Summary of key issues

- During the week ending 28 June 2017 rainfall totals exceeding 25 millimetres were recorded in south-western and central Western Australia, northern South Australia, north-eastern Queensland and western Tasmania.

- For the week ending 27 June 2017 maximum temperatures were between 2°C and 6°C above average across northern, central and north-eastern parts of the country. Minimum temperatures were above average (2°C to 4°C) in western and central Australia and below average (2°C to 6°C) in south-eastern Australia.

- The rainfall outlook for July to September 2017 indicates that below average rainfall is more likely in south-western and south-eastern Australia. The remainder of the country has roughly equal chances of above or below average rainfall during this period.

- The forecast for the next eight days indicates that rainfall totals between 10 and 50 millimetres are expected in south-eastern and north-eastern Queensland, and north-eastern and alpine regions of New South Wales. Similar totals are forecast for southern coastal and alpine areas of Victoria, coastal South Australia, south-western Western Australia and western Tasmania.

- Water storage levels in the Murray–Darling Basin (MDB) decreased by 26 gigalitres (GL) during the week ending 29 June 2017 to 15,540 GL and are at 69 per cent of total capacity.

- Allocation prices in the southern Murray-Darling Basin increased in the week up to 29 June 2017. Average prices across the whole southern system increased to $47.42.

- WaterNSW has made the unusual step of reopening trade in the NSW Murray. This reflects a recent review of regulations which, unlike previous years, does not prohibit trade beyond 31 May.

- The World Sugar indicator price fell by 5 per cent in the week ending 28 June 2017, reflecting increased production in Brazil.

- The Australian Pig indicator price fell marginally in the week ending 16 June 2017 and is 24 per cent lower year on year, as a result of increased supply.

- Flooding and crop damage resulting from ex-tropical cyclone Debbie has driven the tomato (gourmet) price index up markedly higher in May and June 2017.
1. Climate

1.1. Rainfall this week

During the week ending 28 June 2017 widespread rainfall was recorded across south-western and central Western Australia, with totals exceeding 25 millimetres. A middle level trough and associated cloud band brought similar totals to northern pastoral areas in South Australia. Rainfall totals exceeded 25 millimetres in parts of north-eastern Queensland and exceeded 50 millimetres in western Tasmania. The highest recorded weekly total was 137 millimetres at Wilgarra, near Perth in Western Australia.

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 28 June 2017
1.2. Temperature anomalies this week

During the week ending 27 June 2017 maximum temperatures were between 2°C and 4°C above average across much of northern, central and eastern parts of the country, with areas between 4°C and 6°C above average in central Queensland and central parts of the Northern Territory. Maximum temperatures were close to average across the rest of the country. Minimum temperatures were above average (2°C to 4°C) in parts of central Western Australia, northern South Australia and western Queensland. Minimum temperatures were below average (2°C to 6°C) in eastern parts of Queensland, southern New South Wales, and eastern South Australia. Minimum temperatures were close to average for the remainder of Australia.

Maximum temperature anomalies for the week ending 27 June 2017

Minimum temperature anomalies for the week ending 27 June 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. National Climate Outlook to the end of September

The rainfall and temperature outlooks presented below show the likelihood, represented as a percentage, of experiencing wetter or drier (and warmer or cooler) than median climatic conditions for the given outlook periods. Climate outlooks are generated by the Predictive Climate Ocean Atmosphere Model for Australia (POAMA), a dynamical (physics-based) climate model developed by the Bureau of Meteorology and CSIRO Marine and Atmospheric research division.

For further information, go to http://www.bom.gov.au/climate/ahead/about/

The outlook is being influenced by anticipated higher than average mean sea level pressure over southern Australia, a southward shift of the sub-tropical ridge over Australia, and a forecast positive Southern Annular Mode (SAM). These influences are likely to keep rain-bearing frontal systems and low pressure systems further south than is typical for this time of year, reducing cloudiness over land.

The El Niño–Southern Oscillation (ENSO) remains neutral and all international climate models suggest ENSO neutral conditions for the remainder of 2017. The Indian Ocean Dipole (IOD) also remains neutral. Half of the international climate models surveyed by the Bureau of Meteorology suggest a positive IOD remains possible—typically bringing drier weather to southern and central Australia.

