

5.2 Beef production around the world

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World wide beef production

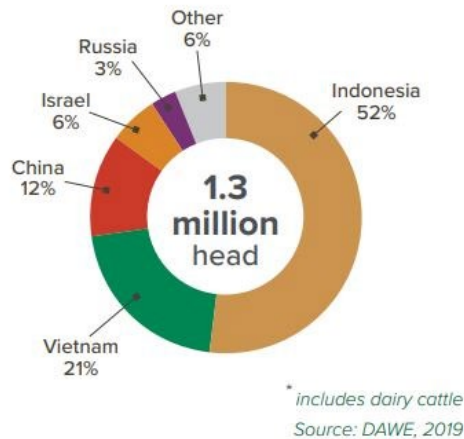
- Australia has a relatively small percentage of the international beef cattle herd – about 2% (2019 data)
- It is however a prominent exporter, in 2019 ranked second behind Brazil on kilograms shipped
- Exported 76% of beef produced
- Australia also exported 1.3 million head of live cattle worth 1.6 billion AUD, mostly to Indonesia and Vietnam



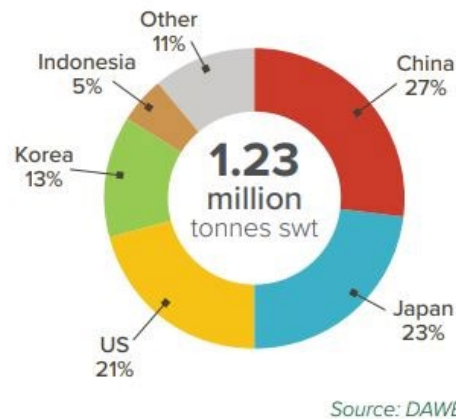
Beef exports

note 1,000 difference in graphic, live export mostly <400kg bodyweight, %carcass weight generally 50%-60%

