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# **Report Highlights:**

Australian beef production and exports are forecast to reach record levels in 2025, building on the record export results achieved in 2024. This situation is similar to 2014 and 2015, when strong U.S. demand was driven by herd rebuilding leading to similar peaks in beef production and exports for Australia. The projected record production and exports for 2025 are largely due to an elevated female slaughter rate. While live cattle exports are expected to remain relatively stable in 2025, competition from Brazil may pose a potential disruption. In the pork sector, Australian production is projected to grow by four percent in 2025, marking the fourth consecutive year of expansion. This increase in production will help meet rising domestic demand, fueled by a growing population, while exports are also expected to rise.

# **EXECUTIVE SUMMARY**

Australian beef production and exports are forecast to reach a new record in 2025, following a record level of exports in 2024. The last peak in beef production and exports occurred a decade earlier, in 2014 and 2015, both driven by strong U.S. demand linked to herd rebuilding. Similarly, analysts anticipate that the next U.S. herd rebuild will officially begin in 2025. However, U.S. livestock supply in 2024 has been exceptionally low, marked by a sharp decline in cow slaughter. The high Australian adult cattle slaughter forecast for 2025—comparable to 2024 and the previous peaks—continues to be driven by an elevated female slaughter rate.

Live cattle exports are expected to remain relatively stable in 2025, at just over half the peak recorded in 2019. However, exports to Australia's largest market, Indonesia, may be disrupted later in 2025 if Brazil achieves Foot and Mouth Disease-free status. Logistical challenges may limit Brazil's ability to capitalize on this. Additionally, Australia may see increased live cattle exports to Vietnam due to expanded processing capacity.

With Australia's herd-rebuilding phase now complete, the industry is well positioned to meet rising U.S. demand as Australia enters its herd rebuild in 2025. The U.S. is expected to remain Australia's largest beef export market, further strengthening its position after surpassing Japan in 2023. However, ongoing tariff challenges could significantly affect trade and supply chains. Meanwhile, China's recent 10 percent tariff announcement on U.S. beef imports may enhance the competitiveness of Australian beef in the Chinese market, potentially redirecting some exports away from the U.S. This dynamic introduces additional uncertainty in the short term.

Australian pork production is projected to grow by four percent in 2025, marking the fourth consecutive year of expansion. This increase is largely driven by rising pork prices and declining feed prices in 2024, which encouraged increased pig production that will flow through to higher pork production in the forecast year. While much of the additional supply is expected to meet rising domestic demand from a growing population, exports are also anticipated to increase.

# CATTLE

#### Table 1 - Production, Supply, and Distribution of Cattle Numbers for Australia

Animal Numbers, Cattle	2023		2024		2025	
Market Year Begins	Jan 2023 Jan 2024		Jan 2025			
Australia	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Total Cattle Beg. Stks (1000 HEAD)	25800	25800	27071	27080	27020	27260
Dairy Cows Beg. Stocks (1000 HEAD)	1270	1270	1250	1250	1250	1230
Beef Cows Beg. Stocks (1000 HEAD)	12000	12000	12000	12500	12500	13000
Production (Calf Crop) (1000 HEAD)	9500	9500	9500	9800	10000	10300
Total Imports (1000 HEAD)	0	0	0	0	0	0
Total Supply (1000 HEAD)	35300	35300	36571	36880	37020	37560
Total Exports (1000 HEAD)	626	626	775	724	825	750
Cow Slaughter (1000 HEAD)	3286	3290	4025	4286	4150	4400
Calf Slaughter (1000 HEAD)	374	374	450	394	550	375
Other Slaughter (1000 HEAD)	3743	3730	4100	4018	4175	4125
Total Slaughter (1000 HEAD)	7403	7394	8575	8698	8875	8900
Loss and Residual (1000 HEAD)	200	200	201	198	200	200
Ending Inventories (1000 HEAD)	27071	27080	27020	27260	27120	27710
Total Distribution (1000 HEAD)	35300	35300	36571	36880	37020	37560
(1000 HEAD)						
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#### Production

