Summary of key issues

- During the week ending 31 May 2017 little to no rainfall was recorded across most of mainland Australia with the exception of north eastern New South Wales, southern Victoria, parts of eastern South Australia and most of Tasmania, where weekly rainfall totals exceeded 15 millimetres.
- During the week ending 30 May 2017 maximum temperatures were close to average for much of the country while minimum temperatures were generally below average to average.
- Rainfall for May 2017 was close to average across most of the country, with the exception of extremely high rainfall in parts of northern Queensland and below average rainfall in central and western Australia.
- Autumn rainfall was above average to extremely high in eastern Australia, central Western Australia and parts of northern Australia. It was below average across much of western Western Australia, parts of southern South Australia, western Tasmania and central parts of Queensland and the Northern Territory.
- The forecast for the next eight days indicates that little to no rainfall is expected across most of mainland Australia. A low pressure trough may bring showers to Tasmania and parts of eastern South Australia, Victoria and southern New South Wales.
- Water storage levels in the Murray–Darling Basin (MDB) increased by 70 gigalitres (GL) during the week ending 1 June 2017 to 15,351 GL and are at 68 per cent of total capacity.
- Water market prices remained low in the week to 1 June 2017. Trade in the NSW southern connected system closed on 31 May.
- Domestic goat prices reached a new high in May driven by strong US demand.
- Demand for beef in Indonesia is expected remain strong through Ramadan, providing support for beef prices.
- Sugar production in Brazil increased sharply putting downward pressure on world prices.
1. Climate

1.1. Rainfall this week

During the week ending 31 May 2017 little to no rainfall was recorded across most of mainland Australia. In southern Australia a series of cold fronts and an associated low pressure system in the Southern Ocean produced rainfall in southern Victoria, parts of eastern South Australia and most of Tasmania, with weekly rainfall totals exceeding 15 millimetres. Similar totals were recorded in north-eastern New South Wales. The highest recorded weekly total was 120 millimetres at Mount Read in western Tasmania.

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 31 May 2017
1.2. Temperature anomalies this week

During the week ending 30 May 2017 maximum temperatures were generally average across much of the country. Isolated parts of south-eastern New South Wales and north-eastern Victoria recorded maximum temperatures between 2°C and 4°C below average. Minimum temperatures were below average to average for most of Australia, with parts of central and northern Western Australia recording minimum temperatures between 4°C and 6°C below average for this time of year.

Maximum temperature anomalies for the week ending 30 May 2017

Minimum temperature anomalies for the week ending 30 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](http://www.bom.gov.au/jsp/awap/temp/index.jsp).
1.3. Monthly rainfall

Rainfall for May 2017 was generally close to average across most of the country, with the exception of extremely high rainfall in parts of northern Queensland and below average rainfall in Western Australia. Isolated areas of extremely low rainfall were recorded in isolated parts of all states and territories except Tasmania. In cropping regions, May rainfall was close to average with parts of South Australia and most of Western Australia the exception, where rainfall was well below average to extremely low.

Rainfall percentiles for May 2017

Source: Bureau of Meteorology

Note: Spatial rainfall percentile analyses are based on historical monthly rainfall data provided by the Bureau of Meteorology. These rainfall percentile maps show how rainfall recorded during that given time period compared with the rainfall recorded for that same period during the entire historical record (1900 to present). Rainfall percentiles are a way of providing an indication of the spread of data in a data set. To calculate percentiles, the entire rainfall record at a certain point is divided into one hundred equal parts. The 5th percentile for May 2017 means that only five per cent of all Mays in the historical record have recorded a rainfall total that is at or below the rainfall recorded during May 2017. Dark blue areas on the maps are those areas that were wetter than the same time of year during the entire historical record, and dark red areas are drier. For further information, go to http://www.bom.gov.au/jsp/awap/
Rainfall for autumn 2017 (1 March to 31 May) was above average to extremely high in eastern Queensland, eastern New South Wales, western Victoria, central South Australia and central Western Australia. It was also above average across the Top End of the Northern Territory. In contrast, it was below average across much of western Western Australia, southern South Australia, western Tasmania and central parts of Queensland and the Northern Territory.

In cropping regions, autumn rainfall was average to above average in New South Wales, Queensland and Victoria, variable in South Australia and below average in Western Australia.

