9 March 2017

UNDER EMBARGO Until 4.30pm


Summary of key issues

- During the week ending 8 March 2017, rainfall was mostly recorded across northern and eastern Australia, with isolated areas of Western Australia. Meanwhile, little or no rainfall was recorded in large areas of central, western and southern Australia.

- During the week ending 7 March 2017, maximum and minimum temperatures were generally above average for most of Australia, with large areas of southern and central Australia recording maximum and minimum temperatures between 4°C and 10°C above average in southern Western Australia.

- Short term severe rainfall deficiencies have started to re-emerge in south-eastern Queensland. For the 4 month period from November 2016 to February 2017, areas of serious to severe rainfall deficiencies are present across south-eastern Queensland, while scattered localities around central eastern Queensland are also experiencing deficiencies. Serious deficiencies extend into parts of northern and coastal New South Wales.

- According to the APLC, locust populations declined to low densities in most regions during February 2017. There is a low probability of swarm infestations in any state during autumn. Consequently, there is a low risk of widespread nymph infestations developing in agricultural regions during spring.

- The forecast for the next eight days indicates that rainfall in excess of 15 millimetres is expected in much of northern Western Australia, north-west Northern Territory, northern and eastern Queensland, and north-east and coastal New South Wales.

- Water storage levels in the Murray–Darling Basin (MDB) decreased by 305 gigalitres (GL) during the week ending 9 March 2017 to 70 per cent of total capacity.

- ABARES released its annual Agricultural commodities outlook on Tuesday 7 March 2017. The report contains a five year medium term outlook for Australia’s primary agricultural commodities.

- ABARES forecasts the gross value of Australian farm production to increase by 8.3 per cent in 2016–17 to a record $63.8 billion, before easing slightly to $61.3 billion the following year.


For more information or to subscribe, email Climate_Update@agriculture.gov.au
1. Climate

1.1. Rainfall this week

During the week ending 8 March 2017, rainfall was mostly recorded across northern and eastern Australia, as well as isolated areas of Western Australia. Little or no rainfall was recorded across large areas of central, western and southern Australia. The highest recorded weekly total was 255 millimetres at Channel Point, south-west of Darwin in the Northern Territory.

During the past week, ex-tropical cyclone Blanche produced storms and showers with moderate to heavy rainfall totals across northern Australia—from the Kimberley in Western Australia, to Cape York Peninsula in Queensland.

The rainfall analyses and associated maps utilise data contained in the Bureau of Meteorology climate database, the Australian Data Archive for Meteorology (ADAM). The analyses are initially produced automatically from real-time data with limited quality control. They are intended to provide a general overview of rainfall across Australia as quickly as possible after the observations are received.

For further information go to http://www.bom.gov.au/climate/rainfall/
1.2. Temperature anomalies this week

During the week ending 7 March 2017, maximum and minimum temperatures were generally above average for most of Australia, with large areas of southern and central Australia recording maximum and minimum temperatures between 4°C and 10°C above average for this time of year (see map below).

Maximum temperature anomalies for the week ending 7 March 2017

Note: Spatial temperature analyses are based on historical weekly temperature data provided by the Bureau of Meteorology. These temperature anomaly maps show the departure of the maximum and minimum temperatures from their long-term averages. Temperature anomalies are calculated using high-resolution gridded datasets from 1911 onwards. For further information go to http://www.bom.gov.au/jsp/awap/temp/index.jsp.
1.3. Rainfall deficiencies

Short term severe rainfall deficiencies have started to re-emerge in southeast Queensland. Rainfall has often been below average in areas along and east of the Great Dividing Range in the months since October 2016. For the 4-month period from November 2016 to February 2017, areas of serious to severe rainfall deficiencies were present across south-eastern Queensland, while scattered localities around central eastern Queensland also experienced deficiencies. Serious deficiencies extended into parts of northern and coastal New South Wales. A small area of serious to severe rainfall deficiency also exists in eastern Victoria, and adjacent far south-eastern New South Wales (Bureau of Meteorology ‘Drought Statement’, 6 March 2017).

Rainfall deficiencies for the period 1 November 2016 to 28 February 2016
1.4. **Australian plague locust**

The Australian Plague Locust Commission (APLC) produces a monthly Locust Bulletin during the periods of locust activity (spring, summer and autumn). The bulletin gives regional summaries of the locust situation and weather events of potential significance for locust development. It also provides a forecast of likely developments for the next two months for the Australian plague locust (*Chortoicetes terminifera*), spur-throated locust (*Austracris guttulosa*) and the migratory locust (*Locusta migratoria*).

