



**Australian Government**  
**Department of Agriculture**  
ABARES



# National and international issues affecting the region



**Jammie Penm**  
**Chief Commodity Analyst**  
**Assistant Secretary/Agricultural**  
**Commodities and Trade**

# Outline

**1. Commodity overview**

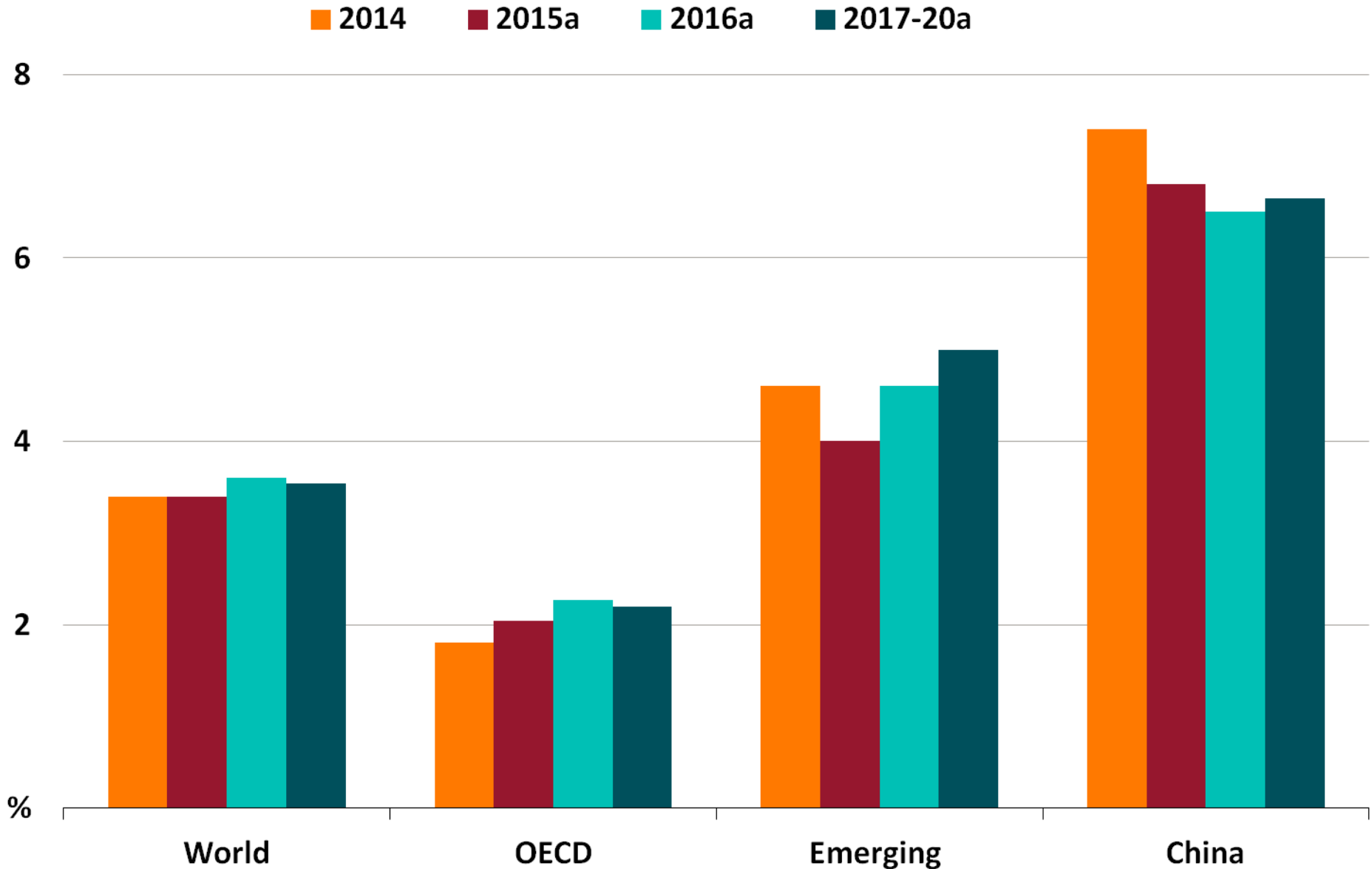
**2. Long term food demand**

**3. Challenges and opportunities**

# Recent significant developments

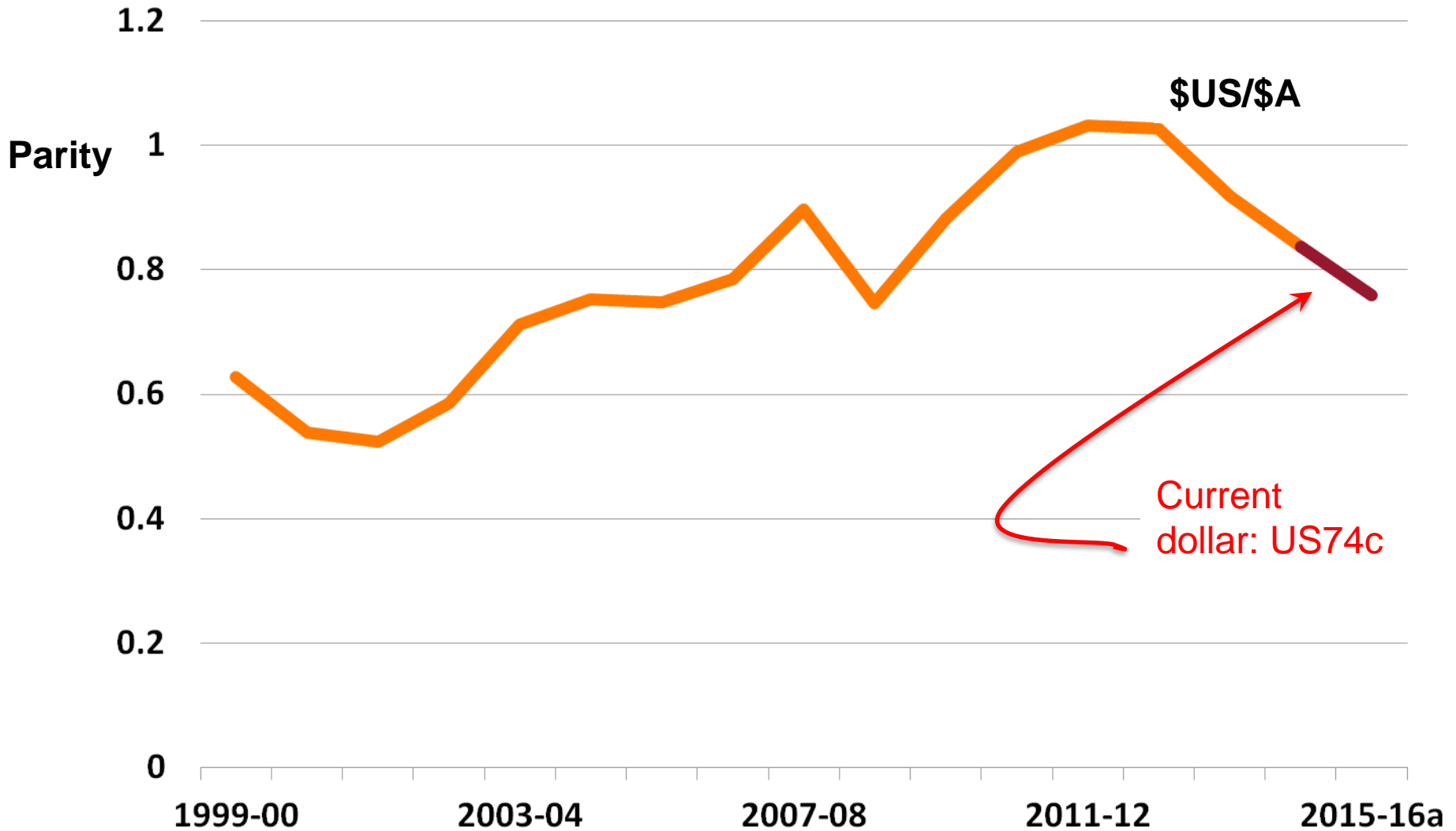
- 1. World economic growth to strengthen only gradually**
- 2. A significantly lower Australian dollar**
- 3. Impact of seasonal conditions**

