Australian Government
Department of Agriculture and Water Resources
ABARES

Agricultural commodities

December quarter 2018

$58b
Value of production

Agricultural overview

The value of farm production remains above the 10-year average despite drought conditions.

3.7%
World economic growth

Economic overview

Economic growth in Australia's main export markets remains strong, but downside risks have increased.

Seasonal conditions

A return to average rainfall provides mixed benefits. Unfavourable summer rainfall outlook for northern Australia.

↑5%
to **US$240/t**[a]
in 2018–19

Wheat

Lower global production to drive wheat prices higher.

↑12%
to **US$215/t**[b]
in 2018–19

Coarse grains

Barley prices to increase due to falling world coarse grain stocks.

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a US no. 2 hard red winter, fob Gulf. **b** France feed barley, fob Rouen.

Agricultural commodities

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↑3%
to **US$435/t**[c]
in 2018–19

Oilseeds

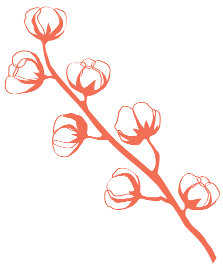
Canola prices to rise, reflecting an increase in Chinese imports and a fall in exportable supplies.

↓5%
to **USc 12/lb**[d]
in 2018–19

Sugar

Sugar prices to fall to a 10-year low, driven by record world supplies.

↑2%
to **USc 90/lb**[e]
in 2018–19



Cotton

Record world cotton demand to increase prices and lower stocks.

c Europe rapeseed, fob Hamburg. **d** Intercontinental Exchange, nearby futures, no. 11 contract (October to September). **e** Cotlook 'A' index.

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↓4%
to **435 Ac/kg**[a]
in 2018–19

Beef and veal
Australian cattle prices to fall due to higher production and export market competition.

↑18%
to **725 Ac/kg**[b]
in 2018–19

Sheep meat
Lamb prices to rise due to strong export demand and falling supplies in major exporting countries.

↑12%
to **1,925 Ac/kg**[c]
in 2018–19

Wool
A decline in Australian wool production is expected to support prices.

↑1%
to **47 Ac/L**[d]
in 2018–19

Dairy
Milk prices to rise due to a falling Australian dollar and increased competition for milk.

a Australian weighted average saleyard price of beef cattle. **b** Australian weighted average saleyard price of lamb. **c** Eastern Market Indicator price, clean equivalent. **d** Australian average farmgate milk price.