Summary of key issues

- During the week ending 26 July 2018 rainfall was restricted to the far south and west of the country. Rainfall totals of between 10 and 50 millimetres were recorded across much of Victoria, far south-eastern and across agricultural areas of South Australia, south-western Western Australia and much of Tasmania.

- In cropping regions, weekly rainfall totals of between 1 and 5 millimetres were recorded in southern New South Wales. For cropping regions in Victoria, South Australia and Western Australia, weekly rainfall totals were variable, ranging from 1 to 25 millimetres in Victoria and South Australia, and 5 to 50 millimetres in Western Australia.

- For the week ending 25 July 2018, maximum temperatures were above average for much of the country. Minimum temperatures were generally average for this time of year.

- A drier than average August is more likely across much of mainland Australia, with with much of New South Wales, northern Victoria and eastern South Australia having a greater than having a greater than 80 per cent chance of a drier than average month.

- The climate outlook for the August to October period indicates that drier than average conditions are more likely for most of Australia. The southeast of the country is showing the highest probabilities of a dry three months, with a greater than 80 per cent chance of drier than average conditions for northern Victoria and southern New South Wales.

- Much of eastern and southern mainland Australia have experienced a very dry first half of 2018, so an outlook with increased chances of drier conditions indicates areas currently experiencing serious to severe rainfall deficiencies are less likely to see significant improvement in agricultural production conditions the during coming three months. The high chance of warmer temperatures also means these dry conditions may be exacerbated by higher than average temperatures.

- During the next eight days, rainfall is expected to be limited to the southern half of mainland Australia, and most of Tasmania.

- In cropping regions, rainfall totals of between 1 and 10 millimetres are forecast for New South Wales. Higher totals of between 5 and 25 millimetres are expected for cropping regions in Victoria, South Australia and Western Australia during the next eight days.

- Water storage levels in the Murray–Darling Basin (MDB) increased during the week ending 26 July 2018 by 19 gigalitres (GL) to 11,829 GL and are at 52 per cent of total capacity. This is 17 percentage points or 3,933 GL less than at the same time last year.

- Allocation prices in the southern Murray–Darling Basin increased in the week ending 26 July 2018 to $243 per ML. This is an increase of $11 from the same time last week.
1. Climate

1.1. Rainfall this week

During the week ending 26 July 2018 little to no rainfall was recorded across much of mainland Australia, with falls restricted to the far south and west of the country. Rainfall totals of between 10 and 50 millimetres were recorded across much of Victoria, far southeast and across agricultural regions of South Australia, south-western Western Australia and much of Tasmania. Higher rainfall totals in excess of 100 millimetres were recorded across western Tasmania. The highest recorded weekly total was 156 millimetres at Mount Read, in western Tasmania.

In cropping regions, rainfall totals of between 1 and 5 millimetres were recorded in southern New South Wales. For cropping regions in Victoria, weekly rainfall totals were variable, ranging from 1 to 5 millimetres in the north to 15 to 25 millimetres in the south. In South Australian cropping regions, weekly rainfall totals were also variable, ranging from 5 to 10 millimetres in the east to 10 to 25 millimetres across central and western areas.

In Western Australia, rainfall totals of between 5 and 15 millimetres were recorded across most cropping regions, with higher totals of between 15 and 50 millimetres recorded in southern and northern areas. Little to no rainfall was recorded across cropping regions in Queensland, and central and northern New South Wales.

Rainfall analysis for the week ending 26 July 2018
1.2. Temperature anomalies this week

For the week ending 25 July 2018, maximum temperatures were generally above average across much of the country. Maximum temperatures were 4°C to 8°C above average across large areas of eastern and central Western Australia, north-western South Australia and the south of the Northern Territory. In contrast, minimum temperatures were generally average across much of Australia, with parts of eastern and northern Australia recording slightly below average night-time temperatures and parts of western and central Australia recording slightly above average night-time temperatures for this time of year.

**Maximum temperature anomalies for the week ending 25 July 2018**

![Map of Australia showing maximum temperature anomalies for the week ending 25 July 2018](image)

**Minimum temperature anomalies for the week ending 25 July 2018**

![Map of Australia showing minimum temperature anomalies for the week ending 25 July 2018](image)

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. 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/

The current outlook reflects the neutral state of broad-scale climate drivers, such as El Niño, La Niña and the Indian Ocean Dipole (IOD), meaning they are currently having little influence on Australia’s climate.

