



Australian Government

Department of Agriculture, Water and the Environment

ABARES

Commodity outlook and issues

Riverina agriculture

Emily Dahl

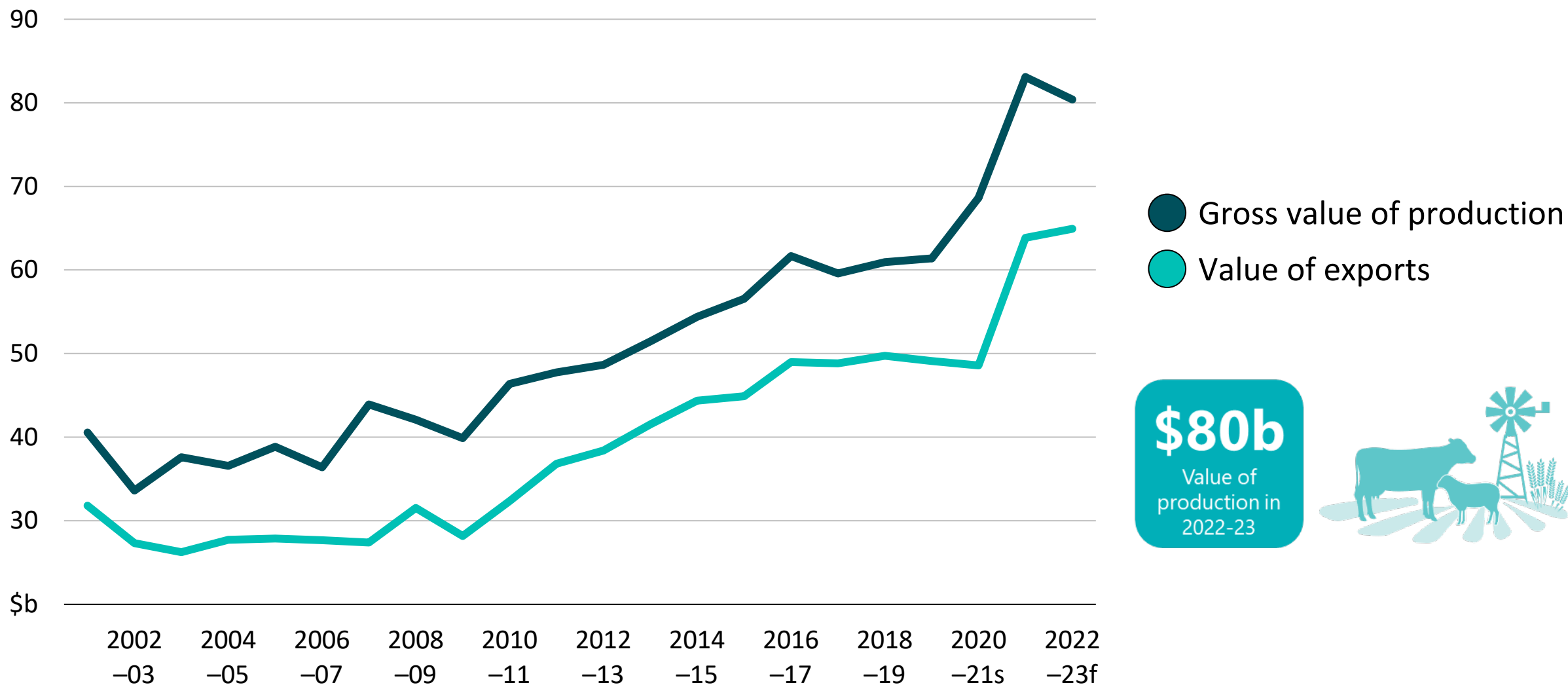
**ABARES: the Australian Bureau of Agricultural
and Resource Economics and Sciences**

15 June 2022



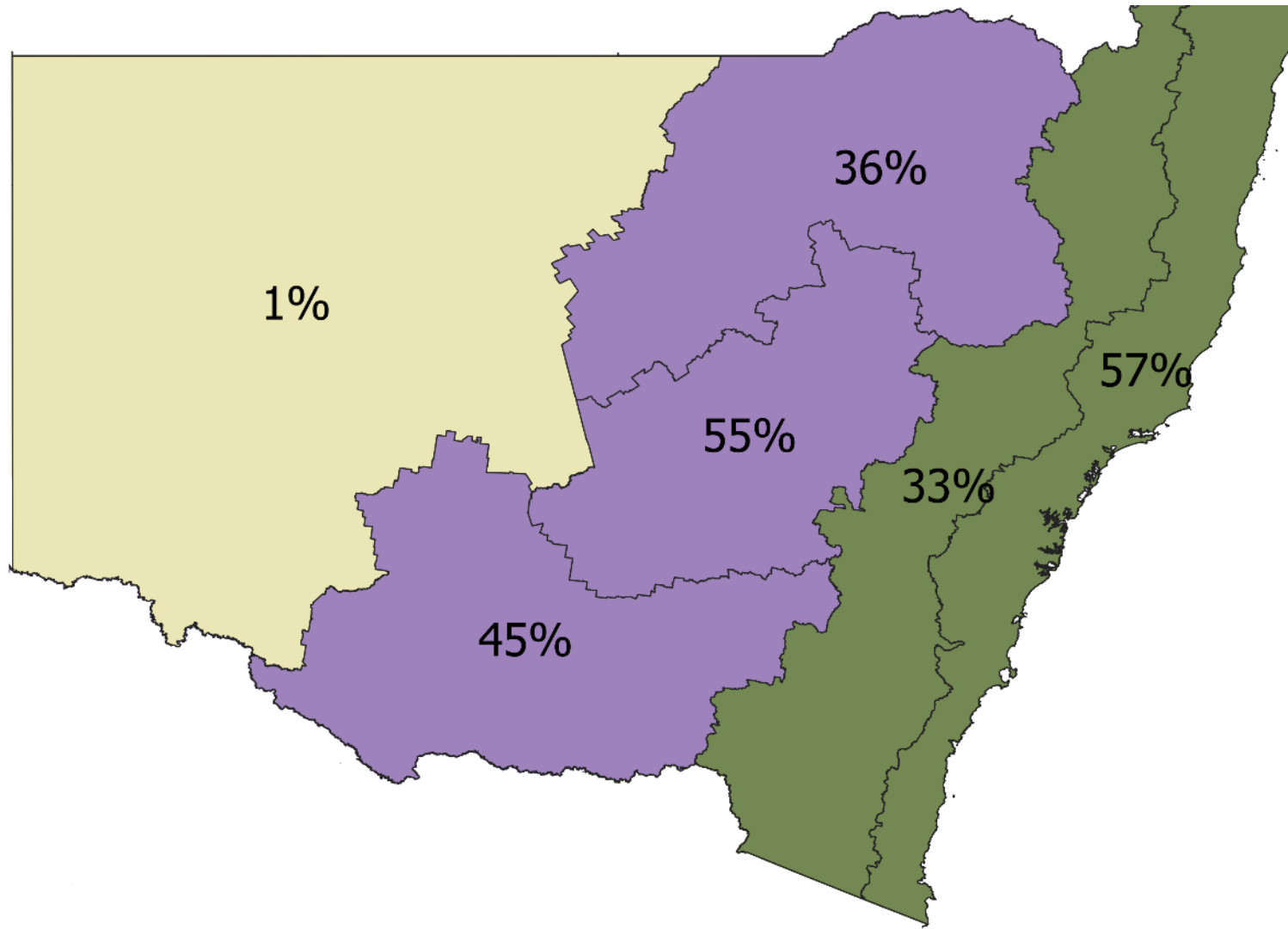
Research by the
Australian Bureau of Agricultural and Resource Economics and Sciences

