Summary of key issues

- During the week ending 7 February 2018 rainfall was recorded across much of northern, western and central Australia and Tasmania. A series of low pressure systems and troughs brought heavy rainfall northern and eastern Queensland, areas of the Northern Territory and the Kimberley region of Western Australia, with isolated totals exceeding 50 millimetres.

- Maximum and minimum temperatures were 2°C to 6°C below average across large areas of western, central and eastern Australia during the week ending 6 February 2018, with the highest anomalies (6°C to 10°C) recorded in central Western Australia.

- Rainfall in January 2018 was generally well above average in western and northern parts of the country and well below average across eastern parts. Severely deficient to below average rainfall was recorded throughout most of Queensland, north-eastern New South Wales, western Victoria and western Tasmania.

- Following heavy rainfall associated with the passage of tropical cyclone Joyce, rainfall deficiencies have been alleviated across much of Western Australia. Meanwhile, below average rainfall for eastern Australia during January has exacerbated deficiencies in Queensland and on the east coast of New South Wales. Compared to the previous Drought Statement, deficiencies have increased in inland and western Queensland, and on the east coast of New South Wales between the Manning and Illawarra districts for the 10-month period 1 April to 31 January 2018.

- Rainfall is expected mainly in northern, western and eastern coast of Australia and Tasmania, during the next eight days.

- Water storage levels in the Murray–Darling Basin (MDB) decreased during the week ending 8 February 2018 by 326 gigalitres (GL) to 13,391 GL and are at 59 per cent of total capacity. This is 17 percentage points or 3,880 GL less than at the same time last year.

- Allocation prices in the southern Murray–Darling Basin increased slightly in the week ending 8 February 2018 to $109 per ML.

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Australia’s premier information and networking forum for public and private sector decision makers in agriculture. 6-7 March, Canberra. Visit www.agriculture.gov.au/abares/outlook
1. Climate

1.1. Rainfall this week

During the week ending 7 February 2018 rainfall was recorded across much of northern, western and central Australia and Tasmania. A series of low pressure systems and troughs brought heavy rainfall northern and eastern Queensland, areas of the Northern Territory and the Kimberley region of Western Australia, with isolated totals exceeding 50 millimetres. Isolated rainfall totals exceeding 25 millimetres were recorded in areas of north east New South Wales, central Western Australia and western South Australia. The highest recorded weekly total was 504 millimetres at south of Cairns in north Queensland.

Rainfall for the week ending 7 February 2018
1.2. Temperature anomalies this week

For the week ending 6 February 2018, maximum and minimum temperatures were 2°C to 6°C below average across large areas of western, central and eastern Australia, with the highest anomalies (6°C to 10°C) recorded in central Western Australia. The remainder of Australia recorded generally average maximum and minimum temperatures.

**Maximum temperature anomalies for the week ending 6 February 2018**

![Maximum temperature anomalies map](http://www.bom.gov.au/jsp/awap/temp/index.jsp)

**Minimum temperature anomalies for the week ending 6 February 2018**

![Minimum temperature anomalies map](http://www.bom.gov.au/jsp/awap/temp/index.jsp)

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](http://www.bom.gov.au/jsp/awap/temp/index.jsp)
1.3. Monthly rainfall

Rainfall in January 2018 was generally well above average in western and northern parts of the country and well below average across eastern parts. Severely deficient to below average rainfall was recorded throughout most of Queensland, north-eastern New South Wales, western Victoria and western Tasmania. Meanwhile, above average to extremely high rainfall was recorded across western South Australia, much of Western Australia and northern parts of the Northern Territory. Much of the rainfall in Western Australia was associated with tropical cyclone Joyce, which made landfall in early January 2018. The system weakened to a tropical low and brought heavy rainfall from north-western to south-western Australia.

January rainfall in cropping regions was generally below average in Queensland, northern New South Wales, western Victoria and eastern South Australia, and above average in Western Australia.

