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## Australia

### Livestock and Products

### Annual

### 2006

**Approved by:**

Kathleen Wainio, Agricultural Counselor  
U.S. Embassy

**Prepared by:**

Mike Darby, Agricultural Specialist

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**Report Highlights:**

Report Highlights: Australian feedlot activity is currently at record levels, both in terms of feedlot capacity (in excess of 1.1 million head) and numbers of head on feed (940,000 head in June 2006). Continued dry weather and poorer pasture conditions may see cattle on feed numbers increase in the short term, while in the longer term, a downturn in winter cereal production would likely lead to numbers on feed falling. Feedlot activity should provide an indication of a "floor" for exports of Australian beef to Japan, as recent data suggest nearly 60 percent of Australian cattle on feed are destined for the Japanese market. Traditionally, Australia exports about two thirds of total production. Slaughter, production and exports are all projected to increase in 2007.

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Includes PSD Changes: Yes  
Includes Trade Matrix: No  
Annual Report  
Canberra [AS1]  
[AS]

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**SECTION ONE: SITUATION AND OUTLOOK****Summary**

Despite the assumption of a return to normal weather conditions, post anticipates that dry weather already experienced will likely place systemic pressure on Australian livestock industries. Reduced fodder and water reserves as a result of dry winter conditions will likely see increased turn-off of cattle. Reduced supplies of feed-grain will also likely see increased turnoff of feedlot cattle over the longer term, although feedlot numbers may increase in the short-term.

Post forecasts slaughter and production to increase, partially at the expense of increased inventory, in the last quarter of 2006 and the first half of 2007. Increased production during this period is expected to be nearly all exported.

Both industry and government sources anticipate a decline in historically high cattle prices in CY 2007; in line with similar declines experienced in CY 2006 year-to-date. Dry conditions, should they continue, would likely see prices for cattle fall further, particularly for young cattle.

The re-entry of US Beef into the Japanese market has been well-publicized within Australia. Sources located in the packing sector are not anticipating a decline in exports to Japan, despite increased competition in that market while other industry sources forecast a minor decline. Increased exports in CY 2007 will likely see increases in beef shipments to the U.S. particularly if drought conditions, currently being experienced, continue.

It is important to note, that despite the prospects of drought and price decline, the Australian cattle industry maintains a positive outlook and can be expected to expand production wherever climatic conditions allow.

**Weather**Current weather

At time of writing this report, Australia is bracing itself for another drought period. Despite a return to more normal weather conditions in the last half of 2005 and the first quarter of 2006, the Australian continent has begun sliding into drought reminiscent of the 2002-2004 drought period.

August 2006 was Australia's driest August in the historical record from 1900, based on the average rainfall across Australia. Director of the Bureau of Meteorology, Dr Geoff Love, says a number of areas of Australia have reported the most severe short-term rainfall deficiencies on record. Record low winter falls over a large part of southern WA and large parts of the eastern states, has extended the total area deficient in autumn/winter rainfall at the beginning of August. These short-term rainfall deficiencies further exacerbate the very protracted dry period that most of southern Australia has experienced since late 1996, and eastern Australia since 2002.

To date, the dry weather has not affected agricultural production. Dry conditions during the colder winter months (June-August) are not necessarily damaging to pastures or winter cereals, and occur too early to affect summer crop planting.

The prospect of another drought

If dry conditions were to continue through September and October, the effect on Australian agricultural production could be significant. Warmer weather conditions and extremely low levels of moisture would adversely affect pasture conditions, particularly in the southern pastoral zone. Drought conditions during this time would also disrupt fodder conservation activities such as hay and silage production. Spring drought would also severely limit winter cereal production, a primary feed source for cattle feedlots. Irrigated crops and pastures would also suffer from reductions of irrigation water in adjacent catchment areas – which would exacerbate an existing problem.

The continuation of drought conditions during September and October in 2006 would likely see cattle slaughter increase as producers choose to turn cattle off rather than feed during drought. It would also likely see further increases in feedlot activity, as producers would put cattle onto feed rather than finishing them on grass, as is traditionally the case with the majority of slaughter cattle.

Time has not yet run out for effective and significant rainfall – however, as each Spring day passes and temperatures rise, the amount of needed rainfall increases.

## SECTION TWO: STATISTICAL TABLES

<b>PSD Table</b>							
<b>Animal Numbers, Cattle</b>							
	2005	Revised	2006	Estimate	2007	Forecast	UOM
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	
Market Year Begin		01/2005		01/2006		01/2007	MM/YYYY
Total Cattle Beg. Stks	27270	27270	28100	27782	29100	28600	(1000 HEAD)
Dairy Cows Beg. Stks	2041	2041	2050	2050	0	2060	(1000 HEAD)
Beef Cows Beg. Stocks	12570	12570	13021	13021	0	13100	(1000 HEAD)
Production (Calf Crop)	10069	9643	10200	10243	0	10490	(1000 HEAD)
Intra EC Imports	0	0	0	0	0	0	(1000 HEAD)
Total Imports	0	0	0	0	0	0	(1000 HEAD)
TOTAL Imports	0	0	0	0	0	0	(1000 HEAD)
TOTAL SUPPLY	37339	36913	38300	38025	29100	39090	(1000 HEAD)
Intra EC Exports	0	0	0	0	0	0	(1000 HEAD)
Total Exports	580	573	550	585	0	640	(1000 HEAD)
TOTAL Exports	580	573	550	585	0	640	(1000 HEAD)
Cow Slaughter	3700	3700	3700	3700	0	3700	(1000 HEAD)
Calf Slaughter	890	823	870	890	0	955	(1000 HEAD)
Other Slaughter	4019	3985	4030	4200	0	4745	(1000 HEAD)
Total Slaughter	8609	8508	8600	8790	0	9400	(1000 HEAD)
Loss	50	50	50	50	0	50	(1000 HEAD)
Ending Inventories	28100	27782	29100	28600	0	29000	(1000 HEAD)
TOTAL DISTRIBUTION	37339	36913	38300	38025	0	39090	(1000 HEAD)
Calendar Yr. Imp. from U.S.	0	0	0	0	0	0	(1000 HEAD)
Calendar Yr. Exp. to U.S.	0	0	0	0	0	0	(1000 HEAD)