Value of production and exports at record highs



Gross value of Australian agricultural production and exports. s ABARES estimate. f ABARES forecast.

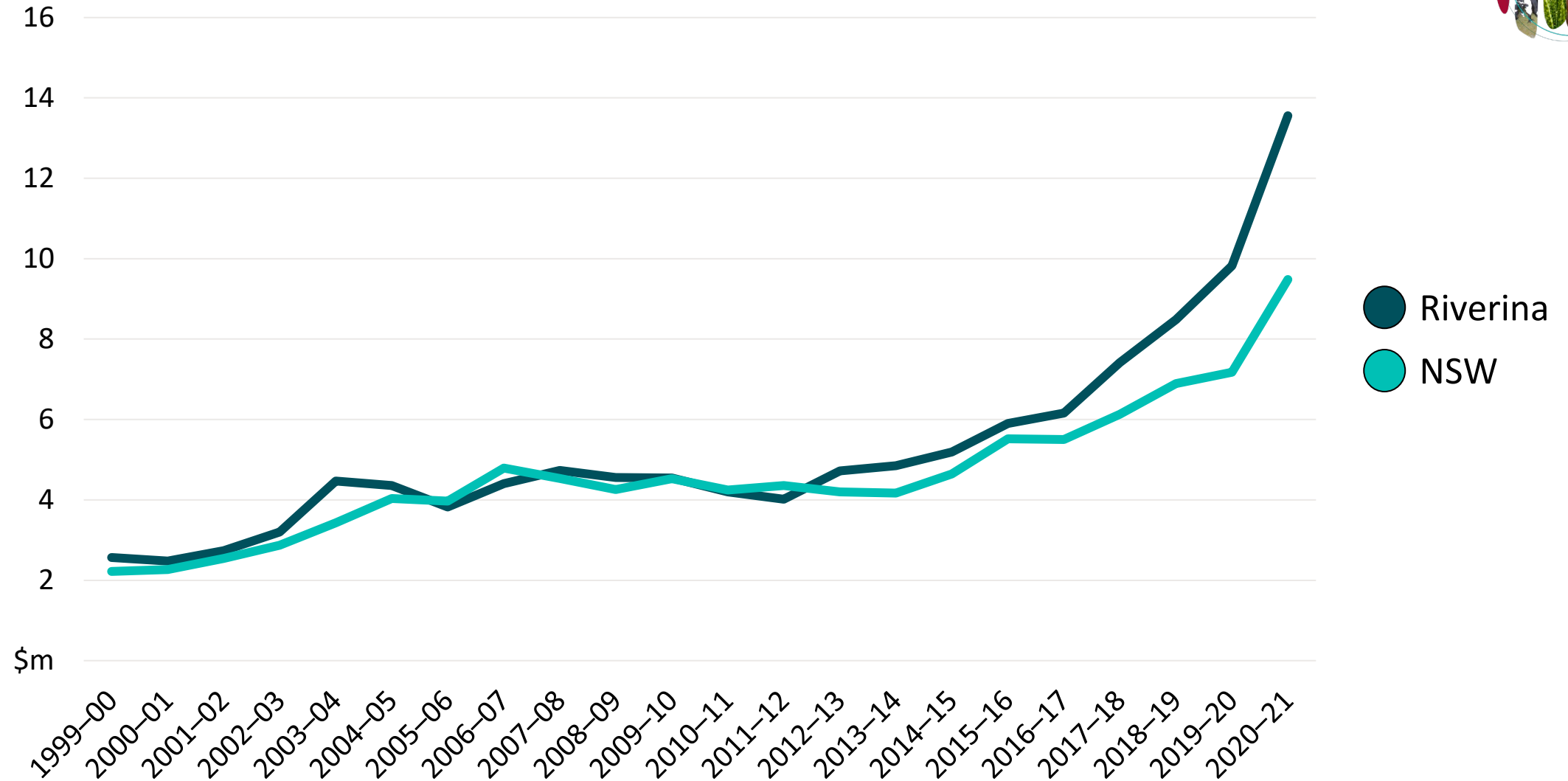
The increase in land value differs by region



% increase in farm land value, 30 June 2020 to 30 June 2021, broadacre farms, NSW by region.

