

Grain Report

3 May 2024



DELIVERING
for **DAIRY**

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Summary

Driving prices up

- Feed grain markets are finding support from combined with strong feedlot demand across northern states and a lack of grower selling as planting preparations continue to ramp up across the country.
- A lack of rainfall across the west coast and most of South Australia continued to push up feed grain prices, in addition to a lower Australian dollar also improving competitiveness of Australian product from an export perspective this week.

Driving prices down

- Much needed rainfall late in the week across key United States (US) spring and winter wheat growing regions pressured global grain markets lower.

Global trade news

- South Korean buyer Major Feedmills Group purchased 134,000 per tonne of corn for August delivery at US \$242.86 per tonne CFR from US or South American origin.
- Thailand's Feed Millers' Association has withdrawn a tender to purchase feed wheat due to higher-than-expected prices at US \$255 per tonne CFR which was well above the targeted \$240 per tonne CFR.
- A substantial Argentinean 2023/24 soybean crop of 49.7 million tonnes, almost double the previous season, should see Argentina regain the place as the world's top exporter of soymeal.

Local news

- The Australian Crop Forecasters (ACF) shipping stem report indicates a decrease in both wheat and barley exports for April. Bulk wheat shipments totalled 1.62 million tonnes, reflecting a 21 per cent drop compared to March. Barley exports also dipped by 16 per cent from the previous month, reaching 466 thousand tonnes.
- A recent statement from the Grains Research and Development Corporation (GRDC) has stated that mouse activity has been reported across all regions with South Australia, Victoria and Queensland at the most risk.
- The difference in planting conditions between the east and west coasts is becoming even wider. While Queensland and most of New South Wales are still enjoying decent soil moisture, things are drying up a bit in southern New South Wales and Victoria. In Western Australia and South Australia, the autumn break is yet to arrive with most of the crop going in dry to date.

Regional commentary

Atherton Tablelands

- Wheat: Down \$10 (\$385 to \$395/tonne). Barley: Down \$10 (\$390 to \$400/tonne). Maize: Down \$25 (\$390 to \$400/tonne). Sorghum: Steady (\$380 to \$390/tonne).
- Fine, and mostly dry weather over the past week has given growers the chance to ramp up planting preparations, planting, and sorghum harvest.
- Feed wheat prices across the region were mixed this week, though feed demand remains a positive as buyers extend coverage into late June/July.
- Barley markets were steady to slightly lower this week though support from decent feedlot demand remains a positive.
- Sorghum prices were unchanged this week as harvest continues to ramp up. Downgrading of quality is evident with some estimates now at 60-70 per cent SOR1, 20-25 per cent SOR2 & 10-15 per cent SORX.

Darling Downs

- Wheat: Up \$5 (\$390 to \$400/tonne). Barley: Steady (\$395 to \$405/tonne). Maize: Down \$25 (\$385 to \$395/tonne). Sorghum: Steady (\$345 to \$355/tonne).
- Fine, and mostly dry weather over the past week has given growers the chance to ramp up planting preparations, planting, and sorghum harvest.
- Feed wheat prices across the region were mixed this week, though feed demand remains a positive as buyers extend coverage into late June/July.
- Barley markets were steady to slightly lower this week though support from decent feedlot demand remains a positive.
- Sorghum prices were unchanged this week as harvest continues to ramp up. Downgrading of quality is evident with some estimates now at 60-70 per cent SOR1, 20-25 per cent SOR2 & 10-15 per cent SORX.

North Coast NSW

- Wheat: Up \$20 (\$365 to \$375/tonne). Barley: Up \$5 (\$355 to \$365/tonne). Maize: Down \$25 (\$390 to \$400/tonne). Sorghum: Up \$5 (\$350 to \$360/tonne).
- Fine, and mostly dry weather over the past week has given growers the chance to ramp up planting preparations, planting, and sorghum harvest.
- Feed wheat prices across the region were mixed this week, though feed demand remains a positive as buyers extend coverage into late June/July.
- Barley markets were steady to slightly lower this week though support from decent feedlot demand remains a positive.
- Sorghum prices were unchanged this week as harvest continues to ramp up. Downgrading of quality is evident with some estimates now at 60-70 per cent SOR1, 20-25 per cent SOR2 & 10-15 per cent SORX.

Central West NSW

- Wheat: Steady (\$360 to \$370/tonne). Barley: Steady (\$340 to \$350/tonne). Maize: Down \$25 (\$340 to \$350/tonne). Sorghum: Steady (\$360 to \$370/tonne).
- Decent rainfall across parts of New South Wales (NSW) was observed this week, which is driving decent planting conditions for farmers.
- Old crop feed wheat bids were higher across northern feed markets this week, as buyers look to extend coverage into late June/July.
- Barley markets held steady this week, supported by feedlot demand as throughput continues to improve.
- Sorghum prices were unchanged this week as harvest continues to ramp up. Downgrading of quality is evident with some estimates now at 60-70 per cent SOR1, 20-25 per cent SOR2 & 10-15 per cent SORX.