# World Economic Growth



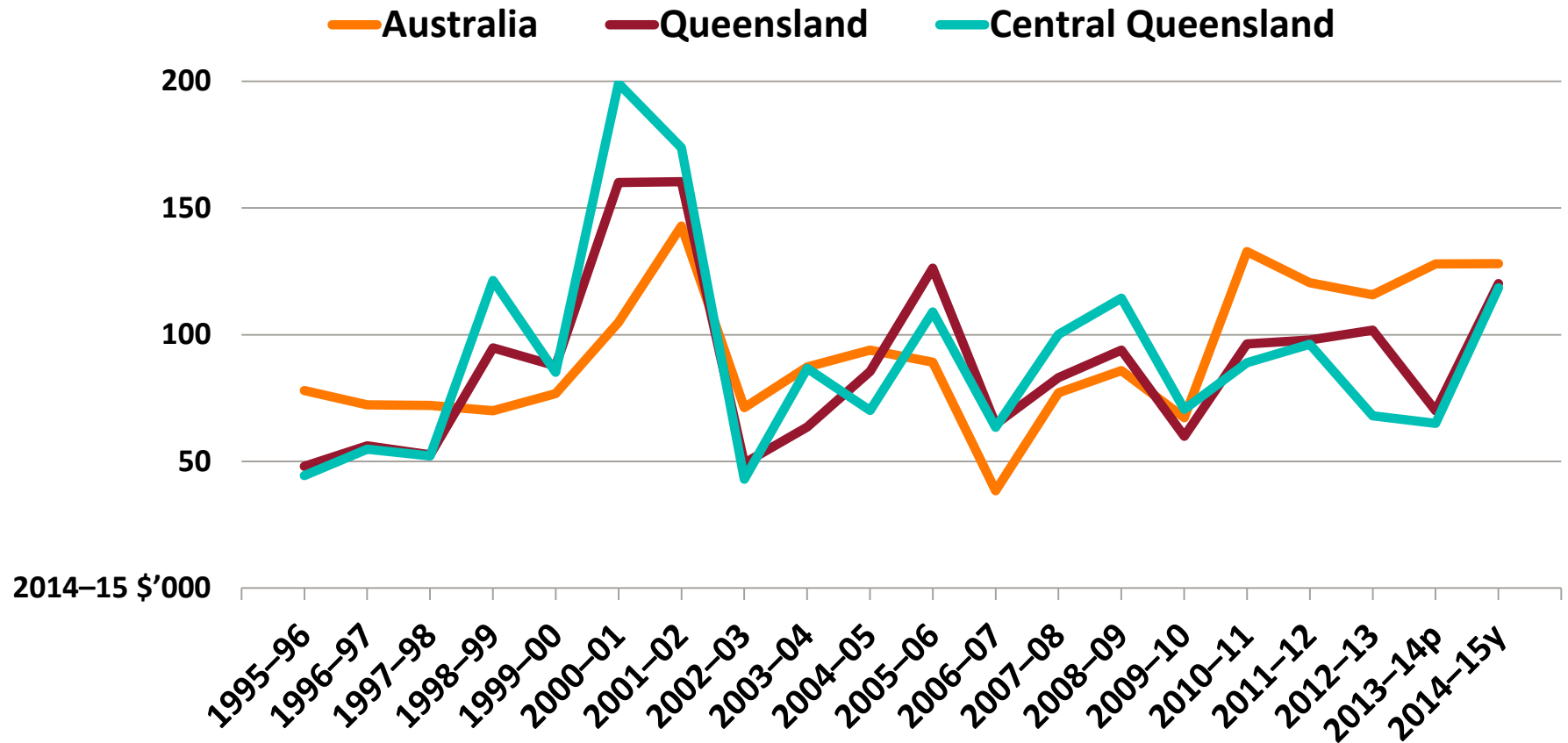
a ABARES assumption

# Australian dollar has fallen



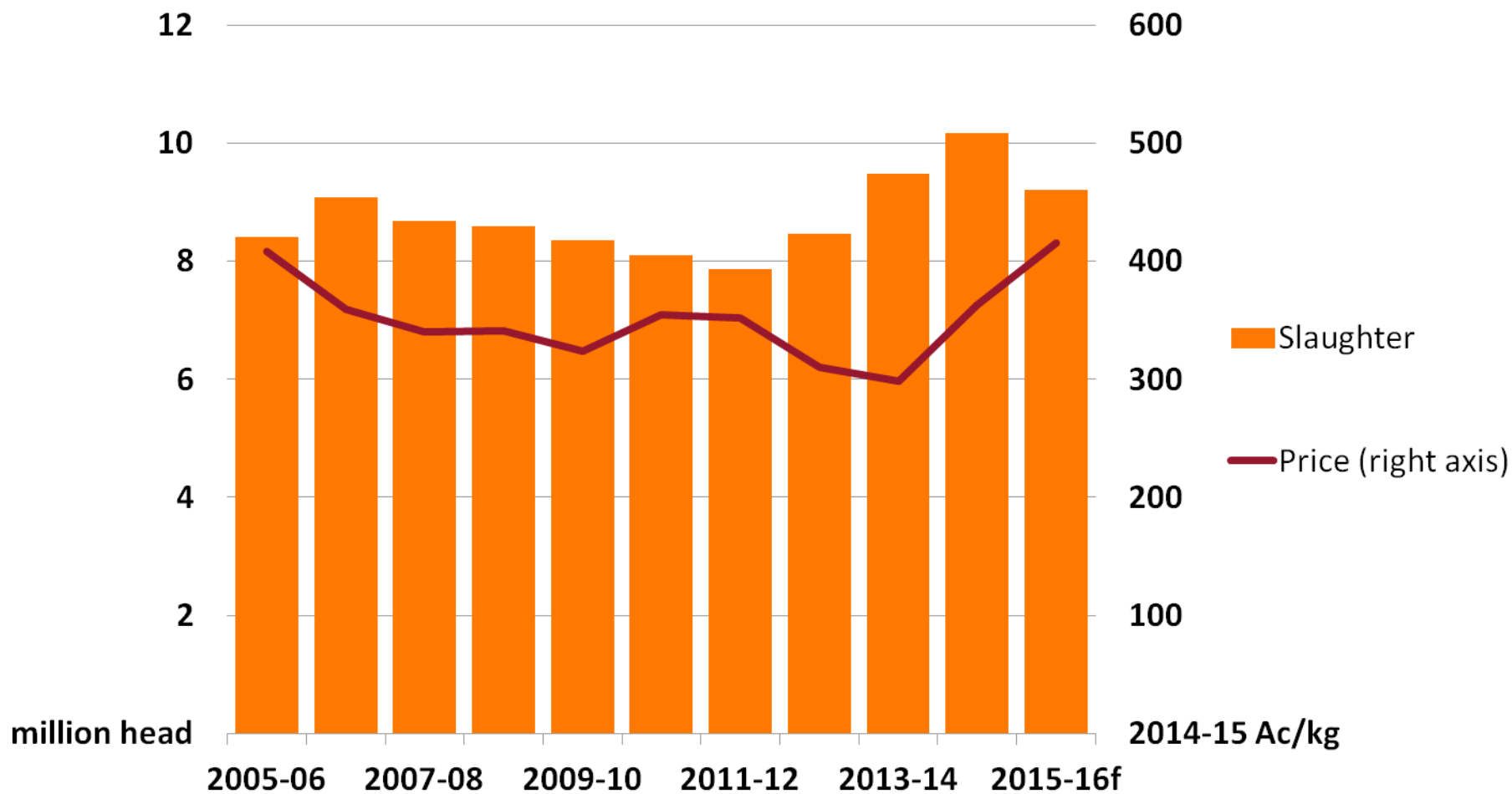
a ABARES assumption

# Average farm cash income - broadacre

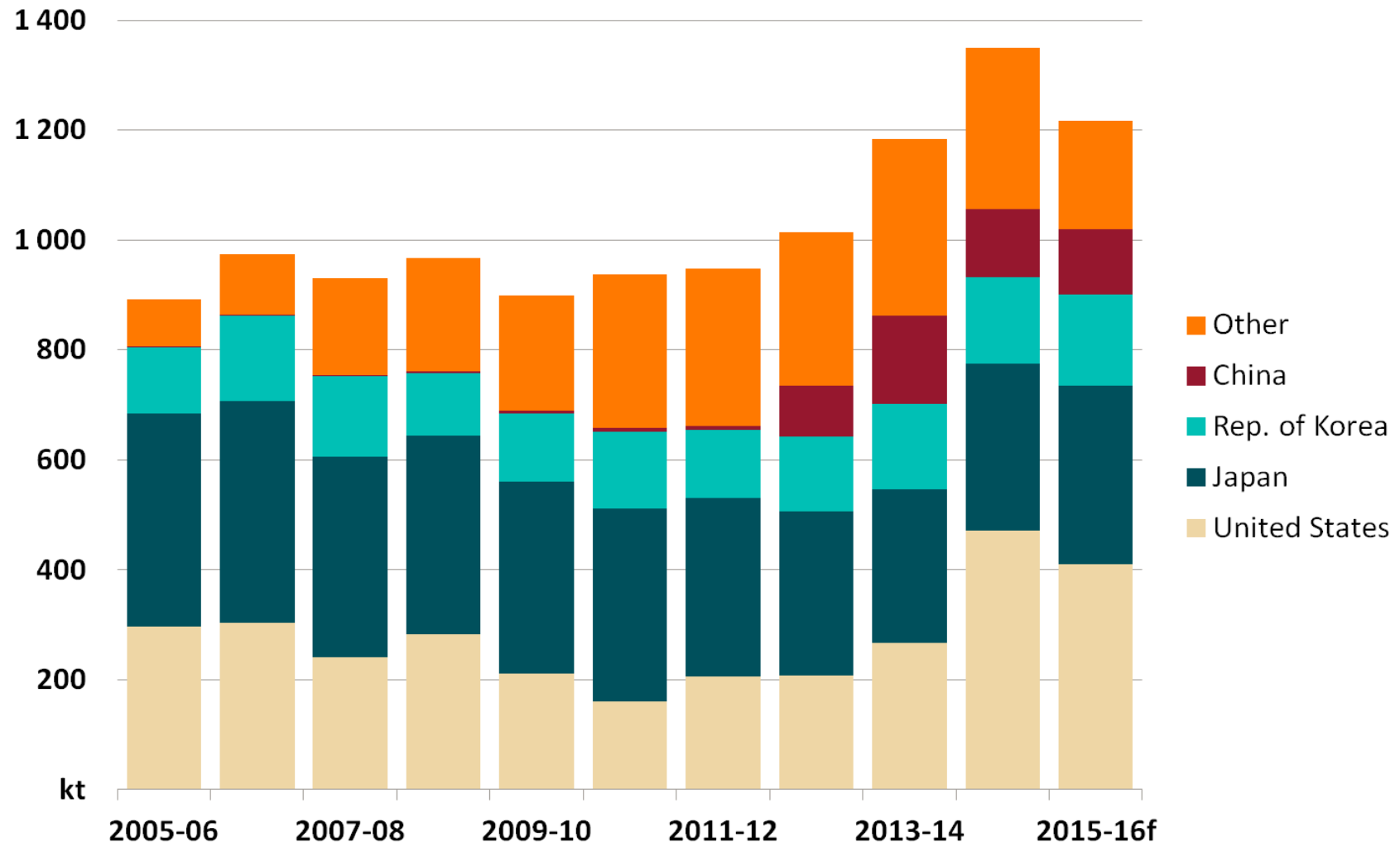


p Preliminary estimates. y Provisional estimates.

