



Media Release

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ANZ sees Australian agricultural exports to ASEAN doubling in next decade

- need to prioritise policies to support Australia-ASEAN trade -

ASEAN countries could collectively overtake China as a key market for Australia's agriculture sector in the next 10-15 years with huge potential for the country's beef and dairy sectors, according to ANZ's Agribusiness team.

The bank recently published a major research report '*ASEAN: The Next Horizon*', which highlights the region's enormous economic potential. By 2030, ANZ forecasts that half of Southeast Asia's 650 million people will be under the age of 30, creating a powerful emerging middle class with high rates of consumption.

Speaking at a breakfast event at *Beef Australia 2015* in Rockhampton, ANZ Head of Agribusiness Australia Mark Bennett said the creation of the ASEAN Economic Community later this year was expected to spur economic and consumption growth inside the trade zone, doubling the potential value of overall Australian agricultural exports to the region to an estimated US\$15.5 billion by 2025 from US\$6.9 billion in 2013.

"Whether in live exports or the development of cold chain processing infrastructure, there are massive opportunities for the Australian beef supply chain. We also see a similar very positive outlook for Australian dairy producers.

"There will be opportunities for beef producers to provide a wider range of cuts as well as different products, as the tastes of this new Asian middle class develop. To achieve this potential, however, Australian agribusiness will need to be aware of changing trends in consumption and adapt its output accordingly," said Mr Bennett.

ANZ Head of Global Agribusiness Research Michael Whitehead warned that global competition is intensifying and that while Australia's food exports to ASEAN were increasing, the country's market share in the region's agriculture imports has declined.

"ASEAN countries have quite distinct consumer bases and we think that specific trade strategies will need to be developed to fully realise the opportunities emerging in these different markets," said Mr Whitehead.

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