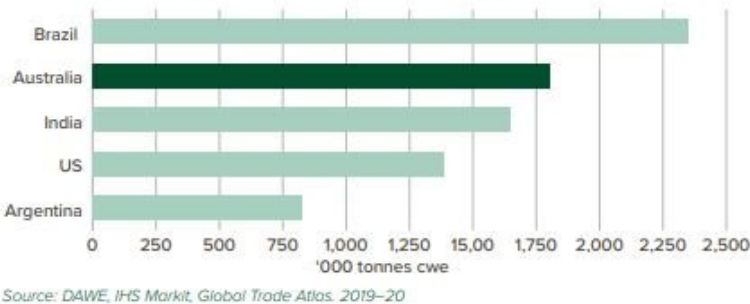
Australian live cattle exports*



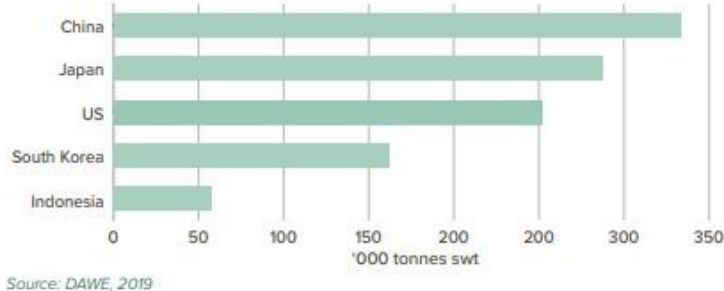
Australian beef and veal exports



Top five beef and veal exporting countries



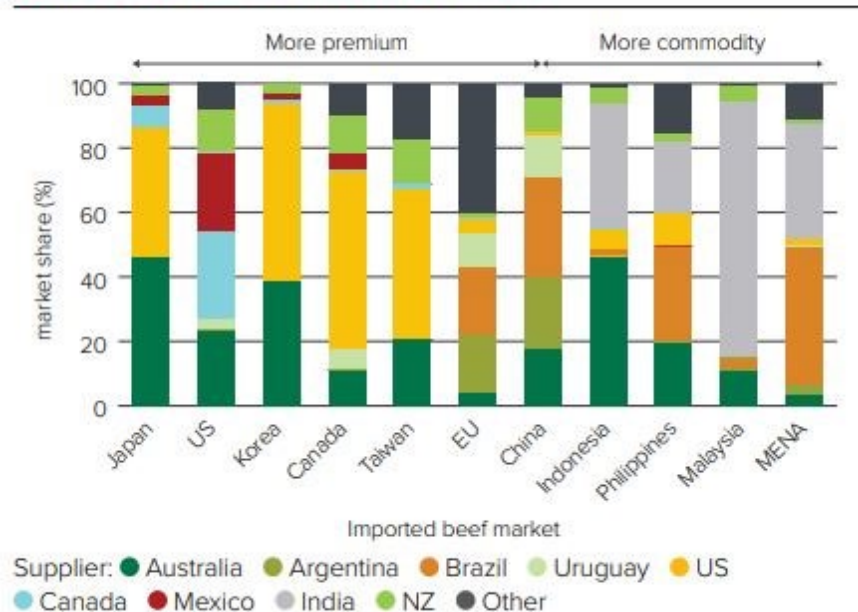
Australia's top five beef and veal export markets



Market change over time

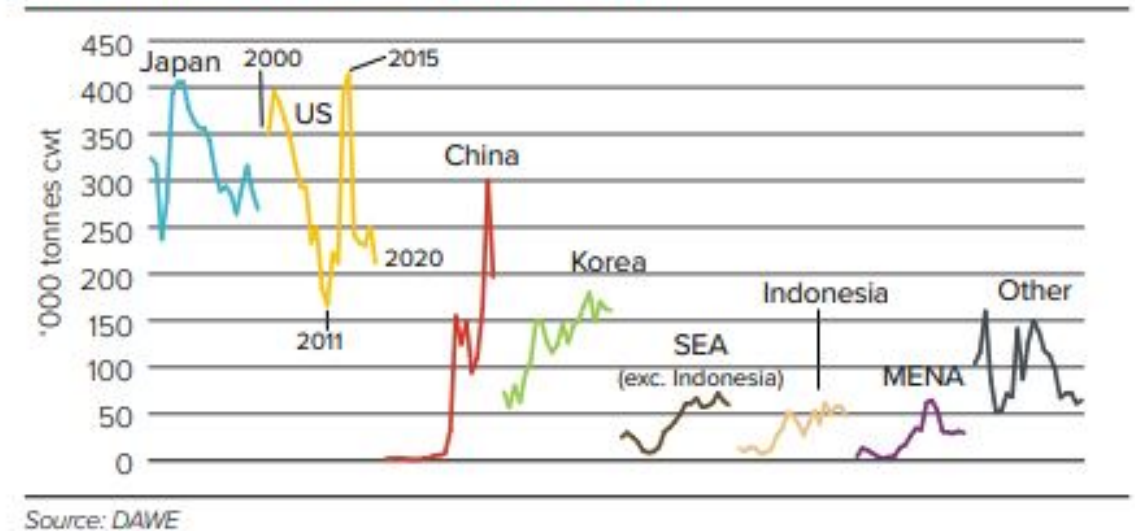
- Some markets considered premium (eg Japan), others commodity market (e.g. Indonesia) – different pricing for the different markets
- Most Australian beef to Indonesia is in live cattle sales for fattening

Competition in Australia's major markets



Source: IHS, data is for FY2019-20

Australian beef exports (2000–2020)