<b>PSD Table</b>							
<b>Meat, Beef and Veal</b>							
	<b>2005</b>	<b>Revised</b>	<b>2006</b>	<b>Estimate</b>	<b>2007</b>	<b>Forecast</b>	<b>UOM</b>
	<b>USDA Official [Old]</b>	<b>Post Estimate [New]</b>	<b>USDA Official [Old]</b>	<b>Post Estimate [New]</b>	<b>USDA Official [Old]</b>	<b>Post Estimate [New]</b>	
<b>Market Year Begin</b>		<b>01/2005</b>		<b>01/2006</b>		<b>01/2007</b>	<b>MM/YYYY</b>
<b>Slaughter (Reference)</b>	8609	8508	8600	8790	0	9400	(1000 HEAD)
<b>Beginning Stocks</b>	50	50	25	16	23	18	(1000 MT CWE)
<b>Production</b>	2125	2102	2150	2150	0	2290	(1000 MT CWE)
<b>Intra EC Imports</b>	0	0	0	0	0	0	(1000 MT CWE)
<b>Total Imports</b>	12	12	8	12	0	12	(1000 MT CWE)
<b>TOTAL Imports</b>	12	12	8	12	0	12	(1000 MT CWE)
<b>TOTAL SUPPLY</b>	2187	2164	2183	2178	23	2320	(1000 MT CWE)
<b>Intra EC Exports</b>	0	0	0	0	0	0	(1000 MT CWE)
<b>Total Exports</b>	1413	1413	1400	1420	0	1495	(1000 MT CWE)
<b>TOTAL Exports</b>	1413	1413	1400	1420	0	1495	(1000 MT CWE)
<b>Human Dom. Consumption</b>	749	735	760	740	0	755	(1000 MT CWE)
<b>Other Use, Losses</b>	0	0	0	0	0	0	(1000 MT CWE)
<b>TOTAL Dom. Consumption</b>	749	735	760	740	0	755	(1000 MT CWE)
<b>Ending Stocks</b>	25	16	23	18	0	70	(1000 MT CWE)
<b>TOTAL DISTRIBUTION</b>	2187	2164	2183	2178	0	2320	(1000 MT CWE)
<b>Calendar Yr. Imp. from U.S.</b>	0	0	0	0	0	0	(1000 MT CWE)
<b>Calendar Yr. Exp. to U.S.</b>	464	463	440	472	0	490	(1000 MT CWE)

<b>PSD Table</b>							
<b>Animal Numbers, Swine</b>							
	2005	Revised	2006	Estimate	2007	Forecast	UOM
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	
Market Year Begin		01/2005		01/2006		01/2007	MM/YYYY
<b>TOTAL Beginning Stocks</b>	2530	2530	2490	2490	2600	2470	(1000 HEAD)
<b>Sow Beginning Stocks</b>	335	338	340	335	0	330	(1000 HEAD)
<b>Production (Pig Crop)</b>	5283	5292	5481	5321	0	5260	(1000 HEAD)
<b>Intra EC Imports</b>	0	0	0	0	0	0	(1000 HEAD)
<b>Total Imports</b>	0	0	0	0	0	0	(1000 HEAD)
<b>TOTAL Imports</b>	0	0	0	0	0	0	(1000 HEAD)
<b>TOTAL SUPPLY</b>	7813	7822	7971	7811	2600	7730	(1000 HEAD)
<b>Intra EC Exports</b>	0	0	0	0	0	0	(1000 HEAD)
<b>Total Exports</b>	1	1	1	1	0	0	(1000 HEAD)
<b>TOTAL Exports</b>	1	1	1	1	0	0	(1000 HEAD)
<b>Sow Slaughter</b>	0	0	0	0	0	0	(1000 HEAD)
<b>OTHER SLAUGHTER</b>	5322	5331	5370	5340	0	5300	(1000 HEAD)
<b>Total Slaughter</b>	5322	5331	5370	5340	0	5300	(1000 HEAD)
<b>Loss</b>	0	0	0	0	0	0	(1000 HEAD)
<b>Ending Inventories</b>	2490	2490	2600	2470	0	2430	(1000 HEAD)
<b>TOTAL DISTRIBUTION</b>	7813	7822	7971	7811	0	7730	(1000 HEAD)
<b>Calendar Yr. Imp. from U.S.</b>	0	0	0	0	0	0	(1000 HEAD)
<b>Calendar Yr. Exp. to U.S.</b>	0	0	0	0	0	0	(1000 HEAD)