# Australian cattle slaughter and average saleyard price



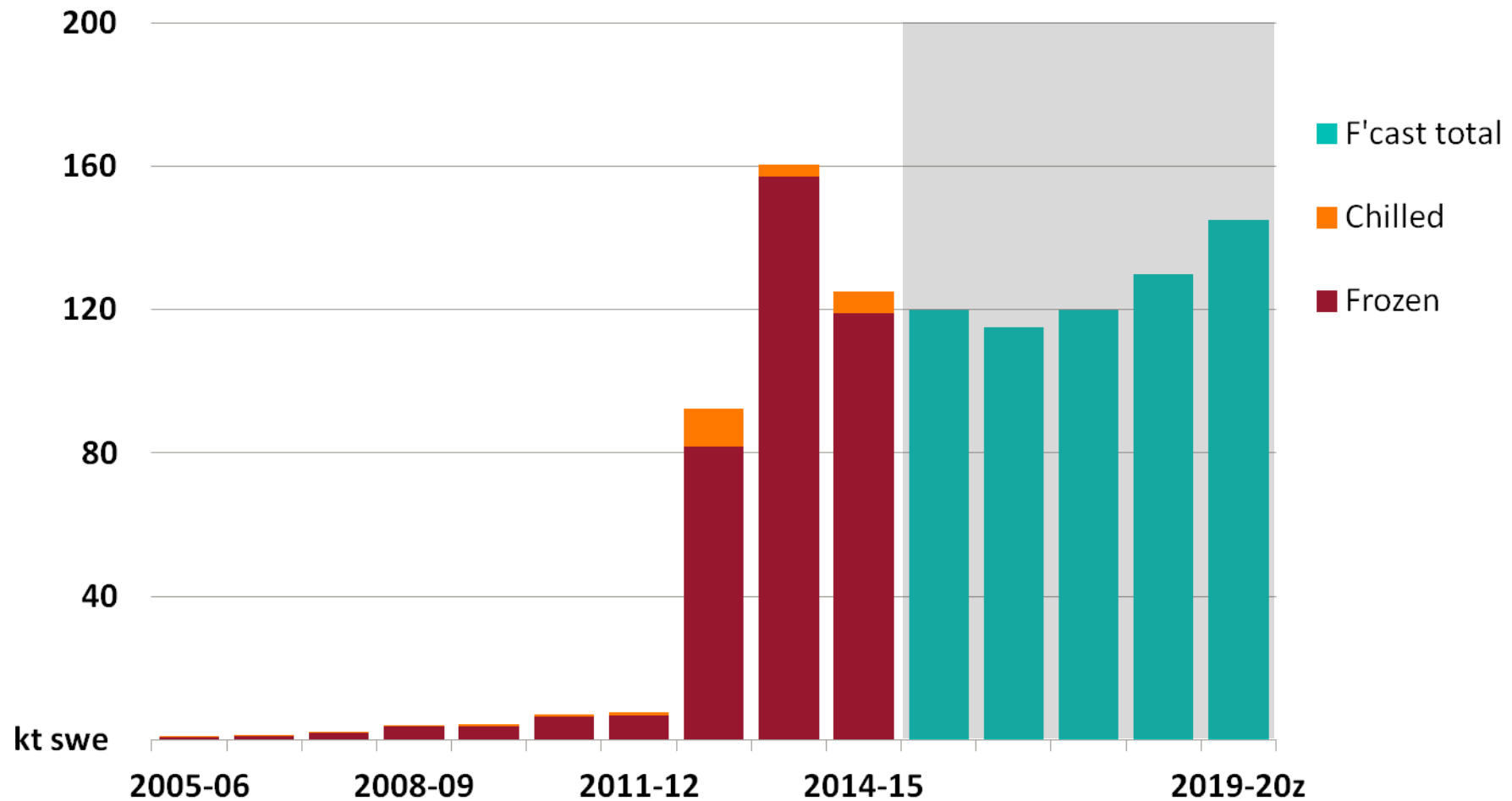
# Australian beef and veal exports by destination



