


New Zealand and Australian Beef and Dairy Situation

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MB428



Cattle Numbers

	2001	2002	2003	2004
New Zealand				
Beef	4,345	4,495	4,535	4,445
Dairy	5,038	5,162	5,215	5,267
Australia				
Beef	24,700	23,400	23,500	24,000
Dairy	3,200	3,100	3,100	3,100


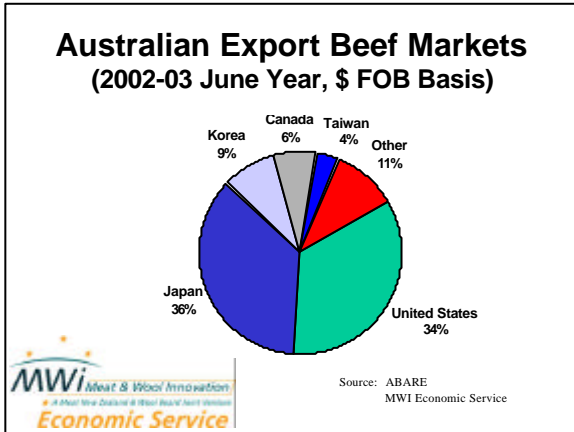
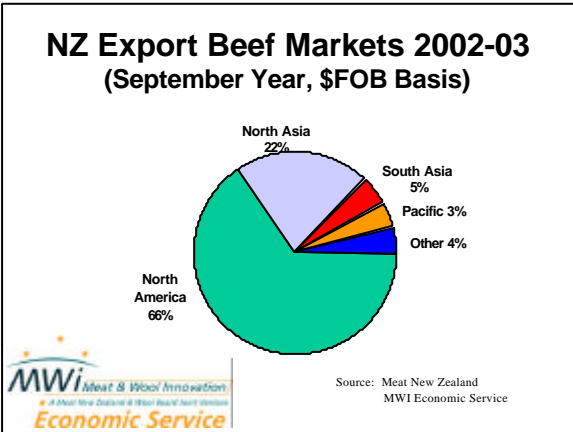
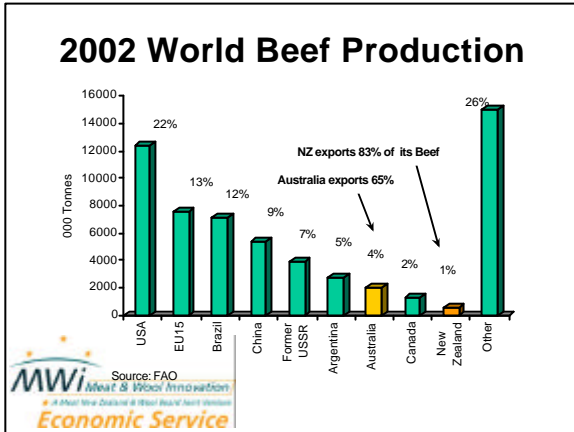
Source: MWI Economic Service
Statistics NZ
ABARE

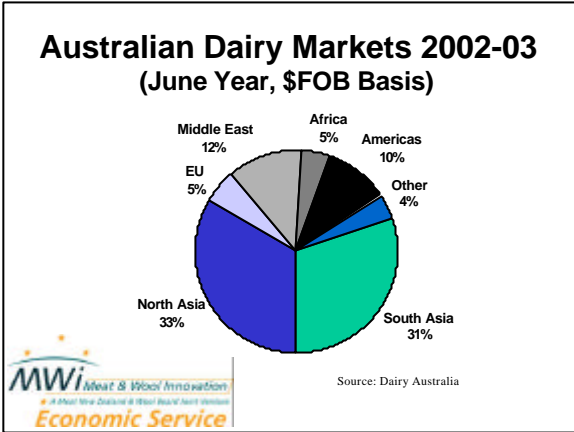
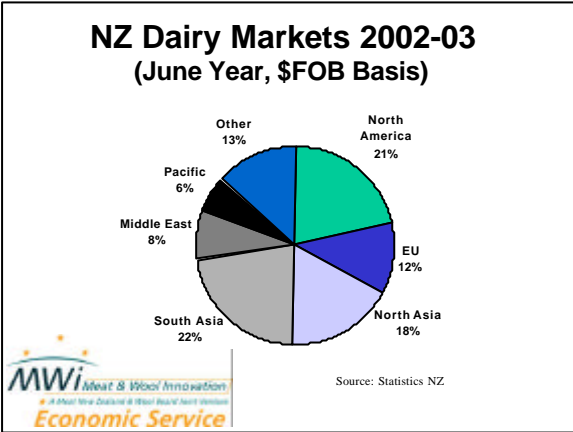


Export Dominance 2002-03

	NZ %	Aust %
Wool	88%	85%
Lamb	92%	} 42%
Mutton	81%	
Beef and Veal	83%	65%
Dairy	95%	60%
Deer [\$210m] + Other	96%	
Pastoral Sector		

Source: MWI Economic Service
Dairy Australia



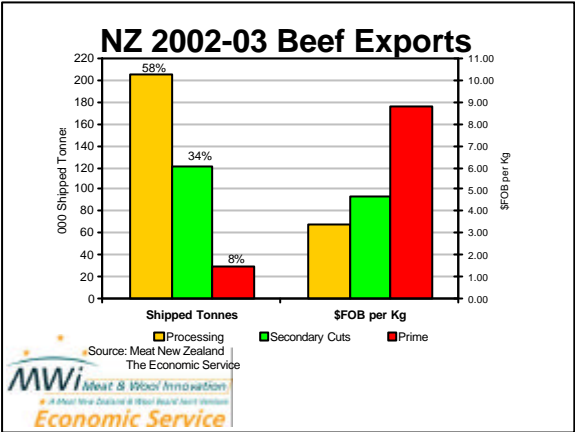
Beef Quotas (tonnes)

	NZ	Aust	Global
• US	213,402	378,214	
• Canada	29,600	35,000	114,000
• EU	300	7,000	

- ### Beef Outlook
- Canadian BSE Case May 2003
 - US ban on live cattle from Canada since May 2003 reduced US supply and kept prices up
 - US Single BSE Case reported 23 Dec 2003
 - US beef exports 10% production, exports to Asia + most others cut due to BSE
 - 25% of US exports to Mexico – resume soon?

- ### Beef Marketing
- NZ Asian markets account for 27% by value [Australia Asian markets 50% by value]
 - Asia NZ's second largest export market for beef after North America
 - Void created by Asian ban on US beef (grain fed) affords a unique opportunity for NZ to push the merits of grass fed beef

- ### Beef Marketing
- New Zealand actively promoting and differentiating NZ grassfed beef by way of: -
 - Food safety
 - Free Range
 - Natural grass feed
 - Low fat, nutritious
 - Continuity of supply



Beef Outlook

- Australian Beef Production 2003-04 estimated by MLA to fall 3%
- Australian focus shifts from US to North Asia
- Beef prices likely to fall once US restarts exports

Source: Meat New Zealand
The Economic Service

NZ Export Receipts 2002-03

All Merchandise	\$28,175 m
Pastoral Sector % of total	41%
Meat Sector % of total	17%
Wool Sector % of total	3%
Dairy Sector % of total	20%
Deer Sector % of total	1%

Source: Statistics New Zealand
MWI Economic Service