Bega Valley

- Wheat: Up \$5 (\$365 to \$375/tonne). Barley: Up \$5 (\$340 to \$350/tonne). Maize: Steady (\$325 to \$335/tonne). Canola Meal: Steady (\$485 to \$495/tonne).
- Weather conditions have remained dry over the past week which has allowed some growers to continue their sowing programs, though soil moisture levels are dropping.
- Wheat markets have continued to push higher this week, with the domestic market starting to look for some volume to extend their coverage in case things remain dry throughout May.
- Feed barley prices were mostly unchanged this week, but domestic stock feeder interest in barley has remained very strong which is offering support.

Goulburn/Murray Valley

- Wheat: Steady (\$335 to \$345/tonne). Barley: Up \$5 (\$335 to \$345/tonne). Maize: Steady (\$325 to \$335/tonne). Canola Meal: Steady (\$495 to \$505/tonne).
- Weather conditions have remained dry over the past week which has allowed some growers to continue their sowing programs, though soil moisture levels are dropping.
- Wheat markets have continued to push higher this week, with the domestic market starting to look for some volume to extend their coverage in case things remain dry throughout May.
- Feed barley prices were mostly unchanged this week, but domestic stock feeder interest in barley has remained very strong which is offering support.

Gippsland

- Wheat: Up \$5 (\$360 to \$370/tonne). Barley: Steady (\$345 to \$355/tonne). Maize: Steady (\$325 to \$335/tonne). Canola Meal: Steady (\$510 to \$520/tonne).
- Weather conditions have remained dry over the past week which has allowed some growers to continue their sowing programs, though soil moisture levels are dropping.
- Wheat markets have continued to push higher this week, with the domestic market starting to look for some volume to extend their coverage in case things remain dry throughout May.

- Feed barley prices were mostly unchanged this week, but domestic stock feeder interest in barley has remained very strong which is offering support.

Southwest Victoria

- Wheat: Up \$10 (\$330 to \$340/tonne). Barley: Steady (\$315 to \$325/tonne). Maize: Steady (\$325 to \$335/tonne). Canola Meal: Steady (\$495 to \$505/tonne).
- Weather conditions have remained dry over the past week which has allowed some growers to continue their sowing programs, though soil moisture levels are dropping.
- Wheat markets have continued to push higher this week, with the domestic market starting to look for some volume to extend their coverage in case things remain dry throughout May.
- Feed barley prices were mostly unchanged this week, but domestic stock feeder interest in barley has remained very strong which is offering support.

Southeast South Australia

- Wheat: Up \$5 (\$360 to \$370/tonne). Barley: Steady (\$325 to \$335/tonne). Maize: Steady (\$320 to \$330/tonne). Canola Meal: Steady (\$540 to \$550/tonne).
- Very little rain was seen for most of the cropping regions in South Australia (SA) last week, growers continued with or have started their seeding program this week.
- Wheat prices were steady to slightly higher this week. A lift in offshore markets on the back of dry weather in the US and Russia offered some support while decent feedlot demand on the east coast also fed through into local prices.
- Feed barley tried to follow wheat higher, but gains were capped due to the ongoing South American harvest and large US corn stocks.

Central South Australia

- Wheat: Up \$5 (\$340 to \$350/tonne). Barley: Up \$5 (\$305 to \$315/tonne). Maize: Steady (\$320 to \$330/tonne). Oats: Steady (\$475 to \$485/tonne).
- Very little rain was seen for most of the cropping regions in South Australia (SA) last week, growers continued with or have started their seeding program this week.
- Wheat prices were steady to slightly higher this week. A lift in offshore markets on the back of dry weather in the US and Russia offered some support while decent feedlot demand on the east coast also fed through into local prices.
- Feed barley tried to follow wheat higher, but gains were capped due to the ongoing South American harvest and large US corn stocks.

Southwest Western Australia

- Wheat: Up \$5 (\$380 to \$390/tonne). Barley: Up \$5 (\$355 to \$365/tonne). Lupins: Up \$20 (\$520 to \$530/tonne). Oats: Down \$15 (\$465 to \$475/tonne).
- A line of storms moving through the central and eastern wheatbelt is bringing good falls with more southern regions to see decent rainfall totals over the next week.

- Old crop wheat pricing increased over the last week, due to increased short covering and ongoing concerns about WA's dry season.
- Barely prices continue to derive strength from the dry start to the season, which has feed grain in strong demand. Even if livestock producers receive rain from the current front, it is likely that feed demand will stay strong for at least the next month.
- Oat availability remains limited, prices dipped this week, though new and old crop prices remain well above average.

Northwest Tasmania

- Wheat: Up \$5 (\$450 to \$460/tonne). Barley: Steady (\$435 to \$445/tonne). Maize: Steady (\$335 to \$345/tonne). Canola Meal: Steady (\$600 to \$610/tonne).
- Weather conditions have remained dry over the past week which has allowed some growers to continue their sowing programs, though soil moisture levels are dropping.
- Wheat markets have continued to push higher this week, with the domestic market starting to look for some volume to extend their coverage in case things remain dry throughout May.
- Feed barley prices were mostly unchanged this week, but domestic stock feeder interest in barley has remained very strong which is offering support.



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