Summary of key issues

- During the week ending 26 July 2017 little to no rainfall was recorded across most of mainland Australia. Totals between 5 and 50 millimetres were recorded in south-eastern South Australia, much of Victoria, alpine regions of New South Wales, and isolated parts of coastal Queensland. Rainfall totals up to 100 millimetres were recorded in south-western Western Australia and Tasmania.

- For the week ending 25 July 2017 maximum temperatures were between 2°C and 4°C above average over most of mainland Australia. Minimum temperatures were generally close to average for most of the country.

- The rainfall outlook for August to October 2017 indicates that below average rainfall is more likely for most of southern and western mainland Australia. The remainder of the country has roughly equal chances of above or below average rainfall during this period.

- Widespread rainfall is forecast for southern Australia during the next eight days. Rainfall totals between 5 and 50 millimetres are expected in south-western Western Australia, southern and eastern South Australia, New South Wales, Victoria and Tasmania.

- Water storage levels in the Murray–Darling Basin (MDB) increased during the week ending 27 July 2017 by 60 gigalitres (GL) to 15,762 GL and are at 70 per cent of total capacity. This is 18 percentage points or 4,038 GL more than at the same time last year.

- Average allocation prices across the whole southern system the increased to $116. This is an increase of $15 or 15 per cent from the same time last week.

- The domestic sorghum price exceeds the $300 a tonne level for the first time since late 2015.

- The domestic goat indicator price fell 5 per cent while slaughter has more than doubled year on year.
1. Climate

1.1. Rainfall this week

During the week ending 26 July 2017 little to no rainfall was recorded across most of mainland Australia. Totals between 5 and 50 millimetres were recorded in south-eastern South Australia, much of Victoria, alpine regions of New South Wales, and isolated parts of coastal Queensland. Rainfall totals between 5 and 100 millimetres were recorded in south-western Western Australia and Tasmania. The highest recorded weekly total was 202 millimetres at Queenstown, 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.

For further information go to http://www.bom.gov.au/climate/rainfall/

Rainfall for the week ending 26 July 2017
1.2. Temperature anomalies this week

During the week ending 25 July 2017 maximum temperatures were generally between 2°C and 4°C above average over most of mainland Australia. Parts of Western Australia, South Australia and southern parts of the Northern Territory recorded maximum temperatures between 4°C and 8°C above average. Minimum temperatures were generally close to average for most of the country. However, isolated parts of most states and territories, except Victoria, Tasmania and the Australian Capital Territory recorded minimum temperatures between 2°C and 4°C below average. Minimum temperatures were between 2°C and 4°C above average in south-western and central Western Australia, around the Gulf of Carpentaria and the Cape York Peninsula.

Maximum temperature anomalies for the week ending 25 July 2017

Minimum temperature anomalies for the week ending 25 July 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 the average over the 1961 to 1990 reference period. For further information go to: http://www.bom.gov.au/jsp/awap/temp/index.jsp.
1.3. National Climate Outlook to the end of October

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 current climate outlook is more likely to be affected by localised influences, such as moderate shifts in the location and strength of the sub-tropical ridge and local sea surface temperatures. This is because there is likely to be little influence from major climate drivers, such as the El Niño–Southern Oscillation (ENSO) and the Indian Ocean Dipole (IOD), which are both at neutral levels. Decreased westerly flow is also forecast over southern and south-eastern Australia, which suggests potentially less rain-bearing frontal systems for inland areas. Besides natural climate drivers such as ENSO and IOD, Australian climate patterns are also being influenced by long-term trends of increasing global air and ocean temperatures.

There is strong consensus amongst climate model that neutral ENSO levels will continue for the remainder of 2017. ENSO forecasts typically have high accuracy at this time of year.

Rainfall during August 2017 is more likely to be below average across the southern half of mainland Australia. Parts of southern New South Wales have the highest chances of receiving below average rainfall. The remainder of mainland Australia has roughly equal chances of a wetter or drier than average August. Rainfall is likely to exceed the median in Tasmania during August 2017 (Bureau of Meteorology ‘National Climate Outlook’, 27 July 2017).

