Summary of key issues

• Rainfall of between 10 to 50 millimetres was recorded across winter cropping regions in northern Queensland, much of Western Australia, and scattered areas of New South Wales and Victoria during the week ending 10 July 2019. As most of these regions recorded favourable rain in June, these falls are likely to support continued crop growth and maintain soil moisture levels.

• Remaining cropping regions across Victoria, much of New South Wales, South Australia and southern Queensland recorded rainfall between 1 to 10 millimetres during the week ending 10 July 2019. While average June rain and sufficient soil moisture in South Australia allowed for winter crop establishment, persistent dry conditions from late March across northern New South Wales and southern Queensland has limited crop and pasture growth in these regions.

• Indian Ocean temperature forecasts indicate that a positive Indian Ocean Dipole (IOD) is expected to be the dominant driver of climatic conditions in Australia for the remainder of winter and spring. A positive IOD at this time of year typically brings drier conditions to much of southern and central Australia.

• The rainfall outlook for August to October 2019 indicates that a drier than average 3 months is likely across much of New South Wales, Victoria, Queensland, south-western and northern Western Australia, south-eastern South Australia and the Northern Territory.

• While this probabilistic forecast indicates that the chance of exceeding median rainfall is quite low across large parts of Australia, it does not mean that these areas will not receive rainfall sufficient to sustain crop and pasture production during the next 3-months.

• Across Australia’s winter cropping regions, the 8-day rainfall forecast indicates moderate falls of between 10 and 50 millimetres are expected across small areas of southern New South Wales, southern Victoria and central South Australia. Lighter falls of between 1 and 10 millimetres are forecast across remaining cropping regions in southern New South Wales, southern Western Australia, Victoria and South Australia.

• Water storage levels in the Murray-Darling Basin (MDB) decreased between 3 July and 10 July 2019 by 2 gigalitres (GL). Current volume of water held in storage is 8,982 GL which represents 35% of total capacity. This is 35% or 4,735 GL less than at the same time last year.

• Allocation prices in the southern Murray-Darling Basin increased from $552 per ML in the week ending 24 June 2019 to $622 per ML in the week ending 1 July 2019.
1. Climate

1.1. Rainfall this week

During the week ending 10 July 2019 rainfall was recorded across south-western, north-eastern and scattered areas of eastern Australia. Little to no rainfall was recorded across the rest of Australia.

Rainfall of between 10 to 50 millimetres was recorded across winter cropping regions in northern Queensland, much of Western Australia, and scattered areas of New South Wales and Victoria during the week ending 10 July 2019. Most of these regions, with the exception of northern New South Wales, recorded favourable rain in June. This means that moderate falls are likely to support continued crop growth and maintain soil moisture levels.

Remaining cropping regions across Victoria, much of New South Wales, South Australia and southern Queensland recorded rainfall between 1 to 10 millimetres during the week ending 10 July 2019. While average June rain and sufficient soil moisture in South Australia allowed for winter crop establishment, persistent dry conditions from late March across northern New South Wales and southern Queensland has limited crop and pasture growth in these regions.

Rainfall for the week ending 10 July 2019
1.2. Temperature anomalies this week

For the week ending 9 July 2019, maximum temperatures were 2°C to 6°C above average across much of southern and Western Australia, and minimum temperatures were 2°C to 10°C above average across eastern and parts of Western Australia. In contrast, minimum temperatures were -2°C to -6°C below average across far northern Australia. Average (-2°C to 2°C) minimum and maximum temperatures were recorded across the remainder of the country.

Maximum temperature anomalies for the week ending 9 July 2019

Minimum temperature anomalies for the week ending 9 July 2019

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

The rainfall and temperature outlooks presented here 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. These climate outlooks are generated by ACCESS–S (Australian Community Climate Earth-System Simulator–Seasonal). ACCESS–S is the Bureau of Meteorology’s dynamical (physics-based) weather and climate model used for monthly, seasonal and longer-lead climate outlooks.

For further information, go to http://www.bom.gov.au/climate/ahead/about/

Following a return to neutral sea surface temperatures in the Pacific Ocean, the ENSO is expected to remain neutral during the coming months. A positive Indian Ocean Dipole (IOD) is likely underway and is expected to be the dominant driver of climatic conditions in Australia for the remainder of winter and spring. A positive IOD typically brings below average winter–spring rainfall to southern and central Australia, and warmer days for southern Australia.