Rainfall percentiles for autumn 2017 (1 March to 31 May)

Source: Bureau of Meteorology

Note: Spatial rainfall percentile analyses are based on historical monthly rainfall data provided by the Bureau of Meteorology. These rainfall percentile maps show how rainfall recorded during that given time period compared with the rainfall recorded for that same period during the entire historical record (1900 to present). Rainfall percentiles are a way of providing an indication of the spread of data in a data set. To calculate percentiles, the entire rainfall record at a certain point is divided into one hundred equal parts. The 5th percentile for autumn 2017 means that only five per cent of all autumns in the historical record have recorded a rainfall total that is at or below the rainfall recorded during autumn 2017. Dark blue areas on the maps are those areas that were wetter than the same time of year during the entire historical record, and dark red areas are drier. For further information, go to http://www.bom.gov.au/jsp/awap/
1.4. Rainfall forecast for the next 8 days

The forecast for the next eight days indicates that little to no rainfall is expected across most of mainland Australia. A low pressure trough may bring showers to Tasmania and parts of eastern South Australia, Victoria and southern New South Wales.

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 1 to 8 June 2017
2. Water

2.1. Water availability

Water storage levels in the Murray–Darling Basin (MDB) increased during the week ending 1 June 2017 by 70 gigalitres (GL) to 15,351 GL and are at 68 per cent of total capacity. This is 36 percentage points or 8,165 GL more than at the same time last year.

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

Changes in regional water storage for May 2017 and the previous 12 months are summarised in the table and graph below (current at 1 June 2017).

<table>
<thead>
<tr>
<th>Region</th>
<th>Total capacity (GL)</th>
<th>Current volume (GL)</th>
<th>Current volume (%)</th>
<th>Monthly change (GL)</th>
<th>Monthly change (%)</th>
<th>Annual change (GL)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Murray-Darling Basin (MDB)</td>
<td>22559</td>
<td>15351</td>
<td>68</td>
<td>20</td>
<td>0</td>
<td>8165</td>
</tr>
<tr>
<td>Murray-Darling Basin Authority (MDBA)</td>
<td>9352</td>
<td>5892</td>
<td>60</td>
<td>175</td>
<td>2</td>
<td>3317</td>
</tr>
<tr>
<td>Queensland MDB</td>
<td>186</td>
<td>171</td>
<td>92</td>
<td>-7</td>
<td>-4</td>
<td>71</td>
</tr>
<tr>
<td>Central Queensland</td>
<td>3154</td>
<td>2843</td>
<td>90</td>
<td>51</td>
<td>2</td>
<td>241</td>
</tr>
<tr>
<td>South-east Queensland</td>
<td>3517</td>
<td>2372</td>
<td>68</td>
<td>-25</td>
<td>-1</td>
<td>150</td>
</tr>
<tr>
<td>New South Wales MDB</td>
<td>13884</td>
<td>9045</td>
<td>65</td>
<td>254</td>
<td>2</td>
<td>5265</td>
</tr>
<tr>
<td>Coastal New South Wales</td>
<td>1074</td>
<td>938</td>
<td>87</td>
<td>-15</td>
<td>-1</td>
<td>49</td>
</tr>
<tr>
<td>Victoria MDB</td>
<td>8488</td>
<td>6136</td>
<td>72</td>
<td>-15</td>
<td>0</td>
<td>2829</td>
</tr>
</tbody>
</table>

Water storages in the Murray–Darling Basin by state (NSW, Victoria and Queensland)
### 2.3. Water markets

Allocation prices in the southern Murray-Darling Basin remained low in the week up to 1 June 2017 in most systems. Average prices across the whole southern system fell to $16.49. This is a decrease of $3.19 or 16 per cent from the same time last week. This contrasts with an average price of $22.74 in May across the whole southern MDB.

Victorian trade closed 30 May 2017. Online services will resume Monday 10 July 2017 for the 2017/18 water year.

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

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 1 June 2017.

#### Allocation trade prices, southern Murray-Darling Basin (price per ML)

<table>
<thead>
<tr>
<th></th>
<th>Southern MDB</th>
<th>Goulburn</th>
<th>South Australia</th>
<th>Murrumbidgee</th>
<th>Victoria Murray</th>
<th>NSW Murray</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current week: 26/05/17 - 01/06/17</td>
<td>$16.49</td>
<td>$25.20</td>
<td>$25.39</td>
<td>$4.74</td>
<td>$25.43</td>
<td>$16.71</td>
</tr>
<tr>
<td>Last week: 19/05/17 - 25/05/17</td>
<td>$19.68</td>
<td>$23.47</td>
<td>$26.29</td>
<td>$5.07</td>
<td>$25.42</td>
<td>$18.94</td>
</tr>
<tr>
<td>May 2017</td>
<td>$22.74</td>
<td>$28.02</td>
<td>$29.95</td>
<td>$5.51</td>
<td>$27.73</td>
<td>$23.74</td>
</tr>
<tr>
<td>May 2016</td>
<td>$233.65</td>
<td>$251.07</td>
<td>$253.97</td>
<td>$190.14</td>
<td>$249.59</td>
<td>$220.62</td>
</tr>
</tbody>
</table>
3. Commodities

3.1. Market focus

Goat prices
The Eastern States goat indicator price has reached a new high in May, averaging 657 cents a kilogram. This is a 7 per cent price increase on January 2017 and a 20 per cent increase on May last year. This reflects strong demand in Australian’s largest goat meat export market, the United States. Between July 2016 and April 2017 goat meat exports to the United States were 940 tonnes higher than for the same period in 2015–16.

