



Australian Government

**Department of Agriculture
and Water Resources**

ABARES

Commodity outlook for the northern beef industry

Rohan Nelson

Jack Mullumby, Peter Martin and Haydn Valle

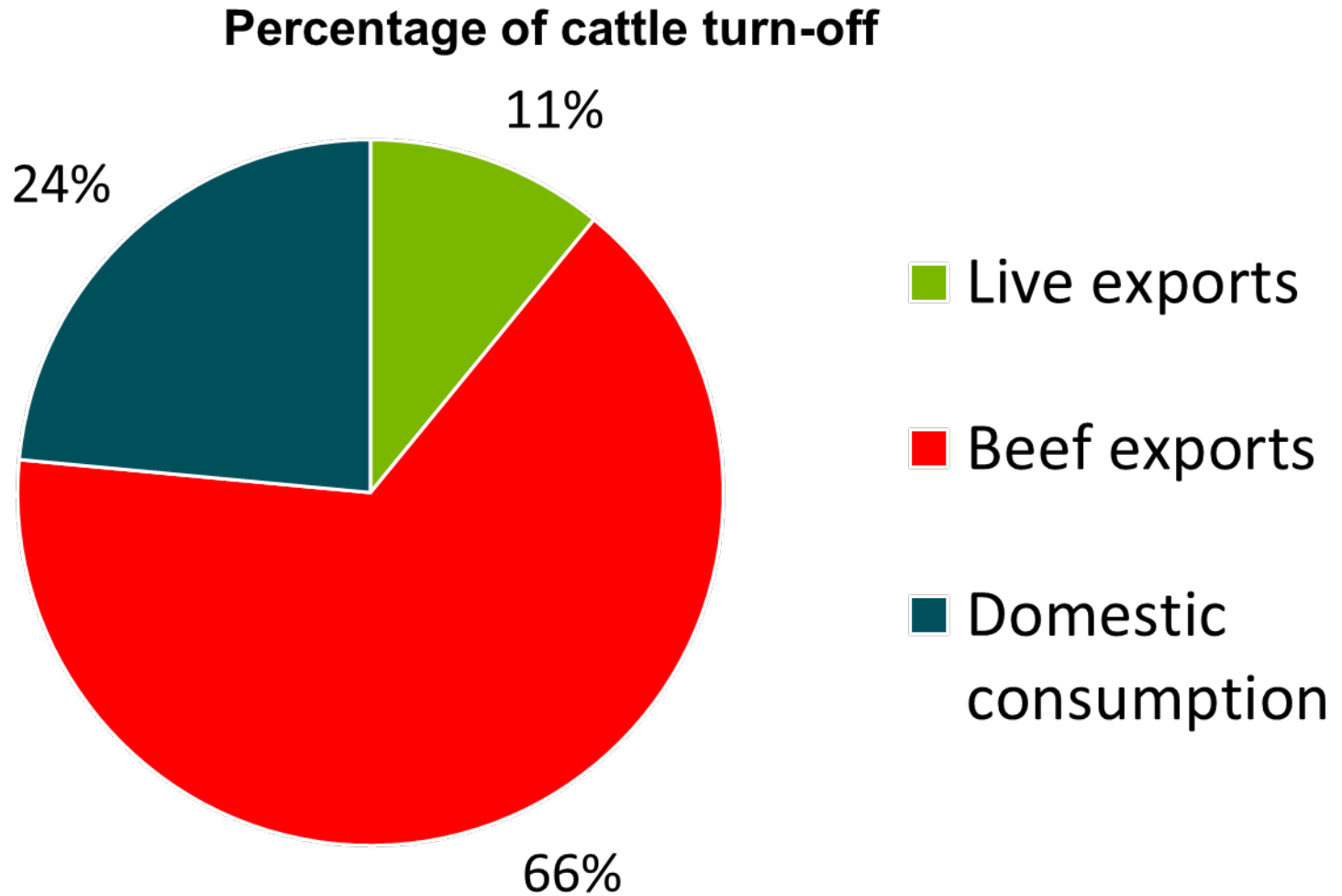
**Australian Bureau of Agricultural
and Resource Economics and Sciences**

September 2017



Research by the
Australian Bureau of Agricultural and Resource Economics and Sciences

Australia's markets for beef



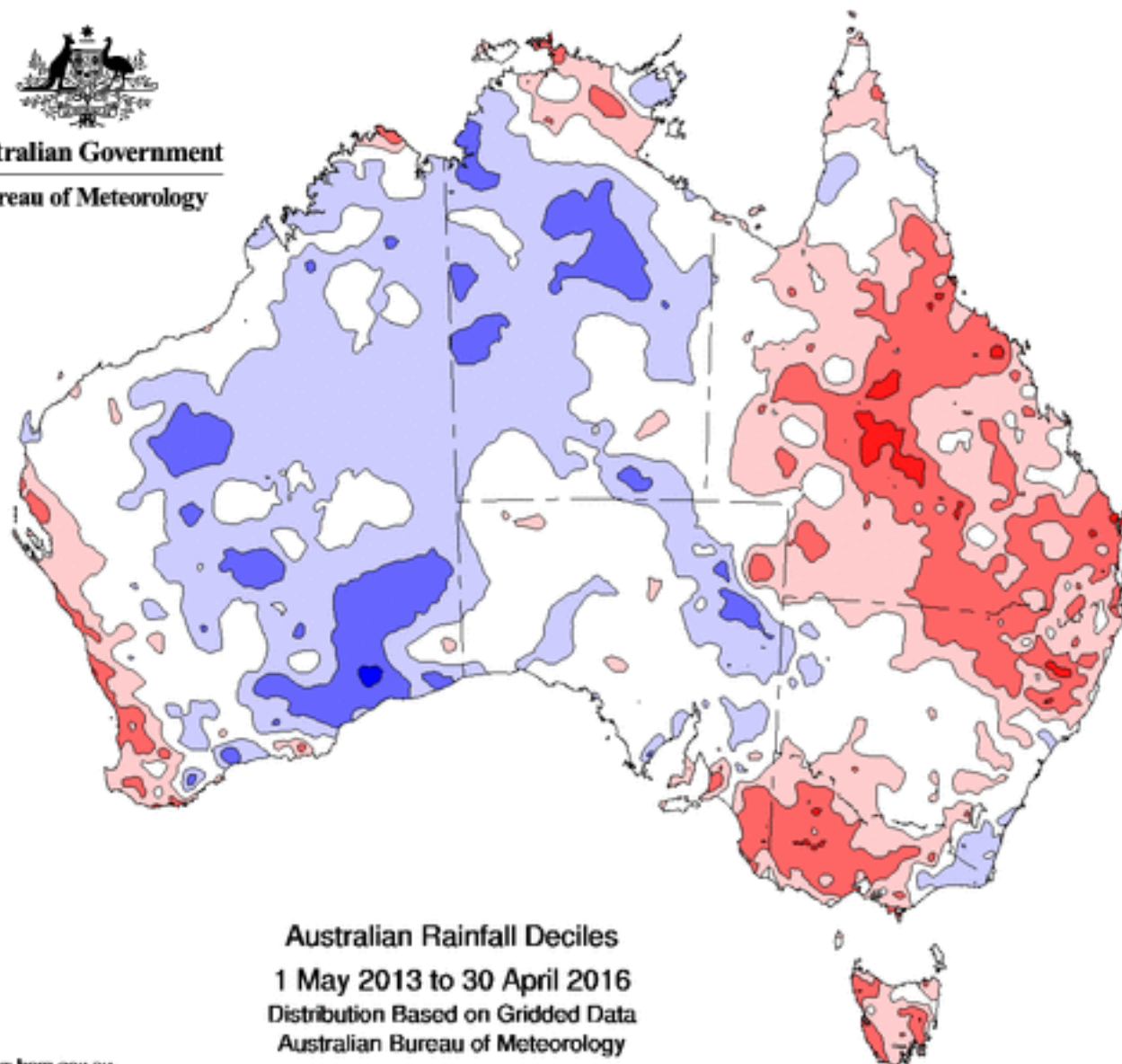
Note: 3 year average 2014-15 to 2016-17, slaughter equivalent

Farm financial performance

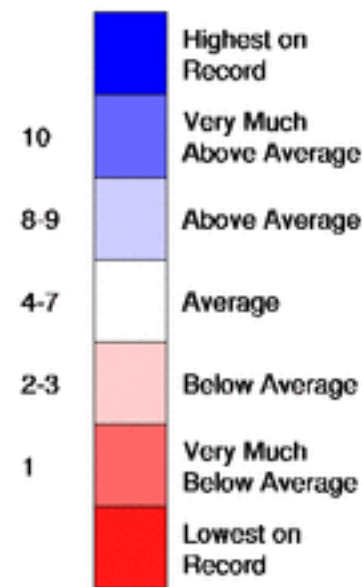
Rainfall – 2013 to 2016



Australian Government
Bureau of Meteorology



Rainfall Decile Ranges

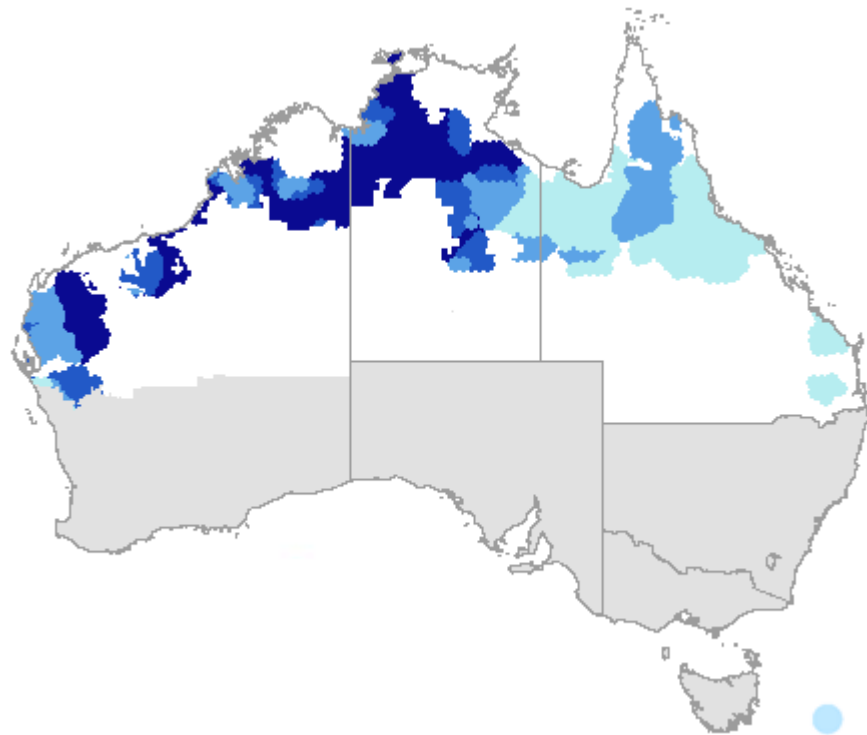


Australian Rainfall Deciles
1 May 2013 to 30 April 2016
Distribution Based on Gridded Data
Australian Bureau of Meteorology