The latest rainfall outlook released by the Bureau of Meteorology suggests that a drier than average August is more likely for the far south-west of Western Australia, much of Queensland and the north of the Northern Territory. It should be noted that apart from eastern Queensland, the tropical north of Australia is typically dry during August. There is no strong shift towards a wetter or drier than average August for the remainder of the country (Bureau of Meteorology ‘National Climate Outlook’, 11 July 2019).

Chance of exceeding the median rainfall August 2019
The Bureau of Meteorology’s climate outlooks are given as a probability (or chance) of exceeding a specified rainfall or temperature threshold. In the case of the Bureau’s rainfall outlook, it is represented as the chance of rainfall being above median, expressed as a percentage. While this probabilistic forecast indicates that the chance of exceeding median rainfall is quite low across large parts of Australia, it does not mean that these areas will receive no rainfall during August to October 2019.

The rainfall outlook for August to October 2019 indicates that a drier than average 3-months is more likely across much of New South Wales, Victoria, Queensland, south-western and northern Western Australia, south-eastern South Australia and the Northern Territory. Across the mainly arid remainder of the country, there is no strong shift towards a wetter or drier than average three months (Bureau of Meteorology ‘National Climate Outlook’, 11 July 2019).

**Chance of exceeding the median rainfall August to October 2019**
There is a significant chance that many areas unlikely to exceed median rainfall will receive rainfall sufficient to sustain crop and pasture production through the remainder of winter and beginning of spring.

In cropping regions, for example, there is a 75% chance of receiving between 50 and 100 millimetres across parts of eastern New South Wales, south-eastern Queensland, southern Victoria, much of South Australia and Western Australia between August and October 2019.

There is a 75% chance of receiving between 10 and 50 millimetres across much of New South Wales and Queensland cropping regions. In areas with low soil moisture, this probable three-month rainfall is low and unlikely to be sufficient to sustain substantial crop and pasture production, particularly when temperatures begin to increase in spring and evapotranspiration increases.

Rainfall totals that have a 75% chance of occurring August to October 2019
The temperature outlook for August to October 2019 indicates that daytime temperatures are more likely to be warmer than average for much of the country. Night-time temperatures are also likely to be warmer than average for much of Australia, with average minimum temperatures forecast for northern Queensland and parts of southern Australia. The forecast drier than average conditions and dry soils could bring more cloud-free nights, increasing the risk of frost in susceptible areas (Bureau of Meteorology ‘National Climate Outlook’, 11 July 2019).

**Chance of exceeding the median maximum temperature August to October 2019**

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**Chance of exceeding the median minimum temperature August to October 2019**
1.4. **Rainfall forecast for the next eight days**

Over the next eight days, rainfall is expected to be restricted to the far south-east of Australia, with little to no rainfall forecast to most of the country.

Rainfall of between 10 and 100 millimetres is forecast for parts of southern New South Wales, much of Victoria, south-eastern South Australia and Tasmania. Rainfall in excess of 100 millimetres is forecast for western Tasmania.

In cropping regions, rainfall of between 10 and 50 millimetres is expected across small areas of southern New South Wales, southern Victoria and central South Australia. Lighter falls of between 1 and 10 millimetres are forecast across remaining cropping regions in southern New South Wales, southern Western Australia, Victoria and South Australia. Little to no rainfall is expected across Queensland, northern New South Wales and much of Western Australia.

*Total forecast rainfall (mm) for the period 11 July to 18 July 2019*
2. Water

2.1. Water markets – current week

Water storage in the Murray–Darling Basin (MDB) decreased by 2 gigalitres (GL) between 3 July and 10 July 2019. The current volume of water held in storage is 8,982 GL, which represents 35% of total capacity. This is 35% or 4,735 GL less than at the same time last year.

Allocation prices in the southern Murray-Darling Basin increased, moving from $552 per ML in the week ending 24 June 2019 to $622 per ML in the week ending 24 June 2019. Water volume traded remains low due to decreased water demand.