#### 2025

Cattle (calf crop) production in 2025 is forecast to grow modestly by three percent. Although the national herd is expected to continue to grow slowly, partly due to increased breeder numbers, at the same time, female slaughter rates are expected to remain higher than usual in 2025, as was the case in 2024. This situation is due to the rapid herd build-up in preceding years (which has led to higher female numbers) and the rapid increase in demand for beef from the U.S. with its market supply shortfall due to drought impacts. However, this level of female slaughter is unsustainable in the long term, as it could lead to a decline in the national herd and future calf crop production. Despite this, female slaughter rates are not expected to moderate in 2025.

The sharp rise in U.S. demand for Australian beef in 2024 was largely due to prolonged drought conditions that suppressed U.S. cattle numbers. The U.S. industry is now entering the early stages of a herd rebuild. Historically, during the post-drought herd rebuild from 2014 to 2019, cow and heifer slaughter rates as a proportion of the national beef cattle herd declined significantly (see Figure 1). While U.S. cow slaughter rates dropped sharply in 2024, heifer slaughter has yet to decline, meaning replacement heifers have not yet entered the breeding herd in significant numbers. Analysts predict that the U.S. herd rebuild will begin in earnest in 2025.

A similar pattern was observed in Australia after the 2017–2019 drought. Despite widespread rains in early 2020, female slaughter rates remained high as producers capitalized on record-high cattle prices before transitioning into a herd rebuild phase the following year.



Figure 1 – U.S. Cow and Heifer Slaughter as % of Cattle Slaughter

Source: USDA - National Agricultural Statistics Service

As the U.S. herd rebuild gains momentum in 2025, domestic cattle supply is expected to tighten, further increasing U.S. demand for imported beef. This growing demand has significantly influenced the Australian cattle industry, contributing to near-record levels of beef production and exports. The surge in exports has been facilitated by higher-than-expected female slaughter rates.

During the initial phase of the previous U.S. herd rebuild (2014–2015), Australia responded to rising U.S. demand by increasing female slaughter numbers, which correlated with a surge in beef exports to the U.S. (see Figure 2). However, these elevated female slaughter rates proved unsustainable and declined by late 2015.

A similar pattern is emerging in 2024, mirroring trends from a decade ago. Industry sources in Australia indicate that overall cattle numbers remain strong, setting the stage for another high-processing year in 2025. This suggests that slaughter numbers could rise further in 2025 without significantly impacting national herd size. However, if beef prices continue to drive higher-than-expected female slaughter rates in 2026, there could be a notable reduction in herd size and future calf crop production.



Figure 2 – Quarterly Female Slaughter and Exports to U.S.



Much of Australia's cattle production occurs in northern regions, where seasonal conditions are heavily influenced by the tropical wet season from December to March. A favorable wet season supports strong pasture growth, providing ample dry-standing feed for cattle until the following season.

After a promising start to the wet season in December 2024, below-average rainfall in January 2025 raised concerns within the industry, particularly given the high cattle numbers built up in recent years. However, widespread relief came in February 2025, when tropical cyclones delivered substantial rainfall across northern and central Queensland (see Figure 3). Additionally, a cyclone due to cross the southern Queensland coast at Brisbane is forecast to bring further rain to southern Queensland and throughout large parts of New South Wales. These weather events have set the stage for robust pasture growth, bolstering cattle production in 2025. Improved conditions will also support the 2025 calf crop and enhance breeder reproductive performance, leading to a strong conception rate and a larger calf crop in 2026.



Figure 3 – Australian Rainfall Deciles – February 2025

Source: Australian Bureau of Meteorology

### 2024

FAS/Canberra has revised the 2024 cattle (calf crop) production estimate upward by three percent based on industry reports indicating favorable conditions that supported high fertility rates in the previous year, resulting in a larger-than-expected calf crop.