Source: ABARES

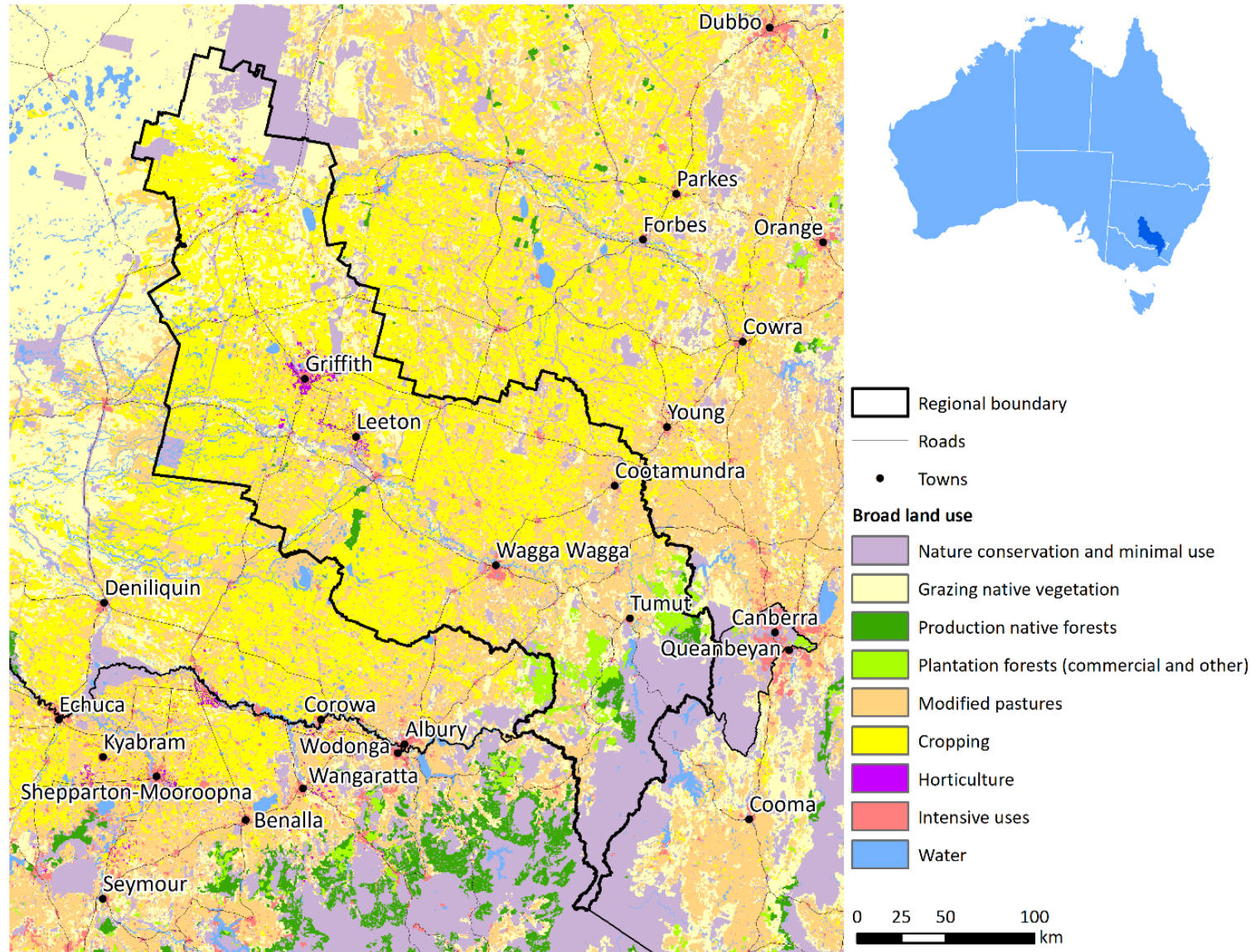
Riverina land values increasing



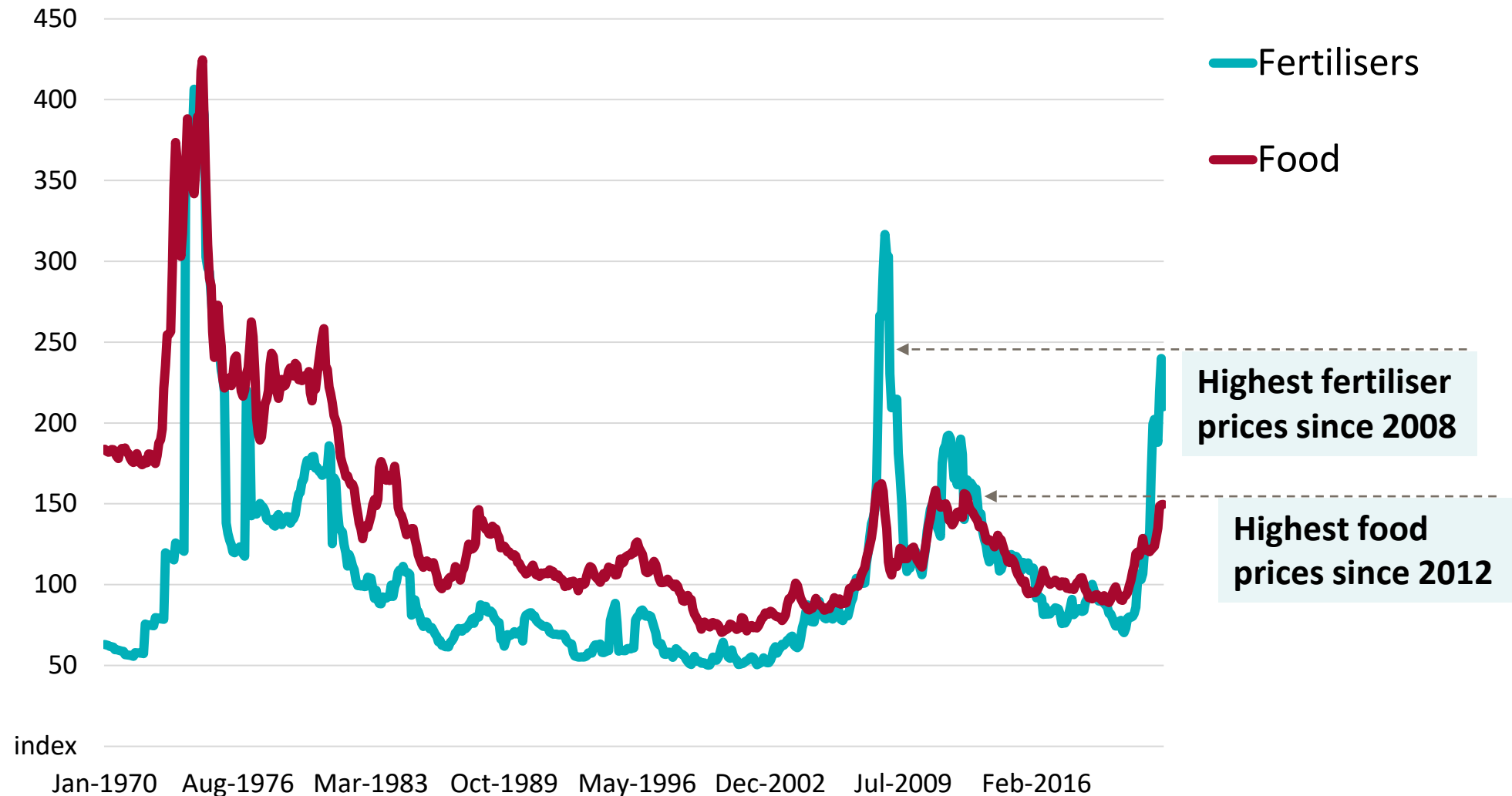
Average farm capital value (in real terms)

