

Grain Report

17 January 2025



DELIVERING
for **DAIRY**

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Summary

Driving prices up

- The continued weakness in the Australian Dollar has been supportive for markets, assisting in making Australian grain competitive especially into Asian markets. Although trading activity remains limited as we approach Lunar New Year celebrations, buying interest is expected to pick up later on in February and into March.
- Export demand from China has supported Western Australian barley markets, although this is not spilling over to the eastern states at this stage.
- Selling continues to be slow, with growers not looking to engage at the current market levels which is limiting supply pressure.

Driving prices down

- Export demand more generally remains subdued, while domestic end-users appear to be relatively well covered at this stage which is limiting upside.
- The upcoming Lunar New Year celebrations, as well as the slow return of participants following the Christmas break, is limiting trading activity and restricting demand.

Global trade news

- The US Department of Agriculture released their January World Agricultural Supply and Demand Estimates (WASDE) report, and their Quarterly Stocks report last week. These reports saw US corn and soybean markets strengthen as the production and ending stocks estimates from both a US and global perspective were reduced.
- The US Treasury Department have released updated tax credit guidance for the production of sustainable aviation and transportation biofuels in the US. The regulation confirms that almost all feedstocks used in biofuel production must be sourced within the US, with the exception of tallow, Canadian canola oil and Brazilian sugarcane.
- Jordan's Ministry of Trade (state grain importer) has booked 60,000 tonnes of milling wheat from CHS for March delivery at US\$267.60/tonne.

Local news

- Australian wheat and barley deciles remain well below last season with significant variation between port zones. Kwinana continues to hold the best value on the back of comparatively better export demand than the eastern states, where prices are impacted to a greater extent by domestic interest. Canola prices continue to perform well currently sitting above a decile 9.
- After a dry start to the 2024 winter crop season, the Western Australian harvest has continued to exceed expectations. With harvest now complete, the 2024 Western Australian crop finished as the third highest total volume on record. Untimely rainfall has caused quality downgrades with elevated levels of lower quality wheat and barley.

Regional commentary

Atherton Tablelands

- Wheat: Up \$10 (\$380 to \$390/tonne). Barley: Up \$10 (\$360 to \$370/tonne). Maize: Up \$5 (\$410 to \$420/tonne). Sorghum: Steady (\$360 to \$370/tonne).
- The northern growing regions have had favourable conditions over the past week. Storm and showers brought rainfall totals of up to 70 mm, this was followed by warm and humid conditions which have assisted summer crop development. Sorghum crops are generally in okay condition, with harvest expected to start in some areas once conditions dry out.
- Local wheat and barley markets have been mixed this week, with limited interest and market activity coming out of the Christmas break. End-users appear to be well covered into February, while growers seem reluctant to engage at the current price levels. Markets are expected to become more active later in the month as buyers look to extend their coverage into March.
- Sorghum bids were mostly firmer gaining support from an uptick in packer demand, although markets are generally still quiet with limited grower engagement.

Darling Downs

- Wheat: Down \$5 (\$325 to \$335/tonne). Barley: Down \$5 (\$305 to \$315/tonne). Maize: Up \$5 (\$390 to \$400/tonne). Sorghum: Up \$5 (\$320 to \$330/tonne).
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North Coast NSW

- Wheat: Down \$5 (\$315 to \$325/tonne). Barley: Steady (\$270 to \$280/tonne). Maize: Up \$5 (\$410 to \$420/tonne). Sorghum: Up \$5 (\$320 to \$330/tonne).
- The northern growing regions have had favourable conditions over the past week. Storm and showers brought rainfall totals of up to 70 mm, this was followed by warm and humid conditions which have assisted summer crop development. Sorghum crops are generally in okay condition, with harvest expected to start in some areas once conditions dry out.
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Central West NSW

- Wheat: Steady (\$305 to \$315/tonne). Barley: Up \$5 (\$280 to \$290/tonne). Maize: Up \$5 (\$380 to \$390/tonne). Sorghum: Up \$10 (\$325 to \$335/tonne).
- Central West growing regions have had warm conditions this week, with rainfall of upwards of 25 mm recorded in some areas. The week ahead is forecast to be relatively dry and temperatures expected to heat up into the middle of next week.
- Local wheat and barley markets have been mixed this week, with limited interest and market activity coming out of the Christmas break. End-users appear to be well covered into February, while growers seem reluctant to engage at the current price levels. Markets are expected to become more active later in the month as buyers look to extend their coverage into March.
- Sorghum bids were mostly firmer gaining support from an uptick in packer demand, although markets are generally still quiet with limited grower engagement.

