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Report Highlights:

Australian beef production is forecast to remain at a near record level in 2026, following an estimated record high in 2025. Adult cattle slaughter is similarly expected to ease slightly in 2026 after reaching record levels in 2025. These near-record outcomes are supported by elevated female slaughter rates for a third consecutive year, driven by strong global demand for beef. Live cattle exports are projected to soften marginally but remain robust in 2026. Australian pork production is forecast to achieve its fourth consecutive year of growth in 2026. Domestic consumption and pork imports are also expected to rise slightly. The United States, which regained its position in 2024 as Australia's leading source of pork imports, is projected to maintain this dominant position in 2026.

EXECUTIVE SUMMARY

Australian beef production is forecast to ease slightly in 2026 following an estimated record level in 2025, but output is expected to remain near historic highs. Continued strong global demand for Australian beef underpins this outlook, particularly import demand from the United States. With the U.S. beef industry heading towards a herd rebuild phase, tighter domestic cattle supplies are expected to further elevate U.S. demand for imported beef from Australia.

Australia's substantial herd-rebuild from 2021 to 2023 has positioned the industry to meet very strong global demand that has intensified since 2024. Adult cattle slaughter is estimated to reach record levels in 2025 before easing marginally in 2026. This has been driven by elevated female slaughter rates, which have exceeded male slaughter since 2024. While female slaughter rates are forecast to remain high in 2026, they are expected to decline slightly as the impact on the breeding herd becomes more apparent.

Beef exports are forecast to ease modestly in 2026 in line with slightly lower production but remain at the second-highest level on record—around 15 percent above the previous record set in 2024. The U.S. is the primary driver of beef export demand and has placed an additional 50 percent import tariff on beef from Brazil, its largest supplier in the first half of 2025, bringing the total effective out-of-quota tariff up to 76.4 percent. This measure is expected to boost demand for Australian beef in both the second half of 2025 and into 2026. However, Australian processors are reported to be operating at full capacity, leaving little scope for further increases in production and exports.

Live cattle exports are forecast to remain strong but ease slightly in 2026. Indonesia, Australia's primary live cattle market, is seeking to expand meat supplies to support its Free Nutritious Meal Initiative. Brazil has recently gained access to Indonesia for both live cattle and beef, potentially heightening competition. Strong global demand for beef is also expected to lift Australian cattle prices, which could draw more feeder cattle from Far North Queensland and the Northern Territory into feedlots, reducing availability for the live export trade and potentially raising prices for live cattle importers.

Australian pork production is forecast to grow by around one percent in 2026, marking the fourth consecutive year of growth. This increase is expected to lift domestic consumption by a similar margin, with pork imports and exports also projected to edge higher. The United States, which in 2024 regained its role as Australia's primary source of pork imports, accounting for about half of total imports, is expected to maintain its dominant position in 2026.

CATTLE

Table 1 - Production, Supply, and Distribution of Cattle Numbers for Australia

Animal Numbers, Cattle	2024		2025		2026	
Market Year Begins	Jan 2024		Jan 2025		Jan 2026	
Australia	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Total Cattle Beg. Stks (1000 HEAD)	27080	27080	27260	27260	0	27360
Dairy Cows Beg. Stocks (1000 HEAD)	1250	1330	1230	1315	0	1310
Beef Cows Beg. Stocks (1000 HEAD)	12500	12500	13000	13500	0	13600
Production (Calf Crop) (1000 HEAD)	9800	9800	10300	10800	0	10880
Total Imports (1000 HEAD)	0	0	0	0	0	0
Total Supply (1000 HEAD)	36880	36880	37560	38060	0	38240
Total Exports (1000 HEAD)	724	724	750	750	0	700
Cow Slaughter (1000 HEAD)	4286	4261	4400	5050	0	4900
Calf Slaughter (1000 HEAD)	394	394	375	375	0	350
Other Slaughter (1000 HEAD)	4018	4035	4125	4325	0	4400
Total Slaughter (1000 HEAD)	8698	8690	8900	9750	0	9650
Loss and Residual (1000 HEAD)	198	206	200	200	0	200
Ending Inventories (1000 HEAD)	27260	27260	27710	27360	0	27690
Total Distribution (1000 HEAD)	36880	36880	37560	38060	0	38240
(1000 HEAD)						
OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query						

Production

2026 Cattle Production Forecast

Australia's 2026 calf crop is forecast to increase marginally from both the 2025 estimate and the previous year. This modest growth reflects the completion of the national herd rebuilding phase (2021–2023), which strengthened the breeding base.

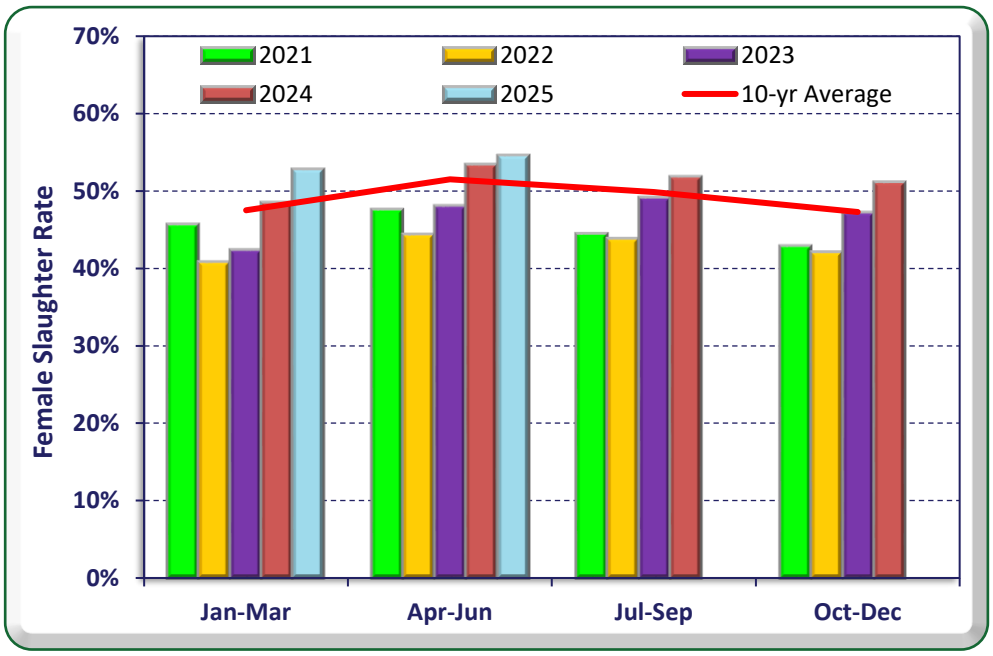
Strong export-driven demand for beef in 2025 enabled surplus females to be slaughtered without undermining herd productivity. A solid breeding herd base, combined with favorable seasonal conditions in 2025, supported strong reproductive performance. Together, these factors underpin the forecast of a slight increase in the 2026 calf crop.

However, ongoing strong export demand in 2026 is expected to push domestic cattle prices higher, which may sustain elevated female slaughter rates similar to 2025. This would likely reduce breeder numbers and could negatively impact the 2027 calf crop.

Female retention was strong from 2021 through mid-2023, with quarterly female slaughter rates well below the 10-year average (see Figure 1). By late 2023 and early 2024, female slaughter rates had returned to around the long-term average, signaling the end of the rebuild phase. This period coincided with surging global beef demand, particularly from the United States, which was preparing for its own herd rebuild.

From the second quarter of 2024 onward, elevated female slaughter rates have been sustained without adversely affecting breeder numbers or calf production, thanks to the larger rebuilt herd base.

Figure 1 – Quarterly Female Slaughter Rate Trend



Source: *Australian Bureau of Statistics*

Historically, two consecutive years of elevated female slaughter—such as 2024 and 2025—would be expected to reduce the following year's calf crop. Despite expectations of high female slaughter continuing through 2025 and 2026, the calf crop is forecast to remain strong in 2026. Two factors support this outlook:

1. Favorable seasonal conditions.
2. Growth of Wagyu cross cattle.

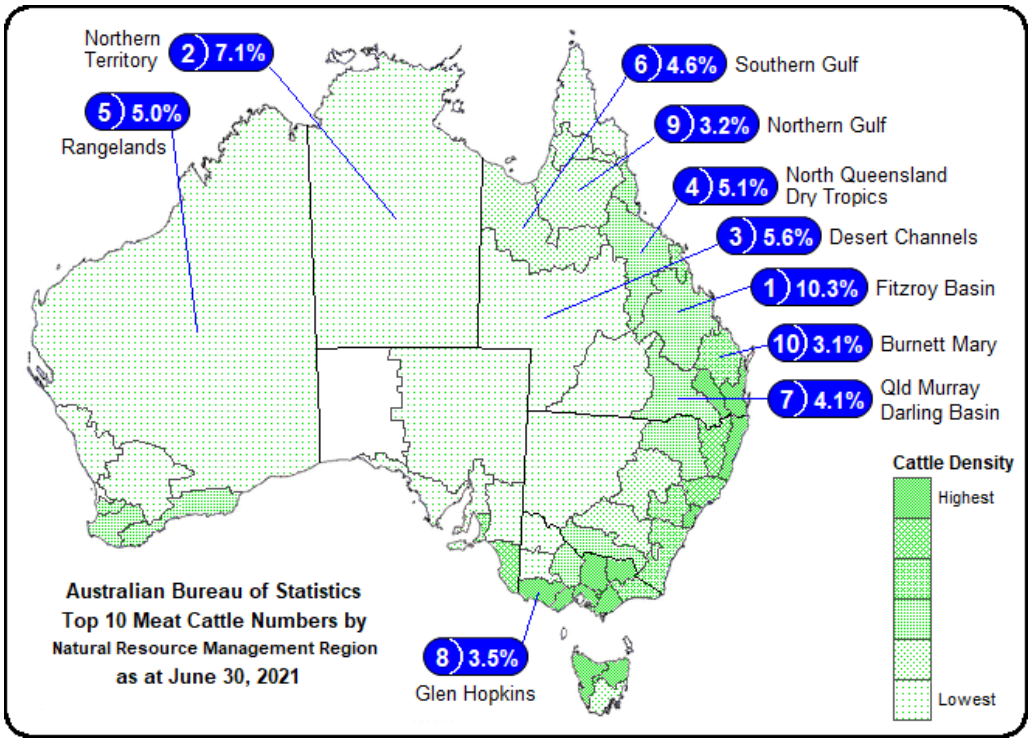
Favorable Seasonal Conditions

Most major beef-producing regions, largely in the tropical regions of northern Australia (see Figure 2) received average to well above-average rainfall in 2025 (see Figure 3), mostly during the wet season period (typically January to March). This supported strong pasture growth and good body condition in breeding cows ahead of the 2025 breeding season, which will largely determine the 2026 calf crop.

Cows in southern areas typically calve in late winter and spring (August to November), taking advantage of the temperate spring pasture production flush when cows have calves at foot and their feed demand is at its highest. For the 2026 calf crop, the beef cattle in the southern areas will mostly be joined to bulls late in 2025 so the current seasonal conditions and forecast for the coming months will be important for the upcoming breeding season fertility outcome.

