

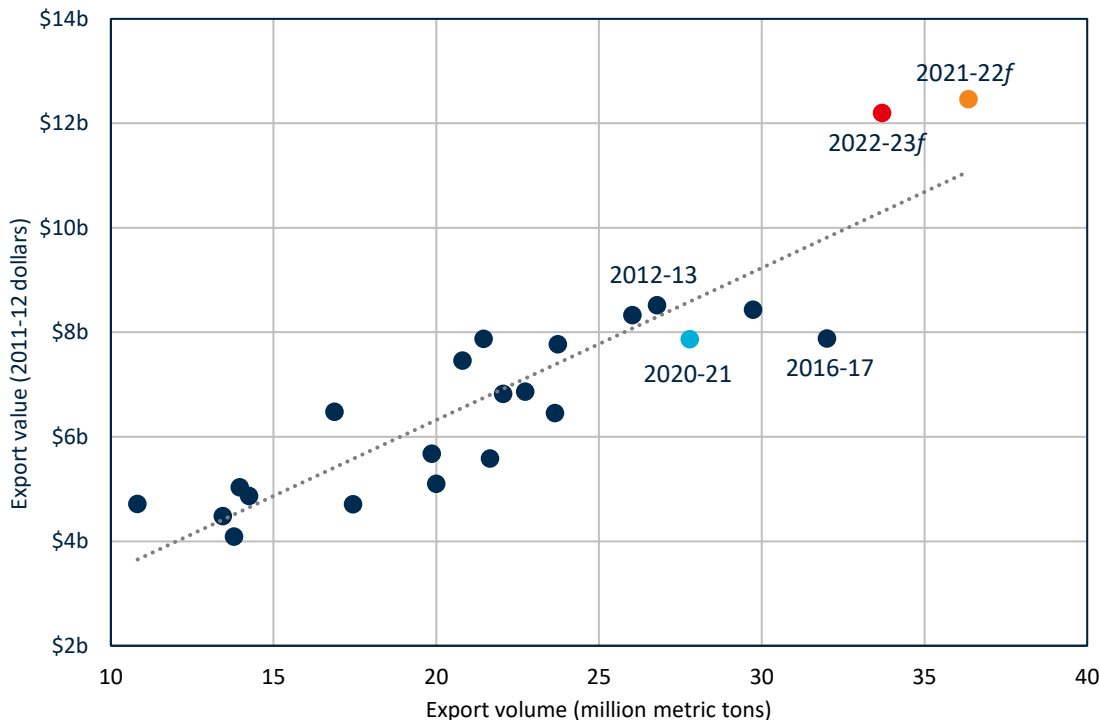


Australia exported a record \$65 billion in agricultural products in 2021-22. While 2021-22 was an unusual year, domestic and international conditions mean we could be in for another year of high production and high prices in 2022-23.

Consecutive La Niña events and high commodity prices

- > The value of agricultural exports is largely determined by production conditions at home and commodity prices abroad.
- > Above average rainfall and strong prices are good news for the agriculture sector.
- > Rising input costs and storm damage have offset the benefits in some regions.

Figure 1: The value and volume of Australian grain exports 2000-01 to 2022-23f



How do Australian grain exports in 2021-22 compare to previous years?

- > High production and high prices led to record grain exports in 2021-22.
- > **Figure 1** shows the volume and value of grain exports for every year since 2000-01 and the forecast for 2022-23.
 - > Data points further to the right indicate higher export volumes, while data points towards the top indicate higher export values.
- > Price changes the relationship between the total volume and total value of exports.
 - > For example, high prices in 2012-13 meant the value of exports was higher than in 2016-17 despite lower export volumes.
- > 2021-22 (**orange dot**) had *both* the highest volume and value of trade over the last two decades by a substantial margin.
- > The forecast for 2022-23 (**red dot**) indicates that another unusual season could be on the way

