Summary of key issues

- During the week ending 13 September 2017 rainfall was restricted to western and far southern parts of Australia, with little to no rainfall recorded across the rest of the country.

- For the week ending 12 September 2017 maximum temperatures were generally close to average across Australia. Minimum temperatures were below average across large parts of eastern, central and northern Australia and above average in Western Australia.

- The condition of crops at the start of spring varied significantly as a result of rainfall deficiencies during the 2017 winter. In central west New South Wales, crops were moisture stressed at the end of winter and early spring rainfall will be critical to the prospects of these crops. At the start of spring in the north-west cropping region in New South Wales, the south-west cropping region in Queensland and the northern cropping region in Western Australia, crops were generally in very poor condition and it is likely many will not be harvested.

- The mid-month climate outlook indicates roughly equal chances of a wetter or drier October to December 2017 period for Australia.

- For the next eight days, rainfall totals between 5 and 50 millimetres are forecast for the north-eastern coast of Queensland, far south-western Western Australia, southern and eastern Victoria, alpine regions of southern New South Wales, and western Tasmania.

- Most international climate models surveyed by the Bureau of Meteorology indicate that while further cooling of the tropical Pacific is likely, neutral El Niño–Southern Oscillation conditions are expected to continue during the remainder of 2017.

- Water storage levels in the Murray–Darling Basin (MDB) increased during the week ending 14 September 2017 by 148 gigalitres (GL) to 16,845 GL and are at 75 per cent of total capacity. This is 4 percentage points or 858 GL more than at the same time last year.

- The Victorian share of Hume Dam storage is full and hence water is being redistributed to allow for further allocations to Victorian entitlements. The deduction in carryover water held in spillable water accounts in Victoria will be announced tomorrow, 15 September 2017.

- Allocation prices in the southern Murray–Darling Basin declined in the week up to 14 September 2017 in most systems. Average prices across the whole southern system decreased slightly to $122 per megalitre. This is a decrease of $1.60 from the same time last week. This contrasts with an average price of $131 in August across the whole southern MDB.
1. Climate

1.1. Rainfall this week

During the week ending 13 September 2017 rainfall was restricted to western and far southern parts of Australia, while little to no rainfall was recorded across the rest of the country. Rainfall totals between 5 and 50 millimetres were recorded around the Gascoyne region and isolated parts of the South West and South Coastal regions in Western Australia. Similar totals were recorded in eastern South Australia, most of southern and eastern Victoria and isolated parts of south-eastern New South Wales. Rainfall totals exceeded 50 millimetres in western Tasmania, including the highest recorded weekly total of 130 millimetres at Mount Read.

Rainfall for the week ending 13 September 2017
1.2. Temperature anomalies this week

During the week ending 12 September 2017 maximum temperatures were generally close to average across Australia. The main exception was central Western Australia where temperatures were 2°C to 6°C above average. Minimum temperatures were below average (-2°C to -8°C) across large parts of eastern, central and northern Australia, and above average (2°C to 6°C) in Western Australia.

Maximum temperature anomalies for the week ending 12 September 2017

[Map showing temperature anomalies]

Minimum temperature anomalies for the week ending 12 September 2017

[Map showing temperature anomalies]
1.3. **Rainfall deficiencies**

At the three month timescale (June to August 2017) serious to severe rainfall deficiencies are present across large areas of New South Wales, parts of eastern Queensland, north-western Western Australia, southern South Australia, eastern Victoria, and eastern Tasmania (Bureau of Meteorology ‘Drought Statement’, 5 September 2017).

The condition of crops at the start of spring varied significantly as a result of rainfall deficiencies during the 2017 winter. In central west New South Wales, crops were moisture stressed at the end of winter and early spring rainfall will be critical to the prospects of these crops. At the start of spring in the north-west cropping region in New South Wales, the south-west cropping region in Queensland and the northern cropping region in Western Australia, crops were generally in very poor condition and it is likely many will not be harvested.
1.4. Mid-month National Climate Outlook

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/

With the Indian Ocean Dipole (IOD) and El Niño–Southern Oscillation (ENSO) neutral, climate influences include a slightly dry influence from the Indian Ocean which is being countered by a slightly wet influence from the Pacific.

Rainfall during October 2017 is more likely to be below average in the Pilbara and the surrounding area, but wetter than average in Tasmania. The remainder of mainland Australia has roughly equal chances of a wetter or drier than average October (Bureau of Meteorology ‘National Climate Outlook’, 14 September 2017).