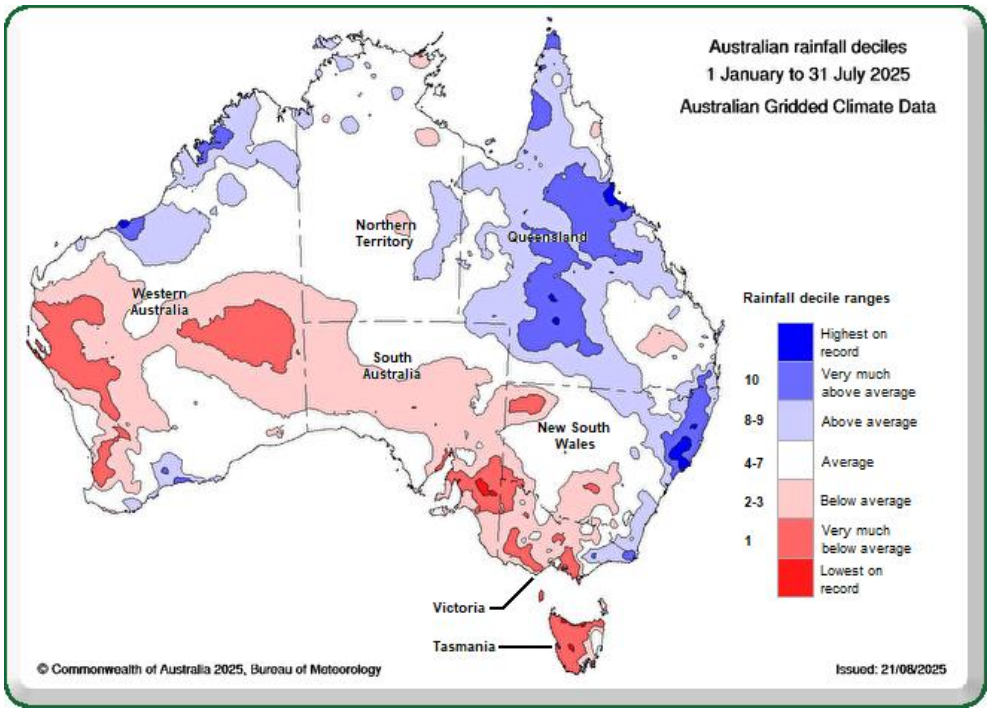
While southern regions such as southwestern Victoria and South Australia experienced drought through 2024 and early 2025, conditions improved markedly from late June 2025. The Bureau of Meteorology is forecasting a high chance of above-median rainfall for late 2025 (see Figure 4), which should boost pastures and cow condition leading into joining. This is expected to support favorable fertility rates for the 2026 calf crop.

Figure 2 – Top 10 Livestock Cattle Numbers by Natural Resource Management Region



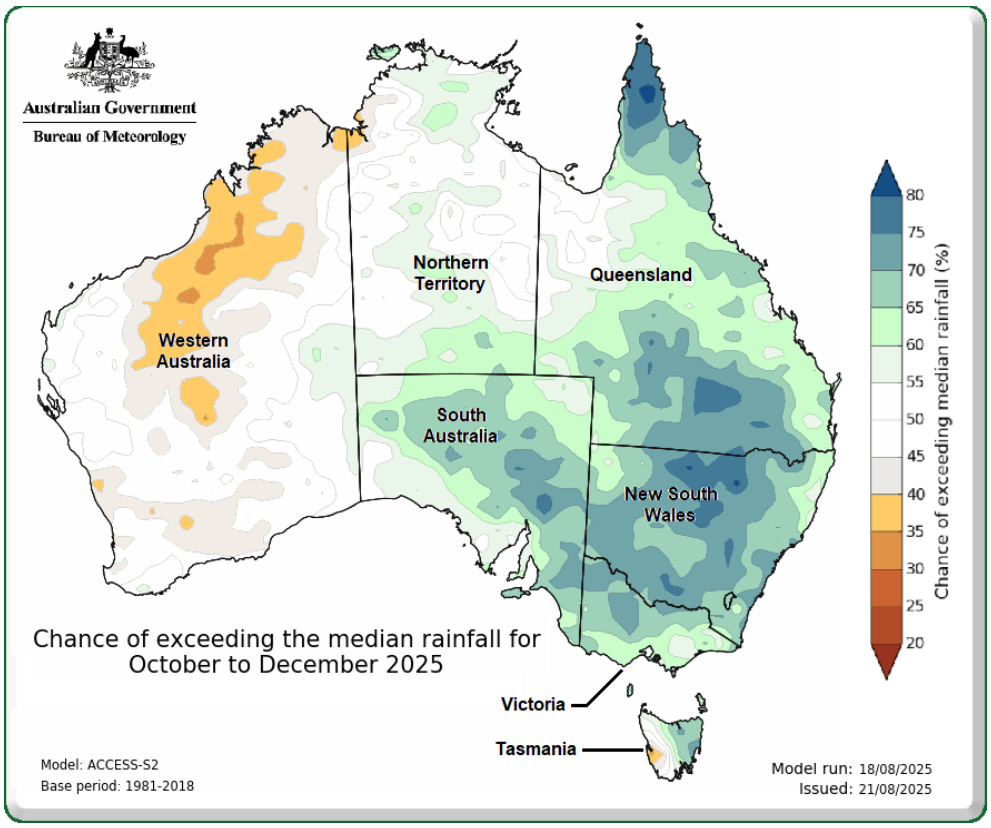
Source: Australian Bureau of Statistics

Figure 3 – Rainfall Decile Map – January to July 2024



Source: *Bureau of Meteorology*

Figure 4 – Rainfall Forecast – October to December 2025



Source: *Australian Bureau of Meteorology*

Growth of Wagyu Cross Cattle

Another important factor influencing calf crop outcomes and female slaughter dynamics is the rising presence of Wagyu genetics in Australia's beef herd. While Wagyu numbers have been expanding steadily for two decades, industry sources suggest growth accelerated following the 2017–2019 drought.

Wagyu breeds exhibit markedly higher fertility than many tropical breeds common in northern Australia. Typical industry standards indicate that for central Queensland calving rates for tropical breeds of around 70 percent are considered very good and for far north Queensland a good rate is around 60 percent. There are reports that well managed Wagyu based herds, even in the harshest of tropical production regions in far north Queensland, are achieving calving rates as high as 90 percent.

There are very few Wagyu based herds in far north Queensland and across towards the west in Northern Territory and the northern parts of Western Australia. Second cross and purer Wagyu cattle tend to have inadequate cattle tick resistance and heat tolerance to handle these tough conditions. Further south from central Queensland and beyond where cattle ticks are less prevalent and the heat not as severe, herds that have infused Wagyu genetics have become extensive and are reported to perform strongly. The superior fertility of Wagyu cattle not only lifts overall calf numbers but also reduces the number of replacement females required, freeing more for slaughter while maintaining herd size.

While no official statistics track the expansion of Wagyu genetics, feedlot data—particularly the rising proportion of long-fed (>300 days) cattle turnoff—provides some indication of growth. Industry reports also highlight widespread adoption of Wagyu genetics in central Queensland and surrounding regions. The consensus is that Wagyu crossbreeding is having a substantial impact on herd productivity and contributing to higher calf crops despite elevated female slaughter rates.

2025 Cattle Production Estimate

FAS/Canberra's estimate for the 2025 calf crop remains strong at 10 percent above 2024. This reflects the completion of the herd rebuild phase (2021–2023), which expanded the breeder herd and supported improved reproductive performance.

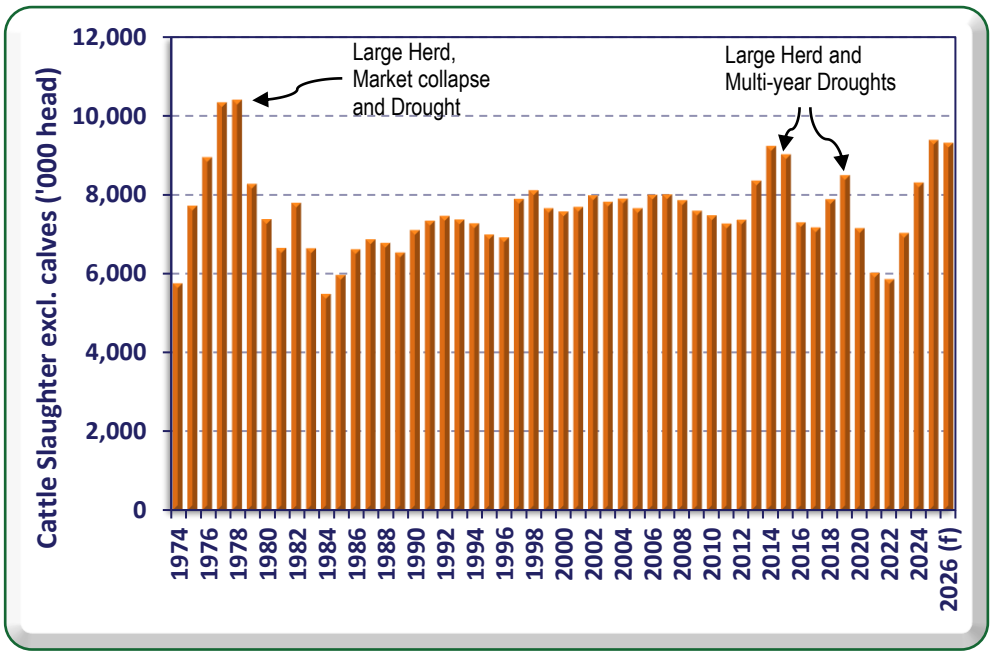
Slaughter

2026 Livestock Slaughter Forecast

FAS/Canberra forecasts cattle slaughter in 2026 to decrease marginally to 9.65 million head, compared to an upwardly revised estimate of 9.75 million head for 2025. After accounting for relatively low calf slaughter, both 2025 and 2026 represent the highest adult cattle slaughter levels in nearly 50 years. This outcome is driven by exceptionally strong export demand, supported by a strengthened domestic herd following the 2021–2023 rebuild, favorable seasonal conditions, and the wider adoption of Wagyu genetics, which has improved calf crop productivity.

The strength of the national herd means slaughter volumes in 2025 and 2026 are among the highest on record, not driven by drought-induced destocking (see Figure 5).

Figure 5 – Cattle Slaughter (excluding calves) History



Source: Australian Bureau of Statistics

FAS/Canberra forecasts adult female slaughter to decline to 4.90 million head for 2026 from an estimated 5.05 million head in 2025. Adult male slaughter is forecast at 4.75 million head up from an estimated 4.70 million head in 2025. The female slaughter rate is forecast to decline in 2026 but still remains high. After three successive years of high female slaughter rates anticipated from 2024 to 2026 it is likely that this is likely to decline in the following years. The extent of this adjustment will depend on seasonal conditions and cattle prices, which are heavily influenced by export demand.

Export Demand Driving Growth in Australian Cattle Slaughter

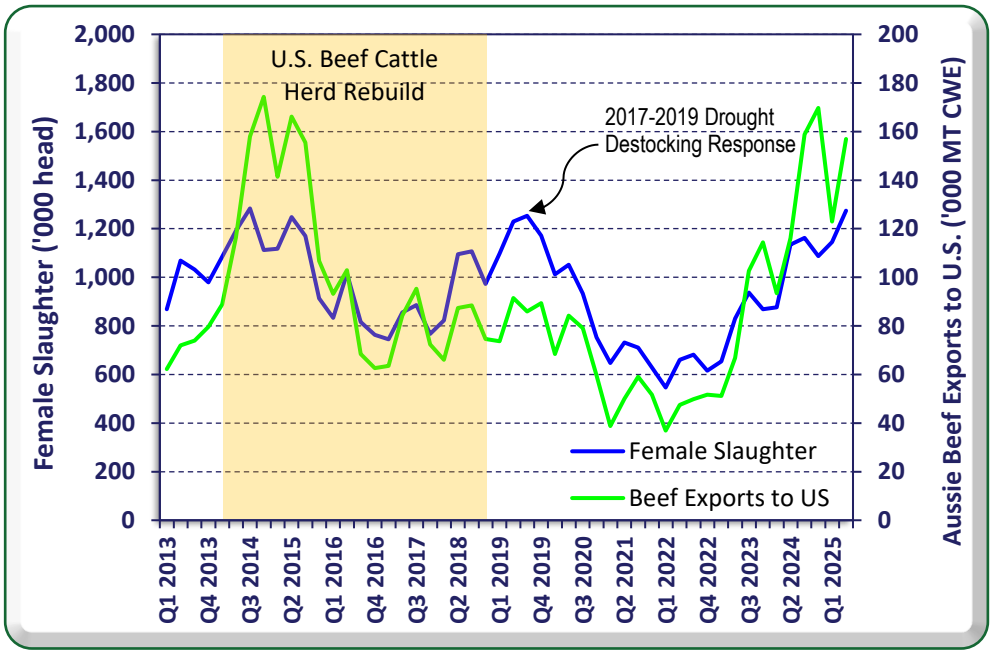
Strong global demand for Australian beef, which began in 2024, is expected to persist through the forecast period. Several key factors underpin this demand:

- **U.S. herd rebuild:** The United States has experienced its own multi-year drought which has resulted in a low herd size and low beef supply as it heads towards a herd rebuild phase. Analysts are yet to declare the country in a herd rebuild and this may not occur until 2026 which will further reduce supply.
- **Suspension of Mexican feeder cattle imports:** Shipments to the United States from Mexico have been halted following detections of New World Screwworm Fly (NWSWF), which has reduced the availability of feeder cattle.

