

Grain Report

8 March 2024



DELIVERING
for **DAIRY**

Contents

Summary	3
Driving prices up	3
Driving prices down.....	3
Global trade news	3
Local news.....	3
Regional commentary	4
Atherton Tablelands.....	4
Darling Downs	4
North Coast NSW	4
Central West NSW.....	5
Bega Valley.....	5
Goulburn/Murray Valley	5
Gippsland	6
Southwest Victoria	6
Southeast South Australia.....	6
Central South Australia	7
Southwest Western Australia	7
Northwest Tasmania	7

Summary

Driving prices up

- Local sorghum markets have seen some small upwards moves this week, despite quiet export demand out of China. Most demand at the moment is coming from domestic consumers rather than export buyers as a result.

Driving prices down

- Global wheat prices have now reached the lowest point since the second half of 2020, and it has come on the back of elevated levels of cheap Russian wheat on the market, which is driving the strong surplus of global supply.
- Local wheat prices have also continued to fall as export demand softens. There doesn't look to be sustained upside for wheat prices in the near term. Barley markets also continue to float sideways to lower, as demand remains flat with seasonal conditions becoming closely watched as planting nears.

Global trade news

- The United States weekly wheat export inspections recorded a 16.7 per cent decline this week, with 353,137 mt transported, significantly down from 481,999mt in the previous week. A recent influx of Russian wheat into global markets has contributed to the downwards shift in export volumes.
- South Korean feed group Nonghyup Feed purchased 133,000 mt of feed corn at US \$238/mt CFR for June delivery. A Taiwanese feed production group has also purchased 65,000 mt of US corn at US\$241.96/mt CFR.
- Over a combined 180,000 mt of feed wheat has been purchased by South Korean feed buyers over the last couple of days for July delivery. Average prices were around US\$246/mt CFR from ADM.

Local news

- The Australian Crop Report released this week by the Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES) has forecast Australian wheat production at 25.96 million tonnes, whilst barley was expected to be 10.8 million tonnes. The improved production levels throughout Victoria and New South Wales more than offset the reduction from Western Australia. Export estimates for the 2023/24 season were also revised higher.
- Australian Crop Forecasters (ACF) shipping stem data shows that export pace continues to track above average with February bulk exports totalling 3.34 million tonnes versus the five-year average of 3.02 million tonnes.

Regional commentary

Atherton Tablelands

- Wheat: Down \$5 (\$370 to \$380/tonne). Barley: Down \$10 (\$370 to \$380/tonne). Maize: Steady (\$410 to \$420/tonne). Sorghum: Steady (\$385 to \$395/tonne).
- Northern growing regions have had another warm week, with patchy falls of 5-10mm recorded in some areas. The forecast is for a mostly dry week ahead with temperatures in the early to mid-30s. The drier conditions have allowed the sorghum harvest to begin, although those planting winter crops would welcome some additional rain in March.
- Wheat markets were steady to slightly lower this week, with markets remaining quiet. Domestic end users are generally covered into May, with buyers looking for earlier delivery being hard to find. Feedlot numbers are starting to recover and are expected to be back near full capacity in May.
- Barley markets softened this week as end users are generally well covered.
- Sorghum bids were relatively steady this week although selling interest is starting to increase as grower confidence in the upcoming harvest improves.

Darling Downs

- Wheat: Steady (\$355 to \$365/tonne). Barley: Down \$5 (\$355 to \$365/tonne). Maize: Steady (\$375 to \$385/tonne). Sorghum: Steady (\$345 to \$355/tonne).
- Northern growing regions have had another warm week, with patchy falls of 5-10mm recorded in some areas. The forecast is for a mostly dry week ahead with temperatures in the early to mid-30s. The drier conditions have allowed the sorghum harvest to begin, although those planting winter crops would welcome some additional rain in March.
- Wheat markets were steady to slightly lower this week, with markets remaining quiet. Domestic end users are generally covered into May, with buyers looking for earlier delivery being hard to find. Feedlot numbers are starting to recover and are expected to be back near full capacity in May.
- Barley markets softened this week as end users are generally well covered.
- Sorghum bids were relatively steady this week although selling interest is starting to increase as grower confidence in the upcoming harvest improves.

North Coast NSW

- Wheat: Steady (\$340 to \$350/tonne). Barley: Down \$15 (\$335 to \$345/tonne). Maize: Steady (\$410 to \$420/tonne). Sorghum: Up \$5 (\$345 to \$355/tonne).
- Northern growing regions have had another warm week, with patchy falls of 5-10mm recorded in some areas. The forecast is for a mostly dry week ahead with temperatures in the early to mid-30s. The drier conditions have allowed the sorghum harvest to begin, although those planting winter crops would welcome some additional rain in March.
- Wheat markets were steady to slightly lower this week, with markets remaining quiet. Domestic end users are generally covered into May, with buyers looking for earlier delivery being hard to

find. Feedlot numbers are starting to recover and are expected to be back near full capacity in May.