f ABARES forecast

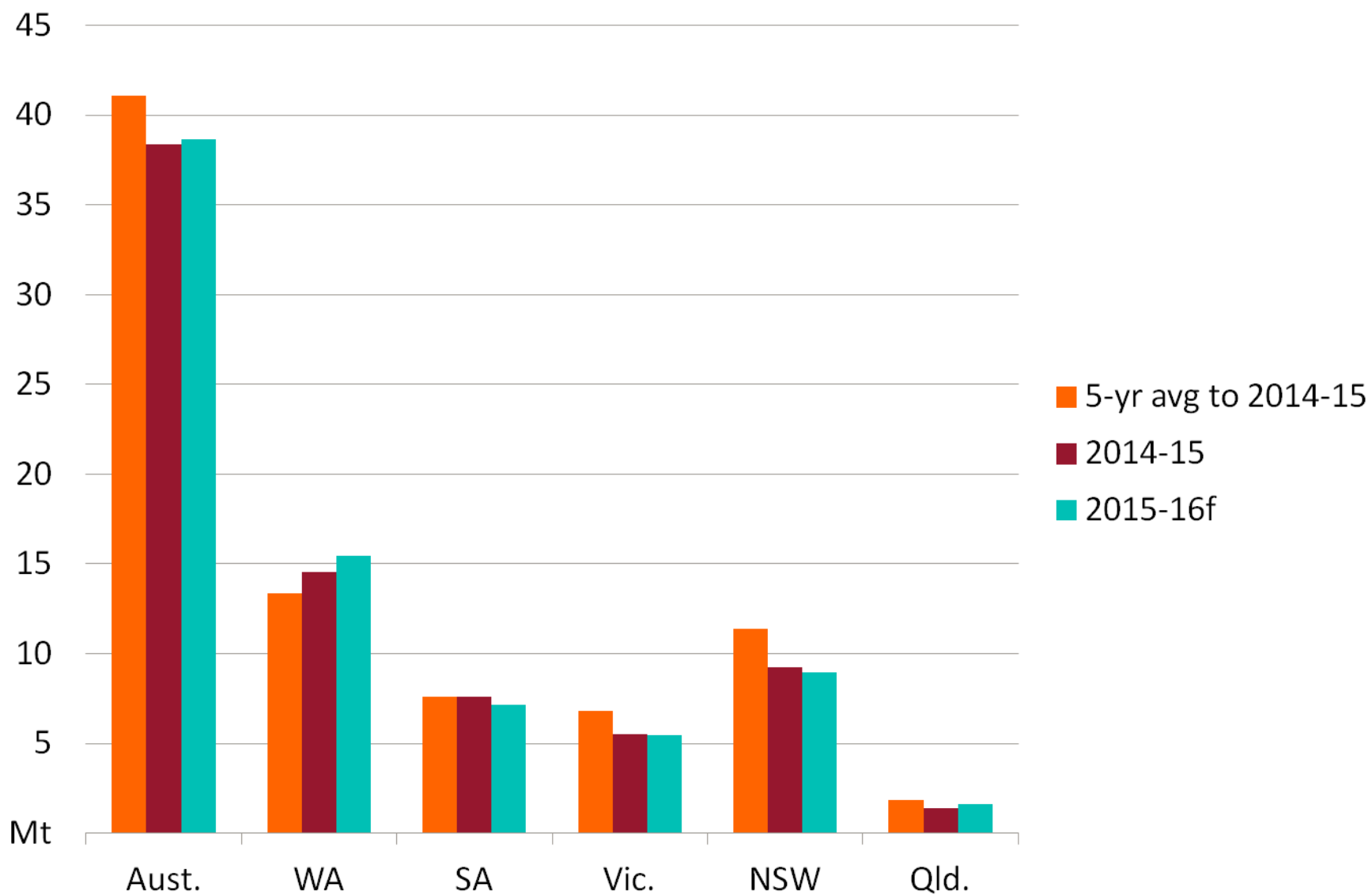


# Australian beef exports to China

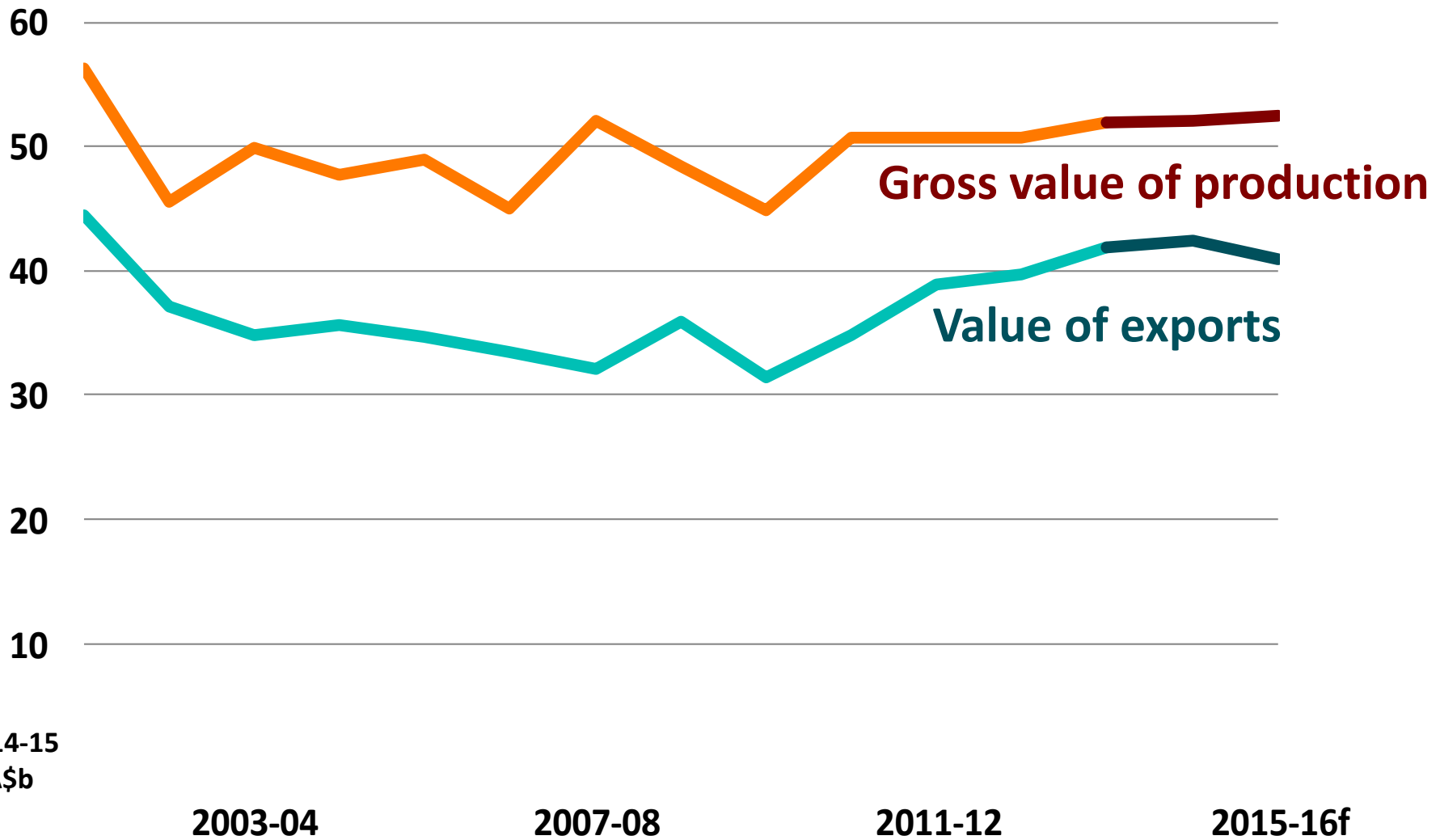


z ABARES projection

# Australia winter crop production