#### Slaughter

#### 2025

FAS/Canberra has revised its previous cattle slaughter forecast for 2025 upward by 1.7 percent to 8.9 million head, reflecting a 2.3 percent increase from the upward-revised 2024 estimate of 8.7 million head. The forecast for adult cattle slaughter (excluding calves) stands at 8.525 million head, marking the highest level in the last decade and the third-highest in the past 40 years.

Notably, this forecasted adult slaughter figure surpasses 2019, a year characterized by severe drought and subsequent destocking. However, in contrast to 2019, the anticipated high slaughter rate in 2025 is not a result of drought-induced destocking but rather stems from favorable seasonal conditions since 2020 that have supported a strong herd rebuild. While the expanded national herd is a key driver, the elevated slaughter rate is largely sustained by an above-average female slaughter rate. Compared to male cattle slaughter, which remains relatively stable, female slaughter rates tend to fluctuate significantly yearly (see Figure 4).



Figure 4 – Female and Male Quarterly Cattle Slaughter Trends

Source: Australian Bureau of Statistics

Elevated female slaughter rates are usually associated with destocking due to drought. In this instance, it is being driven by the strong demand for beef from the U.S. as it enters its own herd rebuilding phase, a period of low stock supplies for processors.

From 2021 to mid-2023, the quarterly female slaughter rate remained well below the 10-year average (see Figure 5), and, on an annualized basis, it was also below the 47 percent threshold—a level generally considered indicative of herd rebuilding. This extended period of high female retention contributed to larger calf crops and facilitated national herd expansion, ultimately increasing the supply of females available for slaughter in 2024. However, this trend can only continue for a limited time before impacting breeder numbers and future calf crop sizes, reducing the long-term supply of both female and male cattle for processing.





Source: Australian Bureau of Statistics

A similar trend was observed a decade ago when Australia experienced elevated female slaughter rates for two consecutive years (2014 and 2015) at the onset of the previous U.S. herd rebuild. This supported increased beef exports to the U.S. before female slaughter rates moderated in 2016 despite the continued expansion of the U.S. herd.

During the previous U.S. herd rebuild, strengthening cattle prices in Australia (2014–2015) coincided with increased slaughter levels (see Figure 6). However, as Australian cattle prices increased in 2016, the industry was unable to sustain elevated female slaughter rates.





Source:Australian Bureau of Statistics / Meat and Livestock AustraliaNote:EYCI = Eastern Young Cattle Indicator price

Industry analysts widely anticipate a U.S. herd rebuild in 2025, further tightening domestic cattle supplies for U.S. processors. This could increase U.S. demand for imported beef and potentially support higher Australian cattle prices. Analysts also suggest that other major beef-exporting nations are unlikely to significantly increase supply in response to rising U.S. demand. Consequently, Australia is expected to maintain elevated female slaughter levels in 2025 to meet the growing demand for beef exports.

Looking ahead to 2026, the key factors to monitor will be U.S. beef demand and its impact on Australian cattle prices. These dynamics will play a critical role in shaping the decision-making process for Australian producers—whether to prioritize herd maintenance by reducing female slaughter or capitalize on higher cattle prices by maintaining elevated slaughter levels.

# 2024

FAS/Canberra has revised its 2024 slaughter estimate upward following the release of final-quarter data from the Australian Bureau of Statistics. The full-year slaughter total of 8.7 million head exceeded the previous forecast by 1.7 percent, driven primarily by higher-than-expected female slaughter rates, as discussed above.

This final result represents an 18 percent increase over 2023 slaughter levels. While a strong outcome was widely anticipated, the final figure slightly exceeded analysts' expectations, largely due to higher-than-anticipated U.S. beef demand.

Industry processors were prepared for such a surge in numbers by scaling up their labor force, which impedes even higher capacity rather than processing facilities. Most processors report running two shifts, and labor permitting could stretch to three shifts to fully utilize their facilities.

### Trade

### 2025

FAS/Canberra forecasts a modest 3.6 percent increase in cattle exports in 2025, reaching 750,000 head, up from a downward-revised estimate of 724,000 head in 2024. While this represents moderate growth, it remains well below the peak of 1.3 million head, achieved three times over the past decade.

