

SUMMER RAINS BRINGS RELIEF TO THE EAST

Seasonal conditions in central and northern NSW and Queensland have rebounded with sustained rainfall recorded in most areas, particularly in the northern areas.

Whilst the extensive rain interrupted harvest and in some cases caused sprouting of winter wheat, falls of between 100 and 250mm over the summer have provided perennial pasture growth and will be invaluable in re-establishing a long overdue moisture profile for the country.

Yields in southern NSW have been as low as 4 bags/acre and a relatively short Spring provided little in the way of a feed bank for properties. However, growers in southern Queensland are wondering where they will store the massive sorghum crop due to be stripped within the next 4-6 weeks.

Whilst many crops came close to failing in 2007, the season has finished well to provide a crop large enough to put downward pressure on feed costs. Pasture in many areas is exceptional, particularly in the NSW tablelands, where grass fattened cattle ready for slaughter fill paddocks.

Most abattoirs on the east coast are due to re-open this week following the Christmas break and consequently grids are yet to be released. However the margins of grain finishing are slowly being re-established and lotfeeders are again competing with graziers for the few store lines on offer.

Better than 200c/kg for feeder cattle is expected and should the feedlots procure grain and roughage cheaper than expected, 400-500 kg steers for shortfed regimes can go to 220c.

The longfed regimes are almost non-existent as the larger feedlots have increased intake weights from 340kgs to 400kgs and lifted the upper limit to allow 150 days in the pens rather than 220 days to reach the same carcass weight. The Japanese "full set" of 14 cuts has almost disappeared in the last 12 months and has been replaced with specific "cuts based" export sales similar to the massive US industry.

KOREA AND RUSSIA IMPACT INTERNATIONAL MARKET

The Korean market is rapidly replacing Japan as our most important market for high-quality cuts as the Japanese continue to procrastinate over the cost of Australian beef and the age limit of imported American product whilst living in fear that the massive Chinese market will erode their buying power. That fear is perfectly justified as the Chinese economy closes on the US as the world's most powerful.

The Russian market is beginning to have an impact in Australia with significant tonnage being shipped from Brisbane on the back of the Brazilian company JBS Friboi's purchase of AMH, now trading as Swift Australia.

One of the management features of the Brazilians is the total utilization of carcass and offal and direction of specific product to specific markets to maximise profitability.

Killing in excess of 55,000 cattle daily, JBS is the largest processing company in the world and has significant cold storage and transport infrastructure investments in Russia.

The insatiable Russian market, fuelled by massive energy export revenue, is currently fed by South American and Australian beef with the first shipments of American and Canadian product moving over the new year.

An interesting feature of the giant South American Mercusor beef producing nations is that whilst the value of product in Argentina and Brazil has increased by 260% over the past 24 months, the cost of inputs has risen by nearly the same amount. Beef production is being relocated from the high-rainfall, fertile, pampas regions to the lighter rainfall, less fertile foothills through massive investment in property by the expanding coarse grains producers.

The scenario points to development of a grain finishing industry in both countries to add further value to the end product.



Bullock Hills B27 and B42 are examples of the good quality private sale bulls we have available this year. These bulls are available for on-property inspection. Contact Brad on 9822 8042 or 0427 228 043.

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Bullock Hills Bruiser B72 to be offered at WA Supreme Bull Sale

Welcome

This newsletter showcases this year's WA Supreme Bull Sale team. The Supreme sale will be held at Brunswick on Thursday, February 14, 2008.

On farm inspection is welcomed.

We thank all who have given us the support and interest in our cattle and would like to thank those who bought bulls at auction and privately in 2007.

Yours sincerely
BRAD AND SYLVIA PATTERSON AND FAMILY.

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BRUNSWICK SUPREME BULL SALE ANIMALS

9 Bulls on offer at WA Supreme Bull Sale
Thursday February 14, 2008

CONTACT
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BULLOCK HILLS BRUISER B72 (ET)
SIRE: BHR Three Sixes Birthdate: 18/01/06
DAM: Bullock Hills Venus V7



BULLOCK HILLS BUSTER B11 (P)
SIRE: Shawacres Nacobi Birthdate: 10/05/06
DAM: Bullock Hills U4



BULLOCK HILLS BRAVEHEART B2 (ET)
SIRE: BHR Three Sixes Birthdate: 15/01/06
DAM: Bullock Hills Venus V7



BULLOCK HILLS BELARUS B16
SIRE: Shawacres Nacobi Birthdate: 07/05/06
DAM: Bullock Hills Tango 0334



BULLOCK HILLS BOAZ B10 (ET)
SIRE: BHR Doorn Birthdate: 21/03/06
DAM: BHR Bahati SA



BULLOCK HILLS BOOMER B9
SIRE: BHR Three Sixes Birthdate: 14/03/06
DAM: Hamelin Duchess 106

NEWS FROM THE HOME FRONT

2007 has seen a season with very mixed rainfall results. Bullockhills' season started with a good opening in mid April, then very little follow up rainfall activity until the last week in June. From then on a rainfall was regular but light until a good spring soaking. Consequently feed supplies at the end of the season were good, a far cry from early winter. The season could not have been better on the property at Williams where we run the commercial herd. It allowed us to move a number of cattle in that direction.

We have decided to feed all young saleable cattle believing that while most commodity prices have risen, some have declined up to 50% allowing input costs to be reduced. While marketing is uncertain there is usually no better cure for low beef prices other than low beef prices. With rises in all other meats, restocking in the East, two seasons of drought and reduced numbers, one would anticipate the opportunity for prices to firm. Not everyone would agree with these comments, but being involved in a mixed farming operation, we know first hand the variation in hay and grain prices.

The bulls on offer from Bullock Hills this season would rate as some of our best and more consistent overall. Most of the bulls catalogued for the WA Supreme Bull Sale have been used lightly in the stud and commercial for September and have all been semen tested.

Three bulls featured this year come from the combination of Bullock Hills V7 and BHR Three Sixes. V7 has proven herself every season and therefore the decision was made to flush her. She claims many of the great attributes from both her parents being from Buckingham and Hamelin Park blood lines. The BHR Three Sixes over proven Buckingham Percy daughters seem to be giving us the best results with this South African bloodline.

New to Bullock Hills team will be two sons of Shawacres Nacobi. This is the first time for this bloodline to be offered in this state. Bullockhills Buster shows thickness and excellent EBV's with the bonus of being polled. He was our choice to back up the stud AI programme with some semen retained for future use.

A son by BHR Doorn is also a first for this state. He is the result of an imported embryo. This powerful yet moderately framed bull displays a tremendous carcass with a great muscle pattern. Along with these bulls, Bullock Hills also has a limited number of very high quality private selections.



Bullock Hills Venus V7 is a cow having a big impact at Bullock Hills. She is the dam of two of our WA Supreme Bull Sale team, Braveheart B2 and Bruiser B72.

V7 has proven herself every season and therefore the decision was made to flush her. She claims many of the great attributes from both her parents being from Buckingham and Hamelin Park blood lines. The BHR Three Sixes over proven Buckingham Percy daughters seem to be giving us the best results with this South African bloodline.



The first sons of BHR Doorn, a new sire for Bullock Hills, to be offered in WA will be available this year. Doorn is the result of an imported embryo. This powerful yet moderately framed bull displays a tremendous carcass with a great muscle pattern. He is the sire of Bullock Hills Boaz B10, who will be offered at the WA Supreme Bull Sale. Boaz is showing the classic carcass pattern of his father.