- Barley markets softened this week as end users are generally well covered.
- Sorghum bids were relatively steady this week although selling interest is starting to increase as grower confidence in the upcoming harvest improves.

Central West NSW

- Wheat: Down \$5 (\$340 to \$350/tonne). Barley: Down \$10 (\$335 to \$345/tonne). Maize: Down \$5 (\$355 to \$365/tonne). Sorghum: Steady (\$340 to \$350/tonne).
- Growing regions across central west NSW have had a mostly mild week, with temperatures reaching the mid-20s and some areas receiving some decent rainfall. The forecast is for a mostly dry week ahead with temperatures in the mid to high 20s. Growers continue to focus on preparing their paddocks for the upcoming winter crop.
- Wheat markets were steady to slightly lower this week with markets remaining quiet. Domestic end users are generally covered into May, with buyers looking for earlier delivery being hard to find. Feed lot numbers are starting to recover and are expected to be back near full capacity in May.
- Barley markets softened this week as end users are generally well covered.
- Sorghum bids were relatively steady this week although selling interest is starting to increase as grower confidence in the upcoming harvest improves.

Bega Valley

- Wheat: Down \$5 (\$340 to \$350/tonne). Barley: Down \$5 (\$305 to \$315/tonne). Maize: Down \$45 (\$415 to \$425/tonne). Canola Meal: Down \$20 (\$515 to \$525/tonne).
- Southern growing regions have had a mostly warm and dry week, although there were some showers recorded in the eastern areas. The forecast is showing mostly dry conditions to continue, with temperatures climbing to the mid to high 30s over the weekend. Growers will be looking for some additional falls over the next few weeks in the lead up to planting.
- Wheat markets were mostly steady this week despite a decline in offshore markets. It appears major exporters are well covered at this time, but there has been an improvement in local buying depth.
- Barley prices were steady to slightly softer this week, as interest from both domestic buyers and larger exporters remains subdued. Grower selling is slow, but there are reports of increased demand to sheep and feedlots.
- Lentil bids were steady this week, although there are concerns around the depth of the market.

Goulburn/Murray Valley

- Wheat: Steady (\$315 to \$325/tonne). Barley: Steady (\$290 to \$300/tonne). Maize: Down \$45 (\$415 to \$425/tonne). Canola Meal: Up \$10 (\$515 to \$525/tonne).
- Southern growing regions have had a mostly warm and dry week, although there were some showers recorded in the eastern areas. The forecast is showing mostly dry conditions to continue, with temperatures climbing to the mid to high 30s over the weekend. Growers will be looking for some additional falls over the next few weeks in the lead up to planting.

- Wheat markets were mostly steady this week despite a decline in offshore markets. It appears major exporters are well covered at this time, but there has been an improvement in local buying depth.
- Barley prices were steady to slightly softer this week, as interest from both domestic buyers and larger exporters remains subdued. Grower selling is slow, but there are reports of increased demand to sheep and feedlots.
- Lentil bids were steady this week, although there are concerns around the depth of the market.

Gippsland

- Wheat: Steady (\$335 to \$345/tonne). Barley: Down \$5 (\$315 to \$325/tonne). Maize: Down \$45 (\$415 to \$425/tonne). Canola Meal: Up \$10 (\$530 to \$540/tonne).
- Southern growing regions have had a mostly warm and dry week, although there were some showers recorded in the eastern areas. The forecast is showing mostly dry conditions to continue, with temperatures climbing to the mid to high 30s over the weekend. Growers will be looking for some additional falls over the next few weeks in the lead up to planting.
- Wheat markets were mostly steady this week despite a decline in offshore markets. It appears major exporters are well covered at this time, but there has been an improvement in local buying depth.
- Barley prices were steady to slightly softer this week, as interest from both domestic buyers and larger exporters remains subdued. Grower selling is slow, but there are reports of increased demand to sheep and feedlots.
- Lentil bids were steady this week, although there are concerns around the depth of the market.