Chance of exceeding the median rainfall October 2017
The rainfall outlook for October to December 2017 indicates that there are roughly equal chances of wetter or drier 3-months for Australia (Bureau of Meteorology ‘National Climate Outlook’, 14 September 2017).

**Chance of exceeding the median rainfall October to December 2017**
The temperature outlook for October to December 2017 indicates that maximum and minimum temperatures are more likely to be above average for the north-western half of Australia and the south-east (Bureau of Meteorology ‘National Climate Outlook’, 14 September 2017).

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

![Temperature Outlook Map](image1)

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

![Temperature Outlook Map](image2)
1.5. **Rainfall forecast for the next eight days**

Rainfall is expected to be restricted to north-eastern, south-eastern and south-western parts of the country during the next eight days. Totals between 5 and 50 millimetres are forecast for the north-eastern coast of Queensland, far south-western Western Australia, southern and eastern Victoria, alpine regions of southern New South Wales, 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 14 to 21 September 2017**

1.6. **El Niño–Southern Oscillation Update**

For the past two months sea surface temperatures have steadily cooled over the central and eastern tropical Pacific, but remain within the neutral El Niño–Southern Oscillation (ENSO) range. Most climate models surveyed by the Bureau of Meteorology suggest further cooling, but within ENSO-neutral thresholds for the rest of 2017. Two of the eight models indicate that La Niña thresholds may be reached by November 2017 and January 2018, which is generally when ENSO events reach their peak.

The Indian Ocean Dipole (IOD) is currently neutral and model consensus suggests that this will continue until January 2018. However, two of the six climate models suggest a positive IOD may develop during spring. If a positive IOD eventuated it would likely be short-lived, as IOD events typically break down by December as the monsoon trough moves south towards Australia (Bureau of Meteorology ‘**ENSO Wrap-Up**, 12 September 2017).
2. Water

2.1. Water availability

Water storage levels in the Murray–Darling Basin (MDB) increased during the week ending 14 September 2017 by 148 gigalitres (GL) to 16,845 GL and are at 75 per cent of total capacity. This is 4 percentage points or 858 GL more than at the same time last year.

Information on water available in dams used for irrigation the Murray–Darling Basin from 1 January 2001 to 14 September 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 Victorian share of Hume Dam storage is full and hence water is being redistributed to allow for further allocations to Victorian entitlements. The deduction in carryover water held in spillable water accounts in Victoria will be announced tomorrow, 15 September 2017.

There has been a slight increase in allocation to NSW Gwydir general security allocations by 0.57 per cent.

<table>
<thead>
<tr>
<th>Allocations at</th>
<th>14 September 2017</th>
<th>7 September 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>New South Wales</strong></td>
<td>General security</td>
<td>High security</td>
</tr>
<tr>
<td>NSW Murray</td>
<td>20%</td>
<td>97%</td>
</tr>
<tr>
<td>NSW Murrumbidgee</td>
<td>29%</td>
<td>95%</td>
</tr>
<tr>
<td>NSW Lower Darling</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>NSW Macquarie and Cudgegong</td>
<td>38%</td>
<td>100%</td>
</tr>
<tr>
<td>NSW Hunter</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>NSW Lachlan</td>
<td>2%</td>
<td>100%</td>
</tr>
<tr>
<td>NSW Lower Namoi</td>
<td>7%</td>
<td>100%</td>
</tr>
<tr>
<td>NSW Upper Namoi</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>NSW Gwydir</td>
<td>12%</td>
<td>100%</td>
</tr>
<tr>
<td>NSW Border Rivers</td>
<td>100%(a)/11.1%(b)</td>
<td>100%</td>
</tr>
<tr>
<td>NSW Peel</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td><strong>Victoria</strong></td>
<td>Low reliability</td>
<td>High reliability</td>
</tr>
<tr>
<td>Victoria Murray</td>
<td>0%</td>
<td>90%</td>
</tr>
<tr>
<td>Victoria Goulburn</td>
<td>0%</td>
<td>60%</td>
</tr>
<tr>
<td>Victoria Campaspe</td>
<td>7%</td>
<td>100%</td>
</tr>
<tr>
<td>Victoria Loddon</td>
<td>0%</td>
<td>60%</td>
</tr>
<tr>
<td>Victoria Bullarook</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Victoria Broken</td>
<td>0%</td>
<td>27%</td>
</tr>
<tr>
<td><strong>South Australia</strong></td>
<td>Class 3a/3b</td>
<td>Class 3a/3b</td>
</tr>
<tr>
<td>South Australia Murray</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

(a) General Security A class. (b) General Security B class
Select water allocation percentages in the southern Murray–Darling Basin
2.3. Water markets

Allocation prices in the southern MDB declined in the week up to 14 September 2017 in most systems. Average prices across the whole southern system decreased slightly to $122 per megalitre. This is a decrease of $1.60 from the same time last week. This contrasts with an average price of $131 in August across the whole southern MDB.