- **Import Tariffs on Brazilian Beef:** In August 2025, U.S. tariffs on Brazilian beef were increased from 26.4 percent (out-of-quota rate) to 76.4 percent. This sharp rise is expected to reduce Brazilian exports to the United States and redirect demand to Australia.

U.S. demand plays a pivotal role in shaping Australian slaughter trends, particularly the extent of female cattle slaughter. During the previous U.S. herd rebuild (2014–2019), female slaughter in Australia rose sharply alongside higher beef exports to the United States (see Figure 6). While the spike in 2018–2019 was drought-driven, a similar rise has occurred since 2024, this time led by export demand. With conditions for an official U.S. herd rebuild still unmet, Australia's elevated female slaughter rate is expected to extend through 2026.

Figure 6 – Quarterly Australian Female Slaughter and Exports U.S. Trends



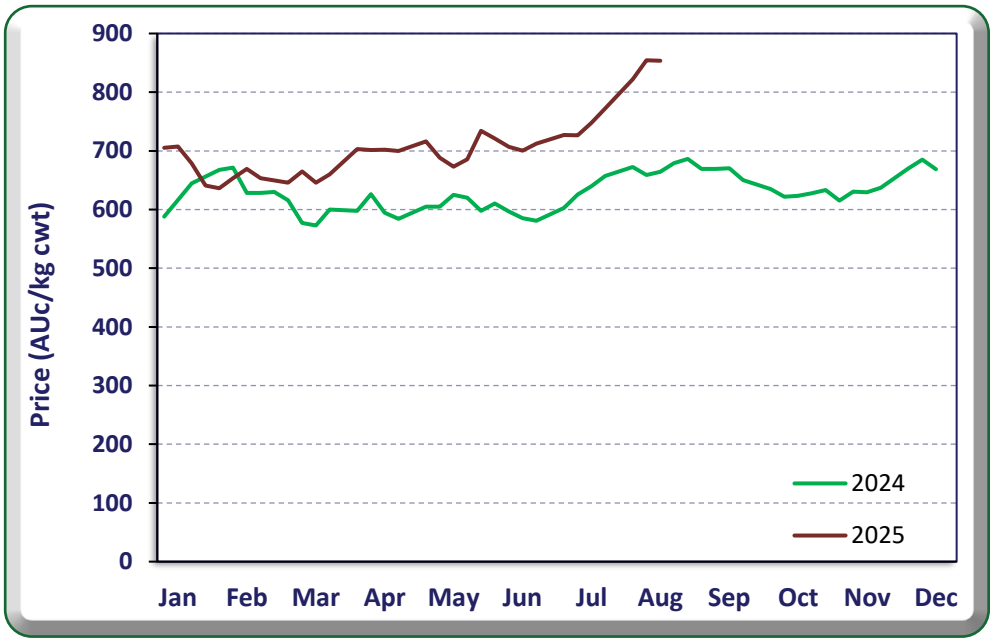
Source: Australian Bureau of Statistics / FAS/Canberra

Australian Herd Rebuild Positioned Industry for Expansion

Australia's strong herd rebuild from 2021 to 2023 positioned the industry to respond to rising export demand. At the end of a rebuild cycle, surplus females are typically available for slaughter without immediately reducing the breeding herd.

In 2024, the average female slaughter rate was 51.4 percent, with cattle prices relatively stable, indicating ample supply. By the first half of 2025, the rate rose to 53.6 percent, yet prices only edged up modestly (see Figure 7), again suggesting surplus female supply. However, prices began to rise sharply in July–August 2025, signaling tightening availability, including breeders that might otherwise have been retained.

Figure 7 – Eastern Young Cattle Indicator History

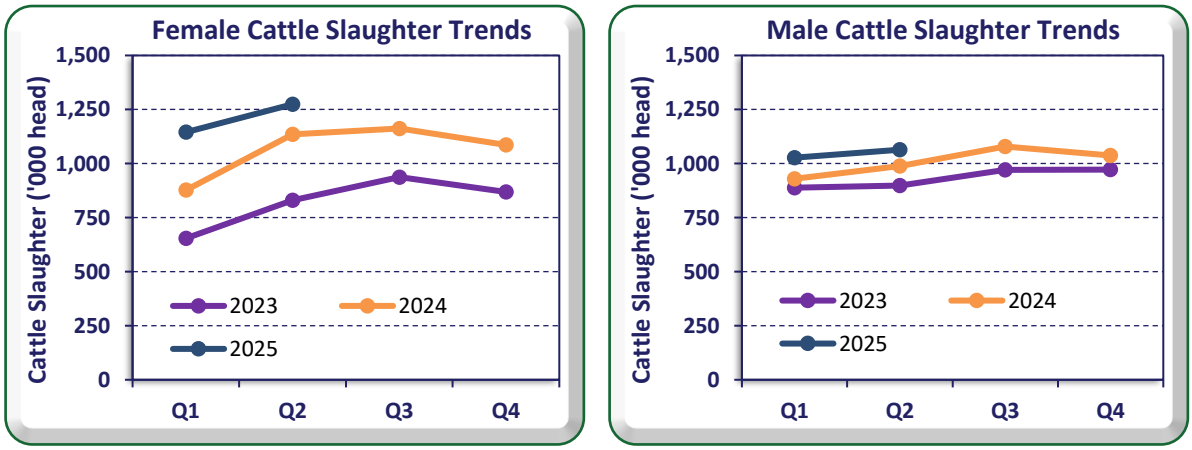


Source: *Meat & Livestock Australia*

FAS/Canberra anticipates cattle prices will remain elevated for the rest of 2025, encouraging producers to continue marketing females. By 2026, as female supply tightens, slaughter is forecast to decline moderately, which may reduce the breeding herd and negatively affect the 2027 calf crop.

Male slaughter typically remains more stable year to year (see Figure 8), reflecting calf crops from two to three years earlier. By contrast, female slaughter fluctuates more significantly and thus exerts greater influence on overall adult slaughter numbers. During droughts, female slaughter rises to reduce grazing pressure regardless of price signals. In contrast, the recent surge in female slaughter (2024–2025) has been driven by export demand rather than drought, with tightening supply now pushing prices higher.

Figure 8 – Female and Male Quarterly Cattle Slaughter Trends



Source: *Australian Bureau of Statistics*

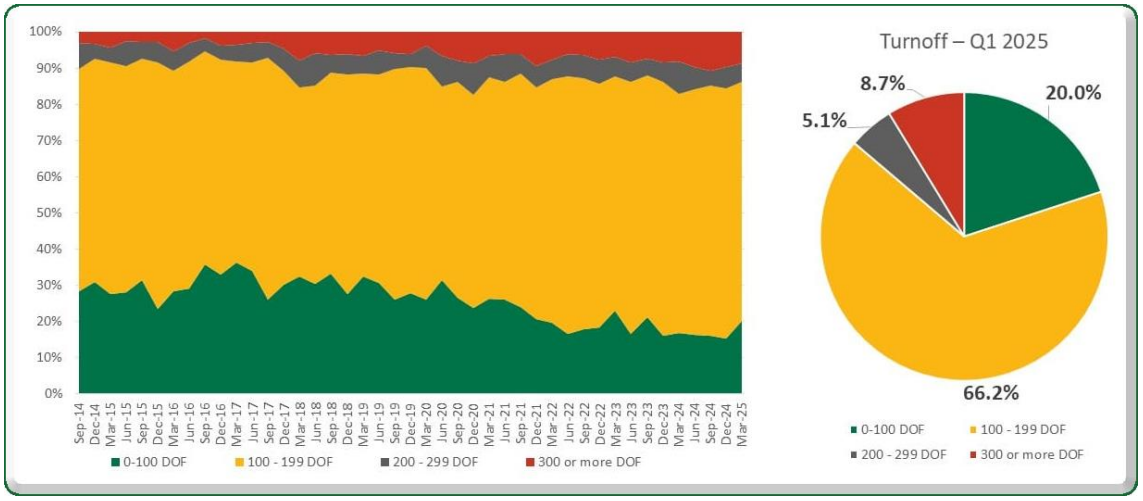
Productivity Growth Through Increasing Wagyu Genetics Influence

The growing influence of Wagyu genetics, particularly in central and southern Queensland herds, is also contributing to slaughter volumes. Wagyu cattle exhibit superior fertility, increasing calf crop size and reducing the number of replacement females required. This allows more females to enter slaughter channels without reducing herd productivity.

Industry sources indicate that feedlots that source Wagyu cross and fullblood cattle or the premium markets are now in a position to be very selective for the purpose of optimizing the chances of achieving high marbling for cattle on feed of up to 400 days. There are reported to be a substantial amount of cattle with Wagyu genetics that may be at F1 or F2 level that do not enter feedlots and do not achieve premium Wagyu prices at market.

Feedlot data supports this trend. In Q1 2025, 8.7 percent of cattle turned off from feedlots had been on feed for more than 300 days (predominantly Wagyu), while a portion of the 5.1 percent fed for 200–299 days were also Wagyu (see Figure 9). The share of long-fed Wagyu cattle has increased substantially over the past decade. In addition, industry sources report growing numbers of Wagyu cross cattle outside feedlot systems, many of which are marketed without attracting premium Wagyu prices, further expanding slaughter availability.

Figure 9 – Quarterly Turnoff by Length of Days on Feed



Source: Meat & Livestock Australia and Australian Lot Feeders Association

2025 Livestock Slaughter Estimate

FAS/Canberra has revised its 2025 slaughter estimate upward to 9.75 million head, a 12.2 percent increase from 8.69 million in 2024. ABS data shows 4.68 million head (including calves) were slaughtered in the first half of 2025. Based on recent seasonal patterns—where the second half of the year accounts for 51.6–53.4 percent of annual slaughter—this points to a full-year outcome near the revised estimate.

Male slaughter rose 9 percent in the first half of 2025 compared with the same period in 2024, reflecting larger calf crops from the latter stages of the herd rebuild. This suggests male slaughter in 2026 will remain slightly higher.

Female slaughter surged 20.2 percent in the first half of 2025 compared to 2024. This increase was enabled by the larger breeding herd from the rebuild, surplus breeders, and higher culling in the dairy sector. Drought in some dairy regions, reduced dairy heifer exports (particularly to China), and stable dairy herd numbers contributed to the elevated female slaughter without significantly eroding the dairy herd base.

Trade

2026 Livestock Export Forecast

FAS/Canberra forecasts Australian live cattle exports to decline by seven percent to 700,000 head in 2026, down from an estimated 750,000 head in 2025. This occurs despite Indonesia, Australia's primary live cattle market, announcing in June 2025 that it would remove import quotas. Two key factors may constrain Australia's live export trade: Brazil's recent access to Indonesia's live cattle market and the prospect of higher domestic cattle prices, which may reduce Australia's price competitiveness.

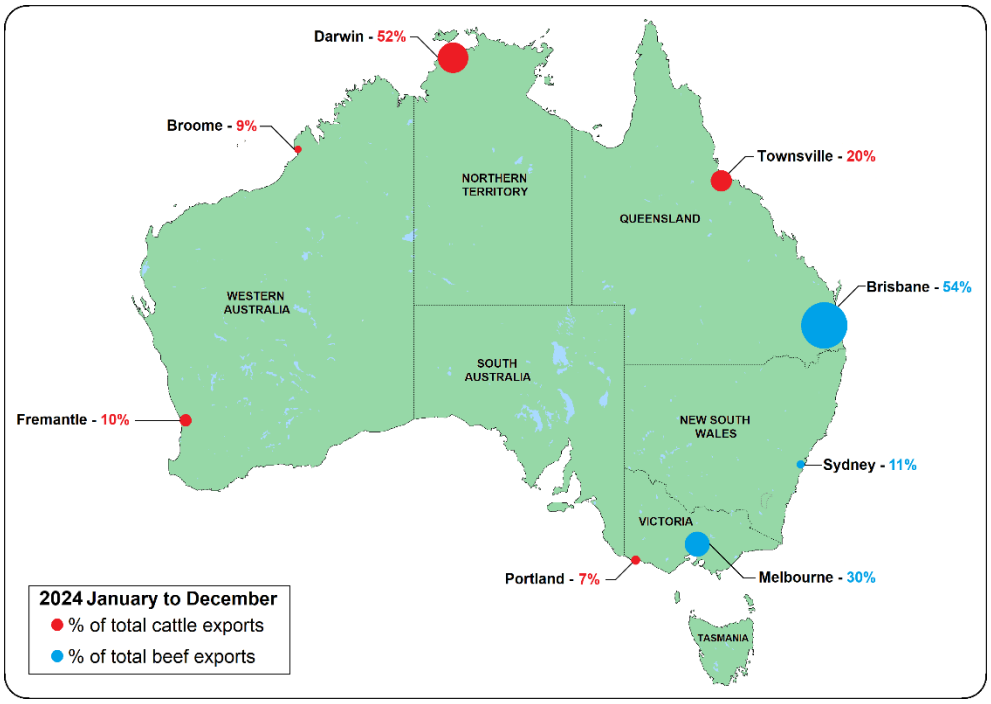
The Prabowo administration in Indonesia has launched its flagship Free Nutritious Meal Initiative, aimed at providing free meals to 82.9 million children, pregnant women, and lactating mothers to combat malnutrition. A key component of the program is improving domestic agricultural capacity, including the import of improved livestock genetics for beef and dairy. While Australia is well positioned to support this initiative, the arrangements are not yet fully implemented, though industry sources anticipate positive trade impacts once operational.