Rainfall during July 2017 is more likely to be below average in parts of eastern Australia and south-western Australia. Parts of northern Australia and eastern Tasmania have higher chances of exceeding the median rainfall. The remainder of the country has roughly equal chances of a wetter or drier than average July (Bureau of Meteorology ‘National Climate Outlook’, 29 June 2017).

Chance of exceeding the median rainfall July 2017
The rainfall outlook for July to September 2017 indicates that below average rainfall is more likely in south-western and south-eastern Australia. The remainder of the country has roughly equal chances of above or below average rainfall during this period (Bureau of Meteorology ‘National Climate Outlook’, 29 June 2017).

**Chance of exceeding the median rainfall July to September 2017**
The temperature outlook for July to September 2017 indicates an increased chance of above average maximum temperatures for most of Australia, except for south-eastern Western Australia and central South Australia where chances are roughly equal of above or below average maximum temperatures.

Minimum temperatures are more likely to be above average for much of Australia, except for eastern parts of Western Australia, north-western and south-eastern South Australia, and western Victoria, where there are equal chances of above or below median minimum temperature (Bureau of Meteorology ‘National Climate Outlook’, 29 June 2017).

**Chance of exceeding the median maximum temperature July to September 2017**

![Temperature Map](image1)

**Chance of exceeding the median minimum temperature July to September 2017**

![Temperature Map](image2)
1.4. Rainfall forecast for the next 8 days

The forecast for the next eight days indicates that widespread rainfall is expected across much of eastern and southern Australia. Totals between 10 and 50 millimetres are expected in south-eastern and north-eastern Queensland, and north-eastern and alpine regions of New South Wales. Similar totals are forecast for southern coastal and alpine areas of Victoria, coastal South Australia, south-western Western Australia and western 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 29 June to 6 July 2017
2. Water

2.1. Water availability

Water storage levels in the Murray–Darling Basin (MDB) decreased during the week ending 29 June 2017 by 26 gigalitres (GL) to 15,540 GL and are at 69 per cent of total capacity. This is 30 percentage points or 6,785 GL more than at the same time last year.

Information on irrigation water available in the Murray–Darling Basin from 1 January 2001 to 29 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 markets

Allocation prices in the southern Murray-Darling Basin increased in the week up to 29 June 2017. Average prices across the whole southern system increased to $47.42. This is an increase of $5.10 or 12 per cent from the same time last week. This contrasts with an average price of $22.68 in May across the whole southern MDB and $31.93 in April.

WaterNSW has made the unusual step of reopening trade in the NSW Murray. This reflects a review of regulations which, unlike previous years, does not prohibit trade beyond 31 May.

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 29 June 2017.

<table>
<thead>
<tr>
<th>Allocation trade prices, southern Murray-Darling Basin (price per ML)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Southern MDB</strong></td>
</tr>
<tr>
<td>Current week: 23/06/17 - 29/06/17</td>
</tr>
<tr>
<td>Last week: 16/06/17 - 22/06/17</td>
</tr>
<tr>
<td>May 2017</td>
</tr>
<tr>
<td>May 2016</td>
</tr>
</tbody>
</table>
3. Commodities

3.1. Market focus

Sugar

Increased sugar supplies from Brazil have resulted in world sugar prices falling in the week ending 28 June 2017 by 5 per cent to average US$12.7 cents a pound. According to the Brazil Sugar Industry Association, sugar production in the Brazil South-Central region (which produces around 90 per cent of the country’s sugar) rose by 42 per cent in the fortnight to 16 June 2017 to around 8.1 million tonnes, compared with the fortnight to 1 June 2017.

Pigs

The eastern seaboard indicator price for pigs fell marginally in the week ending 16 June 2017 to average 288 cents a kilogram (carcase weight). This is 24 per cent lower than the same week in the previous year and reflects increased supplies of pigs for slaughter in Australia. National Livestock Reporting Service (NLRS) data shows pig slaughter for the fiscal year to date (16 June 2017) is 5 per cent higher than in the previous year. Pig meat imports have also increase in 2016–17, up 3 per cent year-on-year for the July 2016 to April 2017 period.

Cumulative pig slaughter and pig meat imports, Australia, fiscal years 2014–15 to 2016–17

Sources: Meat & Livestock Australia data library; ABS Cat. No. 5368.0 - International Trade in Goods and Services, Australia
**Tomatoes**

The Melbourne wholesale price index of gourmet tomatoes across May and June 2017 averaged twice as high as the same period last year. The high price of tomatoes follows ex-tropical cyclone Debbie. Significant flooding and crop damage across Bowen in early April as a result of the cyclone resulted in widespread crop losses and disruptions to the growing season. Bowen is a key region for tomato and other winter vegetable production in Australia and accounted for approximately 19 per cent of Australian fresh tomato production in 2014–15.