Indonesian beef prices
Retail beef prices in Indonesia have averaged around 114,452 Rupiah a kilogram in the 11 months leading up to Ramadan in 2016–17, 4 per cent higher than the same period of 2015–16. In the first week of Ramadan 2016–17, Indonesian beef prices increased to an average of 116,224 cents a kilogram. This is less than 1 per cent above the 115,283 Rupiah a kilogram averaged during Ramadan in 2015–16.

Sugar prices
World sugar prices averaged US15.2 cents a pound in the week ending 31 May 2017, 6 per cent lower than the previous week. This reflects a sharp increase in Brazilian sugar production. In the fortnight to 16 May 2017 sugar production in Brazil’s South-Central region (which produces around 90 per cent of the country’s sugar), reached 3.9 million tonnes, more than double the previous fortnight.

Source: Indonesian Ministry of Trade – national price table
<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>31-May</td>
<td>US$/A$</td>
<td>0.74</td>
<td>0.75</td>
<td>-1%</td>
<td>0.72</td>
<td>3%</td>
</tr>
<tr>
<td>Wheat – US no. 2 hard red winter wheat, fob Gulf</td>
<td>30-May</td>
<td>US$/t</td>
<td>202</td>
<td>200</td>
<td>1%</td>
<td>197</td>
<td>3%</td>
</tr>
<tr>
<td>Coarse Grains – US no. 2 yellow corn, fob Gulf</td>
<td>31-May</td>
<td>US$/t</td>
<td>159</td>
<td>160</td>
<td>&lt;1%</td>
<td>174</td>
<td>-9%</td>
</tr>
<tr>
<td>Canola – Rapeseed, Europe, fob Hamburg</td>
<td>30-May</td>
<td>US$/t</td>
<td>424</td>
<td>431</td>
<td>-2%</td>
<td>420</td>
<td>&lt;1%</td>
</tr>
<tr>
<td>Cotton – Cotlook 'A' Index</td>
<td>31-May</td>
<td>USc/lb</td>
<td>87.2</td>
<td>88.5</td>
<td>-1%</td>
<td>72.5</td>
<td>20%</td>
</tr>
<tr>
<td>Sugar – Intercontinental Exchange, nearby futures, no.11 contract</td>
<td>31-May</td>
<td>USc/lb</td>
<td>15.2</td>
<td>16.1</td>
<td>-6%</td>
<td>17.5</td>
<td>-13%</td>
</tr>
<tr>
<td>Wool – Eastern Market Indicator</td>
<td>25-May</td>
<td>Ac/kg clean</td>
<td>1,495</td>
<td>1,522</td>
<td>-2%</td>
<td>1,297</td>
<td>15%</td>
</tr>
<tr>
<td>Wool – Western Market Indicator</td>
<td>26-May</td>
<td>Ac/kg clean</td>
<td>1,520</td>
<td>1,535</td>
<td>&lt;1%</td>
<td>1,375</td>
<td>11%</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>30-May</td>
<td>AS/t</td>
<td>198</td>
<td>194</td>
<td>2%</td>
<td>256</td>
<td>-23%</td>
</tr>
<tr>
<td>Feed Wheat – General purpose, Sydney, NSW</td>
<td>31-May</td>
<td>AS/t</td>
<td>235</td>
<td>235</td>
<td>0%</td>
<td>265</td>
<td>-11%</td>
</tr>
<tr>
<td>Feed Barley – Sydney, NSW</td>
<td>25-May</td>
<td>AS/t</td>
<td>214</td>
<td>211</td>
<td>1%</td>
<td>229</td>
<td>-7%</td>
</tr>
<tr>
<td>Canola – Portland, Vic.</td>
<td>29-May</td>
<td>AS/t</td>
<td>510</td>
<td>520</td>
<td>-2%</td>
<td>550</td>
<td>-7%</td>
</tr>
<tr>
<td>Grain Sorghum – Sydney, NSW</td>
<td>31-May</td>
<td>AS/t</td>
<td>272</td>
<td>270</td>
<td>&lt;1%</td>
<td>253</td>
<td>8%</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>25-May</td>
<td>Ac/kg cwt</td>
<td>652</td>
<td>650</td>
<td>&lt;1%</td>
<td>570</td>
<td>14%</td>
</tr>
<tr>
<td>Mutton – Mutton indicator (18–24 kg fat score 2–3), Vic</td>
<td>26-May</td>
<td>Ac/kg cwt</td>
<td>550</td>
<td>544</td>
<td>1%</td>
<td>361</td>
<td>52%</td>
</tr>
<tr>
<td>Lamb – Eastern States Trade Lamb Indicator</td>
<td>25-May</td>
<td>Ac/kg cwt</td>
<td>663</td>
<td>651</td>
<td>2%</td>
<td>586</td>
<td>13%</td>
</tr>
<tr>
<td>Pig – Eastern Seaboard (60.1–75 kg), average of buyers &amp; sellers</td>
<td>19-May</td>
<td>Ac/kg cwt</td>
<td>297</td>
<td>302</td>
<td>-2%</td>
<td>385</td>
<td>-23%</td>
</tr>
<tr>
<td>Goat – Eastern States (12.1–16 kg)</td>
<td>29-May</td>
<td>Ac/kg cwt</td>
<td>656</td>
<td>656</td>
<td>0%</td>
<td>550</td>
<td>19%</td>
</tr>
<tr>
<td>Live cattle – Light steers ex Darwin to Indonesia</td>
<td>20-May</td>
<td>Ac/kg lwt</td>
<td>320</td>
<td>320</td>
<td>0%</td>
<td>280</td>
<td>14%</td>
</tr>
<tr>
<td>Live sheep – Live wether (Muchea WA saleyard) to Middle East</td>
<td>22-May</td>
<td>$/head</td>
<td>108</td>
<td>116</td>
<td>-7%</td>
<td>108</td>
<td>na</td>
</tr>
</tbody>
</table>


