RED MEAT UPDATES
TASMANIA

25 July 2025

Global meat and livestock outlook and opportunities in an uncertain world

Simon Quilty

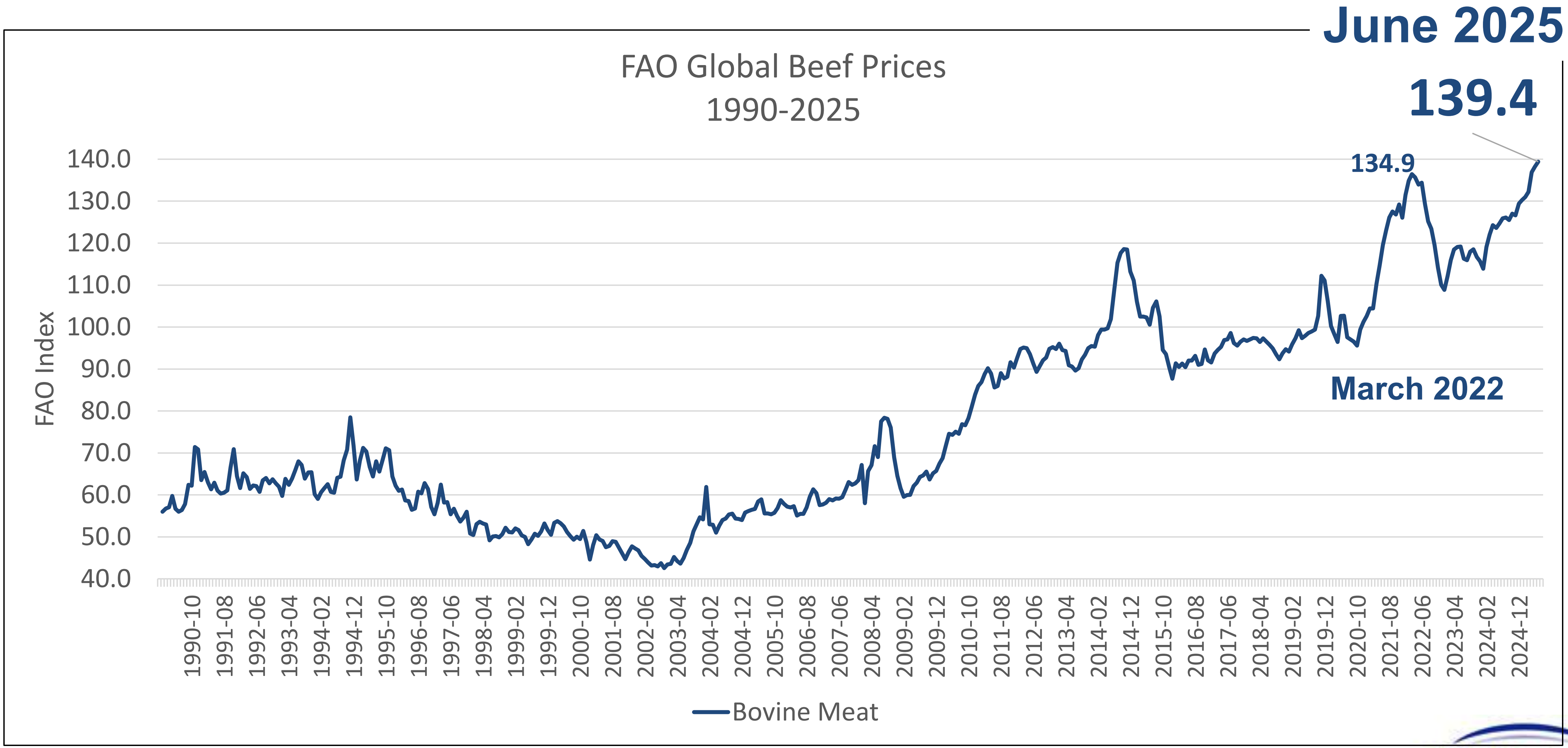
Global AgriTrends

Global AgriTrends
Beef and Sheep Industry Insights

Simon Quilty

July 2025

New Record Global Beef Prices in June



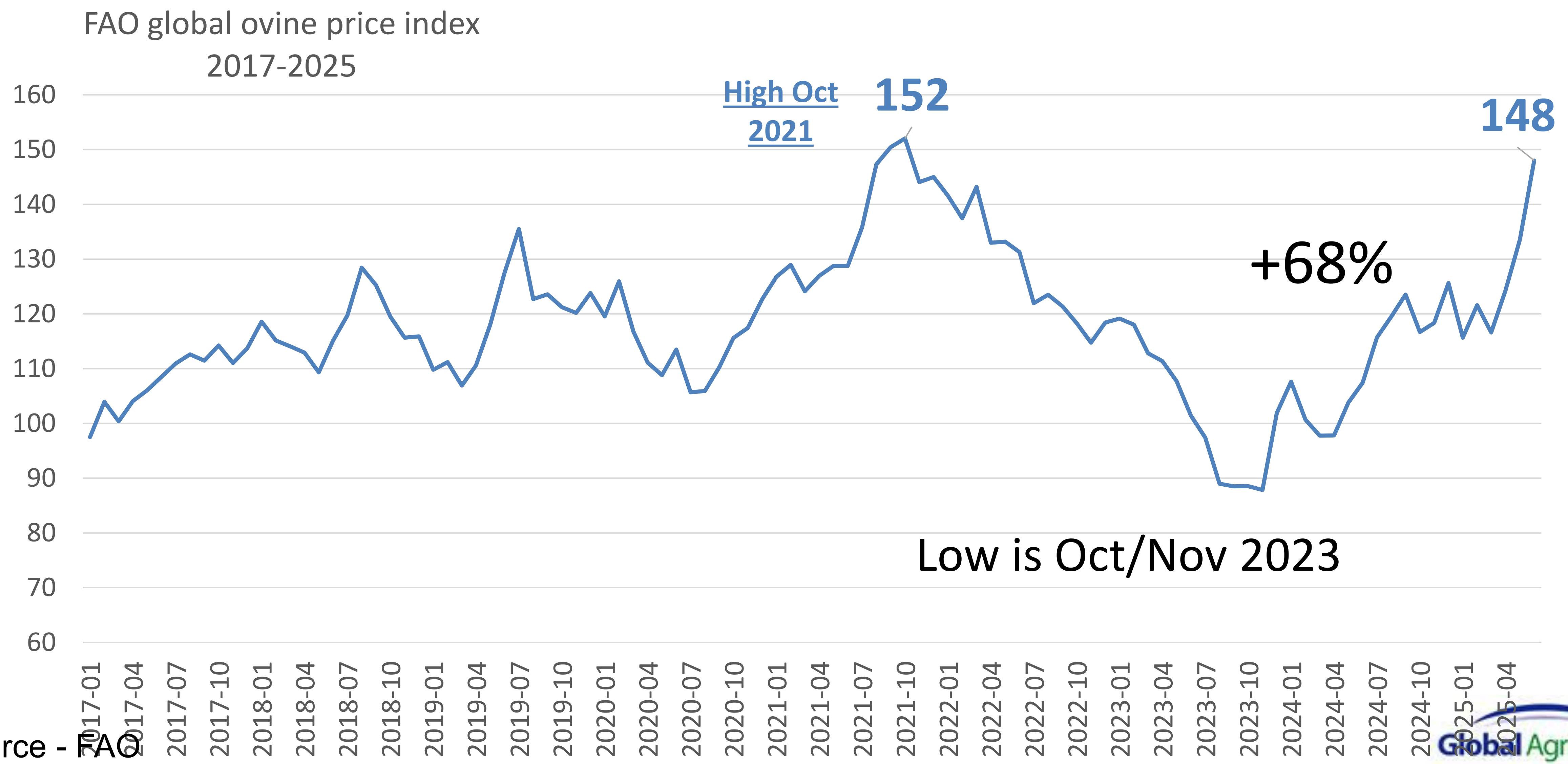
Source - FAO

How is this different to the last record price in March 2022 – 136.4 on the Index

- March 2022 was unsustainable – driven by covid – this was the end of the price rise journey
  - Stimulus money dried up
  - Bottlenecks got fixed
  - Large inventories hung over the market
- April 2025 (138.2) is sustainable – the start of the journey
  - Tight global supplies
  - Strong demand

Global AgriTrends

Global sheepmeat demand is improving but not at record levels



Source - FAO

Global AgriTrends

What round are we at?

<u>Round One?</u>

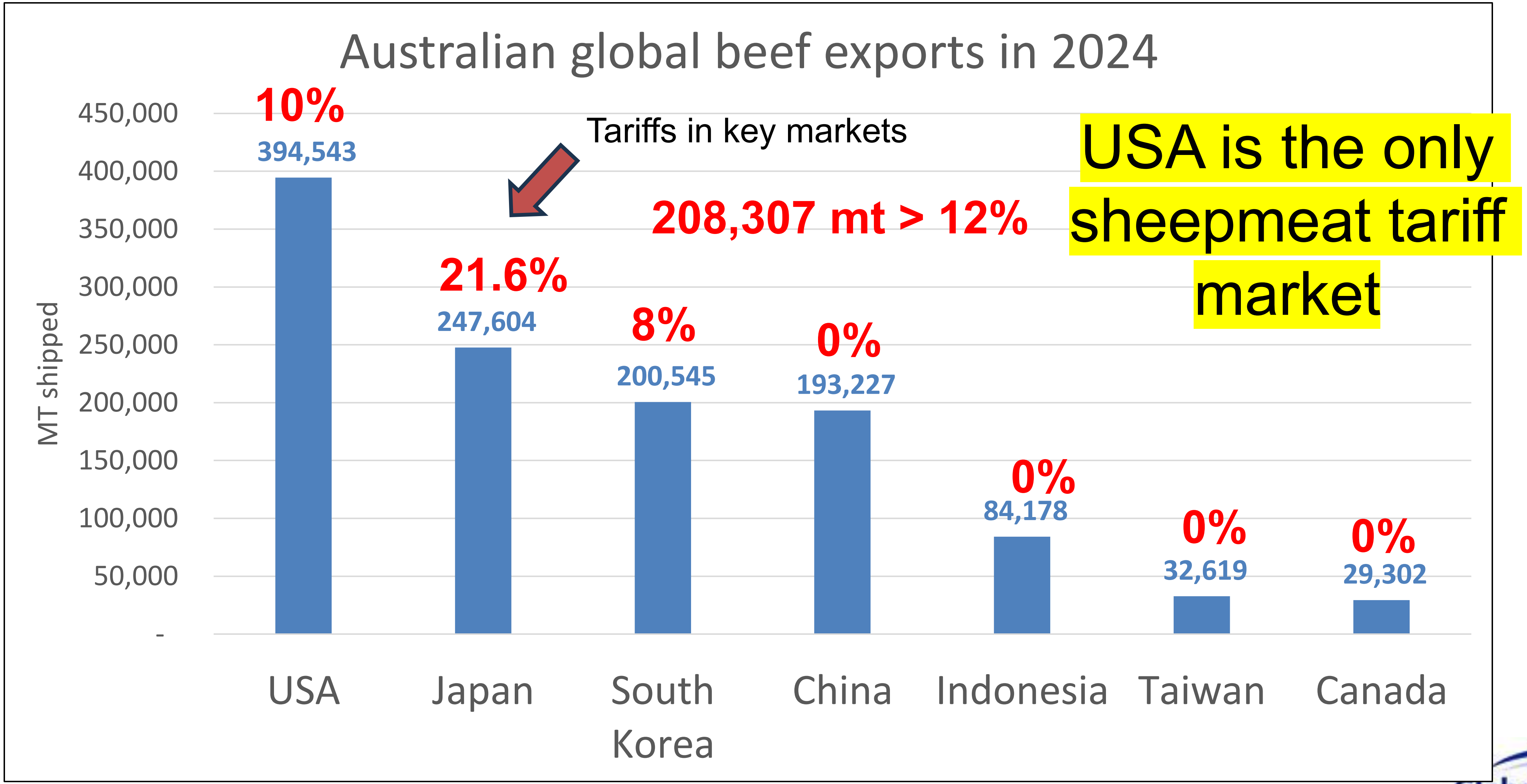
<u>Round Two ?</u>

<u>Or</u>
<u>Round Three?</u>

Australian lifts restrictions on US beef

- Australia's Minister for Agriculture, Julie Collins, said today, "The US Beef Imports Review has undergone a rigorous science and risk-based assessment over the past decade. She said, "DAFF is satisfied the strengthened control measures put in place by the US effectively manage biosecurity risks.“
- Rumours had been circulating about the imposition of heavy tariffs on both chilled and frozen beef and lamb items. This decision would seem to have prevented such an occurrence.

Tariffs in key beef markets



Global AgriTrends

75 countries with pauses on tariffs – April 9th tariffs – Now Aug 1st

- **European Union (27 nations)**: a 20% tariff now 10%
- **Canada**: 25% tariff now 10%
- **Mexico:** 25% tariff now 10%
- **Japan**: 24% tariff now 10%
- **South Korea**: 25% tariff now 10%
- **India**: 26% tariff now 10%
- **Vietnam:** 46% tariff now 10%
- **Taiwan**: 32% tariff now 10%
- **Israel**: 17% tariff now 10%
- **Australia:** 10% tariff is part of the pause
- **Thailand**: 10% tariff is part of the pause
- **Turkey**: 10% tariff is part of the pause
- **Singapore**: 10% tariff is part of the pause
- **Zimbabwe**: 18% tariff now 10%

April 12th

- **China: 30% tariff to USA**
- **USA : 10% to China**

Global AgriTrends

Japan does deal with the US

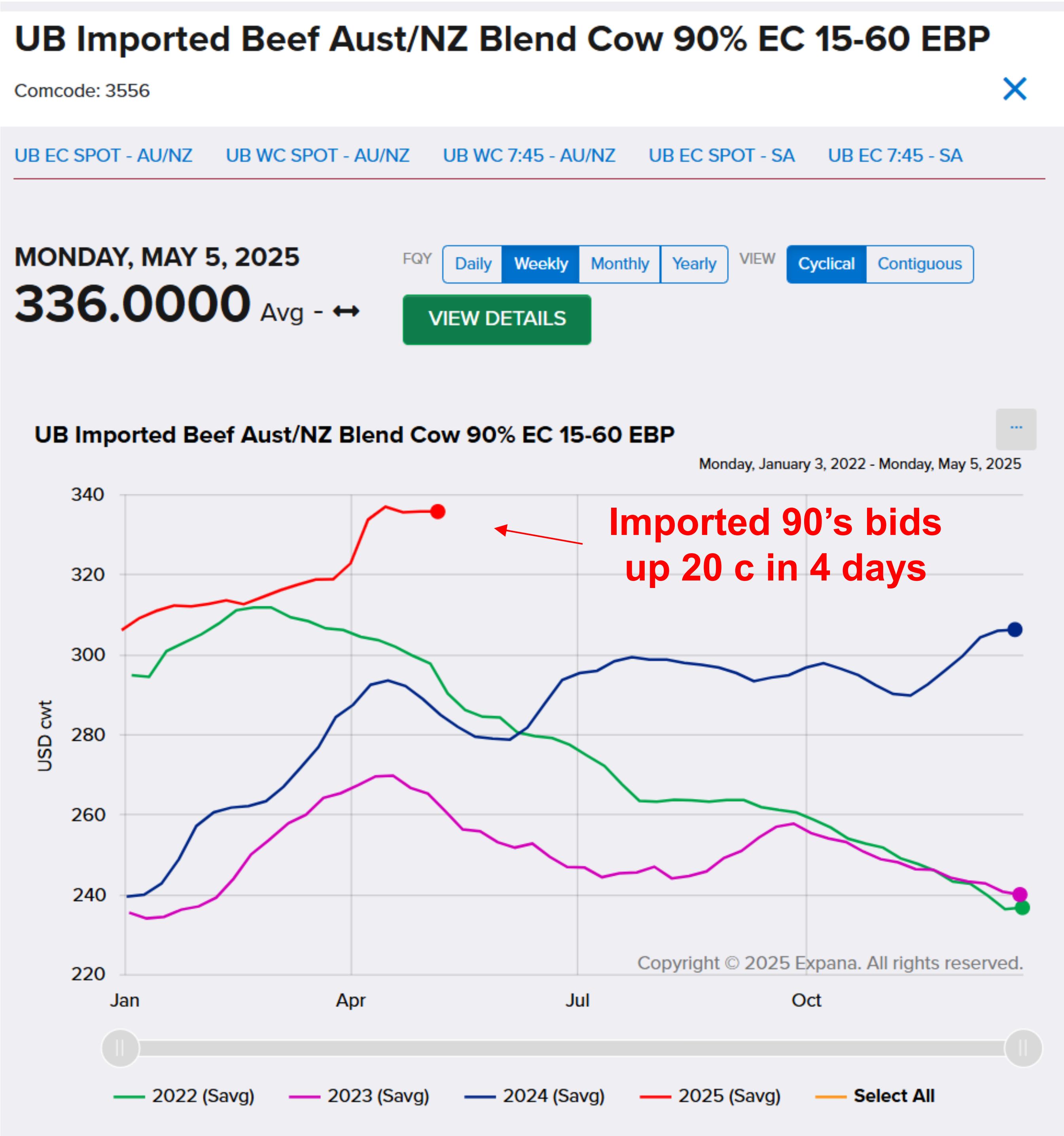
- Japan signed a trade deal with the US, which caps its tariffs at 15 per cent, down from the proposed 25%.
- The deal also commits Japan to $550 billion in investment in the US economy and opens up the Japanese market to US goods. The US is expected to negotiate a deal with the Philippines for a 19 per cent tariff.
- The deal immediately boosted Japanese car makers on the stock market, who could otherwise have been effectively priced out of the American car market.

What impact would tariffs have on Australia?

In Japan and Korea, where Australia and the US make up 81% and 92% of all beef imports, respectively.

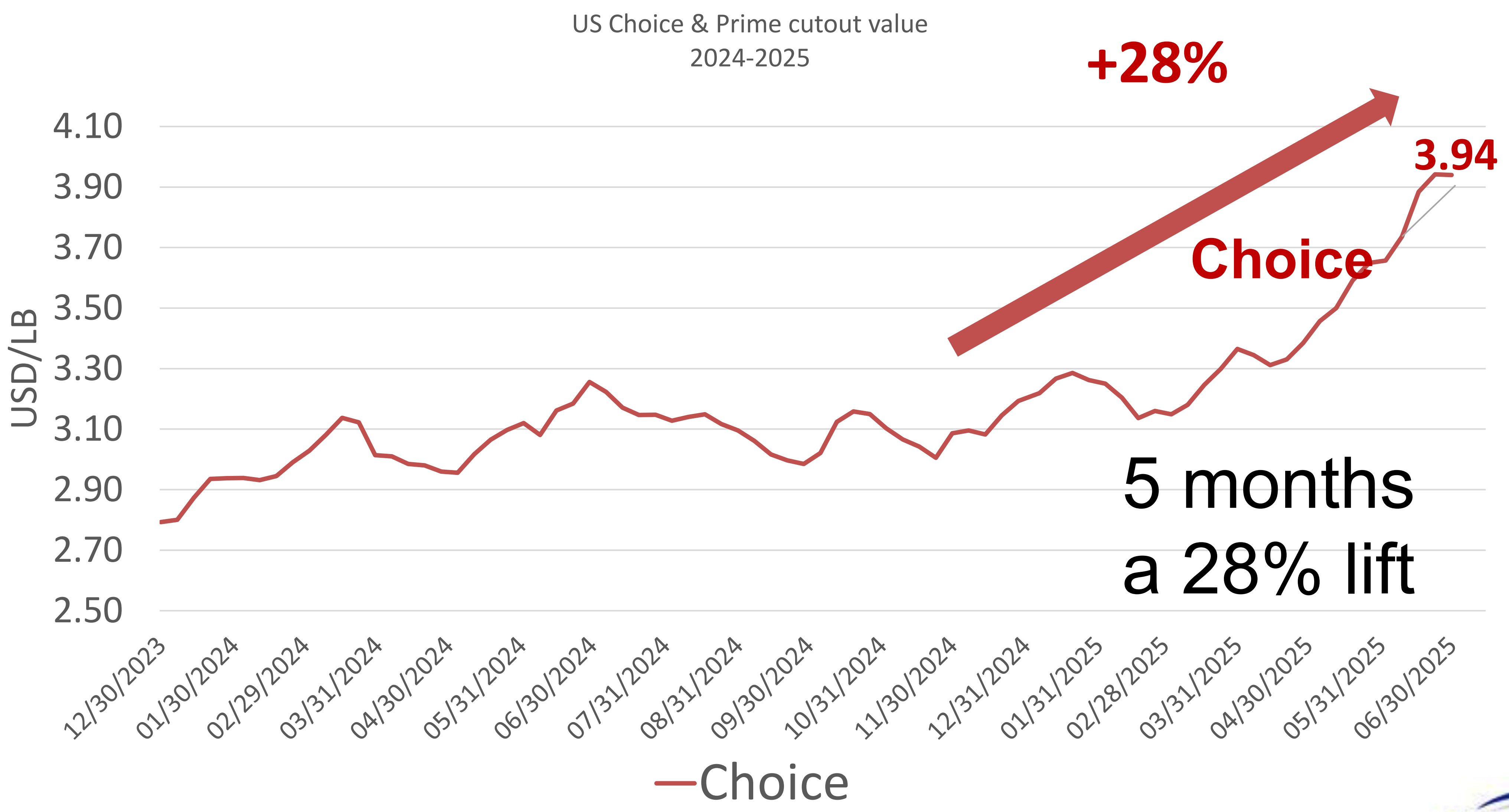
In China, US and Australia dominate the grainfed market.

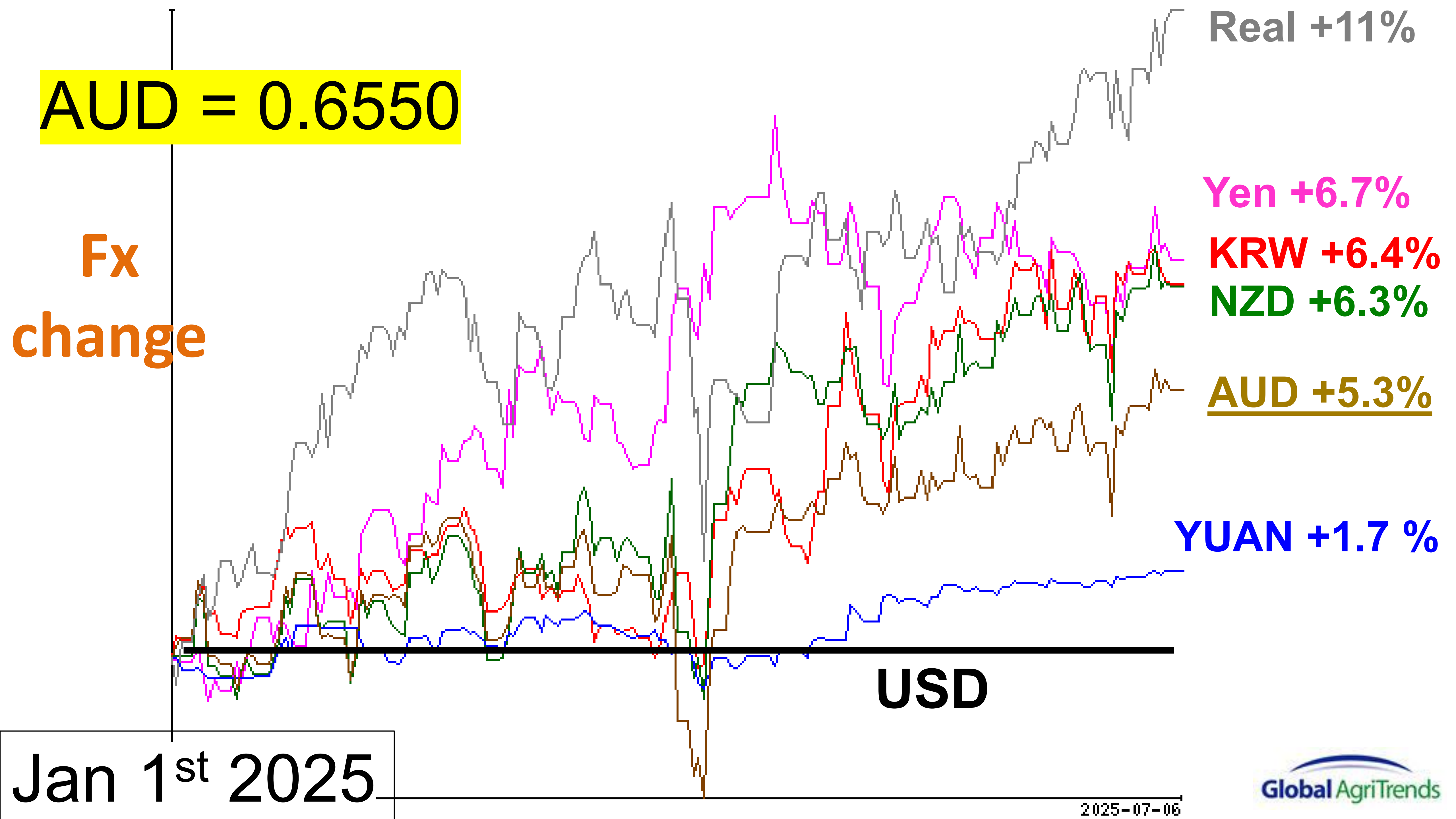
US market is passing forward the cost with Imported 90's



Global AgriTrends

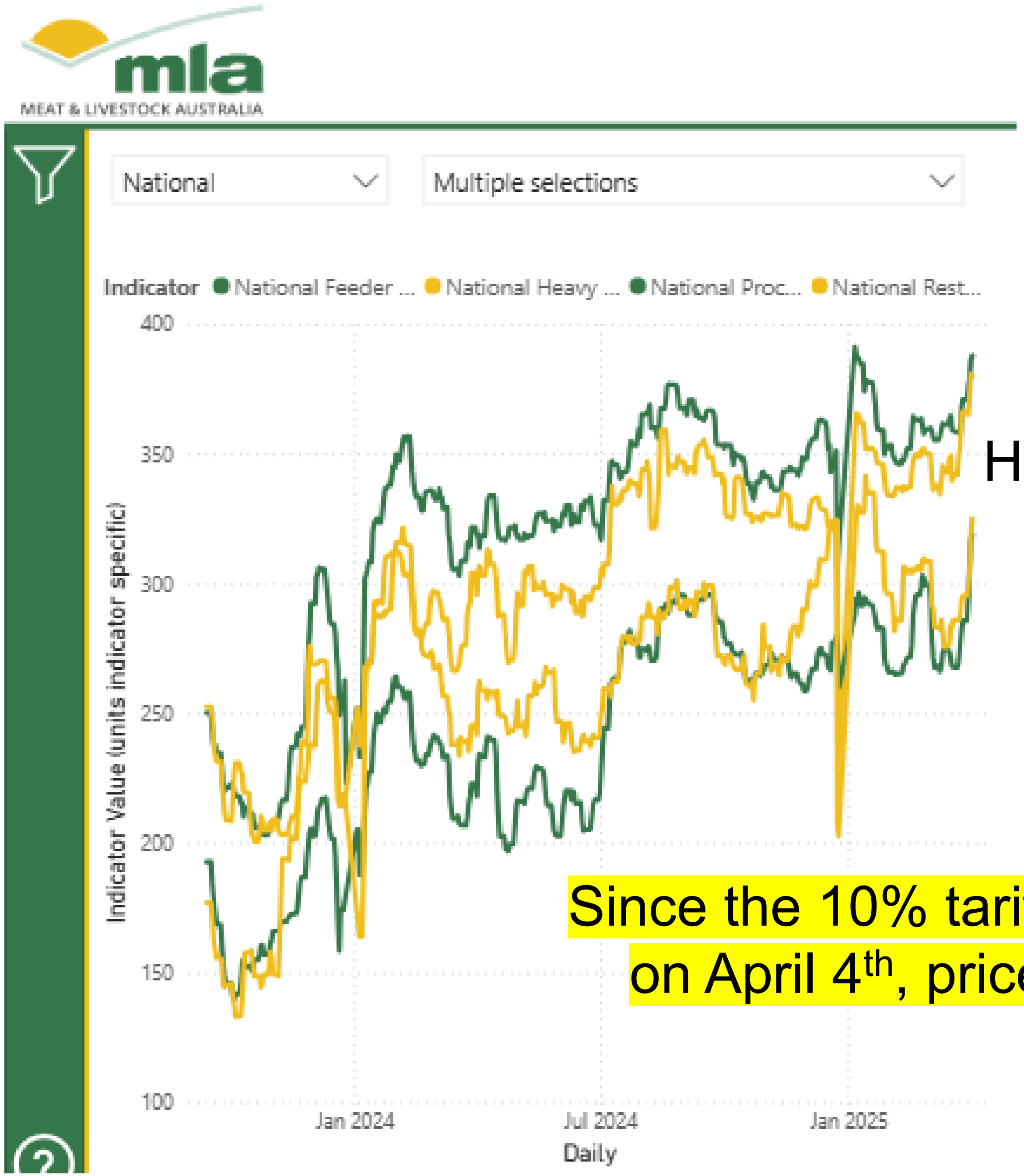
US quality end lifts - inflationary





AUD = 0.6550
Fx change
Real +11%
Yen +6.7%
KRW +6.4%
NZD +6.3%
AUD +5.3%
YUAN +1.7 %
USD
Jan 1st 2025
2025-07-06
Global AgriTrends

