



Wellard

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LIVE CATTLE EXPORTS SET FOR BIG 2008

Live cattle exports are expected to continue their resurgence and sheep exports will weather a downturn in stock sales throughout 2008, according to Meat and Livestock Australia's 2008 market projections.

Released yesterday, the industry-based projections suggest exports of live cattle will grow by eight per cent to 760,000 head in 2008, after increases of 11 per cent for each of the past two years. However, the total figure remains below the 2002 figure of almost 972,000 cattle.

Demand is being driven largely by Indonesia, which now accounts for 70 per cent of all live cattle exports.

Wellard Rural Exports Managing Director Steve Meerwald said Indonesian importers were benefiting from a regular shipping schedule and a greater understanding of their specific requirements, so were increasing their purchases.

Wellard Rural Exports is Australia's largest cattle exporter and has a regular shipping program to Indonesia, and Mr Meerwald said the company's market intelligence was consistent with MLA's predictions.

"Wellard expects further growth in 2008, which will only be enhanced by the launch of the MV Stella Castor later this year to provide a more consistent shipping schedule," Mr Meerwald said.

"The range of specifications required by Indonesian importers is a bonus for Australian cattle producers, as it enables them to supply a range of cattle types from within their herd to this market."

According to MLA, flock rebuilding by Australian farmers will cut sheep slaughter by 33 per cent in 2008. However, it expects the live trade to weather this fall, with only a five per cent decline in sheep and lamb exports to 3.6 million head.

Mr Meerwald said securing supply at competitive prices would be important for Middle Eastern importers and Australian exporters alike, to keep Australian at the forefront of the live trade in the area.

“Given the recent jump in wool prices some form of flock rebuilding is to be expected, but we believe that will be tempered by the attraction of high grain prices,” he said.

“As exporters we are mindful that alternative suppliers will move quickly to fill the void if Australia cannot supply sheep to these markets,” he said.

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Background – Wellard Rural Exports

Wellard Rural Exports has supplied quality Australian dairy and beef cattle and sheep and goats to the world for more than 25 years. Based in Fremantle, the company’s operations cover every aspect of the export chain, including feed and high fibre milling, road transport, feedlot facilities and modern shipping.

Wellard has priority access to the most modern fleet of livestock carriers on the ocean through its association with Siba Ships. The company’s flagship carrier, the MV Becrux, is a purpose-built livestock carrier capable of carrying 75,000 sheep or 18,000 cattle from Australia to major markets around the globe. She was commissioned in 2002.

For more information visit: www.wellardgroup.com.au