<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>Global Dairy Trade (GDT) weighted average prices&lt;sup&gt;a&lt;/sup&gt;</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dairy – Whole milk powder</td>
<td>16-May</td>
<td>US$/t</td>
<td>3,312</td>
<td>3,233</td>
<td>2%</td>
<td>2,252</td>
<td>47%</td>
</tr>
<tr>
<td>Dairy – Skim milk powder</td>
<td>16-May</td>
<td>US$/t</td>
<td>1,998</td>
<td>1,982</td>
<td>&lt;1%</td>
<td>1,658</td>
<td>21%</td>
</tr>
<tr>
<td>Dairy – Cheddar cheese</td>
<td>16-May</td>
<td>US$/t</td>
<td>3,726</td>
<td>3,666</td>
<td>2%</td>
<td>2,693</td>
<td>38%</td>
</tr>
<tr>
<td>Dairy – Anhydrous milk fat</td>
<td>16-May</td>
<td>US$/t</td>
<td>6,631</td>
<td>6,185</td>
<td>7%</td>
<td>3,340</td>
<td>99%</td>
</tr>
</tbody>
</table>

<sup>a</sup> 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 30 May 2017

- **World coarse grains indicator price**
  - US corn No. 2, fob Gulf
  - Week ended 31 May 2017

- **World canola indicator price**
  - Europe fob Hamburg
  - Week ended 30 May 2017

- **World cotton indicator price**
  - Cotlook 'A' index
  - Week ended 31 May 2017
3.3. Global Dairy Trade (GDT) weighted average prices

- **Whole milk powder price**
  - 16 May 2017
  - Graph showing price trends from January to December 2015, 2016, 2017.

- **Skim milk powder price**
  - 16 May 2017
  - Graph showing price trends from January to December 2015, 2016, 2017.

- **Cheddar cheese price**
  - 16 May 2017
  - Graph showing price trends from January to December 2015, 2016, 2017.

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

Grain sorghum indicator price
Sydney, NSW
Week ended 31 May 2017

Feed barley indicator price
Sydney, NSW
Week ended 25 May 2017

Feed wheat indicator price
General Purpose, Sydney, NSW
Week ended 31 May 2017

Milling wheat indicator price
ASW1, track quote, Port Adelaide, SA
Week ended 30 May 2017
Canola indicator price
Portland, Victoria
Week ended 29 May 2017
3.5. Selected domestic livestock indicator prices

Eastern Young Cattle Indicator
Week ended 25 May 2017

Eastern States Trade Lamb Indicator
Week ended 25 May 2017

Mutton indicator price in Victoria
(18–24 kg fat score 2–3)
Week ended 26 May 2017

Pig indicator price Eastern Seaboard
(60.1–75 kg)
Week ended 19 May 2017
3.6. Movements in selected fruit and vegetable prices – week ended 27 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
- 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