

Keeper of the Australian Stud Book, Michael Ford: "It's down, but not as bad as it could be."

CRUNCHING THE 2009 NUMBERS

RENEE GEELLEN analyses the Stud Book's official figures for the 2009 breeding season & finds that despite the spectre of the global financial crisis, Australian breeders have taken a long term view.

Against a background last year of general global doom and gloom, thoroughbred breeders in Australia have taken a long-term view. Analysing the latest covering statistics from the 2009 season, Keeper of the Australian Stud Book, Michael Ford, finds positive news in the latest covering data, commenting: "It's down, but not as bad as it could be."

It seems that it is just a matter of keeping things in the right context. The 2009 breeding season figures show a contracting trend when compared to the previous season, but when these numbers are lined up against the general economy there appears to be an underlying confidence in our industry.

The Global Financial Crisis of 2008/09 had an impact across all industries, and can be easily defined by using the Australian Stock Exchange value as an indicator of economic health. From a peak in 2007, the ASX fell 16% to 1/08/2008 and another 14% to 1/08/2009.

As the racing and breeding industry is essentially a luxury industry the impact of these drops could have been expected to



Paul Higgins



Bob Frappell

be massive. The yearling sales season starting in early 2008 reflected the peak figures of the ASX in 2007, with 4,903 yearlings selling for an average of \$75,853. This fell dramatically by 32% for the 2009 season, with 4,730 yearlings selling for an average of \$51,741.

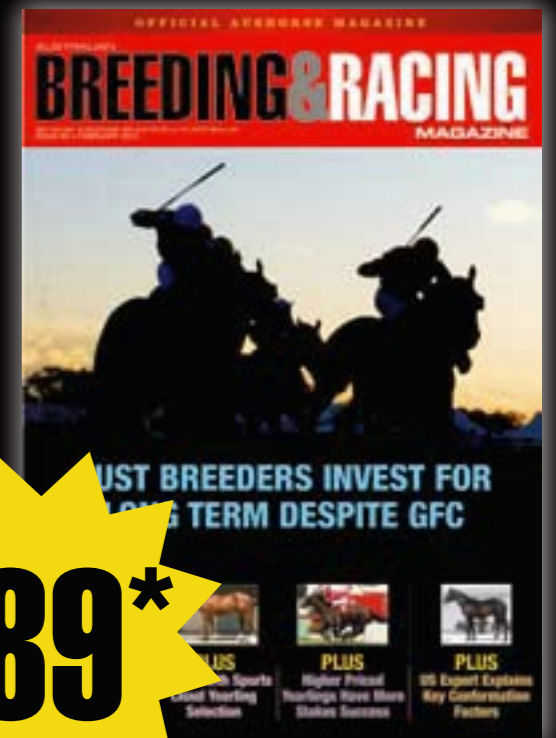
These yearling sale figures were expected to flow through to the 2009 breeding season figures, and the Stud Book felt that a drop of 30% in coverings and in nominal stallion earnings would be an expected result based on yearling sale results.

The impact of Equine Influenza on the number of mares covered in 2007 stands out on this graph, but there was a recovery in the 2008 breeding season back towards the expected figure of 26,480 mares covered. The final figures for the 2009 breed-

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