

SE Early General News

HD **Dairy** heifer export prices near record

BY ALISTAIR LAWSON

WC 611 words

PD 17 April 2014

SN Stock Journal

SC FSTOCJ

PG 7

LA English

CY Copyright 2014 Fairfax Media Publications Pty Limited. . Not available for re-distribution.

LP

INSATIABLE demand from **China** for **dairy** heifers, coupled to a fiercely competitive procurement environment, is driving prices for export animals to near-record levels.

Some agents are reporting prices as high as \$2200 for registered mated Holstein heifers while weaned Holsteins, weighing between 200 kilograms and 220kg, are fetching up to \$1800.

TD

Close to farmers' minds will be the events of early last year when the **dairy** heifer export market crashed almost overnight after agents were paying what some called "unsustainably high" prices.

But the market seems to have returned to those lofty heights, with ready-to-mate commercial unregistered Holstein heifers fetching up to \$1600.

Companies such as Elders, **Dairy** Livestock Services, Landmark Global Exports and Total Livestock Genetics, to name a few, are all actively chasing export heifers.

Elders International procurement manager Scott Altschwager said the **dairy** heifer export market was a very strong environment at the moment.

"Getting access to cattle off the back of the outlook for **milk** production is creating an environment where people are tending to retain young heifers rather than consider export markets," he said.

"We have recently finalised a shipment into quarantine and released a new order for unjoined registered Holstein heifers for a shipment to **China**, where we will be paying up to \$1800."

Mr Altschwager said the **company** had just completed a purchase order in which they procured joined and unjoined Holsteins, Jerseys, and even some crossbreds.

While there was a lot of interest from **China**, Mr Altschwager said he had fielded enquiry from a number of other regions.

As to how long such high prices would last, Mr Altschwager described the situation as "unchartered territory".

"Historically, when we have approached levels like this, there has been some pushback from international customers," he said.

"If history repeats itself, which it normally does, at some point in time the international clientele may look to reduce price offerings or look for alternative options.

"One thing about international markets is you can never be too sure of anything, and I think from a pricing perspective there is greater increased risk in the price coming off than there is to go too much higher."

Landmark Global Exports buyer Allan Peglar said the market was "very buoyant". He expected it to remain that way for at least the next 12 months.

"After 12 months I'm not really sure nobody has a crystal ball," he said.

"At the moment that's as far as I would predict because we have seen it change overnight in the past.

"The dairy industry itself looks good for the next 12 months but after that nobody knows, and it's the same with dairy heifers."

Mr Peglar said he would be advising dairyfarmers to mate heifers to Holstein bulls for the premium they attract on the export market.

"The price they are getting is a big slice of income for some people," he said.

Dairy Livestock Services has recently been advertising for commercial and pure bred unjoined Holstein heifers and commercial unjoined Jersey heifers for live export orders.

Agent Brian Haebich said he had sold some Jersey heifers for between \$900 and \$1000, and was even buying a few Holstein-Jersey crosses.

"There are that many export companies chasing heifers that I think the job would have to keep up for a while," he said.

At last month's DairySA Central Conference, Dairy Australia managing director Ian Halliday said Australia had exported about 85,000 dairy heifers in the past 12 months, with most of the animals going to China.

IN i010010502 : Dairy Cattle Farming | i0 : Agriculture | i01001 : Farming | i0100105 : Cattle Farming |
ilsfarm : Livestock Farming

RE saustr : South Australia | apacz : Asia Pacific | ausnz : Australia/Oceania | austr : Australia

PUB Fairfax Media Management Pty Limited

AN Document FSTOCJ0020140416ea4h0000j