The dynamics of Australia's live cattle export trade to Indonesia are evolving. The Prabowo administration in Indonesia has pledged to provide free milk and meals to 82.9 million children and pregnant and lactating mothers by 2029, a major initiative that requires a substantial increase in dairy cow imports.

Meanwhile, Brazil is awaiting World Organization for Animal Health's (WOAH) certification that the country is free from Foot and Mouth Disease (FMD), which is expected by mid-2025. Media reports indicate that a memorandum of understanding has been signed for the import of 100,000 tropical-breed dairy cattle from Brazil to Indonesia. Additionally, industry sources confirm that Indonesia allocated Brazil a substantial cattle import quota for 2025, while Australia received a quota in line with previous years. Australia typically fills its quota, which is often expanded in the latter half of the year.

On the surface, this suggests that Brazil could begin exporting both dairy and beef cattle, potentially reducing Australia's live cattle exports to Indonesia in 2025. However, several challenges may limit Brazil's ability to compete in this market. WOAH has not officially declared Brazil FMD-free and logistical constraints present significant hurdles.

The sea transit time from Brazil to Indonesia is approximately 35 days—substantially longer than the five-day journey from Australia. To minimize freight costs, large-capacity vessels (30,000-head

capacity) would be required, but industry sources indicate that only two such ships exist, both currently operating in the Northern Hemisphere.

Given these logistical barriers and Brazil's pending FMD-free status, FAS/Canberra expects Brazil's live cattle exports to Indonesia to remain low in 2025, leaving Australia in a strong position to maintain its export volume.

Meanwhile, a new large-scale beef processing facility developed by a Japanese company in Vietnam, is expected to bolster Australian live cattle exports. The facility is reported to be in discussions to source Australian live cattle for feedlot finishing before supplying high-quality cuts to the Vietnamese market. This development is expected to increase the live cattle trade between Australia and Vietnam in 2025.

# 2024

According to the Australian Bureau of Statistics, live cattle exports in 2024 totaled 724,000 head— 74,000 head below the previous FAS/Canberra estimate from six months earlier. While this represents a 16 percent increase (98,000 head) over 2023, it remains far below the peak of 1.3 million head seen five to ten years ago. The growth in 2024 was almost entirely driven by increased exports to Indonesia.

Indonesia has historically accounted for around half of Australia's live cattle exports, but in 2024, this share rose to two-thirds (see Figure 7). Early in the year, live cattle exports to Indonesia were delayed due to late approval of import quotas by the Indonesian government. However, once the quota was approved, the industry rebounded strongly, resulting in a 46 percent increase (157,000 head) in exports to Indonesia.



Figure 7 – Major Live Cattle Export Destinations – 2020 to 2024

Source: Australian Bureau of Statistics

Vietnam remains Australia's second-largest live cattle export destination. Like Indonesia, Vietnam prefers Bos Indicus cattle. However, trade with Vietnam is more price-sensitive. Vietnamese buyers primarily source slaughter-weight cattle, which are placed in feedlots for a short period before processing. Unlike Indonesia, where cattle are typically kept for around 100 days, Vietnam's shorter feeding period means there is less opportunity to offset high purchase prices with lower feed costs.

A significant drop in Australian live cattle export prices during 2023 and 2024 improved Vietnam's ability to import cattle (see Figure 8). However, despite lower prices, exports to Vietnam remained flat in 2024, contrary to FAS/Canberra's expectations. Five years ago, Vietnam imported 299,000 head, compared to only 121,000 head in 2024—highlighting significant potential for future growth.



Figure 8 – Australian Average Live Cattle Export Price – 2022 to 2024

Source: Australian Bureau of Statistics

With lower live export cattle prices, FAS/Canberra had anticipated substantial growth in exports to Vietnam in 2024, but instead, exports remained flat (see Figure 8). Within five years, the export volume to Vietnam was 299,000 head compared to 121,000 head in 2024, indicating ample scope for growth. Live cattle exports to Vietnam did grow in 2024, however this was almost entirely from Thailand lifting their volume from 4,000 head in 2023 to 76,000 head in 2024.