According to the APLC, locust populations declined to low densities in most regions during February 2017. However, breeding in December in the Northwest region of South Australia produced a nymph generation that fledged at the end of January. Widespread medium density adults were recorded in early February and transient swarms formed. Breeding also occurred in the Far North and Northeast regions of South Australia. The locust population level declined to low densities in New South Wales during February. Only occasional low density adults were identified in Central West and Northwest Plains regions. In Queensland, consistent low density adults and occasional late instar nymphs were recorded in the Central West, South Central, Northwest and Southwest regions during February. Population levels remained generally low in Victoria. However, noticeable numbers of adults were reported in the North Central area in early February and persisted throughout the month.

The autumn 2017 outlook is for locust population densities to remain generally low in most regions of New South Wales and Queensland. A decline in adult numbers is likely in the Far North, Northeast and Northwest regions of South Australia during March. However, there is the potential for a nymph generation to develop in localised areas of northern South Australia and possibly in Southwest Queensland during March. There is a moderate probability of low density migrations within South Australia during March and April. Medium density populations could establish in southern South Australia and New South Wales, and northern Victoria during autumn 2017. There is a low probability of swarm infestations in any state during autumn. Consequently, there is a low risk of widespread nymph infestations developing in agricultural regions during spring.

1.5. Rainfall forecast for the next 8 days

The forecast for the next eight days indicates that rainfall in excess of 25 millimetres is expected in much of northern Western Australia, north-west Northern Territory, northern and eastern Queensland and north-east and coastal New South Wales. There is likely to be little to no rainfall in large areas of southern Western Australia and central Australia during this period (see map below). This rainfall forecast is produced from computer models. As it contains no input from weather forecasters, it is important to check local forecasts and warnings issued by the Bureau of Meteorology.

Total forecast rainfall (mm) for the period 9 to 16 March 2017
2. Water

2.1. Water availability

Water storage levels in the Murray–Darling Basin (MDB) decreased by 305 gigalitres (GL) during the week ending 9 March 2017 to 15,899 GL, and are at 70 per cent of total capacity. This water storage level is 37 percentage points or 8,411 GL more than at the same time last year.

Information on irrigation water available in the Murray–Darling Basin from 1 January 2001 to 9 March 2017 is shown above. The top horizontal (short dash) line indicates the storage level during a similar time last year. The bottom horizontal (long dash) line indicates the amount of ‘dead’ or unusable storage.
3. Commodities

3.1. Market focus

Dairy:
The Global Dairy Trade (GDT) weighted average price of skim milk powder fell by 18 per cent to US$2,118 a tonne on 7 March 2017. The fall reflects a higher supply of milk powders reportedly being offered at the auction event as well as fewer bidders. This event follows tender processes for European Commission skim milk powder intervention stocks which were unable to obtain any buyers. EU stocks of skim milk powder are currently at 354,000 tonnes.

Beef:
The ABS January red meat production statistics were released on 8 March. Year to date (July 2016 to January 2017) beef and veal production totalled 1.16 million tonnes (carcase weight), down 17 per cent compared to the same period in 2015–16. Cattle and calf slaughter was down 19 per cent year on year, while slaughter averaged 3.6 per cent higher at 274 kilograms.

Lamb:
The number of lambs slaughtered between July 2016 and January 2017 totalled 13.2 million head, down 1 per cent from last year. Despite this, lamb meat production increased marginally over the same period to total 295,100 tonnes. This reflects a 1 per cent increase in average slaughter weights to 22.3 kilograms.

Sheep
Just over 3.9 million sheep were slaughtered between July 2016 and January 2017, down 24 per cent from the same period last year. Strong meat and wool prices and improved seasonal conditions continue to provide producers with incentive to expand flocks.
### Selected World Indicator Prices

