Summary of key issues

- During the week ending 10 May 2017 little to no rainfall was recorded across the majority of Australia. Rainfall totals in excess of 25 millimetres were recorded in parts of Queensland’s east coast, western Tasmania, and south-western Western Australia.

- A series of high pressure systems have brought dry weather to much of Australia this month, with many weather stations recording less than twenty per cent of their monthly average rainfall during the first ten days of May.

- During the week ending 9 May 2017 maximum temperatures were generally above average across much of the country, with much of Queensland and Western Australia recording temperatures between 4°C and 6°C above average. Minimum temperatures ranged from above average in the north-east and south-west of the country, to below average in the south-east.

- The forecast for the next eight days indicates that dry conditions are expected to continue across much of western and central Australia. Rainfall totals exceeding 15 millimetres are expected in parts of Queensland, north-western New South Wales, eastern South Australia and parts of southern Western Australia and northern Tasmania.

- Indicators in the tropical Pacific remain at neutral levels and international climate models have reduced the likelihood of El Niño this year.

- Water storage levels in the Murray–Darling Basin (MDB) decreased during the week ending 11 May 2017 by 170 gigalitres (GL) to 15,161 GL and are at 67 per cent of total capacity.

- Year to date exports of major crops have increased substantially compared with the same period in 2015–16.
1. Climate

1.1. Rainfall this week

During the week ending 10 May 2017 little to no rainfall was recorded across the majority of Australia. Rainfall totals in excess of 25 millimetres were recorded in parts of Queensland’s east coast, western Tasmania, and south-western Western Australia. The highest recorded weekly total was 155 millimetres at Sandy Cape Lighthouse on the northern end of Fraser Island, near Bundaberg in Queensland.

It has been a dry start to May across much of Australia with many weather stations recording less than twenty per cent of their monthly average rainfall during the first ten days of the month. A series of high pressure systems have brought the dry weather, blocking cold fronts and troughs that typically bring rainfall at this time of the year. These dry conditions have come after a particularly dry April in cropping regions of Western Australia and Queensland and have reportedly resulted in a halt in the planting of winter cereals and oilseed crops in these regions because of a lack of upper layer soil moisture.

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.


Rainfall for the week ending 10 May 2017
1.2. Temperature anomalies this week

During the week ending 9 May 2017 maximum temperatures were generally above average across much of the country, with much of inland Queensland and most of Western Australia recording temperatures between 4°C and 6°C above average. Minimum temperatures ranged from above average in the north-east and south-west of the country, to below average across the south-east.

Maximum temperature anomalies for the week ending 9 May 2017

Minimum temperature anomalies for the week ending 9 May 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 forecast for the next 8 days

The forecast for the next eight days indicates that dry conditions are expected to continue across much of western and central Australia. Rainfall totals exceeding 15 millimetres are forecast for central and south-western Queensland, north-western New South Wales and eastern South Australia. Similar totals are forecast for parts of southern Western Australia and northern Tasmania. 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 11 to 18 May 2017

1.4.   El Niño–Southern Oscillation Update

Since last month, some international climate models have reduced the likelihood of El Niño. Five of eight models still indicate the tropical Pacific Ocean may exceed El Niño thresholds by September 2017. The Bureau of Meteorology’s ENSO Outlook remains at El Niño WATCH.

The Indian Ocean Dipole (IOD) remains neutral and four out of six climate models suggest a positive IOD is likely to develop during winter. A positive IOD is often associated with below average winter–spring rainfall, and can reinforce the drying influence of an El Niño, particularly over south-eastern Australia.
2. Water

2.1. Water availability

Water storage levels in the Murray–Darling Basin (MDB) decreased during the week ending 11 May 2017 by 170 gigalitres (GL) to 15,161 GL and are at 67 per cent of total capacity. This is 37 percentage points or 8,400 GL more than at the same time last year.

Information on irrigation water available in the Murray–Darling Basin from 1 January 2001 to 11 May 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.
2.2. Water allocations

The current water allocations for the 2016–17 water trading season for licence holders in New South Wales, Victorian and South Australian water systems are summarised in the following table.

- In New South Wales, Border Rivers General security B allocations have increased by 33 per cent to 113 per cent, and Gwydir General security allocations have increased by 3 per cent to 78 per cent.