Australian Cattle prices firmed after first 2 weeks of April 4th tariff day



Feeders 384 **+7.5%**

Heavy steers 355 **+4%**

Heifers 325 **+15%**

Cows 278 **+3%**

Since the 10% tariff was introduced on April 4th, prices were higher

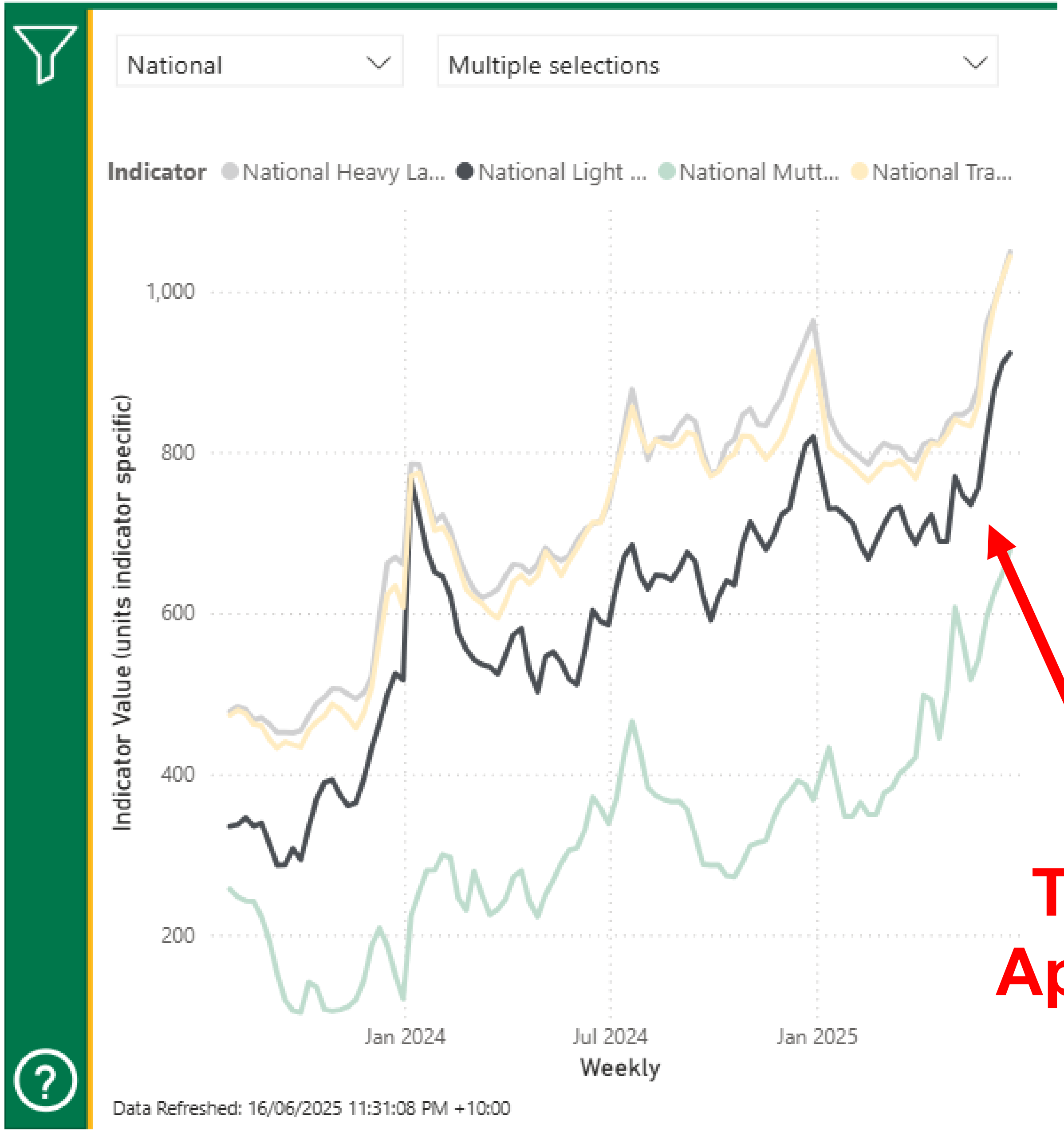
Source - MLA

Global AgriTrends

Sheep prices

Where is the top?

MEAT & LIVESTOCK AUSTRALIA



Heavy lamb 1049 ac/kg

Trade lamb 1043 ac/kg

Light lamb 923 ac/kg

Mutton 680 ac/kg

+30%

Tariffs April 4th

Global AgriTrends

Lack of US beef in China

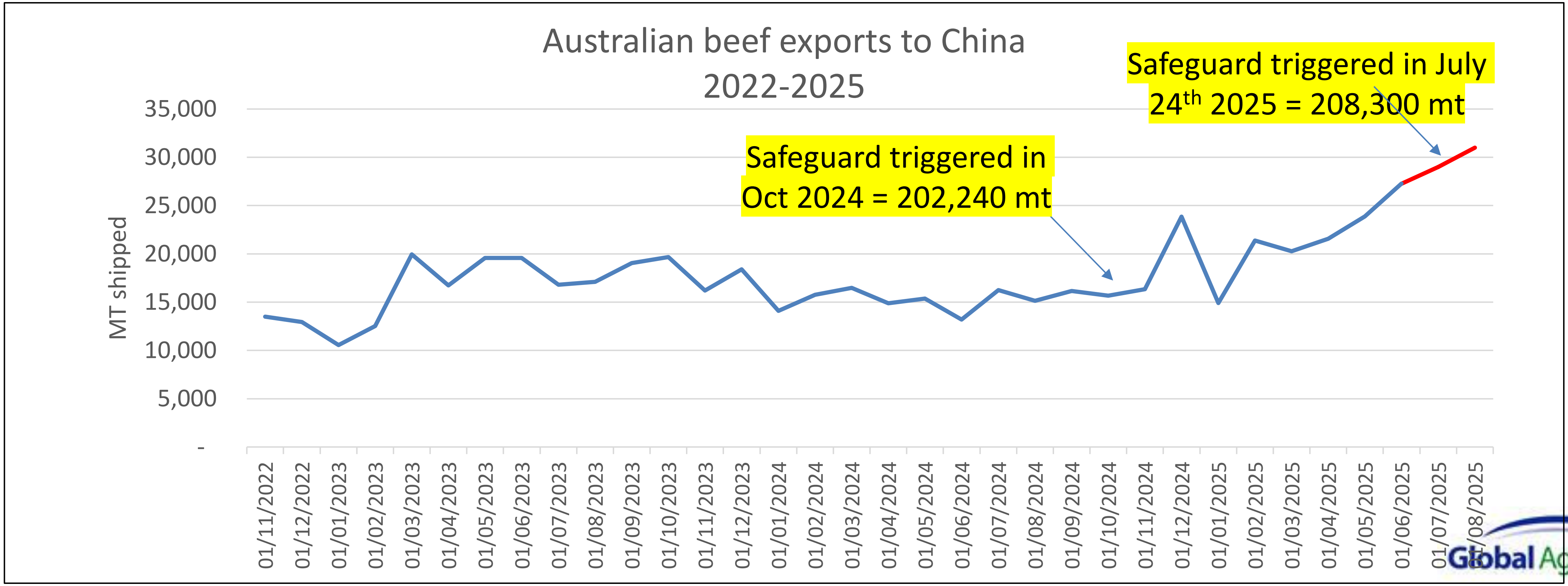
U.S. Beef Exports to China Halted

- China halted renewals for U.S. beef exporters on March 16th
  - While renewing those for pork and poultry
- There are only 3 sources of grain fed beef globally and 2 banned by China
  - U.S. and Canada
  - Australia (one-third of production) remains
- Chinese officials announced a safeguard investigation in December alleging that imported beef harms their domestic beef prices

Global AgriTrends

Australia triggered safeguard yesterday

- Australia fulfilled its duty-free quota with China (208,300 tons) for 2025 on July 24th, after which it will start paying a 12% tariff.



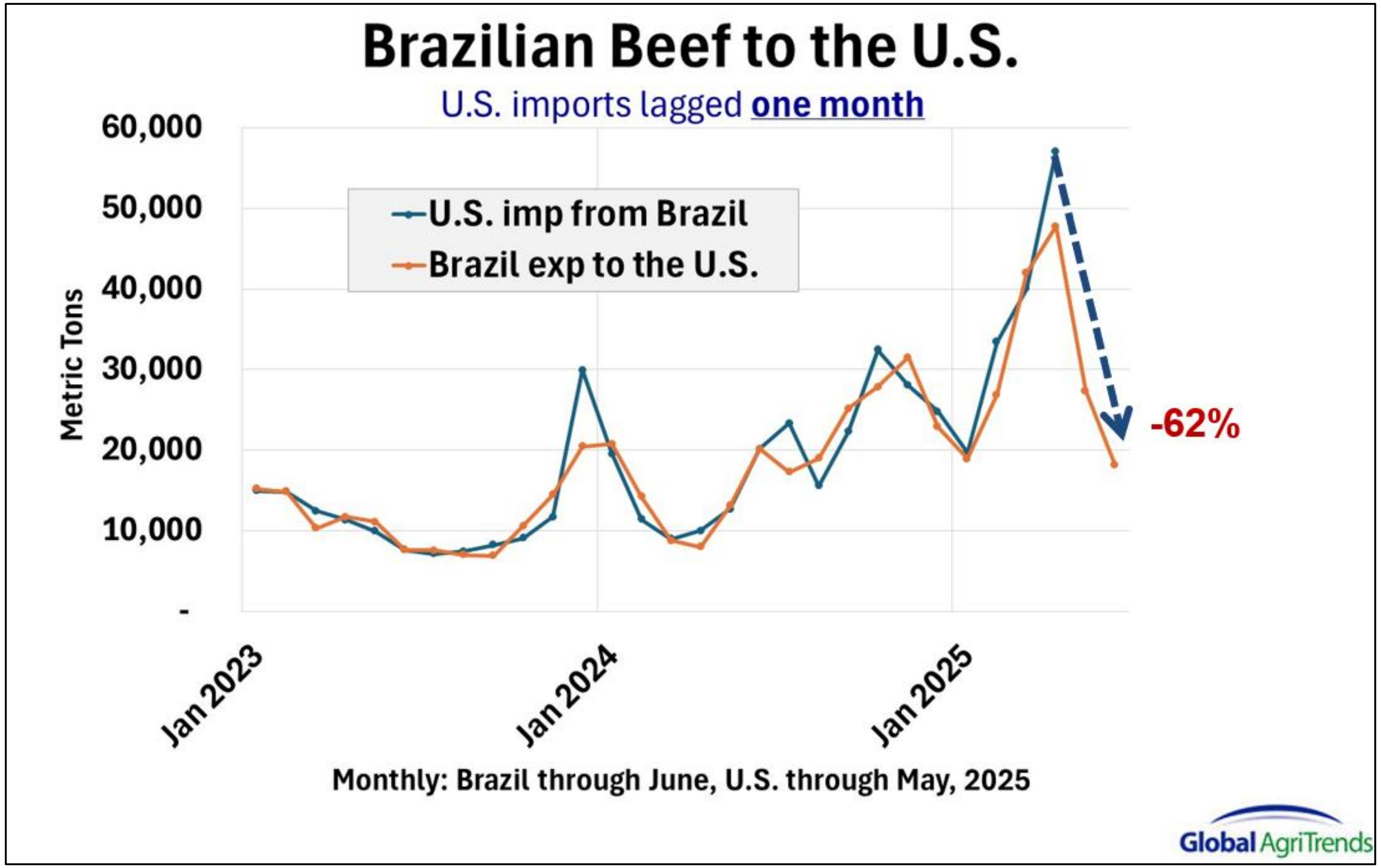
Global AgriTrends

Trump Proposes 50% Tariffs on Brazil

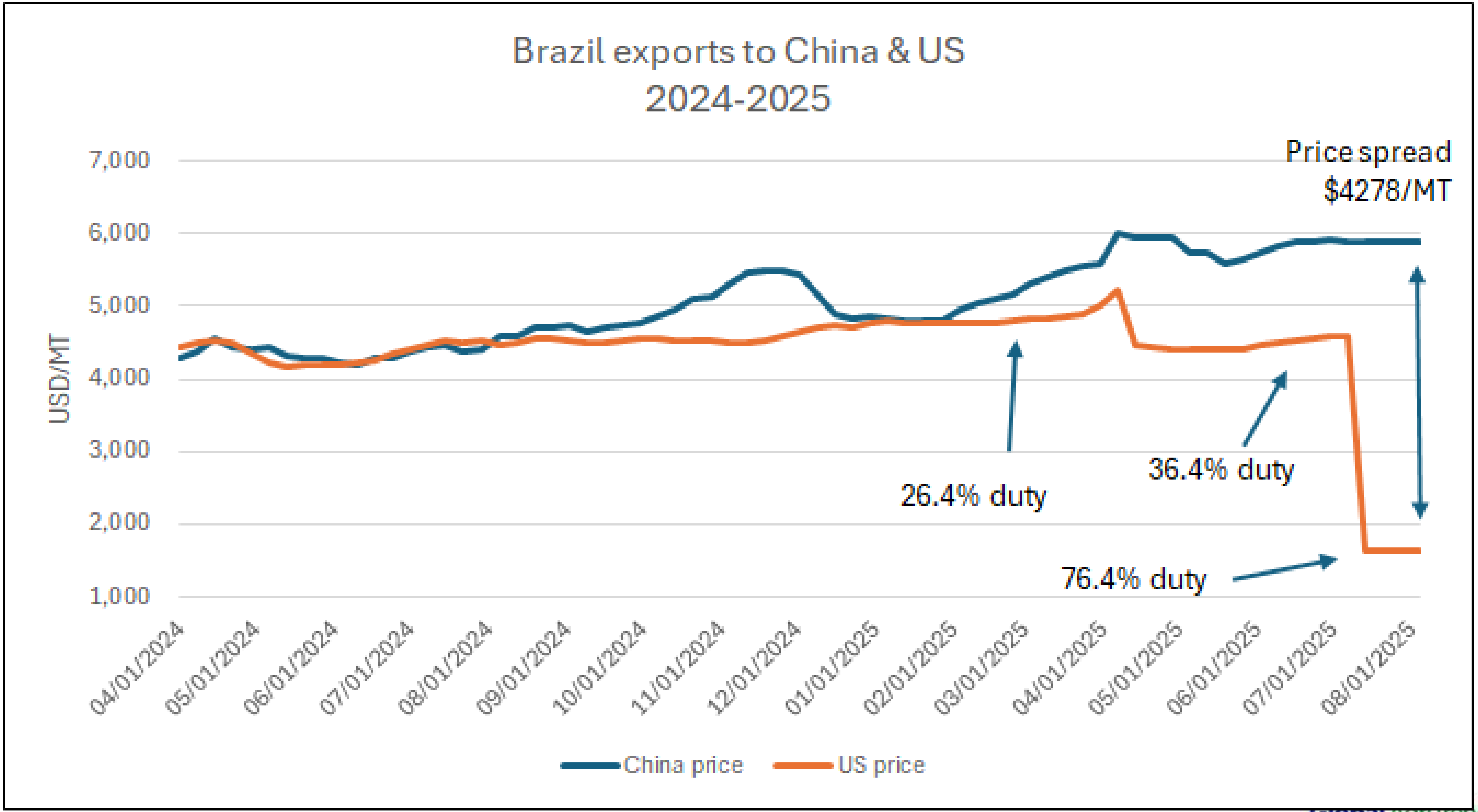
- Trump announced a significant escalation, proposing a 50% tariff on all Brazilian imports, effective August 1, 2025, separate from sectoral tariffs like the 25% on steel and aluminum.
  - This would add to the current 26.4% tariff on Brazilian beef for a total of 76.4%
- This was explicitly linked to Brazil’s prosecution of former President Jair Bolsonaro, which Trump called a “witch hunt” and an “international disgrace.”
  - He criticized Brazil’s actions, including alleged censorship by the Brazilian Supreme Court against U.S. social media platforms like Truth Social and Rumble.
- Trump also cited trade imbalances and Brazil’s alignment with BRICS policies as reasons for the tariffs. This move was seen as both economic and political, with Trump using tariffs to pressure Brazil over Bolsonaro’s trial for an alleged coup attempt.

Higher prices for Australian beef could be a consequence

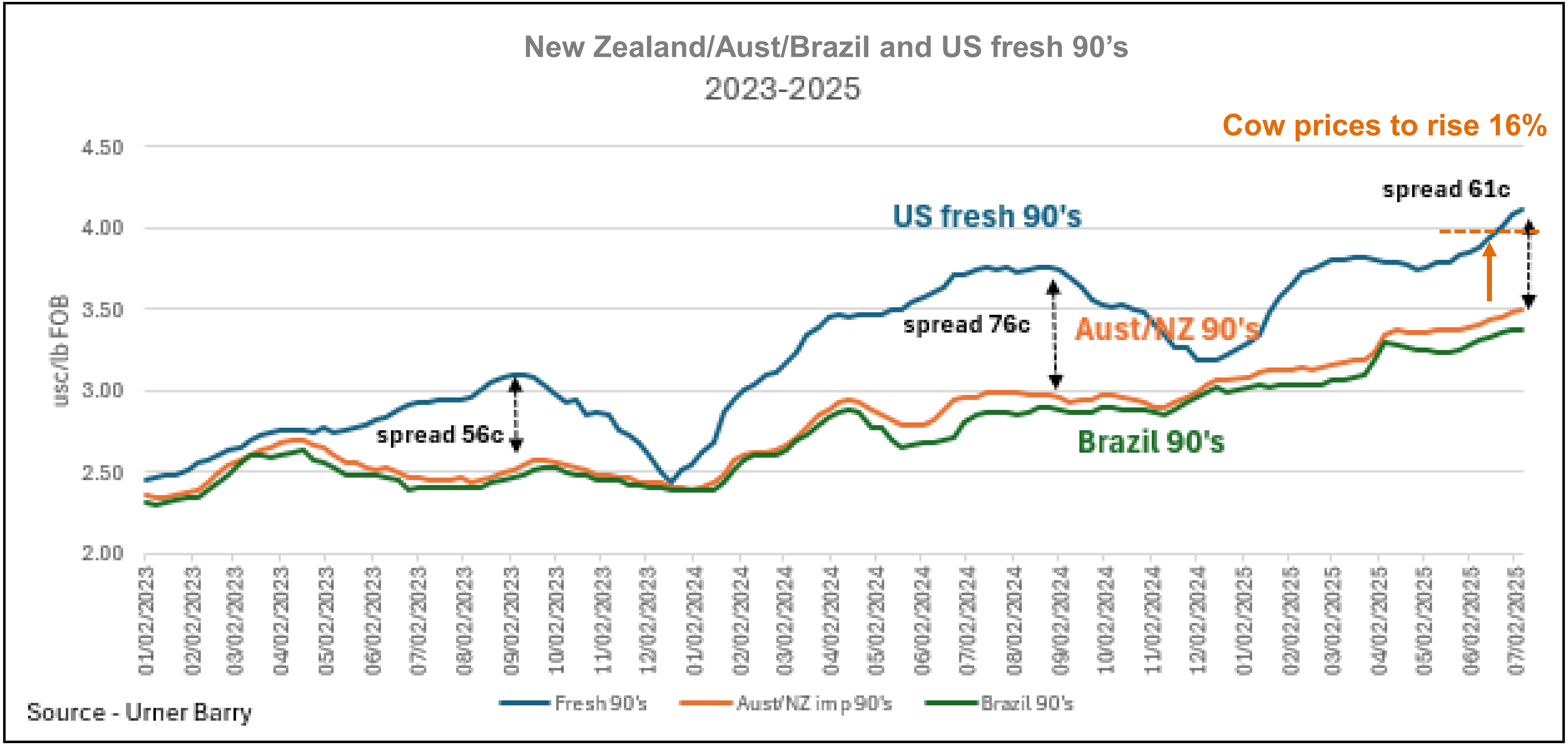
- Brazil beef imports into the US from January to May are up 118% on last year's volume, totalling 175,063 MT YTD.
- Australia imports were 157,959 MT



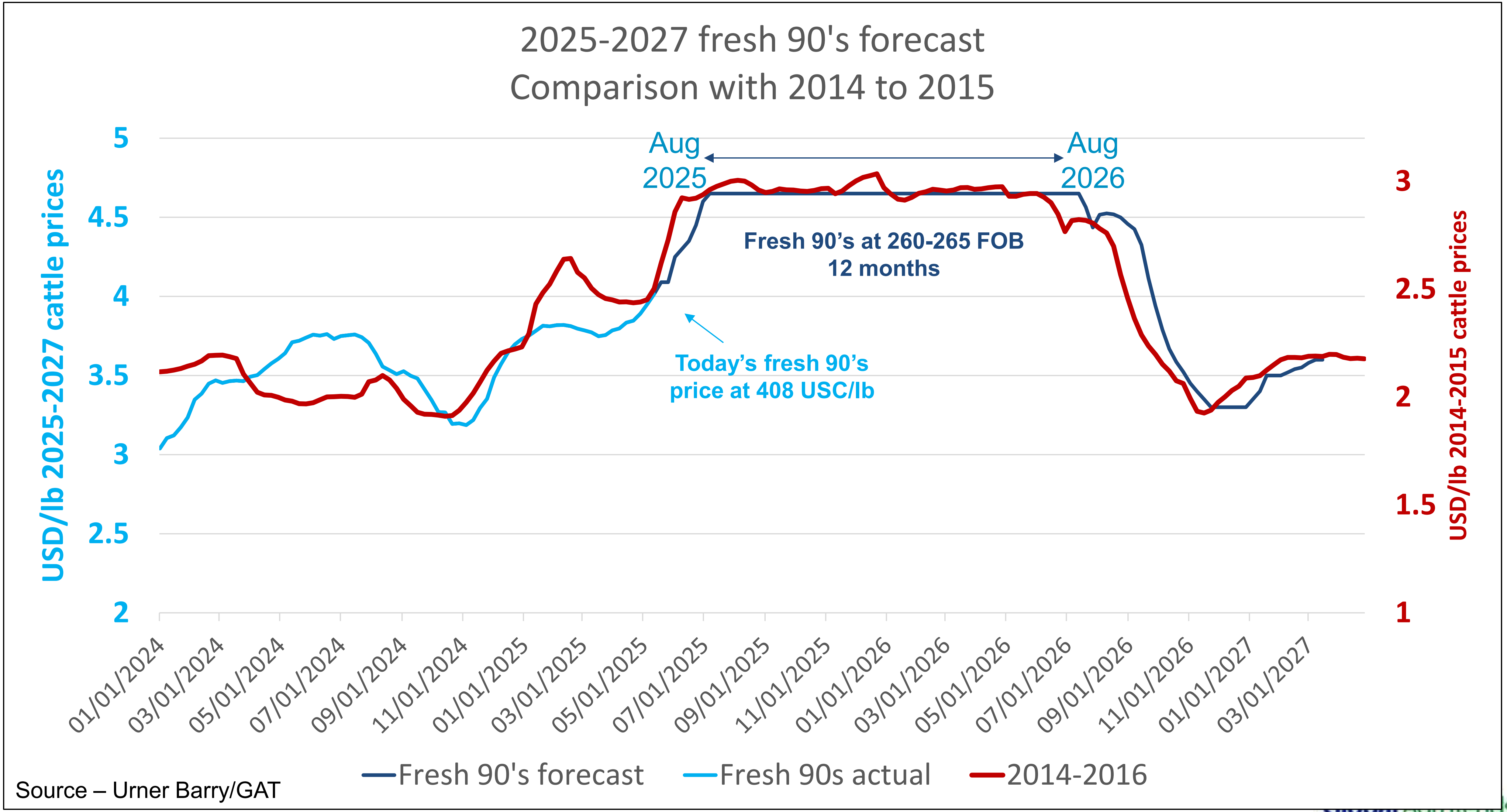
Global AgriTrends



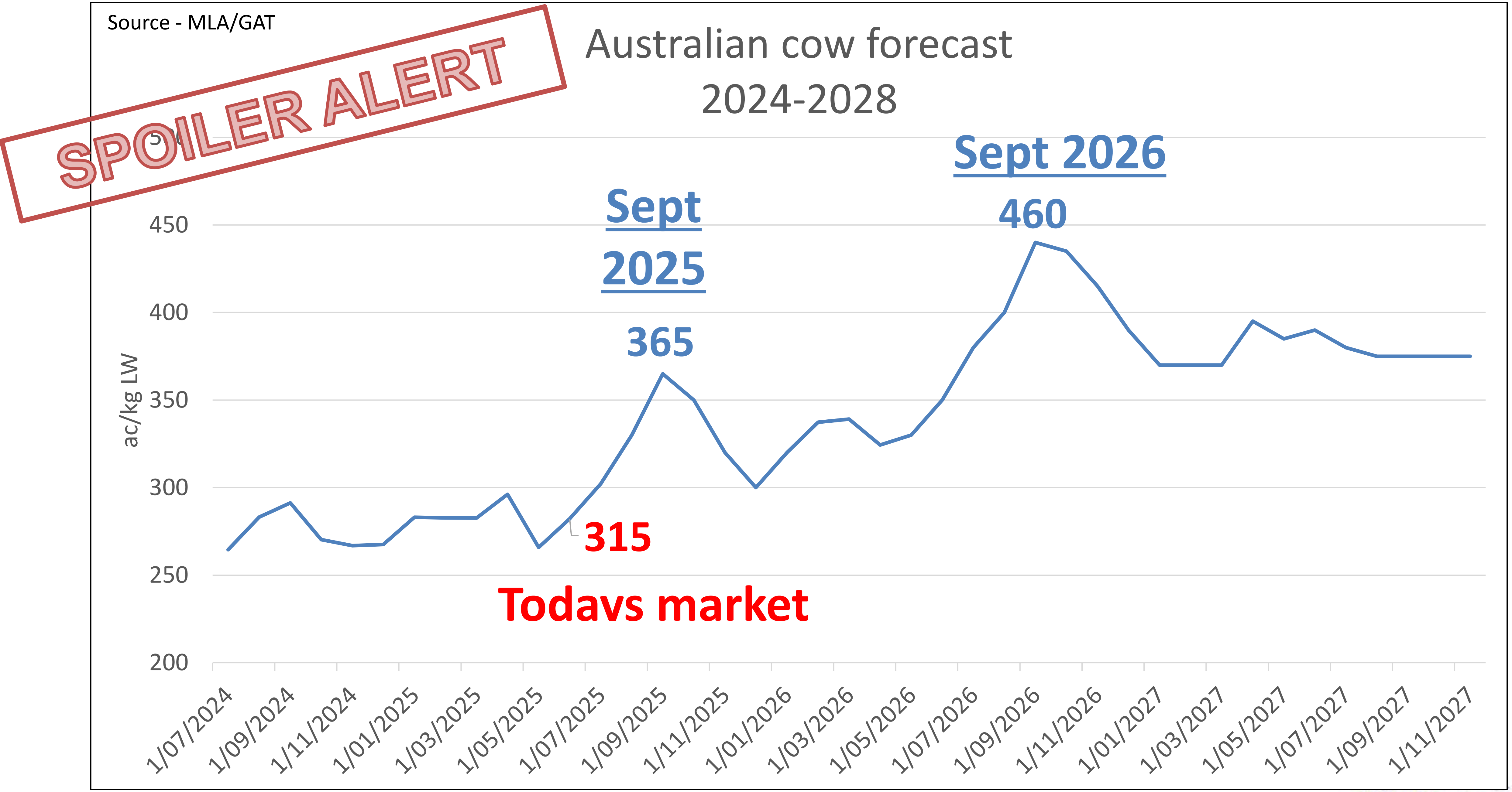
Global AgriTrends



Global AgriTrends



2025-2027 fresh 90's forecast
Comparison with 2014 to 2015
Aug 2025
Aug 2026
Fresh 90's at 260-265 FOB
12 months
Today's fresh 90's
price at 408 USC/lb
USD/lb 2025-2027 cattle prices
USD/lb 2014-2015 cattle prices
5
4.5
4
3.5
3
2.5
2
3
2.5
2
1.5
1
01/01/2024
03/01/2024
05/01/2024
07/01/2024
09/01/2024
11/01/2024
01/01/2025
03/01/2025
05/01/2025
07/01/2025
09/01/2025
11/01/2025
01/01/2026
03/01/2026
05/01/2026
07/01/2026
09/01/2026
11/01/2026
01/01/2027
03/01/2027
Fresh 90's forecast
Fresh 90s actual
2014-2016
Source – Urner Barry/GAT



