Pastoral Market Update

August, 2003

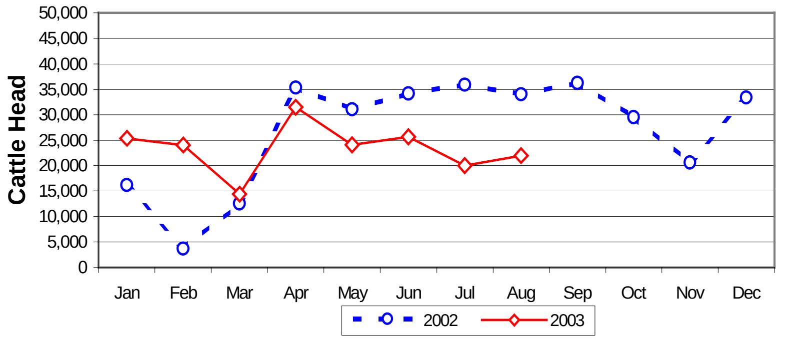
LIVE CATTLE EXPORTS VIA DARWIN PORT

Destination	Total Cattle (including interstate)							NT Cattle only						
	2001	2002	Last year 31.08.02	YTD 31.08.03	1-31 Aug	Previous Month	Difference	2001	2002	Last year 31.08.02	YTD 31.08.03	1-31 Aug	Previous Month	Difference
BRUNEI	16,155	19,085	11,785	11,126	0	783	*-783*	11,003	12,012	6,805	8,224	0	711	*-711*
EGYPT	52,692	10,873	7,135	0	0	0	*0*	30,376	10,873	7,135	0	0	0	*0*
INDONESIA	151,190	199,327	121,203	139,534	15,886	14,039	*+1,847*	121,632	133,763	87,275	104,228	13,782	13,782	*0*
PHILIPPINES	31,984	65,931	41,936	28,202	6,067	4,806	*+1,261*	25,701	52,692	32,612	23,838	5,388	4,638	*+750*
SABAH	110	318	198	224	0	0	*0*	110	17	0	224	0	0	*0*
SAUDI ARABIA	0	6,550	6,550	0	0	0	*0*	0	5,066	5,066	0	0	0	*0*
SARAWAK	0	1,033	0	320	0	0	*0*	0	846	0	92	0	0	*0*
VIETNAM	941	0	0	0	0	0	*0*	0	0	0	0	0	0	*0*
W-MALAYSIA	5,055	18,765	13,985	7,700	0	399	-399	4,350	13,839	10,692	5,727	0	399	-399
EAST TIMOR	0	32	32	0	0	0	*0*	0	0	0	0	0	0	*0*
JORDAN	0	688	0	0	0	0	*0*		688	0	0	0	0	*0*
TOTAL	**258,127**	**322,602**	**202,824**	**187,106**	**21,953**	**20,027**	***+1,926***	**193,172**	**229,796**	**149,585**	**142,333**	**19,170**	**19,530**	***-360***
				-15,718							-7,251			

"August at a glance"

- 21,953 head through the Port of Darwin during August. 1,926 head more than July but 12,039 less than August last year.
- Total live cattle exports through the Port of Darwin are now 15,718 head behind the same time last year.

Live Cattle Exports thru Port of Darwin 2002 v 2003



'OTHER' LIVESTOCK EXPORTS VIA DARWIN PORT (incl. NT and Interstate Stock)

Destination	Buffalo			Camels			Goats			Deer			Horses			Sheep			Pigs		
	2002	YTD 2003	1-31 Aug	2002	YTD 2003	1-31 Aug	2002	YTD 2003	1-31 Aug	2002	YTD 2003	1-31 Aug	2002	YTD 2003	1-31 Aug	2002	YTD 2003	1-31 Aug	2002	YTD 2003	1-31 Aug
BRUNEI	3,359	1,762	0	144	62	0	2,439	2,105	0	37	0	0	0	0	0	430	352	0	0	0	0
EAST TIMOR	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
W-MALAYSIA	173	32	0	609	145	0	7,182	6,436	0	0	0	0	4	0	0	1,573	625	0	0	0	0
SAUDI ARABIA	0	0	0	118	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SARAWAK	57	0	0	64	100	0	225	239	0	0	60	0	0	0	0	0	0	0	0	0	0
PHILIPPINES	0	0	0	0	0	0	0	223	223	0	0	0	29	6	0	0	0	0	686	0	0
INDONESIA	0	0	0	0	0	0	0	25	9	0	0	0	11	1	0	0	0	0	0	0	0
THAILAND	0	0	0	0	0	0	0	0	0	320	0	0	0	0	0	0	0	0	0	0	0
TOTAL	**3,589**	**1,794**	**0**	**935**	**307**	**0**	**9,846**	**9,028**	**232**	**357**	**60**	**0**	**44**	**7**	**0**	**2,003**	**977**	**0**	**686**	**0**	**0**

