

Cattle

November Monthly Update

Bendigo Bank
Agribusiness



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Key Watchpoints – November

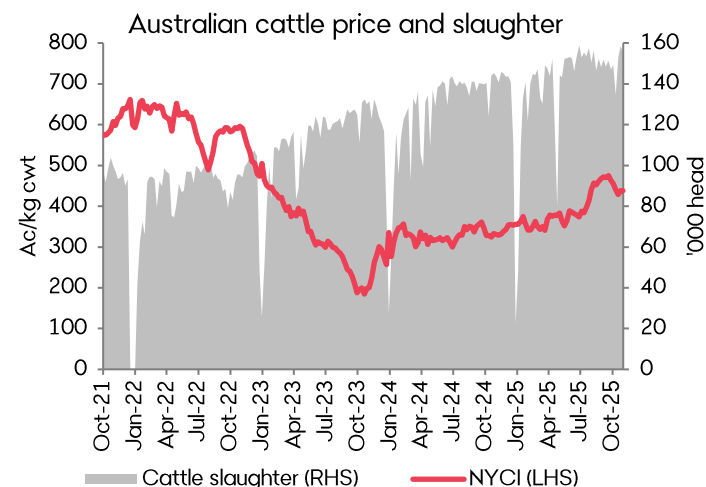
- National beef exports are a key watch – as October was the second largest monthly volume on record – can that be matched or surpassed in November?
- Will we see price volatility throughout November?
- The USDA remains offline – should regular programming return, will US imports from rival countries have risen or will Australia remain a dominant player?.

Cattle prices show resilience through a trying month

Australian cattle prices recorded a volatile month throughout October. Weather conditions, supply chain issues and export demand all played their part in where prices trended. Warmer conditions at the beginning of the month translated into more stock coming to saleyards and applying downwards pressure on prices. However, the back half of the month saw rainfall arrive and producers holding onto stock or having issues getting cattle to market. This in turn applied upwards pressure on prices as processing centres wanted to get their hands on more stock.

The ongoing high export demand for Aussie beef also played its part too. Many processing centres are eager to book out well in advance to ensure they can meet demand on the international front. The National Young Cattle Indicator remained mostly stable month-on-month as the waves in price fluctuations almost balanced out by the end of October.

Processing rates were above the 150,000 head weekly point for most of October. The majority of that spilling from Queensland which after a few favourable seasons has remained the juggernaut for Australian beef.



MLA's ongoing slaughter report has shown that 53 per cent of the total volume of slaughter has been sourced from Queensland. New South Wales was 23 per cent and Victoria was 16 per cent. The dominance from Queensland presently is profound and likely to continue throughout the remainder of this year and well into 2026.