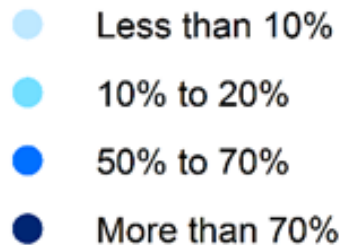
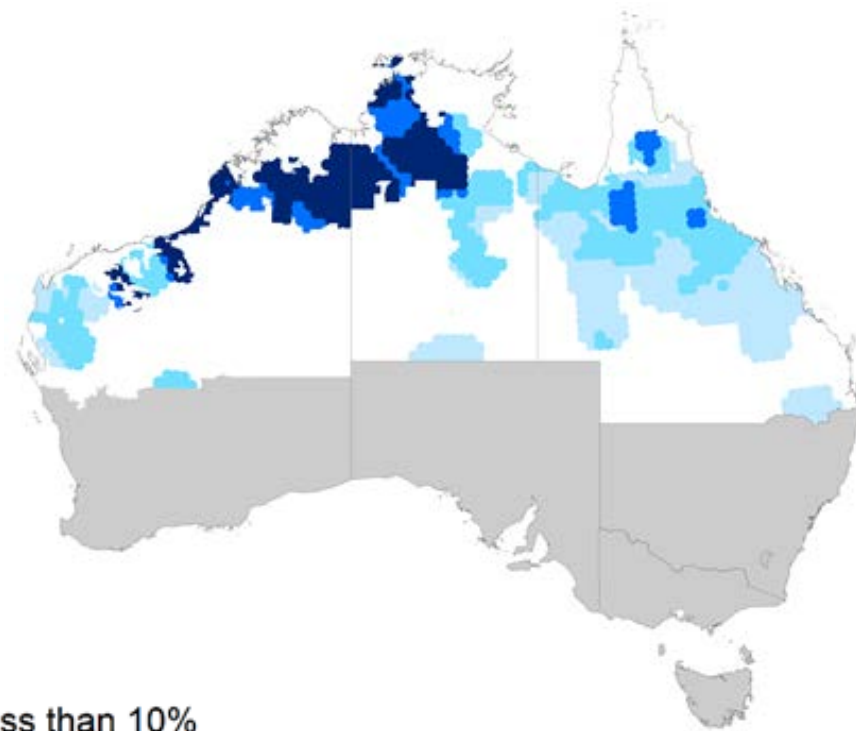
Reliance on live exports

Percentage of cattle receipts from live export sales

2008-09 to 2010-11

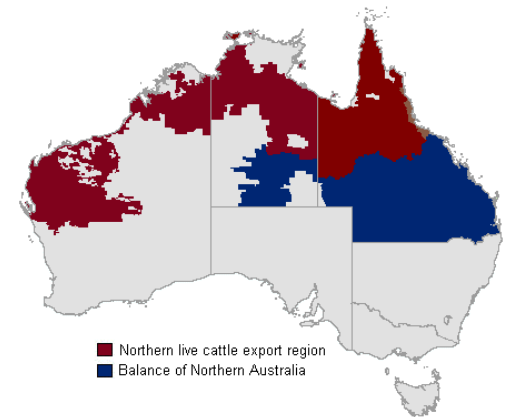
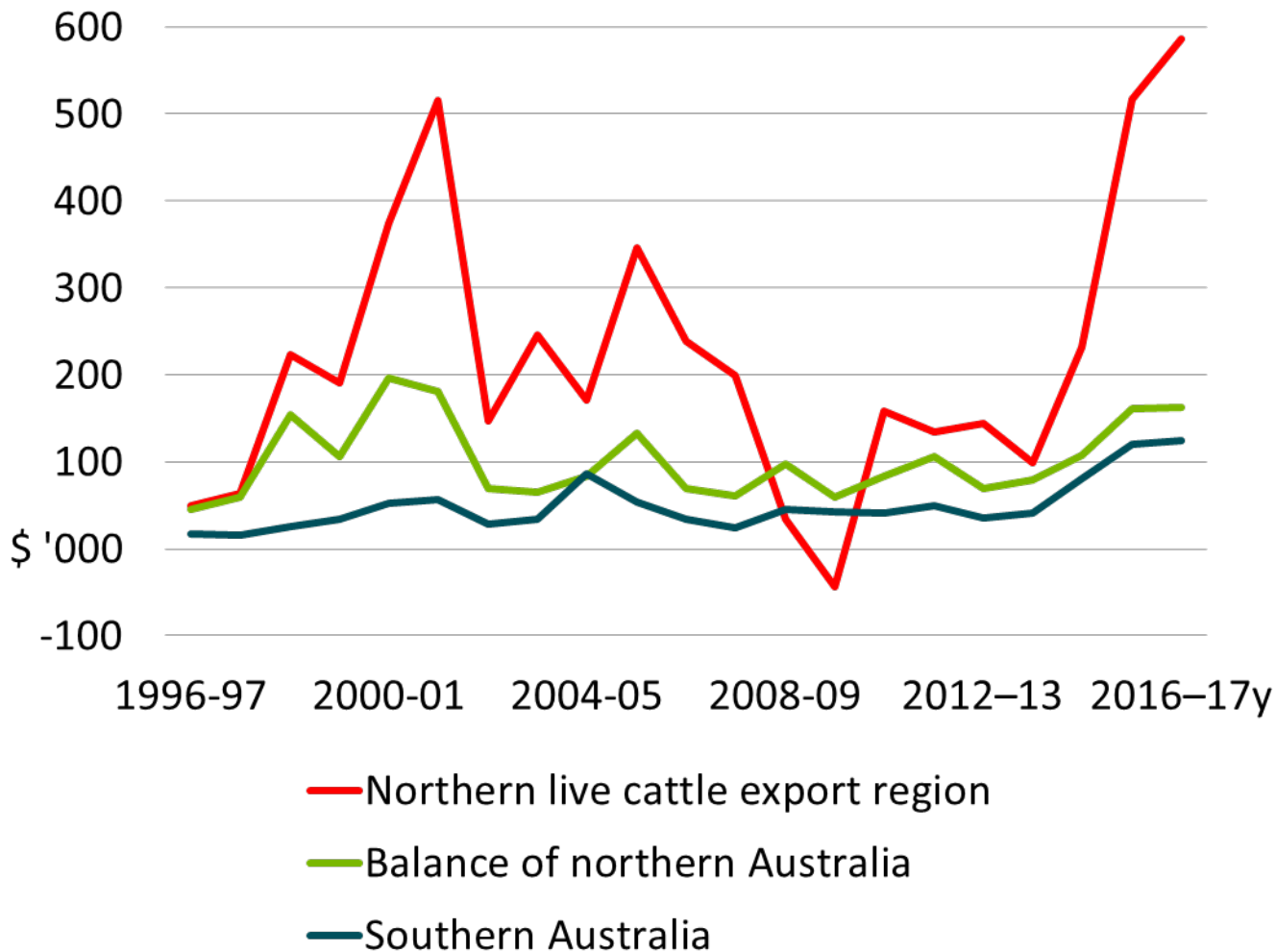


2013-14 to 2015-16



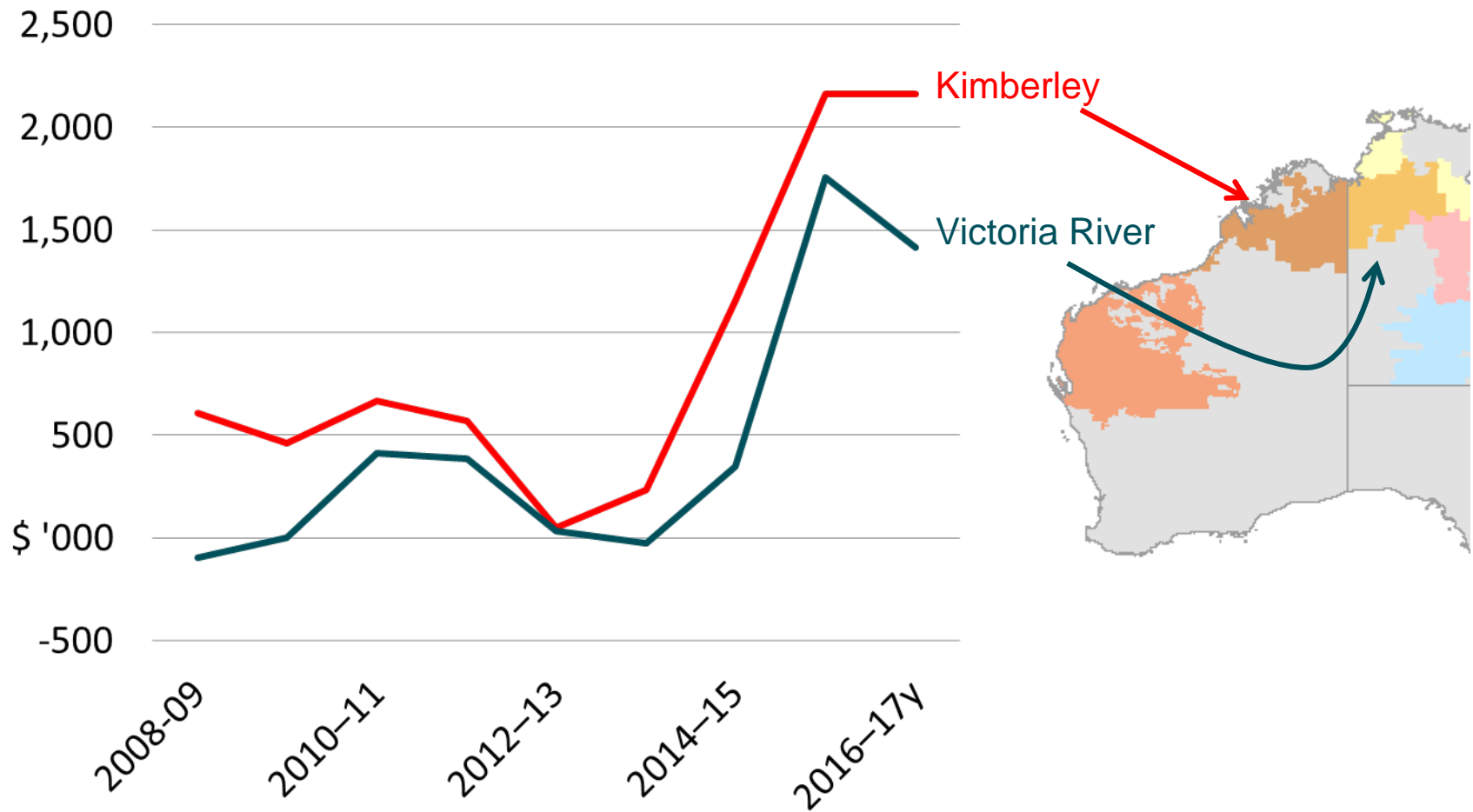
Farm financial performance - national

Farm cash income

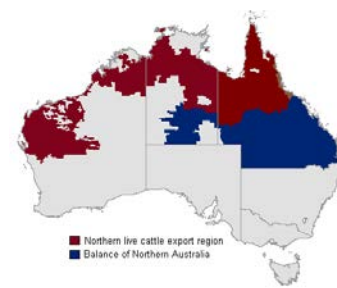


Note: Specialist beef producers with more than 100 head of cattle. y ABARES provisional estimate.