Rainfall percentiles for January 2018

Source: Bureau of Meteorology
Note: Rainfall for December 2017 is compared with rainfall recorded for that period during the historical record (1900 to present). For further information, go to http://www.bom.gov.au/jsp/awap/
1.4. Rainfall deficiencies

Following heavy rainfall associated with the passage of tropical cyclone Joyce, rainfall deficiencies have been alleviated across much of Western Australia, although deficiencies persist along the coast of the Pilbara and Gascoyne between about Karratha and Geraldton at the ten month timescale (April 2017 to January 2018).

Meanwhile, below average rainfall for eastern Australia during January has exacerbated deficiencies in Queensland and on the east coast of New South Wales. Compared to the previous Drought Statement, deficiencies have increased in inland and western Queensland, and on the east coast of New South Wales between the Manning and Illawarra districts.

In general, after a very wet start to the northern wet season in October, the remainder of the wet season to date (November 2017 to January 2018) has seen below average rainfall across large parts of Queensland.

Serious or severe rainfall deficiencies are in place across large areas of western to central inland Queensland and a large area of eastern New South Wales between the Illawarra and the southern end of the Northwest Slopes District, reaching to the area around Tamworth in the north and around Dubbo in the west (Bureau of Meteorology ‘Drought Statement’, 7 February 2018).

Rainfall deficiencies for the 10 month period 1 April to 31 January 2018

[Map showing rainfall deficiencies across Australia]

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Issued: 05/02/2018
1.5. Rainfall forecast for the next eight days

Rainfall is expected mainly in northern, western and eastern coast of Australia and Tasmania, during the next eight days. A series of low pressure systems and troughs around northern Australia are forecast to bring rainfall totals of between 10 and 100 millimetres to Far North Queensland, the Top End of the Northern Territory, and northern and central Western Australia. Similar totals are expected in 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 8 to 15 February 2018

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Issued: 8/2/2018
2. Water

2.1. Water availability

Water storage levels in the Murray–Darling Basin (MDB) decreased during the week ending 8 February 2018 by 326 gigalitres (GL) to 13,391 GL and are at 59 per cent of total capacity. This is 17 percentage points or 3,880 GL less than at the same time last year.

![Water storage in the Murray–Darling Basin (NSW, Victoria and Queensland)](image)

Information on water available in dams used for irrigation in the Murray–Darling Basin from 1 January 2001 to 8 February 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 7 February 2018 NSW Department of Primary Industries – Water announced allocation increases of:

- 0.19 per cent for NSW Gwydir general security to 17.59 per cent

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)

<table>
<thead>
<tr>
<th>Allocations at</th>
<th>8 February 2018</th>
<th>1 February 2018</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>49%</td>
<td>97%</td>
</tr>
<tr>
<td>NSW Murrumbidgee</td>
<td>33%</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>18%</td>
<td>100%</td>
</tr>
<tr>
<td>NSW Border Rivers</td>
<td>100%(a)/19.62%(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>100%</td>
</tr>
<tr>
<td>Victoria Goulburn</td>
<td>0%</td>
<td>100%</td>
</tr>
<tr>
<td>Victoria Campaspe</td>
<td>52%</td>
<td>100%</td>
</tr>
<tr>
<td>Victoria Loddon</td>
<td>0%</td>
<td>100%</td>
</tr>
<tr>
<td>Victoria Bullarook</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Victoria Broken</td>
<td>100%</td>
<td>100%</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>
Select water allocation percentages in the southern Murray–Darling Basin
2.3. Water markets

Allocation prices in the southern Murray–Darling Basin increased slightly in the week ending 8 February 2018 to $109 per ML. This contrasts with an average price of $104 in January across the whole southern MDB, and $70 during the same time last year.