Australia's live cattle trade with China primarily involves higher-value dairy heifers than beef cattle. Dairy industry analysts report that China has faced an oversupply of milk since 2023, leading to depressed farm gate milk prices. As a result, Australian live cattle exports to China remained flat in 2024.

# BEEF

Meat, Beef and Veal	2023 Jan 2023		2024 Jan 2024		2025 Jan 2025	
Market Year Begins						
Australia	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Slaughter (Reference) (1000 HEAD)	7403	7394	8575	8698	8875	8900
Beginning Stocks (1000 MT CWE)	0	0	0	0	0	0
Production (1000 MT CWE)	2224	2224	2555	2584	2615	2650
Total Imports (1000 MT CWE)	19	19	16	19	15	20
Total Supply (1000 MT CWE)	2243	2243	2571	2603	2630	2670
Total Exports (1000 MT CWE)	1560	1560	1865	1898	1900	1950
Human Dom. Consumption (1000 MT CWE)	683	683	706	705	730	720
Other Use, Losses (1000 MT CWE)	0	0	0	0	0	0
Total Dom. Consumption (1000 MT CWE)	683	683	706	705	730	720
Ending Stocks (1000 MT CWE)	0	0	0	0	0	0
Total Distribution (1000 MT CWE)	2243	2243	2571	2603	2630	2670
(1000 HEAD),(1000 MT CWE)						
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#### **Production**

#### 2025

FAS/Canberra forecasts beef production in 2025 to reach 2.65 million metric tons (MMT) Carcass Weight Equivalent (CWE), a 3.5 percent increase from the previous estimate (six months earlier) of 2.56 MMT. If realized, this would mark the highest beef production on record, surpassing the 2014 peak, which was driven by strong export demand and the beginning of a herd rebuild in the U.S.

The 2025 forecast represents a 2.6 percent increase over the expected 2024 production of 2.58 MMT (CWE)—which, if confirmed, would rank as the third-highest production year on record. This growth slightly exceeds the anticipated 2.3 percent rise in overall livestock slaughter numbers, a discrepancy primarily due to calf slaughter numbers remaining flat while adult slaughter increases. While the average slaughter weight—including calves—is expected to rise, the average carcass weight for adult cattle is projected to remain stable in 2025.

In recent years, the increase in cattle slaughter in Australia has been accompanied by a corresponding rise in the number of cattle on feed in feedlots (see Figure 9). Grain-fed cattle finished in feedlots typically have higher slaughter weights than grass-fed cattle. The number of cattle in feedlots is expected to continue increasing in 2025, with approximately 38 percent of all slaughtered cattle projected to be finished in feedlots—consistent with recent trends.

Additionally, female slaughter rates are expected to remain high. Barring any unexpected disruptions to pasture production in 2025, the average slaughter weight of adult cattle is forecast to remain unchanged.



Figure 9 – Cattle on Feed in Feedlots and Feedlot Capacity

Source: Meat & Livestock Australia

# 2024

FAS/Canberra has revised its 2024 beef production estimate upward by 2.3 percent from the previous forecast (six months earlier), bringing the total to 2.58 MMT (CWE), based on year-end data from the Australian Bureau of Statistics (ABS). This represents a 16.2 percent increase over 2023, driven by the end of Australia's herd rebuild phase and strong export demand. These factors have elevated female slaughter rates and higher overall beef production.

#### Consumption

# 2025

FAS/Canberra forecasts beef consumption in 2025 at 720,000 metric tons (MT) Carcass Weight Equivalent (CWE), representing a 15,000 MT (CWE) increase from the 2024 estimate. This 2.1 percent rise is primarily due to higher beef production, population growth, wage increases outpacing inflation, and lower beef prices over the past two years. If the forecast is realized, this would be the highest level of consumption since 2018, which was a year when beef prices were flat in Australia due to high domestic supply driven by drought.