Source: ABARES

Broad land use in the Riverina region



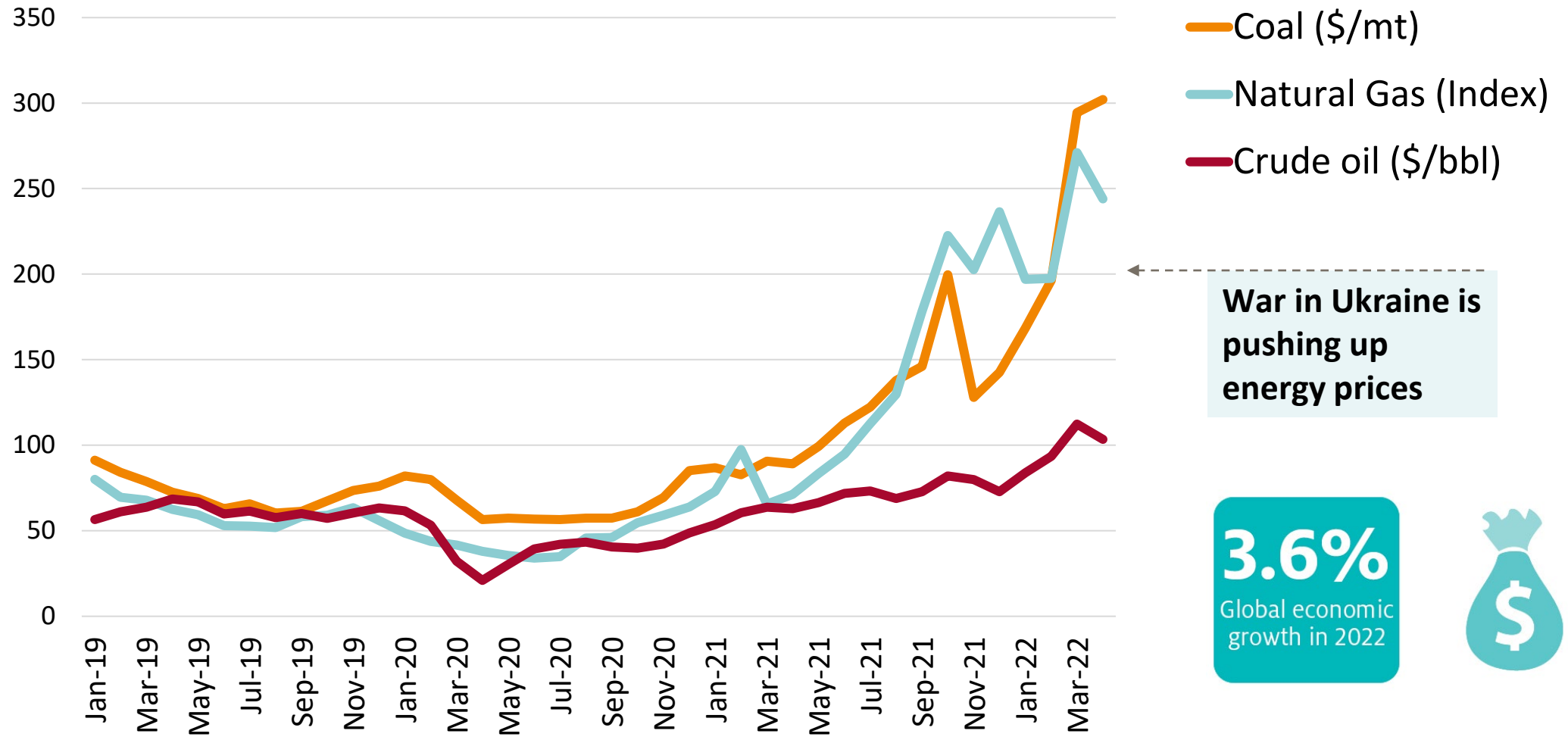
Global food prices are now at decade highs, fertiliser even higher



Note: Data shown in real terms. Original data is in nominal US dollar terms and is deflated by the US Consumer Price Index for All Urban Consumers.

Source: [World Bank](#)

Global economic growth prospects have been downgraded



Note: Natural Gas Index 2010 = 100.