<b>PSD Table</b>							
<b>Meat, Swine</b>							
	2005	Revised	2006	Estimate	2007	Forecast	UOM
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	
Market Year Begin		01/2005		01/2006		01/2007	MM/YYYY
Slaughter (Reference)	5322	5331	5370	5340	0	5300	(1000 HEAD)
Beginning Stocks	10	10	14	14	18	3	(1000 MT CWE)
Production	385	388	393	380	0	378	(1000 MT CWE)
Intra EC Imports	0	0	0	0	0	0	(1000 MT CWE)
Total Imports	99	99	99	90	0	99	(1000 MT CWE)
TOTAL Imports	99	99	99	90	0	99	(1000 MT CWE)
TOTAL SUPPLY	494	497	506	484	18	480	(1000 MT CWE)
Intra EC Exports	0	0	0	0	0	0	(1000 MT CWE)
Total Exports	53	53	55	56	0	54	(1000 MT CWE)
TOTAL Exports	53	53	55	56	0	54	(1000 MT CWE)
Human Dom. Consumption	427	430	433	425	0	420	(1000 MT CWE)
Other Use, Losses	0	0	0	0	0	0	(1000 MT CWE)
TOTAL Dom. Consumption	427	430	433	425	0	420	(1000 MT CWE)
Ending Stocks	14	14	18	3	0	6	(1000 MT CWE)
TOTAL DISTRIBUTION	494	497	506	484	0	480	(1000 MT CWE)
Calendar Yr. Imp. from U.S.	22	23	30	20	0	23	(1000 MT CWE)
Calendar Yr. Exp. to U.S.	0	0	0	0	0	0	(1000 MT CWE)

## SECTION THREE: NARRATIVE ON SUPPLY AND DEMAND, POLICY &amp; MARKETING

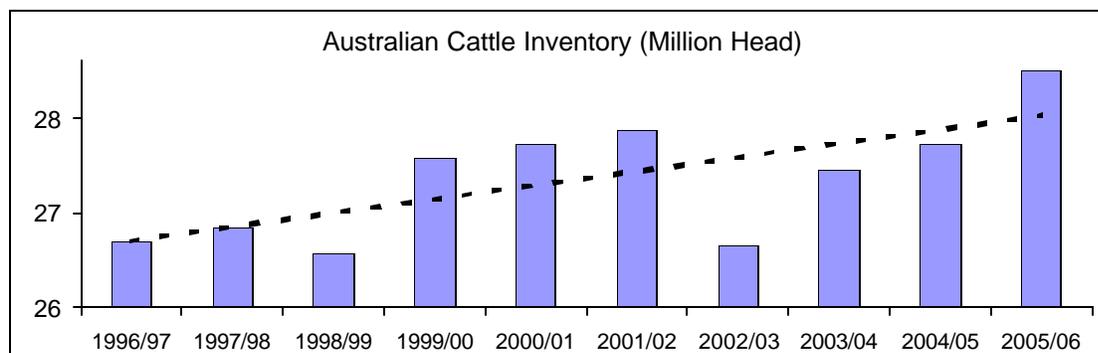
## CATTLE

## Inventory

Total cattle inventory is forecast to close at 29.0 million head in 2007, a modest increase over closing inventory of 28.6 million head for 2006. If achieved, an inventory of this level would represent the largest cattle herd since 1977.

Historically high cattle prices, combined with poor returns for wool production, will likely see inventory continue to expand in CY 2007. Recent price falls, combined with recent drought conditions, will likely only partially constrain herd expansion.

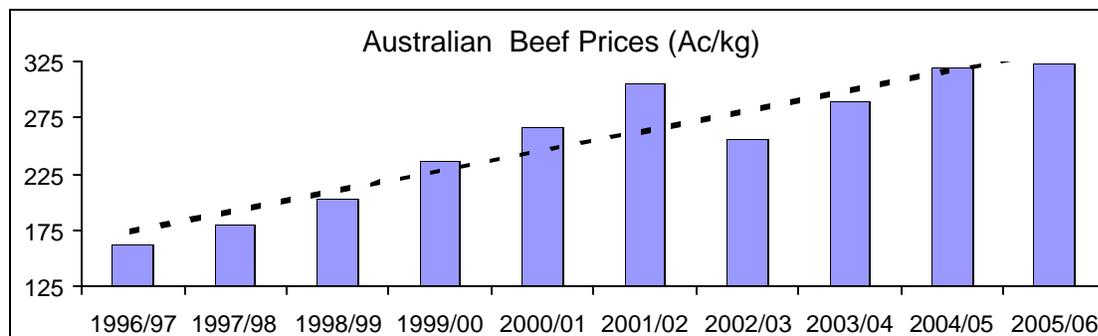
Recent monthly slaughter data shows cow and heifer slaughter numbers at historically low levels - indicating a continuation of the herd-rebuilding trend that began in CY 2004. A continuation of drought conditions could potentially see a reversal of this trend.



Source: ABARE Data (July-June)

Industry reports have inventory for CY 2007 at 29.4 million head; the more modest increase Post anticipates reflects recent dry conditions and the anticipated drought-related yield reductions in fodder and cereal crops which would constrain growth.

Prices are forecast to decline in CY 2007, in line with recent price falls experienced in CY 2006 year-to-date, although they will likely remain at historically high levels. Price reductions alone are not expected to significantly dampen the outlook for beef production in Australia.