Global AgriTrends

Concern/wins for Australia/NZ

Concerns

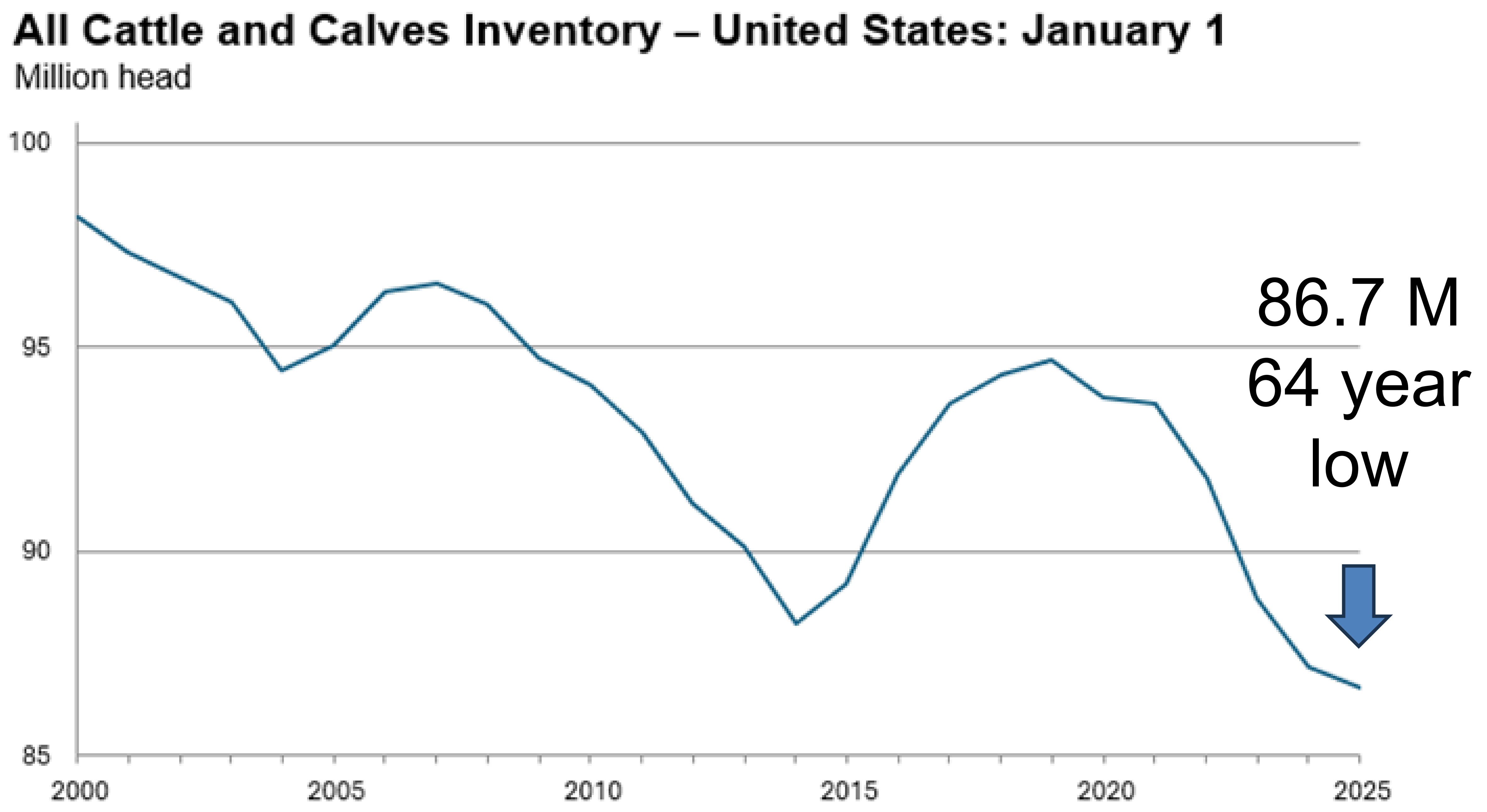
- Korea move into recession if 25% introduced
- Thailand (36%), Malaysia (25%), and the Philippines (20%) all move into recession

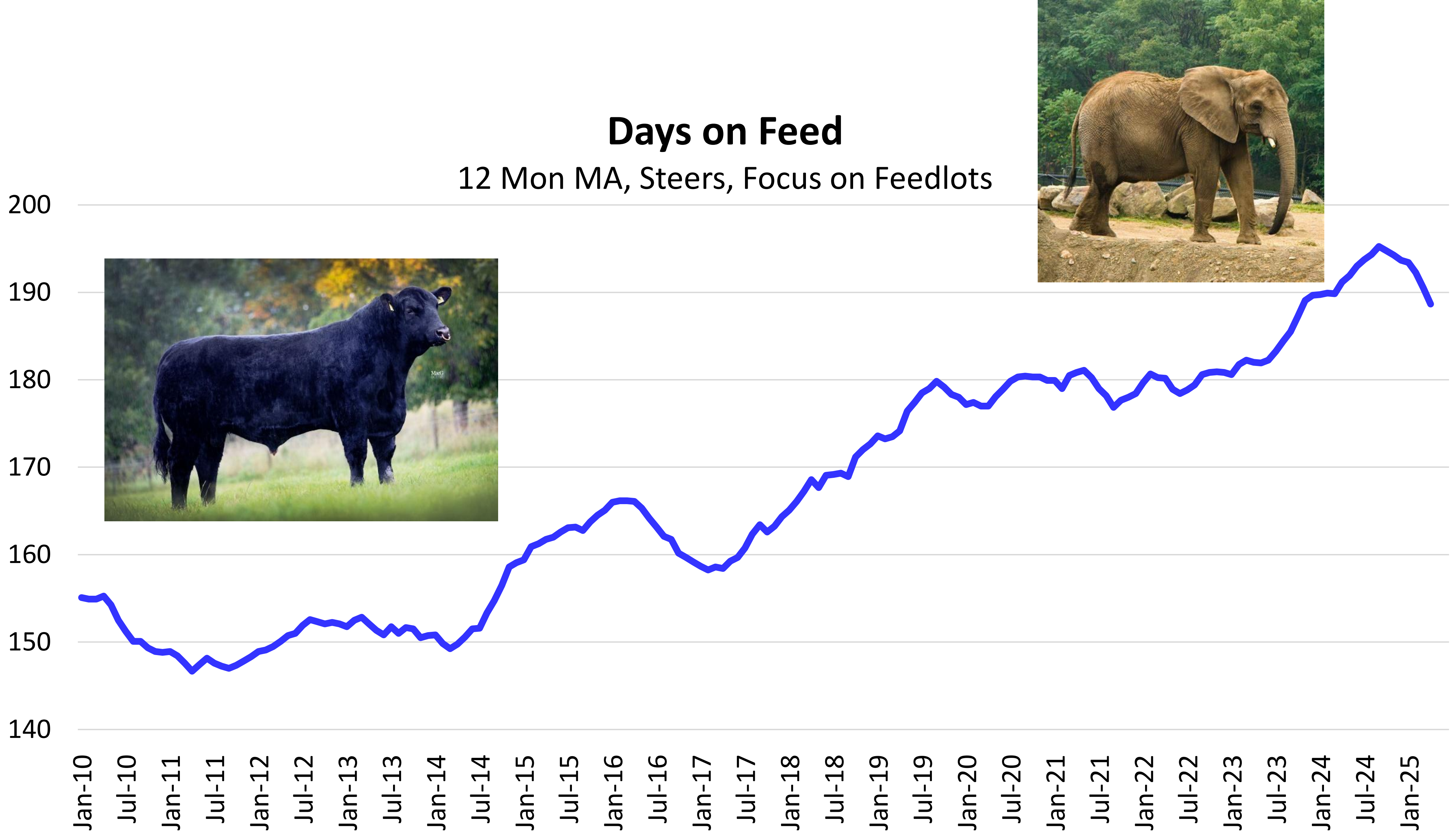
Wins

- This 50% tariff would raise Brazil's overall tariff rate to 76.4%, compared to Australia's current 10% (which is expected to remain at this level).
- Japan avoids recession at 15%.
- Australia maintains a 10% tariff or lower

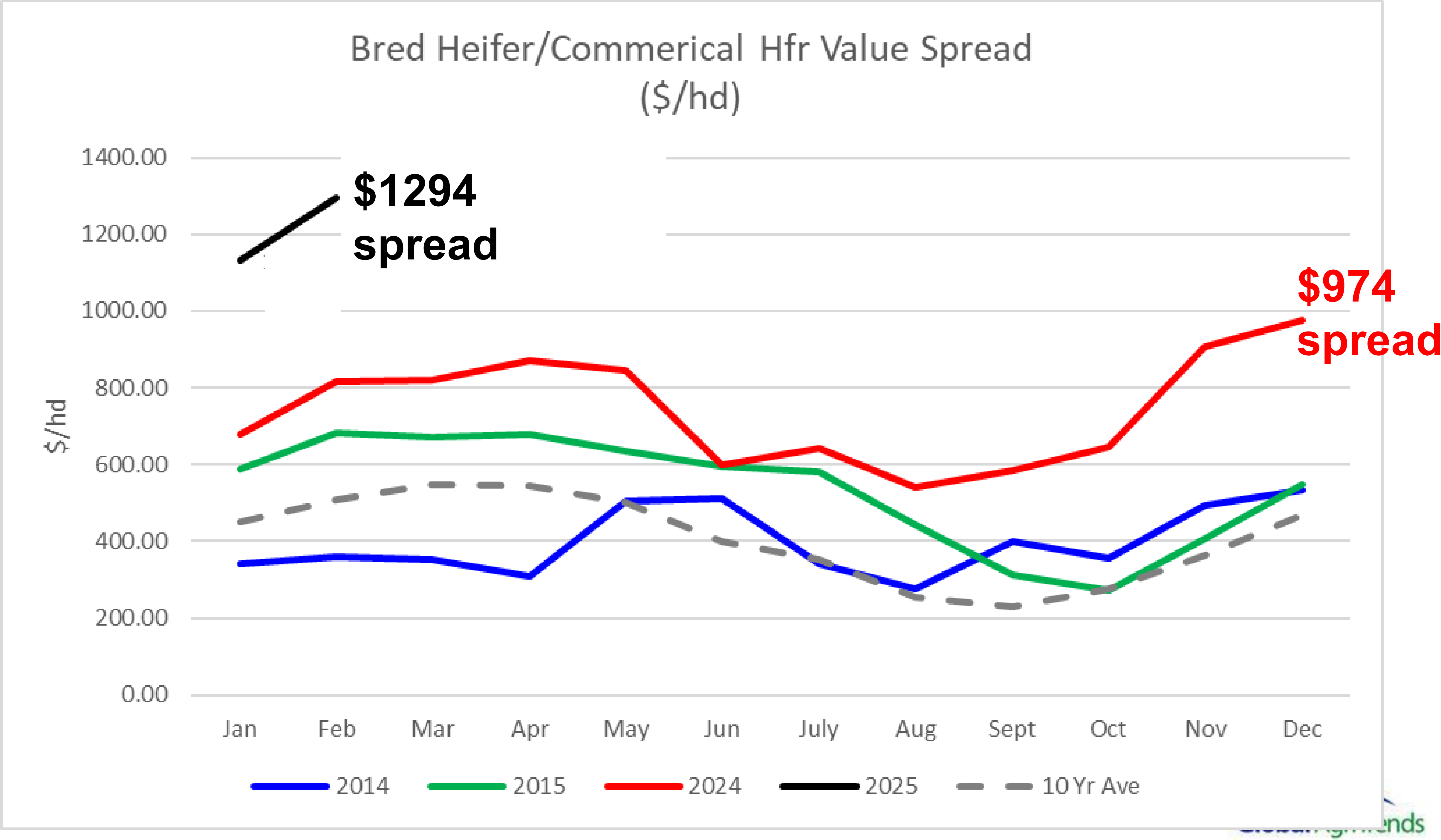
Australia continues the back filling
US rebuild is underway

Global AgriTrends

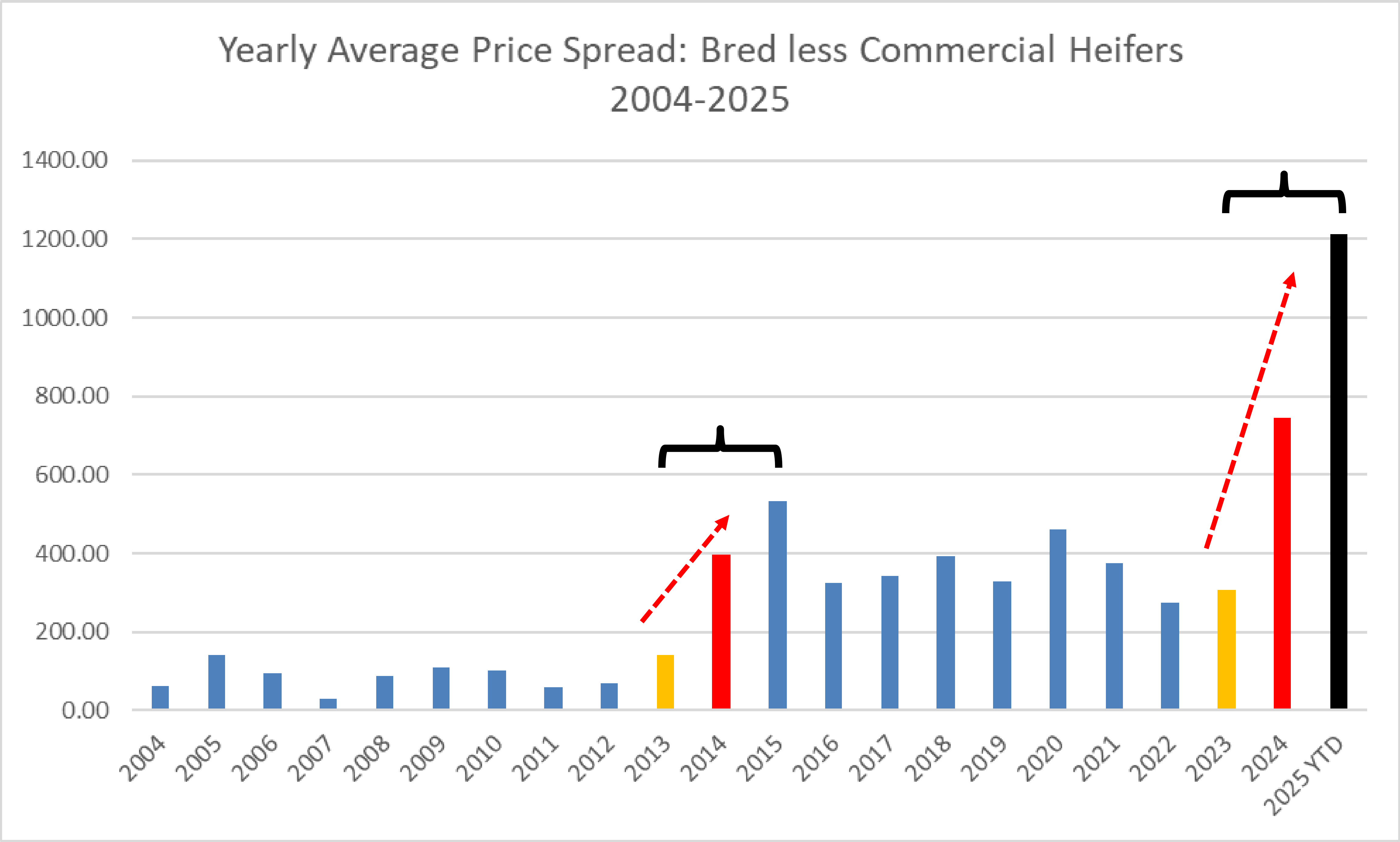

All Cattle and Calves Inventory – United States: January 1
Million head
100
95
90
85
2000
2005
2010
2015
2020
2025
86.7 M
64 year
low
Source - USDA

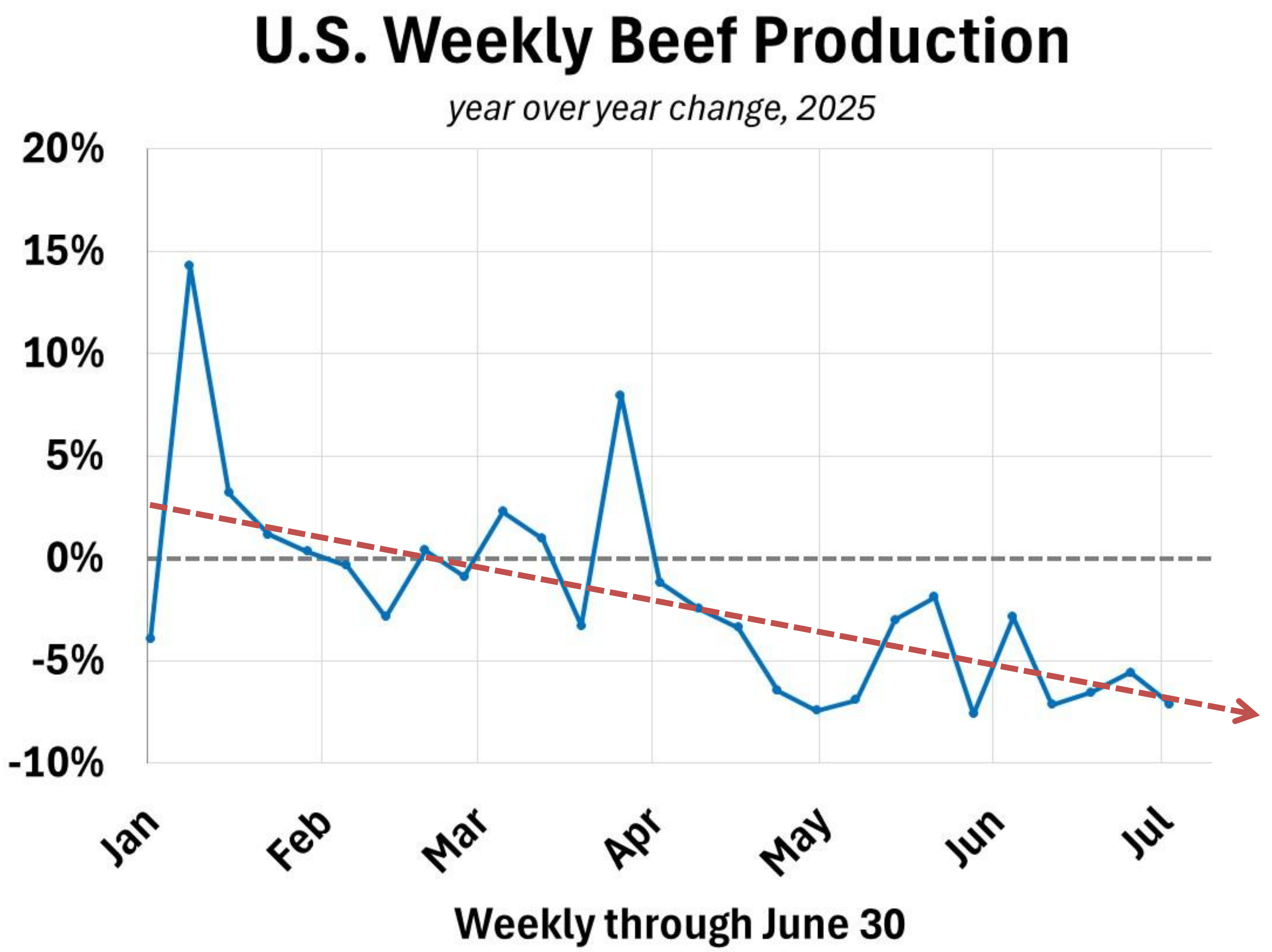


Global AgriTrends



Bred Heifer/Commerical Hfr Value Spread
($/hd)
$1294
spread
$974
spread
1400.00
1200.00
1000.00
800.00
600.00
400.00
200.00
0.00
$/hd
Jan
Feb
Mar
Apr
May
Jun
July
Aug
Sept
Oct
Nov
Dec
2014
2015
2024
2025
10 Yr Ave

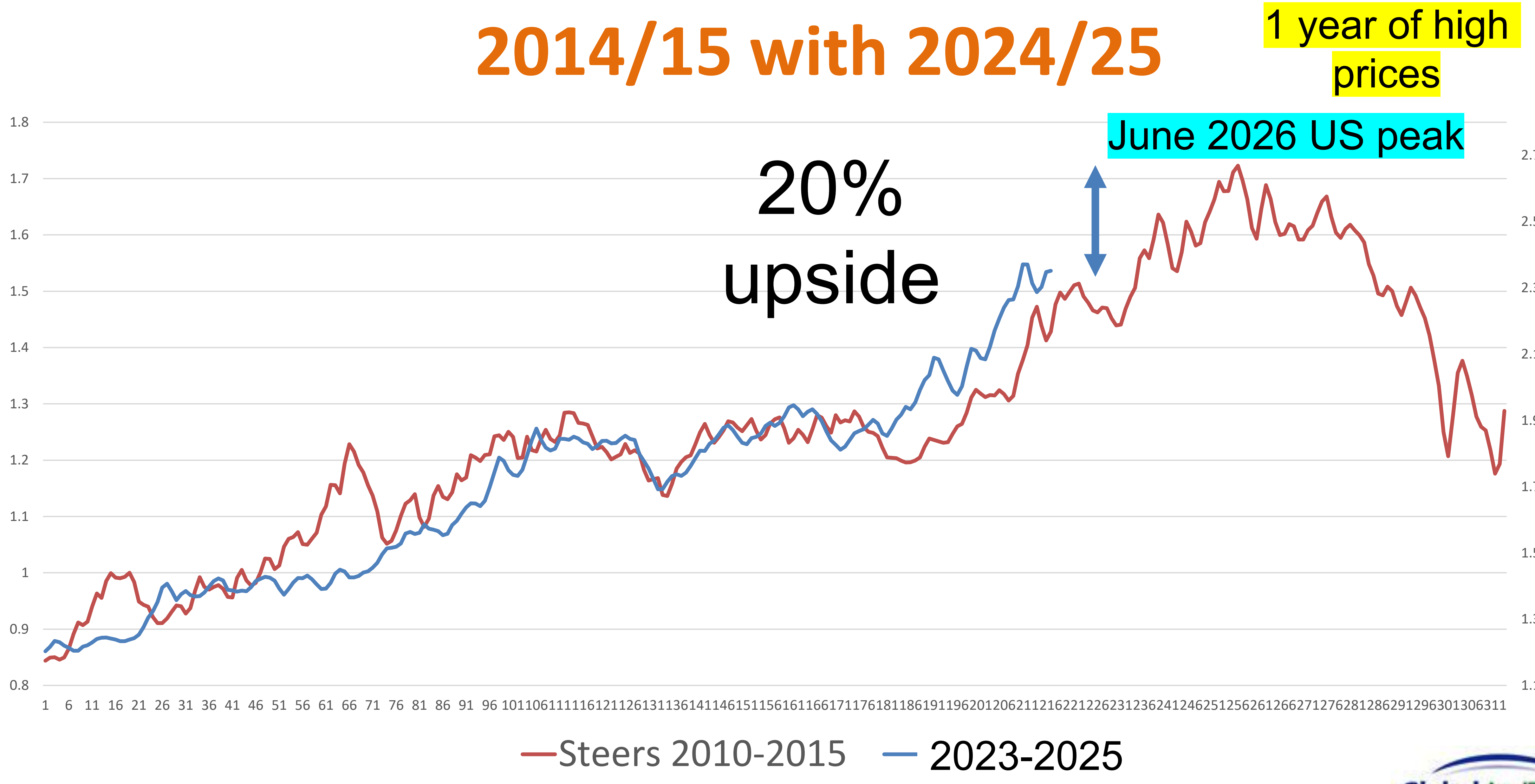

Yearly Average Price Spread: Bred less Commercial Heifers
2004-2025
1400.00
1200.00
1000.00
800.00
600.00
400.00
200.00
0.00
2004
2005
2006
2007
2008
2009
2010
2011
2012
2013
2014
2015
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025 YTD