# Value of agricultural production & exports



2014-15  
A\$b

# Outline

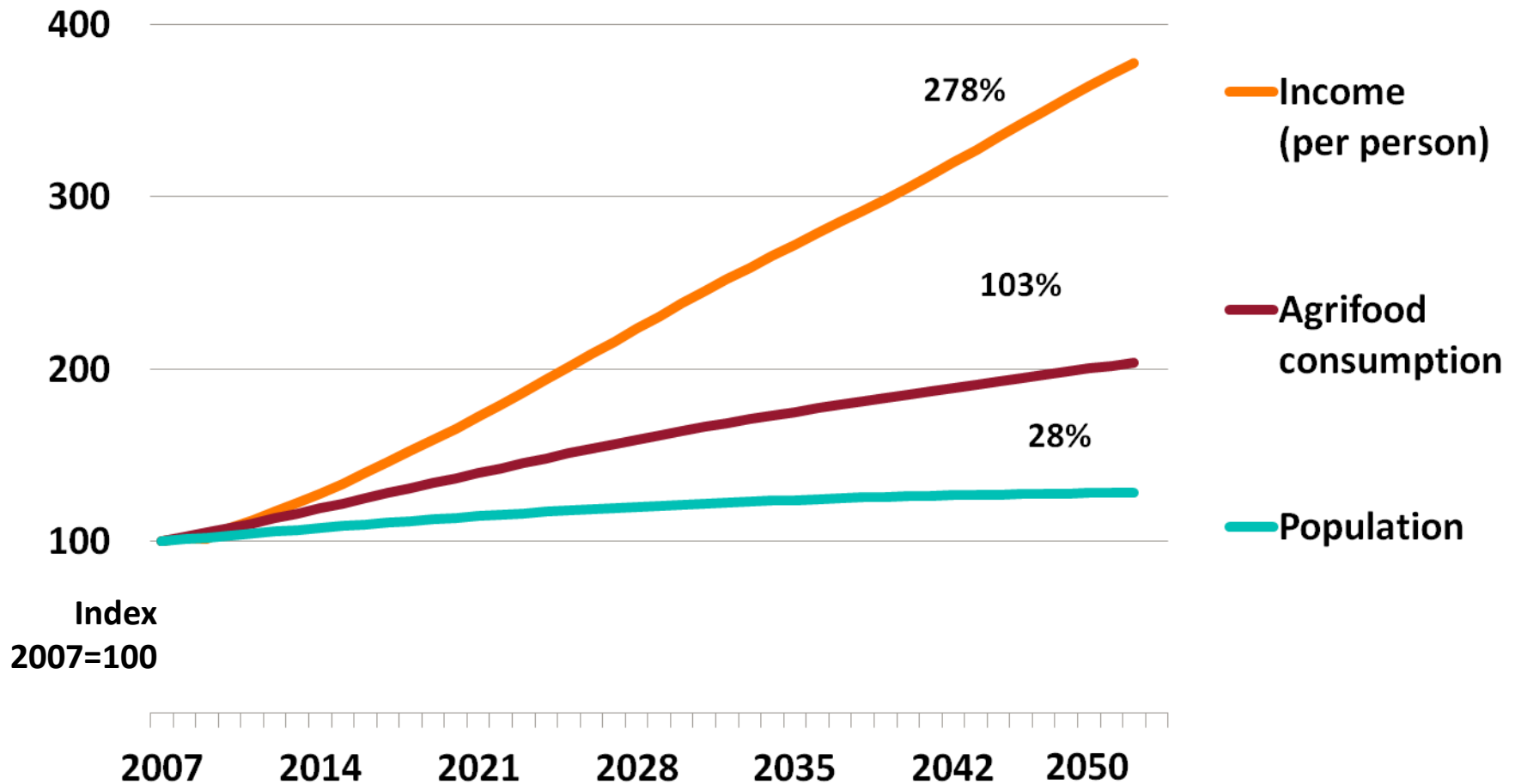
## 1. Commodity overview

## 2. Long term food demand: beef