**Chance of exceeding the median rainfall August 2017**
The rainfall outlook for August to October 2017 indicates that rainfall is more likely to be below average in western, southern and south-eastern Australia. The remainder of the country has roughly equal chances of receiving above or below average rainfall during this period (Bureau of Meteorology ‘National Climate Outlook’, 27 July 2017).

**Chance of exceeding the median rainfall August to October 2017**
The temperature outlook for August to October 2017 indicates that maximum temperatures are more likely to be above average for most of Australia, with highest chances of above average maximum temperatures in northern and south-eastern Australia.

Minimum temperatures are more likely to be above average for most of Australia, except in north-western Western Australia, where there are equal chances of above or below median minimum temperatures (Bureau of Meteorology ‘National Climate Outlook’, 27 July 2017).

**Chance of exceeding the median maximum temperature August to October 2017**

![Map of Australia showing chance of exceeding the median maximum temperature August to October 2017](http://www.bom.gov.au/climate)

**Chance of exceeding the median minimum temperature August to October 2017**

![Map of Australia showing chance of exceeding the median minimum temperature August to October 2017](http://www.bom.gov.au/climate)
1.4. Rainfall forecast for the next eight days

Widespread rainfall is forecast for southern Australia during the next eight days. Rainfall totals between 5 and 50 millimetres are expected in south-western Western Australia, southern and eastern South Australia and most of New South Wales. Similar totals are forecast for Victoria and Tasmania. Little to no rainfall is forecast for the remainder of Australia.

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 27 July to 3 August 2017
2. Water

2.1. Water availability

Water storage levels in the Murray–Darling Basin (MDB) increased during the week ending 27 July 2017 by 60 gigalitres (GL) to 15,762 GL and are at 70 per cent of total capacity. This is 18 percentage points or 4,038 GL more than at the same time last year.

Information on irrigation water available in the Murray–Darling Basin from 1 January 2001 to 27 July 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 continued to rise in the week up to 27 July 2017 in most systems. Average prices across the whole southern system the increased to $116. This is an increase of $15 or 15 per cent from the same time last week. This contrasts with an average price of $32 in June across the whole southern MDB.

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 27 July, 2017.

| Allocation trade prices, southern Murray–Darling Basin trade zones (price per ML) |
|-------------------------------|-----------------|----------------|----------------|-----------------|-----------------|-----------------|
|                               | Southern MDB    | Victoria Goulburn | SA Murray | NSW Murrumbidgee | Victoria Murray | NSW Murray |
| Current week: 21/07/17 – 27/07/17 | $115.94         | $107.43            | NA*                        | $116.42     | $114.46     | $120.11     |
| Last week: 14/07/17 – 20/07/17 | $101.00         | $68.88             | $120.00                        | $100.40     | $119.39     | $110.00     |
| June 2017                      | $32.27          | $40.87             | $38.41                        | $4.82       | $41.27      | $15.03      |
| June 2016                      | $158.80         | $196.40            | $195.36                        | $35.83      | $187.52     | $188.79     |

* South Australian water allocation trade was unavailable at the time of preparation.
3. Commodities

3.1. Market focus

Goat price
The Eastern states over the hooks weekly goat price declined 36 cents (5 per cent) to 647 cents a kilogram in the week ending 24 July 2017. Despite this fall, goat meat prices are still 13 per cent higher than at the same time last year. The recent price decline follows a 120 per cent year-on-year increase in slaughter numbers. Goat meat exports have also increased year-on-year reaching 1,144 tonnes in July 2017, 13 per cent higher than the same month in 2016.

Domestic cereals
The domestic sorghum indicator price rose 7 per cent to $304 a tonne in the week ending 19 July 2017—the first time the price has exceeded $300 a tonne since September 2015. This follows all domestic cereal indicator prices moving higher in 2017 as concerns over the dry conditions early in the season weigh on domestic crop prospects.