There is a negative balance in the Goulburn trade limit preventing trade out of Goulburn to the rest of the 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 14 September 2017. Trade activity is shown as colour density.

| 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: 08/09/17 - 14/09/17 | $122.06       | $101.35          | $162.67    | $118.41         | $130.13        | $127.29       |
| Last week: 01/09/17 - 07/09/17   | $123.74       | $97.13           | $163.72    | $129.67         | $119.36        | $129.75       |
| August 2017                      | $131.27       | $110.09          | $161.23    | $127.75         | $136.85        | $137.07       |
| August 2016                      | $111.61       | $119.52          | $126.31    | $98.09          | $147.31        | $80.97        |
## 3. Commodities

<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>13-Sep</td>
<td>US$/A$</td>
<td>0.8</td>
<td>0.8</td>
<td>0%</td>
<td>0.76</td>
<td>5%</td>
</tr>
<tr>
<td>Wheat – US no. 2 hard red winter wheat, fob Gulf</td>
<td>12-Sep</td>
<td>US$/t</td>
<td>212</td>
<td>203</td>
<td>4%</td>
<td>183</td>
<td>16%</td>
</tr>
<tr>
<td>Coarse Grains – US no. 2 yellow corn, fob Gulf</td>
<td>06-Sep</td>
<td>US$/t</td>
<td>151</td>
<td>143</td>
<td>6%</td>
<td>150</td>
<td>&lt;1%</td>
</tr>
<tr>
<td>Canola – Rapeseed, Europe, fob Hamburg</td>
<td>12-Sep</td>
<td>US$/t</td>
<td>430</td>
<td>440</td>
<td>-2%</td>
<td>425</td>
<td>1%</td>
</tr>
<tr>
<td>Cotton – Cotlook 'A' Index</td>
<td>13-Sep</td>
<td>USc/lb</td>
<td>82.8</td>
<td>82.1</td>
<td>&lt;1%</td>
<td>77.5</td>
<td>7%</td>
</tr>
<tr>
<td>Sugar – Intercontinental Exchange, nearby futures, no.11 contract</td>
<td>13-Sep</td>
<td>USc/lb</td>
<td>14.2</td>
<td>14.1</td>
<td>&lt;1%</td>
<td>20.2</td>
<td>-30%</td>
</tr>
<tr>
<td>Wool – Eastern Market Indicator a</td>
<td>31-Aug</td>
<td>Ac/kg</td>
<td>1,558</td>
<td>1,522</td>
<td>2%</td>
<td>1,320</td>
<td>18%</td>
</tr>
<tr>
<td>Wool – Western Market Indicator</td>
<td>08-Sep</td>
<td>Ac/kg</td>
<td>1,600</td>
<td>1,609</td>
<td>&lt;1%</td>
<td>1,407</td>
<td>14%</td>
</tr>
<tr>
<td><strong>Selected domestic crop indicator prices</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Milling Wheat – ASW1, track quote, Port Adelaide, SA</td>
<td>12-Sep</td>
<td>A$/t</td>
<td>217</td>
<td>205</td>
<td>6%</td>
<td>211</td>
<td>3%</td>
</tr>
<tr>
<td>Feed Wheat – General purpose, Sydney, NSW</td>
<td>13-Sep</td>
<td>A$/t</td>
<td>257</td>
<td>242</td>
<td>6%</td>
<td>231</td>
<td>11%</td>
</tr>
<tr>
<td>Feed Barley – Sydney, NSW</td>
<td>13-Sep</td>
<td>A$/t</td>
<td>246</td>
<td>231</td>
<td>6%</td>
<td>178</td>
<td>38%</td>
</tr>
<tr>
<td>Canola – Portland, Vic.</td>
<td>04-Sep</td>
<td>A$/t</td>
<td>497</td>
<td>507</td>
<td>-2%</td>
<td>487</td>
<td>2%</td>
</tr>
<tr>
<td>Grain Sorghum – Sydney, NSW</td>
<td>13-Sep</td>
<td>A$/t</td>
<td>309</td>
<td>299</td>
<td>3%</td>
<td>204</td>
<td>51%</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>07-Sep</td>
<td>Ac/kg cwt</td>
<td>542</td>
<td>553</td>
<td>-2%</td>
<td>705</td>
<td>-23%</td>
</tr>
<tr>
<td>Mutton – Mutton indicator (18–24 kg fat score 2–3), Vic</td>
<td>08-Sep</td>
<td>Ac/kg cwt</td>
<td>401</td>
<td>406</td>
<td>-1%</td>
<td>409</td>
<td>-2%</td>
</tr>
<tr>
<td>Lamb – Eastern States Trade Lamb Indicator</td>
<td>07-Sep</td>
<td>Ac/kg cwt</td>
<td>613</td>
<td>633</td>
<td>-3%</td>
<td>601</td>
<td>2%</td>
</tr>
<tr>
<td>Pig – Eastern Seaboard (60.1–75 kg), average of buyers &amp; sellers</td>
<td>01-Sep</td>
<td>Ac/kg cwt</td>
<td>277</td>
<td>277</td>
<td>0%</td>
<td>377</td>
<td>-27%</td>
</tr>
<tr>
<td>Goat – Eastern States (12.1–16 kg)</td>
<td>11-Sep</td>
<td>Ac/kg cwt</td>
<td>470</td>
<td>470</td>
<td>0%</td>
<td>578</td>
<td>-19%</td>
</tr>
<tr>
<td>Live cattle – Light steers ex Darwin to Indonesia</td>
<td>09-Sep</td>
<td>Ac/kg lwt</td>
<td>330</td>
<td>320</td>
<td>3%</td>
<td>360</td>
<td>-8%</td>
</tr>
<tr>
<td>Live sheep – Live wether (Muchea WA saleyard) to Middle East</td>
<td>04-Sep</td>
<td>$/head</td>
<td>111</td>
<td>108</td>
<td>3%</td>
<td>na</td>
<td>na</td>
</tr>
</tbody>
</table>