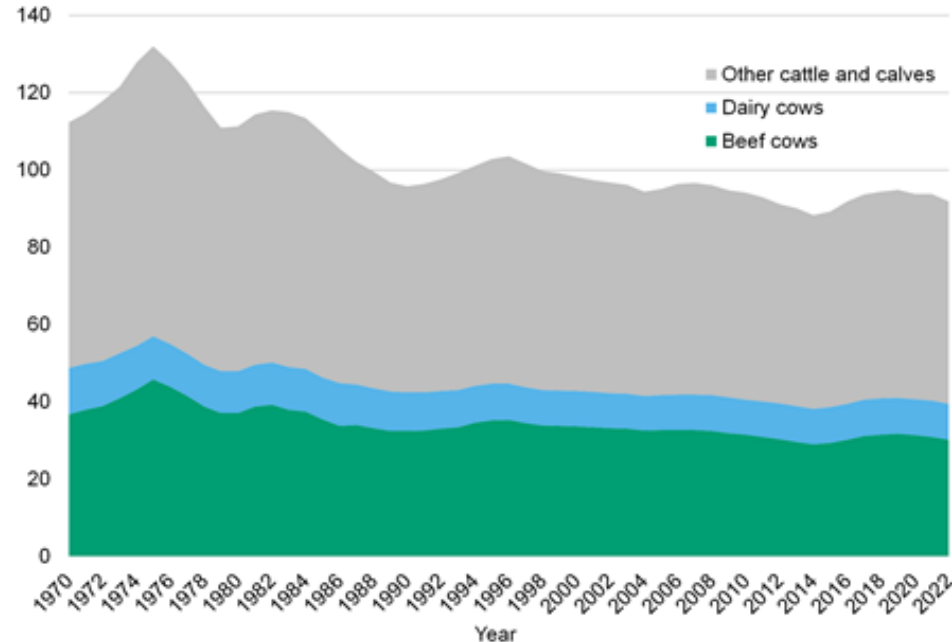
Source: DAWE

Changes in worldwide beef production

- Limited scope across world to increase beef production
- Relative pricing between livestock/crops can change
- Minimal extra available land
- Opportunity to intensify in some areas
- Cyclical nature of beef markets (see USA example below left)
 - Long gestation and growth part of this, plus environment, plus competition
- Increased production in Arica, S America and Asia

Figure 1. Cattle and cow inventories 1970–2022

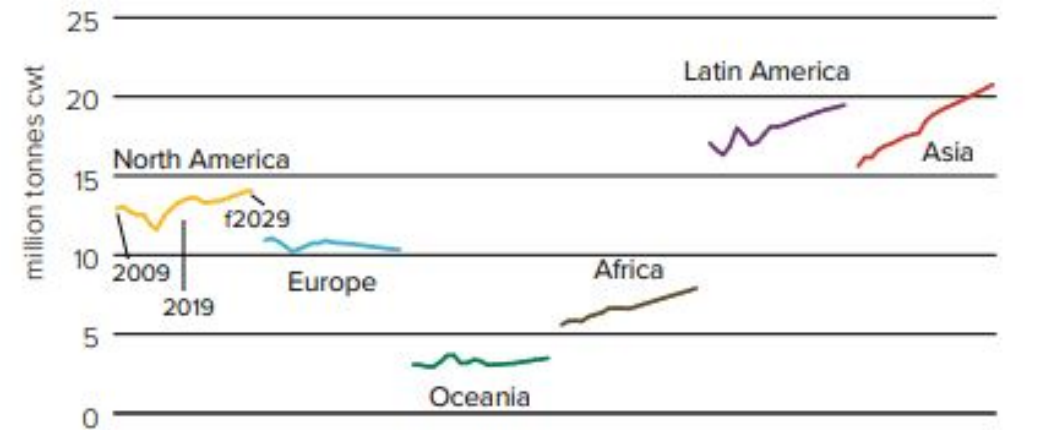
Million head



Source: USDA, Economic Research Service calculations using USDA, National Agricultural Statistics Service, Cattle report.