The latest model run from the Bureau of Meteorology’s climate model (POAMA) suggests that the westerly winds (and associated rain systems) that typically flow along the south of Australia at this time of year are likely to be weaker than average, particularly in the southeast of the country. Forecast cooler than average waters to the northwest of Australia may change the path of weather systems coming from Australia’s west, often meaning less rain over the central and southeast areas. Together, these factors (cool waters to the northwest of Australia and weaker westerly winds) are likely to be influencing the warmer and drier outlook for August to October.

A drier than average August is more likely across much of mainland Australia, with much of New South Wales, northern Victoria and eastern South Australia having a greater than 80 per cent chance of a drier than average month. (Bureau of Meteorology ‘National Climate Outlook’, 26 July 2018).

**Chance of exceeding the median rainfall August 2018**
The rainfall outlook for August to October 2018 period indicates that drier than average conditions are more likely across most of Australia. The southeast of the country is showing the highest probabilities of a dry August to October 2018 period, with a greater than 80 per cent chance of drier than average conditions for northern Victoria and southern New South Wales. (Bureau of Meteorology ‘National Climate Outlook’, 26 July 2018).

Much of eastern and southern mainland Australia have experienced a very dry first half of 2018, so an outlook with increased chances of drier conditions indicates areas currently experiencing serious to severe rainfall deficiencies are less likely to see significant improvement in agricultural production conditions during the coming three months.

**Chance of exceeding the median rainfall August to October 2018**
The latest three month temperature outlook released by the Bureau of Meteorology indicates that the above average daytime temperatures that have been experienced across Australia so far in 2018 are likely to continue. The temperature outlook for August to October 2018 indicates that both daytime and night-time temperatures are more likely to be warmer than average across much of the country (Bureau of Meteorology ‘National Climate Outlook’, 26 July 2018). Parts of the eastern and northern Australia have a greater than 80 per cent chance of a warmer days and nights.

The high chance of warmer temperatures means that for those areas that have experienced a very dry first half of 2018, these dry conditions may be exacerbated by these forecast higher than average temperatures.

**Chance of exceeding the median maximum temperature August to October 2018**

**Chance of exceeding the median minimum temperature August to October 2018**
1.4. **Rainfall forecast for the next eight days**

During the next eight days, rainfall is expected to be limited to the southern half of mainland Australia, and most of Tasmania. Little to no rainfall is forecast across the remainder of the country. Rainfall totals of between 10 and 50 millimetres are forecast for the south-west of Western Australia, alpine areas of New South Wales, southern and alpine areas of Victoria, parts of southern South Australia and Tasmania. Heavier falls of between 50 and 100 millimetres are forecast for western Tasmania.

In cropping regions, rainfall totals of between 1 and 10 millimetres are forecast for New South Wales. Higher totals of between 5 and 25 millimetres are expected for cropping regions in Victoria, South Australia and Western Australia during the next eight days. Little to no rainfall is forecast for cropping regions in Queensland.

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 26 July to 2 August 2018*
2. Water

2.1. Water storages, water markets and water allocations - current week

Water storage levels in the Murray–Darling Basin (MDB) increased during the week ending 26 July 2018 by 19 gigalitres (GL) to 11,829 GL and are at 52 per cent of total capacity. This is 17 percentage points or 3,933 GL less than at the same time last year.

Water storages in the Murray-Darling Basin, 2001–2018

Allocation prices in the southern Murray-Darling Basin increased in the week ending 26 July 2018 to $243 per ML. This is an increase of $11 from the same time last week. This contrasts with an average price of $176 in June across the whole southern MDB.

Allocation trade activity, All

Allocation prices in the southern Murray-Darling Basin increased in the week ending 26 July 2018 to $243 per ML. This is an increase of $11 from the same time last week. This contrasts with an average price of $176 in June across the whole southern MDB.

