

Grain Report

26 April 2024



DELIVERING
for **DAIRY**

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Summary

Driving prices up

- Threats to global wheat supply from the ongoing Black Sea conflict and uncertainty around northern hemisphere crop prospects are providing support to both offshore and local wheat prices.
- Ongoing strength in domestic wheat markets combined with end users looking to extend their feed coverage into late June/July are pushing local old crop barley prices up, especially across northern regions. New crop prices are still driven by offshore movements.
- A lack of grower selling, as attention turns to sowing, combined with a lower Australian dollar also offered broad support for Australian grain markets over the last week.

Driving prices down

- Excellent drying conditions in Queensland sorghum growing regions last week has weighed on prices as harvest restarted. This follows fears of widespread crop downgrades following heavy rainfall which pushed values higher earlier in the month.

Global trade news

- The International Grains Council has lifted Australia's 24/25 wheat export estimates by 500kt month on month to 21.5 million mt, on the back of reducing availability of cheap wheat coming out of the Black Sea.
- Russia has stepped up their attacks on Ukrainian grain infrastructure over the last few weeks. Recent attacks on Ukrainian grain terminals in the Odesa region are likely to slow grain exports over the coming weeks.
- Thailand's Feed Millers' Association have pulled their feed wheat tender after offered prices came in too high. The group were looking for offers in the US \$240/mt CFR range though received offers in the range of US \$255/mt.
- Jordan's state grain importer has booked 60,000 tonnes of feed barley at US \$217/mt CFR for shipment in the second half of July.

Local news

- Australian Crop Forecasters (ACF) released their April crop report this week with national wheat production for the coming season forecast at 29.9 million tonnes, barley at 11.2 million tonnes and canola at 5.4 million tonnes. They noted dry conditions in Western Australia and South Australia but stated "while not ideal, dry conditions at this time of year were not unusual for these states and were not a precursor to a poor season". However, the market will continue to monitor conditions closely through these two key exporting states.
- Sowing is well underway across southern NSW and Victoria thanks to a solid soil moisture profile, though growers will be hopeful of some late April rainfall to really kick things into gear. Things remain dry in South Australia and Western Australia with no substantial rainfall on the 8-day forecast.

Regional commentary

Atherton Tablelands

- Wheat: Up \$20 (\$395 to \$405/tonne). Barley: Up \$10 (\$400 to \$410/tonne). Maize: Steady (\$415 to \$425/tonne). Sorghum: Steady (\$380 to \$390/tonne).
- Northern growing regions had a mostly dry week before receiving further rainfall over the weekend, with falls of up to 50 mm recorded in some areas. The recent rain has added to concerns regarding the summer crop harvest, while also slowing down any early winter crop planting progress. Sowing is expected to get fully underway following ANZAC day.
- Wheat prices firmed over the past week as end users look to extend their coverage into June/July. Strength in offshore markets also added additional upward pressure, although export demand is currently having a limited effect on prices.
- Barley markets were steady to slightly firmer this week on the back of increased feedlot demand as throughput improves.
- Sorghum bids have been mostly softer as good drying conditions throughout last week saw harvest resume. However, recent rainfall over the weekend has seen harvest stall and raise concerns regarding quality.

Darling Downs

- Wheat: Up \$10 (\$385 to \$395/tonne). Barley: Up \$5 (\$395 to \$405/tonne). Maize: Steady (\$410 to \$420/tonne). Sorghum: Steady (\$345 to \$355/tonne).
- Northern growing regions had a mostly dry week before receiving further rainfall over the weekend, with falls of up to 50 mm recorded in some areas. The recent rain has added to concerns regarding the summer crop harvest, while also slowing down any early winter crop planting progress. Sowing is expected to get fully underway following ANZAC day.
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North Coast NSW

- Wheat: Up \$5 (\$345 to \$355/tonne). Barley: Up \$10 (\$350 to \$360/tonne). Maize: Steady (\$415 to \$425/tonne). Sorghum: Steady (\$345 to \$355/tonne).
- Northern growing regions had a mostly dry week before receiving further rainfall over the weekend, with falls of up to 50 mm recorded in some areas. The recent rain has added to concerns regarding the summer crop harvest, while also slowing down any early winter crop planting progress. Sowing is expected to get fully underway following ANZAC day.

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Central West NSW

- Wheat: Up \$5 (\$360 to \$370/tonne). Barley: Up \$5 (\$340 to \$350/tonne). Maize: Steady (\$365 to \$375/tonne). Sorghum: Up \$5 (\$360 to \$370/tonne).
- New South Wales (NSW) growing regions had a mostly dry week before receiving further rainfall over the weekend, with falls of up to 50 mm recorded in some areas. The recent rain has added to concerns regarding the summer crop harvest, while also slowing down any early winter crop planting progress. Sowing is expected to get fully underway following ANZAC day.
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Bega Valley

- Wheat: Up \$10 (\$360 to \$370/tonne). Barley: Up \$5 (\$335 to \$345/tonne). Maize: Up \$10 (\$325 to \$335/tonne). Canola Meal: Up \$10 (\$485 to \$495/tonne).
- Southern growing areas have had a cool and mostly dry week, although southern parts of Victoria did receive some showers. The forecast is showing mostly dry conditions to continue into next week. Growers will be hoping for some additional falls as they build into sowing after ANZAC day.
- Wheat prices pushed higher this week on the back of firmer offshore markets and reduced grower selling. Selling has slowed as growers turn their attention to sowing, while both domestic and export interest is there which is also offering support.
- Barley markets were steady to slightly higher, with domestic end users with livestock on feed continuing to support prices.
- Lentil bids continued to firm this week.