Figure 1 Domestic cereal prices, 2017 to July
<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>26-Jul</td>
<td>US$/A$</td>
<td>0.79</td>
<td>0.78</td>
<td>1% ↑</td>
<td>0.75</td>
<td>5% ↑</td>
</tr>
<tr>
<td>Wheat – US no. 2 hard red winter wheat, fob Gulf</td>
<td>25-Jul</td>
<td>US$/t</td>
<td>226</td>
<td>237</td>
<td>-5% ↓</td>
<td>189</td>
<td>20% ↑</td>
</tr>
<tr>
<td>Coarse Grains – US no. 2 yellow corn, fob Gulf</td>
<td>26-Jul</td>
<td>US$/t</td>
<td>156</td>
<td>157</td>
<td>&lt;1% ↓</td>
<td>161</td>
<td>-3% ↓</td>
</tr>
<tr>
<td>Canola – Rapeseed, Europe, fob Hamburg</td>
<td>25-Jul</td>
<td>US$/t</td>
<td>415</td>
<td>419</td>
<td>&lt;1% ↓</td>
<td>396</td>
<td>5% ↑</td>
</tr>
<tr>
<td>Cotton – Cotlook 'A' Index</td>
<td>26-Jul</td>
<td>USc/lb</td>
<td>84.7</td>
<td>83.2</td>
<td>2% ↑</td>
<td>84.0</td>
<td>&lt;1% ↑</td>
</tr>
<tr>
<td>Sugar – Intercontinental Exchange, nearby futures, no.11 contract</td>
<td>26-Jul</td>
<td>USc/lb</td>
<td>14.3</td>
<td>14.2</td>
<td>&lt;1% ↑</td>
<td>19.5</td>
<td>-27% ↓</td>
</tr>
<tr>
<td>Wool – Eastern Market Indicator</td>
<td>13-Jul</td>
<td>Ac/kg clean</td>
<td>1,522</td>
<td>1,524</td>
<td>&lt;1% ↓</td>
<td>1,311</td>
<td>16% ↑</td>
</tr>
<tr>
<td>Wool – Western Market Indicator</td>
<td>14-Jul</td>
<td>Ac/kg clean</td>
<td>1,570</td>
<td>1,561</td>
<td>&lt;1% ↑</td>
<td>1,423</td>
<td>10% ↑</td>
</tr>
<tr>
<td><strong>Selected domestic crop indicator prices</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Milling Wheat – ASW1, track quote, Port Adelaide, SA</td>
<td>25-Jul</td>
<td>A$/t</td>
<td>244</td>
<td>256</td>
<td>-5% ↓</td>
<td>232</td>
<td>5% ↑</td>
</tr>
<tr>
<td>Feed Wheat – General purpose, Sydney, NSW</td>
<td>19-Jul</td>
<td>A$/t</td>
<td>280</td>
<td>283</td>
<td>-1% ↓</td>
<td>251</td>
<td>12% ↑</td>
</tr>
<tr>
<td>Feed Barley – Sydney, NSW</td>
<td>19-Jul</td>
<td>A$/t</td>
<td>253</td>
<td>256</td>
<td>-1% ↓</td>
<td>203</td>
<td>25% ↑</td>
</tr>
<tr>
<td>Canola – Portland, Vic.</td>
<td>17-Jul</td>
<td>A$/t</td>
<td>510</td>
<td>518</td>
<td>-2% ↓</td>
<td>490</td>
<td>4% ↑</td>
</tr>
<tr>
<td>Grain Sorghum – Sydney, NSW</td>
<td>19-Jul</td>
<td>A$/t</td>
<td>304</td>
<td>284</td>
<td>7% ↑</td>
<td>229</td>
<td>33% ↑</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>20-Jul</td>
<td>Ac/kg cwt</td>
<td>595</td>
<td>598</td>
<td>&lt;1% ↓</td>
<td>656</td>
<td>-9% ↓</td>
</tr>
<tr>
<td>Mutton – Mutton indicator (18–24 kg fat score 2–3), Vic</td>
<td>21-Jul</td>
<td>Ac/kg cwt</td>
<td>470</td>
<td>432</td>
<td>9% ↑</td>
<td>408</td>
<td>15% ↑</td>
</tr>
<tr>
<td>Lamb – Eastern States Trade Lamb Indicator</td>
<td>20-Jul</td>
<td>Ac/kg cwt</td>
<td>628</td>
<td>605</td>
<td>4% ↑</td>
<td>609</td>
<td>3% ↑</td>
</tr>
<tr>
<td>Pig – Eastern Seaboard (60.1–75 kg), average of buyers &amp; sellers</td>
<td>14-Jul</td>
<td>Ac/kg cwt</td>
<td>275</td>
<td>279</td>
<td>-1% ↓</td>
<td>379</td>
<td>-27% ↓</td>
</tr>
<tr>
<td>Goat – Eastern States (12.1–16 kg)</td>
<td>24-Jul</td>
<td>Ac/kg cwt</td>
<td>647</td>
<td>683</td>
<td>-5% ↓</td>
<td>574</td>
<td>13% ↑</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>17-Jul</td>
<td>$/head</td>
<td>121</td>
<td>104</td>
<td>16% ↑</td>
<td>na</td>
<td>na</td>
</tr>
<tr>
<td>Indicator</td>
<td>Week ended</td>
<td>Unit</td>
<td>Latest price</td>
<td>Price week prior</td>
<td>Weekly change</td>
<td>Price 12 months prior</td>
<td>Year on year change</td>
</tr>
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<td>---------------------------------</td>
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</tr>
<tr>
<td>Global Dairy Trade (GDT) weighted average prices&lt;sup&gt;a&lt;/sup&gt;</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dairy – Whole milk powder</td>
<td>18-Jul</td>
<td>US$/t</td>
<td>3,114</td>
<td>3,111</td>
<td>&lt;1%</td>
<td>2,079</td>
<td>50%</td>
</tr>
<tr>
<td>Dairy – Skim milk powder</td>
<td>18-Jul</td>
<td>US$/t</td>
<td>2,024</td>
<td>2,090</td>
<td>-3%</td>
<td>1,927</td>
<td>5%</td>
</tr>
<tr>
<td>Dairy – Cheddar cheese</td>
<td>18-Jul</td>
<td>US$/t</td>
<td>4,112</td>
<td>4,051</td>
<td>2%</td>
<td>2,886</td>
<td>42%</td>
</tr>
<tr>
<td>Dairy – Anhydrous milk fat</td>
<td>18-Jul</td>
<td>US$/t</td>
<td>6,577</td>
<td>6,596</td>
<td>&lt;1%</td>
<td>3,628</td>
<td>81%</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 25 July 2017

