Summary of key issues

- During the week ending 17 January 2018 rainfall totals exceeding 25 millimetres were recorded in parts of all states and territories. Little to no rainfall was recorded in southern Queensland, central New South Wales, western Victoria, southern and eastern Western Australia, and eastern South Australia.

- Maximum temperatures were 2°C to 6°C above average across north-eastern Australia during the week ending 16 January 2018. They were 2°C to 6°C below average in central parts of Western Australia.

- At the seven month timescale (June to December 2017) rainfall deficiencies have decreased in both extent and severity in inland New South Wales, and in Gippsland in Victoria. Severe deficiencies remain in parts of eastern New South Wales, north-eastern Tasmania, and in the Gascoyne region in Western Australia.

- The Australian Plague Locust Commission report that Australian plague locust densities remained low in all surveyed regions during December 2017. Population densities are expected to remain generally low in all regions of inland eastern Australia for the remainder of summer.

- During the next eight days, rainfall is expected mainly in northern Australia, and in isolated parts of western and south-eastern Australia.

- Water storage levels in the Murray–Darling Basin (MDB) decreased during the week ending 18 January 2018 by 383 gigalitres (GL) to 14,365 GL and are at 64 per cent of total capacity. This is 17 percentage points or 3,885 GL less than at the same time last year.

- Allocation prices in the southern Murray–Darling Basin declined in the week ending 18 January 2018 to $97 per ML. This is a decrease of $8 from the same time last week.
1. Climate

1.1. Rainfall this week

During the week ending 17 January 2018 rainfall totals exceeding 25 millimetres were recorded in parts of all states and territories. Little to no rainfall was recorded in southern Queensland, central New South Wales, western Victoria, southern and eastern Western Australia, and eastern South Australia. Totals between 25 and 100 millimetres were observed across the Cape York Peninsula and parts of western Queensland, in north-eastern and south-eastern New South Wales, and eastern Victoria. Similar totals were recorded across most of the Northern Territory and Western Australia, western Tasmania, and isolated parts of western South Australia. On 11 January, tropical cyclone Joyce brought rainfall totals exceeding 200 millimetres to the far western Kimberley coast. The system weakened to a tropical low and brought totals between 50 and 150 millimetres from north-western to south-western Western Australia. Rainfall totals also exceeded 200 millimetres in north-eastern Queensland, including the highest recorded weekly total of 386 millimetres at Tung Oil Alert, near Innisfail.

Rainfall for the week ending 17 January 2018
1.2. Temperature anomalies this week

For the week ending 16 January 2018, maximum temperatures were 2°C to 6°C above average across north-eastern Australia. They were 2°C to 6°C below average in central parts of Western Australia. Minimum temperatures were close to average for most of the country, except for above average (2°C to 6°C) anomalies in central and south-western Queensland, parts of northern New South Wales, north-eastern South Australia, and south-eastern parts of the Northern Territory.
1.3. **Rainfall deficiencies**

December rainfall has eased deficiencies across south-eastern Australia at the seven month timescale (June to December 2017). Compared to June to November 2017, rainfall deficiencies have decreased in both extent and severity in inland New South Wales, and in Gippsland in Victoria. Severe deficiencies remain in parts of eastern New South Wales, north-eastern Tasmania, and in the Gascoyne region in Western Australia.

A widespread rainfall event during early December saw large areas of northern Victoria and southern New South Wales receive two to three times the average total December rainfall. Many sites in Victoria, southern New South Wales and northern Tasmania observed their wettest December day on record (Bureau of Meteorology ‘Drought Statement’, 9 January 2018).
1.4. **Australian Plague Locust**

The Australian Plague Locust Commission (APLC) produces a monthly Locust Bulletin during the periods of locust activity (spring, summer and autumn). The bulletin gives regional summaries of the locust situation and weather events of potential significance for locust development. It also provides a forecast of likely developments for the next two months (or from autumn to spring) for the Australian plague locust (*Chortoicetes terminifera*), spur-throated locust (*Austracris guttulosa*), and the migratory locust (*Locusta migratoria*).

According to the APLC, Australian plague locust densities remained low in all surveyed regions during December 2017. The very low population levels identified during spring have continued, despite rainfall producing more favourable habitat conditions in many areas. Low numbers of locusts were recorded in the Central West, Far West and Far Southwest of New South Wales, Southwest and Central West Queensland, and in the Far North and Murray Valley regions of South Australia. Small increases in population density were detected in Central West and Far Southwest New South Wales, and in Central West Queensland.