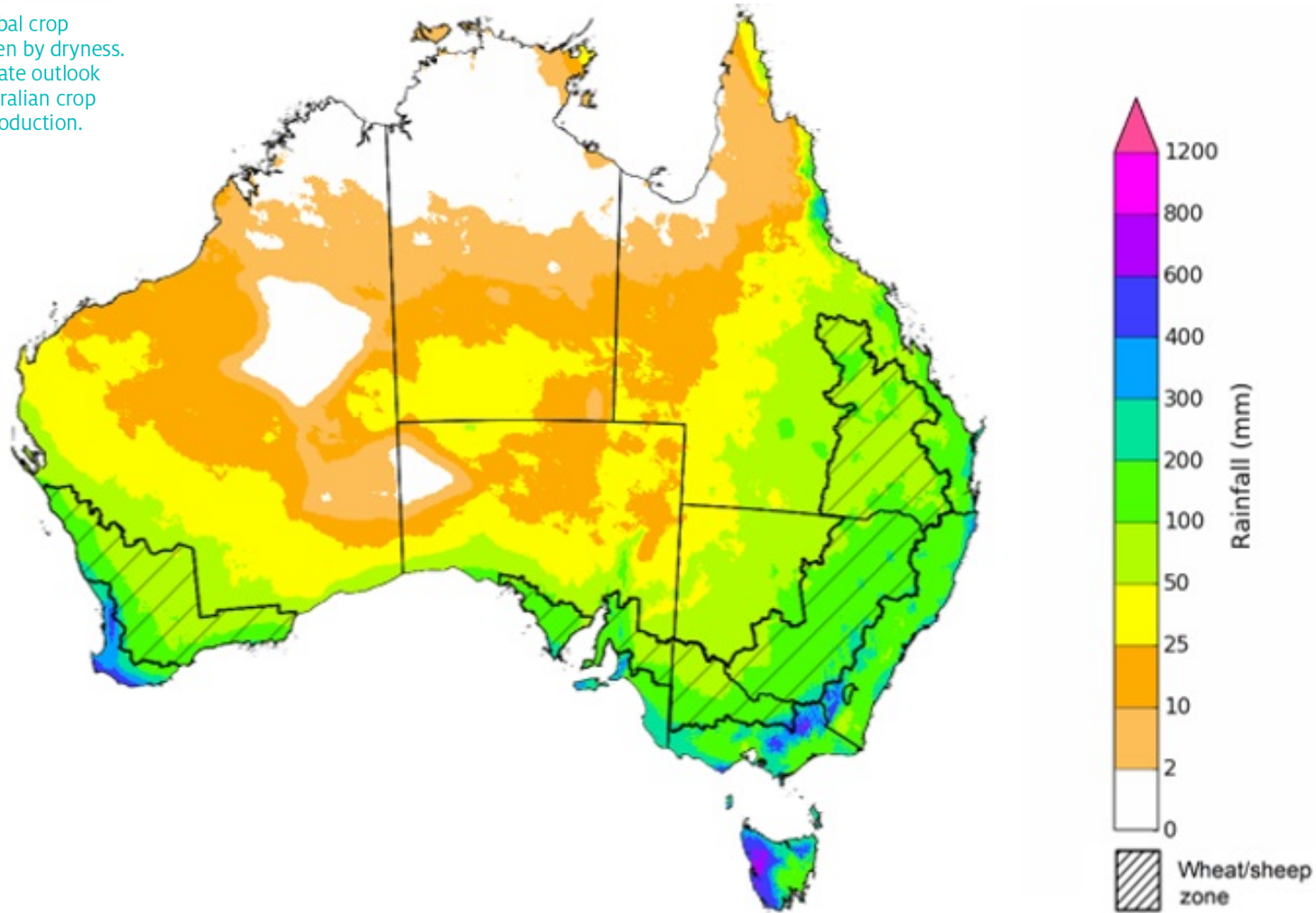
Source: World Bank

Favourable growing conditions likely for the winter season