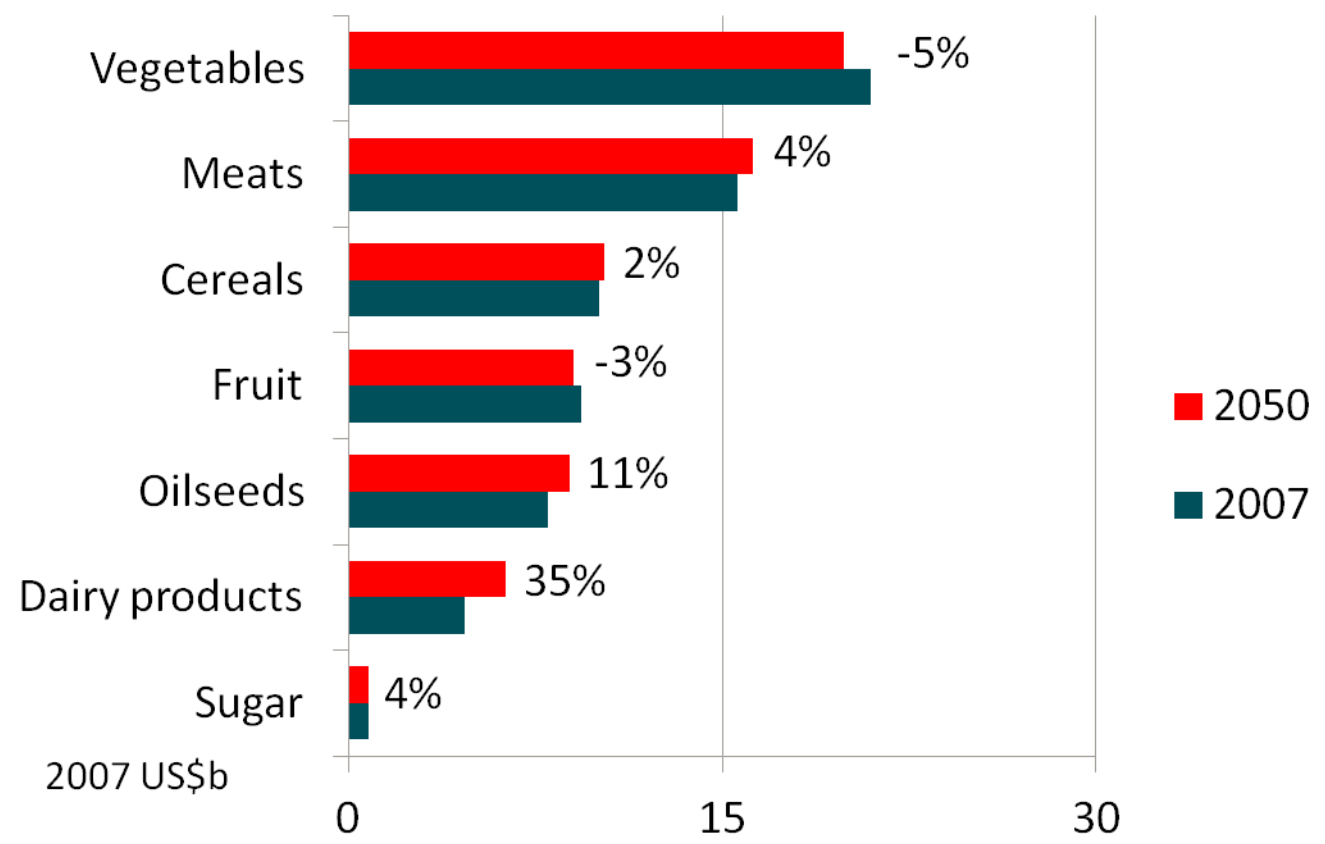
- Japan and Korea
- ASEAN
- China

## 3. Challenges and opportunities

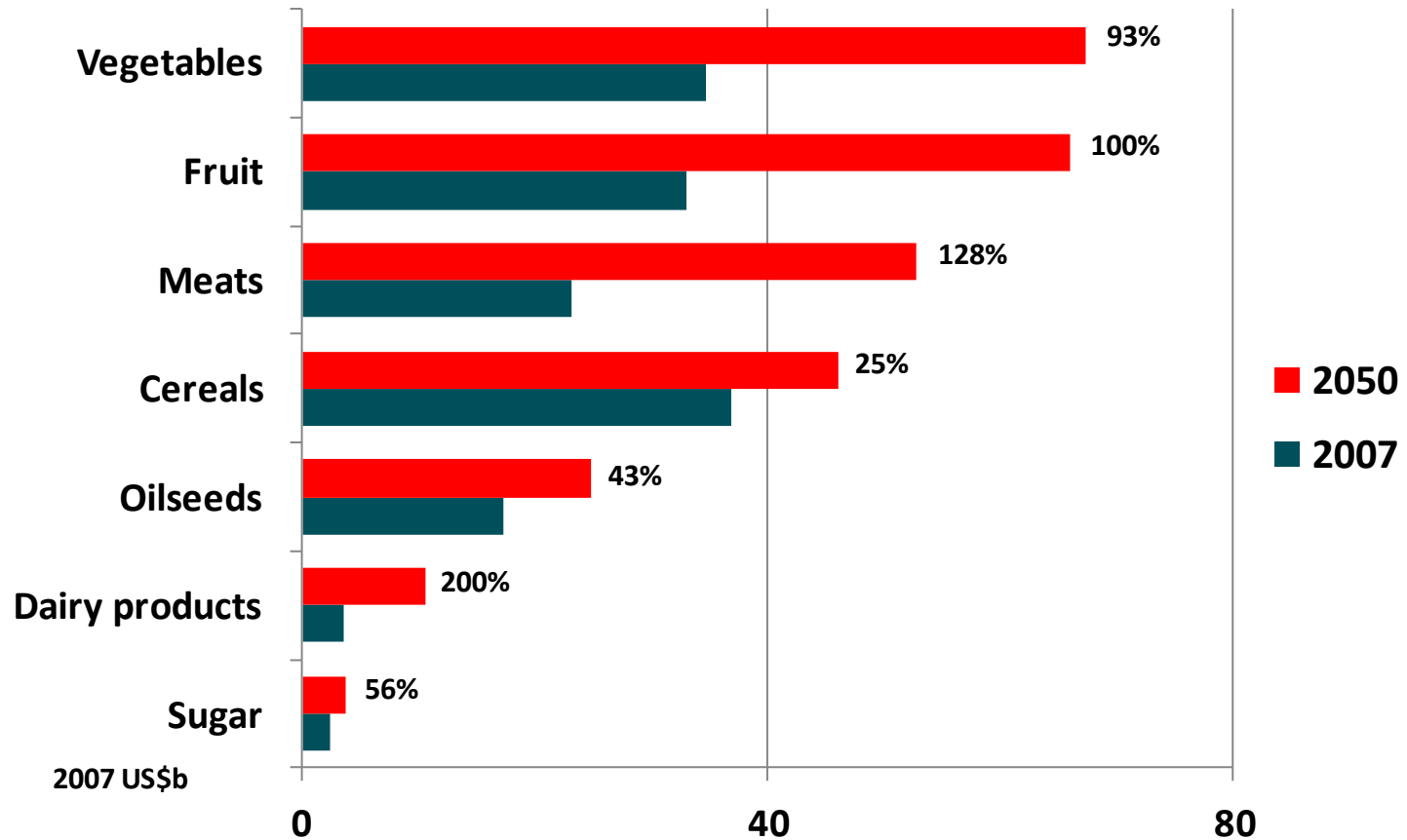
# Asian income, population and food demand growth