Bega Valley

- Wheat: Steady (\$340 to \$350/tonne). Barley: Steady (\$275 to \$285/tonne). Maize: Up \$5 (\$355 to \$365/tonne). Canola Meal: Up \$10 (\$460 to \$470/tonne).
- Harvest is now almost complete in the southern growing regions, with only a few still going. The past week has seen rain fronts come through bringing up to 25 mm in some parts and temperatures reaching into the high 30's earlier this week. The forecast is showing a mostly dry week ahead, with temperatures expected to reach into the mid 30's early next week.
- Wheat bids have been steady to slightly firmer, gaining support from strength in offshore markets, the weaker Australian Dollar and a lack of selling. Although markets remain thinly traded with a lack of underlying demand.
- Barley prices were marginally higher on the back of the weaker Australian Dollar and continued demand for stockfeed, although overall buying interest remains subdued.
- Corn markets generally firmed this week.

Goulburn/Murray Valley

- Wheat: Steady (\$335 to \$345/tonne). Barley: Steady (\$305 to \$315/tonne). Maize: Up \$5 (\$355 to \$365/tonne). Canola Meal: Steady (\$460 to \$470/tonne).
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Gippsland

- Wheat: Steady (\$360 to \$370/tonne). Barley: Up \$5 (\$330 to \$340/tonne). Maize: Up \$5 (\$355 to \$365/tonne). Canola Meal: Steady (\$475 to \$485/tonne).
- Harvest is now almost complete in the southern growing regions, with only a few still going. The past week has seen rain fronts come through bringing up to 25 mm in some parts and temperatures reaching into the high 30's earlier this week. The forecast is showing a mostly dry week ahead, with temperatures expected to reach into the mid 30's early next week.
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Southwest Victoria

- Wheat: Steady (\$325 to \$335/tonne). Barley: Up \$10 (\$300 to \$310/tonne). Maize: Up \$5 (\$355 to \$365/tonne). Canola Meal: Steady (\$460 to \$470/tonne).
- Harvest is now almost complete in the southern growing regions, with only a few still going. The past week has seen rain fronts come through bringing up to 25 mm in some parts and temperatures reaching into the high 30's earlier this week. The forecast is showing a mostly dry week ahead, with temperatures expected to reach into the mid 30's early next week.
- Wheat bids have been steady to slightly firmer, gaining support from strength in offshore markets, the weaker Australian Dollar and a lack of selling. Although markets remain thinly traded with a lack of underlying demand.
- Barley prices were marginally higher on the back of the weaker Australian Dollar and continued demand for stockfeed, although overall buying interest remains subdued.
- Corn markets generally firmed this week.

Southeast South Australia

- Wheat: Up \$5 (\$360 to \$370/tonne). Barley: Up \$10 (\$335 to \$345/tonne). Maize: Up \$5 (\$350 to \$360/tonne). Canola Meal: Steady (\$505 to \$515/tonne).
- The South Australian growing regions have had a relatively dry week, with only some showers recorded in some parts and temperatures in the mid to high 30s. There is a chance of showers leading into the weekend, before temperatures are forecast to warm back up over the weekend and into next week.
- Wheat and barley prices have generally strengthened this week, supported by uplift in offshore markets and the weak Australian Dollar. Grower engagement has started to increase following the Christmas break, although market activity remains somewhat subdued.
- Lentil prices have been steady to marginally lower this week.

Central South Australia

- Wheat: Steady (\$315 to \$325/tonne). Barley: Up \$5 (\$310 to \$320/tonne). Maize: Up \$5 (\$350 to \$360/tonne). Oats: Steady (\$360 to \$370/tonne).
- The South Australian growing regions have had a relatively dry week, with only some showers recorded in some parts and temperatures in the mid to high 30s. There is a chance of showers leading into the weekend, before temperatures are forecast to warm back up over the weekend and into next week.
- Wheat and barley prices have generally strengthened this week, supported by uplift in offshore markets and the weak Australian Dollar. Grower engagement has started to increase following the Christmas break, although market activity remains somewhat subdued.
- Lentil prices have been steady to marginally lower this week.

Southwest Western Australia

- Wheat: Up \$5 (\$350 to \$360/tonne). Barley: Steady (\$325 to \$335/tonne). Lupins: Up \$5 (\$490 to \$500/tonne). Oats: Up \$10 (\$375 to \$385/tonne).
- The Western Australian harvest is now complete, with the total volume the third highest on record, although the ill-timed rain did see some of the crop quality downgraded. The past week has been dry and relatively mild, with the week ahead expected to be warmer with a chance of light showers in some parts.
- Wheat and barley bids have been relatively stable over the past week, with end-users appearing to be generally well covered, while the weak Australian Dollar and firmer offshore markets were supportive.
- Oats and lupins prices both strengthened this week but remain lower than the highs seen earlier in the season.

Northwest Tasmania

- Wheat: Steady (\$450 to \$460/tonne). Barley: Up \$5 (\$420 to \$430/tonne). Maize: Up \$5 (\$365 to \$375/tonne). Canola Meal: Steady (\$565 to \$575/tonne).
- Wheat bids have been steady to slightly firmer, gaining support from strength in offshore markets, the weaker Australian Dollar and a lack of selling. Although markets remain thinly traded with a lack of underlying demand.
- Barley prices were marginally higher on the back of the weaker Australian Dollar and continued demand for stockfeed, although overall buying interest remains subdued.
- Corn markets generally firmed this week.



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