Source: USDA

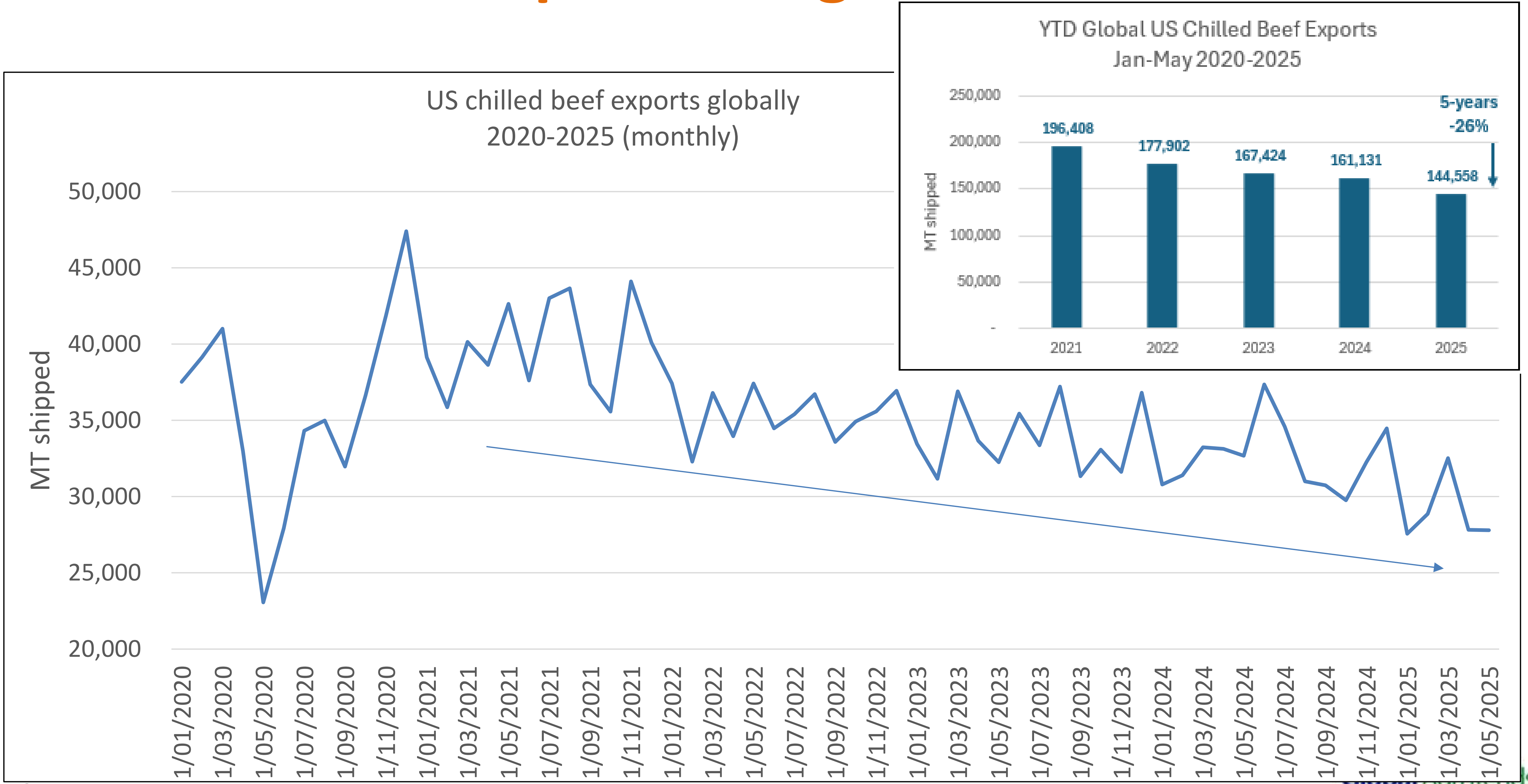
Global AgriTrends

US fed cattle comparison 2014/15 with 2024/25



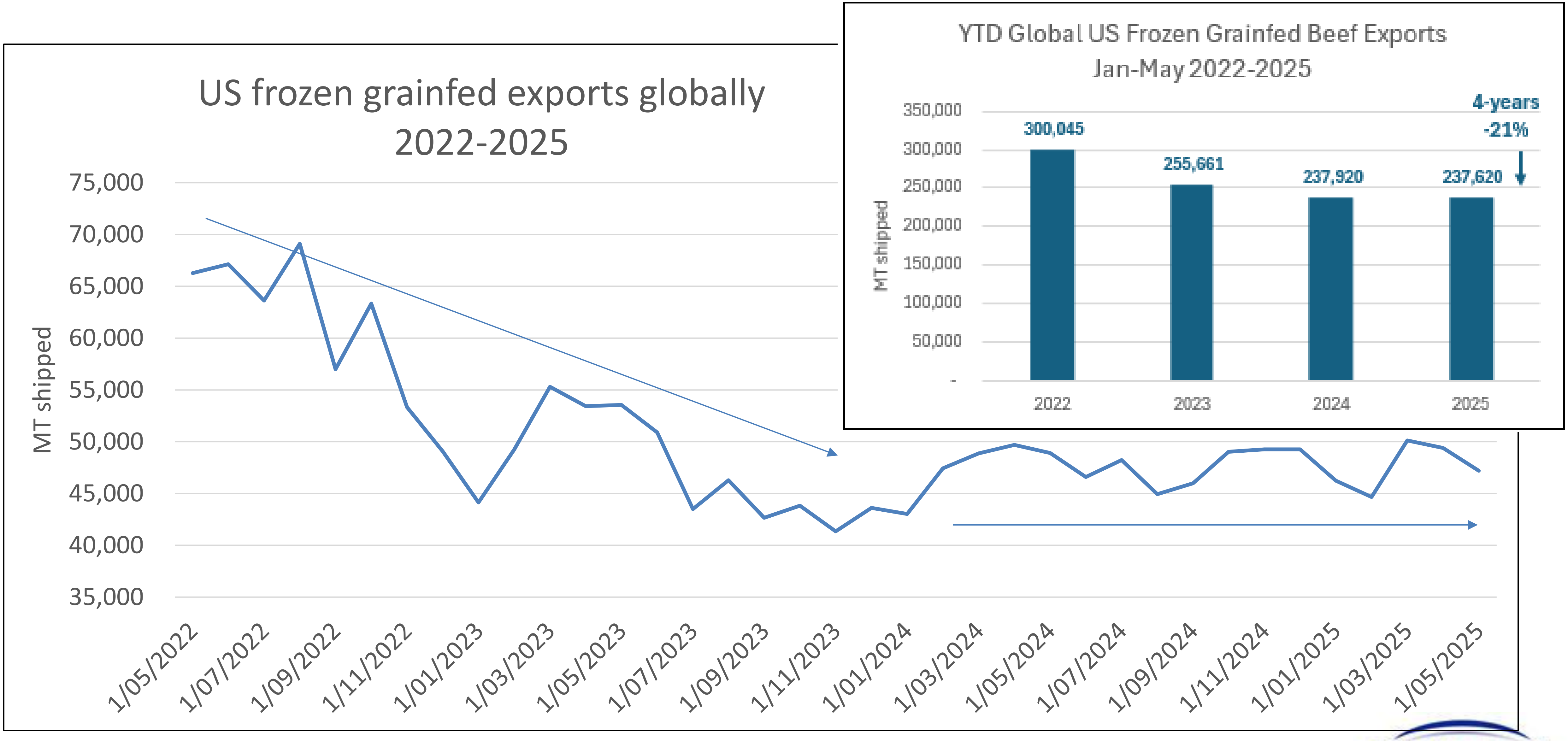
Global AgriTrends

US chilled beef exports fall globally

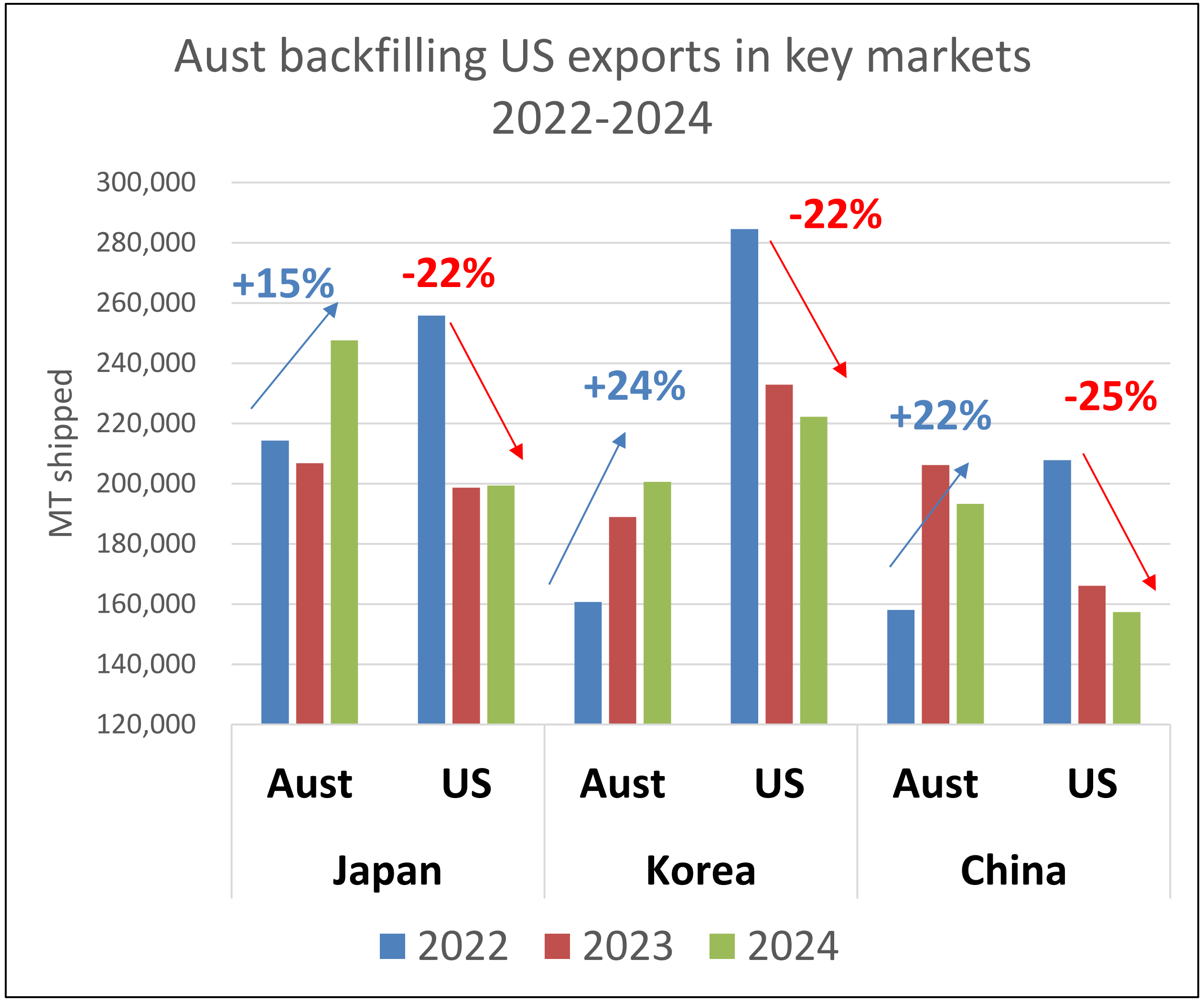


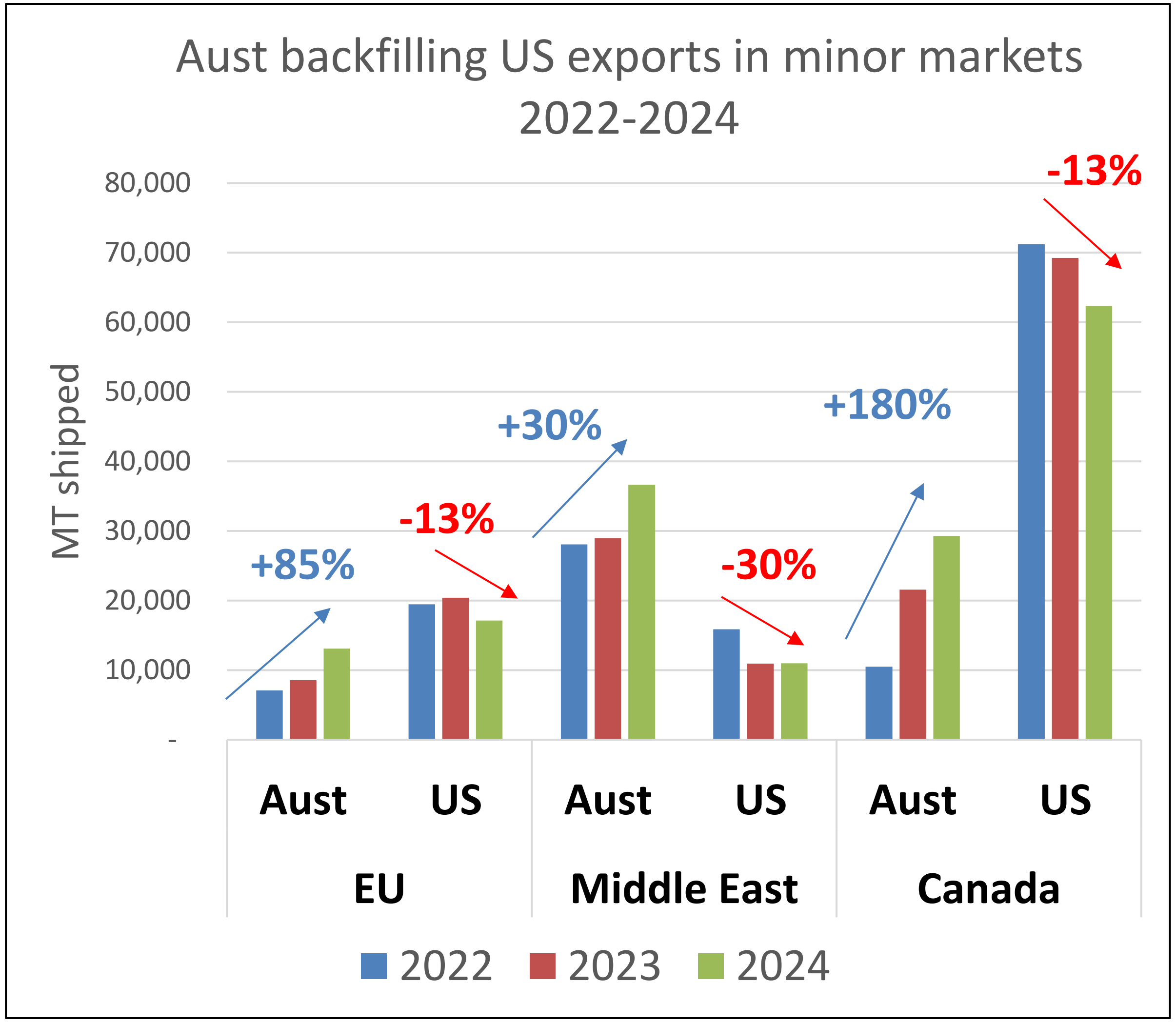
Source – TDM/AgriTrends

US frozen grainfed beef exports on the decline



Australia's role in backfilling the US

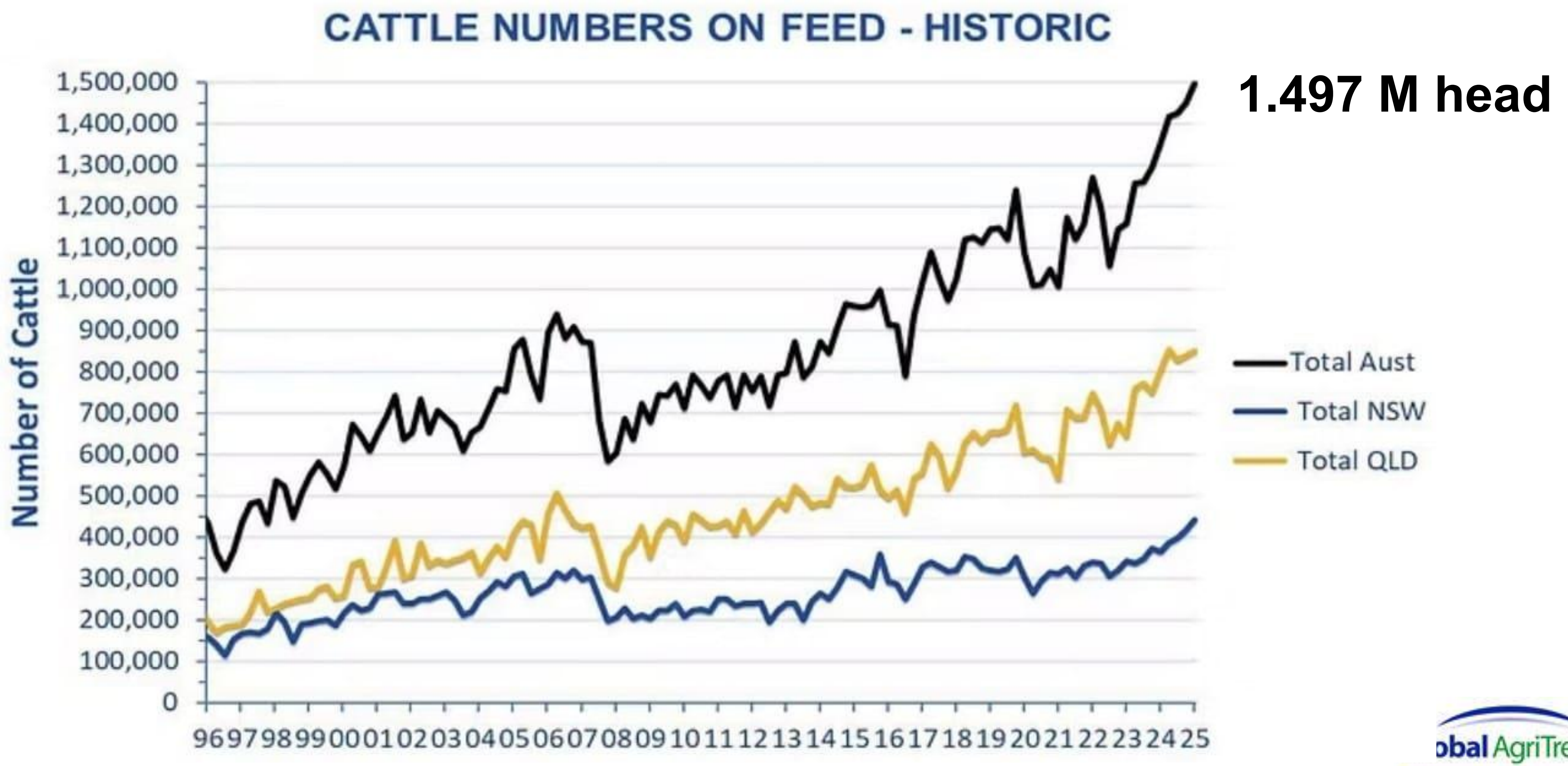




Global AgriTrends

Backfilling has led to record Australian on feed

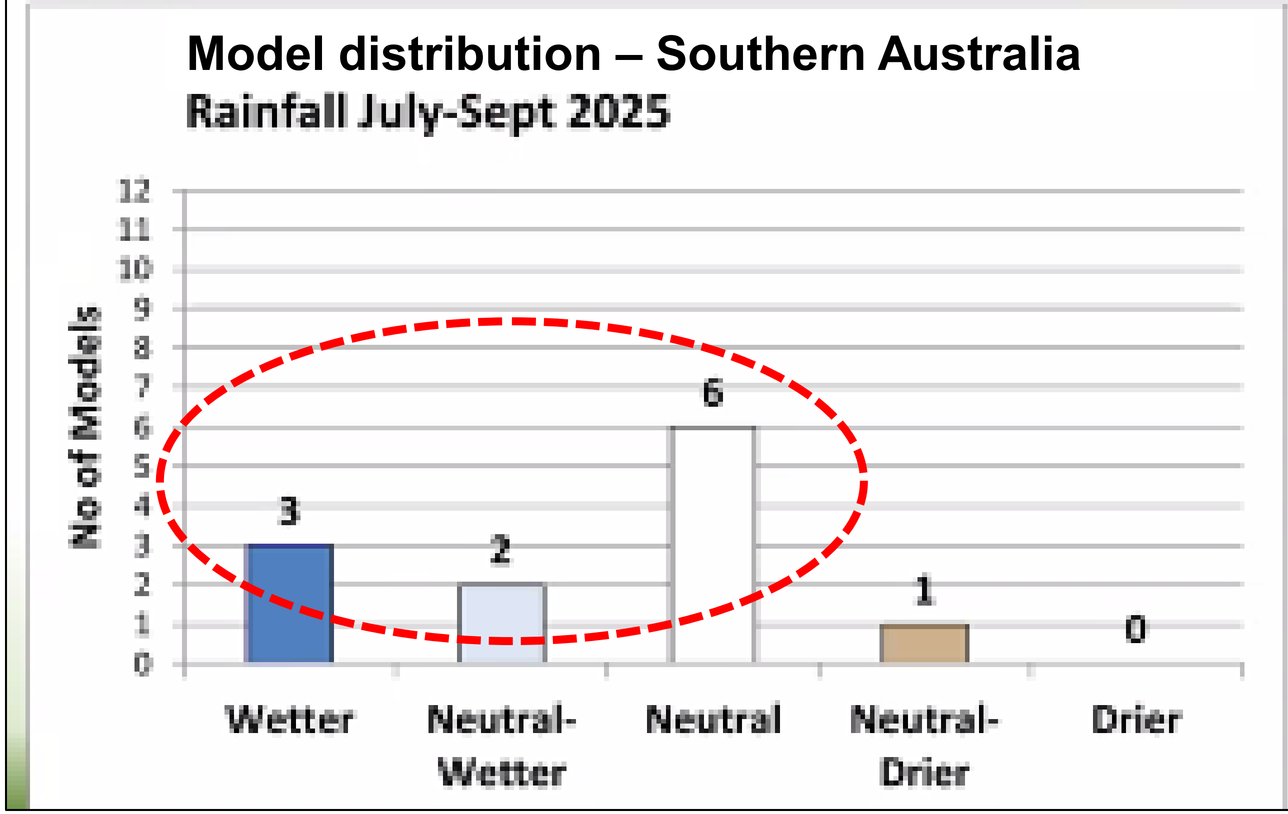
Australia has record cattle on feed

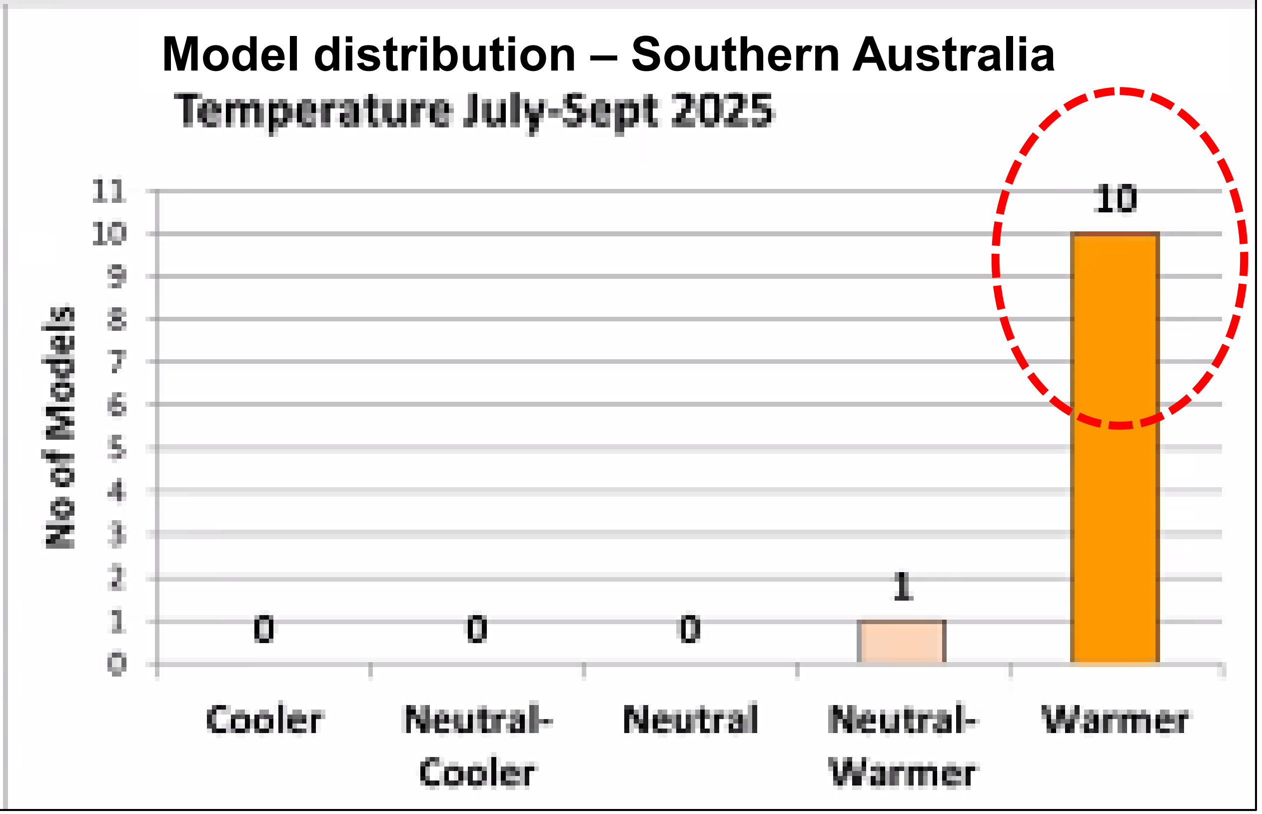


obal AgriTrends

Rainfall in Southern Australia to improve

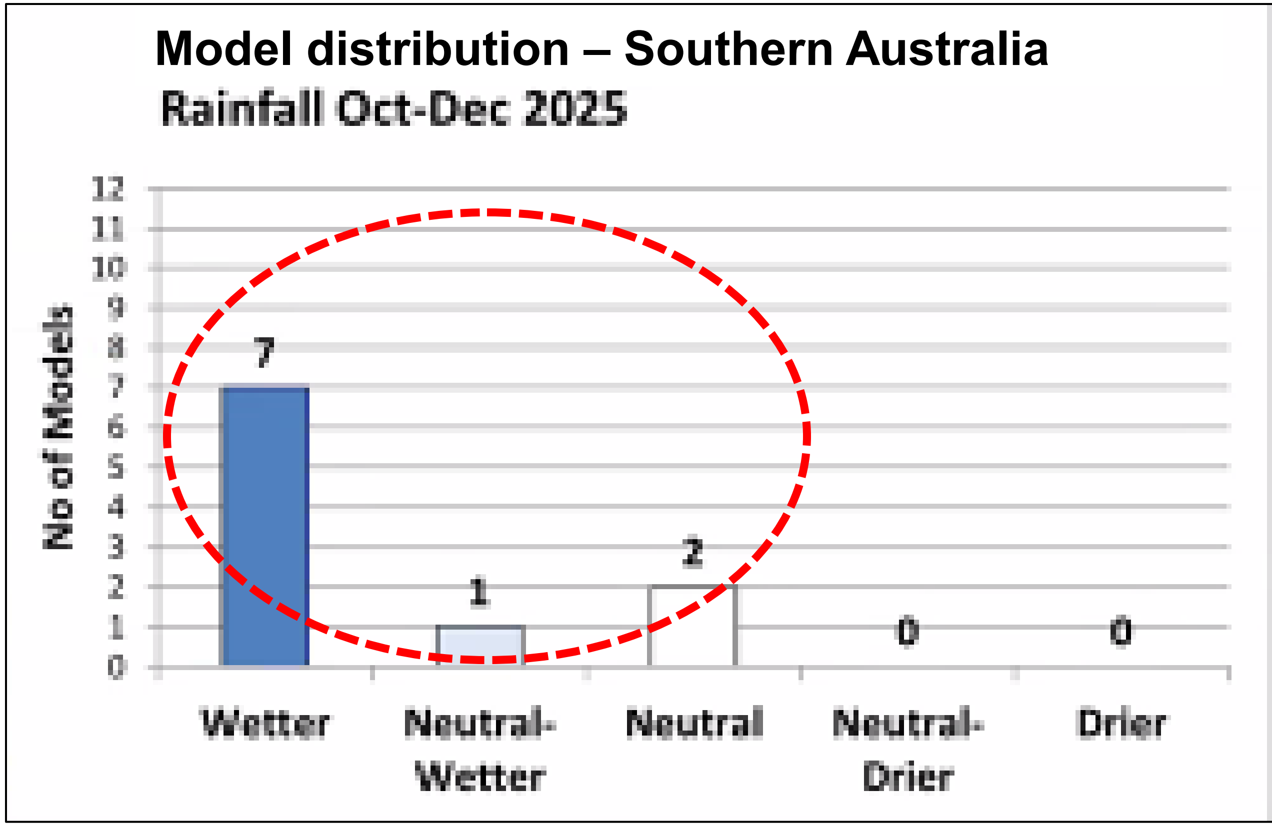
12 models' prediction – July to Sept

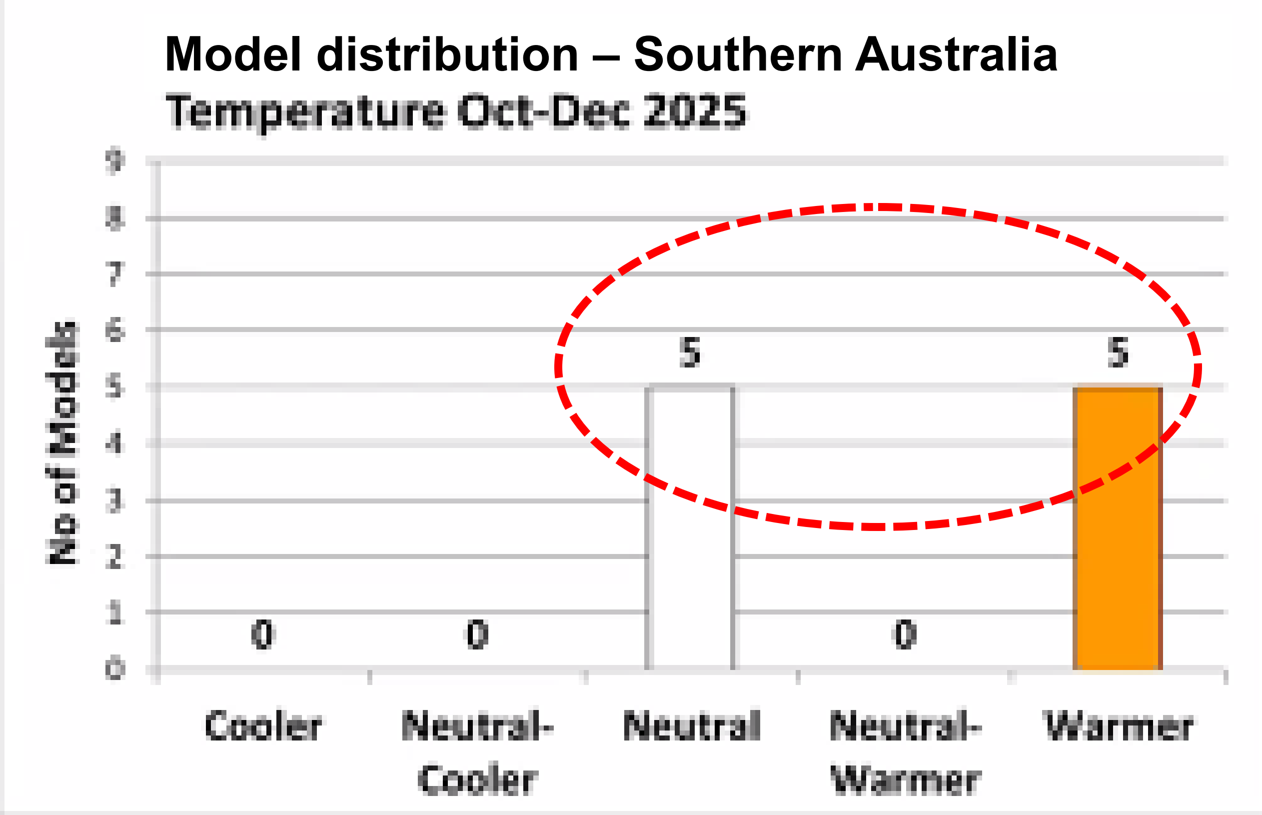




Global AgriTrends

12 models' prediction – Oct to Dec



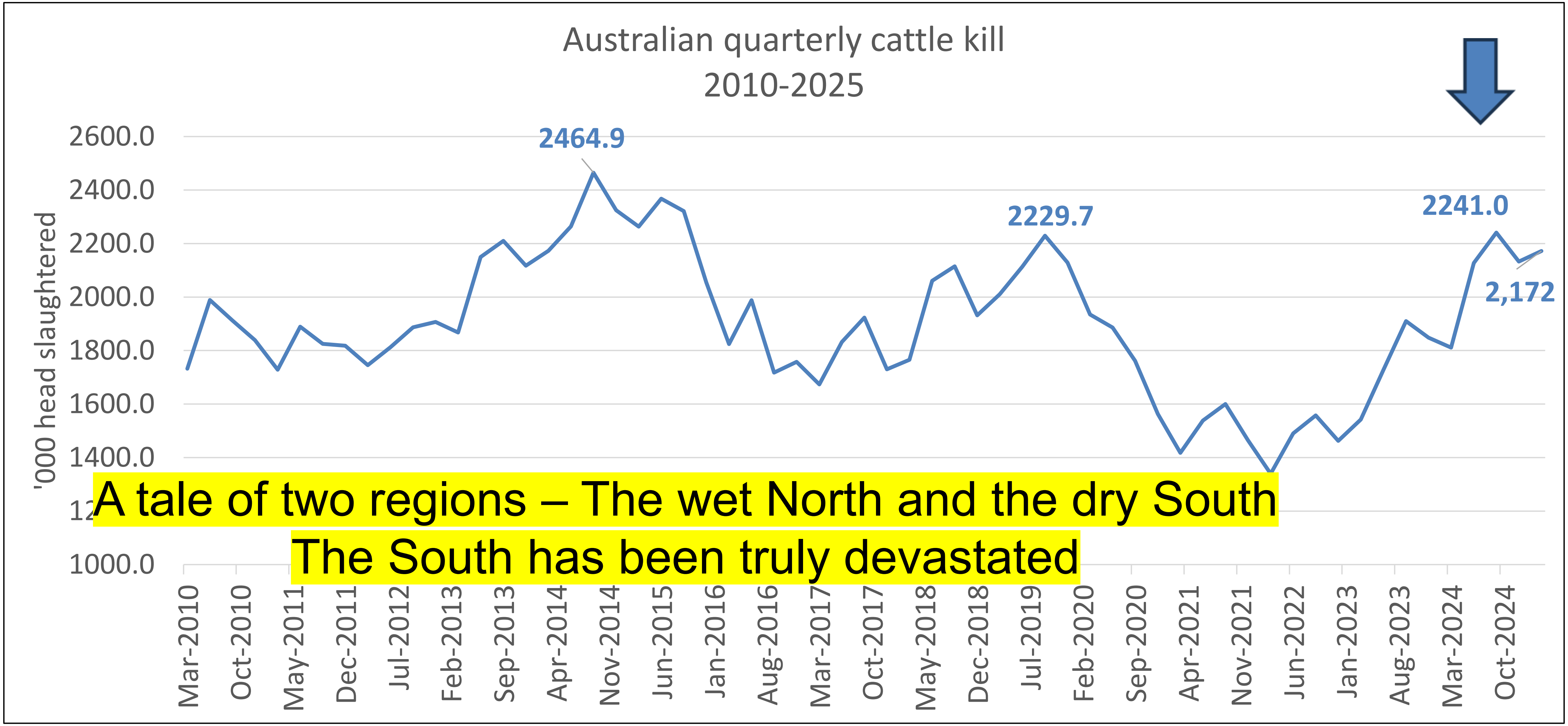


Global AgriTrends

Moving from a supply-driven market to a demand-driven market

Australia’s rebuild is close – last week’s ABS data

ABS Q4 beef slaughter



A tale of two regions – The wet North and the dry South

The South has been truly devastated

Source - ABS

Female kill ratio for Australia by state

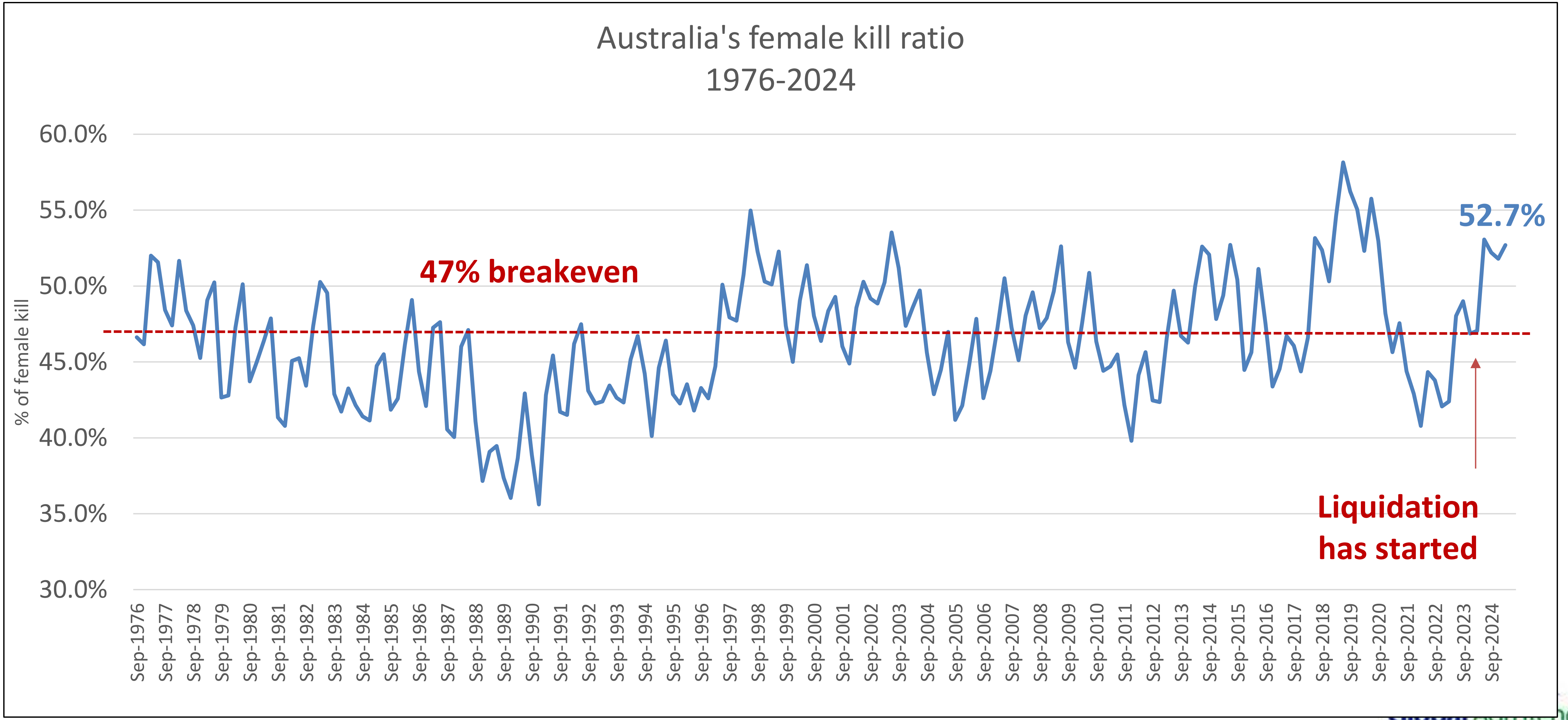
Dec 2024 quarter

State	QLD	NSW	VIC	SA	WA	TAS	Australia
Current female kill %	39.2%	58.8%	68.8%	44.0%	58.6%	50.2%	51.8%
Breakeven ratio	40.3%	48.7%	56.6%	45.9%	53.5%	55.2%	47.0%