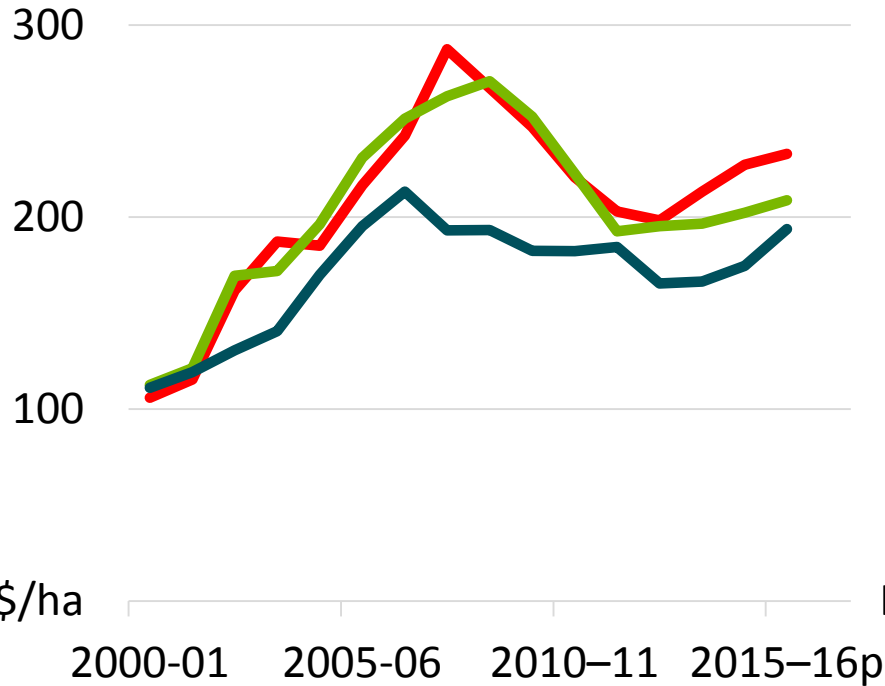
Farm financial performance - region



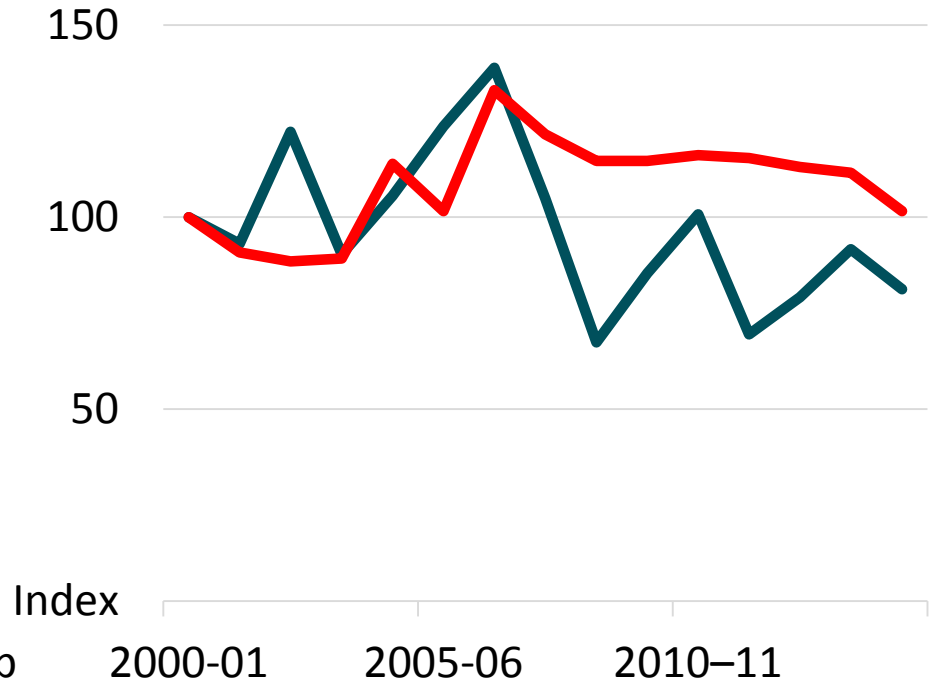
Farm financial performance - national



Land values



Total factor productivity



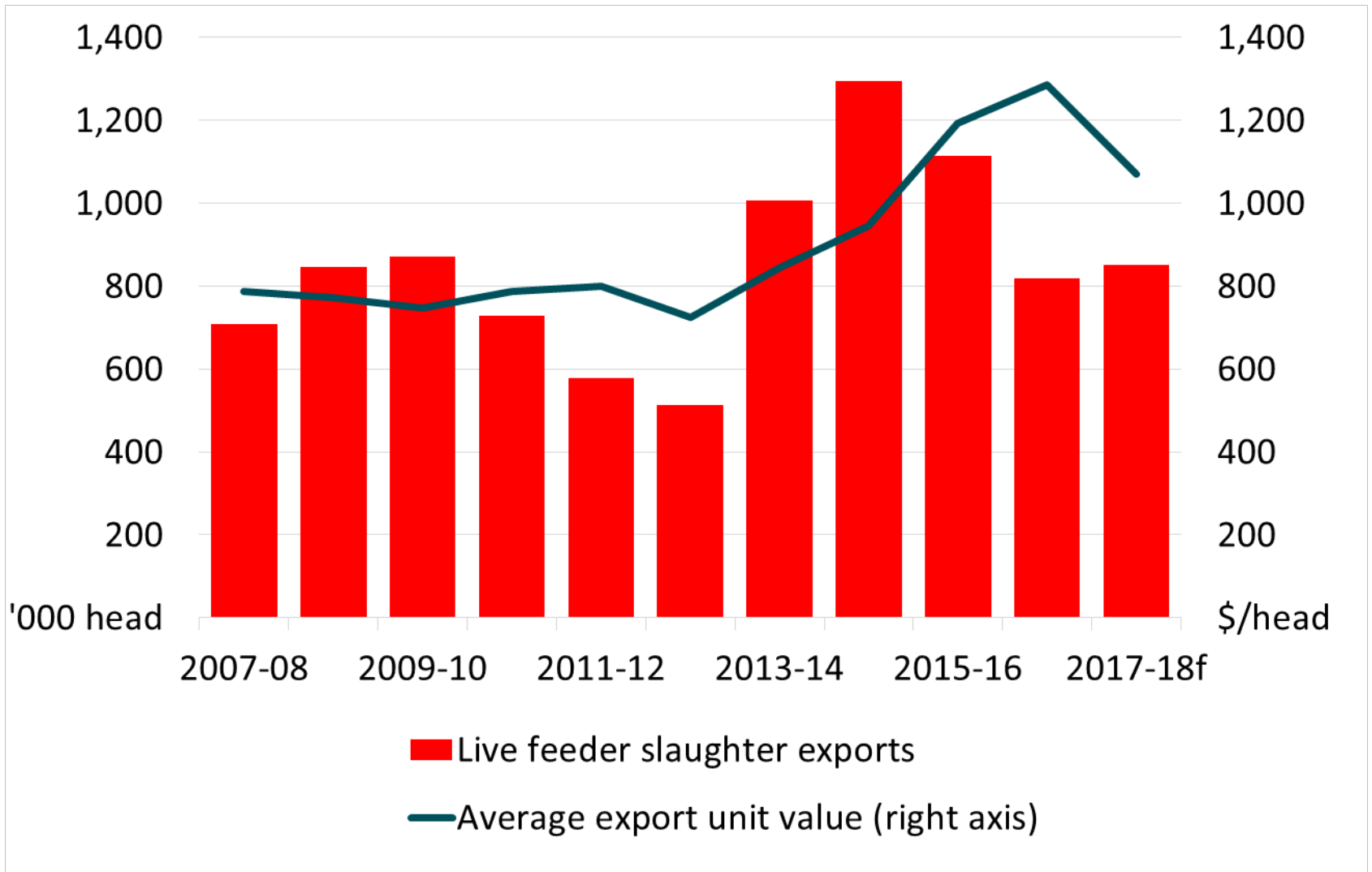
- Northern live cattle export region
- Balance of northern Australia
- Southern Australia

