

SE News
HD Free trade agreements work well for Elders

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LP

ELDERS (ELD) network operations supply agricultural chemicals, fertilisers, animal health and general rural merchandise to rural and regional clients. Network operations also offer marketing and **sale** s of farm outputs, real estate and property services and financial services.

TD

International trading conducts a range of **business** including: (i) live export — fulfilling international orders and facilitating the trade of feeder and breeding cattle to international markets (ii) Wool trading — ELD exports wool from New Zealand to **China** and North Asia and Australasian carpet producers (iii) Feedlots — ELD operates cattle feedlots in Australia in Victoria and NSW and in Indonesia (iv) **China** operations — ELD supplies Australian and New Zealand products including beef, lamb, fish, seafood, sausages, pies, **wine** and beer through Elders Fine Foods. The agency businesses (recovery in livestock prices and volumes) and the live export **business** (strong demand from Asia) made strong contributions to earnings growth. ELD also benefited from \$A28.5 **million** of cost savings. This was in excess of its A\$25 **million** target. While net profit after tax was a significant improvement on the previous corresponding period (\$A77.3 **million** turnaround), it was impacted by the high interest rates under ELD's old debt facilities. If ELD can deliver on its strategy over coming years, its share price will be substantially higher. Add rating maintained. Elders should benefit from free trade agreements.

CO futris : Elders Limited

IN i8396 : Diversified Holding Companies | ibcs : Business/Consumer Services

NS mlvstk : Livestock/Meat Markets | e512 : Physical Trade | e51 : Trade/External Payments | ecat : Economic News | m14 : Commodity Markets | m141 : Agricultural Commodity Markets | mcat : Commodity/Financial Market News | ncat : Content Types | nfact : Factiva Filters | nfce : C&E Exclusion Filter

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