

Grain Report

7 March 2025



DELIVERING
for **DAIRY**

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Summary

Driving prices up

- Continued dry conditions over the southern grain growing regions is providing support for local feed grain markets. Buyers are having to compete harder to draw tonnes south for export as well as meet the demand for supplemental feeding.
- Export demand into southeast Asia is providing underlying price support at this stage, while there are hopes that demand from China will also strengthen.

Driving prices down

- Tariff announcements from the US, China and Canada have weighed on international grain markets. This remains a fast-evolving situation and is likely to add a considerable amount of volatility while it plays out.
- Improving weather conditions in the northern hemisphere is easing concerns regarding “winterkill” damage, especially in parts of the US, Russia and Ukraine. Crop conditions will continue to have a significant bearing on prices as northern hemisphere crops come out of winter dormancy.

Global trade news

- The US implemented 25% tariffs on Canada and Mexico, as well as an additional 10% tariff on China (making it 20%), with all of these tariffs coming into effect on Tuesday 4th of March. This led to retaliatory tariffs from China of 15% on corn, wheat and cotton, as well as an extra 10% tariff on soybeans, sorghum, pork, beef, aquatic products, fruits, vegetables and dairy products. Canada also announced retaliatory tariffs of 25% on the US, which would impact ~C\$155 billion worth of US imports, with C\$30 billion to come into effect immediately and the remainder to come in three weeks. Mexican President, Claudia Sheinbaum, is yet to announce retaliatory measures in response, but is expected to make an announcement on the 9th of March.
- The Thai Feed Mill Association (TFMA) purchased a cargo of feed wheat for August shipment for \$255/tonne sourced from the Black Sea region.

Local news

- ABARES has increased its national winter crop estimates for wheat, barley and canola. The wheat estimate was lifted to 34.1 million mt, the third largest on record and up from 31.9 million mt in the December update. While barley production was lifted to 13.3 million mt and canola was lifted to 5.9 million mt for the 2024/25 crop.
- The exemption of India’s import tariff on Australian lentils is due to expire on the 1st of April. Australia has benefitted from this exemption since 2021 and it has seen a significant lift in lentil production and prices, as India is the largest consumer of lentils in the world. While no announcement has been made, markets are anticipating that the tariff will be reintroduced.

Regional commentary

Atherton Tablelands

- Wheat: Down \$10 (\$380 to \$390/tonne). Barley: Down \$10 (\$360 to \$370/tonne). Maize: Steady (\$405 to \$415/tonne). Sorghum: Steady (\$370 to \$380/tonne).
- The northern growing regions have had mostly warm and dry conditions over the past week which has allowed the sorghum harvest to make solid progress. However, with Cyclone Alfred positioned off the coast, large rainfall totals are expected leading into and over the weekend. Conditions are then expected to stay relatively cool and damp into next week.
- Wheat prices were broadly lower over the past week with the recent trade shorts now met. Feed markets continue to be relatively well covered, with buyers now looking to extend their coverage into April and May.
- Barley markets were flat to slightly lower, with markets remaining relatively slow. Export interest continues to support prices at this stage.
- Sorghum bids were steady to slightly firmer over the past week, gaining support from improved export demand and cheaper freight rates.

Darling Downs

- Wheat: Down \$5 (\$340 to \$350/tonne). Barley: Steady (\$320 to \$330/tonne). Maize: Steady (\$385 to \$395/tonne). Sorghum: Up \$5 (\$325 to \$335/tonne).
- The northern growing regions have had mostly warm and dry conditions over the past week which has allowed the sorghum harvest to make solid progress. However, with Cyclone Alfred positioned off the coast, large rainfall totals are expected leading into and over the weekend. Conditions are then expected to stay relatively cool and damp into next week.
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North Coast NSW

- Wheat: Down \$5 (\$325 to \$335/tonne). Barley: Steady (\$315 to \$325/tonne). Maize: Steady (\$405 to \$415/tonne). Sorghum: Up \$5 (\$325 to \$335/tonne).
- The northern growing regions have had mostly warm and dry conditions over the past week which has allowed the sorghum harvest to make solid progress. However, with Cyclone Alfred positioned off the coast, large rainfall totals are expected leading into and over the weekend. Conditions are then expected to stay relatively cool and damp into next week.
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Central West NSW

- Wheat: Down \$15 (\$305 to \$315/tonne). Barley: Down \$10 (\$290 to \$300/tonne). Maize: Steady (\$375 to \$385/tonne). Sorghum: Up \$5 (\$335 to \$345/tonne).
- It's been a mostly warm and dry week for growers in the Central West, although the forecast is showing a chance of significant rainfall over the weekend and into next week, along with cooler weather. The rain will be welcomed by many growers as they look to build soil moisture levels as they get closer to sowing winter crops.
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- Sorghum bids were steady to slightly firmer over the past week, gaining support from improved export demand and cheaper freight rates.