- Southern Australia
- Northern Australia

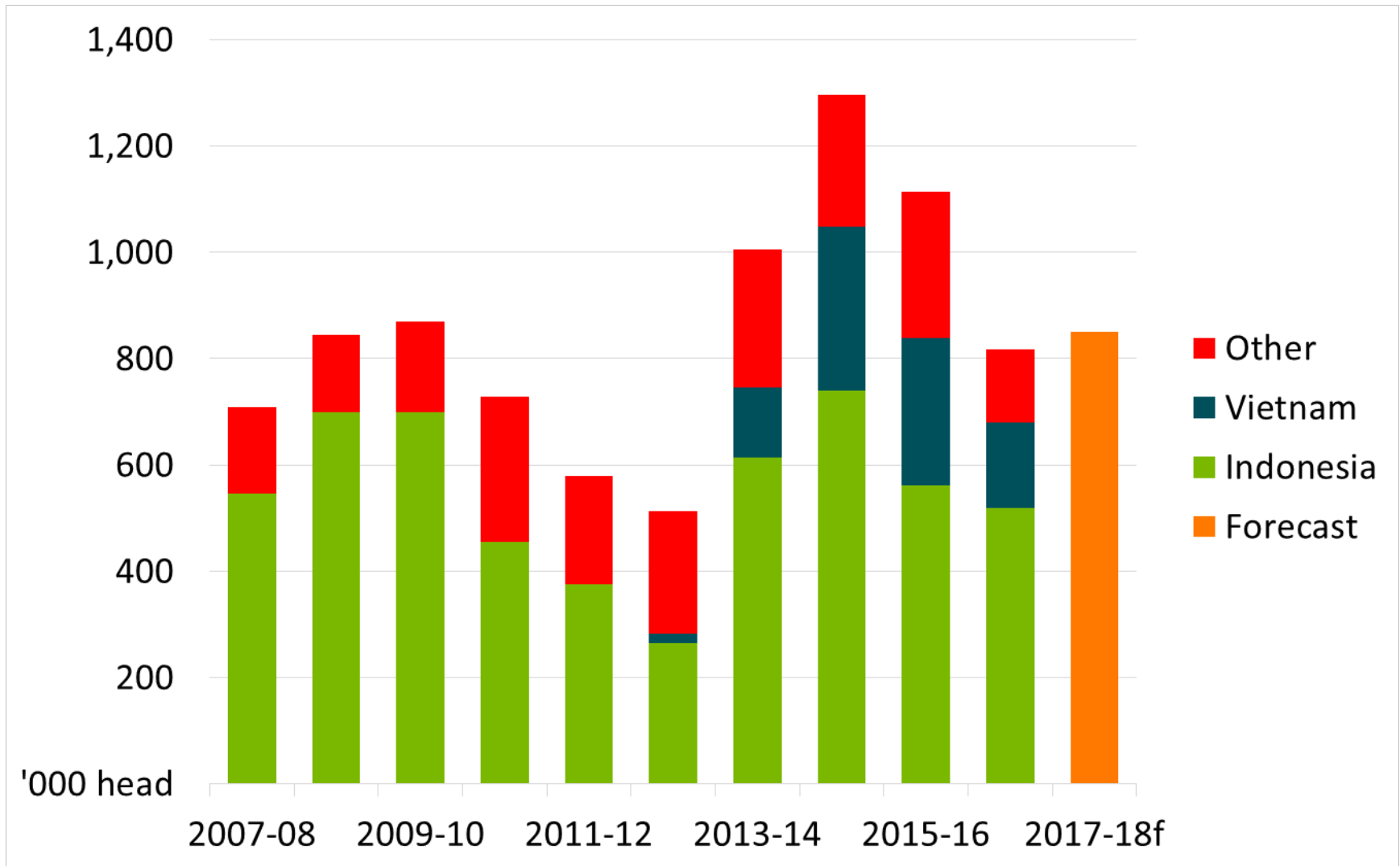
Live exports



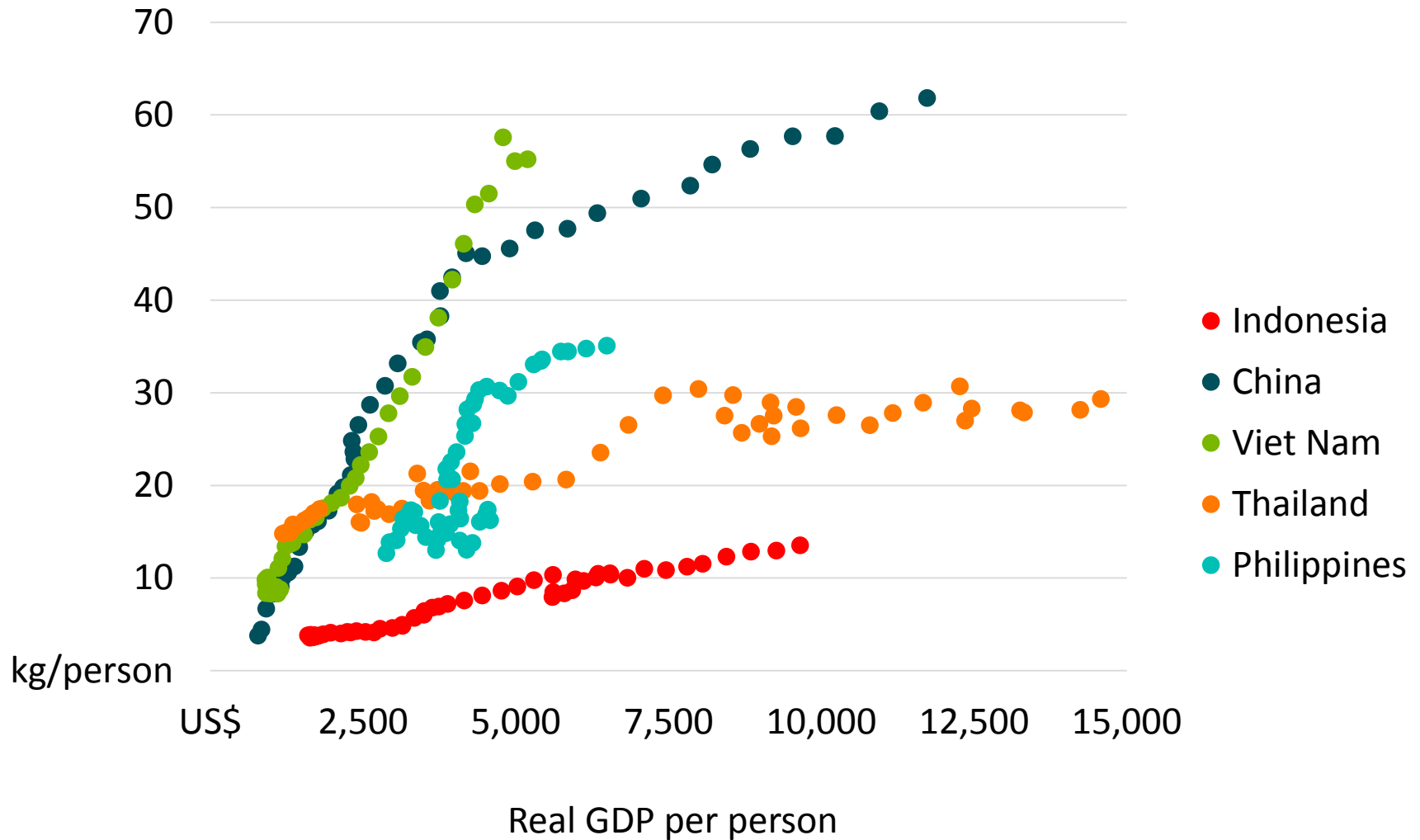
Live exports



Live exports by destination



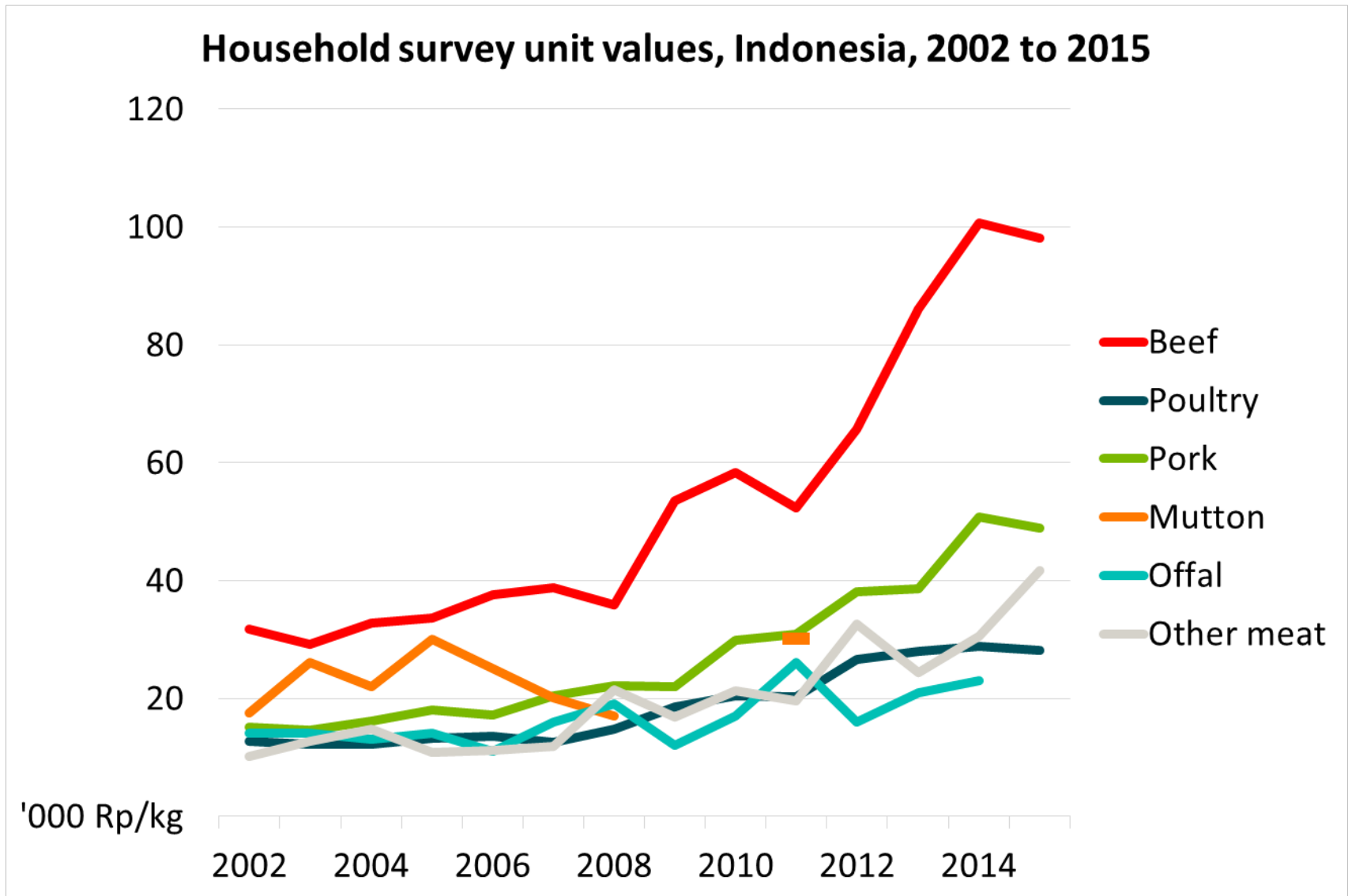
Meat consumption – East Asia