<table>
<thead>
<tr>
<th>New South Wales</th>
<th>11 May 2017</th>
<th>13 April 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>General security</td>
<td>High security</td>
</tr>
<tr>
<td>NSW Murray Valley*</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>NSW Murrumbidgee Valley*</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>NSW Lower Darling*</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>NSW Macquarie and Cudgegong Valley*</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>NSW Hunter Valley</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>NSW Lachlan Valley*</td>
<td>129%</td>
<td>100%</td>
</tr>
<tr>
<td>NSW Lower Namoi*</td>
<td>125%</td>
<td>100%</td>
</tr>
<tr>
<td>NSW Upper Namoi*</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>NSW Gwydir Valley*</td>
<td>77.8%</td>
<td>100%</td>
</tr>
<tr>
<td>NSW Border Rivers*</td>
<td>100%(a) / 113%(b)</td>
<td>100%</td>
</tr>
<tr>
<td>NSW Peel Valley</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Victoria</th>
<th>Low reliability*</th>
<th>High reliability*</th>
<th>Low reliability*</th>
<th>High reliability*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Victoria Murray Valley</td>
<td>5%</td>
<td>100%</td>
<td>5%</td>
<td>100%</td>
</tr>
<tr>
<td>Victoria Goulburn</td>
<td>0%</td>
<td>100%</td>
<td>0%</td>
<td>100%</td>
</tr>
<tr>
<td>Victoria Campaspe</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Victoria Loddon</td>
<td>0%</td>
<td>100%</td>
<td>0%</td>
<td>100%</td>
</tr>
<tr>
<td>Victoria Bullarook</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Victoria Broken</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>South Australia</th>
<th>High security</th>
<th>High security</th>
</tr>
</thead>
<tbody>
<tr>
<td>South Australia Murray Valley*</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

*Carryover water may also be available
(a) General Security A class. (b) General Security B class
2.3. Water markets

Prices continue to decline generally as irrigators attempt to sell water above their carryover capacity for the 2017-18 water year.

Allocation prices in the southern Murray-Darling Basin (sMDB) continued to decline in the week until 11 May, 2017 in the connected system the average price was $31.54. In the Murrumbidgee the average price was $5.13 reflecting the continuing closed state of the Murrumbidgee inter-valley trade account. This contrasts with an average price of $41.41 in March and $31.97 in April across the whole sMDB.

### Allocation trade activity in the southern Murray-Darling Basin

<table>
<thead>
<tr>
<th>Area</th>
<th>Price per ML</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goulburn</td>
<td>$30.14</td>
</tr>
<tr>
<td>South Australia</td>
<td>$33.91</td>
</tr>
<tr>
<td>Murrumbidgee</td>
<td>$5.13</td>
</tr>
<tr>
<td>Victoria Murray</td>
<td>$32.57</td>
</tr>
<tr>
<td>NSW Murray</td>
<td>$25.24</td>
</tr>
</tbody>
</table>

The trades shown reflect market activity and do not encompass all register trades. The price line reflects locally fitted price values for the entire southern Murray-Darling Basin. Data shown is current until Thursday 11 May, 2017.
3. Commodities

3.1. Market focus

Crop exports
Between July 2016 and March 2017, Australia exported:

- 15 million tonnes of wheat valued at $4.2 billion. The largest markets were Indonesia (18 per cent in value terms), India (16 per cent) and China (10 per cent). While the volume exported increased by 28 per cent compared with the same 9 month period in 2015–16, the total value rose by only 8 per cent.
- 6.8 million tonnes of barley valued at $1.7 billion. The volume and value of barley exports increased by 80 per cent and 33 per cent, respectively, compared with the same period in 2015–16.
- 2.7 million tonnes of canola valued at $1.6 billion. The largest markets were Germany (44 per cent in value terms), Belgium (26 per cent) and France (8 per cent). The volume and value of exports increased by 55 per cent and 74 per cent, respectively, when compared with the same period in 2015–16.
- 1.7 million tonnes of chickpeas valued at $1.6 billion. The largest markets were India (60 per cent in value terms), Pakistan (23 per cent) and Bangladesh (9 per cent). The volume and value of exports increased by 62 per cent and 79 per cent, respectively, compared with the same period in 2015–16.