Source: ABARE Data (July-June)

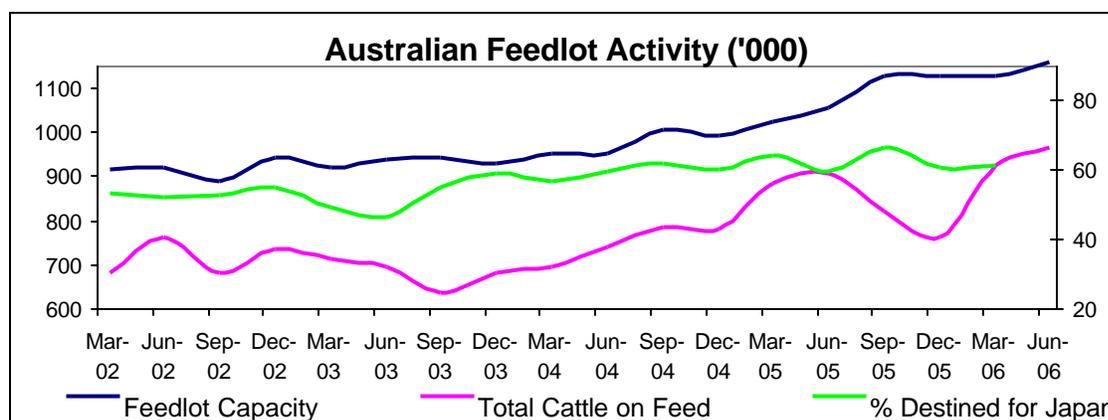
## Cattle on Feed

Australian feedlot activity is currently at record levels, both in terms of feedlot capacity (in excess of 1.1 million head) and numbers of head on feed (940,000 head in June 2006). Capacity has increased by ten percent in the last 12 months according to industry sources while numbers of head on feed are currently seven percent higher than year earlier numbers.

High prices and the recent lack of competition in the Japanese market, which traditionally takes the majority of Australian long-fed cattle, have pushed numbers to record levels in Australia.

It is not yet clear of the impact lower prices and drier conditions will have on the feedlot activity for the remainder of CY 2006 and in CY 2007. Dry weather and poorer pasture conditions may see numbers increase in the short term, while in the longer term, a downturn in winter cereal production would likely lead to numbers on feed falling.

Regardless of weather conditions over the next year or so, feedlot turn-off is likely to increase. In the event of a full-scale drought, feedlot numbers are likely to increase sharply by the end of CY 2006 before declining steadily throughout CY 2007. In any event, feedlot activity should provide an indication of a "floor" for exports of Australian beef to Japan. (Recent data suggest nearly 60 percent of Australian cattle on feed are destined for the Japanese market.)



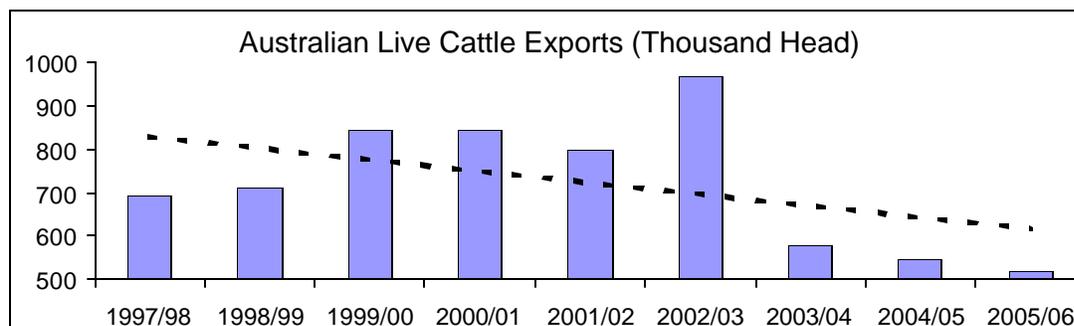
Source: MLA/ALFA Feedlot Survey

## Live Exports

Live exports of Australian Cattle are forecast to increase to 640,000 head in CY 2007, up from 585,000 head estimated for the previous year. Despite the forecast increase, if achieved exports of this level would remain well below the ten-year average of 737,000 head established using ABARE data. Continued dry conditions may see this figure rise slightly although post is not expecting live exports to increase to levels experienced prior to 2003/04.

Live export numbers have been constrained by high domestic cattle prices and a shift in cattle supply toward the higher-priced processed beef sector. A higher Australia dollar and higher fuel prices have also negatively affected live cattle exports. Despite these difficulties, Industry reports improvement in the prospects for live exports to Indonesia, Malaysia, Israel and Mexico.

The final rule on “Standards for Privately Owned Quarantine Facilities for Ruminants” was published on May 24, 2006. Implementation of the rule will allow Australian feeder cattle to enter the United States and be quarantined in privately owned facilities. Prior to the publication of this rule, ruminants could only enter the United States via designated USDA import centers, which were unable to accommodate large numbers of ruminants. Current market conditions would limit Australian exports of live cattle to the United States. Live exports to Mexico reached 17,481 head in 2005.