 Allocate 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 8 February 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: 02/02/18 – 08/02/18</td>
</tr>
<tr>
<td>Last week: 26/01/18 – 01/02/18</td>
</tr>
<tr>
<td>January 2018</td>
</tr>
<tr>
<td>January 2017</td>
</tr>
</tbody>
</table>
### 3. Commodities

#### Selected World Indicator Prices

<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>Australian Dollar – AUD/USD Exchange Rate</td>
<td>07-Feb</td>
<td>US$/A$</td>
<td>0.79</td>
<td>0.81</td>
<td>-2% ↓</td>
<td>0.77</td>
<td>3% ↑</td>
</tr>
<tr>
<td>Wheat – US no. 2 hard red winter wheat, fob Gulf</td>
<td>06-Feb</td>
<td>US$/t</td>
<td>236</td>
<td>232</td>
<td>2% ↑</td>
<td>206</td>
<td>15% ↑</td>
</tr>
<tr>
<td>Coarse Grains – US no. 2 yellow corn, fob Gulf</td>
<td>07-Feb</td>
<td>US$/t</td>
<td>161</td>
<td>159</td>
<td>1% ↑</td>
<td>162</td>
<td>&lt;1% ↓</td>
</tr>
<tr>
<td>Canola – Rapeseed, Europe, fob Hamburg</td>
<td>06-Feb</td>
<td>US$/t</td>
<td>426</td>
<td>432</td>
<td>-1% ↓</td>
<td>453</td>
<td>-6% ↓</td>
</tr>
<tr>
<td>Cotton – Cotlook 'A' Index</td>
<td>07-Feb</td>
<td>USc/lb</td>
<td>88.1</td>
<td>91.3</td>
<td>-4% ↓</td>
<td>85.7</td>
<td>3% ↑</td>
</tr>
<tr>
<td>Sugar – Intercontinental Exchange, nearby futures, no.11 contract</td>
<td>07-Feb</td>
<td>USc/lb</td>
<td>13.7</td>
<td>13.4</td>
<td>2% ↑</td>
<td>20.9</td>
<td>-34% ↓</td>
</tr>
<tr>
<td>Wool – Eastern Market Indicator</td>
<td>01-Feb</td>
<td>Ac/kg clean</td>
<td>1,738</td>
<td>1,744</td>
<td>&lt;1% ↓</td>
<td>1,422</td>
<td>22% ↑</td>
</tr>
<tr>
<td>Wool – Western Market Indicator</td>
<td>02-Feb</td>
<td>Ac/kg clean</td>
<td>1,819</td>
<td>1,821</td>
<td>&lt;1% ↓</td>
<td>1,456</td>
<td>25% ↑</td>
</tr>
</tbody>
</table>

#### Selected domestic crop indicator prices

<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>Milling Wheat – ASW1, track quote, Port Adelaide, SA</td>
<td>06-Feb</td>
<td>A$/t</td>
<td>227</td>
<td>227</td>
<td>0% ●</td>
<td>178</td>
<td>28% ↑</td>
</tr>
<tr>
<td>Feed Wheat – General purpose, Sydney, NSW</td>
<td>07-Feb</td>
<td>A$/t</td>
<td>254</td>
<td>253</td>
<td>&lt;1% ↑</td>
<td>204</td>
<td>25% ↑</td>
</tr>
<tr>
<td>Feed Barley – Sydney, NSW</td>
<td>07-Feb</td>
<td>A$/t</td>
<td>262</td>
<td>262</td>
<td>0% ●</td>
<td>183</td>
<td>43% ↑</td>
</tr>
<tr>
<td>Canola – Portland, Vic.</td>
<td>05-Feb</td>
<td>A$/t</td>
<td>487</td>
<td>478</td>
<td>2% ↑</td>
<td>524</td>
<td>-7% ↓</td>
</tr>
<tr>
<td>Grain Sorghum – Sydney, NSW</td>
<td>07-Feb</td>
<td>A$/t</td>
<td>285</td>
<td>285</td>
<td>0% ●</td>
<td>239</td>
<td>19% ↑</td>
</tr>
</tbody>
</table>