Brazil now has approval to export live cattle and beef to Indonesia. However, logistical constraints limit the competitiveness of Brazilian exports: sea transit takes approximately 25 days compared to five days from Australia, and only two vessels capable of transporting 30,000 head are available, both currently operating in the Northern Hemisphere. No Brazilian live cattle have been exported to Indonesia to date. Rising U.S. tariffs on Brazilian beef (from 26.4 percent to 76.4 percent in August 2025) may reduce cattle prices in Brazil, improving export viability. While this represents a potential competitor for Australian exports, it is not currently considered a high risk.

Most Australian live cattle exports are sourced from northern regions of the Northern Territory, North Queensland, and Western Australia, which together account for approximately 70 percent of total exports (see Figure 10). The port of Portland in Victoria primarily handles dairy cattle exports, historically directed to China. This trade has declined since 2023 due to oversupply in the Chinese domestic milk market and continued weakness in the first half of 2025.

Cattle prices are favorable for the live trade to Indonesia at present. But it is anticipated that domestic cattle prices will increase in 2026 which is likely to draw feeder cattle down from Far North Queensland and the Northern Territory and this may increase the live trade prices and have some impact on demand from Australia.

Figure 10 – Livestock and Beef Export Ports



Source: Australian Bureau of Statistics

2025 Livestock Export Estimate

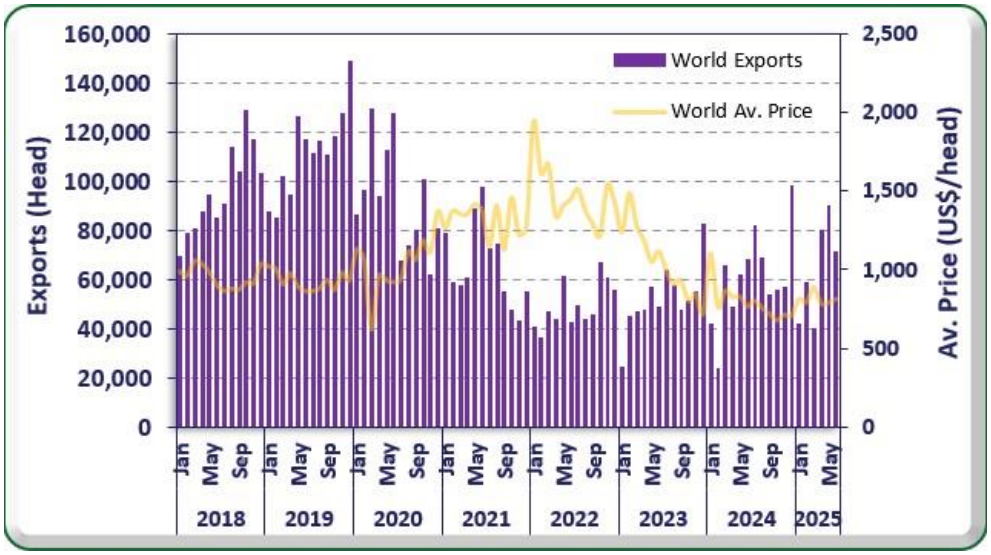
FAS/Canberra estimates live cattle exports at 750,000 head for 2025, a 3.6 percent increase over 2024. Shipments in the first half of 2025 totaled 381,700 head. Historically, the first half of the year accounts for roughly half of total exports, suggesting the annual estimate is on track.

There is a strong historical correlation between live export volumes and cattle prices (see Figure 11). Prices declined sharply in 2023 but stabilized through 2024 and the first half of 2025. Current prices are similar to those prior to mid-2020, when annual exports often exceeded 1.1 million head, levels unlikely to be repeated in the near term.

Indonesia and Vietnam remain Australia's primary live cattle markets, favoring Bos indicus (tropical) cattle due to their suitability for local conditions. Steady, favorable live cattle prices have supported rising exports in recent years, with Indonesia driving the main growth. In the first half of 2025, exports to Indonesia increased 30 percent relative to the first half of 2024 (see Figure 12). Indonesia now accounts for roughly two-thirds of Australia's live cattle exports, though peak historical volumes are

unlikely to be surpassed. Over recent years, Indonesia has diversified its sources of red meats by importing increasing buffalo and beef purchases, which has moderated the demand for live cattle.

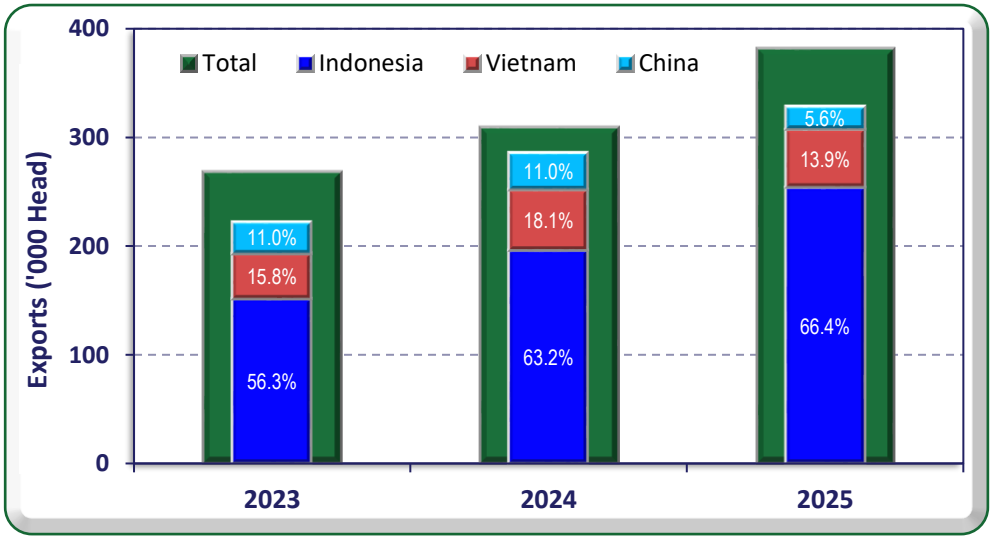
Figure 11 – Live Export Volumes and Average Price



Source: Australian Bureau of Statistics

China has been a significant destination for dairy heifers rather than beef cattle. The trade volume declined substantially in 2023 and has continued to decline into the first half of 2025. Some of the gains in trade to Indonesia have been outweighed by the decline in trade to China. The main driver of the lower trade to China has been due to an oversupply of domestic milk in China. There are reports that there has been some industry rationalization but demand for live dairy heifers is anticipated to remain flat for the remainder of 2025.

Figure 12 – Live cattle Export Destinations – Jan to Jun 2023 to 2025



Source: Australian Bureau of Statistics

TRADE ACCESS AND TARIFFS

Trade Access

On July 23, 2025, after many years of consultation and measures implemented by the USDA to address Australia's traceability and biosecurity requirements for live cattle crossing the border from Mexico and Canada, Australia granted the U.S. beef industry access for chilled and frozen beef imports.

Shortly thereafter, on July 29, 2025, Canada was also granted access for fresh and frozen beef imports into Australia. This followed the World Organization for Animal Health (WOAH) declaring Canada to be of "negligible risk" for Bovine Spongiform Encephalopathy (BSE) in May 2021, paving the way for trade approval.

Tariffs

As part of the U.S. administration "Liberation Day" initiative on April 5, 2025, a baseline 10 percent tariff was applied to Australian goods exported to the United States, including beef. This represents the lowest import tariff rate applied by the United States to any country. To date, this tariff appears to have had no adverse impact on the volume of Australian beef exports to the United States.

Brazil, the other major supplier of U.S. beef imports, was previously subject to a 26.4 percent tariff. Under the Liberation Day initiative, an additional 10 percent tariff was applied on April 5, 2025, and this was further increased by 40 percent from August 6, 2025, bringing the total tariff on Brazilian beef to 76.4 percent. While the full impact of this sharp increase remains to be determined, many analysts anticipate a substantial reduction in Brazilian beef exports to the U.S., which is expected to influence global beef trade dynamics.

BEEF

Table 2 - Production, Supply, and Distribution of Beef and Veal Meat for Australia

Meat, Beef and Veal	2024		2025		2026	
Market Year Begins	Jan 2024		Jan 2025		Jan 2026	
Australia	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Slaughter (Reference) (1000 HEAD)	8698	8690	8900	9750	0	9650
Beginning Stocks (1000 MT CWE)	0	0	0	0	0	0
Production (1000 MT CWE)	2584	2582	2650	2900	0	2870
Total Imports (1000 MT CWE)	19	19	20	20	0	20
Total Supply (1000 MT CWE)	2603	2601	2670	2920	0	2890
Total Exports (1000 MT CWE)	1898	1898	1960	2210	0	2175
Human Dom. Consumption (1000 MT CWE)	705	703	710	710	0	715
Other Use, Losses (1000 MT CWE)	0	0	0	0	0	0
Total Dom. Consumption (1000 MT CWE)	705	703	710	710	0	715
Ending Stocks (1000 MT CWE)	0	0	0	0	0	0
Total Distribution (1000 MT CWE)	2603	2601	2670	2920	0	2890
(1000 HEAD) ,(1000 MT CWE)						
OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query						

Production

2026 Beef Production Forecast

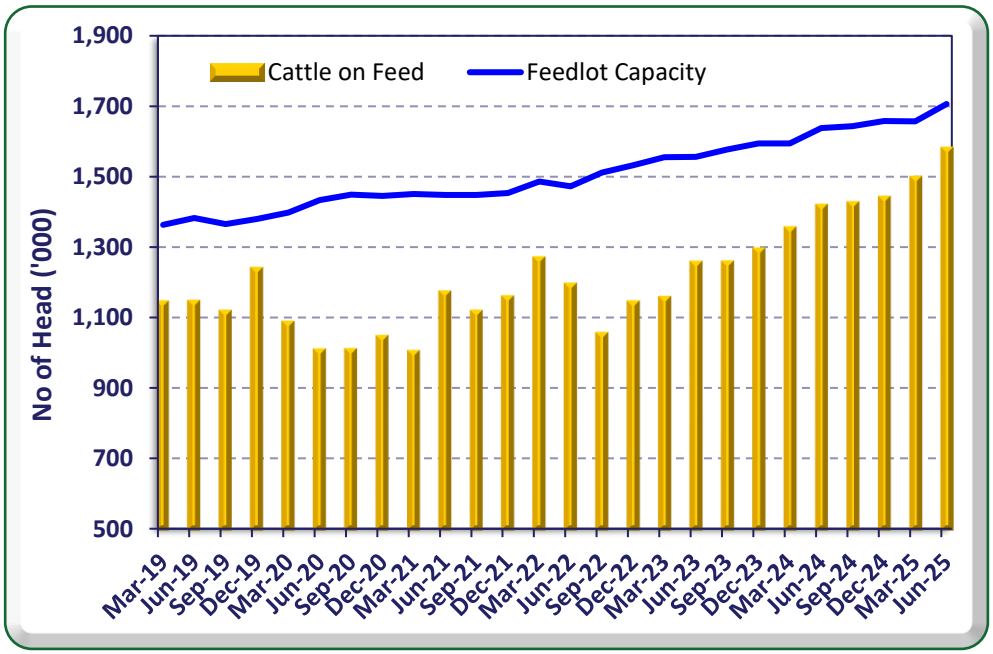
FAS/Canberra forecasts a one percent decrease in Australian beef production to 2.87 million metric tons (MMT) Carcass Weight Equivalent (CWE) in 2026. If realized, this would be the second-highest level of beef production on record, following an upwardly revised estimated record of 2.90 MMT (CWE) in 2025. The 2026 forecast is 11 percent above 2024 levels (2.582 MMT CWE) and slightly below the previous peak in 2014 (2.595 MMT CWE).