Source: ABARE Data

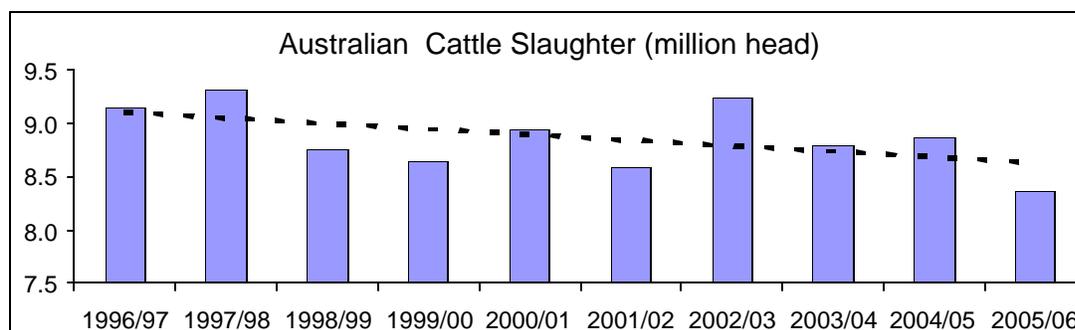
## Slaughter

Total cattle slaughter for CY 2007 is forecast at 9.4 million head, up nearly 7 percent from the 8.79 million head estimated for the previous year. Post anticipates that the drier weather conditions experienced from June to September 2006 will likely disrupt pasture, fodder and winter cereal production. The effect of this disruption will likely carry over into CY 2007, creating higher turnoff. Should above-average weather conditions be experienced for the remainder of 2006 and CY 2007, this projection would likely be revised downward resulting in increased inventory.

Slaughter for CY 2006 is forecast at 8.79 million head, up on the 8.5 million head estimated for CY 2005. Year-to-date (July-June) slaughter data for CY 2006 show almost no difference from the same period in the previous year. However, dry weather experienced since June will likely result in increased slaughter in the final quarter of CY 2006, pushing total CY 2006 slaughter to slightly higher levels than the previous year.

Recent industry reports have livestock sales for August up dramatically. Sales at major Queensland centers were up 40 percent from the previous month while numbers in South Australia were double that of the previous month. High livestock sales during dry periods historically precipitate high slaughter in following months.

The Australian meat-processing sector has suffered from over-capacity for decades, resulting in smaller plants going out of business and increased volumes in larger capacity plants. All processors have been constrained by labor shortages, particularly in rural and regional areas. The continuation of drought conditions into CY 2007 will likely compound this problem.



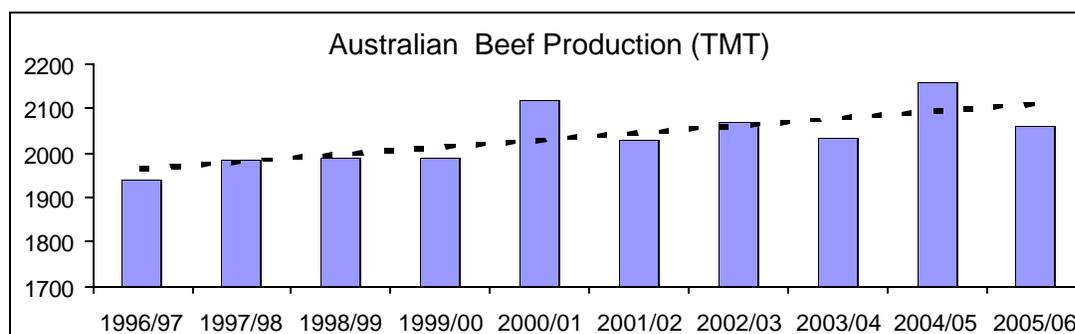
Source: ABARE Data (July-June)

### Production

Total beef and veal production for CY 2007 is forecast at a record 2,290 TMT, up 6.5 percent from the revised estimates for the previous year. The increase is driven by the nearly 7 percent increase in slaughter. Post has assumed a slightly lower carcass weight to account for the slaughter of some drought-affected cattle carried over from CY 2006.

Industry reports project slightly lower slaughter and production levels, although industry predictions are for record production in 2007. However weather conditions have continued to deteriorate since industry reports, which is expected to result in increased slaughter rates from the last quarter of CY 2006 into CY 2007.

Higher feedlot activity and increased cattle numbers will likely see increased slaughter in CY 2007, driven by higher turn-off levels more generally. Post has assumed a return to more normal weather conditions in CY 2007. Should drought conditions carry over into CY 2007 however, turn-off and slaughter would likely increase.



Source: ABARE Data (July-June)

Post has revised production for CY 2006 upwards to 1,380 TMT, in line with both ABS data and Industry estimates. This increase has been driven by slightly higher year-to-date slaughter data.

### Consumption

Total beef consumption for CY 2006 is forecast at 755 TMT, up slightly on the 740 TMT estimated for the previous year. Post believes beef consumption in Australia is increasing at modest rates, between one and two percent per annum.