For the remainder of summer, population densities are expected to remain generally low in most regions of inland eastern Australia. Localised breeding is likely to have occurred in habitat areas that received heavy rainfall in early December, and this will result in small regional population increases during January. Many of those areas did not receive further significant rainfall during December, so nymph mortality may limit potential increases in some areas. Population increases are likely in the Central West, Far Southwest and Riverina regions of New South Wales and are possible in South Central and Central West Queensland. Breeding is likely to continue during summer and autumn, but given the current low population level there is a low risk of widespread regional infestations developing during summer, and a very low risk of swarms affecting agricultural regions across several states in autumn.


**Australian Plague Locust Distribution**

1 to 31 December 2017

Densities estimated for areas of locust habitat, based on current surveys and reports from current and previous month.

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Issued: 04/01/2018
1.5. Rainfall forecast for the next eight days

Rainfall is expected mainly in northern Australia, and in isolated parts of western and south-eastern Australia, during the next eight days. Totals between 15 and 50 millimetres are forecast for south-eastern parts of New South Wales and western parts of the Pilbara. Totals exceeding 25 millimetres are forecast for northern Queensland, the northern half of the Northern Territory, and northern parts of Western Australia. Rainfall totals between 100 and 150 millimetres are predicted across most of the Top End, Cape York Peninsula and northern parts of the Kimberley. Higher totals, exceeding 300 millimetres, are forecast in coastal parts of the tropical north. Little to no rainfall is expected across the rest 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 18 to 25 January 2018

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Issued: 18/1/2018
2. Water

2.1. Water availability

Water storage levels in the Murray–Darling Basin (MDB) decreased during the week ending 18 January 2018 by 383 gigalitres (GL) to 14,365 GL and are at 64 per cent of total capacity. This is 17 percentage points or 3,885 GL less than at the same time last year.

Information on water available in dams used for irrigation in the Murray–Darling Basin from 1 January 2001 to 18 January 2018 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

On 15 January 2018 NSW Department of Primary Industries – Water announced allocation increases of:

- 3% for NSW Murray general security to 49%

On 15 January 2018 the Resource Manager for Northern Victoria announced seasonal determination increases of:

- 3% for Victoria Campaspe low reliability to 52%

The current water allocations for the 2017–18 water trading season for licence holders in New South Wales, Victoria and South Australia water systems are summarised in the following table and charts.

| Water allocations in the Murray–Darling Basin (NSW, Victoria and South Australia) |
|------------------------------|-----------------|-----------------|-----------------|-----------------|
|                              | 18 January 2018 | 10 January 2018 |                  |                  |
| **New South Wales**          |                 |                 |                  |                  |
| NSW Murray                   | 49%             | 97%             | 46%             | 97%             |
| NSW Murrumbidgee             | 33%             | 95%             | 33%             | 95%             |
| NSW Lower Darling            | 100%            | 100%            | 100%            | 100%            |
| NSW Macquarie and Cudgegong  | 38%             | 100%            | 38%             | 100%            |
| NSW Hunter                   | 100%            | 100%            | 100%            | 100%            |
| NSW Lachlan                  | 2%              | 100%            | 2%              | 100%            |
| NSW Lower Namoi              | 7%              | 100%            | 7%              | 100%            |
| NSW Upper Namoi              | 100%            | 100%            | 100%            | 100%            |
| NSW Gwydir                   | 17%             | 100%            | 17%             | 100%            |
| NSW Border Rivers            | 100%(a)/15.83%(b) | 100%          | 100%(a)/15.83%(b) | 100%          |
| NSW Peel                     | 100%            | 100%            | 100%            | 100%            |
| **Victoria**                 |                 |                 |                  |                  |
| Victoria Murray              | 0%              | 100%            | 0%              | 100%            |
| Victoria Goulburn            | 0%              | 100%            | 0%              | 100%            |
| Victoria Campaspe            | 52%             | 100%            | 49%             | 100%            |
| Victoria Loddon              | 0%              | 100%            | 0%              | 100%            |
| Victoria Bullarook           | 100%            | 100%            | 100%            | 100%            |
| Victoria Broken              | 100%            | 100%            | 100%            | 100%            |
| **South Australia**          |                 |                 |                  |                  |
| South Australia Murray       | 100%            | 100%            | 100%            | 100%            |
| **South Australia Class 3a/3b** |               |                 |                  |                  |
| South Australia Murray       | 100%            | 100%            | 100%            | 100%            |
Select water allocation percentages in the southern Murray–Darling Basin
2.3. Water markets

Allocation prices in the southern Murray–Darling Basin declined in the week ending 18 January 2018 to $97 per ML. This is a decrease of $8 from the same time last week. This contrasts with an average price of $101 in December across the whole southern MDB, and $82 during the same time last year.

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 18 January 2018. Trade activity is shown as colour density.