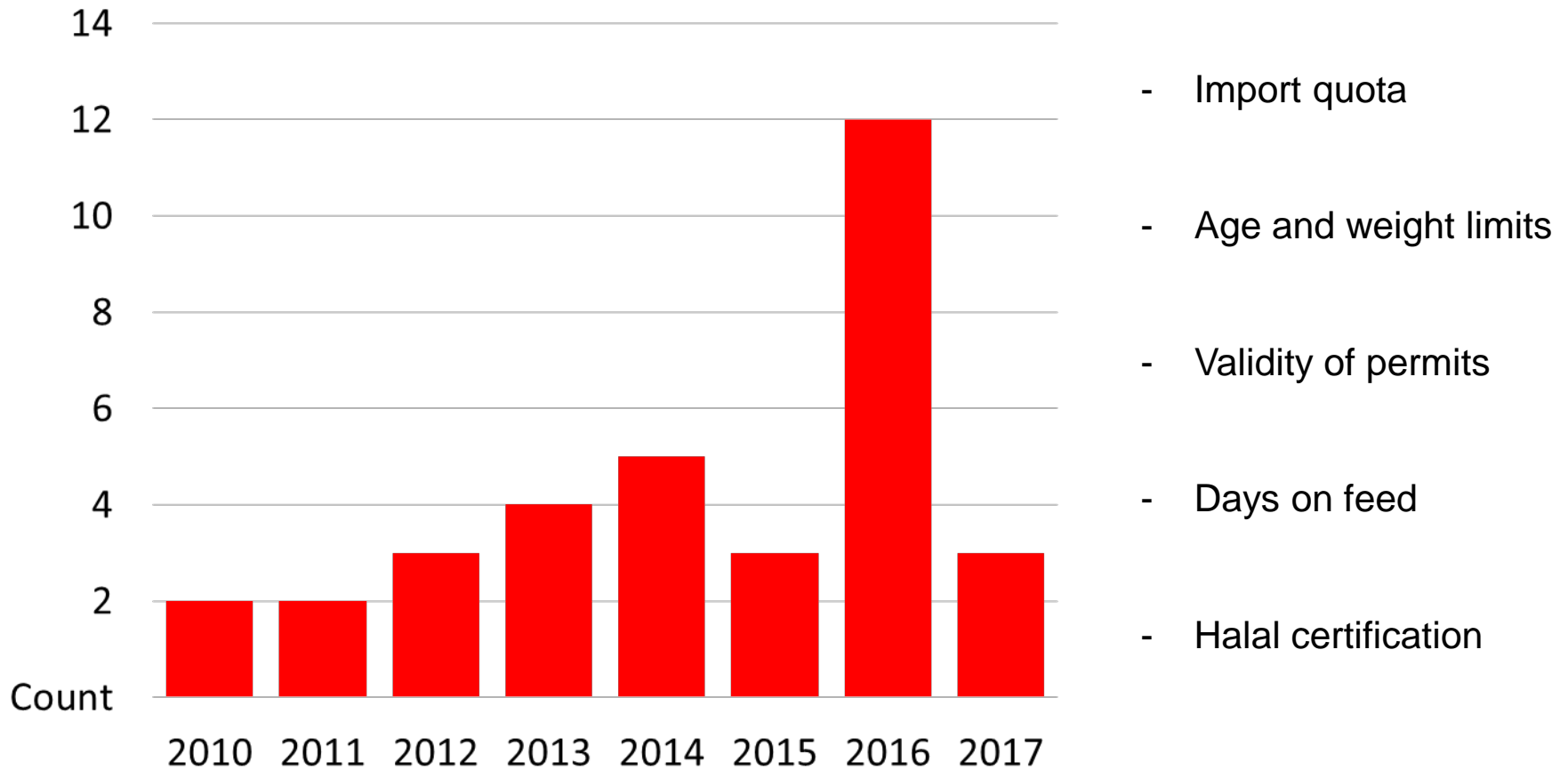
Cost of beef in Indonesia



Cost of beef in Indonesia

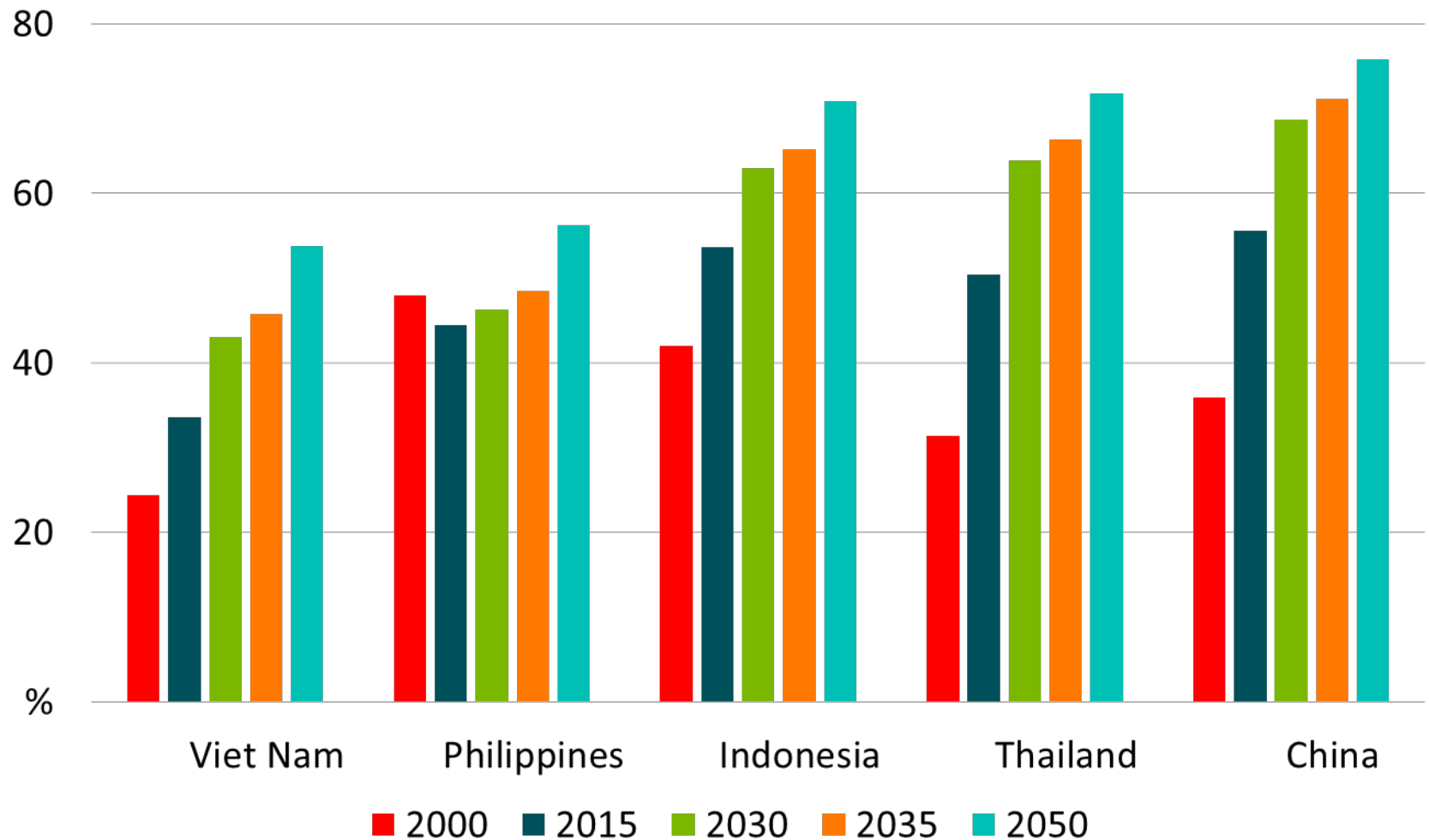


Beef/cattle policy changes, Indonesia

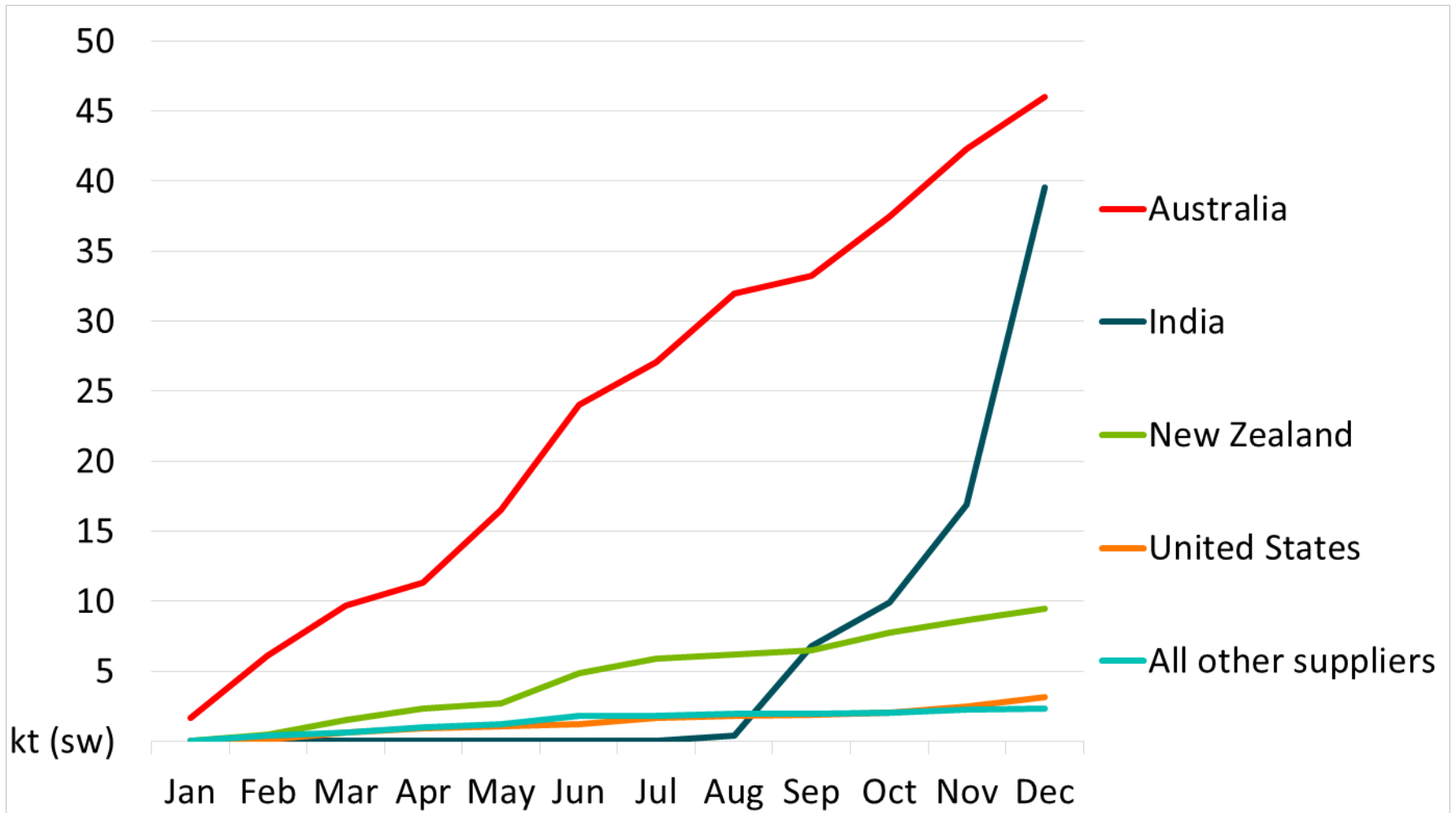


Urbanisation

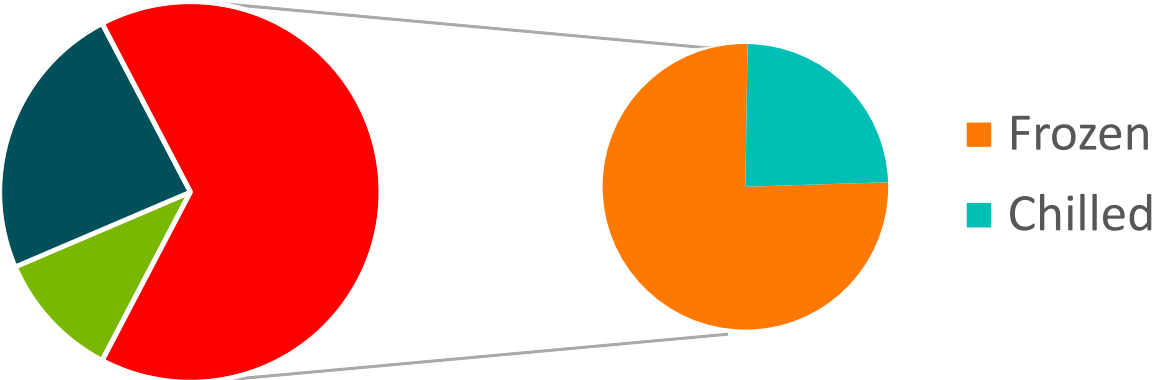