To access the full interactive weekly water dashboard, which contains the latest and historical water storage, water market and water allocation information, please visit http://www.agriculture.gov.au/abares/publications/weekly_update/weekly-update-260718
## 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>25-Jul</td>
<td>US$/A$</td>
<td>0.74</td>
<td>0.74</td>
<td>0% ●</td>
<td>0.79</td>
<td>-6% ↓</td>
</tr>
<tr>
<td>Wheat – US no. 2 hard red winter wheat, fob Gulf</td>
<td>24-Jul</td>
<td>US$/t</td>
<td>231</td>
<td>228</td>
<td>1% ↑</td>
<td>226</td>
<td>2% ↑</td>
</tr>
<tr>
<td>Coarse Grains – US no. 2 yellow corn, fob Gulf</td>
<td>25-Jul</td>
<td>US$/t</td>
<td>160</td>
<td>153</td>
<td>5% ↑</td>
<td>156</td>
<td>3% ↑</td>
</tr>
<tr>
<td>Canola – Rapeseed, Europe, fob Hamburg</td>
<td>24-Jul</td>
<td>US$/t</td>
<td>427</td>
<td>426</td>
<td>&lt;1% ↑</td>
<td>415</td>
<td>3% ↑</td>
</tr>
<tr>
<td>Cotton – Cotlook 'A' Index</td>
<td>25-Jul</td>
<td>USc/lb</td>
<td>94.1</td>
<td>97.3</td>
<td>-3% ↓</td>
<td>84.7</td>
<td>11% ↑</td>
</tr>
<tr>
<td>Sugar – Intercontinental Exchange, nearby futures, no.11 contract</td>
<td>25-Jul</td>
<td>USc/lb</td>
<td>11.1</td>
<td>11.1</td>
<td>0% ●</td>
<td>14.3</td>
<td>-22% ↓</td>
</tr>
<tr>
<td>Wool – Eastern Market Indicator</td>
<td>12-Jul</td>
<td>Ac/kg clean</td>
<td>1,981</td>
<td>1,994</td>
<td>&lt;1% ↓</td>
<td>1,522</td>
<td>30% ↑</td>
</tr>
<tr>
<td>Wool – Western Market Indicator</td>
<td>13-Jul</td>
<td>Ac/kg clean</td>
<td>2,129</td>
<td>2,154</td>
<td>-1% ↓</td>
<td>1,570</td>
<td>36% ↑</td>
</tr>
<tr>
<td><strong>Selected domestic crop indicator prices</strong></td>
<td></td>
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</tr>
<tr>
<td>Milling Wheat – ASW1, track quote, Port Adelaide, SA</td>
<td>24-Jul</td>
<td>A$/t</td>
<td>289</td>
<td>288</td>
<td>&lt;1% ↑</td>
<td>244</td>
<td>18% ↑</td>
</tr>
<tr>
<td>Feed Wheat – General purpose, Sydney, NSW</td>
<td>25-Jul</td>
<td>A$/t</td>
<td>375</td>
<td>375</td>
<td>0% ●</td>
<td>270</td>
<td>39% ↑</td>
</tr>
<tr>
<td>Feed Barley – Sydney, NSW</td>
<td>25-Jul</td>
<td>A$/t</td>
<td>360</td>
<td>385</td>
<td>-6% ↓</td>
<td>251</td>
<td>43% ↑</td>
</tr>
<tr>
<td>Canola – Portland, Vic.</td>
<td>16-Jul</td>
<td>A$/t</td>
<td>529</td>
<td>523</td>
<td>1% ↑</td>
<td>498</td>
<td>6% ↑</td>
</tr>
<tr>
<td>Grain Sorghum – Sydney, NSW</td>
<td>25-Jul</td>
<td>A$/t</td>
<td>380</td>
<td>360</td>
<td>6% ↑</td>
<td>309</td>
<td>23% ↑</td>
</tr>
<tr>
<td><strong>Selected domestic livestock indicator prices</strong></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Beef – Eastern Young Cattle Indicator</td>
<td>19-Jul</td>
<td>Ac/kg cwt</td>
<td>497</td>
<td>503</td>
<td>-1% ↓</td>
<td>595</td>
<td>-16% ↓</td>
</tr>
<tr>
<td>Mutton – Mutton indicator (18–24 kg fat score 2–3), Vic</td>
<td>20-Jul</td>
<td>Ac/kg cwt</td>
<td>526</td>
<td>517</td>
<td>2% ↑</td>
<td>470</td>
<td>12% ↑</td>
</tr>
<tr>
<td>Lamb – Eastern States Trade Lamb Indicator</td>
<td>19-Jul</td>
<td>Ac/kg cwt</td>
<td>758</td>
<td>724</td>
<td>5% ↑</td>
<td>628</td>
<td>21% ↑</td>
</tr>
<tr>
<td>Pig – Eastern Seaboard (60.1–75 kg), average of buyers &amp; sellers</td>
<td>13-Jul</td>
<td>Ac/kg cwt</td>
<td>249</td>
<td>251</td>
<td>&lt;1% ↓</td>
<td>275</td>
<td>-9% ↓</td>
</tr>
<tr>
<td>Goat – Eastern States (12.1–16 kg)</td>
<td>23-Jul</td>
<td>Ac/kg cwt</td>
<td>556</td>
<td>536</td>
<td>4% ↑</td>
<td>647</td>
<td>-14% ↓</td>
</tr>
<tr>
<td>Live cattle – Light steers ex Darwin to Indonesia</td>
<td>14-Jul</td>
<td>Ac/kg lwt</td>
<td>290</td>
<td>285</td>
<td>2% ↑</td>
<td>na</td>
<td>na</td>
</tr>
<tr>
<td>Live sheep – Live wether (Muchea WA saleyard) to Middle East</td>
<td>14-May</td>
<td>$/head</td>
<td>95</td>
<td>na</td>
<td>na</td>
<td>116</td>
<td>-18% ↓</td>
</tr>
<tr>
<td>Indicator</td>
<td>Week ended</td>
<td>Unit</td>
<td>Latest price</td>
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<tr>
<td>Global Dairy Trade (GDT) weighted average prices a</td>
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</tr>
<tr>
<td>Dairy – Whole milk powder</td>
<td>17-Jul</td>
<td>US$/t</td>
<td>2,973</td>
<td>2,905</td>
<td>2% ☡</td>
<td>3,114</td>
<td>-5% ☡</td>
</tr>
<tr>
<td>Dairy – Skim milk powder</td>
<td>17-Jul</td>
<td>US$/t</td>
<td>1,959</td>
<td>1,913</td>
<td>2% ☡</td>
<td>2,024</td>
<td>-3% ☡</td>
</tr>
<tr>
<td>Dairy – Cheddar cheese</td>
<td>17-Jul</td>
<td>US$/t</td>
<td>3,596</td>
<td>3,713</td>
<td>-3% ☡</td>
<td>4,112</td>
<td>-13% ☡</td>
</tr>
<tr>
<td>Dairy – Anhydrous milk fat</td>
<td>17-Jul</td>
<td>US$/t</td>
<td>5,629</td>
<td>5,937</td>
<td>-5% ☡</td>
<td>6,577</td>
<td>-14% ☡</td>
</tr>
</tbody>
</table>