Beef production in 2026 is primarily driven by strong global export demand, particularly from the United States, where limited domestic cattle supply and an approaching herd rebuild are expected to tighten local supply further in 2026. The Australian national herd underwent a substantial rebuild from 2021 to 2023, positioning the industry to meet rising world beef demand. However, high production levels in 2024–2026 have been supported by elevated female slaughter rates, which are not sustainable in the long term.

A key factor maintaining high average carcass weights despite record adult slaughter volumes and elevated female slaughter is the growth of the feedlot sector.

Feedlot capacity in Australia has been rising steadily however there has also been a surge in the volume of cattle on feed (see Figure 13). In the June 2025 quarter, despite there being growth in feedlot capacity the number of cattle on feed reached 93 percent of capacity. Due to operational timelines between emptying pens and preparing them for the following group of cattle, feedlots are now at peak capacity.

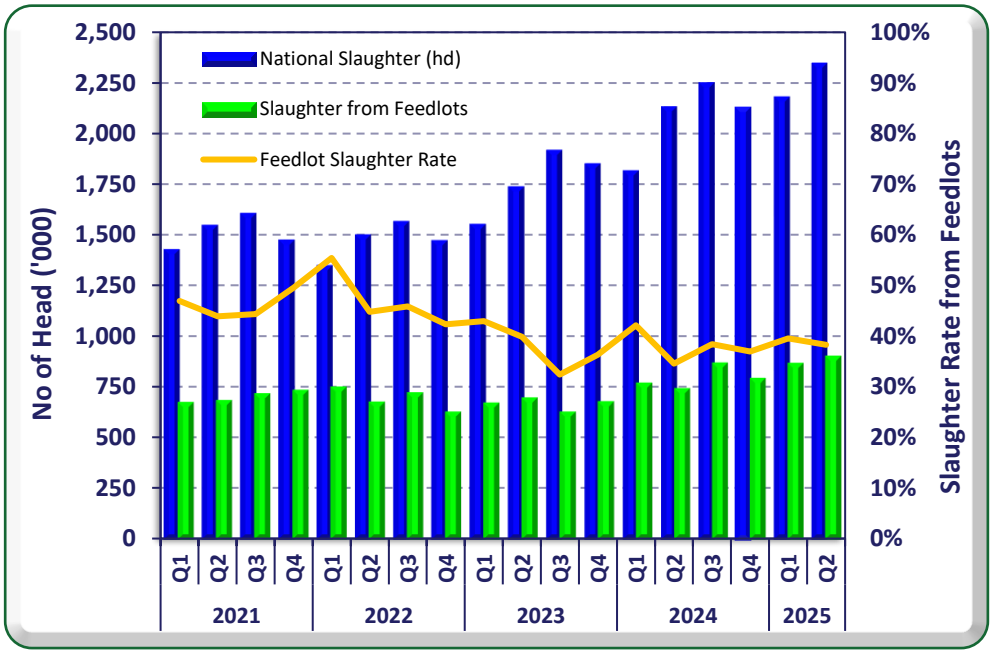
Figure 13 – Cattle on Feed in Feedlots and Feedlot Capacity



Source: Meat & Livestock Australia and Australian Lot Feeders Association

Typically, grass-fed finished cattle have lower slaughter weights than cattle finished in feedlots. With big increases in slaughter volumes from 2024 there has broadly been a corresponding proportional increase in the volume cattle slaughtered from feedlots. Through this growth period there has been an average of around 38 percent of national adult cattle slaughter from feedlots (see Figure 14). Although there have been higher rates in the past, they have typically been due to low supply (herd rebuild) or drought situations. The high feedlot utilization in 2025 is expected to continue into 2026, supporting strong average carcass weights even amid record adult slaughter levels.

Figure 14 – Slaughter Rate from Feedlots



Source: *Australian Bureau of Statistics*

Female cattle have lower average slaughter weights than males. The carcass weight for 2026 is forecast to be similar to 2025, but these years are slightly lower than for 2024 which is also a drop from 2023. This is reflective of the high female slaughter rate in 2024 which escalated further in 2025 and for the forecast year. For the national average carcass weight to have been maintained at 2023 levels the proportion of cattle slaughtered from feedlots would have needed to rise well above 38 percent to overcome the elevated female slaughter rate, which is not feasible with feedlots operating at full capacity.

2025 Beef Production Estimate

The FAS/Canberra beef production estimate for 2025 has been revised upward by 9.4 percent to 2.90 MMT (CWE), a 12.3 percent increase over 2024 at 2.582 MMT (CWE). This is rapid growth to an estimated record level of beef production driven by strong world beef demand which has encouraged a high rate of female slaughter.

For the first half of 2025 beef production has reached 1.40 MMT (CWE), a 14.8 percent rise from 1.22 MMT (CWE) in the same period of 2024. As noted, over the last three years, the first half of the year accounts for slightly less than half of annual slaughter. With continued strong export demand, female slaughter is expected to increase further in Q3 2025 before tapering in Q4, alongside the usual seasonal rise in male slaughter during the second half of the year.

Cattle slaughter (excluding calves) in 2025 is projected to be 13.0 percent higher than 2024, slightly outpacing the 12.3 percent growth in beef production. This discrepancy reflects a modest decline in average carcass weight, estimated at 307.7 kilograms per head, down from 309.3 kilograms per head in 2024. The decline is primarily due to the higher proportion of females in the slaughter mix: in the first half of 2025, 53.9 percent of cattle slaughtered (excluding calves) were female, up from 51.4 percent in the same period in 2024.

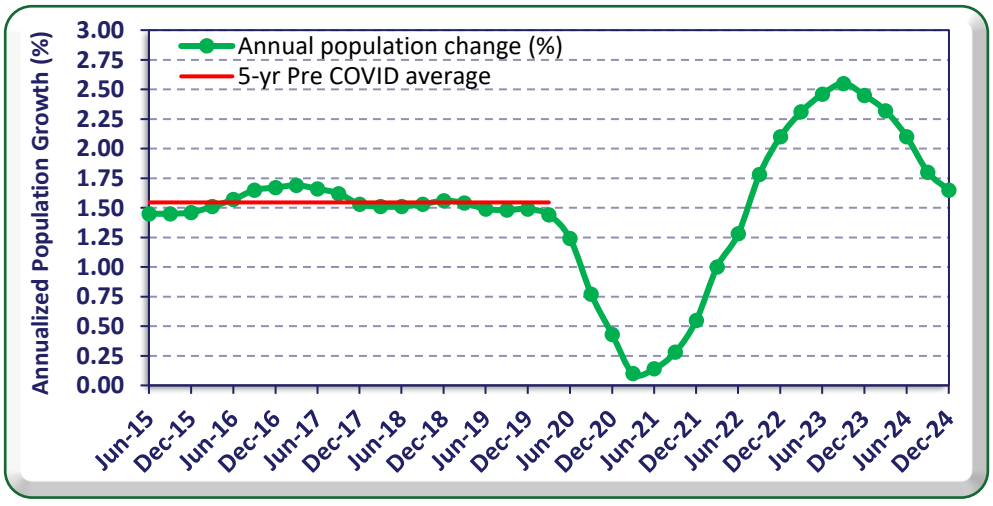
Consumption

2026 Beef Consumption Forecast

FAS/Canberra forecasts domestic beef consumption to increase by one percent in 2026, reaching 715,000 metric tons (MT) (CWE), up from the upwardly revised estimate of 710,000 MT in 2025. This growth is primarily driven by population growth, though slightly tempered by expectations of higher beef prices, which may reduce per capita consumption.

Australia's population growth surged in 2022 and 2023, exceeding the pre-COVID-19 average of just over 1.5 percent. By late 2024, population growth had moderated to near the long-term average, following federal government measures to curb high immigration rates (see Figure 15). Population growth in 2025–2026 is expected to remain around past average levels, moderating the growth in domestic beef consumption relative to the unusually high rates seen in 2022 and 2023.

Figure 15 – Australian Population Growth Trend



Source: Australian Bureau of Statistics

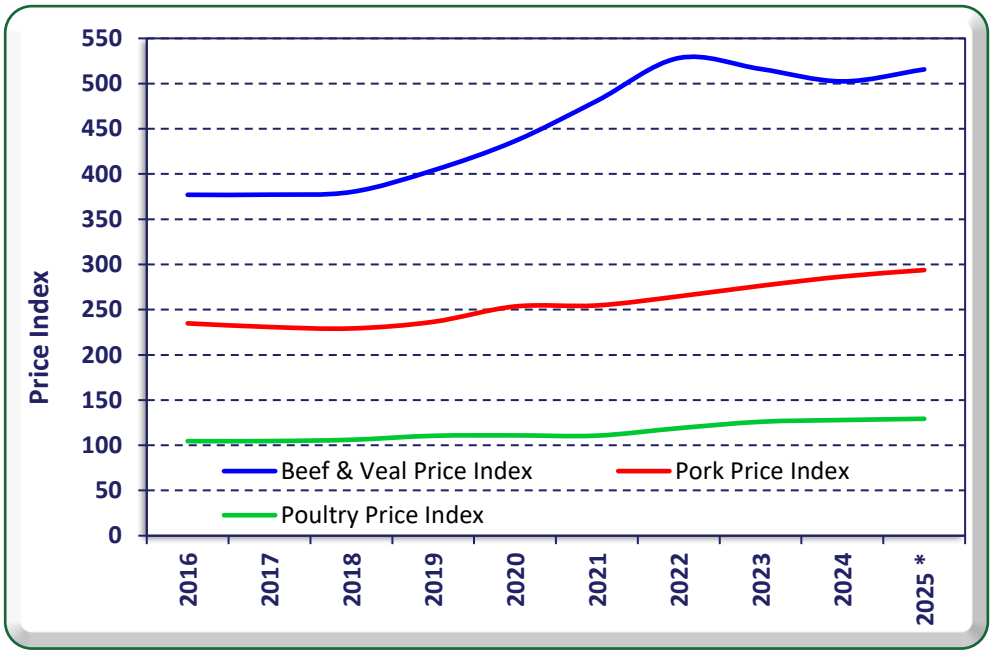
While pork and chicken prices are anticipated to continue their steady growth from recent years, beef prices are likely to rise at higher rate. This reduces beef's price competitiveness, and this is likely to result in slightly lower per capita consumption of beef in the forecast year. Nevertheless, with population growth around 1.5 percent per annum, overall domestic beef consumption is still expected to grow by approximately one percent in 2026.

2025 Beef Consumption Estimate

FAS/Canberra estimates beef consumption in 2025 at 710,000 MT (CWE), representing a one percent increase over 2024 (703,000 MT (CWE)). Similar to the forecast year, growth is primarily driven by population increases but tempered by slightly lower per capita consumption due to rising retail beef prices. Easing cost-of-living pressures are expected to limit the decline in per capita consumption.

The price gap between beef and other major meat proteins - pork and poultry - has been widening for years. However, there was a turning point in 2023 that continued into 2024 and marked a decline in the domestic beef price (see Figure 16). This was the result of increased beef supply following the end of the national herd rebuilding phase. Retail beef prices have risen in the first half of 2025 and are expected to continue increasing in the second half of the year, following significant rises in cattle prices in July and August 2025 (see Figure 7).