Australia's population growth rate has significantly exceeded its pre-COVID-19 average of just over 1.5 percent per year. Since late 2022, growth has remained well above this level, peaking at 2.6 percent before easing to an annualized rate of 2.1 percent in the second quarter of 2024 (see Figure 10). While this increase has been primarily driven by high immigration, the federal government has implemented

measures to slow the rate. Nonetheless, strong population growth is expected to continue into 2025, supporting the forecasted rise in beef consumption.



**Figure 10 – Australian Population Growth Trend** 

Source: Australian Bureau of Statistics

Before 2023, rising beef prices and cost-of-living pressures had negatively impacted domestic beef consumption. However, a turning point emerged in late 2023, when wage growth began outpaced the consumer price index (CPI) (see Figure 11). This trend continued in 2024, and economists predicted it into 2025. As a result, the easing of cost-of-living pressures could support moderate growth in beef consumption.



Figure 11 – Australian Consumer Price Index and Wage Growth - 2021 to 2024

Source: Australian Bureau of Statistics

For the first time in over three decades, beef prices in Australia declined for two consecutive years (see Figure 12). While a further price drop in 2025 is unlikely, prices are not expected to rise significantly, which is unlikely to deter consumption growth.



Figure 12 – Beef Consumer Price Index and Consumption Trends - 1990 to 2024

Source: Australian Bureau of Statistics / PSD Online

# 2024

FAS/Canberra estimates beef consumption in 2024 at 705,000 MT (CWE), a 3.2 percent increase from 2023. This growth reflects higher beef production, population expansion, easing cost-of-living pressures, and declining beef prices. However, there is typically a lag between these positive factors and their full impact on consumption. As a result, their influence is expected to be stronger in 2025, contributing to the more significant forecasted increase.

# Trade

# 2025

FAS/Canberra forecasts beef exports in 2025 to increase by 2.5 percent, reaching a record 1.95 MMT (CWE). This surpasses the previous record of 1.90 MMT (CWE) set in 2024. The 2025 forecast represents an upward revision of 95,000 MT (5.1 percent) from FAS/Canberra's estimate six months earlier. The previous record of 1.77 MMT (CWE) was set in 2014, coinciding with the start of the last U.S. herd rebuilding phase. Analysts widely agree that 2025 will be the beginning of the next U.S. herd rebuilding cycle, leading to stronger U.S. demand for Australian beef and supporting expectations of record-breaking exports.

As a major global beef exporter, the United States entering a herd rebuilding phase in 2025 is expected to lead to a decline in U.S. beef production. This will reduce competition for Australian beef exports and create opportunities for Australia to not only expand its beef exports to the U.S. (following significant growth in 2024) but also fill supply gaps in key U.S. export markets, namely Japan, China, and South Korea—which also happen to be Australia's top three beef export destinations.

The four major export destinations—China, Japan, the U.S., and South Korea—have collectively accounted for over three-quarters of Australian beef exports in recent years (see Figure 13). While beef exports to Indonesia have grown, they remain well below those of the top four markets. In 2024, exports to the U.S. surged by 61 percent, making it Australia's largest beef export market, while exports to Japan grew by 19 percent, partly due to reduced U.S. supply and increased overall Japanese beef imports. Conversely, exports to China declined by 8 percent, while South Korean exports remained stable. With the factors outlined above, exports to the U.S. are expected to grow further in 2025.





Source: Australian Bureau of Statistics

Although Australian beef exports to the U.S. are often perceived as primarily lean grinding beef, the reality is more complex. Chilled beef exports to the U.S. include high-quality prime cuts, whereas frozen beef exports tend to consist of lower-quality products, including lean grinding beef. Among Australia's four major beef export markets, only Japan imports a higher volume and proportion of chilled beef than the U.S. (see Figure 14). While chilled beef accounts for over 25 percent of U.S. imports, this figure rises to nearly 40 percent for Japan. However, in absolute terms, Australia's chilled beef exports to the

U.S. exceed those to Japan. Meanwhile, chilled beef exports to South Korea and China remain far lower by volume, typically making up only 15–20 percent of their total beef imports.