Monthly major crop exports, July 2015 to March 2017

Source: Australian Bureau of Statistics, International Trade in Goods and Services, Australia, Mar 2017 (cat. no. 5368.0)
### 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>10-May</td>
<td>US$/A$</td>
<td>0.74</td>
<td>0.75</td>
<td>-1%</td>
<td>0.74</td>
<td>0% ●</td>
</tr>
<tr>
<td>Wheat - US no. 2 hard red winter wheat, fob Gulf</td>
<td>09-May</td>
<td>US$/t</td>
<td>200</td>
<td>198</td>
<td>1%</td>
<td>192</td>
<td>4% ↑</td>
</tr>
<tr>
<td>Coarse Grains - US no. 2 yellow corn, fob Gulf</td>
<td>10-May</td>
<td>US$/t</td>
<td>159</td>
<td>159</td>
<td>0%</td>
<td>165</td>
<td>-4% ↓</td>
</tr>
<tr>
<td>Canola - Rapeseed, Europe, fob Hamburg</td>
<td>09-May</td>
<td>US$/t</td>
<td>430</td>
<td>439</td>
<td>-2%</td>
<td>420</td>
<td>2% ↑</td>
</tr>
<tr>
<td>Cotton - Cotlook 'A' Index</td>
<td>10-May</td>
<td>USc/lb</td>
<td>87.9</td>
<td>88.6</td>
<td>&lt;1%</td>
<td>69.7</td>
<td>26% ↑</td>
</tr>
<tr>
<td>Sugar - Intercontinental Exchange, nearby futures, no.11 contract</td>
<td>10-May</td>
<td>USc/lb</td>
<td>15.5</td>
<td>15.8</td>
<td>-2%</td>
<td>16.1</td>
<td>-4% ↓</td>
</tr>
<tr>
<td>Wool - Eastern Market Indicator</td>
<td>04-May</td>
<td>Ac/kg clean</td>
<td>1,544</td>
<td>1,501</td>
<td>3%</td>
<td>1,268</td>
<td>22% ↑</td>
</tr>
<tr>
<td>Wool - Western Market Indicator</td>
<td>05-May</td>
<td>Ac/kg clean</td>
<td>1,560</td>
<td>1,508</td>
<td>3%</td>
<td>1,325</td>
<td>18% ↑</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>09-May</td>
<td>A$/t</td>
<td>191</td>
<td>184</td>
<td>4%</td>
<td>242</td>
<td>-21% ↓</td>
</tr>
<tr>
<td>Feed Wheat - General purpose, Sydney, NSW</td>
<td>10-May</td>
<td>A$/t</td>
<td>230</td>
<td>230</td>
<td>0%</td>
<td>262</td>
<td>-12% ↓</td>
</tr>
<tr>
<td>Feed Barley - Sydney, NSW</td>
<td>10-May</td>
<td>A$/t</td>
<td>204</td>
<td>201</td>
<td>1%</td>
<td>228</td>
<td>-11% ↓</td>
</tr>
<tr>
<td>Canola - Portland, Vic.</td>
<td>08-May</td>
<td>A$/t</td>
<td>520</td>
<td>520</td>
<td>0%</td>
<td>517</td>
<td>&lt;1% ↑</td>
</tr>
<tr>
<td>Grain Sorghum - Sydney, NSW</td>
<td>10-May</td>
<td>A$/t</td>
<td>264</td>
<td>261</td>
<td>1%</td>
<td>243</td>
<td>9% ↑</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>12-May</td>
<td>Ac/kg cwt</td>
<td>636</td>
<td>652</td>
<td>-2%</td>
<td>563</td>
<td>13% ↑</td>
</tr>
<tr>
<td>Mutton - Mutton indicator (18-24 kg fat score 2-3), Vic</td>
<td>05-May</td>
<td>Ac/kg cwt</td>
<td>505</td>
<td>503</td>
<td>&lt;1%</td>
<td>315</td>
<td>60% ↑</td>
</tr>
<tr>
<td>Lamb - Eastern States Trade Lamb Indicator</td>
<td>11-May</td>
<td>Ac/kg cwt</td>
<td>634</td>
<td>642</td>
<td>-1%</td>
<td>560</td>
<td>13% ↑</td>
</tr>
<tr>
<td>Pig - Eastern Seaboard (60.1-75 kg), average of buyers &amp; sellers</td>
<td>28-Apr</td>
<td>Ac/kg cwt</td>
<td>303</td>
<td>314</td>
<td>-4%</td>
<td>386</td>
<td>-22% ↓</td>
</tr>
<tr>
<td>Goat - Eastern States (12.1-16 kg)</td>
<td>08-May</td>
<td>Ac/kg cwt</td>
<td>658</td>
<td>658</td>
<td>0%</td>
<td>538</td>
<td>22% ↑</td>
</tr>
<tr>
<td>Live cattle - Light steers ex Darwin to Indonesia</td>
<td>06-May</td>
<td>Ac/kg lwt</td>
<td>330</td>
<td>330</td>
<td>0%</td>
<td>na</td>
<td>na</td>
</tr>
<tr>
<td>Live sheep - Live wether (Muchea WA saleyard) to Middle East</td>
<td>01-May</td>
<td>$/head</td>
<td>117</td>
<td>108</td>
<td>8%</td>
<td>93</td>
<td>26% ↑</td>
</tr>
<tr>
<td>Indicator</td>
<td>Week ended</td>
<td>Unit</td>
<td>Latest price</td>
<td>Price week prior</td>
<td>Weekly change</td>
<td>Price 12 months prior</td>
<td>Year on year change</td>
</tr>
<tr>
<td>-------------------------------</td>
<td>------------</td>
<td>------</td>
<td>--------------</td>
<td>------------------</td>
<td>---------------</td>
<td>----------------------</td>
<td>---------------------</td>
</tr>
<tr>
<td>Dairy - Whole milk powder</td>
<td>02-May</td>
<td>US$/t</td>
<td>3,233</td>
<td>2,998</td>
<td>8% ↑</td>
<td>2,176</td>
<td>49% ↑</td>
</tr>
<tr>
<td>Dairy - Skim milk powder</td>
<td>02-May</td>
<td>US$/t</td>
<td>1,982</td>
<td>2,044</td>
<td>-3% ↓</td>
<td>1,676</td>
<td>18% ↑</td>
</tr>
<tr>
<td>Dairy - Cheddar cheese</td>
<td>02-May</td>
<td>US$/t</td>
<td>3,666</td>
<td>3,462</td>
<td>6% ↑</td>
<td>2,727</td>
<td>34% ↑</td>
</tr>
<tr>
<td>Dairy - Anhydrous milk fat</td>
<td>02-May</td>
<td>US$/t</td>
<td>6,185</td>
<td>5,930</td>
<td>4% ↑</td>
<td>3,195</td>
<td>94% ↑</td>
</tr>
</tbody>
</table>