Status	On hold	Contraction	Contraction	Expansion	Contraction	Expansion	Contraction

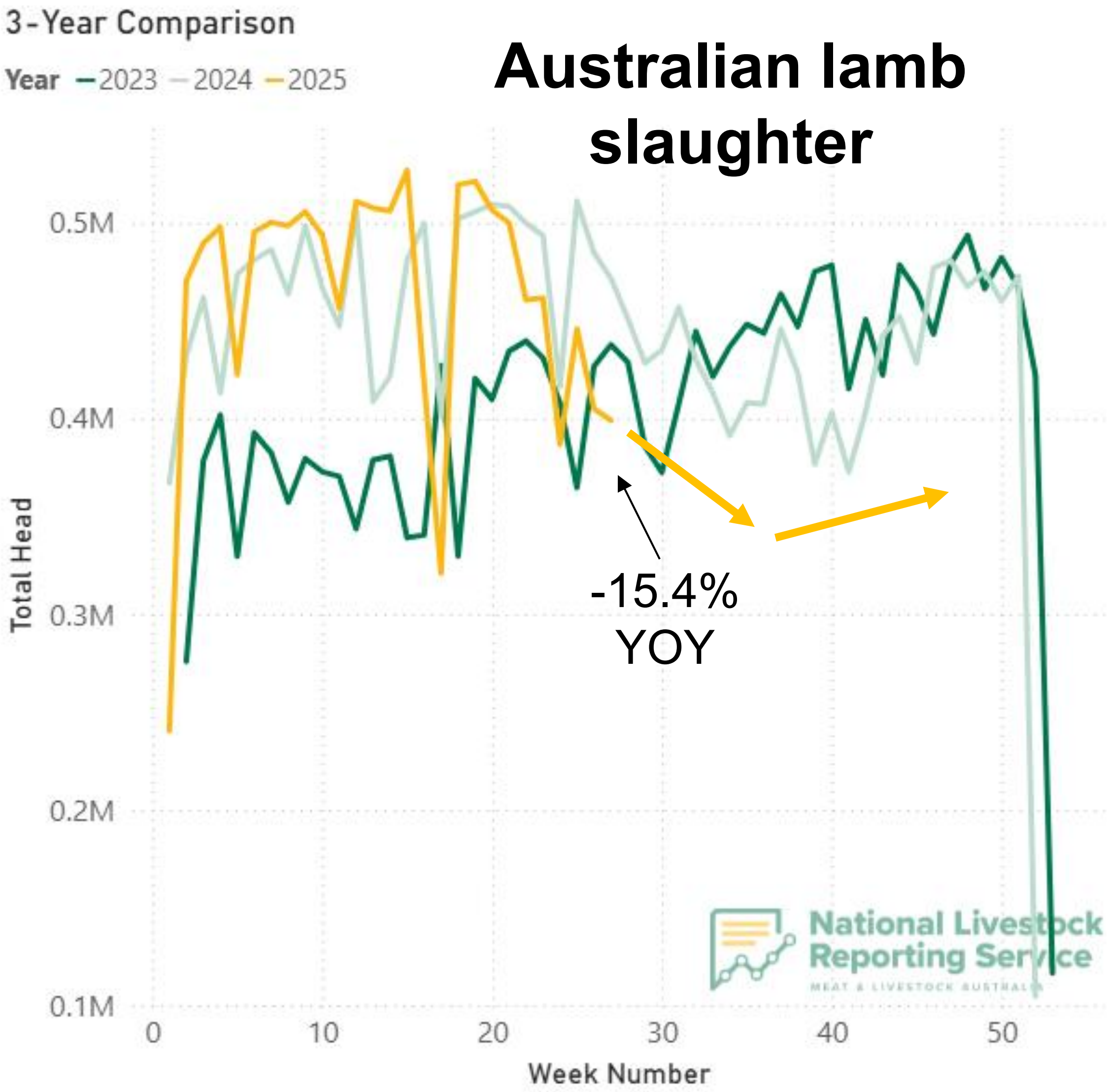
Jan 2025 quarter

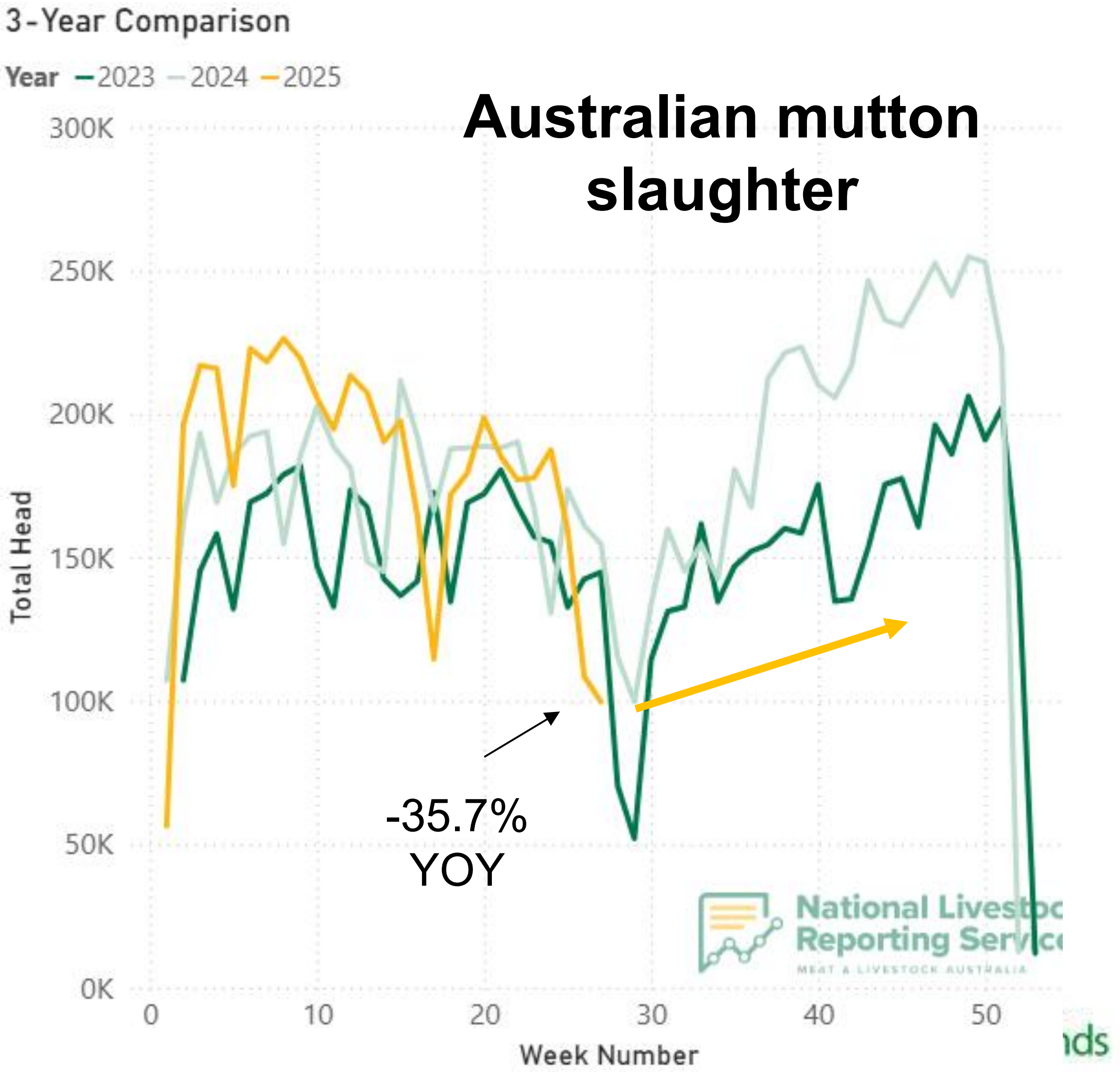
State	QLD	NSW	VIC	SA	WA	TAS	Australia
Current female kill %	39.7%	57.8%	69.7%	48.8%	60.3%	50.7%	52.7%
Breakeven ratio	40.3%	48.7%	56.6%	45.9%	53.5%	55.2%	47.0%
Status	On hold	Contraction	Contraction	Contraction	Contraction	Expansion	Contraction

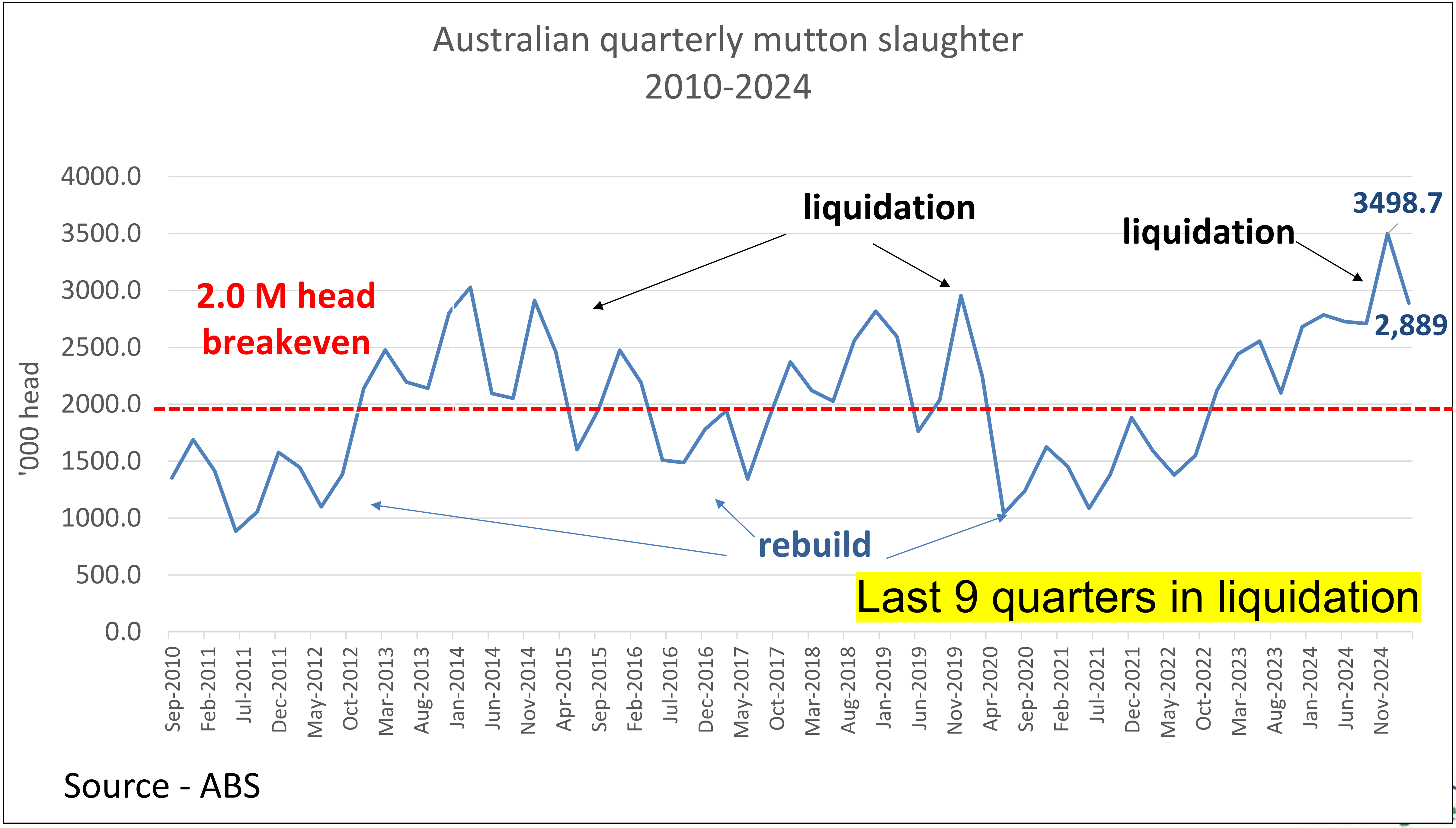
How long will it last?



Lamb and mutton slaughter falls fast

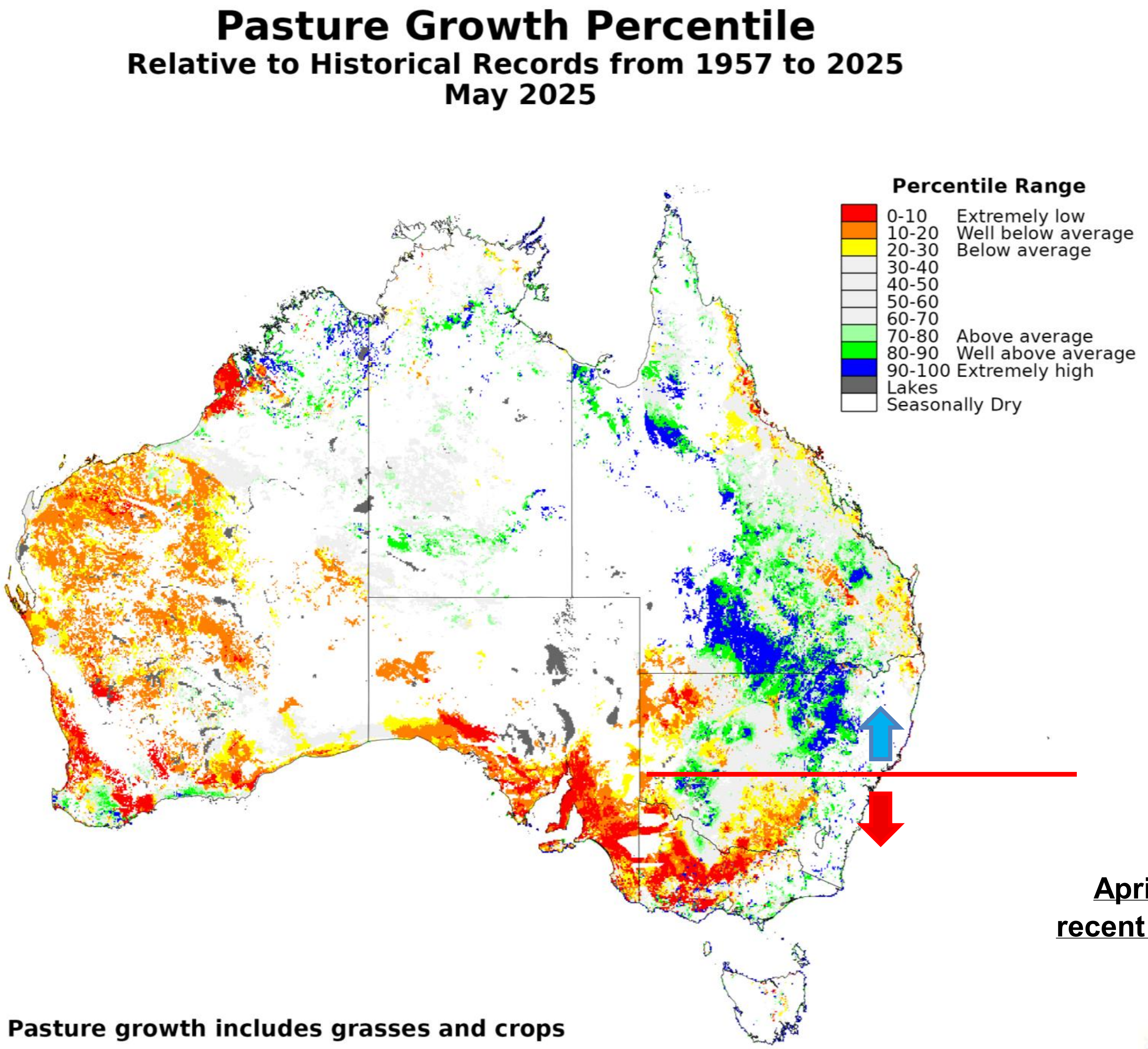





Australian quarterly mutton slaughter
2010-2024
'000 head
4000.0
3500.0
3000.0
2500.0
2000.0
1500.0
1000.0
500.0
0.0
2.0 M head
breakeven
liquidation
liquidation
3498.7
2,889
rebuild
Last 9 quarters in liquidation
Sep-2010
Feb-2011
Jul-2011
Dec-2011
May-2012
Oct-2012
Mar-2013
Aug-2013
Jan-2014
Jun-2014
Nov-2014
Apr-2015
Sep-2015
Feb-2016
Jul-2016
Dec-2016
May-2017
Oct-2017
Mar-2018
Aug-2018
Jan-2019
Jun-2019
Nov-2019
Apr-2020
Sep-2020
Feb-2021
Jul-2021
Dec-2021
May-2022
Oct-2022
Mar-2023
Aug-2023
Jan-2024
Jun-2024
Nov-2024
Source - ABS

A tale of two regions
North versus the South

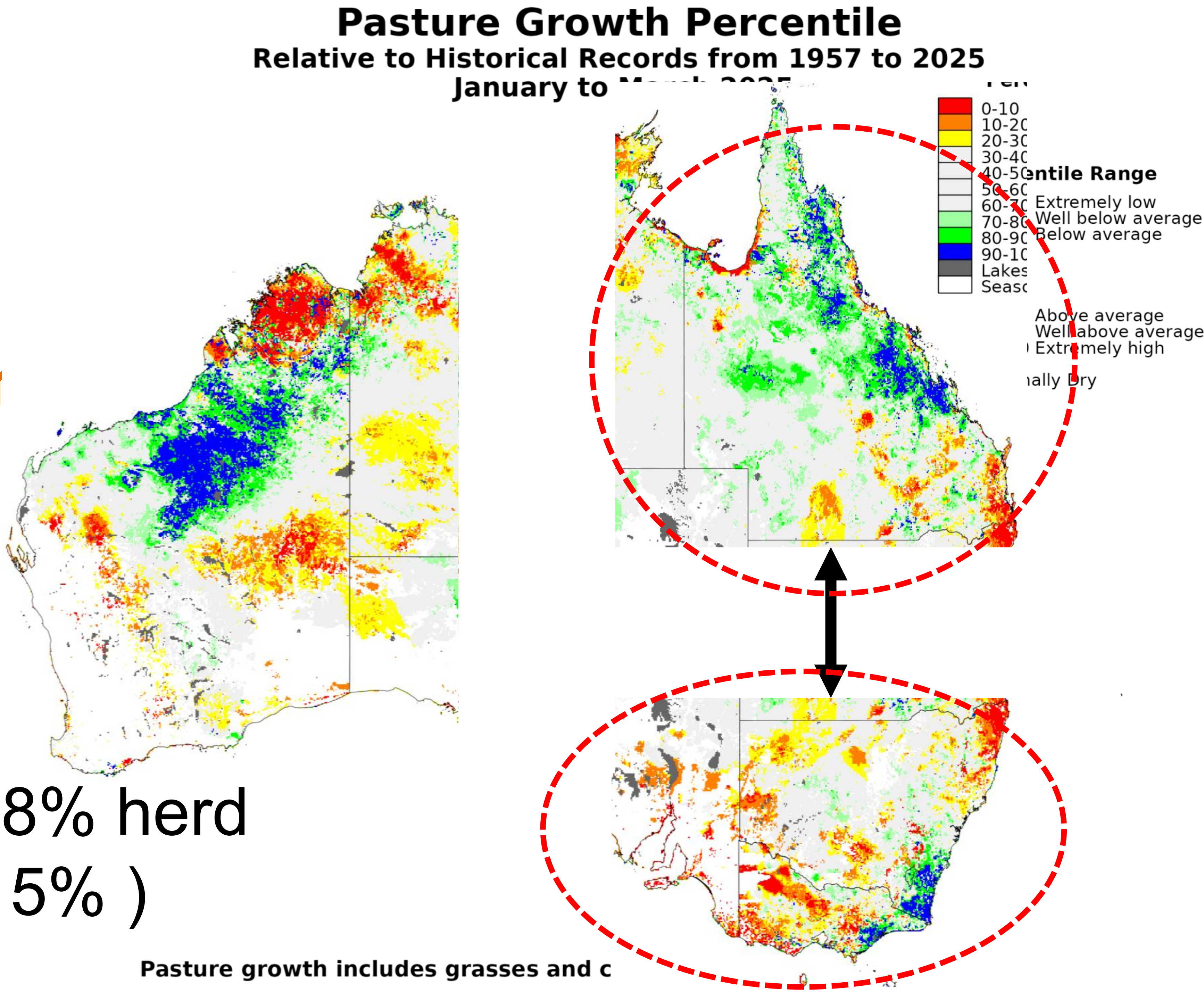
May pasture conditions



April – most recent conditions

Global AgriTrends

Q1 pasture conditions Jan Mar 2025



Total herd

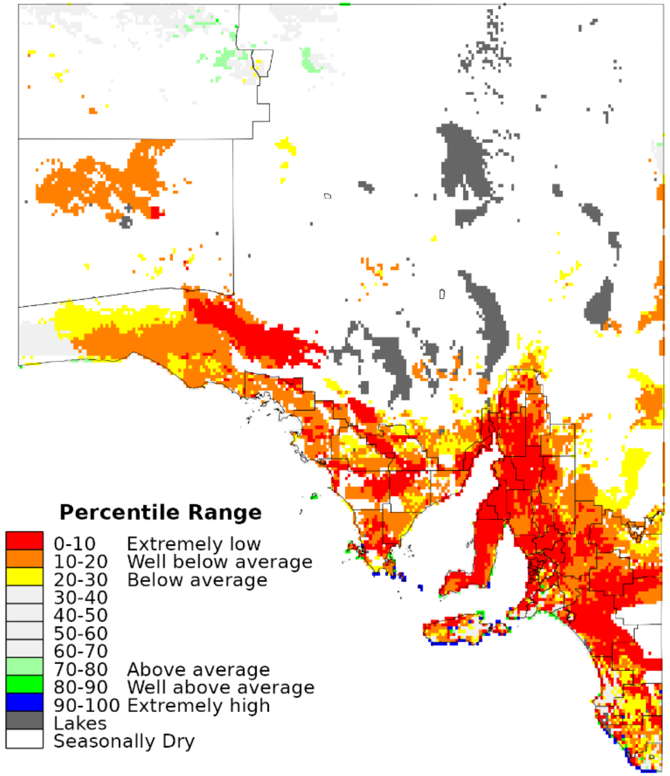
QLD = 44% herd

VIC/NSW/SA = 38% herd

(Dairy is close to 5%)