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Week ended</th>
<th>Unit</th>
<th>Latest price</th>
<th>Price week prior</th>
<th>Weekly change</th>
<th>Price 12 months prior</th>
<th>Year on year change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australian Dollar - AUD/USD Exchange Rate</td>
<td>08-Mar</td>
<td>US$/A$</td>
<td>0.76</td>
<td>0.77</td>
<td>-1%</td>
<td>0.74</td>
<td>3%</td>
</tr>
<tr>
<td>Wheat - US no. 2 hard red winter wheat, fob Gulf</td>
<td>07-Mar</td>
<td>US$/t</td>
<td>207</td>
<td>212</td>
<td>-2%</td>
<td>206</td>
<td>&lt;1%</td>
</tr>
<tr>
<td>Coarse Grains - US no. 2 yellow corn, fob Gulf</td>
<td>08-Mar</td>
<td>US$/t</td>
<td>165</td>
<td>162</td>
<td>2%</td>
<td>157</td>
<td>5%</td>
</tr>
<tr>
<td>Canola - Rapeseed, Europe, fob Hamburg</td>
<td>14-Feb</td>
<td>US$/t</td>
<td>451</td>
<td>453</td>
<td>&lt;1%</td>
<td>400</td>
<td>13%</td>
</tr>
<tr>
<td>Cotton - Cotlook 'A' Index</td>
<td>08-Mar</td>
<td>USc/lb</td>
<td>87.0</td>
<td>84.8</td>
<td>3%</td>
<td>64.7</td>
<td>34%</td>
</tr>
<tr>
<td>Sugar - Intercontinental Exchange, nearby futures, no.11 contract</td>
<td>08-Mar</td>
<td>USc/lb</td>
<td>19.0</td>
<td>19.6</td>
<td>-3%</td>
<td>14.8</td>
<td>28%</td>
</tr>
<tr>
<td>Wool - Eastern Market Indicator</td>
<td>02-Mar</td>
<td>Ac/kg clean</td>
<td>1,500</td>
<td>1,449</td>
<td>4%</td>
<td>1,258</td>
<td>19%</td>
</tr>
<tr>
<td>Wool - Western Market Indicator</td>
<td>03-Mar</td>
<td>Ac/kg clean</td>
<td>1,547</td>
<td>1,482</td>
<td>4%</td>
<td>1,324</td>
<td>17%</td>
</tr>
</tbody>
</table>

#### Selected domestic crop indicator prices

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Week ended</th>
<th>Unit</th>
<th>Latest price</th>
<th>Price week prior</th>
<th>Weekly change</th>
<th>Price 12 months prior</th>
<th>Year on year change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Milling wheat - ASW1, track quote, Port Adelaide, SA</td>
<td>01-Mar</td>
<td>A$/t</td>
<td>186</td>
<td>181</td>
<td>3%</td>
<td>241</td>
<td>-23%</td>
</tr>
<tr>
<td>Feed Wheat - General purpose, Sydney, NSW</td>
<td>08-Mar</td>
<td>A$/t</td>
<td>211</td>
<td>206</td>
<td>2%</td>
<td>256</td>
<td>-18%</td>
</tr>
<tr>
<td>Feed Barley - Sydney, NSW</td>
<td>08-Mar</td>
<td>A$/t</td>
<td>187</td>
<td>185</td>
<td>1%</td>
<td>226</td>
<td>-17%</td>
</tr>
<tr>
<td>Canola - Portland, Vic.</td>
<td>06-Mar</td>
<td>A$/t</td>
<td>520</td>
<td>524</td>
<td>&lt;1%</td>
<td>507</td>
<td>3%</td>
</tr>
<tr>
<td>Grain Sorghum - Sydney, NSW</td>
<td>08-Mar</td>
<td>A$/t</td>
<td>244</td>
<td>239</td>
<td>2%</td>
<td>na</td>
<td>na</td>
</tr>
</tbody>
</table>

#### Selected domestic livestock indicator prices

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Week ended</th>
<th>Unit</th>
<th>Latest price</th>
<th>Price week prior</th>
<th>Weekly change</th>
<th>Price 12 months prior</th>
<th>Year on year change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beef - Eastern Young Cattle Indicator</td>
<td>03-Mar</td>
<td>Ac/kg cwt</td>
<td>615</td>
<td>628</td>
<td>-2%</td>
<td>598</td>
<td>3%</td>
</tr>
<tr>
<td>Mutton - Mutton indicator (18-24 kg fat score 2-3), Vic</td>
<td>03-Mar</td>
<td>Ac/kg cwt</td>
<td>457</td>
<td>445</td>
<td>3%</td>
<td>314</td>
<td>46%</td>
</tr>
<tr>
<td>Lamb - Eastern States Trade Lamb Indicator</td>
<td>02-Mar</td>
<td>Ac/kg cwt</td>
<td>611</td>
<td>641</td>
<td>-5%</td>
<td>516</td>
<td>18%</td>
</tr>
<tr>
<td>Pig - Eastern Seaboard (60.1-75 kg), average of buyers &amp; sellers</td>
<td>24-Feb</td>
<td>Ac/kg cwt</td>
<td>354</td>
<td>355</td>
<td>&lt;1%</td>
<td>389</td>
<td>-9%</td>
</tr>
<tr>
<td>Goat - Eastern States (12.1-16 kg)</td>
<td>27-Feb</td>
<td>Ac/kg cwt</td>
<td>655</td>
<td>655</td>
<td>0%</td>
<td>516</td>
<td>27%</td>
</tr>
<tr>
<td>Live cattle - Light steers ex Darwin to Indonesia</td>
<td>25-Feb</td>
<td>Ac/kg lwt</td>
<td>375</td>
<td>375</td>
<td>0%</td>
<td>na</td>
<td>na</td>
</tr>
<tr>
<td>Live sheep - Live wether (Muche WA saleyard) to Middle East</td>
<td>27-Feb</td>
<td>$/head</td>
<td>104</td>
<td>100</td>
<td>4%</td>
<td>92</td>
<td>13%</td>
</tr>
</tbody>
</table>

