

# Fact sheet

## New Feeder Steer Indicator to be released



### Why the change?

The feeder market is a growing segment of the Australian cattle supply chain, with the Feeder Steer Indicator used by a range of stakeholders to inform and guide important business decisions. As such, a more robust, relevant and accurate indicator is required to ensure the long-term success of the industry by enabling more informed business decisions.

The previously used **Feeder Yearling Steer Indicator** will be updated on 17 May and referred to as the **Feeder Steer Indicator**. This change will precede a broader review of all MLA's existing indicators, as well as the development of new ones to better support an ever-changing industry.

### What changes have been made to the indicator?

The specifications of the indicator have been broadened to encompass a larger volume of cattle, providing a more accurate assessment of the feeder market.

	Feeder Yearling Steer (current)	Feeder Steer (new)
Category	Yearling Steer	Yearling Steer, Grown Steer
Buyer	Feeder	Feeder
Muscle score	C	A,B,C,D,E
Fat score	2	1,2,3,4,5
Weight	330–400kg live weight (lwt)	0–600kg lwt

### Why will this change make the indicator more accurate?

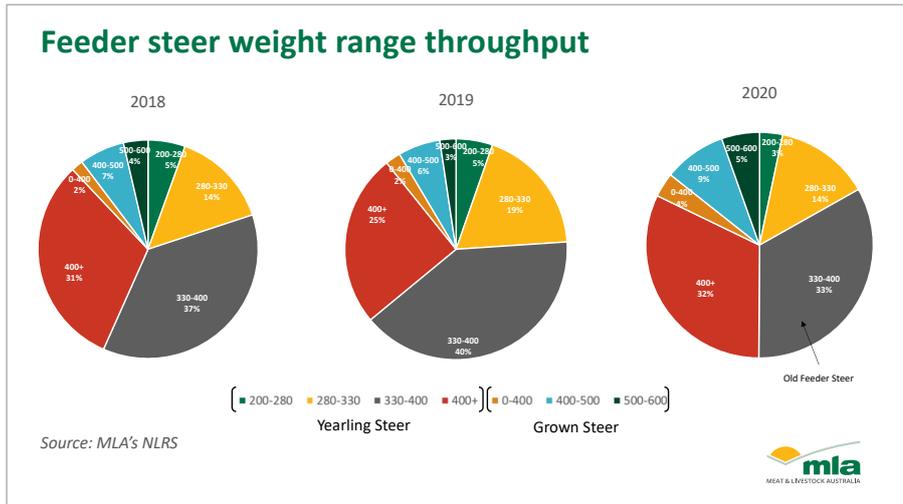
Reflects current and emerging market trends	Allows for seasonal change	Over three times more throughput	More robust indicator
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### Comparison of 2020 average national indicator performances (current vs new)

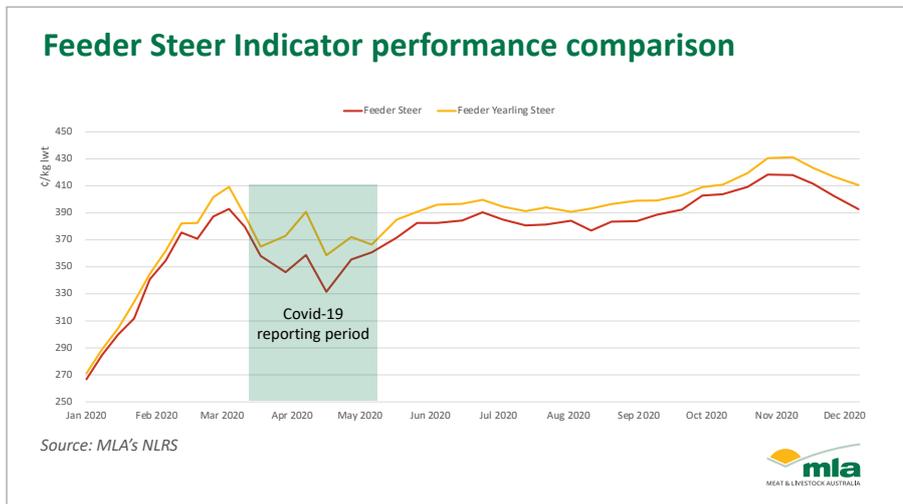
	Feeder Yearling Steer	Change	Feeder Steer
Price (lwt)	384¢	Down 6¢/kg lwt	378¢
Live weight	364kg	Up 35kg	399kg
\$/head	\$1,400	Up \$100	\$1,500

	Price	Weight	\$/head
<b>First quarter 2021 Feeder Steer Indicator performance</b>	434¢/kg	424kg	\$1,800

The below pie charts represent the breakdown of weights included in the new Feeder Steer Indicator. This demonstrates the impact of variable seasons on the composition of feeder cattle sold through saleyards and the breadth of the feeder market.



As seen below, the new Feeder Steer Indicator price trends slightly below the old indicator due to higher average weights in 2020 pushing the overall liveweight price down.



The new Feeder Steer specification highlights seasonal changes more clearly, demonstrated by higher average weights through periods of improved seasonal conditions, exhibiting real market trends.

