	190	187	209	185	168	204	177	177	193	nq	nq	nq

Over the hooks sheep and lamb indicators (¢/kg cwt)

MLAs NLRS

	Vic			NSW			SA			WA			Tas			Qld		
	TW	LW	LY	TW	LW	LY												
Medium trade lamb	521	513	443	509	509	455	520	520	440	434	434	494	470	470	410	nq	nq	nq
Heavy trade lamb	519	511	433	506	506	445	520	520	440	434	434	494	470	470	410	nq	nq	nq
Heavy lamb	517	517	433	499	498	428	520	520	440	430	430	470	475	475	400	nq	nq	nq
Mutton	254	252	303	251	251	282	280	270	260	200	200	nq	255	255	240	nq	nq	nq

Saleyard sheep and lamb indicators

MLAs NLRS

	Vic			NSW			SA			WA			Tas		
	TW	LW	LY												
Restocker/feeder (\$/head)	36	49	70	61	44	61	57	78	49	44	43	55	nq	nq	nq
Merino lamb (¢/kg cwt)	397	367	411	427	435	392	405	421	378	327	376	477	nq	nq	nq
Light lamb (¢/kg cwt)	422	436	434	412	407	436	379	435	407	359	381	470	431	446	405
Trade lamb (¢/kg cwt)	515	513	448	515	506	431	511	506	419	405	398	506	489	467	410
Heavy lamb (¢/kg cwt)	537	531	430	529	532	409	530	504	408	410	431	491	517	468	407
Mutton (¢/kg cwt)	301	278	342	299	282	321	278	274	307	190	183	298	nq	289	nq

Over the hooks pig indicators (¢/kg cwt)

MLAs NLRS

	NSW			Qld			Vic			SA			WA		
	TW	LW	LY	TW	LW	LY	TW	LW	LY	TW	LW	LY	TW	LW	LY
Pork DF 45 - 60kg	nq	nq	340	nq	nq	308	nq	nq	274	nq	nq	323	nq	nq	nq
Bacon GI 60 - 75kg	nq	nq	287	nq	nq	265	nq	nq	269	nq	nq	273	nq	nq	nq
Backfitter sows 90kg+	nq	nq	130	nq	nq	103	nq	nq	133	nq	nq	133	nq	nq	nq

Live export price quotes (¢/kg lwt)

		Darwin			Broome			Muechea		
		TW	LW	LY	TW	LW	LY	TW	LW	LY
Light steers	(260 - 360 kg)	150	155	nq						
	(260 - 360 kg)	nq	nq	nq						
Light heifers	(260 - 360 kg)	nq	nq	nq						
	(260 - 360 kg)	nq	nq	nq						
Export wethers	(A\$/head)	nq	nq	nq						

Source: MLA's NLRS, Landmark

WA Over the hooks cattle indicators (¢/kg cwt)

MLAs NLRS

	MIN	MAX	AVG
Grassfed yearling	nq	nq	nq
Grainfed yearling	320	410	365
MSA yearling	320	410	365
Medium cow	210	225	218

WA Saleyard cattle indicators (¢/kg lwt)

MLAs NLRS

	TW	LW	LY
Pastoral cow	109	95	142
Heavy cow	123	111	157
Heavy yearling	185	185	231
Feeder yearling	185	163	218

NOTE: Tallow price table has moved to page 4.

Feeder cattle indicators (A¢/kg lwt)

w/e 19/7/13

	Paddock sales		
	TW	LW	LY
Domestic			
Steers 280-350kg	187	187	208
Heifers 280-350kg	168	168	196
Export			
Shortfed 100-120 DOF	172	174	195
Mediumfed 120-220 DOF	189	189	204
Longfed 220+ DOF	185	182	216

NOTE: Feeder cattle prices are for cattle purchased for direct entry into feedlots.