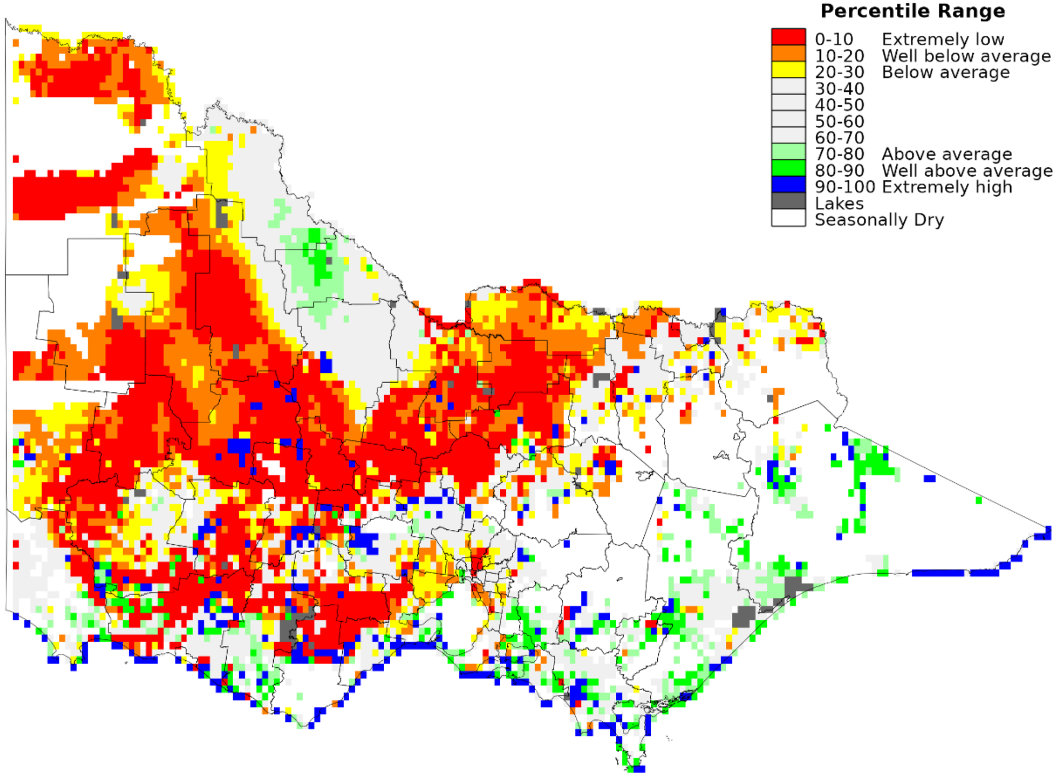
The Southern situation

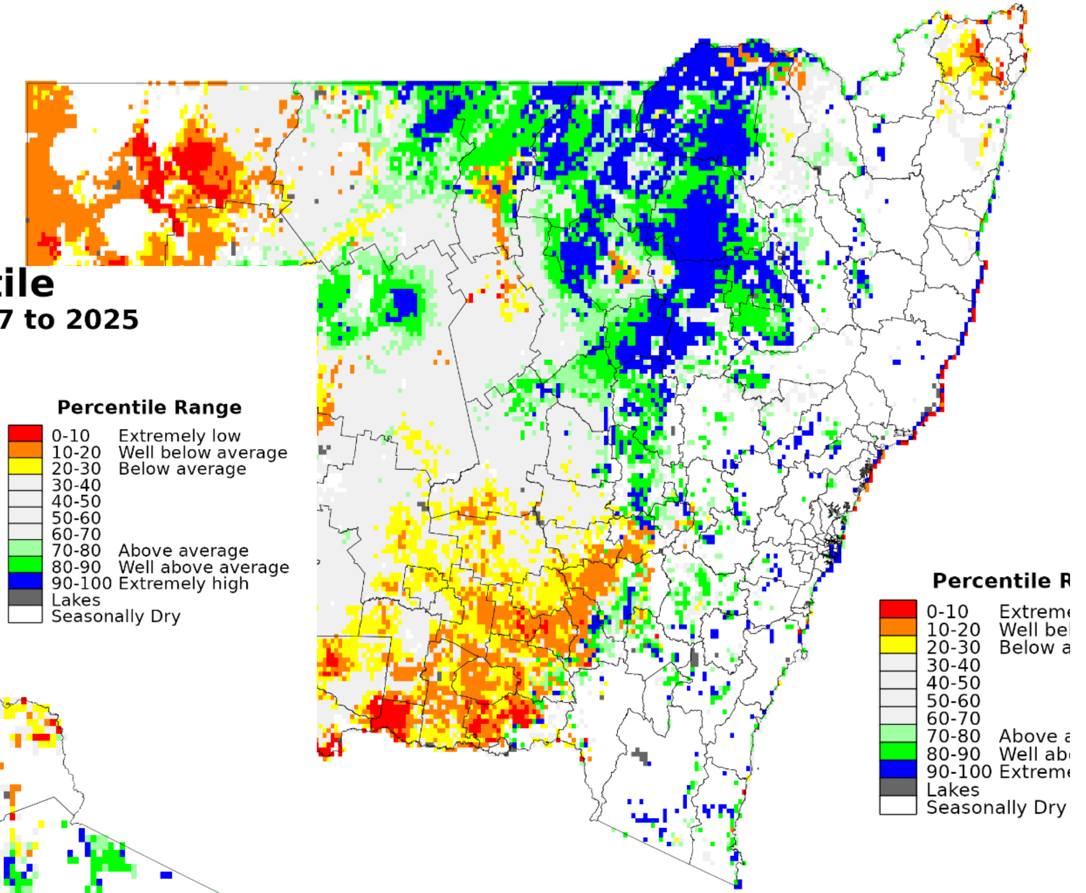
Pasture growth over the last year poor in South



Pasture growth includes grasses and crops

Pasture Growth Percentile
Relative to Historical Records from 1957 to 2025
May 2025



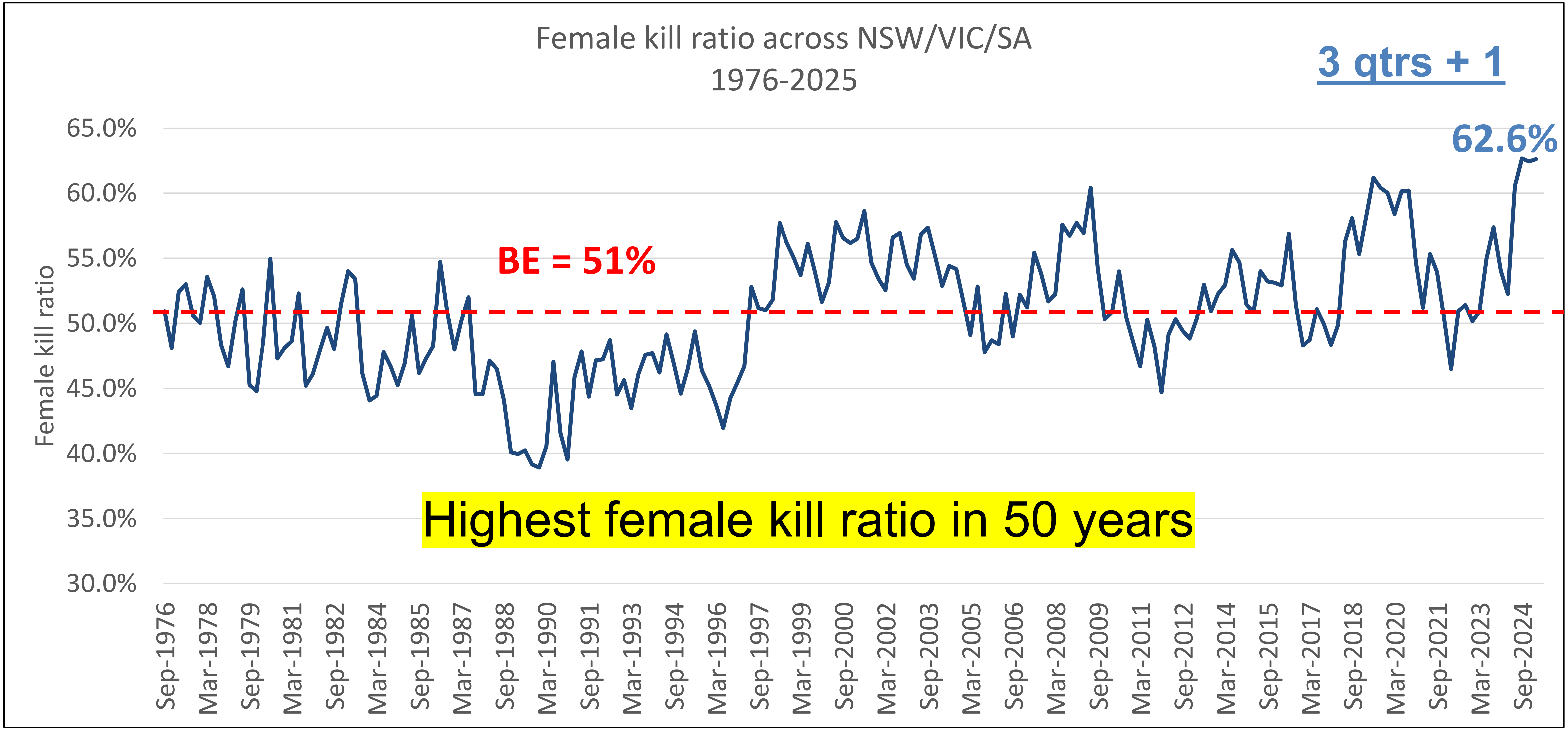


TASSY TO BE ADDED

Source – Long Paddock, QLD

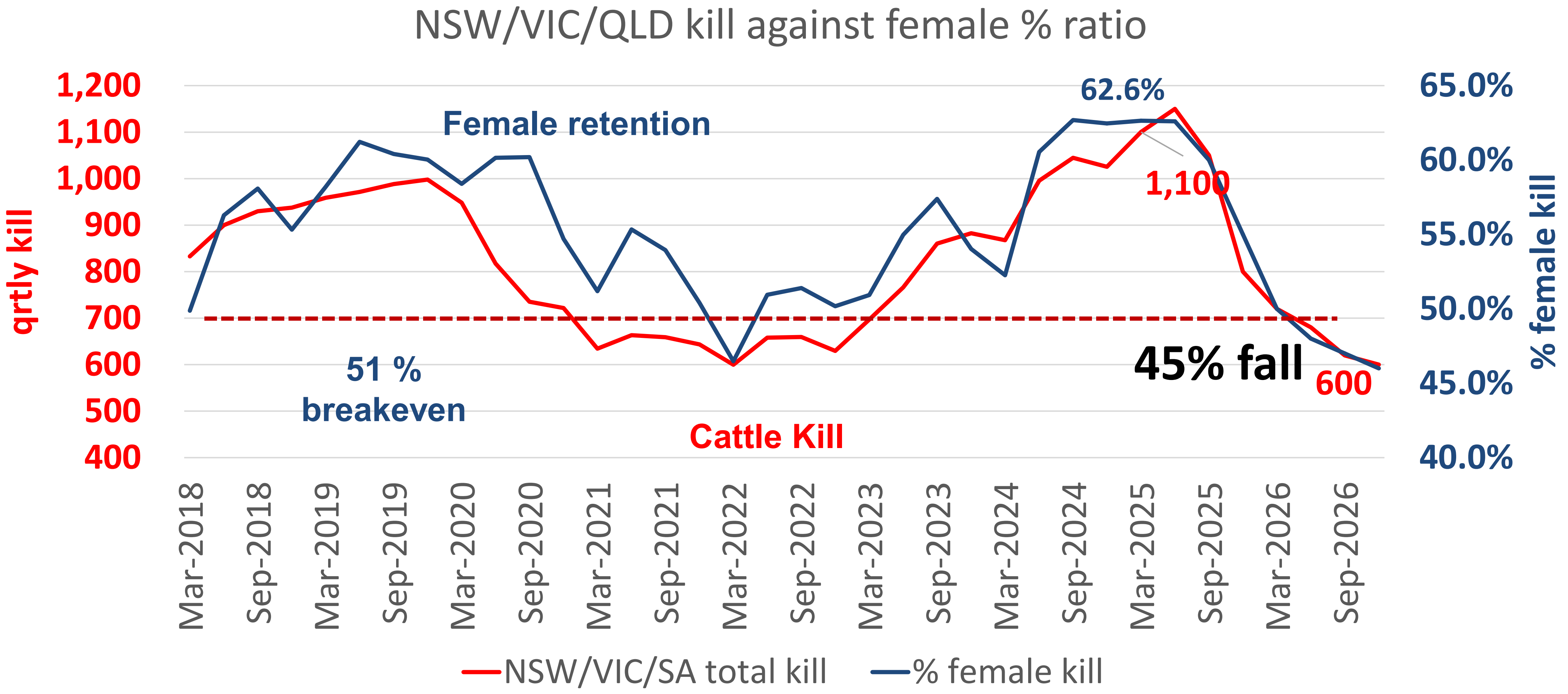
Global AgriTrends

Female losses in Southern Australia unprecedented



Global AgriTrends

Kills in the past have fallen 40% in NSW/VIC/SA with rebuild over



Global AgriTrends

Summary based on weighted average across VIC/NSW/QLD

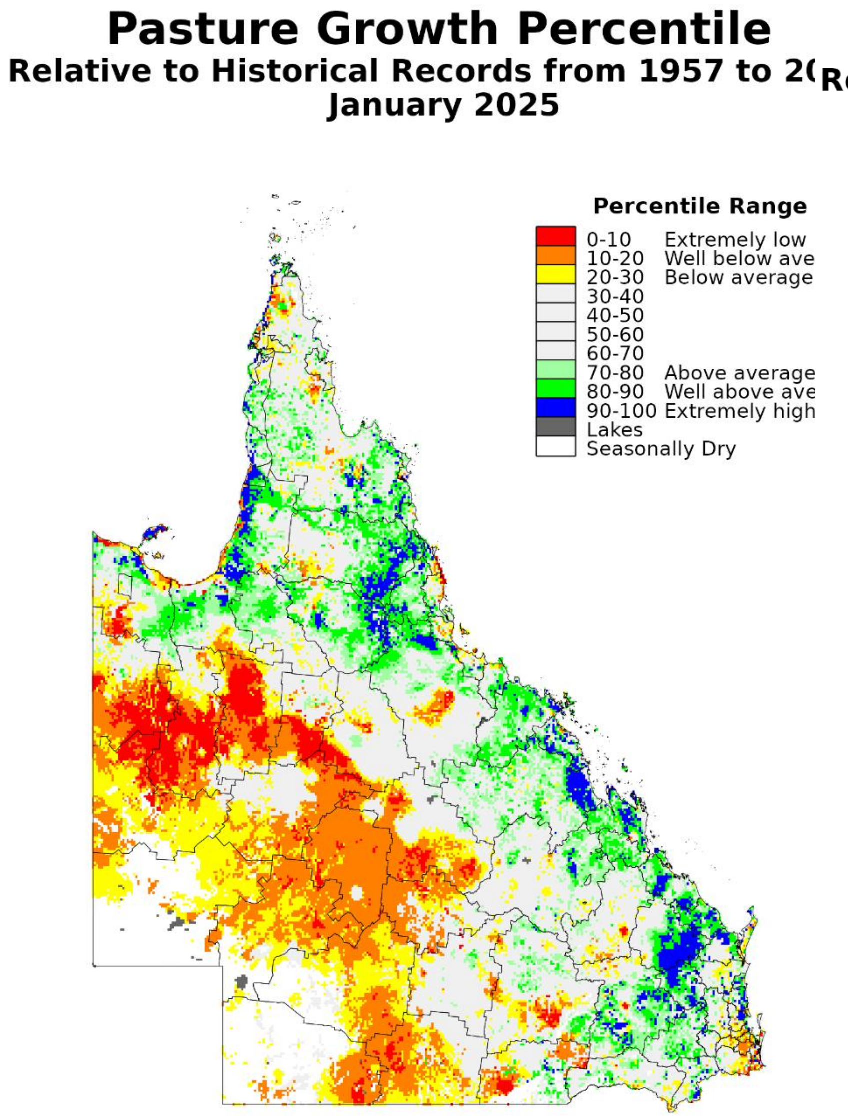
	NSW/VIC/SA Weighted average
Females influenced by Angus	77%
Females that composed Angus	73%
Bulls influenced by Angus	74%
Bulls that composed Angus	74%