Figure 16 – Australian Meat Consumer Price Index Trend 2016 to 2025



Source: *Australian Bureau of Statistics*

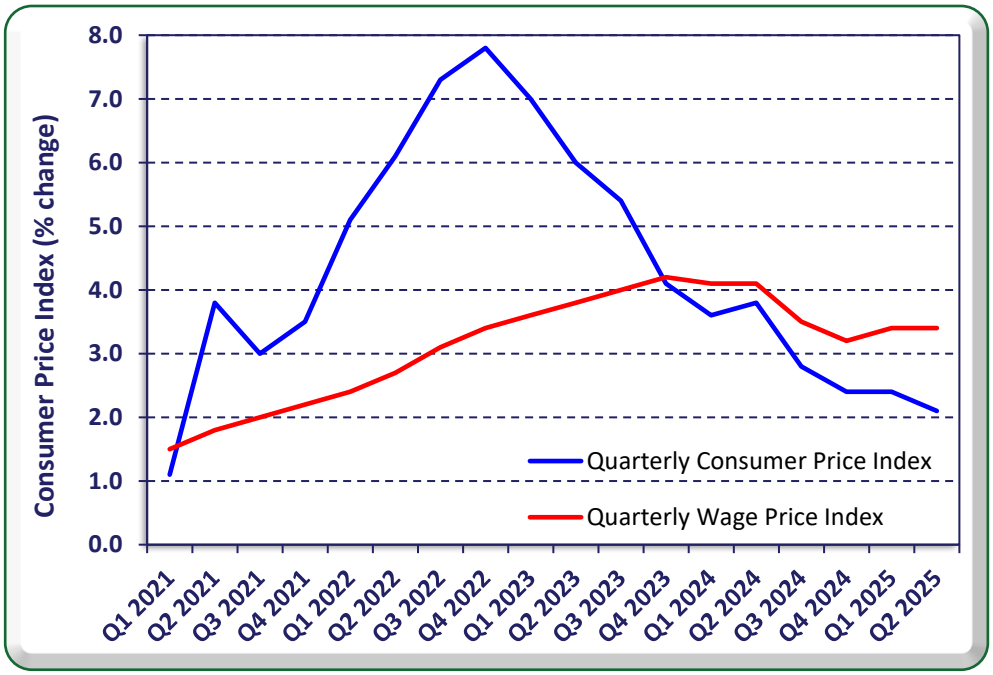
Note: ** = January to June 2025*

The price indexes are set based on the actual relative average meat prices in 1992 from the Australian Bureau of Statistics. The relative difference in the price indexes is reflective of the actual average meat price differences.

Despite higher prices—approximately double pork and four times poultry—per capita beef consumption remains comparable to pork and about half that of poultry, indicating a strong consumer preference for beef in Australia.

A positive factor mitigating the impact of rising beef prices is the improvement in the gap between salary growth and inflation. Since the end of 2023, wage growth has outpaced the overall Consumer Price Index (CPI), easing cost-of-living pressures and supporting consumer spending on beef even as retail prices rise (see Figure 17).

Figure 17 – Australian Consumer Price Index and Wage Growth - 2021 to June 2025



Source: *Australian Bureau of Statistics*

Trade

Exports

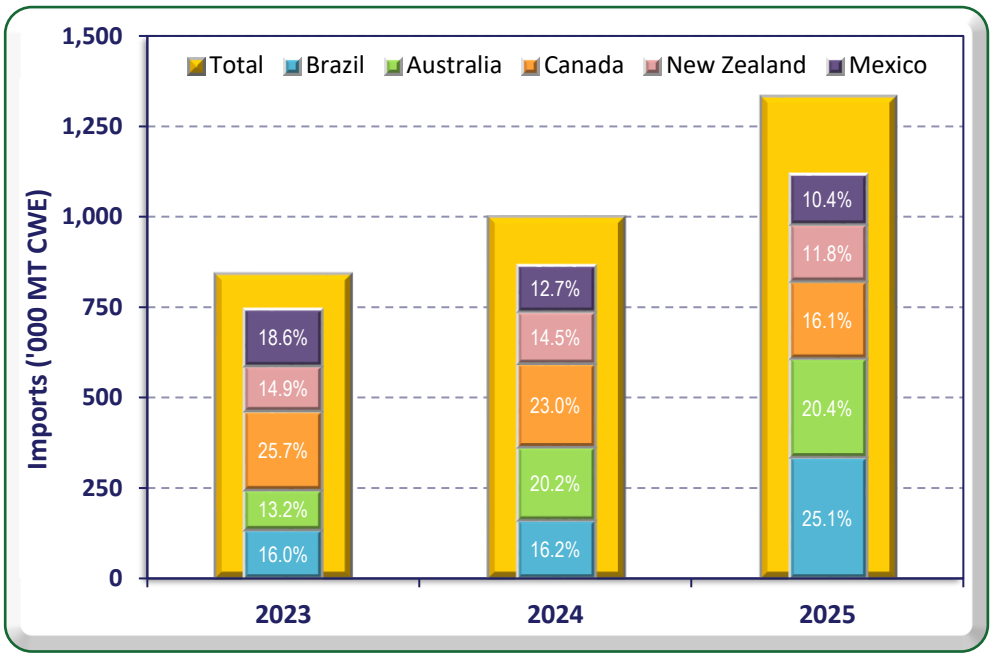
2026 Beef Export Forecast

FAS/Canberra forecasts Australian beef exports to moderate slightly in 2026 to 2.175 MMT (CWE), a reduction of 35,000 MT (CWE) from the record 2.21 MMT (CWE) estimate for 2025. If realized, this would be the second-highest export volume on record, representing a 14.6 percent increase over 2024 exports of 1.898 MMT (CWE).

The forecast is underpinned by very strong global demand, particularly from the United States, and supported by the second-highest level of beef production on record in Australia.

The United States began scaling up its beef imports in 2024, with significant growth continuing in the first half of 2025, sourced mainly from Brazil and Australia (see Figure 18).

Figure 18 – Major U.S. Beef Import Sources – Jan-Jun 2023 to 2025



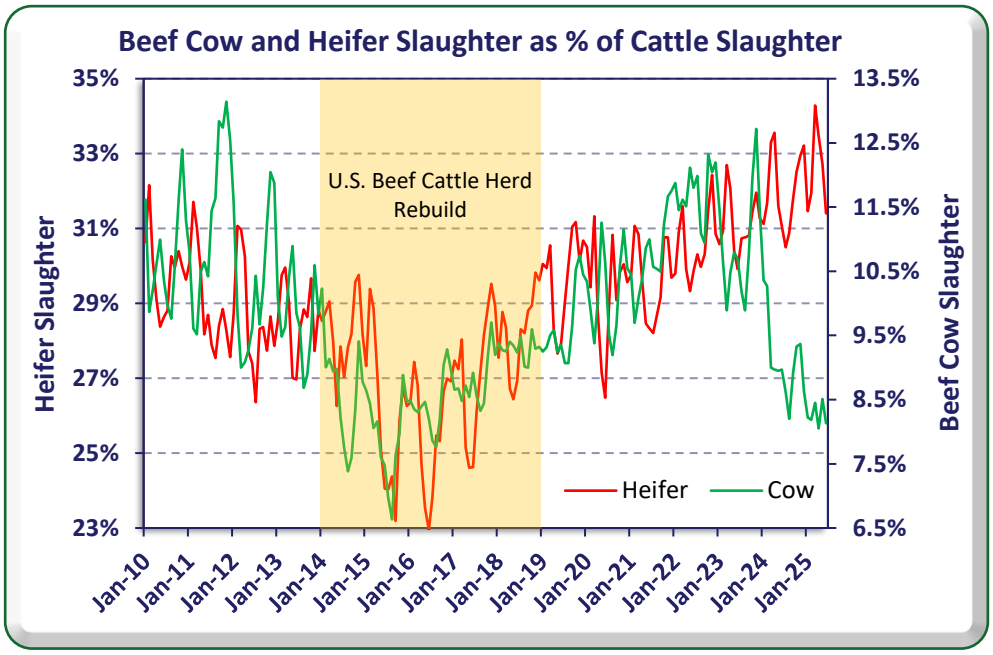
Source: Australian Bureau of Statistics

This increase in U.S. imports coincides with a decline in cow slaughter as a proportion of the national herd (see Figure 19). However, the United States has not yet formally entered a herd rebuild phase due to high heifer slaughter. The timing of when the official herd rebuild will commence is unclear but this may be in late 2025 or during 2026, at which point domestic cattle supply for processing is likely to tighten further.

U.S. beef import demand is expected to remain firm during the herd rebuild, but sourcing additional supply may be challenging, likely supporting higher global beef prices.

Brazil, the largest supplier of beef to the United States in early 2025, faces a substantially increased U.S. import tariff, rising from 26.4 percent (out-of-quota rate) to 76.4 percent in August 2025. This is expected to reduce Brazil's competitiveness, although some Brazilian supply may redirect to other markets. Nevertheless, as the world's largest beef exporter, Brazil's reduced access to the U.S. market may impact global beef supply and prices.

Figure 19 –U.S. Beef and Cow Slaughter as a Proportion of Overall Cattle Slaughter



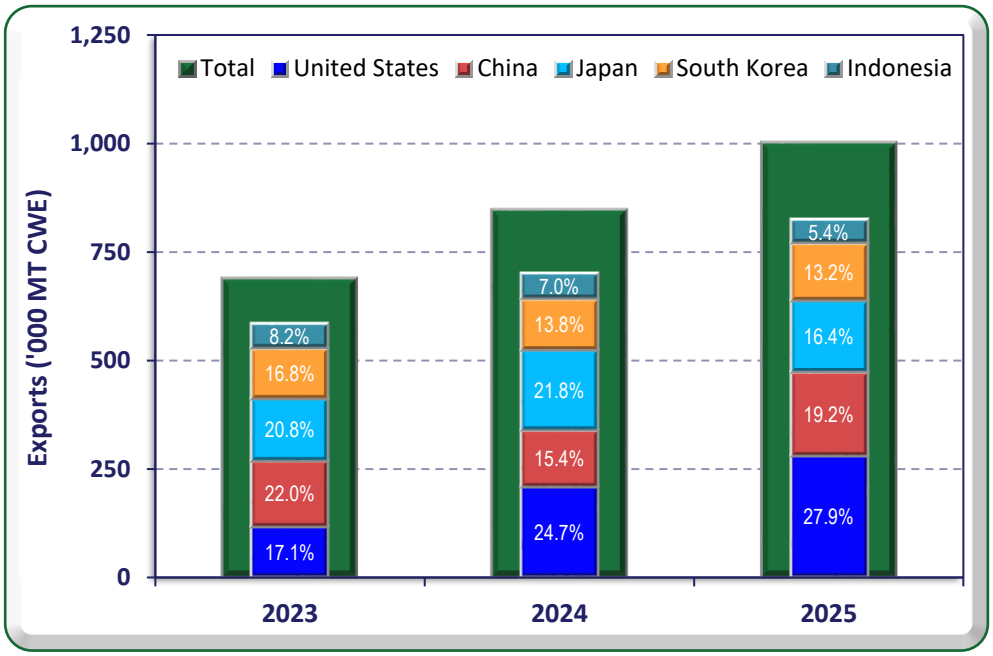
Source: Australian Bureau of Statistics

Australia, currently the second-largest supplier of beef to the United States, is constrained by processor capacity and elevated female slaughter rates, which increased in 2025. While the industry may maintain high female slaughter in 2026, some reduction is likely. Overall, there is limited scope for additional beef output from Australia in the forecast year.

The combination of firm U.S. import demand, high tariffs on Brazilian beef, and limited Australian supply suggests continued upward pressure on world beef prices in 2026.

The four major destinations—China, Japan, the United States, and South Korea—account for over 80 percent of Australian beef exports in recent years (see Figure 20). In the first half of 2025, exports to the U.S. and China grew 39 percent. Following the August 2025 50 percent tariff increase on Brazilian beef to the U.S., Brazil is expected to redirect some supply to China, potentially displacing Australian exports. Australia is then likely to redirect some of these displaced exports to the United States, further increasing its export volume there.

Figure 20 – Beef Export Destinations – Jan-Jun 2023 to 2025



Source: *Australian Bureau of Statistics*

2025 Beef Export Estimate

FAS/Canberra has revised the 2025 beef export estimate upward to 2.21 MMT (CWE), a 16.4 percent increase from 1.90 MMT (CWE) in 2024.

In the first half of 2025, exports totaled 1.00 MMT (CWE), up 18.5 percent from 0.847 MMT (CWE) in the same period of 2024. January and February are traditionally low-export months, and the first half of the year typically accounts for about 47 percent of annual exports. With production expected to increase in the second half of 2025, export volumes are anticipated to accelerate, supporting the upwardly revised annual estimate.