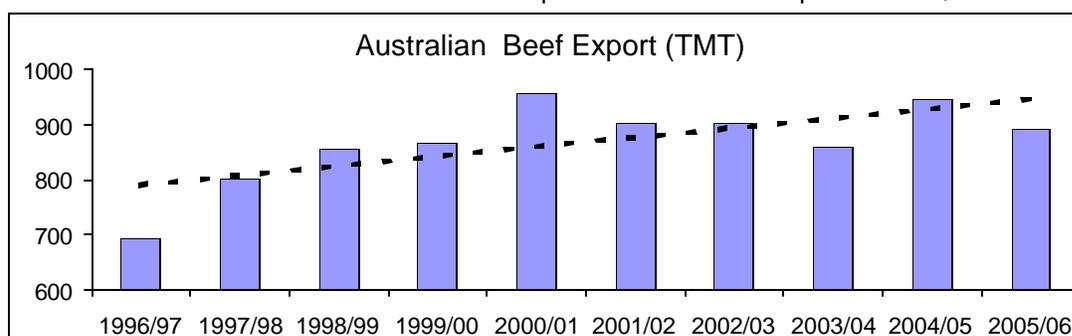
Industry groups have hailed the modest increase in consumption in recent years as a success as it has increased under higher retail prices. Industry groups report that higher prices have been sustained by the improved quality of beef, better presentation and a more positive attitude towards red meat consumption generally.

## Trade

### Exports

Total beef and veal exports in CY 2007 are forecast at a record 1,495 TMT (Carcass Weight Equivalent – CWE), up three percent on the revised estimate of 1,420 TMT for the previous year. Increased production is expected to see an increase in the availability of beef for export. Traditionally, Australia exports about two thirds of total production and domestic consumption is likely to grow at only modest rates. Post anticipates that at least half of the 140,000 MT increase in production will have to be exported.

A forecast of 1,495 TMT CWE for CY 2007 would equate to around 1,050 TMT in Shipped weight, using a conversion factor of 1.42. According to ABARE's historical data, this would be an all-time record. Post has revised Exports for CY 2005 upward to 1,413 TMT.

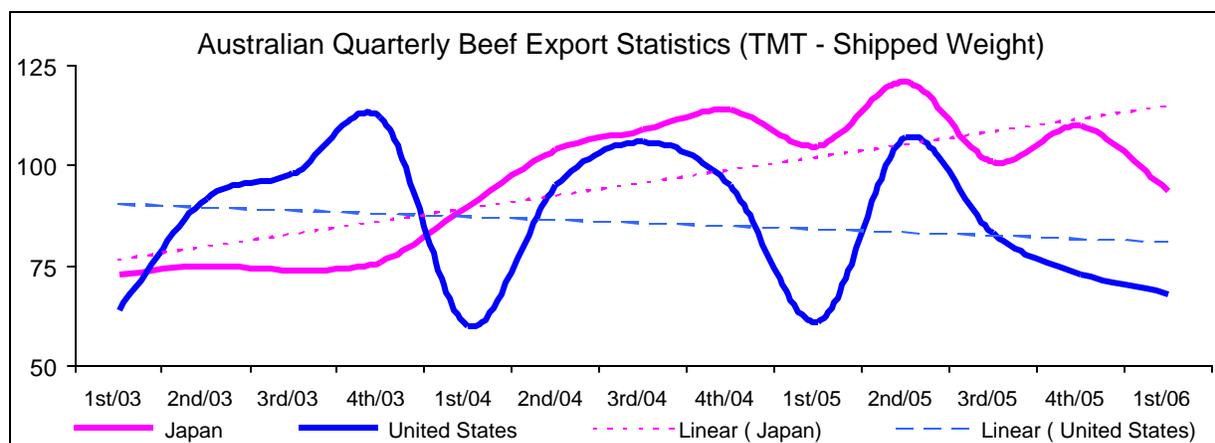


Source: ABARE Data (July-June)

### Japan and the US

Japan and the U.S. are Australia's two largest beef markets, accounting for about 80 percent of Australian exports in CY 2005. The impact of the recent re-entry of U.S. beef to Japan and Korea is being closely followed. Year-to-date trade data for CY 2006 (January-August) show exports to Japan down slightly from previous year's figures. Industry figures estimate exports to Japan to fall two percent in CY 2006 and forecast exports to Japan to fall four percent in CY 2007. However, sources in the processing sector are not anticipating further declines of beef exports to Japan in CY 2007.

Exports of beef and veal to the U.S. also show a slight decline on a year-to-date basis (January-August). Exports to Korea show a 26 percent increase on a year-to-date basis. Post anticipates increased shipments to the U.S. toward the end of CY 2006 and in CY 2007 s the possibility of ongoing drought could see a sharp increase in the slaughter of cattle suitable for export to the U.S.



Source: Australian Bureau of Statistics (ABS)

## Policy

### Japanese Beef Safeguard

Japanese Beef safeguard arrangements have long been an issue for Australian beef exporters. During the Uruguay Round, Japan negotiated these special beef safeguards to protect against import surges. Chilled beef and frozen beef are covered by separate safeguard calculations.

Under the current mechanism, the safeguard is triggered when cumulative quarterly imports from all origins exceed imports during the corresponding period of the previous year by 17 percent or more. Once the safeguard is triggered for a given quarter, the tariff is increased from 38.5 percent to 50 percent and remains at that level for the remainder of the Japanese fiscal year (April-March)

MAFF implemented a one-time adjustment of the safeguard mechanism to the Customs Tariff and Foreign Exchange Control Council for 2006 (April 2006-March 2007) that uses a two-year period preceding most of Japan's import ban on U.S. beef (JFY 2002-2003) instead of the one-year period of JFY 2005 – effectively increasing the trigger levels for both frozen beef and chilled beef for all quarters of JFY 2006.