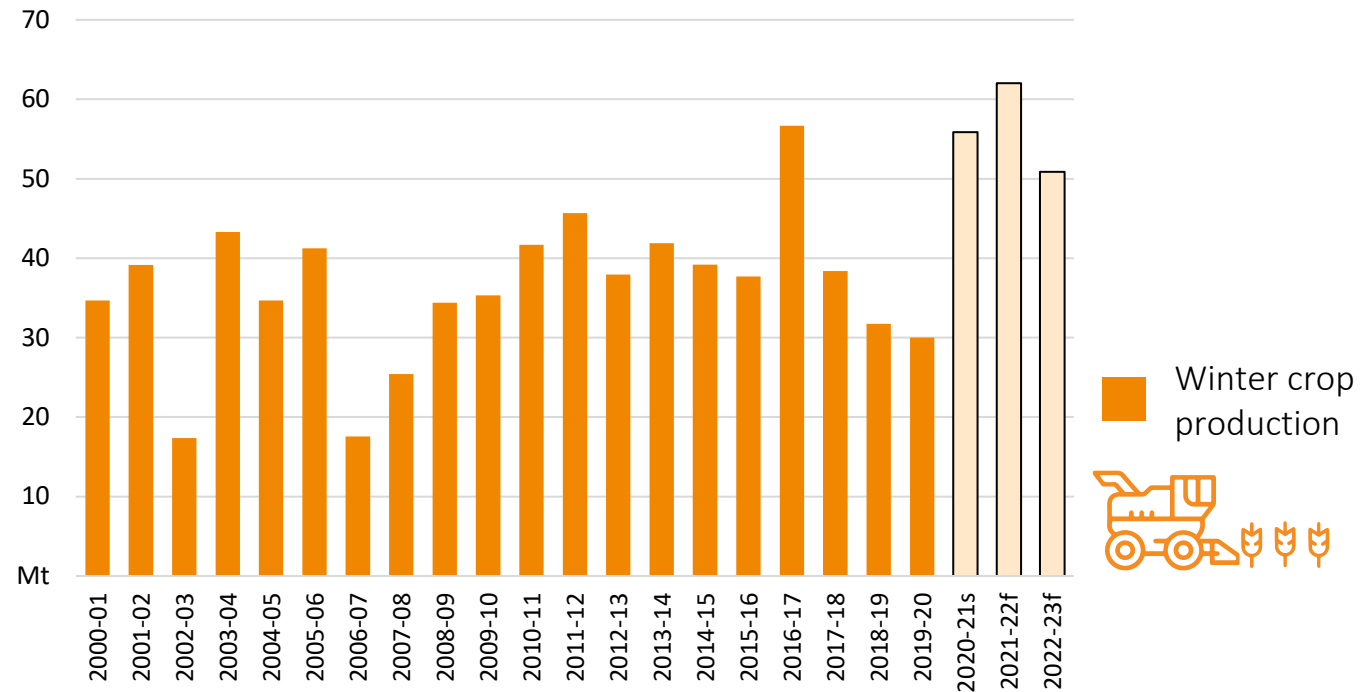
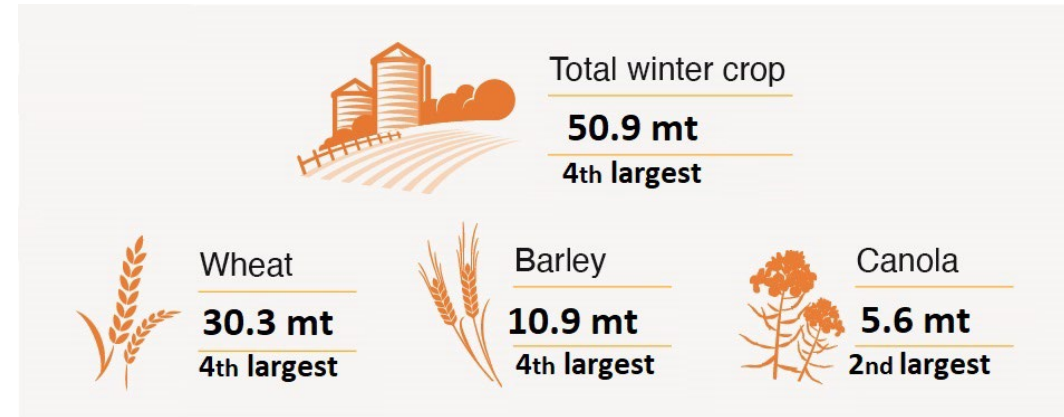
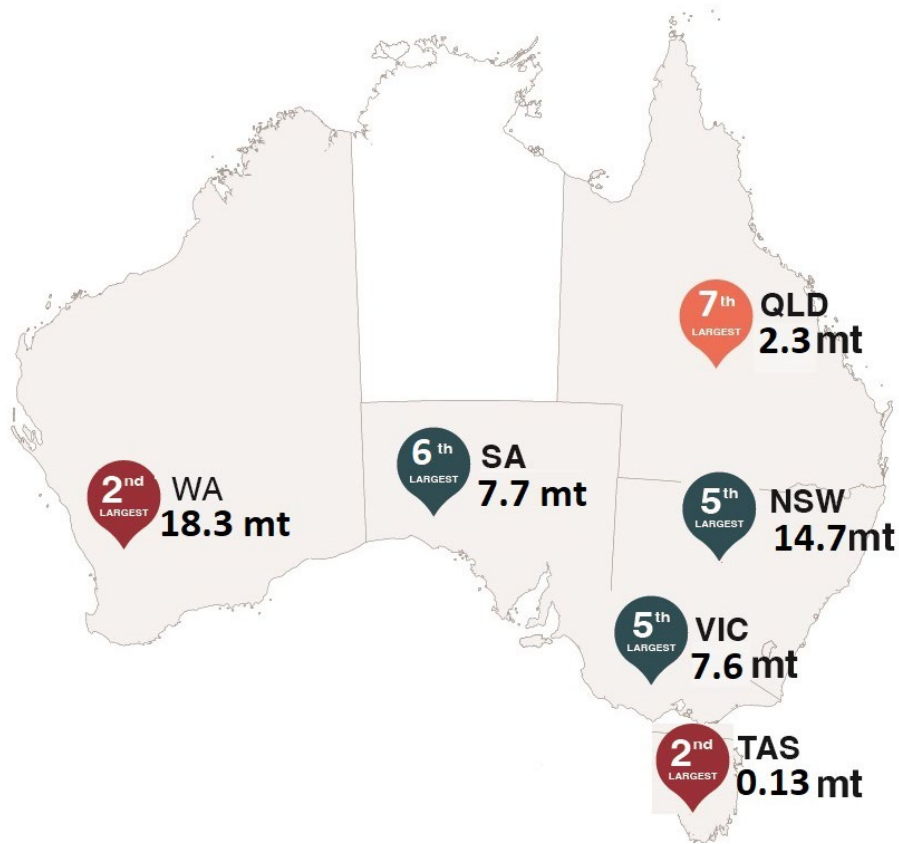


