

WELCOME TO THE McCARRON CULLINANE MONTHLY NEWSLETTER **March-April 2010**

WEATHER

Higher than expected rainfalls fell over much of the state this week, ending a couple of weeks of hot, dry weather. Locally there were excellent falls of 25-60mm, with heavier falls to the east of 70-80mm around Bathurst and Oberon. Early oat crops look fantastic, along with some good stands of lucerne. Pastures definitely needed rain and providing the cold weather and frosts hold off, we should get more growth over the next month. Farmers in the wheat belts to the west and north of NSW have spent a small fortune in chemical keeping their fallow weed free, but with a full profile of moisture expect a big area of winter cereals to be planted. Further north, flood waters might hamper the sowing of crops, as water logged paddocks could take months to dry out. The southern Oscillation Index (SOI) has bounced back to -9 and should be back to neutral in coming months, hopefully returning us to more average rainfalls for the Autumn and winter months.

CATTLE

Cattle prices have begun to ease over the last two weeks as saleyard numbers increase due to some areas drying out and the looming Easter break. Competition from the northern processors also eased as yardings north of the boarder increased with roads opening as flood waters subside. Yearling cattle have continued to make up a large percentage of the yardings, whilst there still remains a shortage of well finished export cattle. Many of the young cattle offered lacked finish, with 80% going to feedlots and restockers. A large proportion of vealer steers have gone back to the paddock as restockers compete for numbers. Young cattle eased 5-10¢/kg, trade cattle 5-15¢/kg, with heifers making up most of the falls. Feeder steers eased 5-15¢/kg with the heavier end fairing better, export steers and heifers although short in numbers eased 5-10¢/kg and cows were back by 6-8¢/kg. The Eastern Young Cattle Indicator (EYCI) fell 2% this week to 347¢/kg cwt, ending its gradual 30% rise since December 2009.

PRIME CATTLE: Numbers fell by 800 for a yarding of 2000 cattle at CTLX Carcoar this week. Overall quality eased as did prices, with the heifer portion taking the brunt of the falls. With the absence of some processors and feedlots, heifers fell by 10-

15¢/kg on last weeks prices. Good young angus steers 300-330kg topped at 211¢ and another good offering of cows remained firm. Heavy steers and bullocks eased 5¢/kg, as did the heavy bulls. Vealer steers sold from 175-220¢/kg, with most going to restockers. Heifer vealers ranged from 170-196¢/kg. Yearling cattle made up a large proportion of the yarding with the lighter trade steers under 350kg selling from 185-211¢/kg, most going back to paddocks. Yearling steers over 350kg eased 5-10¢/kg with most selling from 170-185¢/kg. Trade heifers were cheaper by 10-15¢/kg, with most selling from 150-170¢/kg, with the lack of competition for the feeder lines a main contributor. Export steers sold from 160-175¢/kg, depending on age, heifers from 145-160¢/kg. Cows remained firm with the heavy D3 and D4 cows selling from 128-142¢/kg, whilst the lighter conditioned cows received good competition from both restockers and processors selling from 115-139¢/kg. Heavy bulls topped at 152¢/kg.

Feedlot prices in the paddock topped at 205¢/kg for vendor bred Angus (2 deck minimum), delivered, and 190¢/kg for Herefords. Feedlots were indicating this rate to fall, but the widespread rain may revise this. The shortened week due to Easter definitely reduced competition with some domestic and export buyers not operating or working at a reduced capacity. Following the rain it is expected numbers to ease and prices bounce to back after Easter

STORE CATTLE: Following excellent rain in February, the CTLX regular monthly store cattle sale yarded an excellent penning of 4000 local cattle. A feature line of 850 Angus weaners from the King family at Coombing Park, Carcoar helped attract potential purchasers. The lanes were packed with buyers from the north and south, all keen to purchase and many suffering from a severe dose of 'grass fever', much to the benefit of those selling. The weaner cattle were \$60-\$80/head dearer and extra demand for cow and calf units pushed prices up by \$80-\$100/unit.