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-110719

Note: The trades shown reflect estimated market activity and do not encompass all registered trades. The price line reflects value weighted average prices for the entire southern Murray-Darling Basin. Data shown is current as at 11 July 2019, and encompasses water activity until 1 July 2019. ABARES has changed the data source for this output. Data is now sourced from the Bureau of Meteorology water dashboard.
### 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>10-Jul</td>
<td>US$/A$</td>
<td>0.7</td>
<td>0.7</td>
<td>0% ●</td>
<td>0.74</td>
<td>-5% ▼</td>
</tr>
<tr>
<td>Wheat – US no. 2 hard red winter wheat, fob Gulf</td>
<td>09-Jul</td>
<td>US$/t</td>
<td>221</td>
<td>225</td>
<td>-2% ▼</td>
<td>234</td>
<td>-6% ▼</td>
</tr>
<tr>
<td>Coarse Grains – US no. 2 yellow corn, fob Gulf</td>
<td>10-Jul</td>
<td>US$/t</td>
<td>191</td>
<td>191</td>
<td>0% ●</td>
<td>155</td>
<td>23% ▲</td>
</tr>
<tr>
<td>Canola – Rapeseed, Europe, fob Hamburg</td>
<td>09-Jul</td>
<td>US$/t</td>
<td>402</td>
<td>416</td>
<td>-3% ▼</td>
<td>422</td>
<td>-5% ▼</td>
</tr>
<tr>
<td>Cotton – Cotlook ‘A’ Index</td>
<td>10-Jul</td>
<td>USc/lb</td>
<td>77.8</td>
<td>77.5</td>
<td>&lt;1% ▲</td>
<td>94.3</td>
<td>-17% ▼</td>
</tr>
<tr>
<td>Sugar – Intercontinental Exchange, nearby futures, no.11 contract</td>
<td>10-Jul</td>
<td>USc/lb</td>
<td>12.4</td>
<td>12.5</td>
<td>&lt;1% ▼</td>
<td>11.4</td>
<td>9% ▲</td>
</tr>
<tr>
<td>Wool – Eastern Market Indicator</td>
<td>04-Jul</td>
<td>Ac/kg clean</td>
<td>1,723</td>
<td>1,715</td>
<td>&lt;1% ▲</td>
<td>1,994</td>
<td>-14% ▼</td>
</tr>
<tr>
<td>Wool – Western Market Indicator</td>
<td>05-Jul</td>
<td>Ac/kg clean</td>
<td>1,867</td>
<td>1,832</td>
<td>2% ▲</td>
<td>2,154</td>
<td>-13% ▼</td>
</tr>
<tr>
<td><strong>Selected domestic crop indicator prices</strong></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Milling Wheat – ASW1, track quote, Port Adelaide, SA</td>
<td>02-Jul</td>
<td>A$/t</td>
<td>242</td>
<td>274</td>
<td>-12% ▼</td>
<td>284</td>
<td>-15% ▼</td>
</tr>
<tr>
<td>Feed Wheat – General purpose, Sydney, NSW</td>
<td>10-Jul</td>
<td>A$/t</td>
<td>375</td>
<td>375</td>
<td>0% ●</td>
<td>365</td>
<td>3% ▲</td>
</tr>
<tr>
<td>Feed Barley – Sydney, NSW</td>
<td>10-Jul</td>
<td>A$/t</td>
<td>365</td>
<td>365</td>
<td>0% ●</td>
<td>360</td>
<td>1% ▲</td>
</tr>
<tr>
<td>Canola – Portland, Vic.</td>
<td>29-Oct</td>
<td>A$/t</td>
<td>597</td>
<td>na</td>
<td>na</td>
<td>536</td>
<td>11% ▲</td>
</tr>
<tr>
<td>Grain Sorghum – Sydney, NSW</td>
<td>10-Jul</td>
<td>A$/t</td>
<td>350</td>
<td>355</td>
<td>-1% ▼</td>
<td>410</td>
<td>-15% ▼</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>04-Jul</td>
<td>Ac/kg cwt</td>
<td>492</td>
<td>489</td>
<td>&lt;1% ▲</td>
<td>512</td>
<td>-4% ▼</td>
</tr>
<tr>
<td>Mutton – Mutton indicator (18–24 kg fat score 2–3), Vic</td>
<td>05-Jul</td>
<td>Ac/kg cwt</td>
<td>597</td>
<td>591</td>
<td>1% ▲</td>
<td>538</td>
<td>11% ▲</td>
</tr>
<tr>
<td>Lamb – Eastern States Trade Lamb Indicator</td>
<td>04-Jul</td>
<td>Ac/kg cwt</td>
<td>908</td>
<td>900</td>
<td>&lt;1% ▲</td>
<td>715</td>
<td>27% ▲</td>
</tr>
<tr>
<td>Pig – Eastern Seaboard (60.1–75 kg), average of buyers &amp; sellers</td>
<td>28-Jun</td>
<td>Ac/kg cwt</td>
<td>357</td>
<td>354</td>
<td>&lt;1% ▼</td>
<td>251</td>
<td>42% ▲</td>
</tr>
<tr>
<td>Goat – Eastern States (12.1–16 kg)</td>
<td>08-Jul</td>
<td>Ac/kg cwt</td>
<td>935</td>
<td>940</td>
<td>&lt;1% ▼</td>
<td>536</td>
<td>74% ▲</td>
</tr>
<tr>
<td>Live cattle – Light steers ex Darwin to Indonesia</td>
<td>06-Jul</td>
<td>Ac/kg lwt</td>
<td>290</td>
<td>290</td>
<td>0% ●</td>
<td>285</td>
<td>2% ▲</td>
</tr>
<tr>
<td>Live sheep – Live wether ( Muchea WA saleyard) to Middle East</td>
<td>13-May</td>
<td>$/head</td>
<td>135</td>
<td>110</td>
<td>23% ▲</td>
<td>95</td>
<td>42% ▲</td>
</tr>
<tr>
<td>Indicator</td>
<td>Week ended</td>
<td>Unit</td>
<td>Latest price</td>
<td>Price week prior</td>
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</tr>
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</tr>
<tr>
<td>Global Dairy Trade (GDT) weighted average prices a</td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Dairy – Whole milk powder</td>
<td>02-Jul</td>
<td>US$/t</td>
<td>2,969</td>
<td>3,006</td>
<td>-1% ↓</td>
<td>2,905</td>
<td>2% ↑</td>
</tr>
<tr>
<td>Dairy – Skim milk powder</td>
<td>02-Jul</td>
<td>US$/t</td>
<td>2,430</td>
<td>2,358</td>
<td>3% ↑</td>
<td>1,913</td>
<td>27% ↑</td>
</tr>
<tr>
<td>Dairy – Cheddar cheese</td>
<td>02-Jul</td>
<td>US$/t</td>
<td>3,756</td>
<td>3,781</td>
<td>&lt;1% ↓</td>
<td>3,713</td>
<td>1% ↑</td>
</tr>
<tr>
<td>Dairy – Anhydrous milk fat</td>
<td>02-Jul</td>
<td>US$/t</td>
<td>5,433</td>
<td>5,530</td>
<td>-2% ↓</td>
<td>5,937</td>
<td>-8% ↓</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 9 July 2019