Seasonal conditions

Shortfalls in global crop production driven by dryness. Favourable climate outlook supporting Australian crop and livestock production.

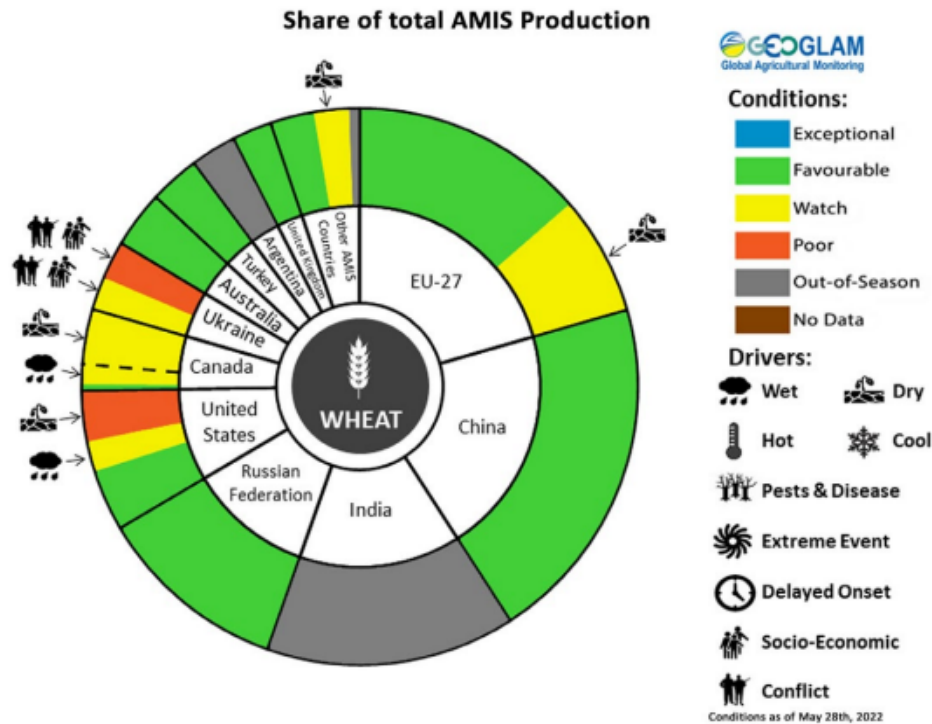


Another large winter crop on the cards for 2022–23

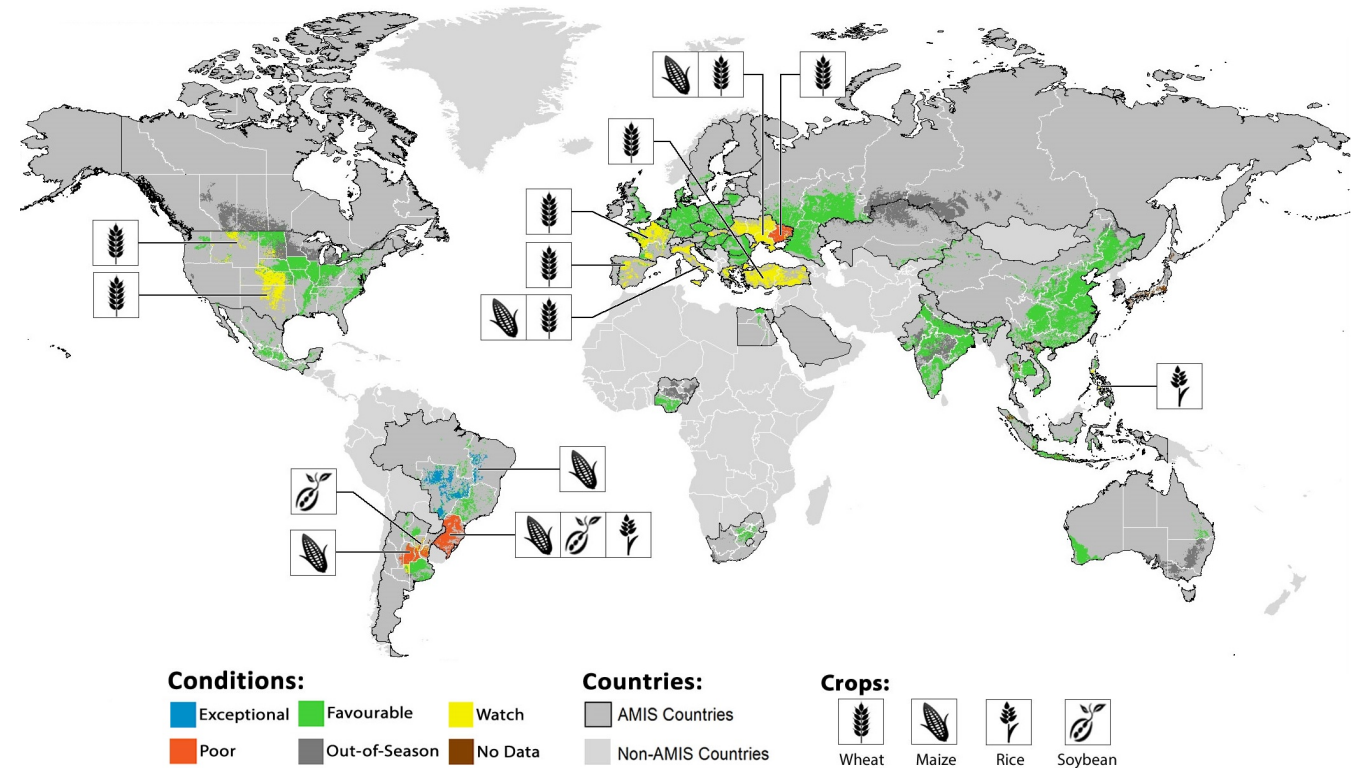


s ABARES estimate. f ABARES forecast.

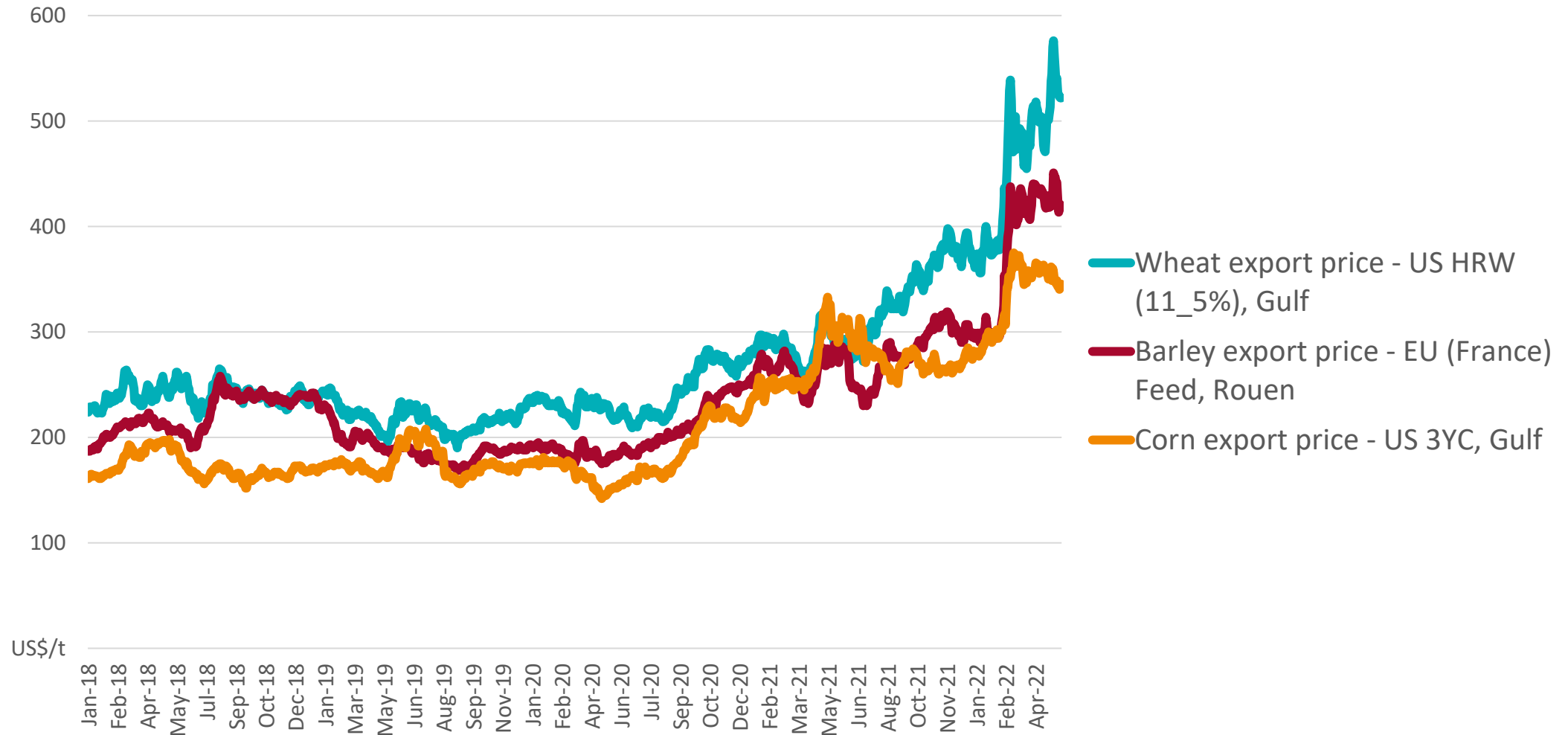
Dry conditions in major export competitors limit world wheat supply