QLD 13% Angus composition

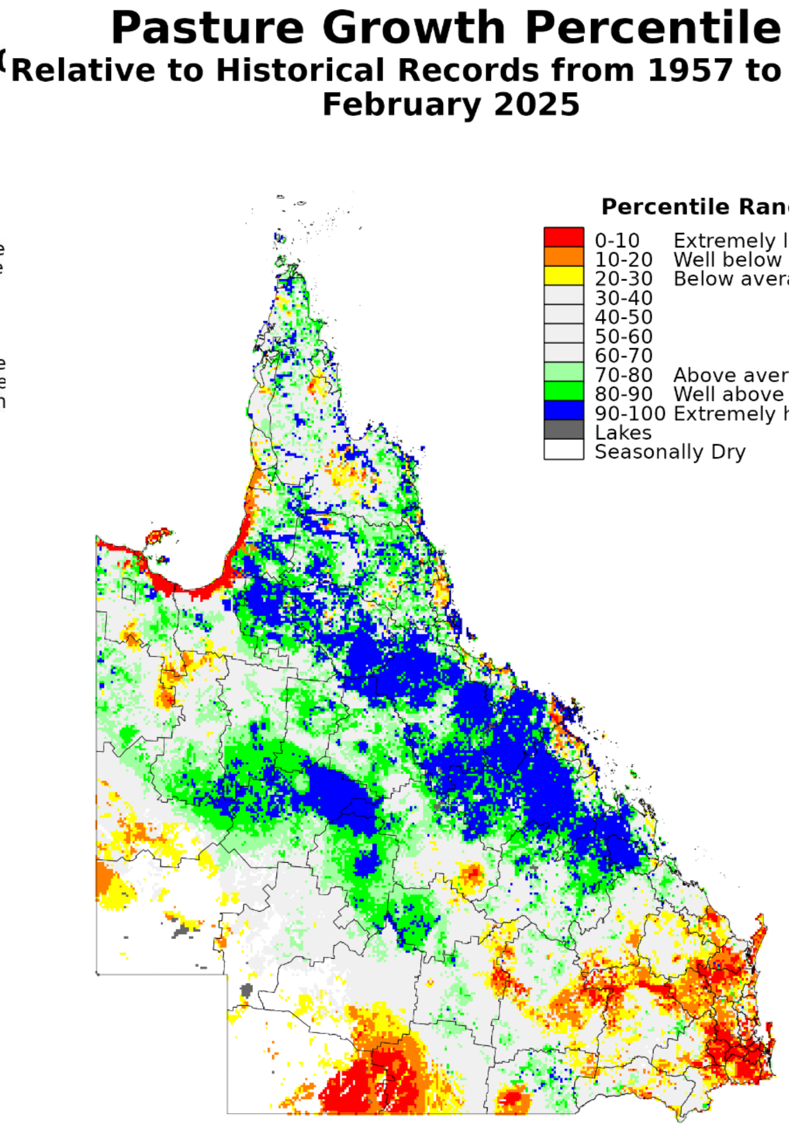
Source – Angus Australia/MLA

The Northern Situation

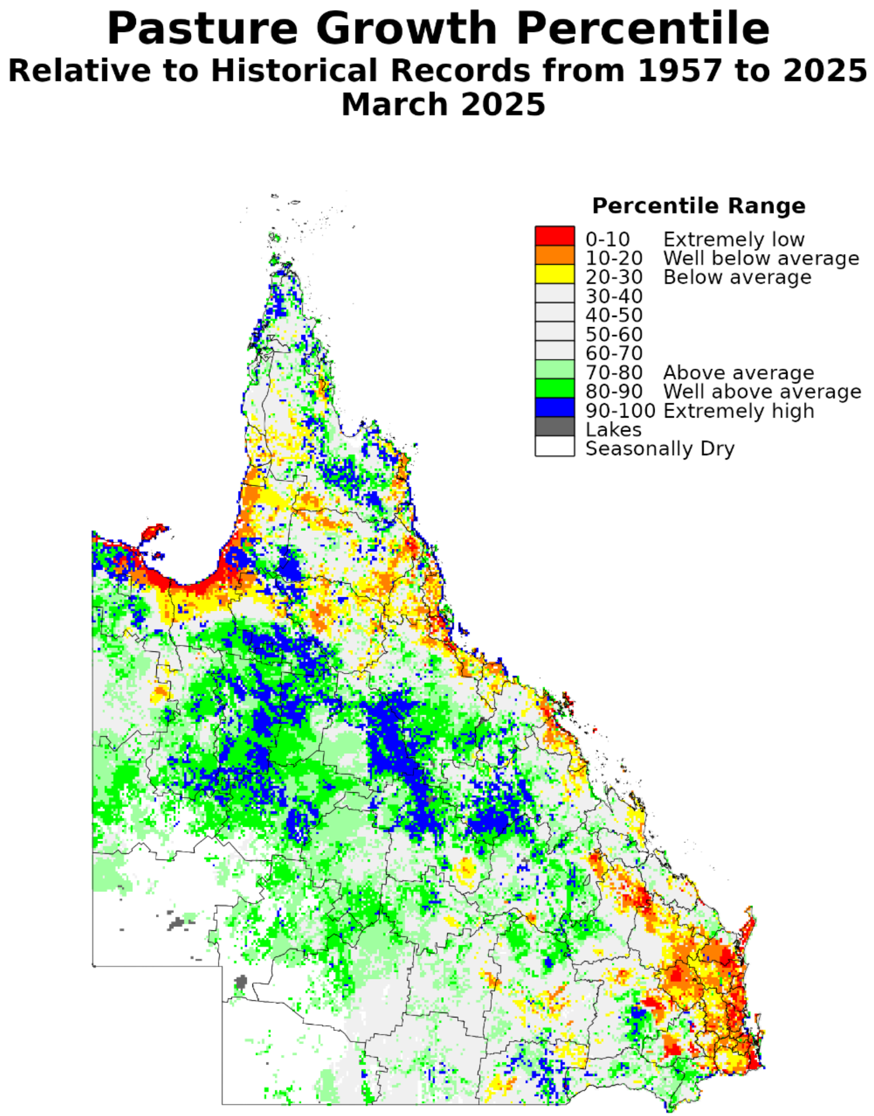
Jan 2025



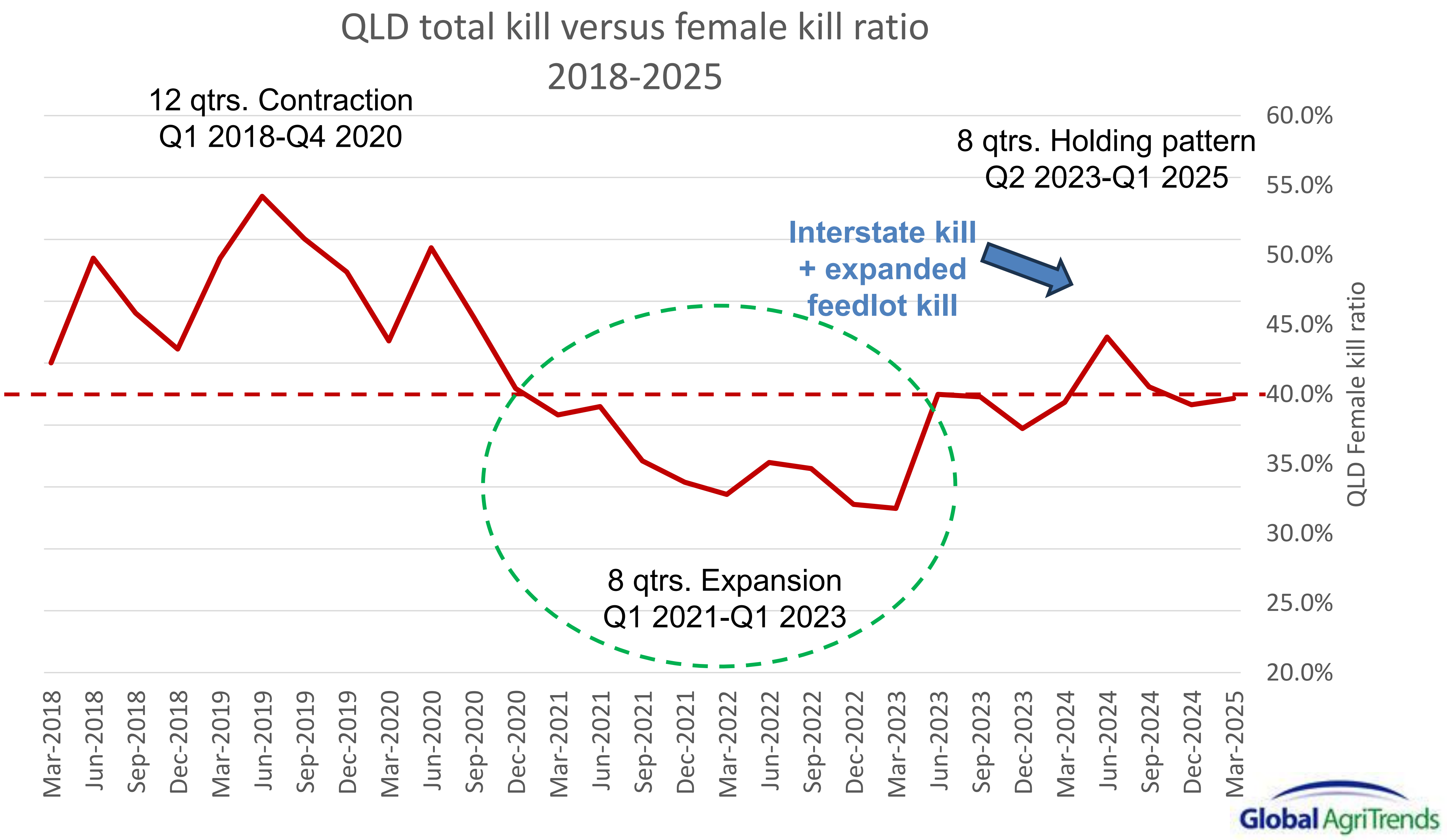
Feb 2025



March 2025

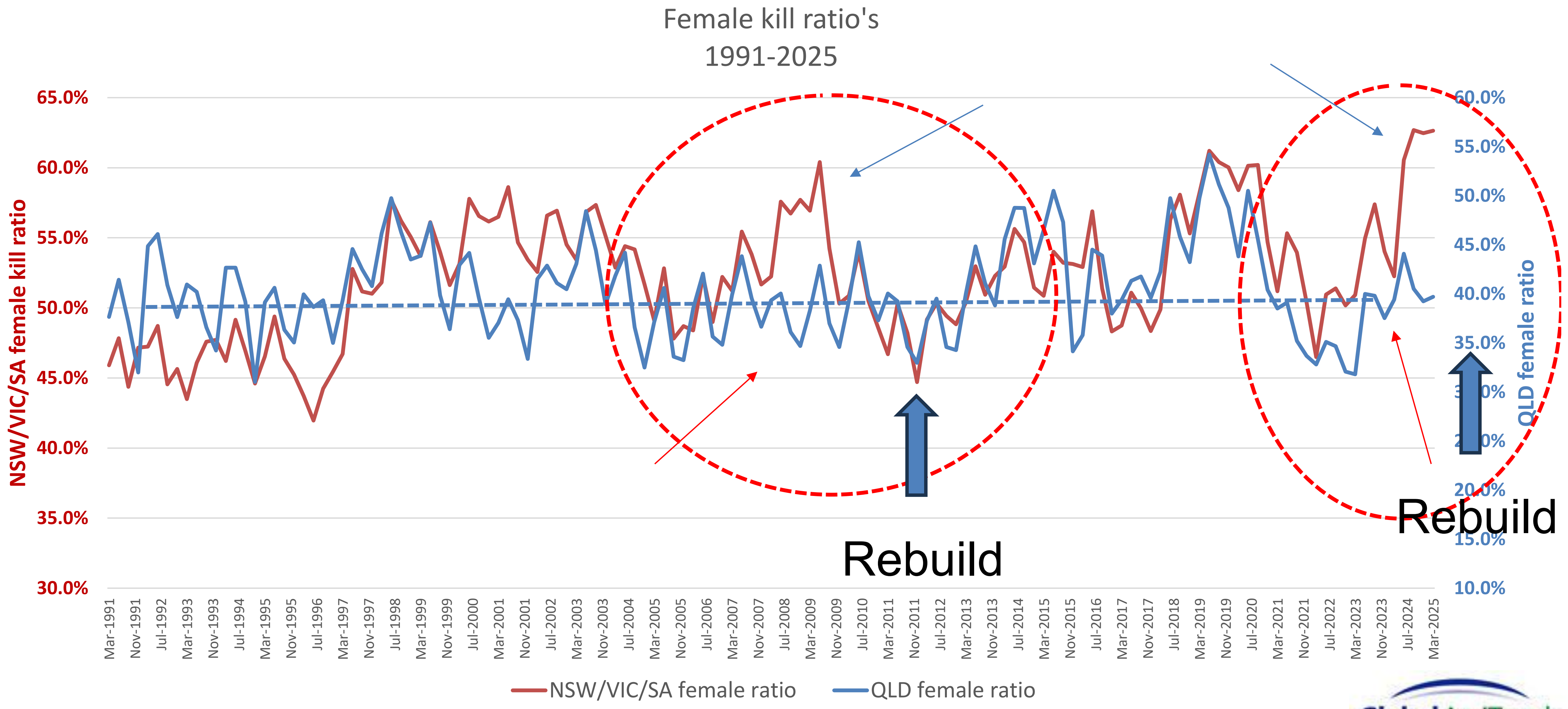


Global AgriTrends

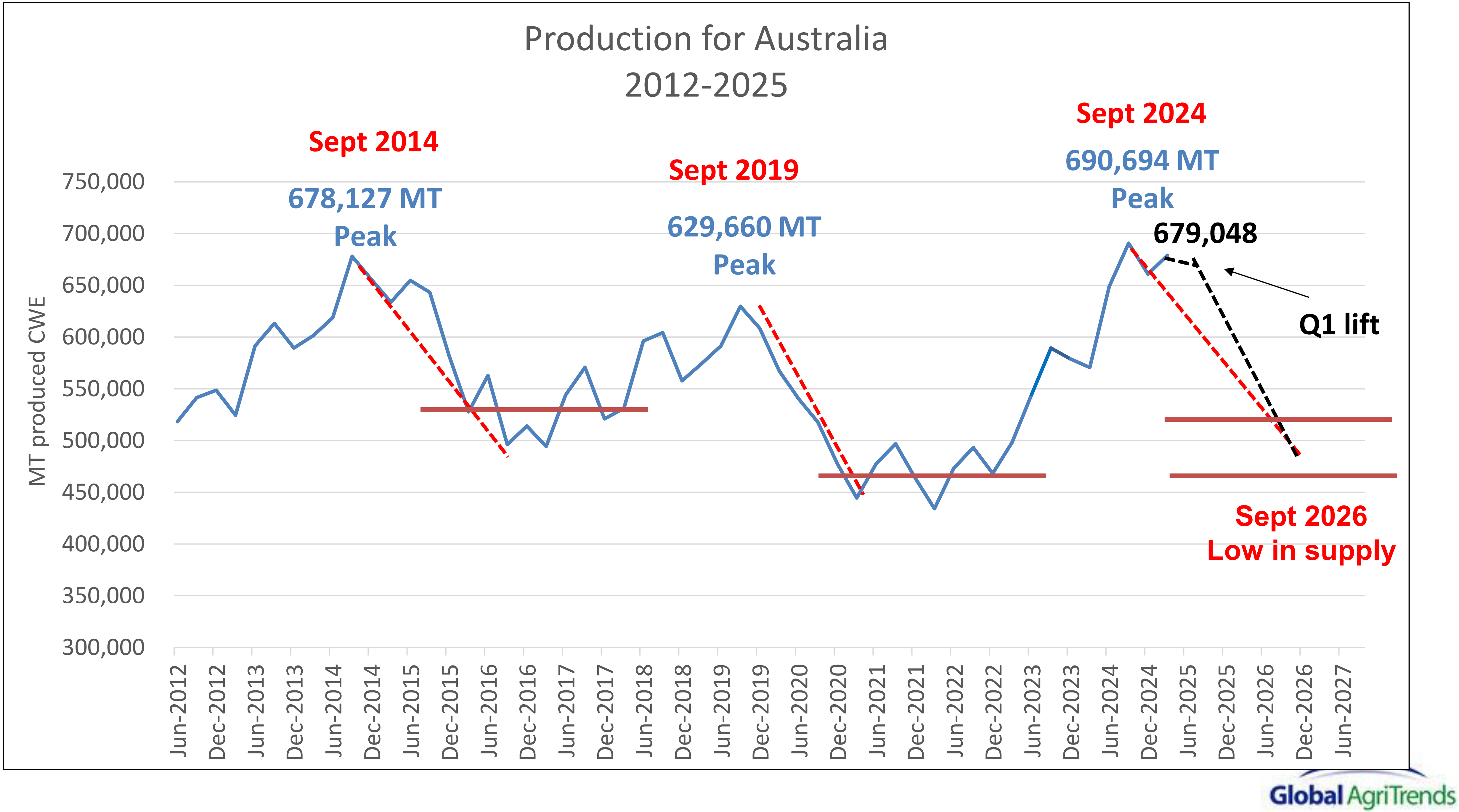


QLD total kill versus female kill ratio
2018-2025
12 qtrs. Contraction
Q1 2018-Q4 2020
8 qtrs. Holding pattern
Q2 2023-Q1 2025
Interstate kill
+ expanded
feedlot kill
8 qtrs. Expansion
Q1 2021-Q1 2023
60.0%
55.0%
50.0%
45.0%
40.0%
35.0%
30.0%
25.0%
20.0%
QLD Female kill ratio
Mar-2018
Jun-2018
Sep-2018
Dec-2018
Mar-2019
Jun-2019
Sep-2019
Dec-2019
Mar-2020
Jun-2020
Sep-2020
Dec-2020
Mar-2021
Jun-2021
Sep-2021
Dec-2021
Mar-2022
Jun-2022
Sep-2022
Dec-2022
Mar-2023
Jun-2023
Sep-2023
Dec-2023
Mar-2024
Jun-2024
Sep-2024
Dec-2024
Mar-2025
Global AgriTrends

Have we seen this before

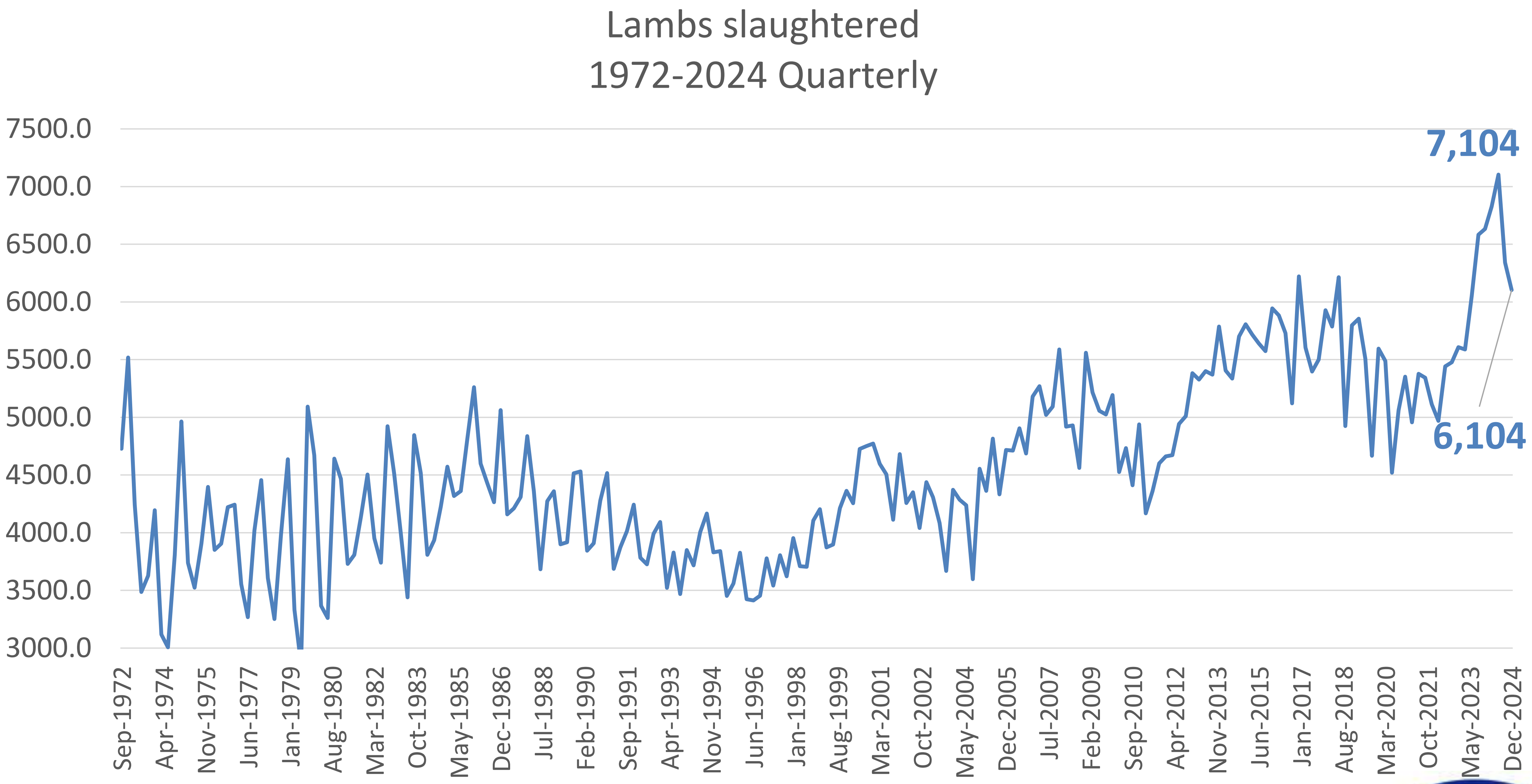


Global AgriTrends



Production for Australia
2012-2025
Sept 2014
678,127 MT
Peak
Sept 2019
629,660 MT
Peak
Sept 2024
690,694 MT
Peak
679,048
Q1 lift
Sept 2026
Low in supply
MT produced CWE
750,000
700,000
650,000
600,000
550,000
500,000
450,000
400,000
350,000
300,000
Jun-2012
Dec-2012
Jun-2013
Dec-2013
Jun-2014
Dec-2014
Jun-2015
Dec-2015
Jun-2016
Dec-2016
Jun-2017
Dec-2017
Jun-2018
Dec-2018
Jun-2019
Dec-2019
Jun-2020
Dec-2020
Jun-2021
Dec-2021
Jun-2022
Dec-2022
Jun-2023
Dec-2023
Jun-2024
Dec-2024
Jun-2025
Dec-2025
Jun-2026
Dec-2026
Jun-2027
Global AgriTrends

Sheep flock liquidation to rebuild

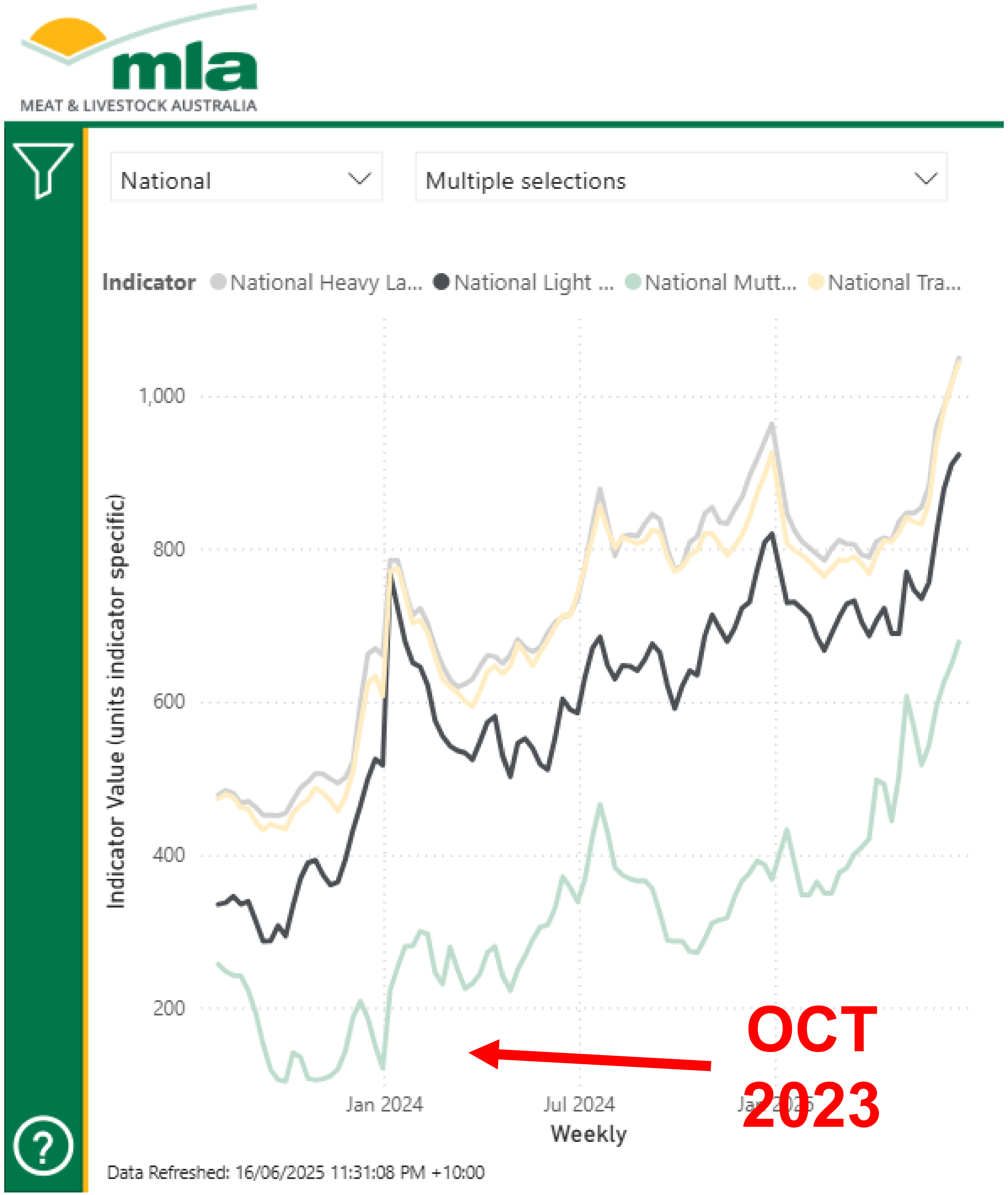


Source - ABS

Global AgriTrends

Sheep prices

Where is the top?



Heavy lamb
1049 ac/kg
+132%

Trade lamb
1043 ac/kg
+137%

Light lamb
923 ac/kg
+220%

Mutton
680 ac/kg
+550%

Global AgriTrends

NZ lamb/mutton forecast

The number of adult sheep processed in 2024-25 is forecast to decrease markedly by 7.1% to 2.9 million. This is driven by drought conditions, land-use change, better pricing in cattle versus sheep, and low prices in general.

Lamb production per season

Sep Year	Lamb Crop million head	Slaughter million head	Carcase Weight kg	Production 000 tonne bone-in
2020-21	22.8	18.3	19.1	349.9
2021-22	22.0	17.8	19.0	338.3
2022-23	21.0	17.7	19.4	343.6
2023-24e	20.2	18.1	19.2	347.0
2024-25f	19.2	16.8	19.2	322.1
2024-25f % change	-5.2%	-6.9%	-0.3%	-7.2%

e estimate, f forecast

Source: Beef + Lamb New Zealand Economic Service, Statistics New Z -9.6 %
New Zealand Meat Board

Mutton production per season

Sep Year	Breeding Ewes million head	Slaughter million head	Carcase Weight kg	Production 000 tonne bone-in
2020-21	16.6	3.8	26.2	100.7
2021-22	16.3	3.6	25.6	93.6
2022-23	15.4	3.3	26.1	87.7
2023-24e	14.8	3.1	26.0	81.7
2024-25f	14.4	2.9	26.0	76.4
2024-25f % change	-2.9%	-7.1%	+0.0%	-6.6%

e estimate, f forecast

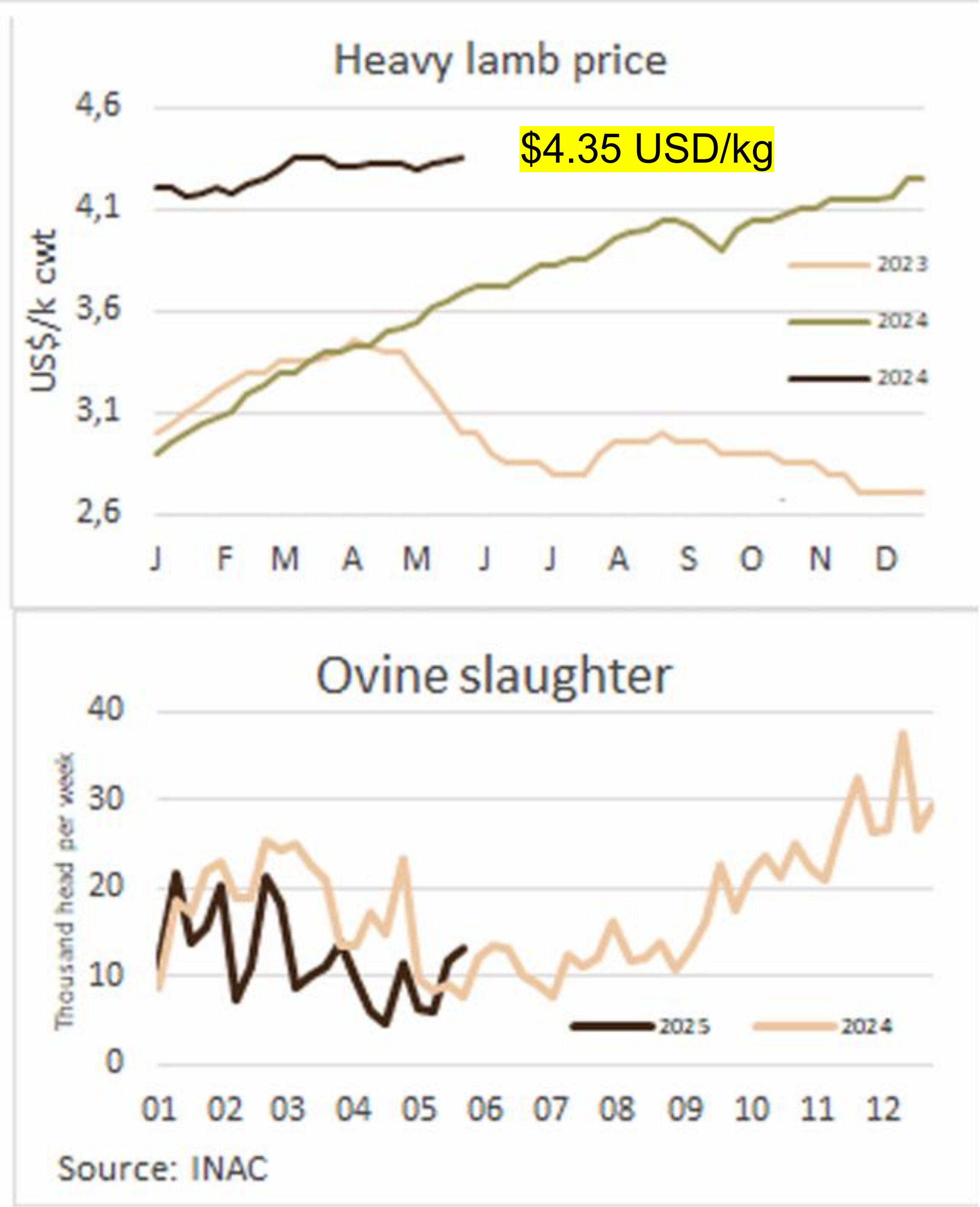
Source: Beef + Lamb New Zealand Economic Service, Statistics New Z +7.7 %
New Zealand Meat Board

Global AgriTrends

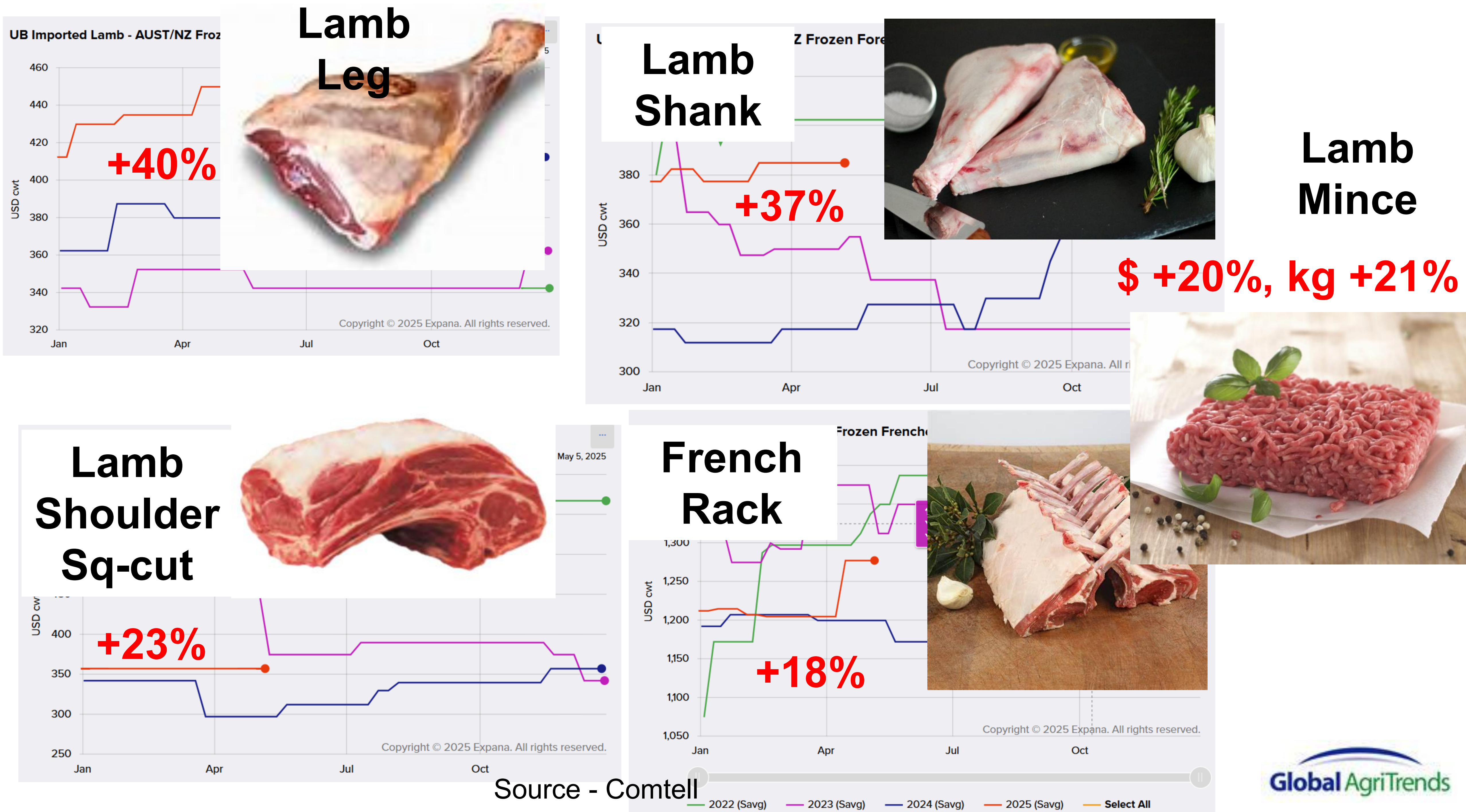
Uruguay lamb price

Uruguay heavy lamb = $6.64 ac/kg

Australian heavy lamb = $11.50 ac/kg (+73%)

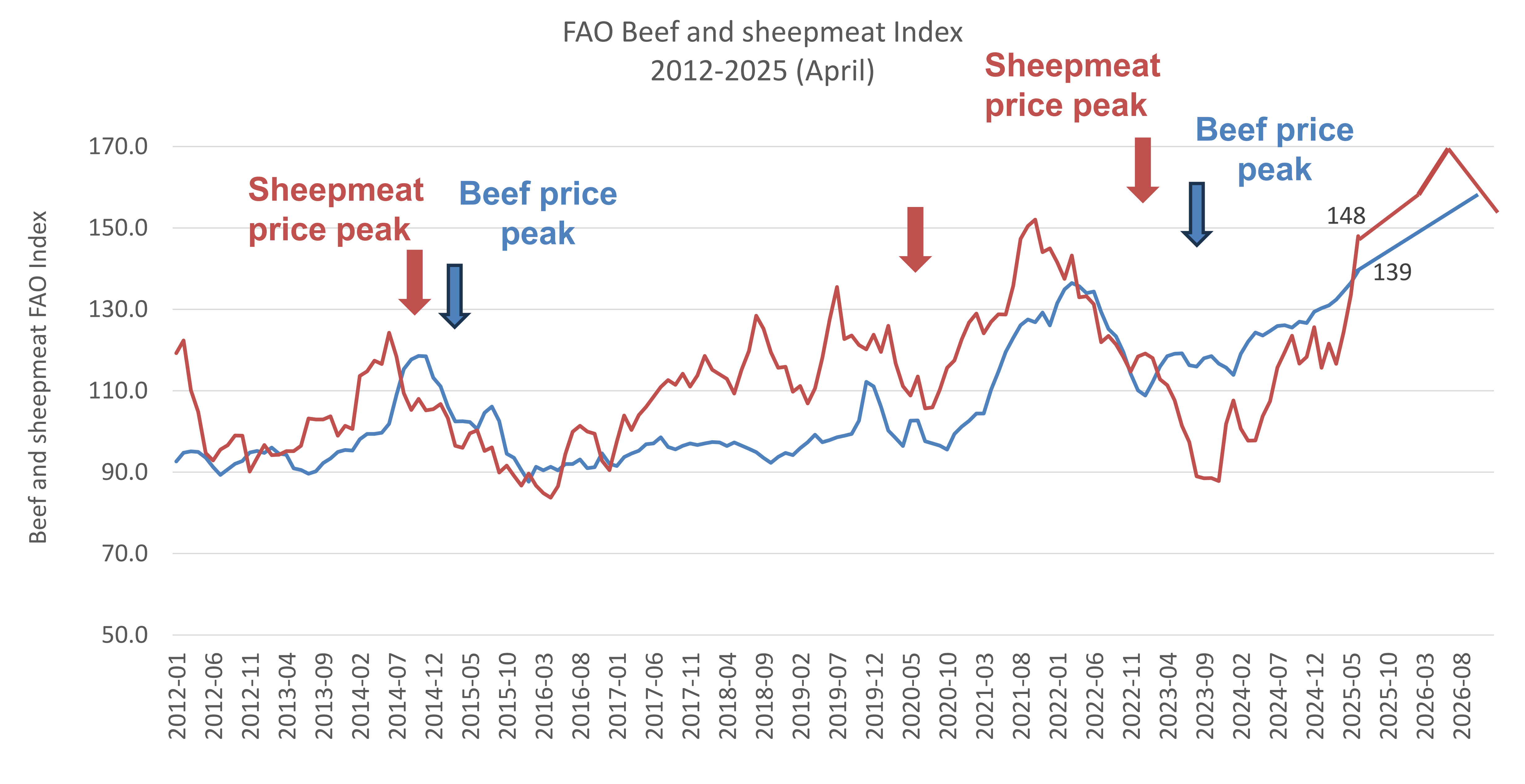


al AgriTrends



Lamb Leg
UB Imported Lamb - AUST/NZ Froz
+40%
USD cwt
460
440
420
400
380
360
340
320
Jan
Apr
Jul
Oct
Copyright © 2025 Expana. All rights reserved.
Lamb Shank
Z Frozen Fore
+37%
380
360
340
320
300
Jan
Apr
Jul
Oct
Lamb Mince
$ +20%, kg +21%
Lamb Shoulder Sq-cut
May 5, 2025
+23%
400
350
300
250
French Rack
Frozen French
+18%
1,300
1,250
1,200
1,150
1,100
1,050
2022 (Savg)
2023 (Savg)
2024 (Savg)
2025 (Savg)
Select All
Source - Comtell
Global AgriTrends

