

Grain Report

30 August 2024



DELIVERING
for **DAIRY**

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Summary

Driving prices up

- A slight deterioration in global crop conditions offered marginal support earlier in the week, though this support was short lived. EU summer crops were impacted by warm conditions in southern regions while wet weather in the north impacted the harvest of winter crops. The USDA have also reported a slight deterioration in US spring crop conditions.

Driving prices down

- Significant global feed grain production has continued to weigh on local barley markets more broadly this week. Markets are thinly traded at present as a result of current price levels.
- Global wheat markets continued to move lower this week due to ample global supply with local values continue to take their lead from offshore moves.
- A higher Australian dollar has also continued to push local feed grain markets lower.

Global trade news

- The European Commission has announced this week that European weekly wheat exports have finished at 237,000 tonnes, wheat exports are down 22 per cent for the marketing year, which currently stands at 3.93 million tonnes. Barley exports were also 31 per cent lower than a year ago.
- The Korean Feed Association have purchased 68,000 tonnes of feed corn from Viterra at US\$234.39 per tonne CFR. Another South Korean feed company, Feed Leaders Committee, purchased a 68,000-tonne cargo of South American corn at US\$232.99 per tonne CFR with both due for Nov/Dec delivery.
- The Canadian railways shutdown was ended late last week following government intervention. Threats of a shutdown did drive some volatility in global grain markets which is no surprise given how reliant bulk grain exporters are on rail to deliver grain to ports. Disruptions continued early in the week due to shipping backlogs.

Local news

- The latest Australian Crop Forecasters Shipping Stem and Market Share Report has announced that Australian wheat exports lifted 8 per cent week-on-week to a total of 201k tonnes, with Indonesia as the primary market. Barley also saw strong growth of 81 per cent to 114k tonnes, with China the primary export market.
- Incitec Pivot fertilizer completed upgrades to a new fertilizer import distribution facility in Portland. The project cost \$20 million and is likely to create more ease of access to fertilisers across the region for moving forward due to improved efficiencies and increased storage capacity.

Regional commentary

Atherton Tablelands

- Wheat: Down \$20 (\$290 to \$300/tonne). Barley: Down \$20 (\$285 to \$295/tonne). Maize: Down \$10 (\$410 to \$420/tonne). Sorghum: Down \$5 (\$325 to \$335/tonne).
- Northern growing regions have had a mostly warm and dry week, with the forecast showing temperatures to remain relatively high into next week. Soil moisture levels and crop conditions are reportedly still favourable, although growers will be looking for another rainfall event in September to help finish crops.
- Wheat and barley markets continued to trend lower this week, with old crop markets remaining slow with little interest from both buyers and sellers, as end users appear to be well covered at this stage. Softer international markets also weighed on local bids, while the softening prices are seeing little engagement from growers in new crop markets.
- Sorghum bids moved slightly lower this week, with end-users being mostly covered into November. The increase in container and shipping costs continues to weigh on the market.

Darling Downs

- Wheat: Down \$25 (\$315 to \$325/tonne). Barley: Down \$25 (\$310 to \$320/tonne). Maize: Down \$10 (\$385 to \$395/tonne). Sorghum: Down \$5 (\$325 to \$335/tonne).
- Northern growing regions have had a mostly warm and dry week, with the forecast showing temperatures to remain relatively high into next week. Soil moisture levels and crop conditions are reportedly still favourable, although growers will be looking for another rainfall event in September to help finish crops.
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- Sorghum bids moved slightly lower this week, with end-users being mostly covered into November. The increase in container and shipping costs continues to weigh on the market.

North Coast NSW

- Wheat: Down \$15 (\$305 to \$315/tonne). Barley: Down \$35 (\$255 to \$265/tonne). Maize: Down \$10 (\$410 to \$420/tonne). Sorghum: Down \$5 (\$310 to \$320/tonne).
- Northern growing regions have had a mostly warm and dry week, with the forecast showing temperatures to remain relatively high into next week. Soil moisture levels and crop conditions are reportedly still favourable, although growers will be looking for another rainfall event in September to help finish crops.
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Central West NSW

- Wheat: Down \$10 (\$295 to \$305/tonne). Barley: Down \$10 (\$270 to \$280/tonne). Maize: Down \$10 (\$375 to \$385/tonne). Sorghum: Down \$5 (\$335 to \$345/tonne).
- Rainfall has been recorded across most of the Central West over the past week, with some areas receiving upwards of 10mm. The forecast is showing very little rain into next week, with temperatures to be relatively cool. Crops are in a good position, but growers will be looking for some additional rains throughout September to keep crops going.
- Wheat and barley markets continued to trend lower this week, with old crop markets remaining slow with little interest from both buyers and sellers, as end users appear to be well covered at this stage. Softer international markets also weighed on local bids, while the softening prices are seeing little engagement from growers in new crop markets.
- Sorghum bids moved slightly lower this week, with end-users being mostly covered into November. The increase in container and shipping costs continues to weigh on the market.