Imports

Although the United States and Canada have recently been granted access for fresh beef imports to Australia, FAS/Canberra forecasts minimal imports for the forecast year due to uncompetitive pricing relative to Australian beef. Major retailers in Australia have stated that they will not be importing U.S. beef. Some importers have also stated that they will not be importing beef due to uncompetitive pricing.

PORK

Table 3 - Production, Supply, and Distribution of Swine Meat for Australia

Meat, Swine	2024		2025		2026	
Market Year Begins	Jan 2024		Jan 2025		Jan 2026	
Australia	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Slaughter (Reference) (1000 HEAD)	5787	5787	6000	5750	0	5730
Beginning Stocks (1000 MT CWE)	0	0	0	0	0	0
Production (1000 MT CWE)	471	471	490	475	0	480
Total Imports (1000 MT CWE)	226	226	225	230	0	235
Total Supply (1000 MT CWE)	697	697	715	705	0	715
Total Exports (1000 MT CWE)	48	48	55	48	0	50
Human Dom. Consumption (1000 MT CWE)	649	649	660	657	0	665
Other Use, Losses (1000 MT CWE)	0	0	0	0	0	0
Total Dom. Consumption (1000 MT CWE)	649	649	660	657	0	665
Ending Stocks (1000 MT CWE)	0	0	0	0	0	0
Total Distribution (1000 MT CWE)	697	697	715	705	0	715
(1000 HEAD) ,(1000 MT CWE)						
OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query						

Production

2026 Pork Production Forecast

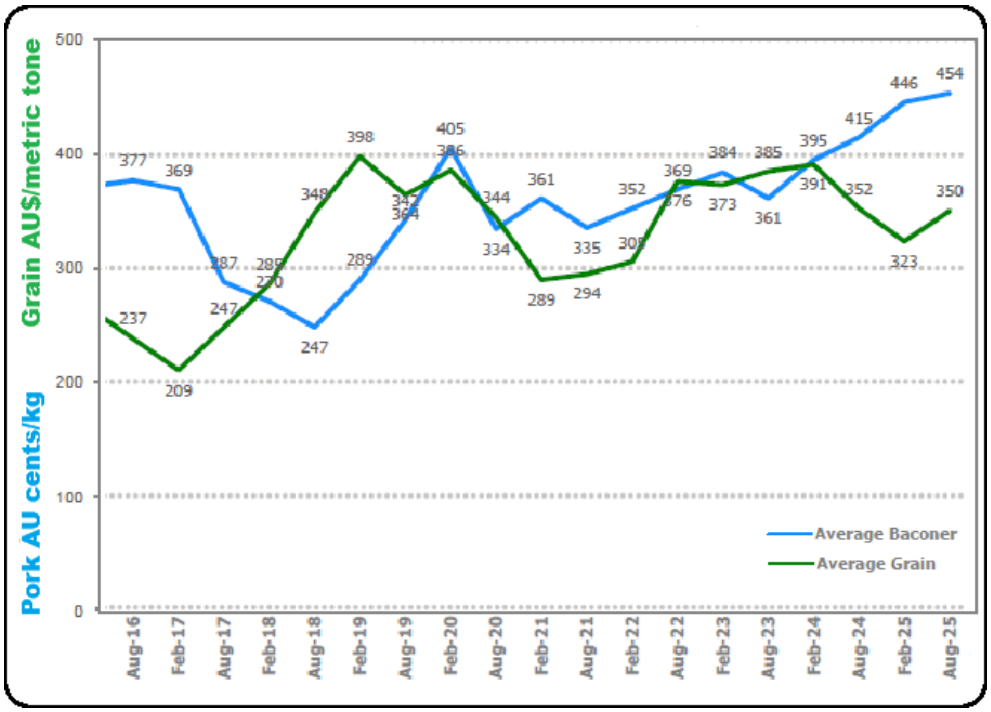
For 2026, FAS/Canberra projects Australian pork production to increase by one percent to 480,000 MT (CWE), up from the downwardly revised 2025 estimate of 475,000 MT (CWE). This modest growth is supported by strengthening pork prices and relatively low feed grain costs, which represent a substantial portion of production expenses.

Given that the majority of Australian pork is consumed domestically, rising pork prices limit its competitiveness relative to other meats. As a result, forecast growth in pork production primarily accommodates a growing domestic population (see the “Consumption” section for further discussion).

Feed costs are the primary expense for pork producers. Historical trends show that when domestic average pork prices (in cents per kilogram) fall below average feed grain prices (AU$ per ton), pork production stagnates or declines, as observed from late 2017 to early 2020 (see Figure 21). Conversely, when pork prices are at or above feed grain prices, as has been the case since 2020, industry confidence improves, supporting production growth from 2021 onward, despite a temporary setback in 2022 due to the Japanese Encephalitis Virus (JEV) outbreak.

Across 2024 and the first half of 2025, pork prices have strengthened while feed grain prices have softened, creating a favorable production environment. A strong winter crop outlook in Australia is expected to support feed grain supply for pork producers throughout 2026, limiting upward pressure on domestic feed grain prices. However, domestic prices remain influenced by global feed grain supply and demand, and current conditions do not suggest any significant price increases in early 2026.

Figure 21 – Average Baconer and Feed Grain Prices



Source: *Australian Pork Limited – Data from Pro Farmer*

2025 Pork Production Estimate

FAS/Canberra has revised the 2025 pork production estimate downward to 475,000 MT (CWE), from 490,000 MT (CWE). The Australian Bureau of Statistics reports that first-half 2025 production reached 238,000 MT. Historically, first-half production has been slightly higher than the second half. If this trend continues, full-year production is expected to reach the revised estimate.

Previous higher growth forecasts were based on a widening gap between pork prices and feed grain costs (see Figure 21), which historically drives strong production growth. However, the strong rise in domestic pork prices throughout 2024 and the first half of 2025 has affected pork's competitiveness relative to other meats. While prices for other meats have also increased in 2025, beef and lamb remain below their 2022 peaks, and chicken remains the most cost-effective option for consumers (see the "Consumption" section). These factors have contributed to moderate growth in domestic pork demand and, subsequently, limited production growth in 2025.

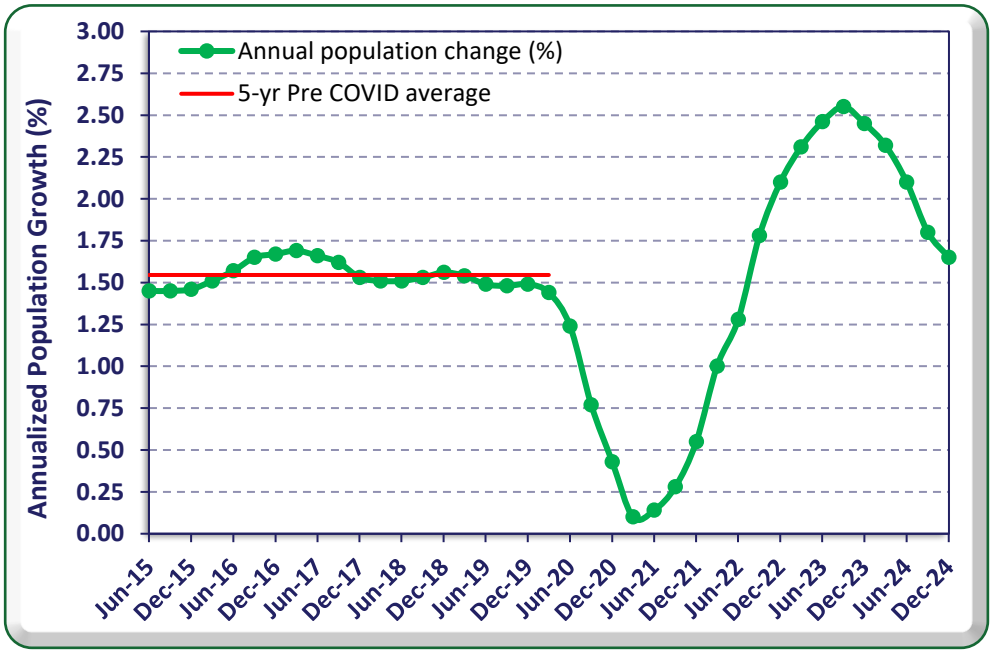
Consumption

2026 Pork Consumption Forecast

FAS/Canberra projects Australian pork consumption to increase slightly in 2026 to 665,000 MT (CWE), up from an estimated 657,000 MT (CWE) in 2025. This 1.2 percent growth is primarily driven by population growth, while per capita pork consumption is expected to remain marginally declining, continuing the recent trend.

After a period of accelerated population growth in 2022 and 2023, rates have gradually moderated in 2024, approaching the pre-COVID-19 average of around 1.5 percent per year (see Figure 22). Much of this growth was fueled by high immigration, but federal government measures to slow immigration have contributed to the moderation. FAS/Canberra anticipates population growth in the forecast year will remain near pre-pandemic levels.

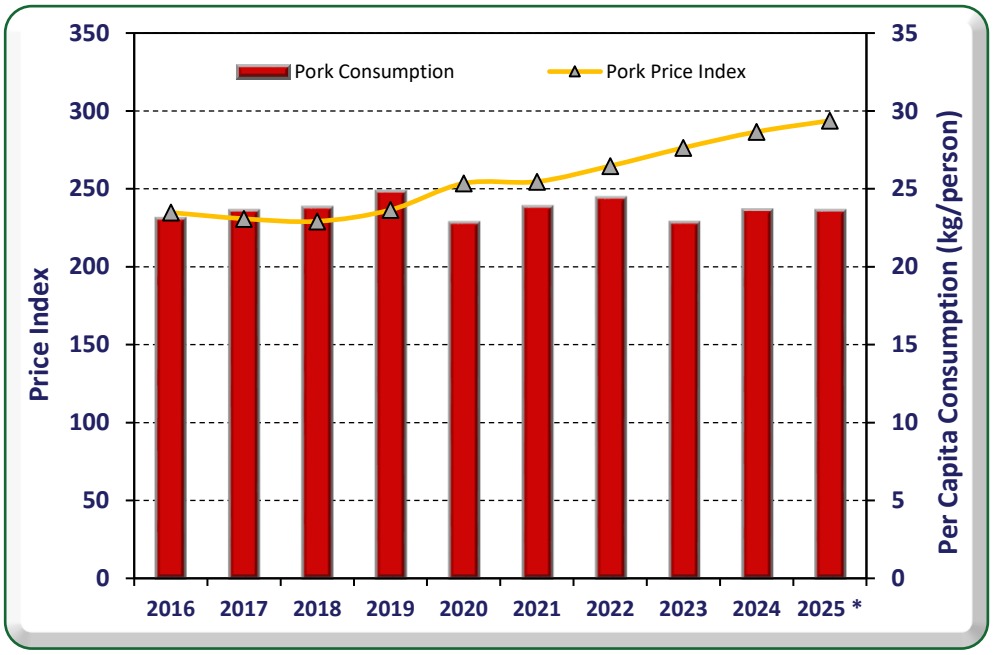
Figure 22 – Australian Population Growth Trend



Source: Australian Bureau of Statistics

The consumer price index for meats in Australia shows that pork prices have increased at a relatively steady and strong rate over around the last five years. This is also marked by a slight decline in per capita pork consumption over the same period (see Figure 23). This trend is broadly anticipated to continue into the forecast year.

