Sheep

November Monthly Update

Bendigo Bank Agribusiness

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Key Watchpoints – November

- Lamb prices have eased from the highs seen throughout winter but are expected to hold relatively well between now and Christmas.
- Mutton markets have come back from the record set in early October, but will the latest rain events spark renewed restocker interest?
- Australia's sheepmeat exports continue to trend below last year's levels on the back of the decline in processing rates.

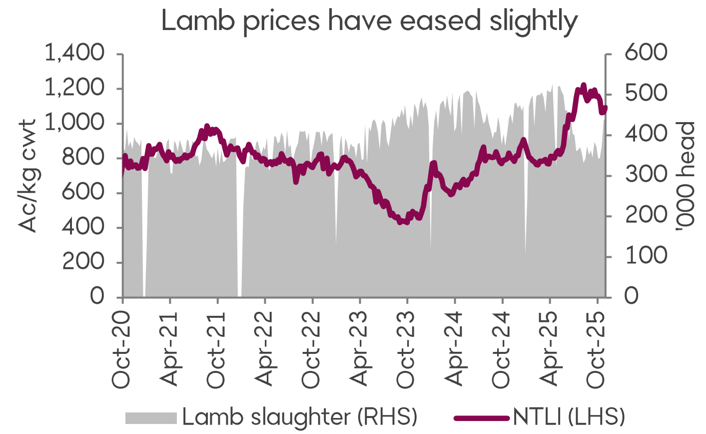
Lamb prices soften as supply pressure builds

Australian lamb prices have moved lower throughout October due to dry conditions across the southeast and an uptick in supply. The National Trade Lamb Indicator eased -2.0 per cent to around 1,136 c/kg over the past month, before rainfall towards the end of the month saw prices start to pick back up.

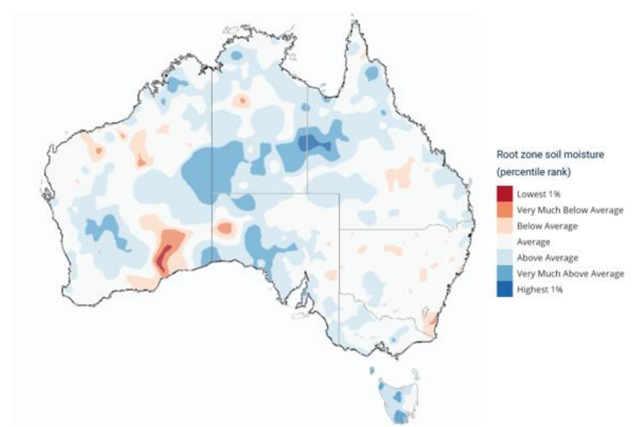
Lamb processing rates trended higher over the past few weeks, lifting to 436 thousand head in the week ending Friday 31 October 2025, only beaten by the preceding week for the highest total since June. However, despite the uplift, throughput for October remained -3.4 per cent lower than the corresponding month last year. Throughput rates are likely to remain elevated throughout the remainder of the year as the supply of new season lambs continues to lift.

Supply pressure will continue build over the next few weeks as the spring flush continues across the southern states. Lamb yardings generally peak in November/December and although we may not see as many lambs this year, prices are expected to face some level of downwards pressure. However, the recent rainfall should be supportive from a restocker perspective, which may see more active back-to-paddock buying as growers in the south begin to rebuild flocks if we see favourable conditions.

Prices are expected to continue sideways to marginally lower but should remain historically strong through to the end of the year.



Source: MLA



Source: BOM

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Mutton prices come back from record territory

The National Mutton Indicator (NMI) has eased from the records seen at the start of the month, falling from just over 810 c/kg to back below 700 c/kg as dry conditions across the southeast promoted turn off and limited restocker activity. The significant rainfall event in the last week of October did see prices lift slightly to now sit around 754 c/kg.

Sheep processing rates have been trending higher throughout October but continue to lag well behind the highs seen earlier in the year and this time last year. Mutton slaughter averaged 197 thousand head per week in October, up 30.4 per cent month-on-month but still down 15.4 per cent compared to October last year.