Figure 14 – Major Beef Export by Type - 2022 to 2024

Source: Australian Bureau of Statistics

Another factor supporting Australian beef exports in 2025 is the weak Australian dollar, which remains at approximately AU\$1.60 per U.S. dollar, enhancing Australia's export competitiveness. Currently, economists anticipate the Australian currency to strengthen somewhat over the course of 2025, but the rate is expected to remain competitive for Australian exporters.

# 2024

In 2024, beef exports reached 1.90 MMT (CWE), marking a 22 percent increase from 2023. This sharp rise was driven by Australia's beef cattle industry reaching the end of a rapid herd rebuilding phase, positioning it to meet strong U.S. beef demand by increasing female slaughter rates beyond steady-state levels.

# PORK

Table 3 - Production, Supply, and Distribution	1 of Swine Meat for Australia
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Meat, Swine	2023 Jan 2023		2024 Jan 2024		2025 Jan 2025	
Market Year Begins						
Australia	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Slaughter (Reference) (1000 HEAD)	5801	5801	5900	5787	6000	6000
Beginning Stocks (1000 MT CWE)	0	0	0	0	0	0
Production (1000 MT CWE)	467	467	480	471	490	490
Total Imports (1000 MT CWE)	195	195	220	226	225	225
Total Supply (1000 MT CWE)	662	662	700	697	715	715
Total Exports (1000 MT CWE)	46	46	50	48	55	55
Human Dom. Consumption (1000 MT CWE)	616	616	650	649	660	660
Other Use, Losses (1000 MT CWE)	0	0	0	0	0	0
Total Dom. Consumption (1000 MT CWE)	616	616	650	649	660	660
Ending Stocks (1000 MT CWE)	0	0	0	0	0	0
Total Distribution (1000 MT CWE)	662	662	700	697	715	715
(1000 HEAD) ,(1000 MT CWE)						
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#### **Production**

#### 2025

FAS/Canberra forecasts Australia's pork production in 2025 is 490,000 MT (CWE), a 4.0 percent increase over 2024. This forecast rise is mainly due to the growth momentum built up over recent years against a backdrop of broadly improving domestic pork prices and declining in feed prices. The widening gap between domestic pork and feed grain prices in the second half of 2024 is expected to have established strong market signals to producers during this period, providing time to ramp up pig production and support the forecast growth in pork production in 2025.

Feed costs are the largest expense for pork producers, and historical trends suggest that when domestic pork prices (cents per kilogram) exceed feed grain prices (AU\$ per ton), industry production tends to expand. Since mid-2024, this price gap has widened significantly (see Figure 15), creating favorable conditions for increased pork production. Given the breeding cycle and the time required to raise pigs to slaughter weight, production is expected to rise from early 2025, providing the foundation for strong growth throughout the year.



**Figure 15 – Average Baconer and Feed Grain Prices** 

Source: Australian Pork Limited – Data from Pro Farmer

### 2024

Pork production in 2024 reached 471,000 MT (CWE), falling 9,000 MT (CWE) below FAS/Canberra's previous estimate from six months prior. However, this still represented a one percent increase over 2023. Growth in 2024 occurred despite a relatively flat price gap between pork and feed costs, which did not strongly encourage production expansion.

### Consumption

Pork consumption in 2025 is forecast to increase to 660,000 MT (CWE), up from an estimated 649,000 MT (CWE) in 2024. If realized, this would mark a record-high level of pork consumption in Australia. Over the past decade, growth in pork consumption has been primarily driven by population increases (see Figure 16) rather than significant changes in per capita consumption. While year-to-year fluctuations occur due to factors such as price competitiveness with other meats, the impact of COVID-19, and cost-of-living pressures, the broader trend has been a relatively stable per capita consumption rate.

