23 March 2017

UNDER EMBARGO Until 4.30pm

Summary of key issues

- During the week ending 22 March 2017 rainfall was recorded in eastern, northern and south-eastern Australia, as well as isolated areas of Western Australia and Tasmania.

- In the past week a series of low pressure troughs brought heavy rainfall to central and south-eastern Queensland, and north-eastern New South Wales, with some locations recording totals in excess of 300 millimetres.

- During the week ending 21 March 2017 maximum temperatures were between 2°C and 6°C above average in parts of central and south-eastern Australia, and between 2°C and 6°C below average in south-western Australia. Minimum temperatures were between 2°C and 4°C below average in south-western Australia and between 4°C and 6°C above average in south-eastern Australia.

- The forecast for the next eight days indicates that rainfall in excess of 15 millimetres is expected across areas of northern and eastern Australia, central parts of Western Australia and western Tasmania, with totals forecast to exceed 200 millimetres in parts of north-eastern Queensland.

- Water storage levels in the Murray–Darling Basin (MDB) increased during the week ending 23 March 2017 by 71 gigalitres (GL) to 15,650 GL and are at 69 per cent of total capacity.

- Livestock prices were mixed last week although cattle and lamb prices remain higher year on year, supported by continued restocker demand.

- Tight cotton supplies in India and China have contributed to a 32 per cent year on year increase in cotton prices.

- Sugar prices remain high year on year, but face downward pressure as seasonal supplies enter the market from Australia, Thailand and China.
1. Climate

1.1. Rainfall this week

During the week ending 22 March 2017 rainfall was recorded in eastern, northern and south-eastern Australia, as well as isolated areas of Western Australia and Tasmania. The highest recorded weekly total was 515 millimetres at Dorrigo, near Coffs Harbour in New South Wales.

In the past week a series of low pressure troughs brought heavy rainfall, hail, flooding and damaging winds to central and south-eastern Queensland, and north-eastern New South Wales. Some locations recorded weekly rainfall totals in excess of 300 millimetres. The rainfall has increased soil moisture levels in north-eastern New South Wales and central Queensland following a hot and dry February.

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/

Rainfall for the week ending 22 March 2017
1.2. Temperature anomalies this week

During the week ending 21 March 2017 maximum temperatures were between 2°C and 6°C above average in parts of central and south-eastern Australia, and between 2°C and 6°C below average in south-western Australia. Minimum temperatures were between 2°C and 4°C below average in south-western Australia and between 4°C and 6°C above average in south-eastern Australia (see maps below).

Maximum temperature anomalies for the week ending 21 March 2017

Minimum temperature anomalies for the week ending 21 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](http://www.bom.gov.au/jsp/awap/temp/index.jsp).
1.3. Rainfall forecast for the next 8 days

The forecast for the next eight days indicates that rainfall in excess of 15 millimetres is expected across areas of northern and eastern Australia, central parts of Western Australia and western Tasmania. The highest forecast totals are for northern Queensland, where rainfall totals are expected to exceed 200 millimetres in some areas. These falls are associated with a tropical low pressure system drifting slowly west from Papua New Guinea. According to the Bureau of Meteorology this system has the potential to develop into a cyclone later this week.

Little to no rainfall is forecast for South Australia, western Victoria, western New South Wales, south-western Queensland, eastern Western Australia and southern parts of the Northern Territory 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 23 to 30 March 2017
2. Water

2.1. Water availability

Water storage levels in the Murray–Darling Basin (MDB) increased during the week ending 23 March 2017 by 71 gigalitres (GL) to 15,650 GL and are at 69 per cent of total capacity. This is 37 percentage points or 8,449 GL more than at the same time last year.

Information on irrigation water available in the Murray–Darling Basin from 1 January 2001 to 23 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

Domestic livestock
Continued strong restocker demand for lambs has maintained pressure on the Eastern States Trade Lamb Indicator with the average price increasing to 622 cents a kilogram in the week ending 16 March, 19 per cent higher than the same week last year. For the period between 1 January and 17 March, lamb slaughter has averaged 11 per cent lower year on year whilst lamb yardings have averaged 16 per cent higher over the same period.

The Eastern States Young Cattle Indicator averaged 611 cents a kilogram in the week ending 16 March, 1 per cent lower than the previous week but 3 per cent higher than the same week last year. Between 1 January and 17 March 2017, eastern states cattle slaughter was 15.5 per cent lower than the same period last year, while cattle yardings were 9.5 per cent lower.

Cotton
Tight cotton supplies in India and China have resulted in world cotton prices rising to US87 cents a pound in the week ending 22 March 2017, 32 per cent higher year on year. Total cotton supplies in the two countries were around 20 million tonnes, 19 per cent lower year on year.

Sugar
The world indicator price for sugar fell 3 per cent in the week ended 22 March 2017. World sugar prices have faced downward pressure since late February 2017 as production from Australia, Thailand and China enters the market. Despite this the world indicator price for sugar is 9 per cent higher than the same week last year.