The recent rainfall has been beneficial from a restocker perspective; however, ongoing favourable conditions will be needed to encourage the rebuilding of flocks. Prices are expected to be steady to marginally weaker through until Christmas, as supply pressure from both lamb and mutton will weigh on prices and buffer the upside coming from restockers.

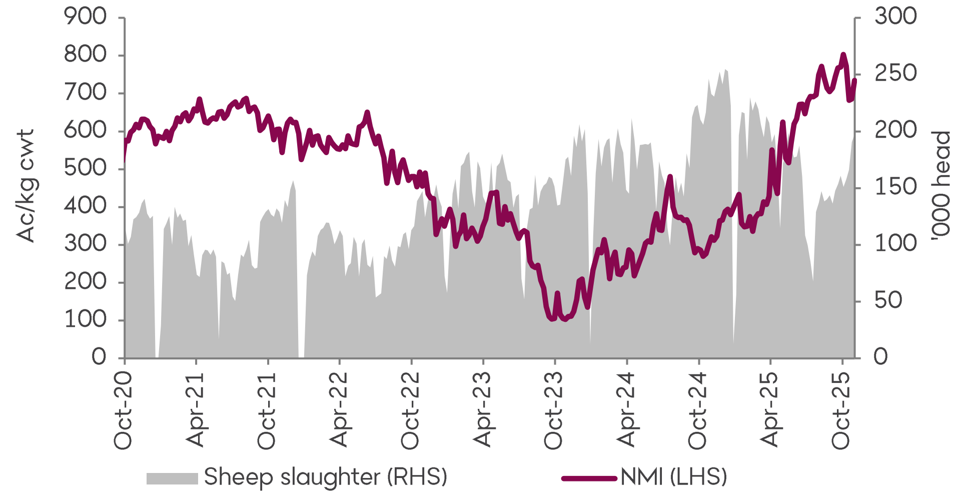
Australia's sheepmeat exports show varied trends between our key partners

The latest export data from the Department of Agriculture, Fisheries and Forestry (DAFF) has shown a slight increase in Australia's sheepmeat exports. But when looking at our two largest markets, the US and China, we are seeing a mixture of trends.

The US has seen a marginal decline in lamb export volumes so far in 2025. However, the decline in volumes to the US of -3.4 per cent is much smaller in comparison to the decline in total lamb exports of -4.6 per cent. While mutton exports to the US (noting they are a much smaller market), are down -22.6 per cent.

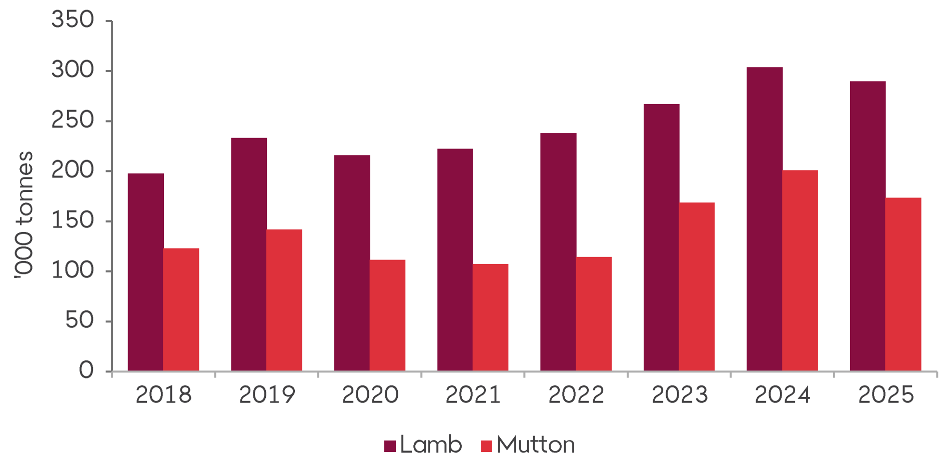
Lamb exports to China have increased by +19.5 per cent so far in 2025 despite the reduction in total lamb exports, although China's volumes still lag behind this time in 2023. Meanwhile, mutton exports to China have slowed considerably in 2025, down -31.0 per cent compared to Australia's total decline of -13.7 per cent.

Mutton prices come back from record levels



Source: MLA

Year-to-date lamb and mutton exports



Source: DAFF