Weaner steers under 280kg sold from \$400-\$640/head, while yearling steers sold from \$600-\$828/hd. Weaner heifers lifted to make from \$350-\$530/hd, and yearling heifers helped by quality sold from \$500-\$694/hd. A limited number of PTIC heifers sold from \$675-\$735, and PTIC cows made similar values selling from \$630-\$795. There were no

bargains in the cows and calves with most making from \$800-\$1240/unit.

CTLX also held the annual Midwest Angus Sale on Friday 26th. Although only 1145 head were yarded, the quality and condition of the cattle were a feature. A large run of 800 PTIC cows met strong demand to sell from \$750-\$1070, and the PTIC heifers also sold well ranging from \$650-\$920. An excellent pen of young Angus cows, PTIC to calve June with 6 month old calves at foot topped the cow and calf sale at \$1440/unit. Most made from \$1000-\$1150/unit.

April is another big month for sales, with the **Regular Store Sale on the 9th April** advertising 2500hd, and on **Friday 23rd the Annual Weaner sale** is expecting 8000 central tableland calves.

SHEEP & LAMBS

Prime lamb prices have gradually eased over the past week, with numbers falling due to wet weather and weaker buyer competition from processors, due to the approaching Easter long weekend. Both trade and heavy lambs eased 3-4¢/kg cwt, but increased demand for light lambs from both processors and restockers held these lambs firm. Further rain and a general shortage of restocker lambs have pushed up prices by 10¢/kg. Restocker lambs finished at 510¢/kg cwt, merino lambs gained 3¢/kg to average 424¢/kg. Light lamb was boosted by butcher demand for the Greek Easter and finished at 441¢/kg, but trade lambs were cheaper by 3¢/kg to 485¢/kg cwt. Heavy lambs were similar to be down to average 470¢/kg cwt.

Tight supplies of mutton both in NSW and nationally have continued, causing prices to remain at high levels. Mutton supply in NSW is 30% lower than last year, and in centres such as Forbes numbers yarded are 50% less than the previous year. As expected mutton remained strong to gain 1¢ this week and settle at 361¢/kg cwt.

A small offering of 4000 lambs and 1500 sheep were at CTLX Carcoar this week. There were some good quality trade weight lambs in which sold firm to \$2 dearer, with most making from \$102-\$124/head. Lot feeders paid from \$98-\$113 and there were no quality lines of restocker lambs available. Heavy lambs sold from \$119-\$124.50. The small offering of mutton met excellent competition with medium weight merino ewes and wethers ranging from \$70-\$105/head. Heavy XB ewes topped at \$119, and a

line of young XB ewes sold to \$124/head to restockers.

NLIS sheep tag colour for 2010 is ORANGE

FORBES LIVESTOCK

Sheep & Lamb Market 30th March – Recent rains hampered numbers with the total yarding consisting of 14,500 lambs and 4,000 sheep. Market trends stayed fully firm for lambs with mutton firm to dearer due to the lack of numbers:

Store lambs	\$ 70-86
Trade lambs (18-23kg)	\$110-122
Hvy trade lambs (23-26kg)	\$122-136
Export lambs (26kg+)	\$140-156
Ewes light	\$ 50-65
Ewes heavy	\$ 80-100
Heavy XB ewes	\$120
Heavy wethers	\$125

We have drawn for 1st sale back after Easter – (6/4/10)

Prime Cattle 29th March – Forbes Associated Agents yarded 1220 head which had a cheaper trend, with not all buyers present there were a mixture of types yarded with some well finished steers and heifers suitable for the heavy trade with plenty of feeder heifers and steers on offer:

Yearling steers Under 330kg	– 155-180¢/kg
Yearling steers 330-400kg	– 175-178¢/kg
Grown steers 500-580kg	– 155-156¢/kg
Grown steers 580-700kg	– 158-164¢/kg
Cows 400-520kg	– 100-110¢/kg
Cows 520kg + -	125-140¢/kg

Store Cattle Sale 25th March – With 1000 head advertised the total yarding had an increase in numbers to yard 1600head. Competition was strong particularly on young cows and calves with a number of quality lines on offer, also good lines of well bred PTIC cows and heifers.