<https://www.ers.usda.gov/topics/animal-products/cattle-beef/sector-at-a-glance/>

Regional beef production growth (2009–2029f)

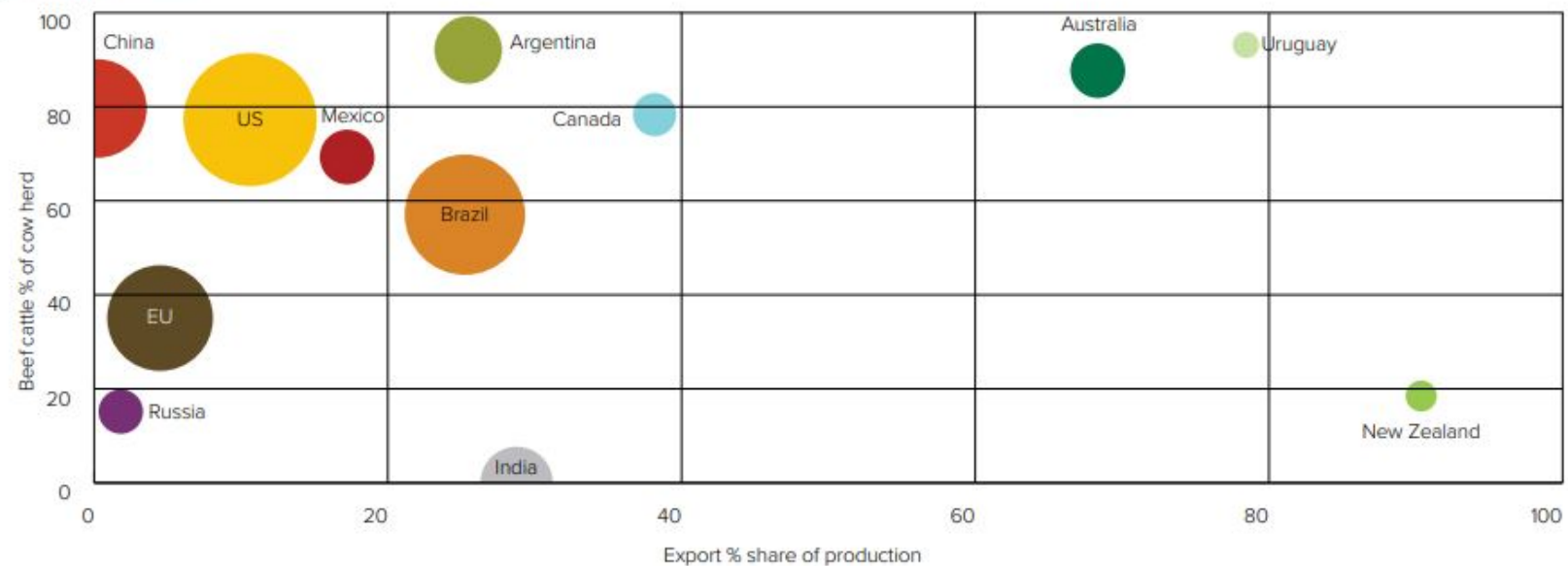


Source: FAO-OECD 2020 Outlook

Dairy genetics in the beef market

- Varying percentage of dairy genetics in beef production systems around the world
- Australia has relatively low %
- Dairy cows have less muscle

Production mix



Source: USDA
Bubble size reflects 2020 production

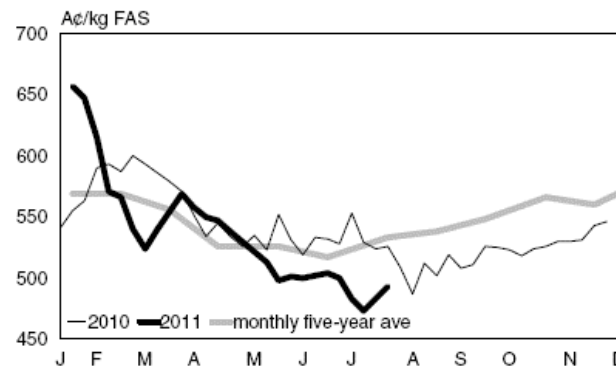
Beef prices in markets

- Beef pricing varies depending on quality of individual part of carcass but overall animal quality
- Quality assurance (QA) important – reliability, safety

Export price watch

Source: Australian trade, US trade

Japan grassfed fullset price



90CL cow price to US

