Grain Report

15 November 2024

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Profarmer Australia

Summary

Driving prices up

- Australian wheat markets are taking direction from local conditions and harvest progress. But a lack of grower selling is providing resistance to harvest pressure, holding prices relatively steady for this time of year when downward pressure from harvest would normally be more apparent.
- Australian feed barley prices are holding steady, as similar to wheat, a reluctance from growers to sell and some buying from domestic users provides a level of support. Uncertainty around the final quantity and quality in southern states is probably also supporting values.

Driving prices down

- Greater market supply as harvest progresses across the country is limiting any significant upside to grain prices in the short term.
- An improvement in the condition of the US winter wheat crop have pressured global wheat markets over the last week.

Global trade news

- The latest USDA export report has announced that weekly wheat export inspections have recorded a just under 70 per cent increase week-on-week as international demand for wheat intensifies. Top destinations were South Korea, Philippines, Mexico and Taiwan. The lift in volume this week has pushed the total US exports for the current marketing year to 10.11 million tonnes, up 35 per cent from the previous season.
- South Korea feed importer Major Feedmill Group (MFG) purchased over 65,000 tonnes of feed wheat this week, with the expected delivery date in late February next year, this brings the total for the marketing year to 1 million tonnes for the country. However, this is marginally lower than the 1.1 million tonnes at the same time last season.
- Brazilian agricultural market analysts have increased their forecast for Brazilian corn, soybean, and soymeal exports in November. The last few weeks have seen US soymeal futures encounter significant downward pressure due to increased global stocks, ongoing soybean harvests in the US, and rising US soybean stock levels.

Local news

- Harvest pace across the country stepped up over the past week with 4.1 million tonnes delivered into BHC receival sites. This takes the season to date total to 9.7 million tonnes, marking the third-highest volume on record for this period.
- Australian Crop Forecasters' latest wheat profile report showed wheat harvest is in the final stages through QLD and northern NSW with excellent yields and quality reported, though the large crop means a lower proportion of high protein APH wheat is being produced. WA wheat harvest is in the early stages with wheat quality reported as OK and grades delivered sitting at AWW through to APW. Wheat harvest is yet to get underway in SA and Vic. The market will be waiting anxiously for harvest results to determine the quality of the crop.

Regional commentary

Atherton Tablelands

- Wheat: Up $10 ($375 to $385/tonne). Barley: Up $5 ($345 to $355/tonne). Maize: Steady ($410 to $420/tonne). Sorghum: Up $10 ($335 to $345/tonne).
- Northern growing regions have had some cooler and wet conditions over the past week. Storms in some areas brought upwards of 120 mm, with the wet conditions are expected to continue over the next couple of weeks. Harvest is mostly complete in the north, with many growers welcoming the rain to support their summer crops.
- Wheat markets have been steady to marginally firmer over the past two weeks, gaining support from nearby customer demand and a lack of grower selling. Many growers are now prepared to carry over grain into the new year.
- Barley bids have been steady to slightly higher this fortnight, with bids stabilising as harvest wraps up. Supply has been slower than initially expected, with many growers storing grain.
- Sorghum bids have moved higher over the last two weeks due to a lack of grower selling and an uptick in local end-user demand.

Darling Downs

- Wheat: Up $10 ($335 to $345/tonne). Barley: Up $15 ($315 to $325/tonne). Maize: Steady ($385 to $395/tonne). Sorghum: Up $30 ($340 to $350/tonne).
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North Coast NSW

- Wheat: Steady ($310 to $320/tonne). Barley: Down $5 ($250 to $260/tonne). Maize: Steady ($410 to $420/tonne). Sorghum: Up $5 ($310 to $320/tonne).
- Northern growing regions have had some cooler and wet conditions over the past week. Storms in some areas brought upwards of 120 mm, with the wet conditions are expected to continue over the next couple of weeks. Harvest is mostly complete in the north, with many growers welcoming the rain to support their summer crops.
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Central West NSW

- Wheat: Down $5 ($295 to $305/tonne). Barley: Up $10 ($280 to $290/tonne). Maize: Steady ($375 to $385/tonne). Sorghum: Up $5 ($310 to $320/tonne).
- Growing regions have had mostly favourable conditions over the past week, although some areas did receive upwards of 10mm which slowed harvest progress. The week ahead has some large falls of 20mm forecast over the weekend which may halt momentum. Quality has reportedly been okay, with quality ranging from ASW1 to H2.
- Wheat markets have been relatively stable, with yield results being mixed and harvest progressing further south. Many growers are now seeing how much frost damage was incurred in September, while there are reports of higher protein wheat further west.
- Barley prices have been slightly higher this fortnight, although have faced downwards pressure from the lower quality being seen in wheat.
- Sorghum bids have moved higher over the last two weeks due to a lack of grower selling and an uptick in local end-user demand.