Urban share of population



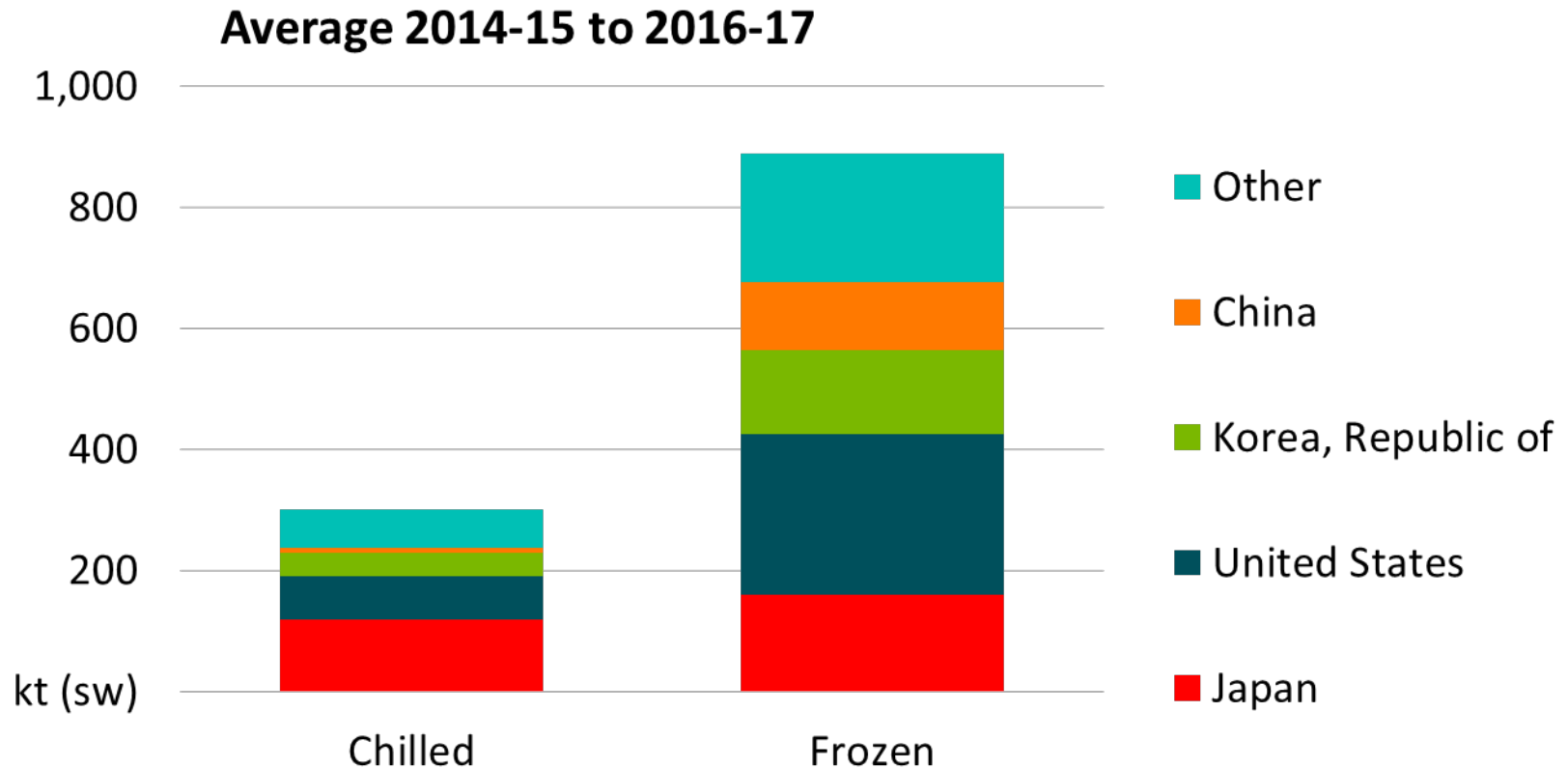
Cumulative beef imports, Indonesia 2016



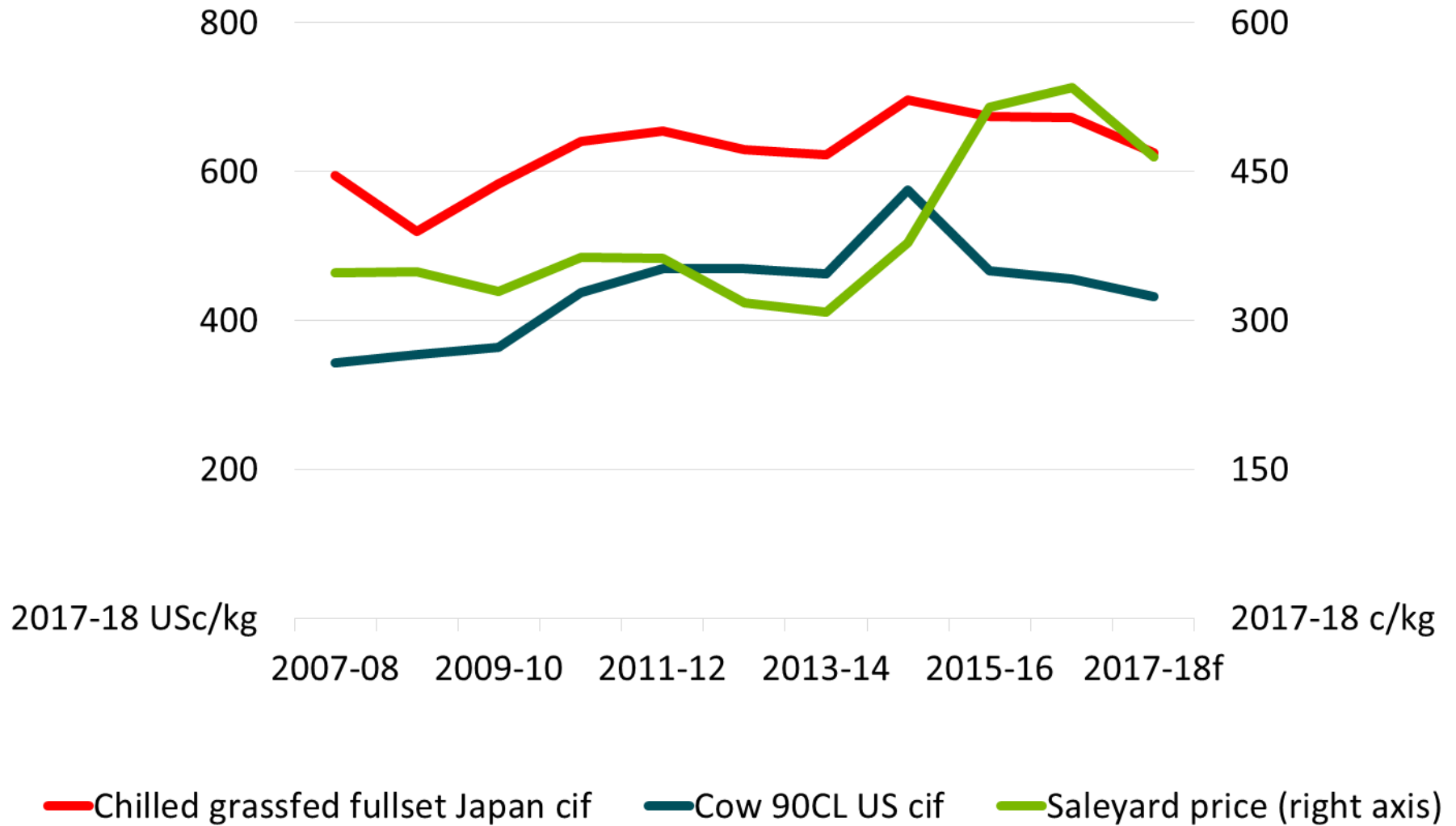
Beef exports



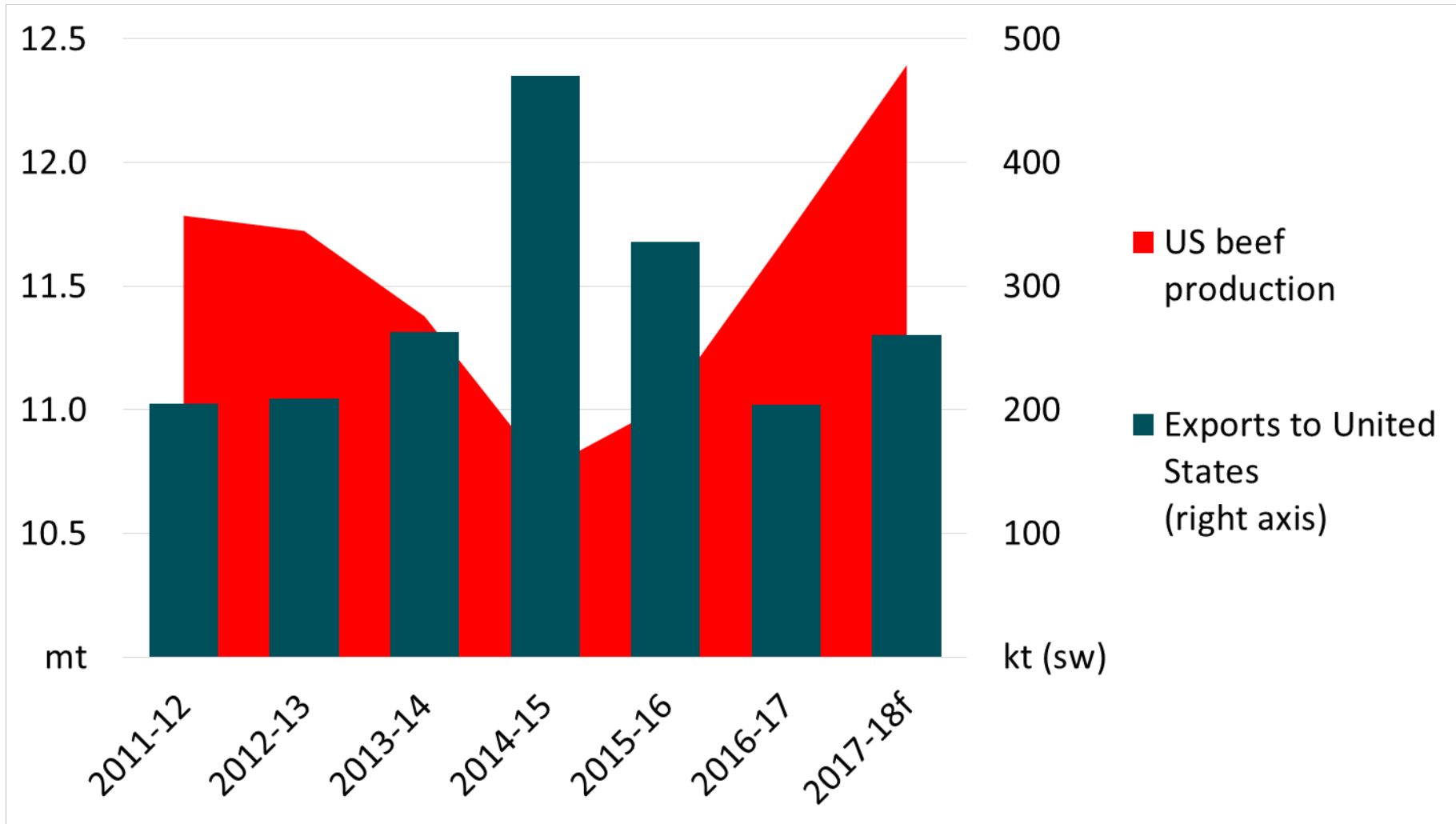
Exports markets



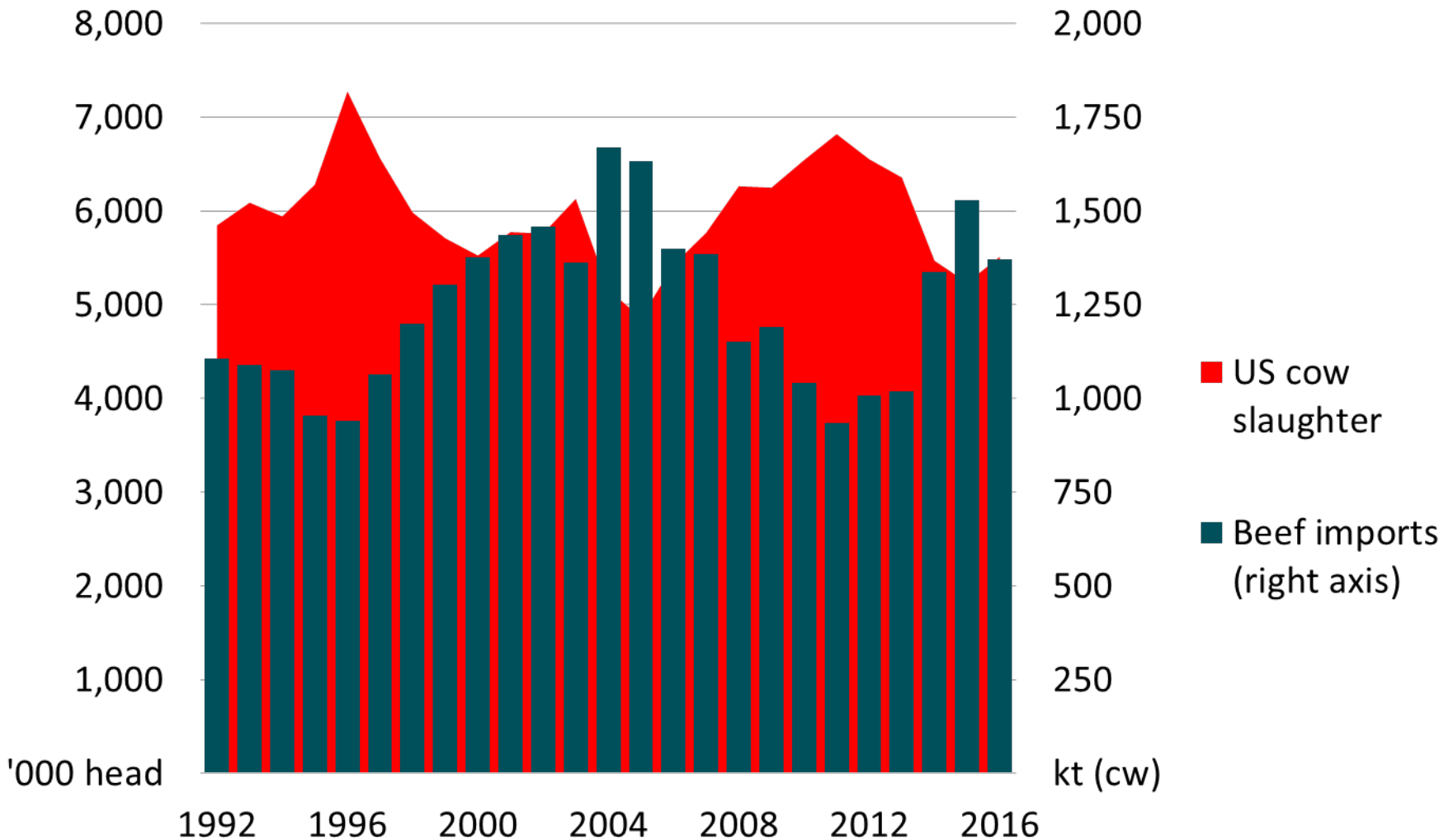