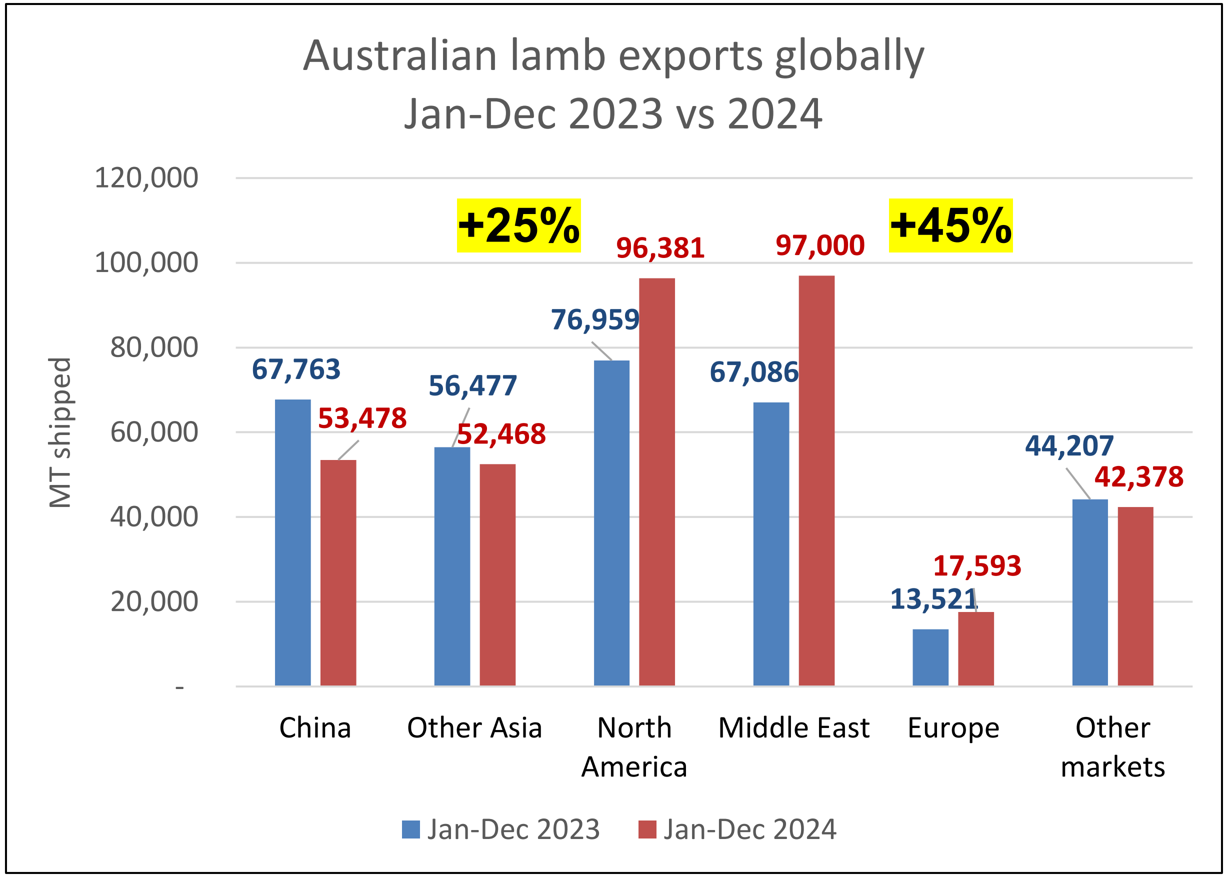
Livestock forecasts

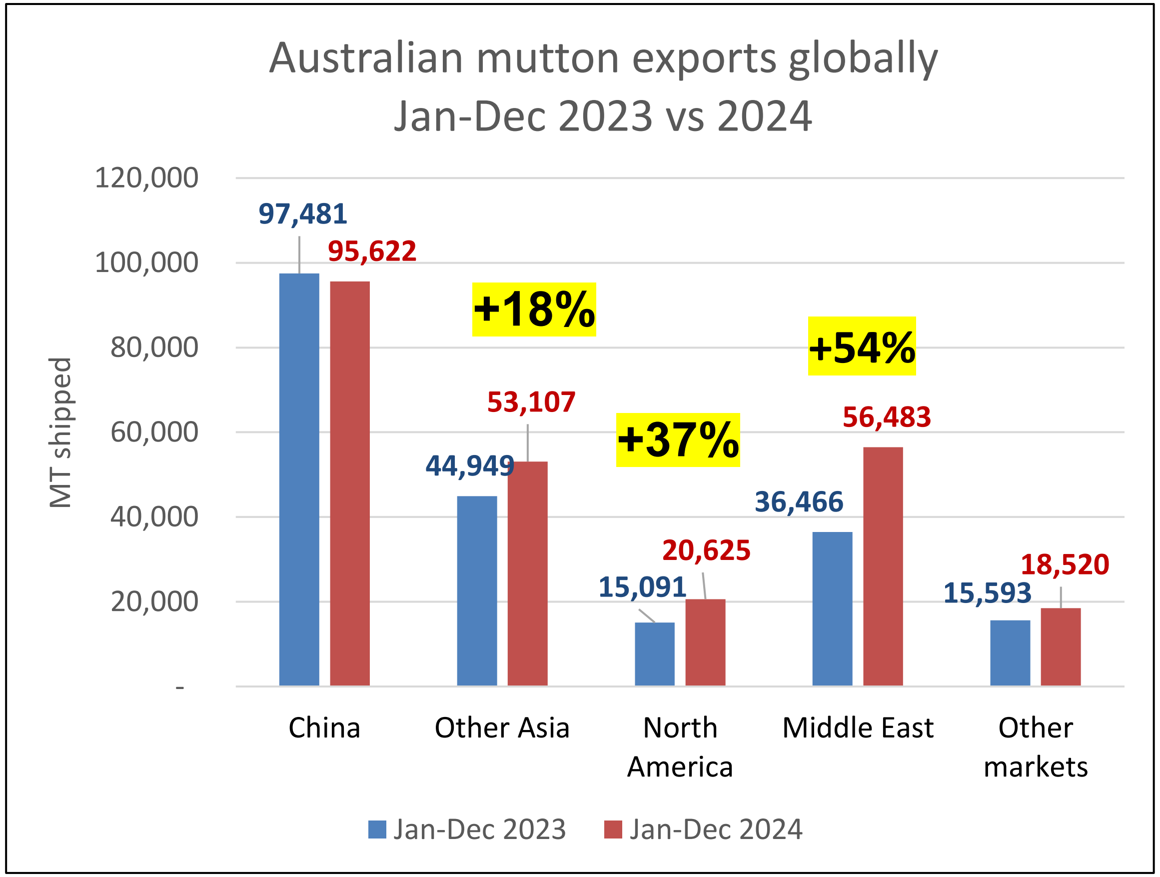


FAO Beef and sheepmeat Index
2012-2025 (April)
Sheepmeat price peak
Beef price peak
Sheepmeat price peak
Beef price peak
148
139
170.0
150.0
130.0
110.0
90.0
70.0
50.0
Beef and sheepmeat FAO Index
2012-01
2012-06
2012-11
2013-04
2013-09
2014-02
2014-07
2014-12
2015-05
2015-10
2016-03
2016-08
2017-01
2017-06
2017-11
2018-04
2018-09
2019-02
2019-07
2019-12
2020-05
2020-10
2021-03
2021-08
2022-01
2022-06
2022-11
2023-04
2023-09
2024-02
2024-07
2024-12
2025-05
2025-10
2026-03
2026-08
Beef
Sheepmeat

Source - FAO

Lamb & mutton exports rise into ME & Nth America

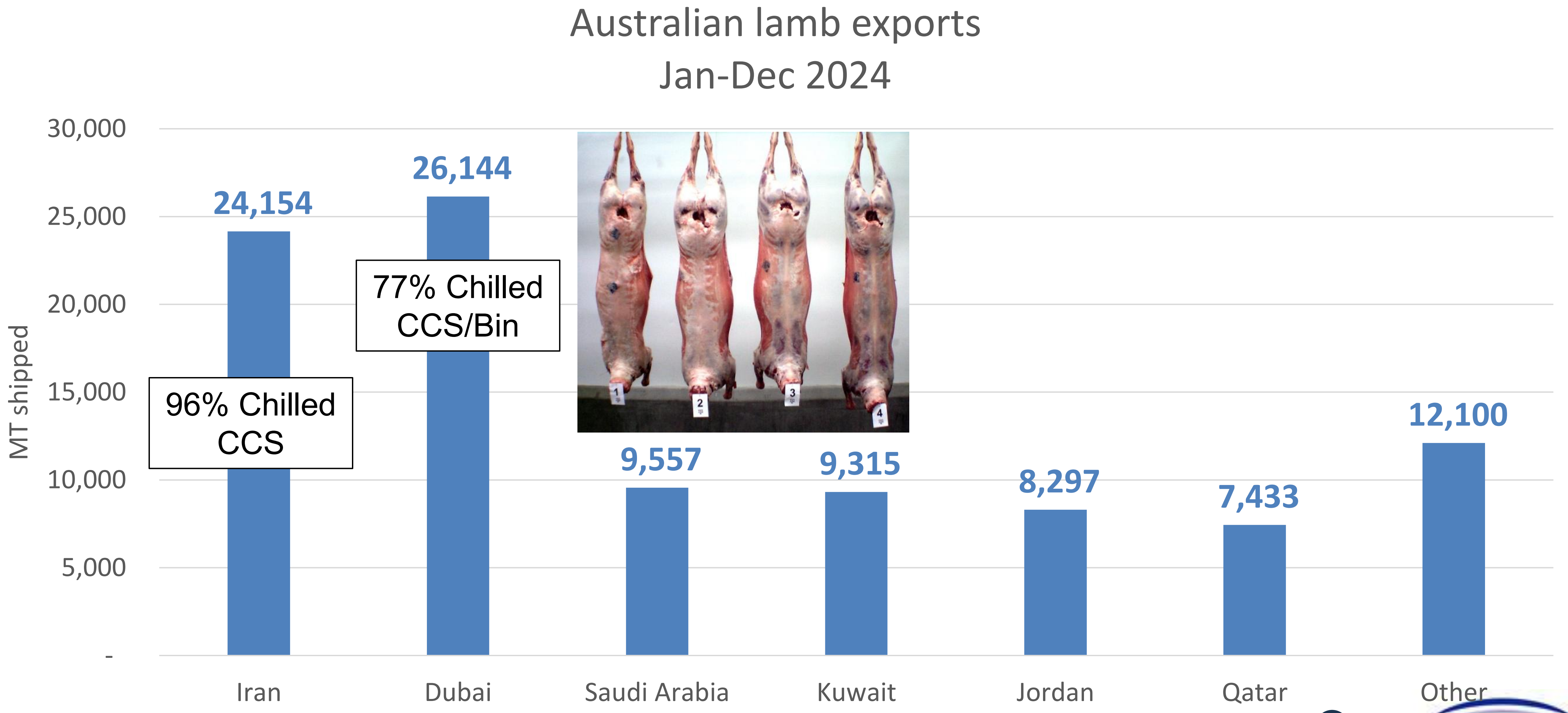




Source - DAFF

Global AgriTrends

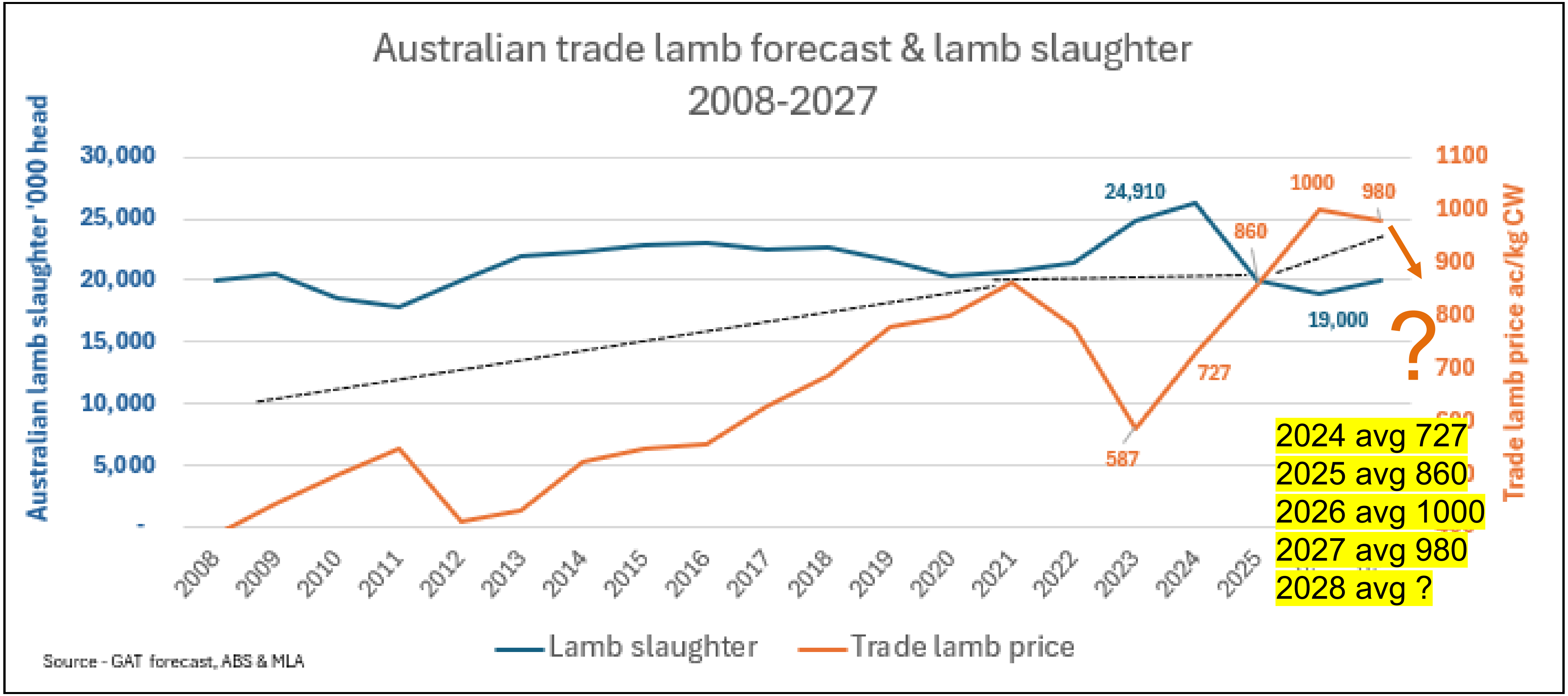
Australian lamb exports to the Middle East



Source - DAFF

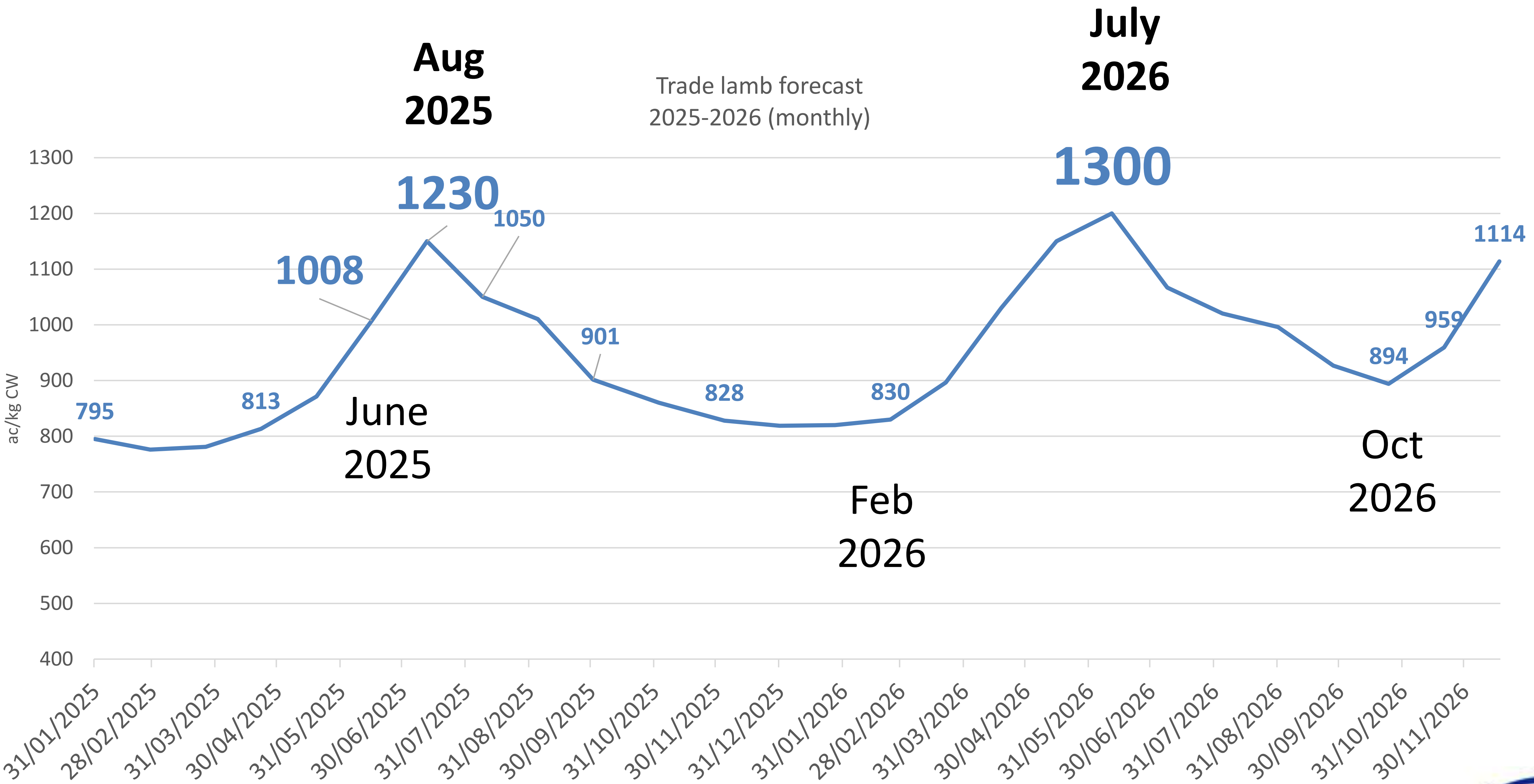
Global AgriTrends

Improved lamb and mutton prices moving forward



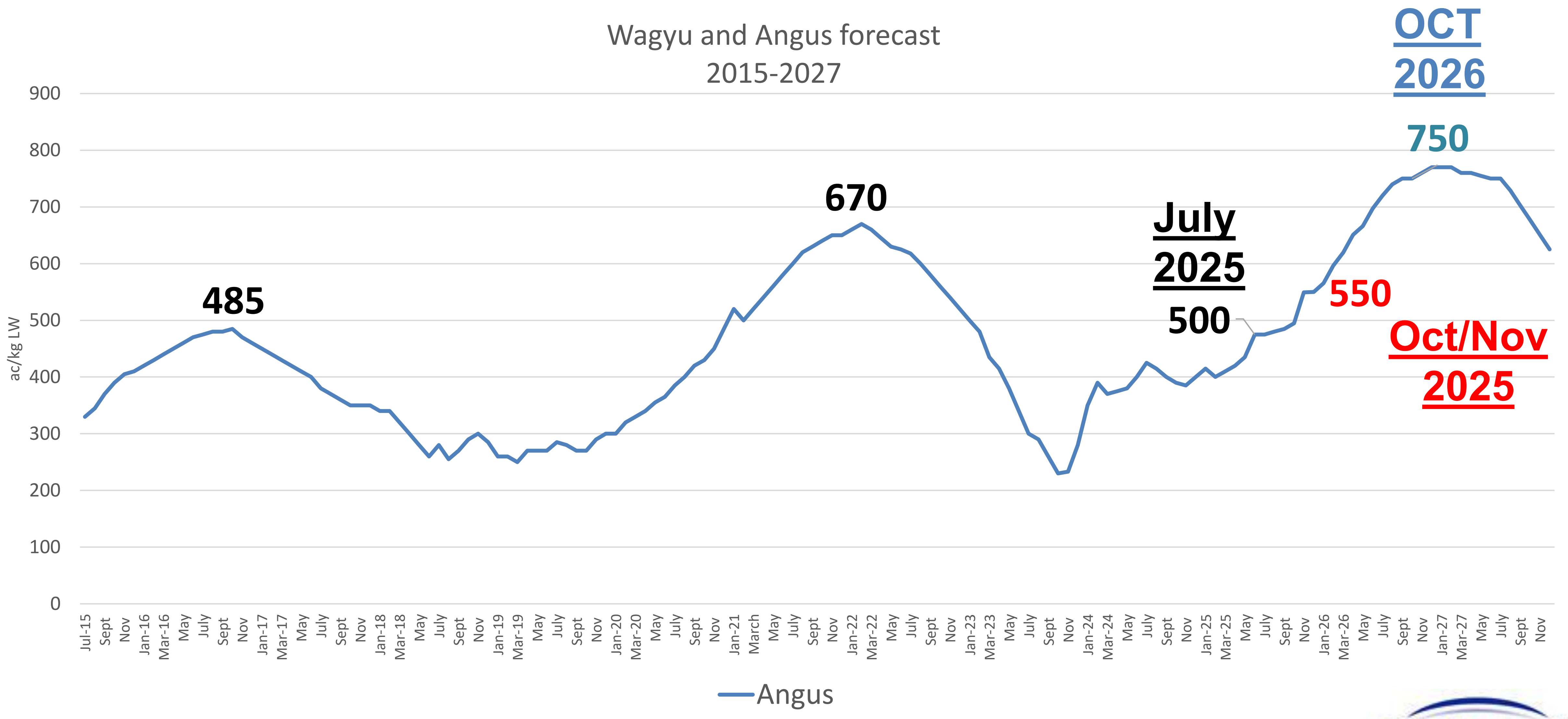
Global AgriTrends

Trade Lamb Forecast

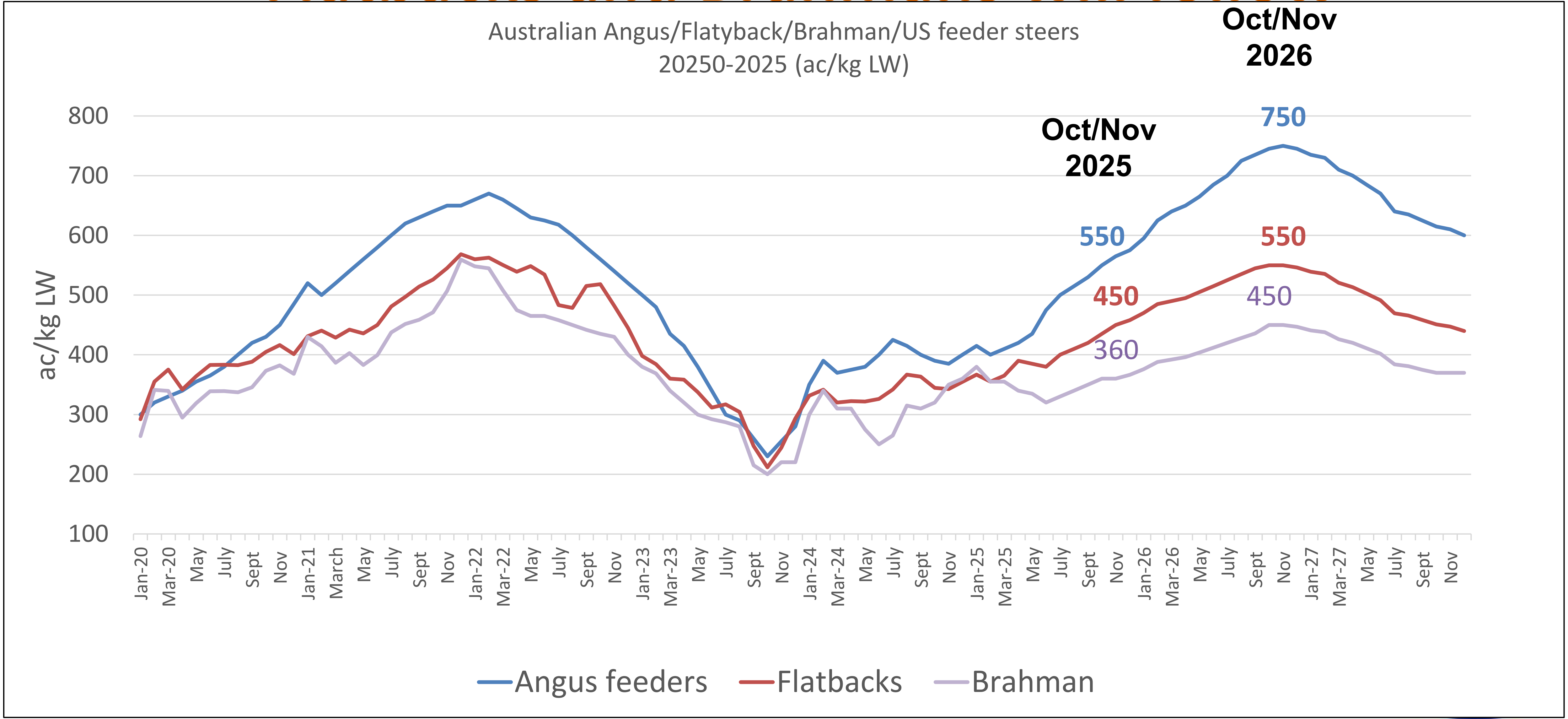


Global AgriTrends

To what level will Angus prices go to?

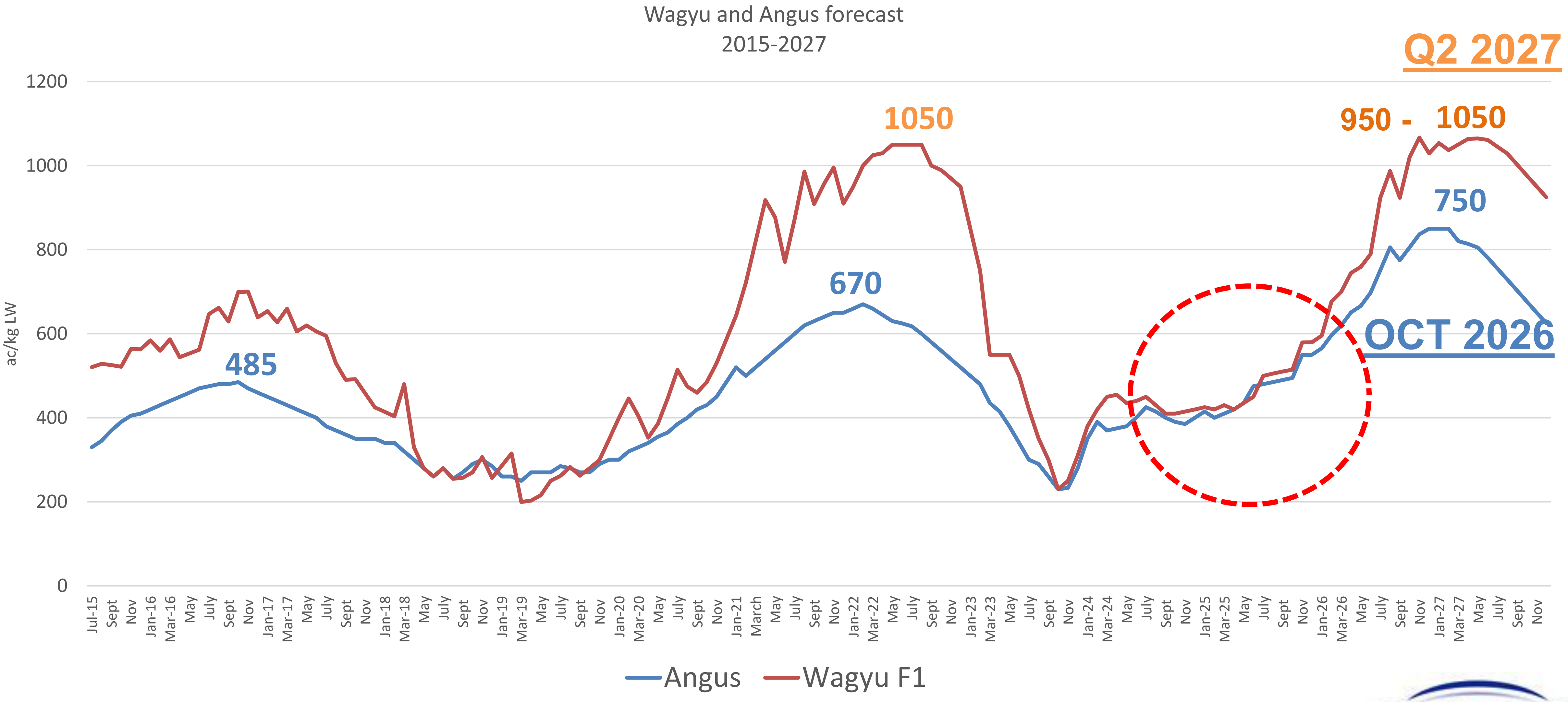


Flatbacks and Brahmans will follow



Global AgriTrends

To what level will Angus and Wagyu go to?



Global AgriTrends

Conclusion

- 1/ Record global beef prices occurred last month in June – these are sustainable and the start of the price rise journey
- 2/ Trump's pause on tariffs did help key customers avoid recession, but uncertainty has come back in.
- 3/ Tariffs are inflationary – Lifts global pricing
- 4/ Australia to move into a rebuild for sheep & cattle mid to late this year
- 5/ Global demand improving as Australia backfills
- 6/ Cattle on feed numbers to remain large and new record levels next 3 years
- 7/ Australia's Southern cattle supply will tighten significantly, the North also but less so.
- 8/ A demand-driven market is underway or about to begin, which will see Angus feeder steer prices lead pricing across all categories
- 9/ New record prices for Australian livestock in 18 months.

Disclaimer

This presentation including information contained in this disclaimer is given to you in strict confidence. By attending or viewing this presentation, you agree that no part of the presentation or disclaimer may be disclosed, distributed or reproduced to any third party without the consent of Global AgriTrends.

No representation, express or implied, is made to the fairness, accuracy, completeness or correctness of information contained in this presentation, including the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects, returns or statements in relation to future matters contained in the presentation. Such forward looking statements are by their nature subject to significant uncertainties and contingencies and are based upon a number of estimates and assumptions that are subject to change (and in many cases are outside the control of Global AgriTrends) which may cause the presented results or performance to be materially different from any future results or performance expressed or implied by such forward looking statements.

To extent permitted by law, Global AgriTrends does not accept any liability including, without limitation, any liability arising from fault or negligence, for any loss arising from the use of this presentation or its contents or otherwise arising in connection with it.

You represent and confirm by attending, viewing and/or retaining this presentation, that you accept the above conditions.

Thank You

Global AgriTrends

Simon Quilty
squilty@agritrends.com

Brett Stuart
bstuart@agritrends.com