#### Selected domestic livestock indicator prices

<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>Beef – Eastern Young Cattle Indicator</td>
<td>08-Feb</td>
<td>Ac/kg cwt</td>
<td>538</td>
<td>533</td>
<td>&lt;1% ↑</td>
<td>640</td>
<td>-16% ↓</td>
</tr>
<tr>
<td>Mutton – Mutton indicator (18–24 kg fat score 2–3), Vic</td>
<td>02-Feb</td>
<td>Ac/kg cwt</td>
<td>403</td>
<td>399</td>
<td>1% ↑</td>
<td>450</td>
<td>-10% ↓</td>
</tr>
<tr>
<td>Lamb – Eastern States Trade Lamb Indicator</td>
<td>08-Feb</td>
<td>Ac/kg cwt</td>
<td>634</td>
<td>637</td>
<td>&lt;1% ↓</td>
<td>618</td>
<td>3% ↑</td>
</tr>
<tr>
<td>Pig – Eastern Seaboard (60.1–75 kg), average of buyers &amp; sellers</td>
<td>26-Jan</td>
<td>Ac/kg cwt</td>
<td>277</td>
<td>274</td>
<td>1% ↑</td>
<td>370</td>
<td>-25% ↓</td>
</tr>
<tr>
<td>Goat – Eastern States (12.1–16 kg)</td>
<td>05-Feb</td>
<td>Ac/kg cwt</td>
<td>478</td>
<td>483</td>
<td>-1% ↓</td>
<td>640</td>
<td>-25% ↓</td>
</tr>
<tr>
<td>Live cattle – Light steers ex Darwin to Indonesia</td>
<td>03-Feb</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>05-Feb</td>
<td>$/head</td>
<td>122</td>
<td>114</td>
<td>7% ↑</td>
<td>113</td>
<td>8% ↑</td>
</tr>
</tbody>
</table>
## Global Dairy Trade (GDT) weighted average prices

<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>06-Feb</td>
<td>US$/t</td>
<td>3,226</td>
<td>3,010</td>
<td>7%</td>
<td>3,314</td>
<td>-3%</td>
</tr>
<tr>
<td>Dairy – Skim milk powder</td>
<td>06-Feb</td>
<td>US$/t</td>
<td>1,932</td>
<td>1,818</td>
<td>6%</td>
<td>2,608</td>
<td>-26%</td>
</tr>
<tr>
<td>Dairy – Cheddar cheese</td>
<td>06-Feb</td>
<td>US$/t</td>
<td>3,739</td>
<td>3,486</td>
<td>7%</td>
<td>3,798</td>
<td>-2%</td>
</tr>
<tr>
<td>Dairy – Anhydrous milk fat</td>
<td>06-Feb</td>
<td>US$/t</td>
<td>6,581</td>
<td>6,547</td>
<td>&lt;1%</td>
<td>5,765</td>
<td>14%</td>
</tr>
</tbody>
</table>

*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 6 February 2018

- **World coarse grains indicator price**
  US corn No. 2, fob Gulf
  Week ended 7 February 2018

- **World canola indicator price**
  Europe fob Hamburg
  Week ended 6 February 2018

- **World cotton indicator price**
  Cotlook ‘A’ index
  Week ended 7 February 2018
2.5. Global Dairy Trade (GDT) weighted average prices

- Whole milk powder price
  - 6 February 2018

- Skim milk powder price
  - 6 February 2018

- Cheddar cheese price
  - 6 February 2018

- Anhydrous milk fat price
  - 6 February 2018
2.6. Selected domestic crop indicator prices

Grain sorghum indicator price
Sydney, NSW
Week ended 7 February 2018

Feed barley indicator price
Sydney, NSW
Week ended 7 February 2018

Feed wheat indicator price
General Purpose, Sydney, NSW
Week ended 7 February 2018

Milling wheat indicator price
ASW1, track quote, Port Adelaide, SA
Week ended 6 February 2018
2.7. **Selected domestic livestock indicator prices**

Eastern Young Cattle Indicator
Week ended 8 February 2018

Eastern States Trade Lamb Indicator
Week ended 8 February 2018

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

Pig indicator price Eastern Seaboard
(60.1–75 kg)
Week ended 26 January 2018
2.8. Selected fruit and vegetable prices – week ended 3 February 2018

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
- 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
- United States Department of Agriculture

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