



2020/2021 Southern Weaner Selling Season Preview

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2020 has thrown a few curve balls at people, however what is sure to be a certainty is that producers in South Australia and Victoria will have weaners to sell, and with drought breaking rain New South Wales producers will be looking to buy. Leading up to the peak southern weaner selling season the AuctionsPlus Market Insights (AMI) have reviewed market and sale data to offer insights for buyers and sellers. The AMI team has reviewed data of steers and unjoined heifers from South Australia and Victoria, 12 months and under, offered during the traditional selling season of November through to February.

To begin with the AMI team looked at volume of stock offered online, and the location of purchasers. NSW buying activity peaked in seasons where rain (or impending rain) afforded buyers a level of confidence, as highlighted in Figure 1, with season 2015/2016 and 2019/2020 seeing nearly 30% of southern weaners head to New South Wales. The big increase last season in NSW activity was still somewhat a gamble on forecast rain, however with a wet spring a likelihood, northern producers will be in a much better position to confidently buy weaners to grow out and the number purchased by NSW buyers could well increase this season. Craig Schubert's company, Schubert Boers, Albury, NSW, over the years has been able to develop a rapport with assessors he has purchased from. "The current season will see us looking to purchase heavily for our clients, people are looking to rebuild their herds and jump back into the market after such prolonged dry periods". Local state purchasing on AuctionsPlus also remains consistently strong with Victoria securing between 31% and 47% of the total offering with South Australia at similar levels seen below in Figure 1.

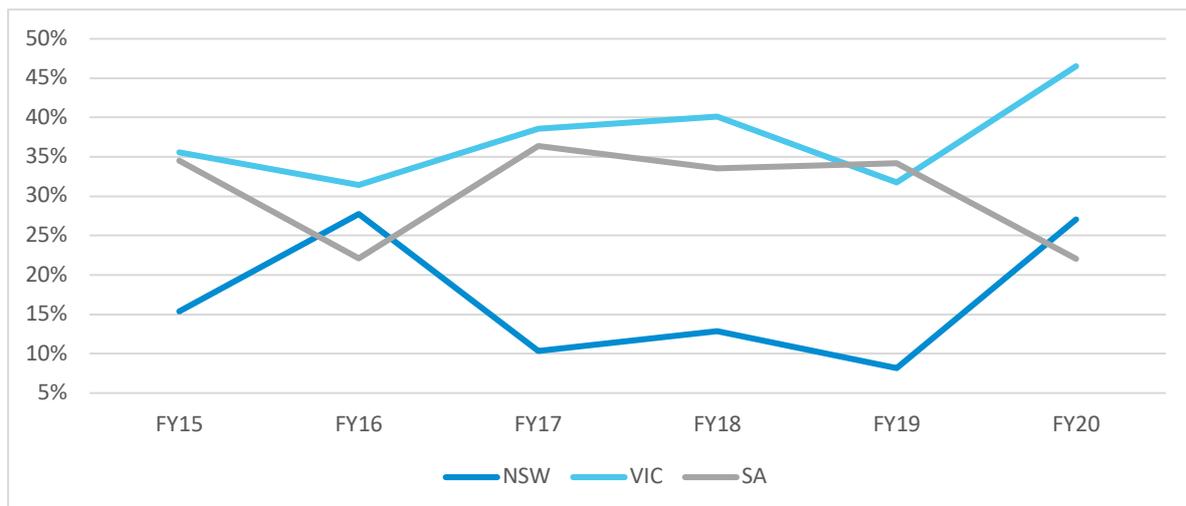


Figure 1. Percentage of Southern weaners sold to NSW, VIC and SA buyers





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Shad Bailey, of Colin Say and Co, Glen Innes, NSW, has also seen the season turn from the dry of 2019 for his clients. *“We are looking to buy cattle now and to stock the paddocks, we’ve had favorable conditions and now’s the ideal time as the stock can grow with the season”*. While he is looking to the future for his clients as well *“If the season stays kind the southern weaner sales are an option, as we can buy extra weight and target those steers towards the winter feeder market, historically a great time to market these heavier feeders”*. While COVID-19 has really thrown a spanner in the works for the southern weaner sales, being able to buy online will be crucial for Shad. *“The AuctionsPlus on-farm assessment provides us the ability to be able to buy with confidence, couple this with the strong network of agents and we will be able to navigate buying from the south through COVID”*.