Bega Valley

- Wheat: Down \$10 (\$320 to \$330/tonne). Barley: Down \$20 (\$265 to \$275/tonne). Maize: Steady (\$345 to \$355/tonne). Canola Meal: Steady (\$545 to \$555/tonne).
- Most southern growing regions received some much-needed rain over the past week, with some areas receiving upwards of 15mm. Warmer weather has also helped progress crops, with parts of the Mallee reaching as high as 27 degrees. The forecast has a chance of showers for the more southern areas into next week, although windy conditions are likely to further dry out and stress crops.
- Wheat bids moved lower this week, with weakness in offshore markets weighing on prices. Export demand has also been lacking with limited engagement from China, who were very active this time last year, seeing prices wain.
- Barley prices have softened, following wheat prices lower. Interest from domestic end-users has also eased, with recent rainfall in grazing areas encouraging pasture growth.
- Corn bids were relatively steady week-on-week.

Goulburn/Murray Valley

- Wheat: Down \$5 (\$320 to \$330/tonne). Barley: Down \$5 (\$310 to \$320/tonne). Maize: Steady (\$345 to \$355/tonne). Canola Meal: Steady (\$555 to \$565/tonne).
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Gippsland

- Wheat: Down \$5 (\$340 to \$350/tonne). Barley: Down \$5 (\$325 to \$335/tonne). Maize: Steady (\$345 to \$355/tonne). Canola Meal: Steady (\$570 to \$580/tonne).
- Most southern growing regions received some much-needed rain over the past week, with some areas receiving upwards of 15mm. The forecast has a chance of showers for the more southern areas into next week, although windy conditions are likely to further dry out and stress crops.
- Wheat bids moved lower this week, with weakness in offshore markets weighing on prices. Export demand has also been lacking with limited engagement from China, who were very active this time last year, seeing prices wain.
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- Corn bids were relatively steady week-on-week.

Southwest Victoria

- Wheat: Down \$5 (\$285 to \$295/tonne). Barley: Down \$5 (\$310 to \$320/tonne). Maize: Steady (\$345 to \$355/tonne). Canola Meal: Steady (\$555 to \$565/tonne).
- Most southern growing regions received some much-needed rain over the past week, with some areas receiving upwards of 15mm. Warmer weather has also helped progress crops, with parts of the Mallee reaching as high as 27 degrees. The forecast has a chance of showers for the more southern areas into next week, although windy conditions are likely to further dry out and stress crops.
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- Corn bids were relatively steady week-on-week.

Southeast South Australia

- Wheat: Down \$5 (\$335 to \$345/tonne). Barley: Down \$5 (\$295 to \$305/tonne). Maize: Steady (\$340 to \$350/tonne). Canola Meal: Steady (\$600 to \$610/tonne).
- South Australian growers received some handy rains over the past week, with the southern regions generally recording the larger falls. The next week has the southern parts of the state again receiving between 5-10mm, while other regions are expected to receive only 1-5mm. Growers will be looking for additional rains to support moisture levels as temperatures warm up.
- Wheat markets eased this week in line with offshore markets, which are facing downwards pressure from the Northern hemisphere harvest as well as strong supply out of the Black Sea Region.
- Barley bids have moved lower following pressure from international markets. The strengthening Australian Dollar has also impacted export demand.
- Lentil bids were relatively steady this week.

Central South Australia

- Wheat: Down \$15 (\$290 to \$300/tonne). Barley: Steady (\$290 to \$300/tonne). Maize: Steady (\$340 to \$350/tonne). Oats: Steady (\$475 to \$485/tonne).
- South Australian growers received some handy rains over the past week, with the southern regions generally recording the larger falls. The next week has the southern parts of the state again receiving between 5-10mm, while other regions are expected to receive only 1-5mm. Growers will be looking for additional rains to support moisture levels as temperatures warm up.
- Wheat markets eased this week in line with offshore markets, which are facing downwards pressure from the Northern hemisphere harvest as well as strong supply out of the Black Sea Region.
- Barley bids have moved lower following pressure from international markets. The strengthening Australian Dollar has also impacted export demand.
- Lentil bids were relatively steady this week.

Southwest Western Australia

- Wheat: Down \$5 (\$340 to \$350/tonne). Barley: Down \$15 (\$300 to \$310/tonne). Lupins: Down \$40 (\$525 to \$535/tonne). Oats: Down \$10 (\$480 to \$490/tonne).
- Western Australian growing regions have had a favourable week, with widespread rainfall being recorded and some areas receiving upwards of 25mm. There is a chance of showers into next week, with temperatures reaching into the early 20s. Growers will still be looking for some additional rains in September to keep crops going.
- Wheat markets moved lower this week as offshore markets and improved local crop prospects weighed on local prices. There is limited engagement with new crop markets at this stage with growers holding out for a lift in prices.
- Barley bids have moved lower following pressure from international markets. The strengthening Australian Dollar has also impacted export demand.
- Oats and lupins prices both eased this week.

Northwest Tasmania

- Wheat: Down \$5 (\$430 to \$440/tonne). Barley: Down \$5 (\$415 to \$425/tonne). Maize: Steady (\$355 to \$365/tonne). Canola Meal: Steady (\$660 to \$670/tonne).
- Most southern growing regions received some much-needed rain over the past week, with some areas receiving upwards of 15mm. Warmer weather has also helped progress crops, with parts of the Mallee reaching as high as 27 degrees. The forecast has a chance of showers for the more southern areas into next week, although windy conditions are likely to further dry out and stress crops.
- Wheat bids moved lower this week, with weakness in offshore markets weighing on prices. Export demand has also been lacking with limited engagement from China, who were very active this time last year, seeing prices wain.
- Barley prices have softened, following wheat prices lower. Interest from domestic end-users has also eased, with recent rainfall in grazing areas encouraging pasture growth.
- Corn bids were relatively steady week-on-week.



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