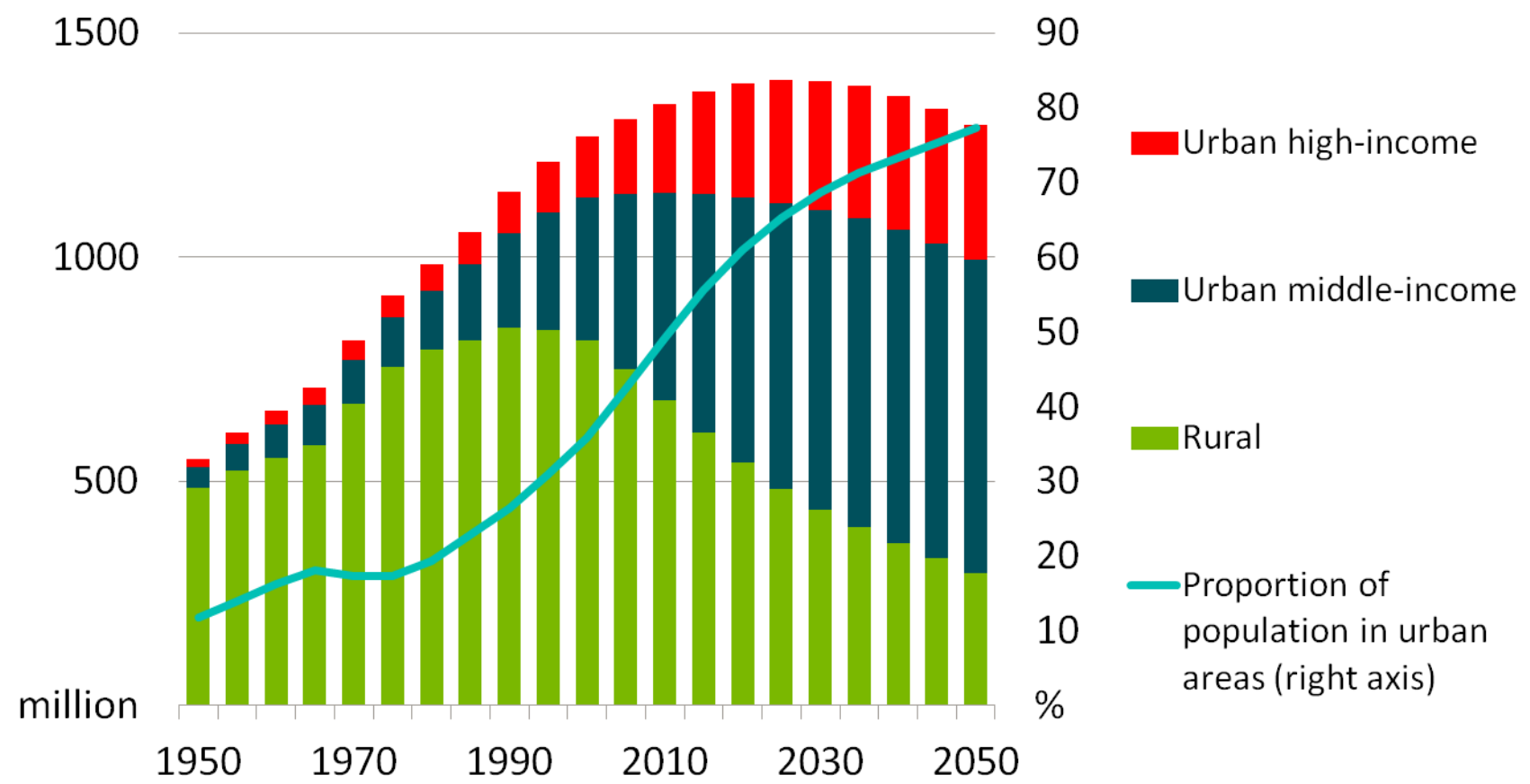
# Food consumption in Japan and Korea to remain relatively stable