Time will tell what restrictions are in place for the coming weaner season but regardless there will be plenty of options for NSW buyers to secure weaners online. Some are opting to sell now while prices are good, allowing an additional trade of lighter backgrounder cattle or even lambs, or simply to conserve fodder to avoid feeding costs next season. Additionally, several agents have already contacted AuctionsPlus with interest to work in conjunction with sale yards for the upcoming season. Ryan Hussey from AWN Livestock Wangaratta who recently was involved with the ‘Gordon Sinclair Memorial Feeder & Spring Weaner Sale’ which received fantastic results with strong online competition said that the influence AuctionsPlus will have on the coming season will be massive. *“Obviously, the role AuctionsPlus will play in the upcoming southern weaner sales will be huge, allowing access to numerous bidders, especially processors and backgrounder buyers”*. The online influence on the 2020/2021 season will be pushed by the COVID restrictions but looking forward for future seasons and the role the online marketplace will play will be mainly influenced by seasonality conditions. *“If the conditions of the season are aligned with online selling it will be utilized but will be dependent”*.

On a price front, since the drought breaking rains across much of the Eastern States in 2020, prices have exploded. Weaner heifers from South Australia on average have risen 55% from 232c in season 2019/20, while weaner steers from VIC on average have rise from 284c live to 357c, up 26%, seen in Figure 2. The simple reason for this price upswing can be attributed to a unique combination of one the lowest national herd numbers in history, a wet start to 2020 fueling restocking demand and a world-wide pandemic has seen prices skyrocket to new levels.



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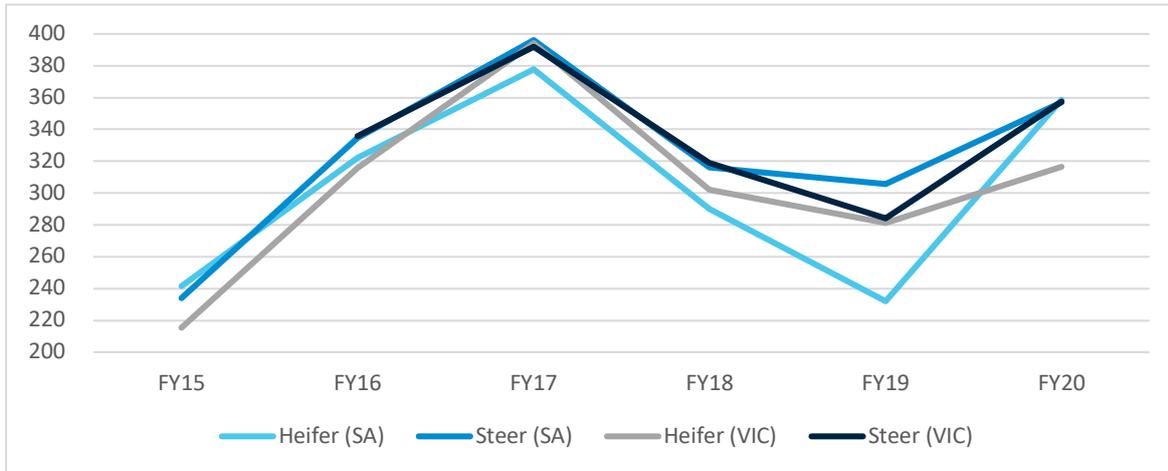


Figure 2. Live weight c/kg prices for weaner Heifers and Steers sold from VIC and SA on AuctionsPlus

The traditional southern weaner selling season will be flipped on its head this year, as the threat of COVID 19 very much continues to worsen and the restrictions put in place will no doubt push selling centers to rethink their selling approach. Coupled with NSW needing to restock the demand for AuctionsPlus to be active on Southern Weaners will be pivotal in connecting sellers with buyers whilst achieving maximum return. If you would like to get in contact with AuctionsPlus about interfacing or running a weaner auction, please either call us on (02) 9262 4222, or email us at info@auctionsplus.com.au.