**Wholesale price index for Gourmet Tomatoes, Melbourne 2015–16 and 2016–17**

Source: Data Fresh, Ausmarket Consultants
<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>28-Jun</td>
<td>US$/A$</td>
<td>0.76</td>
<td>0.76</td>
<td>0% ⬇</td>
<td>0.74</td>
<td>3% ⬆</td>
</tr>
<tr>
<td>Wheat – US no. 2 hard red winter wheat, fob Gulf</td>
<td>27-Jun</td>
<td>US$/t</td>
<td>236</td>
<td>236</td>
<td>0% ⬆</td>
<td>189</td>
<td>25% ⬆</td>
</tr>
<tr>
<td>Coarse Grains – US no. 2 yellow corn, fob Gulf</td>
<td>28-Jun</td>
<td>US$/t</td>
<td>154</td>
<td>161</td>
<td>-4% ⬇</td>
<td>174</td>
<td>-11% ⬇</td>
</tr>
<tr>
<td>Canola – Rapeseed, Europe, fob Hamburg</td>
<td>27-Jun</td>
<td>US$/t</td>
<td>403</td>
<td>403</td>
<td>0% ⬆</td>
<td>394</td>
<td>2% ⬆</td>
</tr>
<tr>
<td>Cotton – Cotlook 'A' Index</td>
<td>28-Jun</td>
<td>USc/lb</td>
<td>83.0</td>
<td>83.5</td>
<td>-1% ⬇</td>
<td>75.1</td>
<td>11% ⬆</td>
</tr>
<tr>
<td>Sugar – Intercontinental Exchange, nearby futures, no.11 contract</td>
<td>28-Jun</td>
<td>USc/lb</td>
<td>12.7</td>
<td>13.4</td>
<td>-5% ⬇</td>
<td>19.6</td>
<td>-35% ⬇</td>
</tr>
<tr>
<td>Wool – Eastern Market Indicator</td>
<td>22-Jun</td>
<td>Ac/kg clean</td>
<td>1,533</td>
<td>1,506</td>
<td>2% ⬆</td>
<td>1,285</td>
<td>19% ⬆</td>
</tr>
<tr>
<td>Wool – Western Market Indicator</td>
<td>16-Jun</td>
<td>Ac/kg clean</td>
<td>1,567</td>
<td>1,504</td>
<td>4% ⬆</td>
<td>1,370</td>
<td>14% ⬆</td>
</tr>
<tr>
<td><strong>Selected domestic crop indicator prices</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Milling Wheat – ASW1, track quote, Port Adelaide, SA</td>
<td>27-Jun</td>
<td>A$/t</td>
<td>237</td>
<td>225</td>
<td>5% ⬆</td>
<td>251</td>
<td>-6% ⬇</td>
</tr>
<tr>
<td>Feed Wheat – General purpose, Sydney, NSW</td>
<td>21-Jun</td>
<td>A$/t</td>
<td>250</td>
<td>240</td>
<td>4% ⬆</td>
<td>275</td>
<td>-9% ⬇</td>
</tr>
<tr>
<td>Feed Barley – Sydney, NSW</td>
<td>21-Jun</td>
<td>A$/t</td>
<td>231</td>
<td>226</td>
<td>2% ⬆</td>
<td>231</td>
<td>0% ⬆</td>
</tr>
<tr>
<td>Canola – Portland, Vic.</td>
<td>19-Jun</td>
<td>A$/t</td>
<td>507</td>
<td>503</td>
<td>&lt;1% ⬆</td>
<td>520</td>
<td>-3% ⬇</td>
</tr>
<tr>
<td>Grain Sorghum – Sydney, NSW</td>
<td>21-Jun</td>
<td>A$/t</td>
<td>279</td>
<td>279</td>
<td>0% ⬆</td>
<td>256</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>22-Jun</td>
<td>Ac/kg cwt</td>
<td>633</td>
<td>643</td>
<td>-2% ⬇</td>
<td>619</td>
<td>2% ⬆</td>
</tr>
<tr>
<td>Mutton – Mutton indicator (18–24 kg fat score 2–3), Vic</td>
<td>23-Jun</td>
<td>Ac/kg cwt</td>
<td>523</td>
<td>533</td>
<td>-2% ⬇</td>
<td>420</td>
<td>25% ⬆</td>
</tr>
<tr>
<td>Lamb – Eastern States Trade Lamb Indicator</td>
<td>22-Jun</td>
<td>Ac/kg cwt</td>
<td>650</td>
<td>666</td>
<td>-2% ⬇</td>
<td>627</td>
<td>4% ⬆</td>
</tr>
<tr>
<td>Pig – Eastern Seaboard (60.1–75 kg), average of buyers &amp; sellers</td>
<td>16-Jun</td>
<td>Ac/kg cwt</td>
<td>288</td>
<td>289</td>
<td>&lt;1% ⬇</td>
<td>379</td>
<td>-24% ⬇</td>
</tr>
<tr>
<td>Goat – Eastern States (12.1–16 kg)</td>
<td>26-Jun</td>
<td>Ac/kg cwt</td>
<td>657</td>
<td>660</td>
<td>&lt;1% ⬇</td>
<td>563</td>
<td>17% ⬆</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>19-Jun</td>
<td>$/head</td>
<td>93</td>
<td>123</td>
<td>-24% ⬇</td>
<td>105</td>
<td>-11% ⬇</td>
</tr>
</tbody>
</table>

