

Production and feeding strategies for the Vietnam live-export market

Opportunities for greater collaboration between the North Australian and Vietnamese cattle industries



The Clean Agriculture and International Tourism (CAIT) Cattle Business

- Owned by TH Group Vietnam (Madam Thai Huong)
- 3 Cattle stations (Auvergne, Newry & Argyle) area = 861,600 ha
- Runs 65,000 hd of cattle with 26,000 breeding cows
- Turnoff of approximately 17,000 hd of cattle/yr majority live export
- Approx 30 staff
- Management includes typically “Best Practice” Management of the stations.
- Implementation of a major Development and Infrastructure Upgrade program (Eg Invest > A\$14.5 m so far)
- Implementation Farming development program



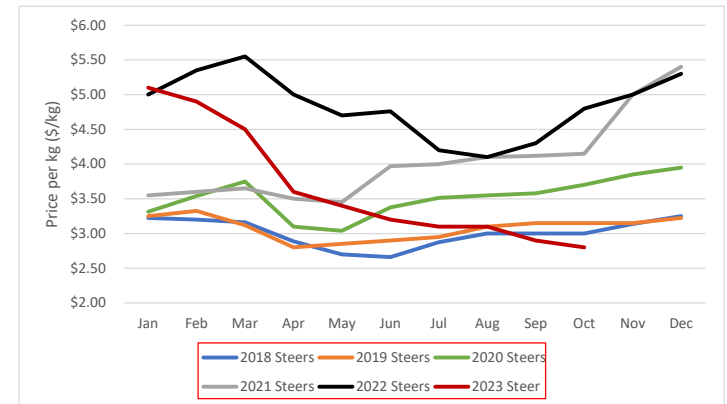
Cattle Turnoff

- Only 13% our sale cattle go Vietnam – Tight specification = Heavy Steers (450-550 kg)
- Indonesian market takes majority (72%) – Wider specification including Feeders, Cows & Heifers
- Female cattle lower cost (A\$/kg beef, eg cow v heavy steer)
- CAIT Targets
 - Increase cattle sales to Vietnam
 - Diversify sales x class
 - Sell heavier cattle

But challenging as Vietnam only buys heavy males

Class	Market	% Sales	Weight	Price \$/hd (#)	% Market	% Female/Market
Cows (sold for age and infertility)	Australia	15%	390	\$ 780		94%
Bulls (sold age and infertility)	Australia	1%	550	\$ 1,155	15%	
Cows (Slaughter)	Indonesia Live Export	6%	420	\$ 840		
Feeder Heifers	Indonesia Live Export	17%	330	\$ 891		
Feeder Steers 280-360 kg	Indonesia Live Export	42%	330	\$ 990		
Feeder Steers 360 + kg	Indonesia Live Export	6%	400	\$ 1,120	72%	32%
Feeder Steers 380 + kg	Vietnam Live Export	13%	420	\$ 1,176	13%	0%
(#) Price in Sep 2023 (Farm Gate)						

Darwin Steer Prices over 2018-23



Feeding systems for live export

- We aim to sell cattle heavier so hold them another season to gain weight (Cost Of Gain, COG = A\$0.50/kg)
- Our grower cattle are 52% of the cattle numbers on station. We need to turn off & sell growers sooner
- Strategies being developed;
 - Growing fodder (Sorghum, Cavalcade, etc) to graze cattle on to increase weight gains (COG = A\$1.50/kg)
 - Harvesting silage to feedlot sale cattle (A\$2.90/kg)
- Strategies for wet season turnoff.



Live Export Marketing to Vietnam - Options:

- Higher quality bulls for premium beef (0 or 2 tooth, > 400 kg)
- Longer term trading partner with year-round demand
- Capacity to sell non pregnant cows for slaughter
- Capacity to sell non pregnant heifers and feeders
 - Establish feeding regime in Vietnam to avoid getting too fat
 - Cheaper entry price
- Option to sell Pregnant Heifer or Cows (3 to 7 m preg) as breeding stock (very efficient system)
 - Once Bred system - Calve out, Early Wean, Feed up heifer for market, grow calf out for sale.
 - Potential for small farmers and feedlot, especially forage-based feeding



DISCUSSION



THANK YOU