Based on Japanese Fiscal Year import data, April-May 2006 frozen beef imports were 5 percent (3,643 Tons) below the trigger level for the quarter and April-May 2006 chilled beef imports were 22 percent (16,639 Tons) below the trigger level.

## SWINE

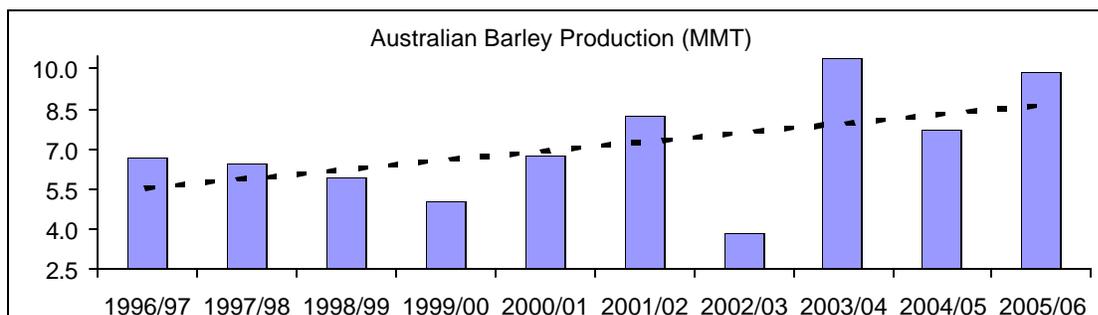
### General

The Australian pig meat industry has been under sustained pressure for the past decade. Increasing levels of imports, together with historically high grain prices have reduced profitability.

Pig meat production is greatly affected by the price and availability of feed grain, which makes up nearly half of production costs. Despite producing large amounts of grain, Australia dedicates very little productive capacity to feed grain production. Instead, Australia

feed grain users tend rely on grain priced at the lower end of the market, typically weather damaged wheat and barley. Furthermore, Australian quarantine regulations generally do not permit the importation of whole grain. These factors have constrained pig meat production within Australia.

More recently, dry conditions have seen a sharp reduction in expected grain production, as dry weather reduces yields in the current winter cereal crop. This will likely constrain production of pig meat in CY 2007.

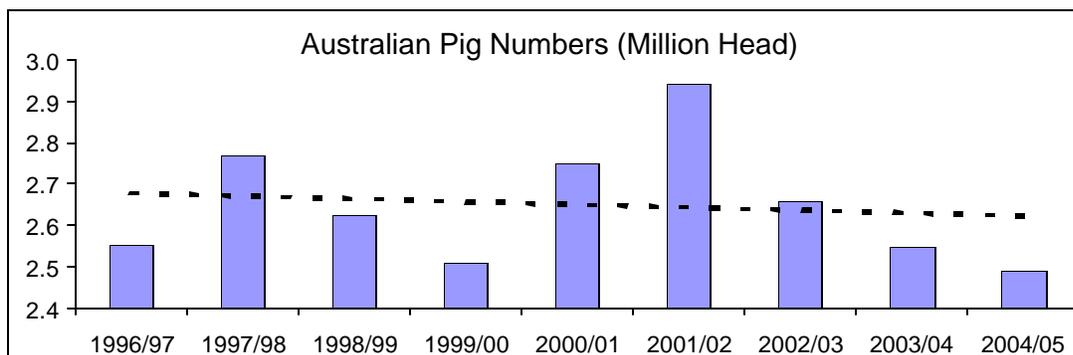


Source: ABARE Data (July-June)

### Inventory

Inventory for CY 2007 is forecast to close slightly lower at 2.47 million pigs. Drought conditions in CY 2006 and subsequent smaller grain harvests are expected to see a tightening of grain supplies in CY 2007 and will likely constrain inventory to lower levels.

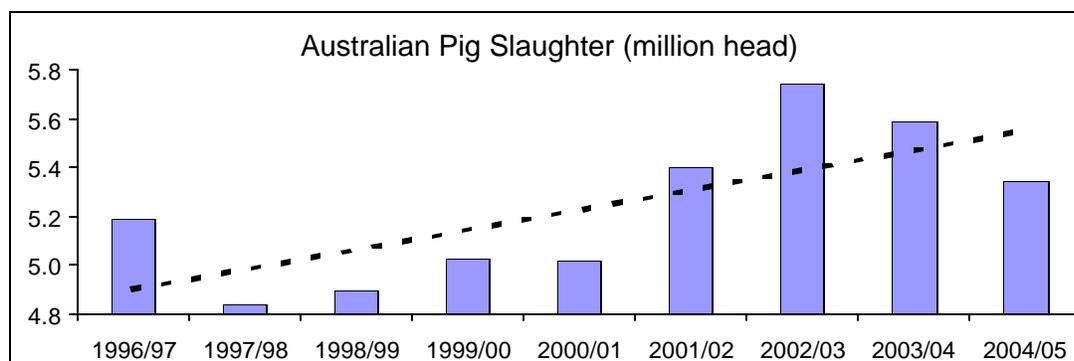
A closing inventory of 2.47 million head would be considered below average according to ABARE’s historic data. Tighter grain supplies, along with relatively high levels of imports have maintained downward pressure on the industry as a whole.



Source: ABARE Data (July-June)

### Slaughter

Slaughter is forecast to decrease slightly to 5.30 million head in CY 2007, driven by lower sow numbers. According to ABARE’s historical data, slaughter levels such as this would be considered about average over the past decade.