PREVIOUS 6 YEARS

Total Cattle, Port of Darwin							NT Cattle, Port of Darwin						
1996	1997	1998	1999	2000	2001	2002	1996	1997	1998	1999	2000	2001	2002
383,535	448,196	219,439	280,011	299,179	258,127	322,602	189,918	246,389	160,412	192,441	222,669	193,172	229,796

CATTLE INDUSTRY SITUATION AND OUTLOOK by
August 2003

Valerie Hristova, Senior Economist
Department of Business, Industry & Resource Development
Telephone: +61 8 89995093
E-mail: valerie.hristova@nt.gov.au

1. AUSTRALIAN BEEF INDUSTRY

Australian saleyard prices for cattle averaged 258 c/kg dressed weight in 2002-03, a fall of 16% on the previous year. The decrease was mainly due to significantly higher slaughterings due to the drought, limited demand for restockers, especially in southern Australia, and decreased demand for Australian beef in the United States. Assuming sufficient rainfall to produce good pasture growth in the spring in southern areas, saleyard prices are forecast to average 9% higher in 2003-04 at 282 c/kg DW, driven by herd rebuilding.

The estimated size of the Australian cattle herd decreased to 26.7 million head in June 2003 as a result of increased slaughterings, due to the drought conditions that prevailed across much of Australia during the year. Beef and veal production increased although average slaughter weights for adult cattle fell. The forecast for 2003-04, dependent on climatic conditions, is some rebuilding of the cattle herd as pastoral conditions improve, resulting in fewer slaughterings and lower production of beef and veal.

Australian exports of beef and veal reached a high of 946,000 tonnes estimated shipped weight in 2002-03, with exports increasing on the previous year to both Japan and the Republic of Korea. The Japanese market showed some welcome recovery following the BSE (bovine spongiform encephalopathy or 'mad cow' disease) events of 2001-02, and sales to Korea continue to grow, along with the country's economic growth. Demand for Australian beef in the United States was well down in 2002-03, with exports to that market falling by 15% relative to the previous year. Weak demand from the United States for manufacturing beef due to their own drought, a stronger Australian dollar and the opening of the United States to Uruguayan beef were contributing factors.

The total value of beef exports decreased by some 7% to $4010.0 million, with the change in flow to lower-valued markets.
Per capita beef and veal consumption in Australia was estimated at 35.7 kg/head for 2002-03, a 9% increase on the previous year. Consumption is expected to decrease in 2003-04 as supplies of beef tighten and retail prices for beef and veal rise.

Total Australian live cattle exports are expected to reach a record 950,000 head in 2002-2003 due to increased availability of suitable cattle as a result of the drought. This is an increase of 19% on the previous year and comprises increased demand from Indonesia, Malaysia, Saudi Arabia and Brunei. However exports are forecast to ease in 2003-04 as the supply of cattle available for live export decreases with herd rebuilding and as cattle prices increase.

2. NORTHERN TERRITORY LIVE CATTLE TRADE

Both the total value and number of live cattle exported through the Port of Darwin increased in 2002-03. Numbers exported rose by 23% to 334,793 head. However, lower prices throughout the year resulted in the total value of cattle exported through Darwin increasing by only 5% to $179.0 million.

Indonesia was the major destination for cattle exported through the Port of Darwin in 2002-03, taking 70% of all cattle, followed by the Philippines with 15%. Other destinations were Brunei (6%), Malaysia (5%), Egypt (3%), Saudi Arabia (1%) and Jordan (<1%). Indonesia imported 232,898 head through the Port of Darwin, an increase of 46% on the previous year. Cattle numbers to the Philippines increased slightly, by 2% to 48,786 while numbers to Egypt decreased by 67% to 10,873.

The number of Northern Territory cattle exported through the Port of Darwin in 2002-03 increased by 11% to 235,430. In addition Northern Territory cattle are exported through the Western Australian ports of Wyndham, Broome and Port Hedland.

Prices at Darwin for live export cattle were lower during the year, falling to $1.30/kg live weight for steers in June 2003. The fall was mainly due to supply factors (high turnoff due to drought in eastern Australia and April to June being the main turnoff period for Territory cattle). Prices are expected to firm somewhat later in the year as supply diminishes.

The live export cattle trade is the main market for Territory cattle, taking 57% of turnoff in 2001-02. In addition to the export trade, 42% were turned off to interstate markets and 1% were slaughtered in Territory abattoirs.

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