**World coarse grains indicator price**
US corn No. 2, fob Gulf
Week ended 10 July 2019

**World canola indicator price**
Europe fob Hamburg
Week ended 9 July 2019

**World cotton indicator price**
Cotlook 'A' index
Week ended 10 July 2019
3.2. Global Dairy Trade (GDT) weighted average prices

- Whole milk powder price
  - 2 July 2019

- Skim milk powder price
  - 2 July 2019

- Cheddar cheese price
  - 2 July 2019

- Anhydrous milk fat price
  - 2 July 2019
3.3. Selected domestic crop indicator prices

Grain sorghum indicator price
Sydney, NSW
Week ended 10 July 2019

Feed barley indicator price
Sydney, NSW
Week ended 10 July 2019

Feed wheat indicator price
General Purpose, Sydney, NSW
Week ended 10 July 2019

Milling wheat indicator price
ASW1, track quote, Port Adelaide, SA
Week ended 2 July 2019
3.4. Selected domestic livestock indicator prices

Eastern Young Cattle Indicator
Week ended 4 July 2019

Mutton indicator price in Victoria
(18–24 kg fat score 2–3)
Week ended 5 July 2019

Eastern States Trade Lamb Indicator
Week ended 4 July 2019

Pig indicator price Eastern Seaboard
(60.1–75 kg)
Week ended 28 June 2019
3.5. Selected fruit and vegetable prices – week ended 11 July 2019

- 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