Note: Price week prior for Wool – Western Market Indicator refers to week ending 5 June 2017 and Price 12 months prior refers to week ending 3 June 2016. Price week prior for Canola – Portland, Vic. refers to week ending 2 June 2017. Price week prior for Live sheep – Live wether (Muchea WA saleyard) to Middle East refers to week ending 5 June 2017 and Price 12 months prior refers to week ending 3 June 2016.
<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>Dairy – Whole milk powder</td>
<td>20-Jun</td>
<td>US$/t</td>
<td>3,022</td>
<td>3,143</td>
<td>-4% ↓</td>
<td>2,118</td>
<td>43% ↑</td>
</tr>
<tr>
<td>Dairy – Skim milk powder</td>
<td>20-Jun</td>
<td>US$/t</td>
<td>2,218</td>
<td>2,156</td>
<td>3% ↑</td>
<td>1,901</td>
<td>17% ↑</td>
</tr>
<tr>
<td>Dairy – Cheddar cheese</td>
<td>20-Jun</td>
<td>US$/t</td>
<td>4,121</td>
<td>4,285</td>
<td>-4% ↓</td>
<td>2,882</td>
<td>43% ↑</td>
</tr>
<tr>
<td>Dairy – Anhydrous milk fat</td>
<td>20-Jun</td>
<td>US$/t</td>
<td>6,885</td>
<td>6,631</td>
<td>4% ↑</td>
<td>3,619</td>
<td>90% ↑</td>
</tr>
</tbody>
</table>

*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 27 June 2017

**World coarse grains indicator price**
US corn No. 2, fob Gulf
Week ended 28 June 2017

**World canola indicator price**
Europe fob Hamburg
Week ended 27 June 2017

**World cotton indicator price**
Cotlook 'A' index
Week ended 28 June 2017
3.3. Global Dairy Trade (GDT) weighted average prices

- Whole milk powder price
  - 20 June 2017

- Skim milk powder price
  - 20 June 2017

- Cheddar cheese price
  - 20 June 2017

- Anhydrous milk fat price
  - 20 June 2017
3.4. Selected domestic crop indicator prices

Grain sorghum indicator price
Sydney, NSW
Week ended 21 June 2017

Feed barley indicator price
Sydney, NSW
Week ended 21 June 2017

Feed wheat indicator price
General Purpose, Sydney, NSW
Week ended 21 June 2017

Milling wheat indicator price
ASW1, track quote, Port Adelaide, SA
Week ended 27 June 2017
3.5. Selected domestic livestock indicator prices

- **Eastern Young Cattle Indicator**
  - Week ended 22 June 2017

- **Mutton indicator price in Victoria**
  - (18–24 kg fat score 2–3)
  - Week ended 23 June 2017

- **Eastern States Trade Lamb Indicator**
  - Week ended 22 June 2017

- **Pig indicator price Eastern Seaboard**
  - (60.1–75 kg)
  - Week ended 16 June 2017
3.6. Movements in selected fruit and vegetable prices – week ended 24 June 2017
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