In the Brazilian 2016–17 production season (April to March) sugar mills increased the volume of sugarcane allocated to sugar production in response to world sugar prices being higher than the previous year. As a result sugar production in Brazil’s south-central region, the major sugarcane growing region of Brazil, increased by 15 per cent year on year to around 35 million tonnes.
<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><strong>Selected World Indicator Prices</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Australian Dollar - AUD/USD Exchange Rate</td>
<td>22-Mar</td>
<td>US$/A$</td>
<td>0.77</td>
<td>0.75</td>
<td>3%</td>
<td>0.76</td>
<td>1%</td>
</tr>
<tr>
<td>Wheat - US no. 2 hard red winter wheat, fob Gulf</td>
<td>21-Mar</td>
<td>US$/t</td>
<td>197</td>
<td>203</td>
<td>-3%</td>
<td>206</td>
<td>-4%</td>
</tr>
<tr>
<td>Coarse Grains - US no. 2 yellow corn, fob Gulf</td>
<td>22-Mar</td>
<td>US$/t</td>
<td>159</td>
<td>159</td>
<td>0%</td>
<td>●</td>
<td>-1%</td>
</tr>
<tr>
<td>Canola - Rapeseed, Europe, fob Hamburg</td>
<td>21-Mar</td>
<td>US$/t</td>
<td>446</td>
<td>439</td>
<td>2%</td>
<td>401</td>
<td>11%</td>
</tr>
<tr>
<td>Cotton - Cotlook 'A' Index</td>
<td>22-Mar</td>
<td>USc/lb</td>
<td>87.2</td>
<td>86.6</td>
<td>&lt;1%</td>
<td>66.1</td>
<td>32%</td>
</tr>
<tr>
<td>Sugar - Intercontinental Exchange, nearby futures, no.11 contract</td>
<td>22-Mar</td>
<td>USc/lb</td>
<td>17.7</td>
<td>18.2</td>
<td>-3%</td>
<td>16.3</td>
<td>9%</td>
</tr>
<tr>
<td>Wool - Eastern Market Indicator</td>
<td>16-Mar</td>
<td>Ac/kg clean</td>
<td>1,546</td>
<td>1,522</td>
<td>2%</td>
<td>1,227</td>
<td>26%</td>
</tr>
<tr>
<td>Wool - Western Market Indicator</td>
<td>17-Mar</td>
<td>Ac/kg clean</td>
<td>1,554</td>
<td>1,556</td>
<td>&lt;1%</td>
<td>1,276</td>
<td>22%</td>
</tr>
<tr>
<td><strong>Selected domestic crop indicator prices</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Milling Wheat - ASW1, track quote, Port Adelaide, SA</td>
<td>08-Mar</td>
<td>A$/t</td>
<td>194</td>
<td>186</td>
<td>4%</td>
<td>239</td>
<td>-19%</td>
</tr>
<tr>
<td>Feed Wheat - General purpose, Sydney, NSW</td>
<td>22-Mar</td>
<td>A$/t</td>
<td>211</td>
<td>195</td>
<td>8%</td>
<td>256</td>
<td>-18%</td>
</tr>
<tr>
<td>Feed Barley - Sydney, NSW</td>
<td>22-Mar</td>
<td>A$/t</td>
<td>190</td>
<td>190</td>
<td>0%</td>
<td>●</td>
<td>-16%</td>
</tr>
<tr>
<td>Canola - Portland, Vic.</td>
<td>20-Mar</td>
<td>A$/t</td>
<td>510</td>
<td>510</td>
<td>0%</td>
<td>●</td>
<td>&lt;1%</td>
</tr>
<tr>
<td>Grain Sorghum - Sydney, NSW</td>
<td>22-Mar</td>
<td>A$/t</td>
<td>249</td>
<td>254</td>
<td>-2%</td>
<td>228</td>
<td>9%</td>
</tr>
<tr>
<td><strong>Selected domestic livestock indicator prices</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beef - Eastern Young Cattle Indicator</td>
<td>17-Mar</td>
<td>Ac/kg cwt</td>
<td>611</td>
<td>614</td>
<td>&lt;1%</td>
<td>594</td>
<td>3%</td>
</tr>
<tr>
<td>Mutton - Mutton indicator (18-24 kg fat score 2-3), Vic</td>
<td>17-Mar</td>
<td>Ac/kg cwt</td>
<td>443</td>
<td>440</td>
<td>&lt;1%</td>
<td>303</td>
<td>46%</td>
</tr>
<tr>
<td>Lamb - Eastern States Trade Lamb Indicator</td>
<td>16-Mar</td>
<td>Ac/kg cwt</td>
<td>622</td>
<td>611</td>
<td>2%</td>
<td>522</td>
<td>19%</td>
</tr>
<tr>
<td>Pig - Eastern Seaboard (60.1-75 kg), average of buyers &amp; sellers</td>
<td>03-Mar</td>
<td>Ac/kg cwt</td>
<td>347</td>
<td>354</td>
<td>-2%</td>
<td>389</td>
<td>-11%</td>
</tr>
<tr>
<td>Goat - Eastern States (12.1-16 kg)</td>
<td>13-Mar</td>
<td>Ac/kg cwt</td>
<td>655</td>
<td>655</td>
<td>0%</td>
<td>●</td>
<td>523</td>
</tr>
<tr>
<td>Live cattle - Light steers ex Darwin to Indonesia</td>
<td>04-Mar</td>
<td>Ac/kg lwt</td>
<td>375</td>
<td>375</td>
<td>0%</td>
<td>●</td>
<td>na</td>
</tr>
<tr>
<td>Live sheep - Live wether (Muchea WA saleyard) to Middle East</td>
<td>27-Feb</td>
<td>$/head</td>
<td>104</td>
<td>100</td>
<td>4%</td>
<td>92</td>
<td>13%</td>
</tr>
<tr>
<td>Indicator</td>
<td>Week ended</td>
<td>Unit</td>
<td>Latest price</td>
<td>Price week prior</td>
<td>Weekly change</td>
<td>Price 12 months prior</td>
<td>Year on year change</td>
</tr>
<tr>
<td>------------------------------</td>
<td>------------</td>
<td>-------</td>
<td>--------------</td>
<td>------------------</td>
<td>---------------</td>
<td>----------------------</td>
<td>---------------------</td>
</tr>
<tr>
<td>Dairy - Whole milk powder</td>
<td>21-Mar</td>
<td>US$/t</td>
<td>2,855</td>
<td>2,782</td>
<td>3%</td>
<td>1,971</td>
<td>45%</td>
</tr>
<tr>
<td>Dairy - Skim milk powder</td>
<td>21-Mar</td>
<td>US$/t</td>
<td>1,948</td>
<td>2,118</td>
<td>-8%</td>
<td>1,731</td>
<td>13%</td>
</tr>
<tr>
<td>Dairy - Cheddar cheese</td>
<td>21-Mar</td>
<td>US$/t</td>
<td>3,406</td>
<td>3,435</td>
<td>&lt;1%</td>
<td>2,441</td>
<td>40%</td>
</tr>
<tr>
<td>Dairy - Anhydrous milk fat</td>
<td>21-Mar</td>
<td>US$/t</td>
<td>5,799</td>
<td>5,635</td>
<td>3%</td>
<td>3,014</td>
<td>92%</td>
</tr>
</tbody>
</table>