Japan market

TW = This week, LW = Last week, LY = Last year

Imported beef price in Kanto wholesale market

¥/kg spot, US¢/lb C&F*	TW	LW	LY	
From Australia chilled				
grassfed	¥/kg	865	865	720
fullset	US¢/lb	266	265	281
shortfed	¥/kg	980	980	865
fullset	US¢/lb	302	302	340
midfed	¥/kg	1165	1165	1070
fullset	US¢/lb	361	361	423
longfed	¥/kg	nq	nq	nq
fullset	US¢/lb	nq	nq	nq
grassfed navel	¥/kg	640	640	670
end brisket	US¢/lb	194	194	260
grassfed	¥/kg	770	770	615
chuck roll	US¢/lb	235	235	238
shortfed navel	¥/kg	715	715	775
end brisket	US¢/lb	218	218	303
shortfed	¥/kg	815	815	755
chuck roll	US¢/lb	250	250	295
Frozen				
brisket	¥/kg	665	665	555
	US¢/lb	206	206	218
chuck/blade	¥/kg	725	725	615
	US¢/lb	225	225	243
cow meat	¥/kg	625	645	500
(85CL)	US¢/lb	193	199	196
From US chilled				
chuck rib	¥/kg	1650	1650	1300
	US¢/lb	516	515	517
short rib	¥/kg	2350	2350	1900
	US¢/lb	739	738	761
steak ready	¥/kg	2750	2750	2200
	US¢/lb	866	865	884
Frozen				
chuck roll	¥/kg	nq	nq	nq
	US¢/lb	nq	nq	nq
short plate	¥/kg	680	680	950
	US¢/lb	211	210	380

Source: Chikusan Nippo

Imported offal prices in Kansai wholesale offal market

¥/kg spot, US¢/lb C&F*	TW	LW	LY	
From Australia frozen				
tongue	¥/kg	1350	1350	1200
(swiss cut)	US¢/lb	519	519	589
thick skirt	¥/kg	625	625	525
	US¢/lb	236	236	252
thin skirt	¥/kg	575	575	575
	US¢/lb	217	216	277
mountain	¥/kg	1250	1250	1400
chain tripe	US¢/lb	542	541	777
From NZ frozen				
tongue	¥/kg	1100	1100	975
(swiss cut)	US¢/lb	422	421	477
From Mexico frozen				
tongue	¥/kg	1250	1250	1150
(swiss cut)	US¢/lb	480	480	564
From US frozen				
mountain	¥/kg	nq	nq	nq
chain tripe	US¢/lb	nq	nq	nq

Source: Shokuniku Sokuho

Prices are indicator only

* Export price equivalent (C&F) after removing from the wholesale price import tariffs, indicative landing charges, marine insurance and other import costs (converted into US¢/lb).

† Indicative price average of Australian and New Zealand products.

* Australian export prices to Japan are converted from US¢/lb C&F to A¢/kg FAS terms using the \$A/\$US exchange rate, converting from lbs to kgs and calculating the average freight rate to Tokyo Port (chilled = A¢40/kg; frozen = A¢30/kg). Values are market indicator only based on MLA survey with Australian trade.

Beef export prices to Japan

A¢/kg FAS, US¢/lb C&F#	TW	LW	LY	
Chilled				
grassfed fullset	US¢/lb	245	246	268
	A¢/kg	549	552	531
shortfed fullset	US¢/lb	nq	nq	nq
	A¢/kg	nq	nq	nq
Frozen				
chuck/blade	US¢/lb	nq	nq	208
	A¢/kg	nq	nq	413
thick flank	US¢/lb	nq	nq	nq
	A¢/kg	nq	nq	nq
CF 85CL	US¢/lb	173	170	nq
	A¢/kg	385	379	nq
topside	US¢/lb	nq	nq	nq
	A¢/kg	nq	nq	nq
silverside	US¢/lb	nq	nq	nq
	A¢/kg	nq	nq	nq
brisket	US¢/lb	183	185	198
	A¢/kg	409	415	392