Beef prices



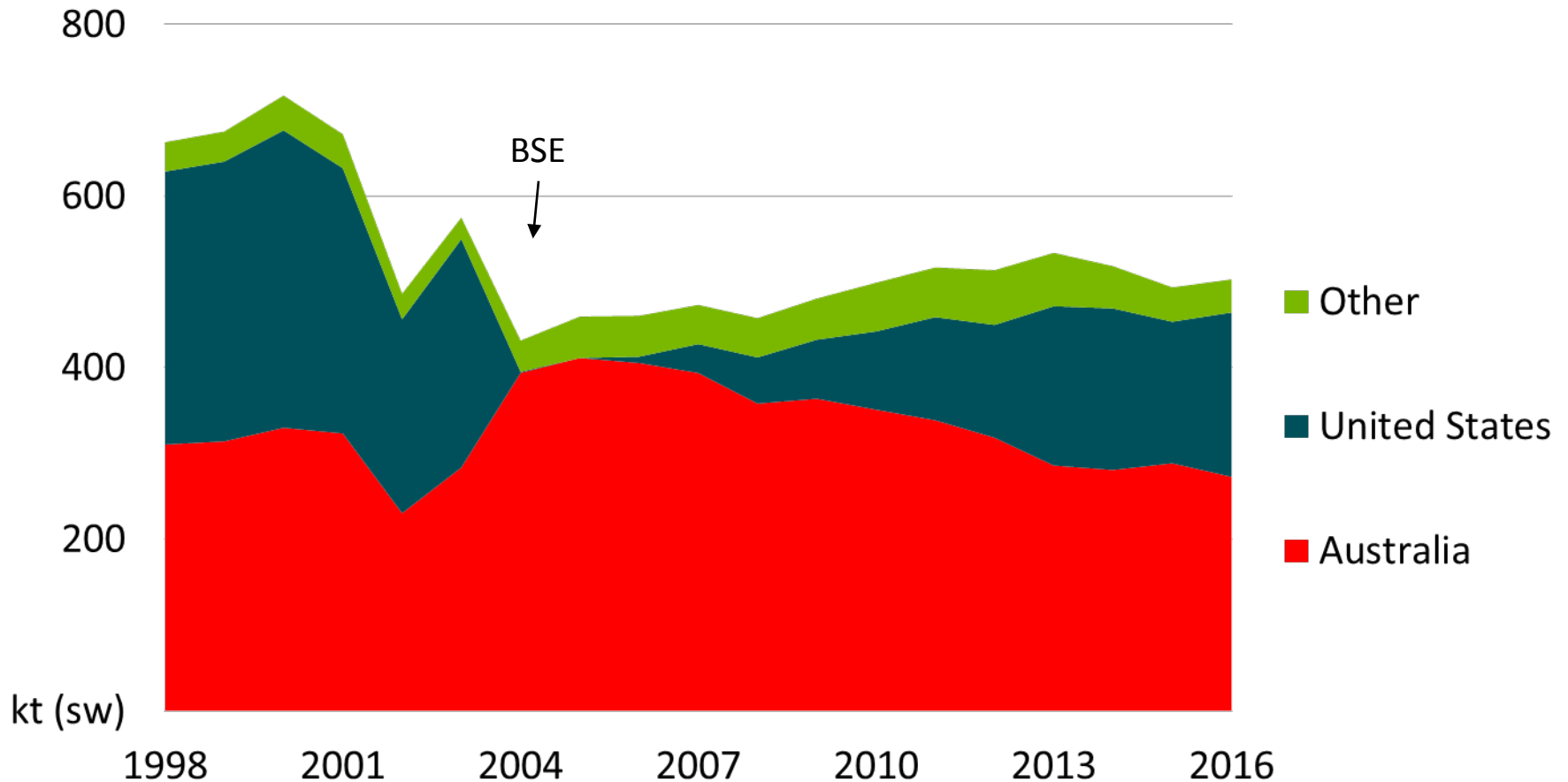
Australia's beef exports to the US



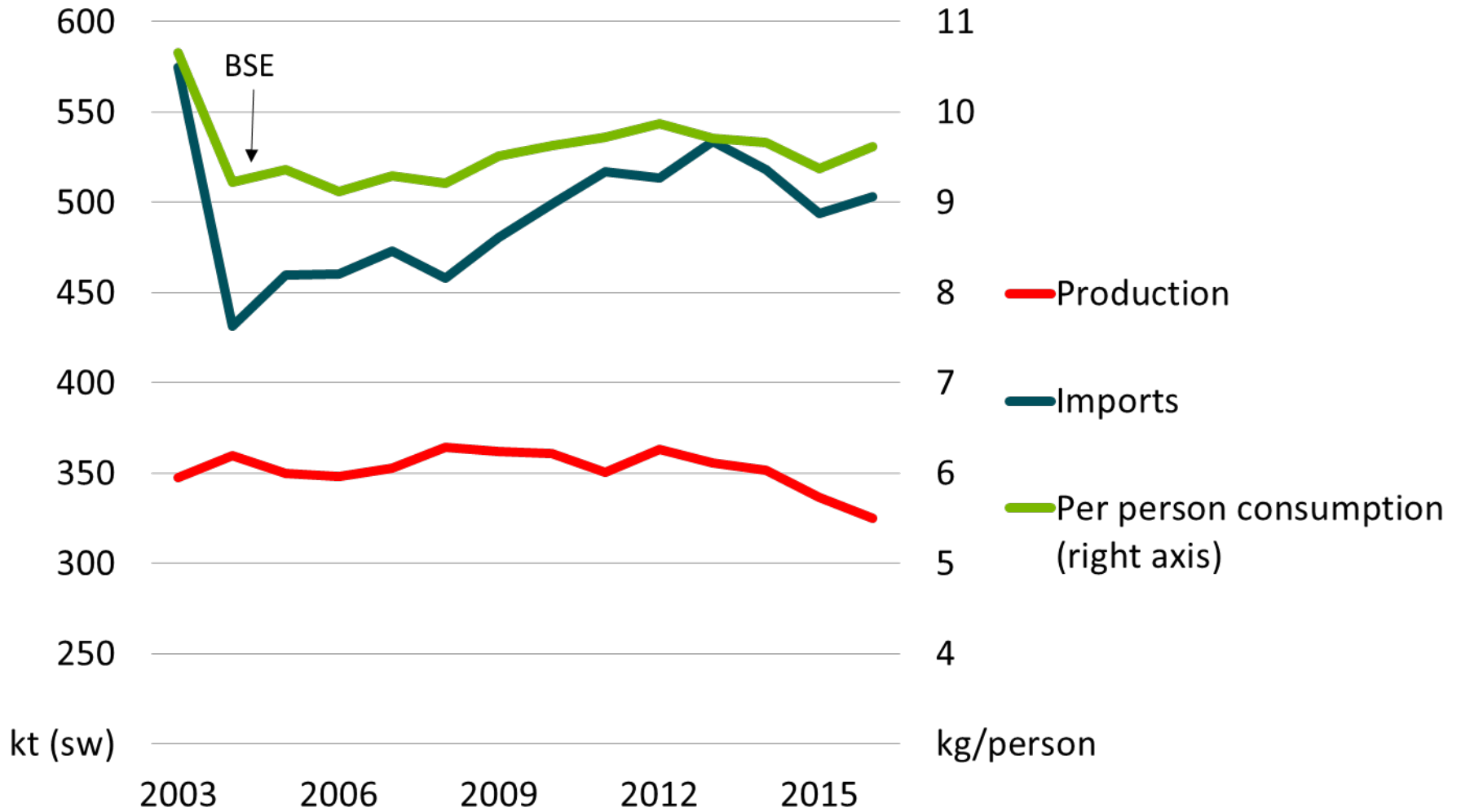
United States production and imports



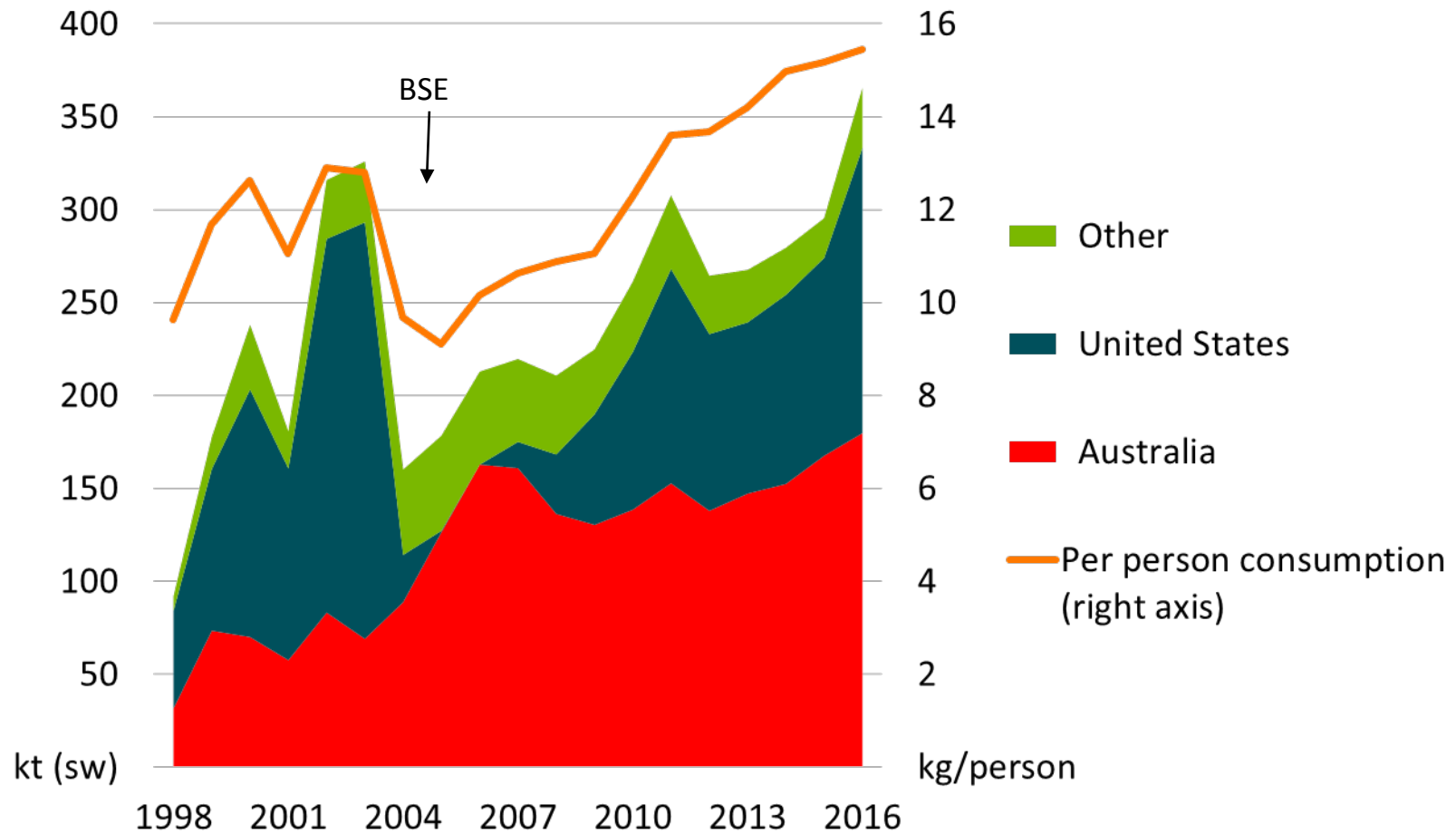
Japan – beef imports by country of origin