Figure 23 – Pork Consumer Price Index and Consumption Trend 2016 to 2025



Source: *Australian Bureau of Statistics*

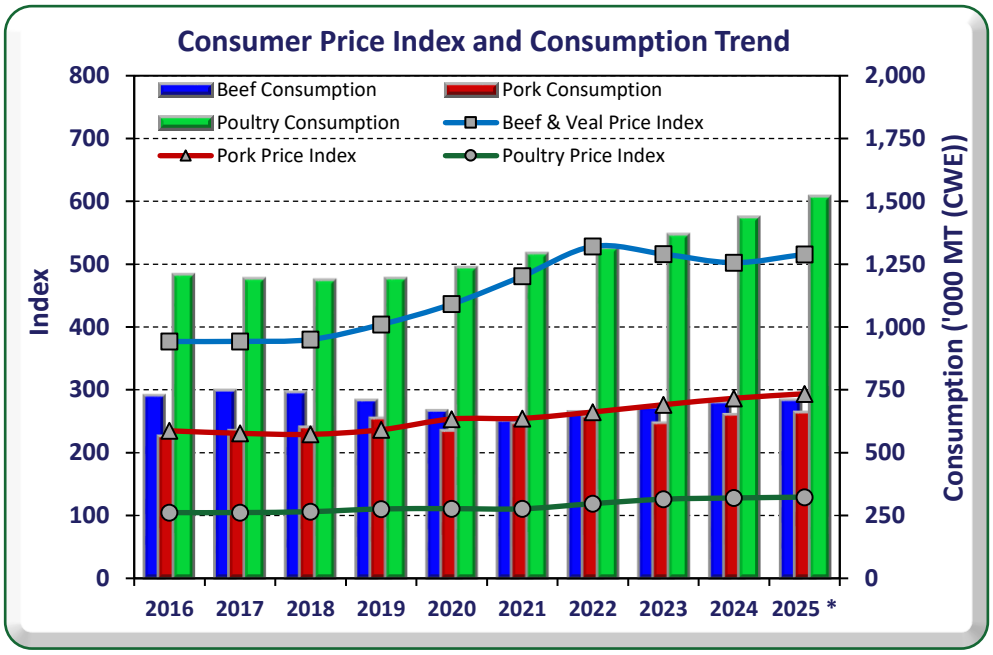
Pork competes with chicken and beef for consumer preference, while lamb has relatively little influence due to its lower overall consumption—approximately 3–4 times less than pork or beef and 7–8 times less than chicken. Shifts in relative meat prices can influence pork consumption.

Retail chicken prices have also risen over the last five years, but per capita chicken consumption continues its long-term upward trend, largely because chicken is less than half the price of pork.

Beef prices are nearly double those of pork, yet overall beef consumption remains higher than pork. Over the past five years, per capita beef consumption has slightly increased, while per capita pork consumption has marginally declined. Compared with chicken, beef prices are four times higher, and beef consumption is roughly half that of chicken (see Figure 24). These patterns indicate that beef is the preferred meat in Australia, but chicken dominates due to its affordability. Consequently, changes in beef prices can significantly influence pork consumption.

With continued strong demand for Australian beef in 2026, particularly from the U.S., domestic cattle supply is expected to tighten, driving higher beef prices. Since pork prices are roughly half of beef prices, higher beef prices are likely to constrain growth in per capita beef consumption while supporting stability in per capita pork consumption.

Figure 24 – Meat Consumer Price Index and Consumption Trend 2016 to 2025



Source: *Australian Bureau of Statistics*

Note: ** = January to June 2025*

The price indexes are set based on the actual relative average meat prices in 1992 from the Australian Bureau of Statistics. The relative difference in the price indexes is reflective of the actual average meat price differences.

2025 Pork Consumption Estimate

FAS/Canberra estimates pork consumption in 2025 at 657,000 MT (CWE), a 1.2 percent increase over 2024 (649,000 MT CWE). This growth is primarily driven by population growth, while per capita pork consumption continues a marginally declining trend.

Trade

Imports

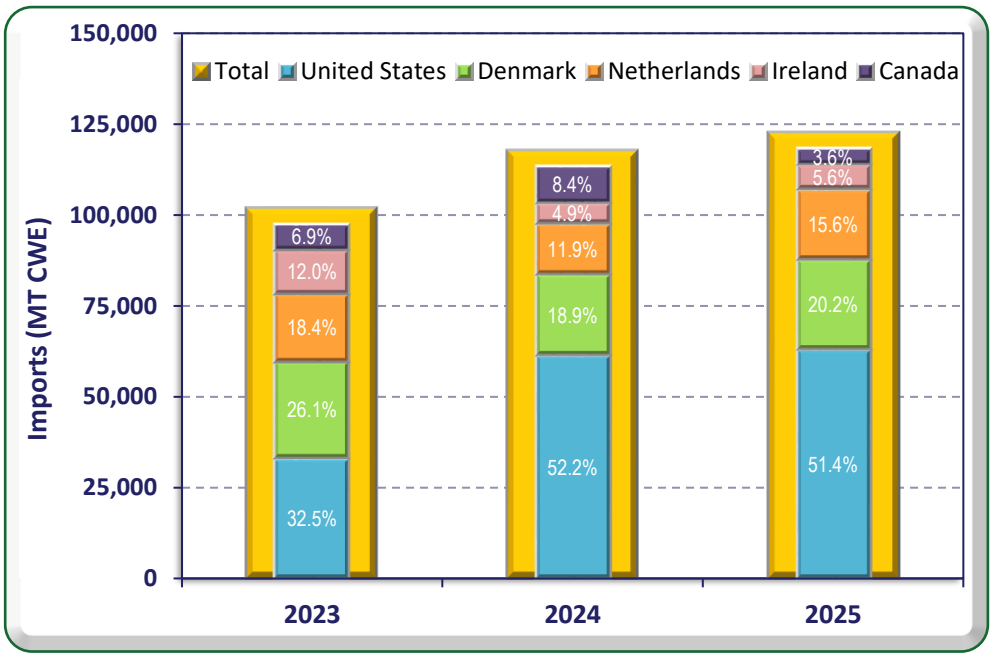
2026 Pork Import Forecast

FAS/Canberra forecasts Australian pork imports to increase slightly to 235,000 MT (CWE) in 2026, up two percent from the revised 2025 estimate of 230,000 MT (CWE). This modest growth, alongside the small rise in domestic pork production, is primarily driven by expected growth in domestic consumption.

In recent years, the top five pork suppliers to Australia have accounted for over 95 percent of total imports. The United States supplies half or more of Australia's pork imports, while Denmark and the

Netherlands are the other major suppliers (see Figure 25). Ireland and Canada have diminished in significance in recent years. No significant disruptions to these import patterns are anticipated in 2026.

Figure 25 – Major Pork Import Sources – Jan to Jun 2023 to 2025



Source: Australian Bureau of Statistics

A recent major disruption to global pork trade stemmed from China's recovery from African Swine Fever (ASF). During this period, EU pork production increased to meet Chinese demand. As China's domestic pork production recovered, EU pork prices fell below U.S. pork prices between late 2021 and early 2023, attracting higher volumes of EU pork imports into Australia. Since then, trade has largely reverted to pre-ASF patterns.

2025 Pork Import Estimate

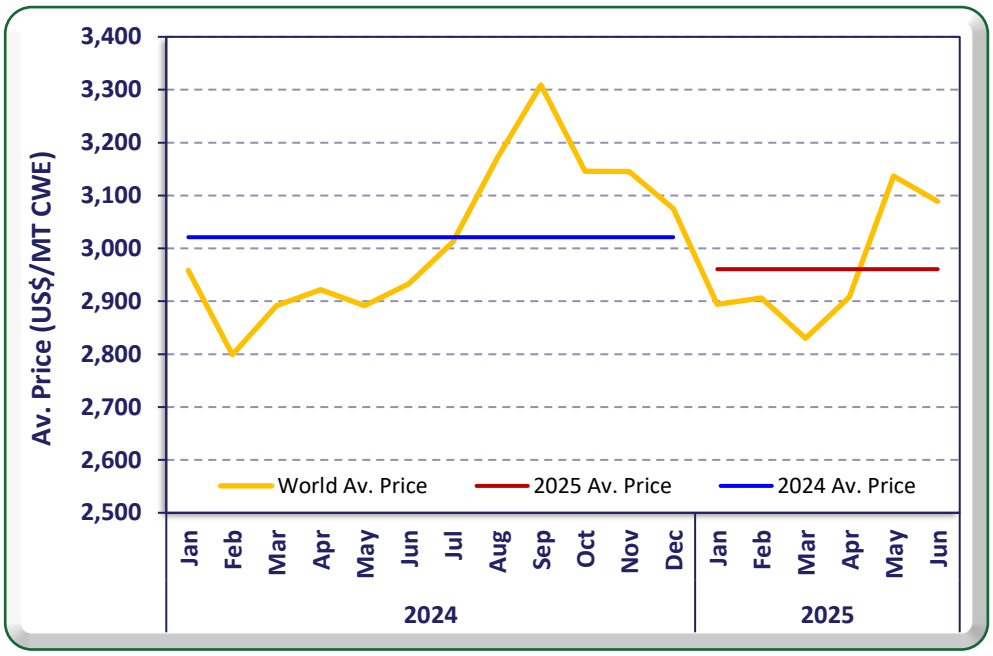
FAS/Canberra has slightly revised 2025 pork imports upward to 230,000 MT (CWE), from the prior forecast of 225,000 MT (CWE), similar to 2023 imports of 226,000 MT (CWE).

Imports in the first half of 2025 totaled 122,500 MT (CWE). Historically, first-half imports have represented slightly more than half of the full-year total, and the second half of 2025 is expected to follow this pattern.

Australia's fresh pork market is supplied exclusively by domestic producers due to biosecurity regulations preventing fresh and chilled imports. Processed pork products—such as ham, bacon, and small goods—are primarily sourced from frozen imports. Domestic manufacturers face competitive challenges in producing processed pork, resulting in relatively stable import volumes year-to-year. The

average import price in the first half of 2025 was two percent lower than in 2024 (see Figure 26), supporting a modest increase in import volumes for the full year.

Figure 26 – Australian Average Pork Import Price – Jan 2024 to Jun 2025



Source: *Australian Bureau of Statistics*

Exports

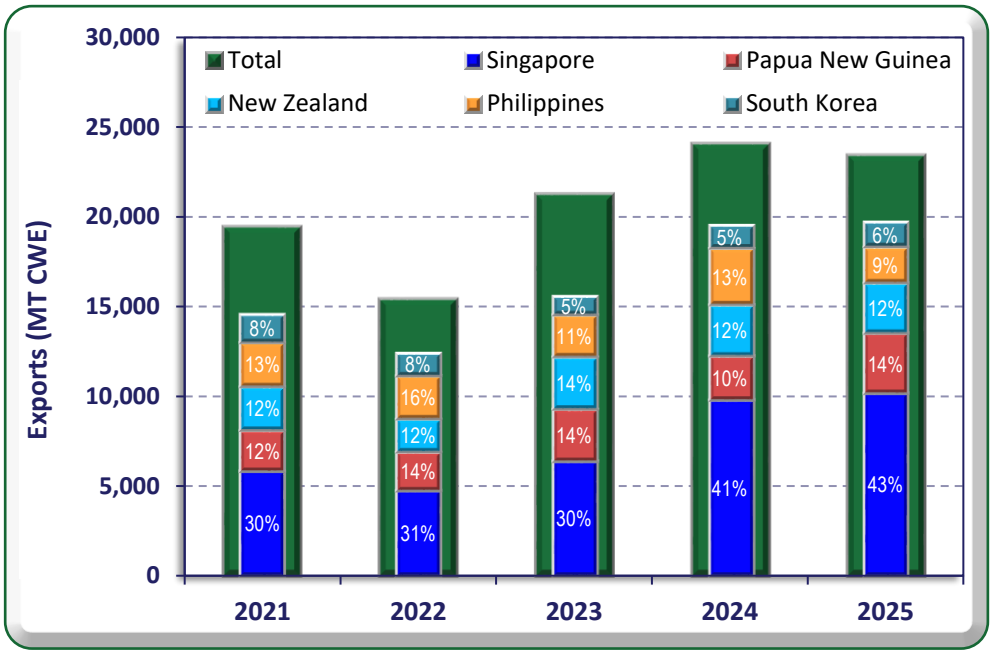
2026 Pork Export Forecast

FAS/Canberra forecasts Australian pork exports to rise slightly to 50,000 MT (CWE) in 2026, up from an estimated 48,000 MT (CWE) in 2025. This aligns with the steady but modest growth in exports observed over the past five years.

Australian pork exports account for only around 10 percent of total pork production, so fluctuations in export volumes have minimal impact on domestic supply and consumption.

Over the past five years, the top five export destinations have accounted for nearly 85 percent of total exports, largely driven by growing demand from Singapore (see Figure 27). Most export destinations have remained stable and consistent, and no significant changes are expected for 2026.

Figure 27 – Major Pork Export Destinations – Jan to Jun 2021 to 2025



Source: Australian Bureau of Statistics

2025 Pork Export Estimate

FAS/Canberra has slightly revised the 2025 pork export estimate downward to 48,000 MT (CWE), consistent with 2024 levels. Exports for the first half of 2025 totaled 23,440 MT (CWE). Historically, the second half of the year accounts for slightly more than half of annual exports, and volumes are expected to increase modestly in the second half to meet the full-year estimate.

Attachments:

No Attachments