# Prospects for growth in ASEAN food consumption

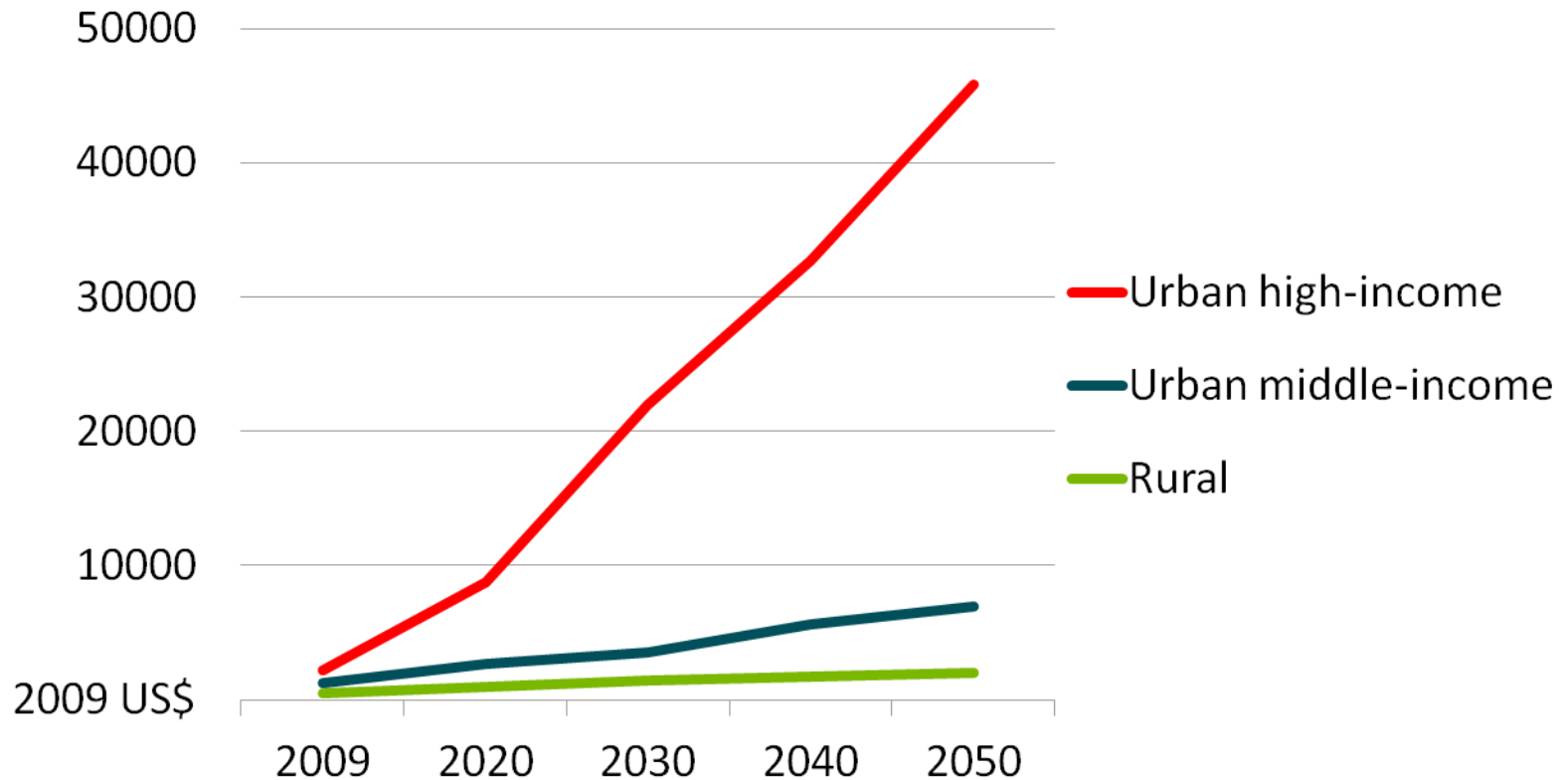


# Urban population in China to grow strongly



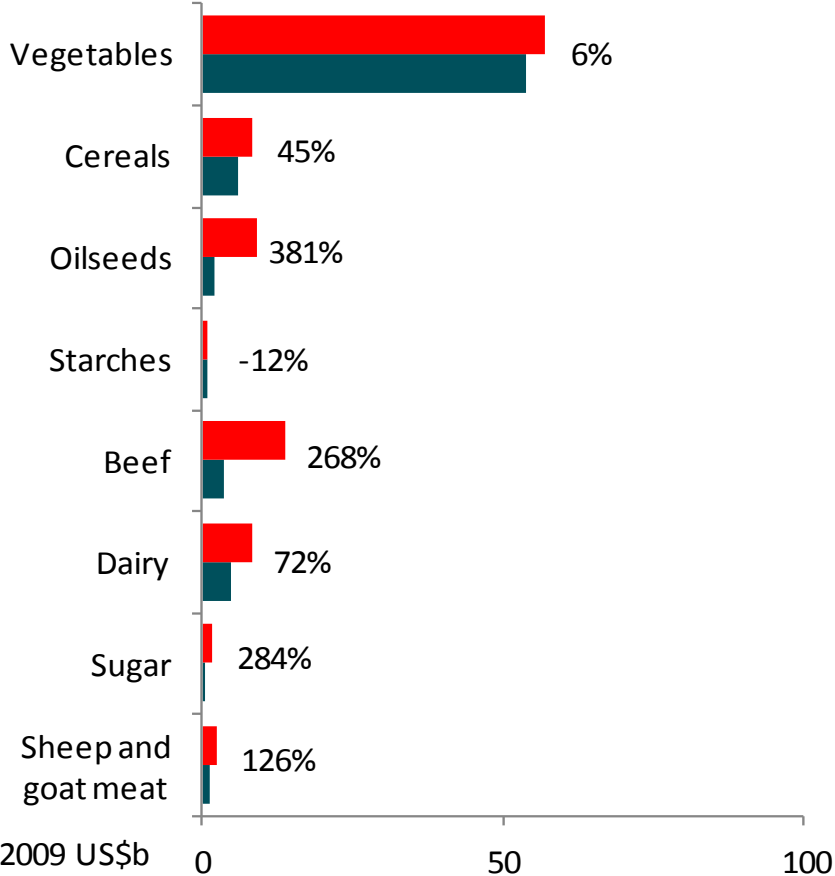


# Urban and rural incomes per person in China

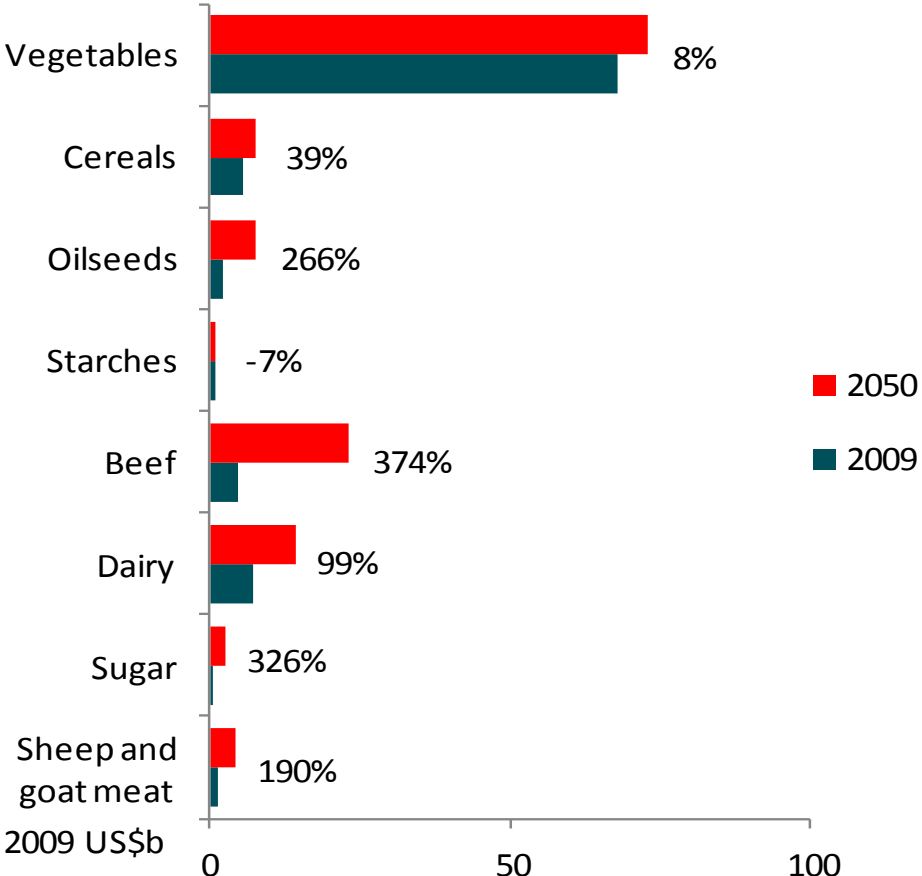


# Urban middle and high income food consumption in China

Middle income



High income



# Opportunities and challenges

- **Market opportunities in Asia, but with competition**
- **Remove trade barriers to help food to flow to where it is needed**
- **Business planning to consider changing Asian food consumption**