Bega Valley

- Wheat: Steady (\$345 to \$355/tonne). Barley: Steady (\$300 to \$310/tonne). Maize: Steady (\$345 to \$355/tonne). Canola Meal: Up \$10 (\$460 to \$470/tonne).
- The southern growing regions have experienced another warm and dry week, with minimal rain recorded. Soil moisture levels are now well below average for most growers, especially in the more western areas. The week ahead is likely to be warm, although there is a chance of rain over the weekend, with growers looking for significant falls in the lead up to sowing.
- Wheat bids were steady to slightly softer, facing pressure from the sharp decline in offshore markets. However, local prices did not follow offshore markets as high previously and haven't been impacted as much by the decline.
- Barley markets were stable to marginally lower, resulting in a tightening of the spread to wheat. Buying interest remains strong, being supported by domestic feed demand.
- Corn prices were mostly steady, while canola meal prices were firmer.

Goulburn/Murray Valley

- Wheat: Steady (\$345 to \$355/tonne). Barley: Steady (\$315 to \$325/tonne). Maize: Steady (\$345 to \$355/tonne). Canola Meal: Up \$10 (\$460 to \$470/tonne).
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Gippsland

- Wheat: Steady (\$365 to \$375/tonne). Barley: Down \$10 (\$335 to \$345/tonne). Maize: Steady (\$345 to \$355/tonne). Canola Meal: Up \$10 (\$475 to \$485/tonne).
- The southern growing regions have experienced another warm and dry week, with minimal rain recorded. Soil moisture levels are now well below average for most growers, especially in the more western areas. The week ahead is likely to be warm, although there is a chance of rain over the weekend, with growers looking for significant falls in the lead up to sowing.
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Southwest Victoria

- Wheat: Down \$5 (\$320 to \$330/tonne). Barley: Steady (\$305 to \$315/tonne). Maize: Steady (\$345 to \$355/tonne). Canola Meal: Up \$10 (\$460 to \$470/tonne).
- The southern growing regions have experienced another warm and dry week, with minimal rain recorded. Soil moisture levels are now well below average for most growers, especially in the more western areas. The week ahead is likely to be warm, although there is a chance of rain over the weekend, with growers looking for significant falls in the lead up to sowing.
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Southeast South Australia

- Wheat: Steady (\$360 to \$370/tonne). Barley: Steady (\$330 to \$340/tonne). Maize: Steady (\$340 to \$350/tonne). Canola Meal: Up \$10 (\$505 to \$515/tonne).
- South Australian growers have had another warm and dry week, with temperatures in the mid-30s. The forecast is showing more of the same into next week, with minimal rain and temperatures staying relatively warm. Soil moisture levels are exceedingly dry, with some areas being in the lowest one percentile for soil moisture.
- Local wheat and barley bids were relatively flat this week. Weakness in offshore markets weighed on local prices, while domestic livestock feed demand and limited supply continues to provide underlying support.

- Lentil bids were mostly steady this week, although many growers will be watching closely for announcements regarding tariffs from India on Australian lentils.

Central South Australia

- Wheat: Steady (\$315 to \$325/tonne). Barley: Down \$5 (\$330 to \$340/tonne). Maize: Steady (\$340 to \$350/tonne). Oats: Up \$20 (\$380 to \$390/tonne).
- South Australian growers have had another warm and dry week, with temperatures in the mid-30s. The forecast is showing more of the same into next week, with minimal rain and temperatures staying relatively warm. Soil moisture levels are exceedingly dry, with some areas being in the lowest one percentile for soil moisture.
- Local wheat and barley bids were relatively flat this week. Weakness in offshore markets weighed on local prices, while domestic livestock feed demand and limited supply continues to provide underlying support.
- Lentil bids were mostly steady this week, although many growers will be watching closely for announcements regarding tariffs from India on Australian lentils.

Southwest Western Australia

- Wheat: Down \$10 (\$345 to \$355/tonne). Barley: Up \$5 (\$355 to \$365/tonne). Lupins: Steady (\$500 to \$510/tonne). Oats: Up \$25 (\$405 to \$415/tonne).
- Western Australian growing regions have had a mostly dry week, with only some showers recorded in some areas. The forecast is showing dry conditions to continue, although temperatures are expected to be cooler over the weekend and into next week. Growers continue to prepare for winter crop sowing, with growers looking for rain to build soil moisture levels.
- Local wheat markets eased this week facing pressure from the decline in offshore markets. While barley prices held their ground due the crop being mostly sold and limited supplies still available.
- Oats prices firmed this week after losing ground previously, while lupins bids continue to be well supported.

Northwest Tasmania

- Wheat: Steady (\$455 to \$465/tonne). Barley: Down \$10 (\$425 to \$435/tonne). Maize: Steady (\$355 to \$365/tonne). Canola Meal: Up \$10 (\$565 to \$575/tonne).
- Wheat bids were steady to slightly softer, facing pressure from the sharp decline in offshore markets. However, local prices did not follow offshore markets as high previously and haven't been impacted as much by the decline.
- Barley markets were stable to marginally lower, resulting in a tightening of the spread to wheat. Buying interest remains strong, being supported by domestic feed demand.
- Corn prices were mostly steady, while canola meal prices were firmer.



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