a Global Dairy Trade prices are updated twice monthly on the first and third Tuesday of each month.
3.1. Selected world indicator prices

**World wheat indicator price**
US No. 2, hard red winter wheat, fob Gulf
Week ended 24 July 2018

**World coarse grains indicator price**
US corn No. 2, fob Gulf
Week ended 25 July 2018

**World canola indicator price**
Europe fob Hamburg
Week ended 24 July 2018

**World cotton indicator price**
Cotlook 'A' index
Week ended 25 July 2018
3.2. Global Dairy Trade (GDT) weighted average prices

Whole milk powder price
17 July 2018

Skim milk powder price
17 July 2018

Cheddar cheese price
17 July 2018

Anhydrous milk fat price
17 July 2018
3.3. Selected domestic crop indicator prices

- Grain sorghum indicator price
  Sydney, NSW
  Week ended 25 July 2018

- Feed barley indicator price
  Sydney, NSW
  Week ended 25 July 2018

- Feed wheat indicator price
  General Purpose, Sydney, NSW
  Week ended 25 July 2018

- Milling wheat indicator price
  ASW1, track quote, Port Adelaide, SA
  Week ended 24 July 2018
3.4. Selected domestic livestock indicator prices

Eastern Young Cattle Indicator
Week ended 19 July 2018

Eastern States Trade Lamb Indicator
Week ended 19 July 2018

Mutton indicator price in Victoria
(18–24 kg fat score 2–3)
Week ended 20 July 2018

Pig indicator price Eastern Seaboard
(60.1–75 kg)
Week ended 13 July 2018
3.5. Selected fruit and vegetable prices – week ended 26 July 2018
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