Legend

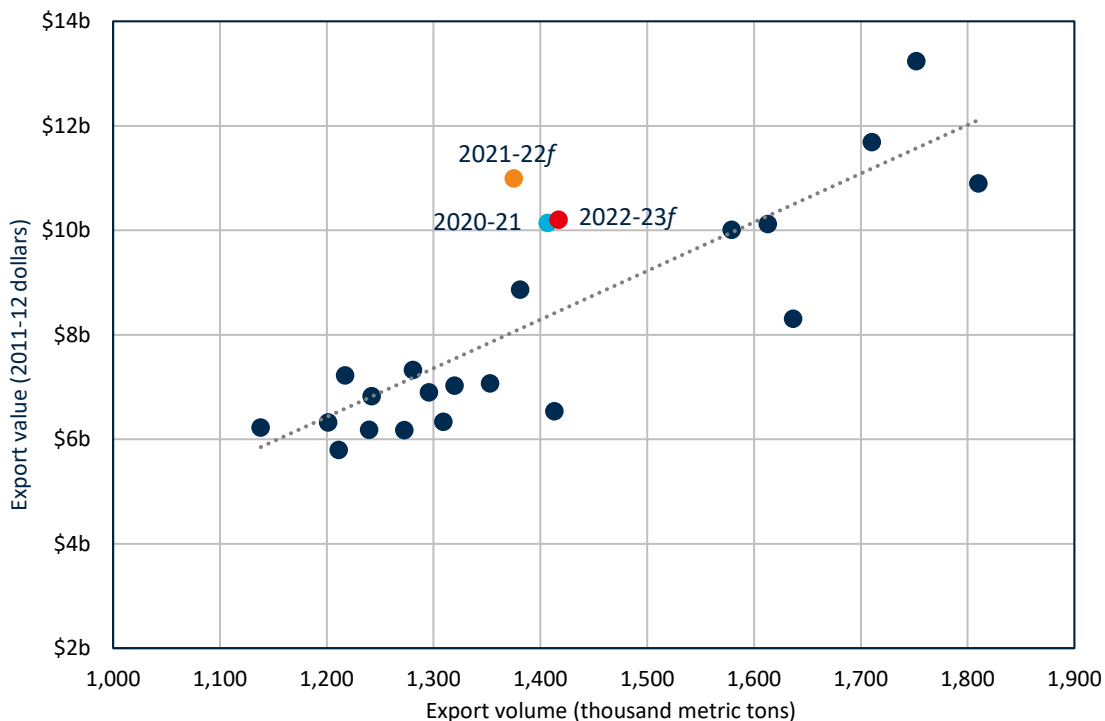
- 2000-01 to 2019-20
- 2021-22f *f = ABARES forecast*
- 2020-21
- 2022-23f

Data sources: [ABARES Agricultural commodities](#); ABS; RBA.



Australia exported a record \$65 billion in agricultural products in 2021-22. While 2021-22 was an unusual year, domestic and international conditions mean we could be in for another year of high production and high prices in 2022-23.

Figure 2: The value and volume of Australian beef and sheepmeat exports 2000-01 to 2022-23f



How do Australian meat exports in 2021-22 compare to previous years?

- > Beef and sheepmeat producers are rebuilding their herds after years of drought. This has reduced Australian meat production and export volumes.
 - > Competition between farmers to purchase stock and strong global demand for meat have pushed average Australian saleyard [prices higher since 2018-19](#).
- > **Figure 2** shows the impact of high prices on the total value of Australian meat exports.
- > The volume of Australian meat exports in 2021-22 (**orange dot**) was slightly below the 2000-2021 average.
- > Despite lower than average export volumes, the value of meat exports in 2021-22 were the third highest since 2000-01.
 - > This shows that high prices offset the impact of reduced export volumes in terms of overall export value.

Will we see another year like 2021-22?

- > Forecasts for 2022-23 (**red dot**) indicate that another 'unusual' year could be on the way.
- > There is a [50% chance](#) of a third consecutive La Nina developing later in 2022.
- > Wet conditions in Australia and high international food prices increase the likelihood of higher than average production 2022-23.

Legend

- 2000-01 to 2019-20
- 2021-22f *f = ABARES forecast*
- 2020-21
- 2022-23f

Data sources: [ABARES Agricultural commodities](#); ABS; RBA.