Source: Australian beef trade

Domestic beef carcass prices – Tokyo

Steer	¥/kg	TW	LW	LY
Wagyu (A5)		2122	2054	1911
Dairy (B3)		nq	nq	nq
F1 (B3)		1233	1251	1090
Dairy (B2)		731	735	553
F1 (B2)		1100	1125	990

Source: Shokuniku Sokuho

Korea market

Korean wholesale prices

won/kg	TW	LW	LY
Korean domestic wholesale*			
Hanwoo carcass	12237	12410	12812
beef cattle carcass	7658	7183	8610
pig carcass	4269	4355	4318
Australian wholesale			
brisket deckle off	7300	7300	7100
rump	8600	8600	nq
chuck roll	8100	8200	7400
short rib	nq	11500	9300
US wholesale			
grainfed chuck roll	8200	8200	7400
grainfed short rib	15000	14800	9700

Source: Korean trade, HKJM

US domestic/export markets

Beef export prices to the US[†]

US¢/lb CIF, A¢/kg FAS	TW	LW	LY	
Frozen				
Bull 95CL	US¢/lb	193.0	193.0	207.5
	A¢/kg	435.4	435.0	415.5
Cow 90CL	US¢/lb	185.0	181.5	198.5
	A¢/kg	416.2	407.4	396.4
CC/CF 85CL	US¢/lb	177.5	178.5	184.0
	A¢/kg	398.2	400.3	365.5
Shank 90CL	US¢/lb	nq	nq	197.5
	A¢/kg	nq	nq	394.2
Trim 85CL	US¢/lb	176.0	176.0	181.5
	A¢/kg	394.6	394.3	360.2
Trim 80CL	US¢/lb	169.0	171.5	160.5
	A¢/kg	377.9	383.5	315.5
Trim 75CL	US¢/lb	152.5	152.5	136.5
	A¢/kg	338.3	337.9	264.4
Trim 65CL	US¢/lb	130.5	130.5	nq
	A¢/kg	285.5	285.2	nq
Chucks 85CL	US¢/lb	nq	nq	nq
	A¢/kg	nq	nq	nq
Outside flats	US¢/lb	nq	nq	nq
- steer	A¢/kg	nq	nq	nq
Knuckles	US¢/lb	244.0	244.0	236.5
- steer	A¢/kg	557.8	557.3	477.3
Inside cap off	US¢/lb	252.5	251.5	262.5
	A¢/kg	578.2	575.3	532.6

Source: Steiner Consulting Group

US cattle futures

US¢/lb lwt	Contract	TW	LW
Live cattle	Feb-14	129.78	129.33
	Apr-14	130.70	130.45
	Jun-14	126.30	126.53
	Aug-13	121.58	121.30
	Oct-13	125.68	125.25
	Dec-13	128.28	127.93
Feeder cattle	Jan-14	158.98	157.75
	Mar-14	159.60	158.60
	Apr-14	160.50	159.20
	May-14	161.10	159.90
	Aug-13	153.03	150.98
	Sep-13	156.38	153.95
	Oct-13	158.00	155.85
	Nov-13	158.85	157.15

Source: CME

US domestic prices

Boneless beef US¢/lb - Fresh	TW	LW	LY
90CL	199.0	201.0	207.0
85CL	190.5	189.5	191.0
75CL	nq	nq	155.0
50CL	104.5	109.0	44.3
2pc b/less chuck	221.5	221.5	210.5
insides	260.0	260.0	260.0
outsides	200.0	202.5	212.5
knuckles	215.0	215.0	220.0

Source: Umer Barry

Australian export prices to the US are converted from CIF to FAS terms by calculating an average shipping rate to the Port of Philadelphia (freight plus surcharges for a 20ft reefer), insurance, the A\$/US\$ exchange rate and the conversion from lbs to kgs.

CL = Chemical Lean – lean meat as a % of total meat.