*Global Dairy Trade (GDT) weighted average prices a

a 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 21 March 2017

- **World coarse grains indicator price**
  - US corn No. 2, fob Gulf
  - Week ended 22 March 2017

- **World canola indicator price**
  - Europe fob Hamburg
  - Week ended 21 March 2017

- **World cotton indicator price**
  - Cotlook ‘A’ index
  - Week ended 22 March 2017
3.3. Global Dairy Trade (GDT) weighted average prices

- **Whole milk powder price**
  - 21 March 2017

- **Skim milk powder price**
  - 21 March 2017

- **Cheddar cheese price**
  - 21 March 2017

- **Anhydrous milk fat price**
  - 21 March 2017
3.4. **Selected domestic crop indicator prices**

- **Grain sorghum indicator price**
  - Sydney, NSW
  - Week ended 22 March 2017

- **Feed barley indicator price**
  - Sydney, NSW
  - Week ended 22 March 2017

- **Feed wheat indicator price**
  - General Purpose, Sydney, NSW
  - Week ended 22 March 2017

- **Milling wheat indicator price**
  - ASW1, track quote, Port Adelaide, SA
  - Week ended 8 March 2017
Canola indicator price
Portland, Victoria
Week ended 20 March 2017
3.5. **Selected domestic livestock indicator prices**

- **Eastern Young Cattle Indicator**
  - Week ended 17 March 2017

- **Eastern States Trade Lamb Indicator**
  - Week ended 16 March 2017

- **Mutton indicator price in Victoria**
  - (18–24 kg fat score 2–3)
  - Week ended 17 March 2017

- **Pig indicator price Eastern Seaboard**
  - (60.1–75 kg)
  - Week ended 3 March 2017
3.6. Movements in selected fruit and vegetable prices – week ended 18 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: www.environment.sa.gov.au
Victoria
- Goulburn–Murray Water: www.g-mwater.com.au

Commodities
Fruit and vegetables
- Datafresh: www.freshstate.com.au
Pigs
- Australian Pork Limited: www.australianpork.com.au
Canola
- Weekly Times: hardcopy
Dairy
World wheat, canola
- International Grains Council
World coarse grains
- United States Department of Agriculture
World cotton
- Cotlook: www.cotlook.com/
World sugar
- New York Stock Exchange - Intercontinental Exchange
Wool
Milling wheat
- ProFarmer
Domestic wheat, barley, sorghum
- The Land: hardcopy or online at www.theland.farmonline.com.au/markets
Domestic canola
- The Weekly Times: hardcopy
Cattle, beef, mutton, lamb, goat and live export