<table>
<thead>
<tr>
<th>Allocation trade prices, southern Murray–Darling Basin trade zones (price per ML)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Southern MDB</strong></td>
</tr>
<tr>
<td>Current week: 12/01/18 – 18/01/18</td>
</tr>
<tr>
<td>Last week: 05/01/18 – 11/01/18</td>
</tr>
<tr>
<td>December 2017</td>
</tr>
<tr>
<td>December 2016</td>
</tr>
</tbody>
</table>

The table above shows the allocation prices for different trade zones in the southern Murray–Darling Basin. The prices are presented for different time periods, including current week, last week, and December 2017 and 2016.
### 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>17-Jan</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>16-Jan</td>
<td>US$/t</td>
<td>227</td>
<td>229</td>
<td>&lt;1% ↓</td>
<td>202</td>
<td>12% ↑</td>
</tr>
<tr>
<td>Coarse Grains – US no. 2 yellow corn, fob Gulf</td>
<td>17-Jan</td>
<td>US$/t</td>
<td>156</td>
<td>155</td>
<td>&lt;1% ↑</td>
<td>161</td>
<td>-3% ↓</td>
</tr>
<tr>
<td>Canola – Rapeseed, Europe, fob Hamburg</td>
<td>16-Jan</td>
<td>US$/t</td>
<td>429</td>
<td>426</td>
<td>&lt;1% ↑</td>
<td>453</td>
<td>-5% ↓</td>
</tr>
<tr>
<td>Cotton – Cotlook 'A' Index</td>
<td>17-Jan</td>
<td>USc/lb</td>
<td>92.1</td>
<td>89.1</td>
<td>3% ↑</td>
<td>81.8</td>
<td>13% ↑</td>
</tr>
<tr>
<td>Sugar – Intercontinental Exchange, nearby futures, no.11 contract</td>
<td>17-Jan</td>
<td>USc/lb</td>
<td>14.0</td>
<td>14.9</td>
<td>-6% ↓</td>
<td>20.7</td>
<td>-32% ↓</td>
</tr>
<tr>
<td>Wool – Eastern Market Indicator</td>
<td>11-Jan</td>
<td>Ac/kg clean</td>
<td>1,818</td>
<td>1,760</td>
<td>3% ↑</td>
<td>1,422</td>
<td>28% ↑</td>
</tr>
<tr>
<td>Wool – Western Market Indicator</td>
<td>12-Jan</td>
<td>Ac/kg clean</td>
<td>1,888</td>
<td>1,816</td>
<td>4% ↑</td>
<td>1,498</td>
<td>26% ↑</td>
</tr>
<tr>
<td><strong>Selected domestic crop indicator prices</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Milling Wheat – ASW1, track quote, Port Adelaide, SA</td>
<td>16-Jan</td>
<td>A$/t</td>
<td>222</td>
<td>223</td>
<td>&lt;1% ↓</td>
<td>185</td>
<td>20% ↑</td>
</tr>
<tr>
<td>Feed Wheat – General purpose, Sydney, NSW</td>
<td>17-Jan</td>
<td>A$/t</td>
<td>248</td>
<td>248</td>
<td>0% ●</td>
<td>209</td>
<td>19% ↑</td>
</tr>
<tr>
<td>Feed Barley – Sydney, NSW</td>
<td>17-Jan</td>
<td>A$/t</td>
<td>281</td>
<td>280</td>
<td>&lt;1% ↑</td>
<td>170</td>
<td>65% ↑</td>
</tr>
<tr>
<td>Canola – Portland, Vic.</td>
<td>15-Jan</td>
<td>A$/t</td>
<td>488</td>
<td>484</td>
<td>&lt;1% ↑</td>
<td>515</td>
<td>-5% ↓</td>
</tr>
<tr>
<td>Grain Sorghum – Sydney, NSW</td>
<td>17-Jan</td>
<td>A$/t</td>
<td>314</td>
<td>304</td>
<td>3% ↑</td>
<td>248</td>
<td>27% ↑</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>18-Jan</td>
<td>Ac/kg cwt</td>
<td>556</td>
<td>561</td>
<td>&lt;1% ↓</td>
<td>653</td>
<td>-15% ↓</td>
</tr>
<tr>
<td>Mutton – Mutton indicator (18–24 kg fat score 2–3), Vic</td>
<td>12-Jan</td>
<td>Ac/kg cwt</td>
<td>481</td>
<td>487</td>
<td>-1% ↓</td>
<td>422</td>
<td>14% ↑</td>
</tr>
<tr>
<td>Lamb – Eastern States Trade Lamb Indicator</td>
<td>18-Jan</td>
<td>Ac/kg cwt</td>
<td>632</td>
<td>684</td>
<td>-8% ↓</td>
<td>609</td>
<td>4% ↑</td>
</tr>
<tr>
<td>Pig – Eastern Seaboard (60.1–75 kg), average of buyers &amp; sellers</td>
<td>05-Jan</td>
<td>Ac/kg cwt</td>
<td>278</td>
<td>280</td>
<td>&lt;1% ↓</td>
<td>379</td>
<td>-100% ↓</td>
</tr>
<tr>
<td>Goat – Eastern States (12.1–16 kg), average of buyers &amp; sellers</td>
<td>15-Jan</td>
<td>Ac/kg cwt</td>
<td>490</td>
<td>490</td>
<td>0% ●</td>
<td>608</td>
<td>-19% ↓</td>
</tr>
<tr>
<td>Live cattle – Light steers ex Darwin to Indonesia</td>
<td>13-Jan</td>
<td>Ac/kg lwt</td>
<td>320</td>
<td>320</td>
<td>0% ●</td>
<td>375</td>
<td>-15% ↓</td>
</tr>
<tr>
<td>Live sheep – Live wether (Muchea WA saleyard) to Middle East</td>
<td>15-Jan</td>
<td>$/head</td>
<td>115</td>
<td>126</td>
<td>-9% ↓</td>
<td>101</td>
<td>14% ↑</td>
</tr>
<tr>
<td>Indicator</td>
<td>Week ended</td>
<td>Unit</td>
<td>Latest price</td>
<td>Price week prior</td>
<td>Weekly change</td>
<td>Price 12 months prior</td>
<td>Year on year change</td>
</tr>
<tr>
<td>------------------------------------------------</td>
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<td>-----------------------</td>
<td>---------------------</td>
</tr>
<tr>
<td>Dairy – Whole milk powder</td>
<td>16-Jan</td>
<td>US$/t</td>
<td>3,010</td>
<td>2,886</td>
<td>4%</td>
<td>3,283</td>
<td>-8%</td>
</tr>
<tr>
<td>Dairy – Skim milk powder</td>
<td>16-Jan</td>
<td>US$/t</td>
<td>1,818</td>
<td>1,699</td>
<td>7%</td>
<td>2,612</td>
<td>-30%</td>
</tr>
<tr>
<td>Dairy – Cheddar cheese</td>
<td>16-Jan</td>
<td>US$/t</td>
<td>3,486</td>
<td>3,317</td>
<td>5%</td>
<td>3,940</td>
<td>-12%</td>
</tr>
<tr>
<td>Dairy – Anhydrous milk fat</td>
<td>16-Jan</td>
<td>US$/t</td>
<td>6,547</td>
<td>6,405</td>
<td>2%</td>
<td>5,528</td>
<td>18%</td>
</tr>
</tbody>
</table>