*a The Australian Wool Exchange has returned from a six-week recess, previous week price shown for week ended 13 July 2017.*
<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>05-Sep</td>
<td>US$/t</td>
<td>3,100</td>
<td>3,143</td>
<td>-1%</td>
<td>2,793</td>
<td>11%</td>
</tr>
<tr>
<td>Dairy – Skim milk powder</td>
<td>05-Sep</td>
<td>US$/t</td>
<td>1,944</td>
<td>1,968</td>
<td>-1%</td>
<td>2,224</td>
<td>-13%</td>
</tr>
<tr>
<td>Dairy – Cheddar cheese</td>
<td>05-Sep</td>
<td>US$/t</td>
<td>4,118</td>
<td>4,005</td>
<td>3%</td>
<td>3,436</td>
<td>20%</td>
</tr>
<tr>
<td>Dairy – Anhydrous milk fat</td>
<td>05-Sep</td>
<td>US$/t</td>
<td>6,405</td>
<td>6,199</td>
<td>3%</td>
<td>4,769</td>
<td>34%</td>
</tr>
</tbody>
</table>

<sup>a</sup> Global Dairy Trade prices are updated twice monthly on the first and third Tuesday of each month.
2.4. Selected world indicator prices

- **World wheat indicator price**
  - US No. 2, hard red winter wheat, fob Gulf
  - Week ended 12 September 2017

- **World coarse grains indicator price**
  - US corn No. 2, fob Gulf
  - Week ended 6 September 2017

- **World canola indicator price**
  - Europe fob Hamburg
  - Week ended 12 September 2017

- **World cotton indicator price**
  - Cotlook ‘A’ index
  - Week ended 13 September 2017
2.5. Global Dairy Trade (GDT) weighted average prices

- **Whole milk powder price**: 5 September 2017
- **Skim milk powder price**: 5 September 2017
- **Cheddar cheese price**: 5 September 2017
- **Anhydrous milk fat price**: 5 September 2017
2.6. Selected domestic crop indicator prices

- Grain sorghum indicator price
  Sydney, NSW
  Week ended 13 September 2017

- Feed barley indicator price
  Sydney, NSW
  Week ended 13 September 2017

- Feed wheat indicator price
  General Purpose, Sydney, NSW
  Week ended 13 September 2017

- Milling wheat indicator price
  ASW1, track quote, Port Adelaide, SA
  Week ended 12 September 2017
2.7. Selected domestic livestock indicator prices

Eastern Young Cattle Indicator
Week ended 7 September 2017

Eastern States Trade Lamb Indicator
Week ended 7 September 2017

Mutton indicator price in Victoria
(18–24 kg fat score 2–3)
Week ended 8 September 2017

Pig indicator price Eastern Seaboard
(60.1–75 kg)
Week ended 1 September 2017
2.8. Movements in selected fruit and vegetable prices – week ended 9 September 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)
3. 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**