* 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 9 May 2017

**World coarse grains indicator price**  
US corn No. 2, fob Gulf  
Week ended 10 May 2017

**World canola indicator price**  
Europe fob Hamburg  
Week ended 9 May 2017

**World cotton indicator price**  
Cotlook ‘A’ index  
Week ended 10 May 2017
3.3. Global Dairy Trade (GDT) weighted average prices

- **Whole milk powder price**
  - 2 May 2017

- **Skim milk powder price**
  - 2 May 2017

- **Cheddar cheese price**
  - 2 May 2017

- **Anhydrous milk fat price**
  - 2 May 2017
3.4. Selected domestic crop indicator prices

- **Grain sorghum indicator price**
  - Sydney, NSW
  - Week ended 10 May 2017

- **Feed barley indicator price**
  - Sydney, NSW
  - Week ended 10 May 2017

- **Feed wheat indicator price**
  - General Purpose, Sydney, NSW
  - Week ended 10 May 2017

- **Milling wheat indicator price**
  - ASW1, track quote, Port Adelaide, SA
  - Week ended 9 May 2017
Canola indicator price
Portland, Victoria
Week ended 8 May 2017

A$/t

Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec

2015 2016 2017
3.5. Selected domestic livestock indicator prices

**Eastern Young Cattle Indicator**
Week ended 12 May 2017

**Eastern States Trade Lamb Indicator**
Week ended 11 May 2017

**Mutton indicator price in Victoria**
(18–24 kg fat score 2–3)
Week ended 5 May 2017

**Pig indicator price Eastern Seaboard**
(60.1–75 kg)
Week ended 28 April 2017
3.6. Movements in selected fruit and vegetable prices – week ended 6 May 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

South Australia

Victoria

Commodities
Fruit and vegetables

Pigs

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/](http://www.cotlook.com/)

World sugar
- New York Stock Exchange - Intercontinental Exchange

Wool

Milling wheat
- ProFarmer
- Domestic wheat, barley, sorghum

Domestic canola
- The Weekly Times: hardcopy

Cattle, beef, mutton, lamb, goat and live export