a 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 16 January 2018

World coarse grains indicator price
US corn No. 2, fob Gulf
Week ended 17 January 2018

World canola indicator price
Europe fob Hamburg
Week ended 16 January 2018

World cotton indicator price
Cotlook ‘A’ index
Week ended 17 January 2018
2.5. Global Dairy Trade (GDT) weighted average prices

- Whole milk powder price
  - 16 January 2018

- Skim milk powder price
  - 16 January 2018

- Cheddar cheese price
  - 16 January 2018

- Anhydrous milk fat price
  - 16 January 2018
2.6. Selected domestic crop indicator prices

- **Grain sorghum indicator price**
  Sydney, NSW
  Week ended 17 January 2018
  
  A$/t
  Jan  Feb  Mar  Apr  May  Jun  Jul  Aug  Sep  Oct  Nov  Dec
  2016  2017  2018

- **Feed barley indicator price**
  Sydney, NSW
  Week ended 17 January 2018
  
  A$/t
  Jan  Feb  Mar  Apr  May  Jun  Jul  Aug  Sep  Oct  Nov  Dec
  2016  2017  2018

- **Feed wheat indicator price**
  General Purpose, Sydney, NSW
  Week ended 17 January 2018
  
  A$/t
  Jan  Feb  Mar  Apr  May  Jun  Jul  Aug  Sep  Oct  Nov  Dec
  2016  2017  2018

- **Milling wheat indicator price**
  ASW1, track quote, Port Adelaide, SA
  Week ended 16 January 2018
  
  A$/t
  Jan  Feb  Mar  Apr  May  Jun  Jul  Aug  Sep  Oct  Nov  Dec
  2016  2017  2018
Canola indicator price
Portland, Victoria
Week ended 15 January 2018
2.7. Selected domestic livestock indicator prices

Eastern Young Cattle Indicator
Week ended 18 January 2018

Mutton indicator price in Victoria
(18–24 kg fat score 2–3)
Week ended 12 January 2018

Eastern States Trade Lamb Indicator
Week ended 18 January 2018

Pig indicator price Eastern Seaboard
(60.1–75 kg)
Week ended 5 January 2018
2.8. Selected fruit and vegetable prices – week ended 13 January 2018
3. 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