Bega Valley

- Wheat: Steady ($345 to $355/tonne). Barley: Steady ($275 to $285/tonne). Maize: Steady ($330 to $340/tonne). Canola Meal: Steady ($510 to $520/tonne).
- Southern growing regions have had a cool and relatively dry week, with harvest well underway in the more northern parts of Victoria and southern New South Wales. Conditions are expected to remain mostly dry over the next week which should see harvest ramp up and move south.
- Wheat bids have been relatively steady over the past fortnight as markets wait for the southern harvest to ramp up. Yields and quality for other crops in the south have been better than expected so far, so growers will be hoping to see the same in wheat.
- Barley markets have been steady to marginally weaker, with harvest pressure starting to influence prices.
- Corn prices have remained mostly stable.

Goulburn/Murray Valley

- Wheat: Steady ($330 to $340/tonne). Barley: Down $5 ($300 to $310/tonne). Maize: Steady ($330 to $340/tonne). Canola Meal: Steady ($520 to $530/tonne).
- Southern growing regions have had a cool and relatively dry week, with harvest well underway in the more northern parts of Victoria and southern New South Wales. Conditions are expected to remain mostly dry over the next week which should see harvest ramp up and move south.
- Wheat bids have been relatively steady over the past fortnight as markets wait for the southern harvest to ramp up. Yields and quality for other crops in the south have been better than expected so far, so growers will be hoping to see the same in wheat.

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Gippsland

- Wheat: Up $5 ($350 to $360/tonne). Barley: Steady ($330 to $340/tonne). Maize: Steady ($330 to $340/tonne). Canola Meal: Steady ($535 to $545/tonne).
- Southern growing regions have had a cool and relatively dry week, with harvest well underway in the more northern parts of Victoria and southern New South Wales. Conditions are expected to remain mostly dry over the next week which should see harvest ramp up and move south.
- Wheat bids have been relatively steady over the past fortnight as markets wait for the southern harvest to ramp up. Yields and quality for other crops in the south have been better than expected so far, so growers will be hoping to see the same in wheat.
- Barley markets have been steady to marginally weaker, with harvest pressure starting to influence prices.
- Corn prices have remained mostly stable.

Southwest Victoria

- Wheat: Down $5 ($305 to $315/tonne). Barley: Steady ($290 to $300/tonne). Maize: Steady ($330 to $340/tonne). Canola Meal: Steady ($520 to $530/tonne).
- Southern growing regions have had a cool and relatively dry week, with harvest well underway in the more northern parts of Victoria and southern New South Wales. Conditions are expected to remain mostly dry over the next week which should see harvest ramp up and move south.
- Wheat bids have been relatively steady over the past fortnight as markets wait for the southern harvest to ramp up. Yields and quality for other crops in the south have been better than expected so far, so growers will be hoping to see the same in wheat.
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Southeast South Australia

- Wheat: Down $5 ($350 to $360/tonne). Barley: Up $10 ($315 to $325/tonne). Maize: Steady ($325 to $335/tonne). Canola Meal: Steady ($565 to $575/tonne).
- Most South Australian growing regions have seen minimal rain over the past week, although some parts of the state did receive upwards of 10 mm. Temperatures are expected to be relatively warm leading into the weekend before cooling next week, with some showers expected across grain growing areas.
- Wheat prices have moved marginally lower throughout November, following weakness in in offshore markets.
- Barley bids have firmed gaining support from strength in global feed grain markets.
- Lentil prices have been steady to marginally weaker over the past fortnight.

Central South Australia

- Wheat: Down $5 ($305 to $315/tonne). Barley: Up $5 ($295 to $305/tonne). Maize: Steady ($325 to $335/tonne). Oats: Down $25 ($355 to $365/tonne).
- Most South Australian growing regions have seen minimal rain over the past week, although some parts of the state did receive upwards of 10 mm. Temperatures are expected to be relatively warm leading into the weekend before cooling next week, with some showers expected across grain growing areas.
- Wheat prices have moved marginally lower throughout November, following weakness in in offshore markets.
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Southwest Western Australia

- Wheat: Steady ($340 to $350/tonne). Barley: Up $5 ($320 to $330/tonne). Lupins: Up $10 ($495 to $505/tonne). Oats: Up $15 ($385 to $395/tonne).
- Harvest in cotinuing across Western Australia, although progress has been slowed by rain over the past week. Temperatures are expected to be cool leading into the weekend, before warming up into next week. Some showers are forecast, but will predominantly be focused in the southern growing regions of the state.
- Wheat and barley markets have been relatively steady over the past two weeks. Yields have so far been better than expected for many growers, although this may partially be due to farmers harvesting their better crops first.
- Oats and lupins prices have moved higher over the past fortnight, despite yields so far being on par with expectations.

Northwest Tasmania

- Wheat: Up $5 ($440 to $450/tonne). Barley: Steady ($420 to $430/tonne). Maize: Steady ($340 to $350/tonne). Canola Meal: Steady ($625 to $635/tonne).
- Wheat bids have been relatively steady over the past fortnight as markets wait for the southern harvest to ramp up. Yields and quality for other crops in the south have been better than expected so far, so growers will be hoping to see the same in wheat.
- Barley markets have been steady to marginally weaker, with harvest pressure starting to influence prices.
- Corn prices have remained mostly stable.

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