#### Global Dairy Trade (GDT) weighted average prices

| Dairy - Whole milk powder                                                 | 07-Mar     | US$/t      | 2,782        | 3,189            | -13%          | 1,974                 | 41%                 |
| Dairy - Skim milk powder                                                  | 07-Mar     | US$/t      | 2,118        | 2,574            | -18%          | 1,802                 | 18%                 |
| Dairy - Cheddar cheese                                                    | 07-Mar     | US$/t      | 3,435        | 3,590            | -4%           | 2,528                 | 36%                 |
| Dairy - Anhydrous milk fat                                                | 07-Mar     | US$/t      | 5,635        | 5,693            | -1%           | 3,254                 | 73%                 |

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*a Canola - Rapeseed, Europe, fob Hamburg indicator price is currently unavailable.

*b Global Dairy Trade prices are updated twice monthly on the first and third Tuesday of each month.
3.2. **Selected world indicator prices**

- **World wheat indicator price**
  US No. 2, hard red winter wheat, fob Gulf
  Week ended 7 March 2017

- **World coarse grains indicator price**
  US corn No. 2, fob Gulf
  Week ended 8 March 2017

- **World canola indicator price**
  Europe fob Hamburg
  Week ended 14 February 2017

- **World cotton indicator price**
  Cotlook ‘A’ index
  Week ended 8 March 2017

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*a Canola - Rapeseed, Europe, fob Hamburg indicator price is currently unavailable*
3.3. Global Dairy Trade (GDT) weighted average prices

- **Whole milk powder price**
  - 7 March 2017
  - Graph showing price trends from January to December 2015, 2016, and 2017.

- **Skim milk powder price**
  - 7 March 2017
  - Graph showing price trends from January to December 2015, 2016, and 2017.

- **Cheddar cheese price**
  - 7 March 2017
  - Graph showing price trends from January to December 2015, 2016, and 2017.

- **Anhydrous milk fat price**
  - 7 March 2017
  - Graph showing price trends from January to December 2015, 2016, and 2017.
3.4. Selected domestic crop indicator prices

Grain sorghum indicator price
Sydney, NSW
Week ended 8 March 2017

Feed barley indicator price
Sydney, NSW
Week ended 8 March 2017

Feed wheat indicator price
General Purpose, Sydney, NSW
Week ended 8 March 2017

Milling wheat indicator price
ASW1, track quote, Port Adelaide, SA
Week ended 1 March 2017
3.5. Selected domestic livestock indicator prices

Eastern Young Cattle Indicator
Week ended 3 March 2017

Eastern States Trade Lamb Indicator
Week ended 2 March 2017

Mutton indicator price in Victoria
(18–24 kg fat score 2–3)
Week ended 3 March 2017

Pig indicator price Eastern Seaboard
(60.1–75 kg)
Week ended 24 February 2017
3.6. Movements in selected fruit and vegetable prices – week ended 4 March 2017

Weekly wholesale prices for blueberry, pineapple (smoothleaf), watermelon (seedless) & banana (cavendish)

Weekly wholesale prices for kiwifruit (hayward), strawberry, apple (royal gala) & avocado (hass)

Weekly wholesale prices for onion (brown), cauliflower, potato (white, brushed) & tomato (field gourmet)

Weekly wholesale prices for broccoli, lettuce (iceberg), pumpkin (grey bulk) & bean (round stringless)
4. Data attribution

Climate
Bureau of Meteorology

Water
New South Wales

Queensland
- Sunwater: www.sunwater.com.au
- Seqwater: http://seqwater.com.au

South Australia
- South Australian Department of Environment, Water and Natural Resources: http://www.environment.sa.gov.au

Victoria
- Goulburn–Murray Water: www.g-mwater.com.au

Commodities
Fruit and vegetables
- Datafresh: http://www.freshstate.com.au

Mutton, lambs, wheat, barley and grain sorghum
- The Land: hardcopy or online at http://theland.farmonline.com.au/markets

Cattle, mutton and lambs

Pigs
- Australian Pork Limited: www.australianpork.com.au

Canola
- Weekly Times: hardcopy

Dairy