Southwest Victoria

- Wheat: Down \$5 (\$295 to \$305/tonne). Barley: Steady (\$290 to \$300/tonne). Maize: Down \$45 (\$415 to \$425/tonne). Canola Meal: Up \$10 (\$515 to \$525/tonne).
- Southern growing regions have had a mostly warm and dry week, although there were some showers recorded in the eastern areas. The forecast is showing mostly dry conditions to continue, with temperatures climbing to the mid to high 30s over the weekend. Growers will be looking for some additional falls over the next few weeks in the lead up to planting.
- Wheat markets were mostly steady this week despite a decline in offshore markets. It appears major exporters are well covered at this time, but there has been an improvement in local buying depth.
- Barley prices were steady to slightly softer this week, as interest from both domestic buyers and larger exporters remains subdued. Grower selling is slow, but there are reports of increased demand to sheep and feedlots.
- Lentil bids were steady this week, although there are concerns around the depth of the market.

Southeast South Australia

- Wheat: Down \$5 (\$325 to \$335/tonne). Barley: Down \$5 (\$300 to \$310/tonne). Maize: Down \$45 (\$410 to \$420/tonne). Canola Meal: Up \$10 (\$560 to \$570/tonne).
- South Australian growing regions received patchy rainfall over the past week, with some areas recording upwards of 20mm. Most areas are now reporting that topsoils are getting quite dry,

although there is still moisture deeper down. The forecast is showing some rain for the Eyre Peninsula and Yorke Peninsula, with the rest of the state expected to miss out.

- Wheat markets were marginally softer this week, with continued weakness in offshore markets driving lower local prices. Offshore markets have faced downwards pressure from the strong supply of grain coming out of the Black Sea region.
- Barley markets were steady to slightly lower.
- Lentil bids were steady this week, although there are concerns around the depth of the market.

Central South Australia

- Wheat: Down \$5 (\$300 to \$310/tonne). Barley: Steady (\$285 to \$295/tonne). Maize: Down \$45 (\$410 to \$420/tonne). Oats: Steady (\$405 to \$415/tonne).
- South Australian growing regions received patchy rainfall over the past week, with some areas recording upwards of 20mm. Most areas are now reporting that topsoils are getting quite dry, although there is still moisture deeper down. The forecast is showing some rain for the Eyre Peninsula and Yorke Peninsula, with the rest of the state expected to miss out.
- Wheat markets were marginally softer this week, with continued weakness in offshore markets driving lower local prices. Offshore markets have faced downwards pressure from the strong supply of grain coming out of the Black Sea region.
- Barley markets were steady to slightly lower.
- Lentil bids were steady this week, although there are concerns around the depth of the market.

Southwest Western Australia

- Wheat: Down \$5 (\$385 to \$395/tonne). Barley: Down \$5 (\$325 to \$335/tonne). Lupins: Steady (\$505 to \$515/tonne). Oats: Steady (\$430 to \$440/tonne).
- Western Australian growing regions have had some welcome rainfall this week with parts of the wheatbelt receiving over 100mm, although the coastal areas received only 1-5 mm. The recent rain has given growers some confidence ahead of planting the winter crop but will be hoping for additional falls over the next few weeks.
- Wheat and barley markets continued lower this week, with continued weakness in offshore markets impacting local prices. Offshore markets have faced downwards pressure from the high supply of grain coming out of the Black Sea region, while Australian prices are still expensive compared to international prices.
- Lupins and oats prices were steady this week.

Northwest Tasmania

- Wheat: Steady (\$425 to \$435/tonne). Barley: Down \$5 (\$405 to \$415/tonne). Maize: Down \$45 (\$425 to \$435/tonne). Canola Meal: Up \$10 (\$620 to \$630/tonne).
- Southern growing regions have had a mostly warm and dry week, although there were some showers recorded in the eastern areas. The forecast is showing mostly dry conditions to continue, with temperatures climbing to the mid to high 30s over the weekend. Growers will be looking for some additional falls over the next few weeks in the lead up to planting.

- Wheat markets were mostly steady this week despite a decline in offshore markets. It appears major exporters are well covered at this time, but there has been an improvement in local buying depth.
- Barley prices were steady to slightly softer this week, as interest from both domestic buyers and larger exporters remains subdued. Grower selling is slow, but there are reports of increased demand to sheep and feedlots.
- Lentil bids were steady this week, although there are concerns around the depth of the market.



Dairy Australia Limited ABN 60 105 227 987
Level 3, HWT Tower
40 City Road, Southbank Vic 3006 Australia
T +61 3 9694 3777 F +61 3 9694 3701
E enquiries@dairyaustralia.com.au
dairyaustralia.com.au

Disclaimer

The content of this publication is provided for general information only and has not been prepared to address your specific circumstances. We do not guarantee the completeness, accuracy or timeliness of the information.

Acknowledgement

Dairy Australia acknowledges the funding from levy payers and contribution by Commonwealth Government.

© Dairy Australia Limited 2023. All rights reserved.