Japan consumption of beef



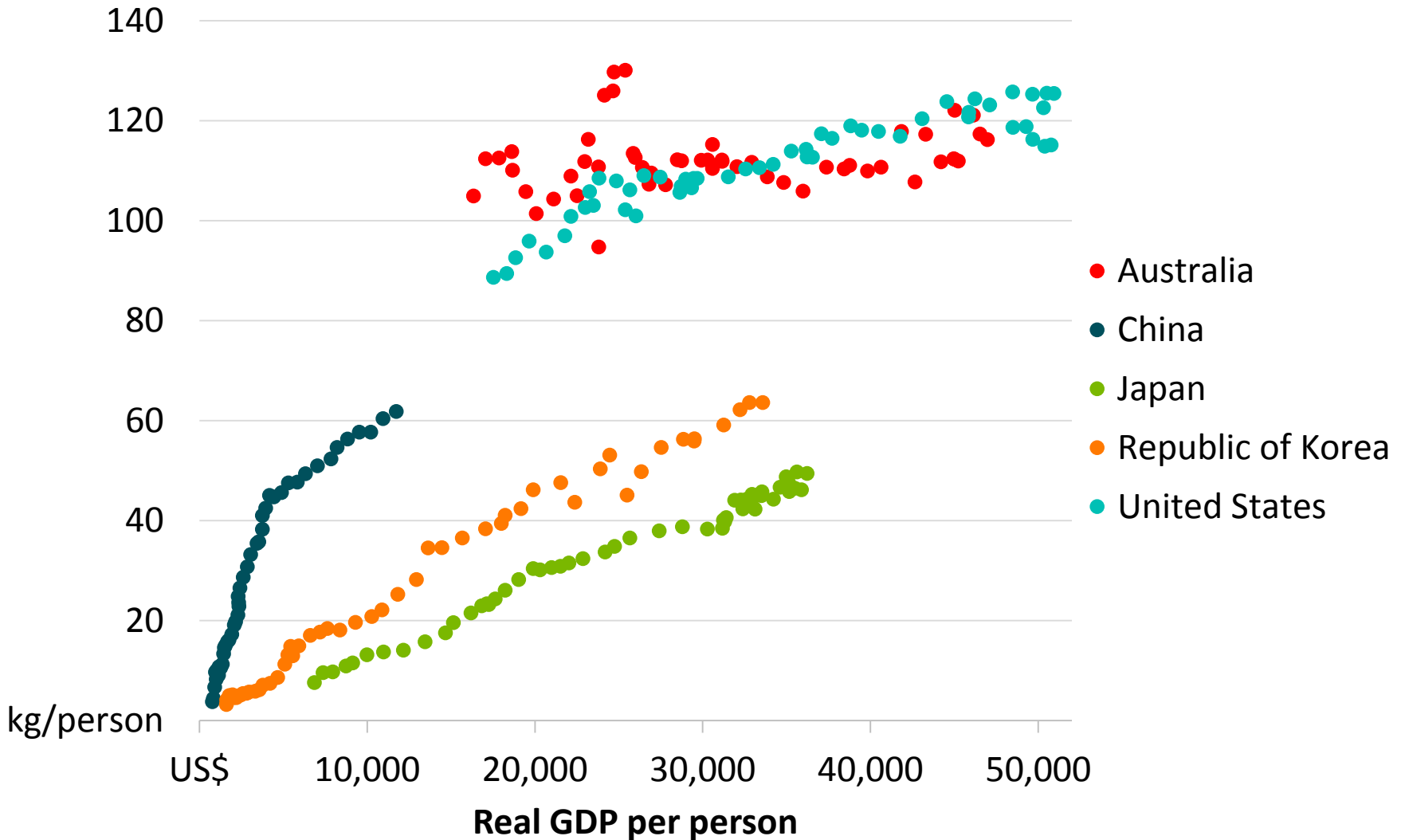
Korea – beef imports and consumption



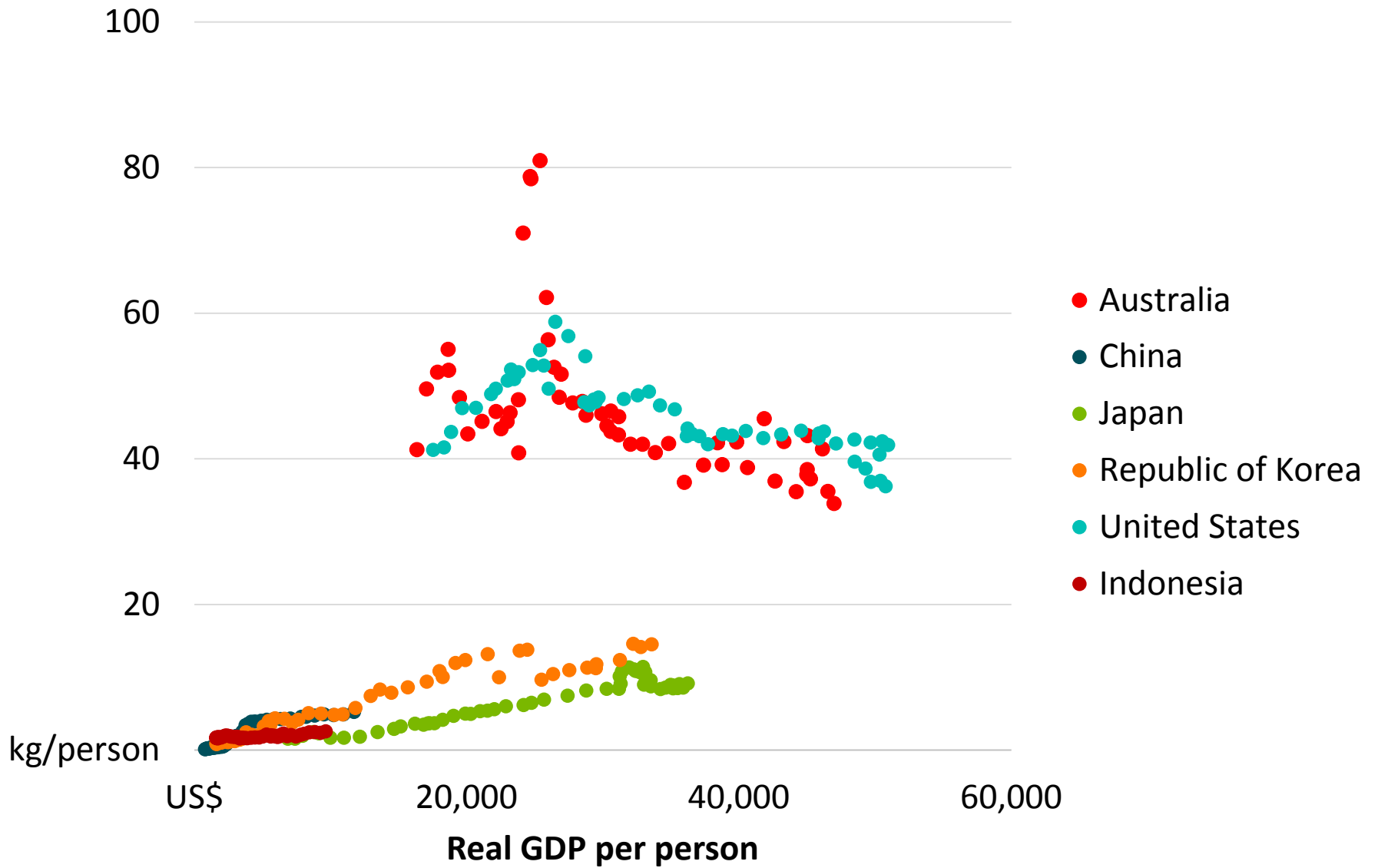
Domestic
markets



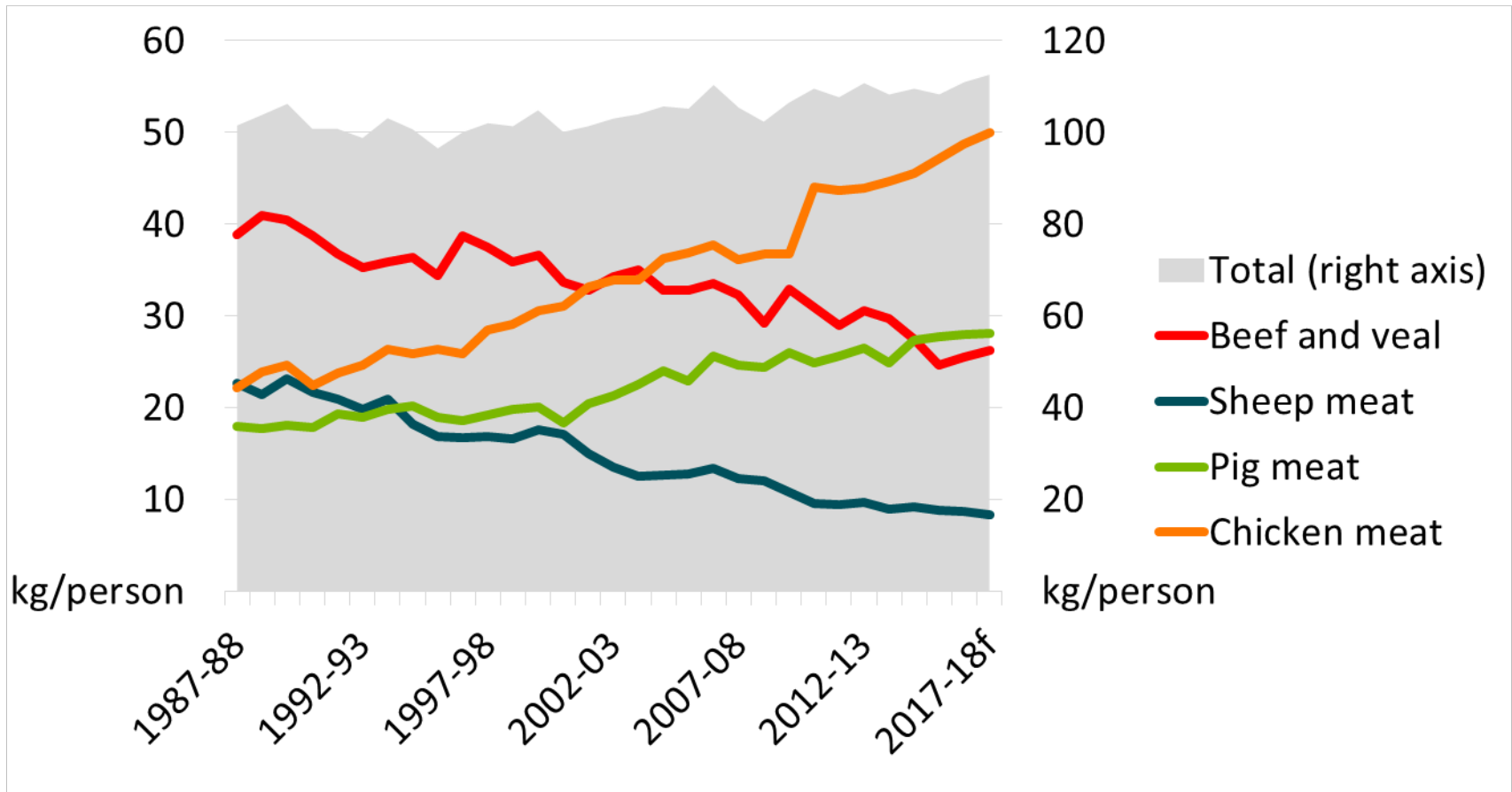
Meat consumption



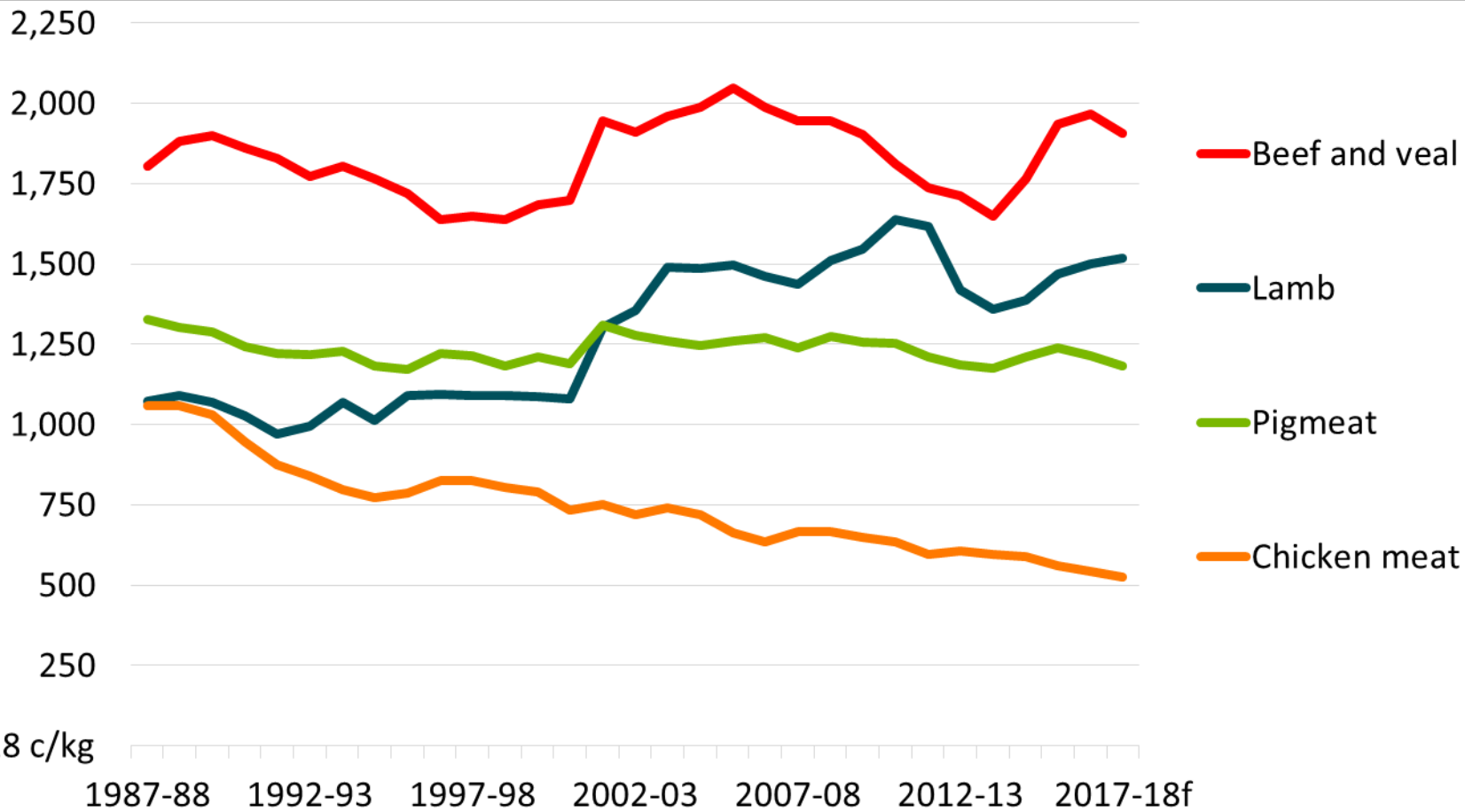
Beef consumption



Australia – meat consumption per person



Real retail prices



Summary

- Farm incomes high, land values rising
- Short term – United States
 - Weaker US demand for beef
 - Stronger competition from the US in Japan and Korea
- Long term - Asia
 - Beef production constrained
 - Growing demand for beef
 - Increased reliance on imports



Australian Government

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ABARES



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OUTLOOK**

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