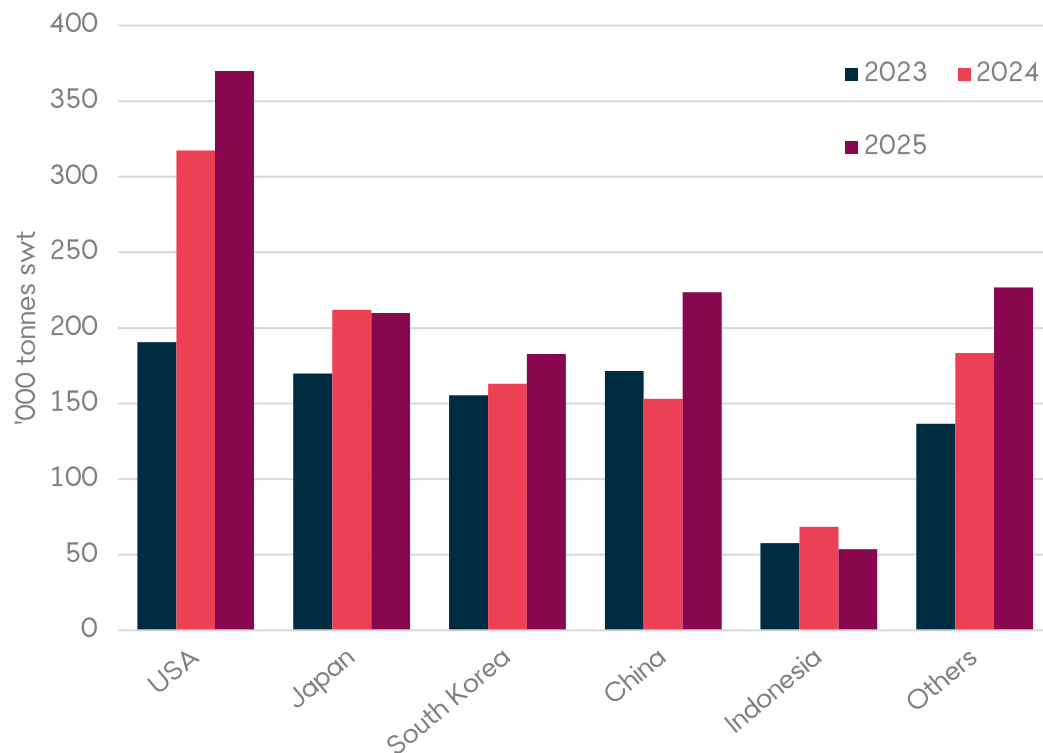
Seasonal conditions are forecast to be favorable in northern regions heading into next year which should keep restocker demand firm, feedlots active and producers holding onto stock. Time will tell, but the landscape of Australian beef remains favorable as the industry moves into the final months of 2025 and into 2026.



Australia's October beef exports break records and show just how strong export demand is...

Australian beef exports continue to increase in leaps and bounds – sitting at 139,286 tonnes in October. This was a seven per cent increase on October last year and marginally higher than September. It was also the second largest monthly export volume on record after July's bombshell 150,435 tonnes. The key mover this month was Japan which grew 18 per cent month-on-month, where Australian producers are now seeing prime access into this market. The competition with the United States into Japan has subsided and Aussie producers are seemingly reaping the benefits. In terms of other markets, the United States remained mostly stable at just over 41,500 tonnes and China was modestly lower at 20,258 tonnes. In some tariff news outside of the United States for a change, Australia has now triggered the safeguard tariff on exports to South Korea. The tariff is likely to translate into less traded to South Korea for the rest of this year as other opportunities appear more lucrative. National beef exports are forecast to remain very strong for the remainder of this year as international demand from a range of countries is met by strong processing numbers.

Year-to-date Australian beef exports



US tariff impact reflected in Brazilian beef trade

The latest USDA report for beef which illustrates import volumes up until July has shown a dramatic increase in imports from Brazil. Buyers were looking to stock up before the tariff implementation at the end of July which resulted in a huge start to the year. Brazil at this point last year had contributed 16 per cent to the total US beef imports and now has jumped over Australia to reach 24 per cent. Australia has also seen a marginal increase in the total contribution (20 to 21 per cent). This huge change most likely stemmed from buyers "getting in" before the tariff upped their costs and would limit how much they could purchase.

Since the tariff was implemented, Brazil's beef exports to the US have fallen significantly, however Brazil has sold to alternative markets. Despite the decrease at the back end of the year, Meat and Livestock Australia forecast that US imports of Brazilian beef will be up 15 per cent when compared to 2024 due to the high volumes in the first half of the year. China has become a big player for Brazil's beef trade and is expected to pick up the slack from the US for the remainder of 2025.

On the other side of the equation, when looking at US beef exports, another intriguing trend appears where all US export markets have fallen year-to-date except for South Korea which has risen. The Korean safeguard tariff imposed on Aussie beef may prove beneficial for the US as South Korea buys more from them than Australia. However in totality, Australian producers are seeing more opportunities and have greater supply available to trade on international markets than the US currently. This trend is also expected to continue well into 2026.

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