As mentioned, easing of cost-of -living pressure in Australia is expected to support pork consumption in Australia. Additionally, while minor avian influenza outbreaks have occurred over the past year, they have had minimal effects on poultry production. If future outbreaks significantly impact supply, this could further support increased pork consumption. However, most poultry production in Australia occurs in sheds, offering greater protection against avian influenza than free-range systems, making

widespread disruptions unlikely. At this stage, no major disruptors are anticipated that could negatively affect pork consumption in 2025.





Source:Australian Bureau of Statistics / PSD OnlineNote:2024 population is an estimate based on official data to June 30, 2024, preceding<br/>growth rate and government policy change implications

In 2024, pork consumption remained steady at 649,000 MT (CWE), essentially unchanged from previous FAS/Canberra estimates. While production growth from 2023 to 2024 was modest, a significant rise in pork imports helped meet the growing domestic demand.

Trade
Imports

FAS/Canberra forecasts Australia's pork imports to remain stable in 2025 at 225,000 MT (CWE), slightly lower than the estimated 226,000 MT (CWE) in 2024. This forecast represents an upward revision of 25,000 MT (CWE) from six months prior. The primary factor was that cost-of-living pressures moderated more strongly than anticipated in 2024, and consumption was higher than expected, with no drop in per capita consumption. This outcome highlights the resilience of the Australian economy and consumer demand. While pork consumption is forecast to grow in 2025, the increase in domestic production is expected to accommodate this demand, keeping import levels essentially unchanged.

In recent years, Australia's top four pork suppliers have accounted for over 95 percent of total imports. By 2024, the United States regained its position as Australia's primary supplier, providing around half of all imported pork (see Figure 17). This shift followed a gradual decline in pork exports from the European Union (EU) to China, which had driven lower EU pork prices and increased Australian import interest in 2021 and 2022. With no significant trade disruptions anticipated in 2025, Australia's pork import dynamics are expected to remain consistent with the trade patterns re-established in 2024.





Source: Australian Bureau of Statistics

### Exports

FAS/Canberra has revised its 2025 pork export forecast upward to 55,000 MT (CWE), up from 50,000 MT (CWE) projected six months earlier, representing a 10 percent increase. This revision is driven by forecast growth in domestic production and the continued weakness of the Australian dollar against the U.S. dollar, which enhances Australia's pork export competitiveness.

Australia is a relatively small pork exporter, with exports accounting for just over 10 percent of total production—far less than the volume it imports. Of the forecasted 19,000 MT (CWE) increase in production, around 11,000 MT (CWE) is expected to supply domestic demand. In comparison 7,000 MT (CWE) is projected to contribute to export growth, raising total pork exports from 48,000 MT (CWE) in 2024 to 55,000 MT (CWE) in 2025.

In 2024, six key Asian markets accounted for 89 percent of Australian pork exports, up from 68 percent five years earlier. These key export markets have absorbed the overall growth in Australian pork exports and increased their share of total exports.

Singapore remains the largest export destination, surpassing its previous market share of one-third of total exports in 2024 (see Figure 18). Five of Australia's top six export markets have experienced growth in volume over the past five years, while exports to Papua New Guinea have remained stable. Although the forecasted 7,000 MT (CWE) increase in exports is small in the context of global pork trade, it represents a substantial 15 percent rise for Australia's pork industry.





Source: Australian Bureau of Statistics

The strength of the Australian currency has weakened considerably from the last quarter of 2024. It is at its weakest point since the last quarter of 2022 (see Figure 19), a spike associated with COVID-19 market disruptions. A weakened Australian currency so far throughout 2025 provides a positive market competitiveness for Australian pork exporters. Economists indicate that while there is a risk of further depreciation in the coming months, the broad expectation is for a gradual strengthening of the Australian dollar throughout 2025. However, even if the exchange rate returns to levels seen in the first three quarters of 2024, Australia's pork exports are expected to remain price-competitive.





Source: Reserve Bank of Australia

In 2024, exports were 48,000 MT (CWE), marginally below the FAS/Canberra estimate of 50,000 MT (CWE) established six months prior. This shortfall was related to the lower-than-anticipated domestic pork production increase in 2024 rather than an issue of competitiveness on the export market.

### Attachments:

No Attachments