Goulburn/Murray Valley

- Wheat: Up \$10 (\$335 to \$345/tonne). Barley: Up \$15 (\$330 to \$340/tonne). Maize: Up \$10 (\$325 to \$335/tonne). Canola Meal: Up \$20 (\$495 to \$505/tonne).

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Gippsland

- Wheat: Up \$10 (\$355 to \$365/tonne). Barley: Up \$10 (\$345 to \$355/tonne). Maize: Up \$10 (\$325 to \$335/tonne). Canola Meal: Up \$20 (\$510 to \$520/tonne).
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- Barley markets were steady to slightly higher, with domestic end users with livestock on feed continuing to support prices.
- Lentil bids continued to firm this week.

Southwest Victoria

- Wheat: Up \$10 (\$320 to \$330/tonne). Barley: Steady (\$315 to \$325/tonne). Maize: Up \$10 (\$325 to \$335/tonne). Canola Meal: Up \$20 (\$495 to \$505/tonne).
- Southern growing areas have had a cool and mostly dry week, although southern parts of Victoria did receive some showers. The forecast is showing mostly dry conditions to continue into next week. Growers will be hoping for some additional falls as they build into sowing after ANZAC day.
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- Barley markets were steady to slightly higher, with domestic end users with livestock on feed continuing to support prices.
- Lentil bids continued to firm this week.

Southeast South Australia

- Wheat: Up \$10 (\$355 to \$365/tonne). Barley: Steady (\$325 to \$335/tonne). Maize: Up \$5 (\$320 to \$330/tonne). Canola Meal: Up \$20 (\$540 to \$550/tonne).
- South Australian growing regions have received some showers over the past week, with some areas recording up to 5 mm. This was more than was expected, but still not enough to build

confidence in the lead up to sowing. The 8-day forecast has no significant rain on the horizon, with growers looking for some decent falls over the next few weeks.

- Local wheat bids firmed this week gaining support from strength in international markets and the weakening Australian Dollar.
- Barley markets strengthened following wheat prices higher, with selling having slowed as growers prepare for sowing.
- Lentil bids continued to increase this week.

Central South Australia

- Wheat: Up \$20 (\$335 to \$345/tonne). Barley: Steady (\$300 to \$310/tonne). Maize: Up \$5 (\$320 to \$330/tonne). Oats: Steady (\$475 to \$485/tonne).
- South Australian growing regions have received some showers over the past week, with some areas recording up to 5 mm. This was more than was expected, but still not enough to build confidence in the lead up to sowing. The 8-day forecast has no significant rain on the horizon, with growers looking for some decent falls over the next few weeks.
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Southwest Western Australia

- Wheat: Steady (\$375 to \$385/tonne). Barley: Up \$5 (\$350 to \$360/tonne). Lupins: Steady (\$500 to \$510/tonne). Oats: Up \$10 (\$480 to \$490/tonne).
- Western Australian growing regions were back to having dry conditions over the past week, with warmer weather over the weekend and only some showers recorded in the southern coastal areas. The forecast is showing cooler conditions with maximum temperatures in the low 20s over the next week, and little to no rain expected.
- Local wheat and barley markets were mostly firmer this week as strength in international markets and the weakening Australian Dollar offered support. Prices also benefited from traders looking to encourage selling of new crop to sure up supply.
- Lupins prices were steady to slightly softer this week, while oat bids continue to increase. There is reportedly very little old crop stocks left on farm, while old crop prices are still well ahead of new crop for both lupins and oats.

Northwest Tasmania

- Wheat: Up \$10 (\$445 to \$455/tonne). Barley: Up \$10 (\$435 to \$445/tonne). Maize: Up \$10 (\$335 to \$345/tonne). Canola Meal: Up \$20 (\$600 to \$610/tonne).
- Southern growing areas have had a cool and mostly dry week, although southern parts of Victoria did receive some showers. The forecast is showing mostly dry conditions to continue into next week. Growers will be hoping for some additional falls as they build into sowing after ANZAC day.

- Wheat prices pushed higher this week on the back of firmer offshore markets and reduced grower selling. Selling has slowed as growers turn their attention to sowing, while both domestic and export interest is there which is also offering support.
- Barley markets were steady to slightly higher, with domestic end users with livestock on feed continuing to support prices.
- Lentil bids continued to firm this week.



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