

# Mid-Season Update 2023-24 Summary



China's recovery remains low and economic sentiment has worsened as the season has progressed



Australia's competitiveness in international sheepmeat markets is playing a part in keeping prices lower



Demand for beef remains solid due to low American domestic supply, as the average beef price is 2% above the five-year average



Overall, low revenue and high input costs means farm profitability is forecast to decrease 54% this year to the lowest levels in several decades

## Livestock Numbers



Beef Cows up 1.8%





Dairy Cows down 1.8%



Breeding Ewes down 1.7%


## Sheep forecast


 Forecast Lamb \$6.51 per kgCW

 Forecast Export receipts for lamb decrease 4.8%  
(Average value -7.1%, Volume +2.2%)

Forecast Export receipts for mutton decrease nearly 20%

## Beef forecast

 Forecast All Beef \$5.15 per kgCW

 Forecast Export receipts decrease 6.9%  
(Average value -4.7%, Volume -3.2%)

## Global news

- USA is importing high amounts of beef
- China outlook poor
- Australia will be a top meat exporter
- Europe and the UK economies are looking mixed, but demand is solid for lamb

## On-Farm Profitability

- Gross farm revenue forecast to drop 10% on 2022-23
- Farms with a higher sheep:beef cattle ratio will feel the drop in revenue more severely
- Over the last three seasons costs have risen 30% for sheep and beef farmers
- On-farm inflation persists and interest rates fuel ever-higher debt servicing costs