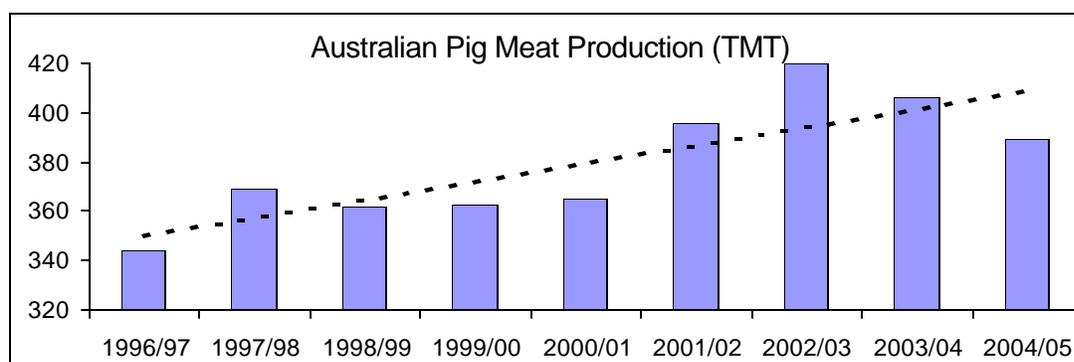


Source: ABARE Data (July-June)

## Production

Production of pig meat in CY 2007 is forecast to decrease to 378 TMT, down slightly from the 380 TMT estimated for the previous year. Lower slaughter due to reduced availability of pigs for slaughter is likely to see pig meat production fall in CY 2007.

Production of 378 TMT is considered about average, according to historical ABARE data. The table below shows higher pig meat production from 2001/02 to 2004/05, during which Australia produced larger amounts of feed grains suitable to intensive livestock production.



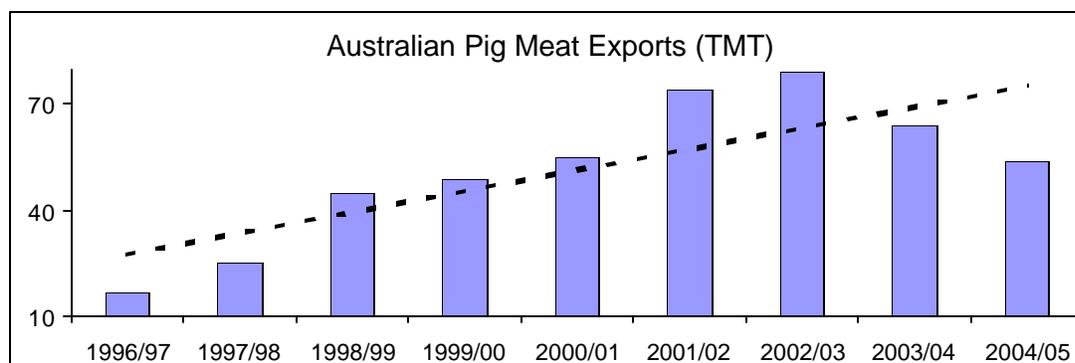
Source: ABARE Data (July-June)

## Trade

### Exports

Exports for CY 2007 are forecast at 54 TMT, down slightly on the previous year. Lower production due lower slaughter is likely to constrain the availability of pig meat suitable for export.

Exports for CY 2006 have been revised upward to 56 TMT in line with year-to-date (Jan-June) data showing significant increases on the same period for the previous year. Exports to Singapore, which is Australia's largest export market for pig meat, appear to have grown sharply during this period.



Source: ABARE Data (July-June)

## Imports

Imports are forecast at 99 TMT for CY 2007, up on the revised estimate of 90 TMT for the previous year. Lower forecast production and a return to normal stock levels are likely to see imports return to levels achieved in CY 2005.

Australian pig meat producers challenged Federal Government quarantine laws early in CY 2005. This precipitated sharply increased importation of pig meat in anticipation of changes to import regulations. As a result, import levels in CY 2005 were inflated as were closing inventories for that year, subsequently reducing the need for imports in CY 2006. Post anticipates a return to normal levels for imports and stocks in CY 2007.

## U.S. Imports

Total imports from the U.S. for CY 2007 are forecast at 23 TMT, up on the 20 TMT estimated for the previous year. Year-to-date data for CY 2006 (January-June) show imports from the U.S. down sharply, however post believes that this is due to high levels of opening inventory in CY 2006 and that closing inventory should reflect the longer-term average and see imports increase again in CY 2007.

## Recent reports from FAS Canberra

The reports listed below can all be downloaded from the FAS website at:  
<http://www.fas.usda.gov/scriptsw/AttacheRep/default.asp>.

Report Number	Title of Report	Date
6041	Poultry Meat IRA Released	06/28/06
6042	Australian FTA with Gulf States	06/30/06
6045	Citrus Update	07/17/06
6046	Ag DownUnder Vol. 11	07/21/06
6047	Grain Quarterly Update	08/01/06
6048	Food & Agriculture Import Regulations & Standards	08/03/06
6051	Australia Launches Strategy to Gain Access to Southern Indian Food Market	08/10/06
6052	Ag DownUnder Vol. 12	08/25/06
6053	Cotton Quarterly Update	08/31/06
6054	Drought Update	09/05/06
6056	Ag DownUnder Vol. 13	09/08/06