Young Cows & Calves	\$1100-1250
Mixed age Cows & Calves	\$ 800-1000
PTIC Cows	\$ 700-950
PTIC Heifers	\$ 620-750
Steers	\$ 450-\$620
Heifers	\$ 380-580

Next Forbes Store Cattle Sale Thursday 22nd April commencing 12:00 midday, Entries invited,

REAL ESTATE**Rural Properties**

A standout property “**Avondale**” situated 3kms from Cargo is going to Auction on 1st May. This property features outstanding 1st class red/brown basalt soils with an extensive arable area. Suited to prime lambs, lucerne, cropping and cattle is has great versatility. Approx 1383 acres it is a once in a lifetime opportunity, held in the same family in excess of 138 years, it is now offered as a deceased estate.

“**Jonaron**” a 250 acre property at Cargo, featuring a lovely 4 bedroom home has been sold before it hit the market.

89 Falvey Rd - 39 acres just minutes from Orange off the Old Forbes Rd, sold after just 1 day on the market. Featuring a 5 bedroom home with 2 bathrooms and separate guest accommodation. The property sold for the asking price of \$825,000.

We have 4 separate parties that missed buying this property and all are anxious to secure a home on acres within 10-15mins of Orange. If you are considering selling please contact Peter or Lucy Eccleston for an obligation free market appraisal.

Don't forget to go our website to view properties for sale www.mccarrons.com.au .

GENERAL

As predicted back in January, Swift Australia has made a bold move to purchase Rockdale Beef, a large southern beef operation in the Riverina area. Rockdale operates an integrated meatworks, feedlot, feedmill and a farming business on 2000 hectares of cropping country. Its meatworks has a capacity of approx 200,000 cattle per annum and a feedlot capacity of over 50,000 head of cattle. The deal is yet to be finalized, pending regulatory approvals through the ACCC. If the deal is approved Swift

Lindsay 0428 104 132
Darren 0439 663 732
Brian 0418 637 338
Tom 0429 611 639

Peter 0427 026 306
Adam 0419 232416
Ken 6362 2671

Lucy 0427 624 755
Mark 0427 668 800
Heather 0428 623 877

Best regards, The McCarron Cullinane Team

Australia will be feeding one animal in four in NSW. Surely there must be concerns of a monopoly forming, with yet another major processor exiting from the Australian beef industry.

Last week a new national record for commercial merino ewes was set with a pen of ewes selling for \$261 in South Australia. The 130hd (2008 drop) poll merinos were scanned in lamb and were bought by Yeoval breeder Mark Kerin. Also included in his buying spree, were the 2007 drop ewes at \$241 and the 2006 drop ewes at \$250/hd. On the same day, scanned in lamb crossbred ewes made \$212 at Deniliquin, setting a new record for the selling centre.

The heavy rains during March have triggered a surge in locust activity, raising fears NSW could be facing its worst locust plague since 2004. Some of the biggest clusters of baby locusts ever seen in NSW have been found in the far west around Tibooburra. Landholders are urged to be vigilant and check their paddocks.

NEXT SALES**CTLX Carcoar Prime Cattle Sale**

Every Tuesday 8:30am

CTLX Carcoar Sheep & Lamb sale

Every Wednesday 11:00am

CWLE Forbes Prime Cattle Sale

Every Monday 9:00am

CWLE Forbes Store Sale

Thursday – 22nd March 12:00 midday

Midstate Sale Yards Forbes Sheep & Lamb Sale

Every Tuesday 11:00am

CTLX Carcoar Store Cattle Sales

2nd Friday each month – 9th April

CTLX Carcoar Horse & Saddlery Sale

Saturday 1st May 2010.