- **World coarse grains indicator price**
  - US corn No. 2, fob Gulf
  - Week ended 26 July 2017

- **World canola indicator price**
  - Europe fob Hamburg
  - Week ended 25 July 2017

- **World cotton indicator price**
  - Cotlook 'A' index
  - Week ended 26 July 2017
3.3. Global Dairy Trade (GDT) weighted average prices

- **Whole milk powder price**
  - 18 July 2017
  - Price range: $1,500 - $4,000 per tonne

- **Skim milk powder price**
  - 18 July 2017
  - Price range: $2,000 - $3,500 per tonne

- **Cheddar cheese price**
  - 18 July 2017
  - Price range: $3,000 - $4,500 per tonne

- **Anhydrous milk fat price**
  - 18 July 2017
  - Price range: $5,000 - $8,000 per tonne
3.4. **Selected domestic crop indicator prices**

- **Grain sorghum indicator price**
  Sydney, NSW
  Week ended 19 July 2017

- **Feed barley indicator price**
  Sydney, NSW
  Week ended 19 July 2017

- **Feed wheat indicator price**
  General Purpose, Sydney, NSW
  Week ended 19 July 2017

- **Milling wheat indicator price**
  ASW1, track quote, Port Adelaide, SA
  Week ended 25 July 2017
3.5. Selected domestic livestock indicator prices

- **Eastern Young Cattle Indicator**
  Week ended 20 July 2017

- **Mutton indicator price in Victoria**
  (18–24 kg fat score 2–3)
  Week ended 21 July 2017

- **Eastern States Trade Lamb Indicator**
  Week ended 20 July 2017

- **Pig indicator price Eastern Seaboard**
  (60.1–75 kg)
  Week ended 14 July 2017
Goat indicator price Eastern States
(12.1–16 kg)
Week ended 24 July 2017

Live cattle indicator price
light steers ex Darwin
Week ended 20 May 2017

Live sheep indicator price
wether ex Western Australia
Week ended 17 July 2017
3.6. Movements in selected fruit and vegetable prices – week ended 22 July 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