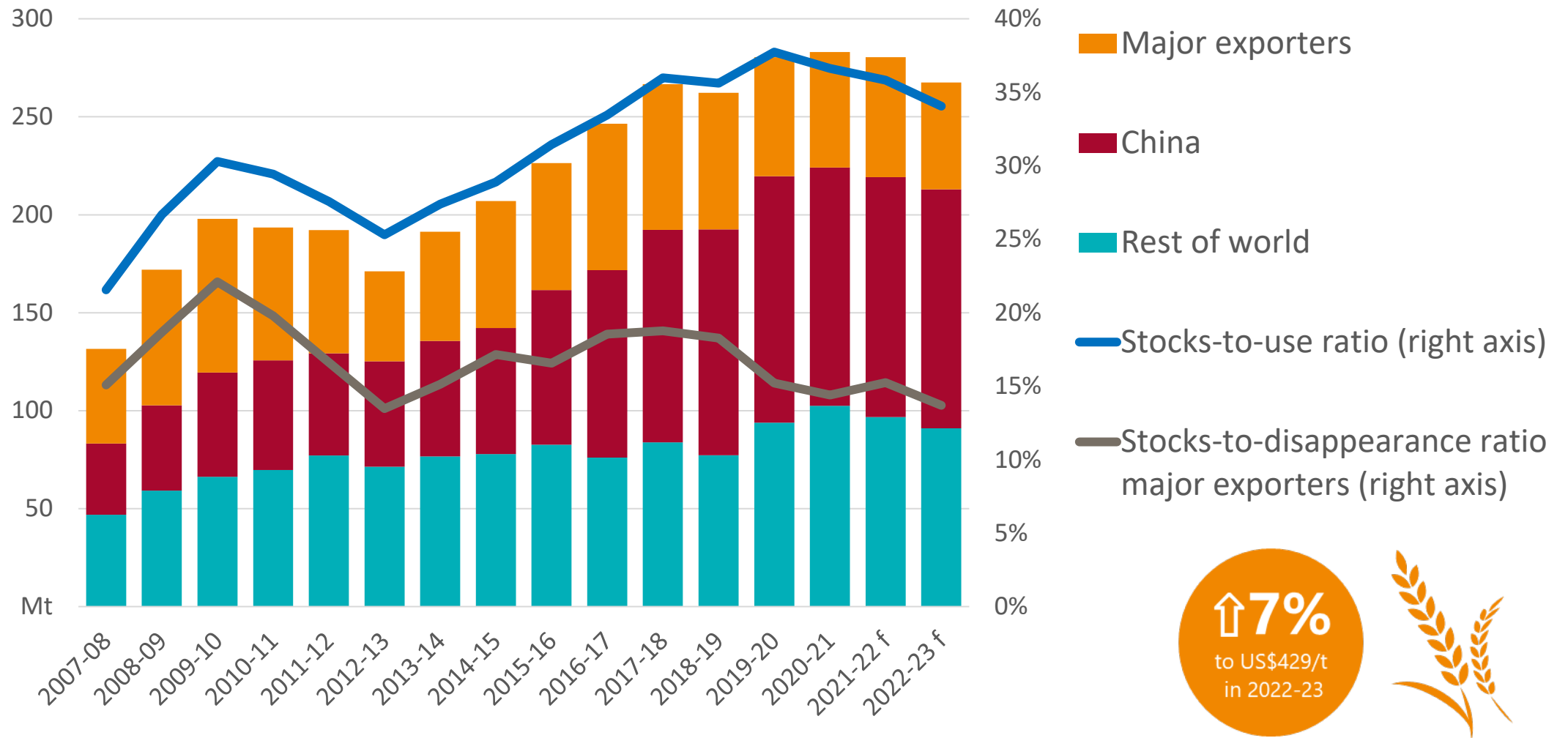
For detailed description of the pie chart please see box on page 6.



Russia's invasion of Ukraine and mounting supply concerns are driving grain price volatility



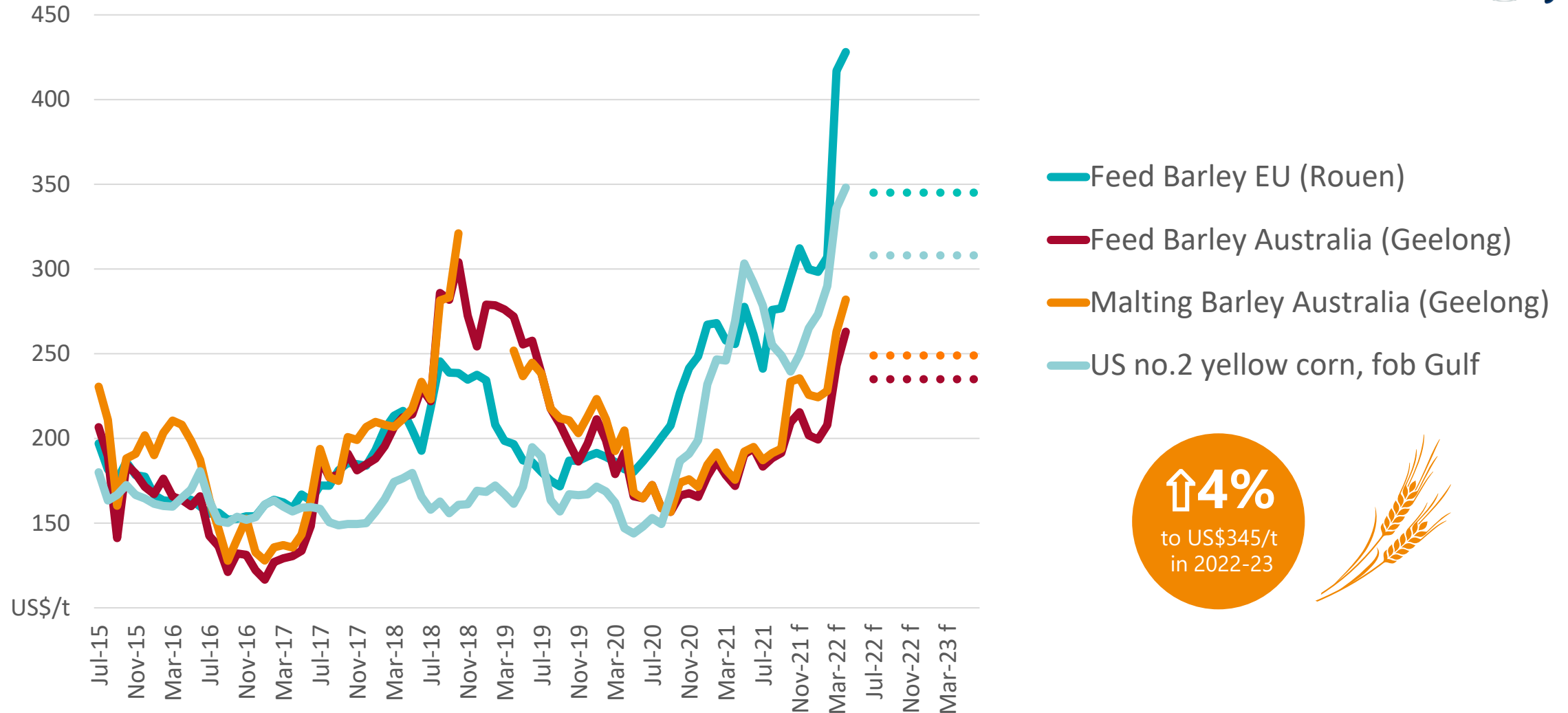
High wheat prices to persist reflecting tight global supply



f forecast

Sources: ABARES; International Grains Council; US Department of Agriculture

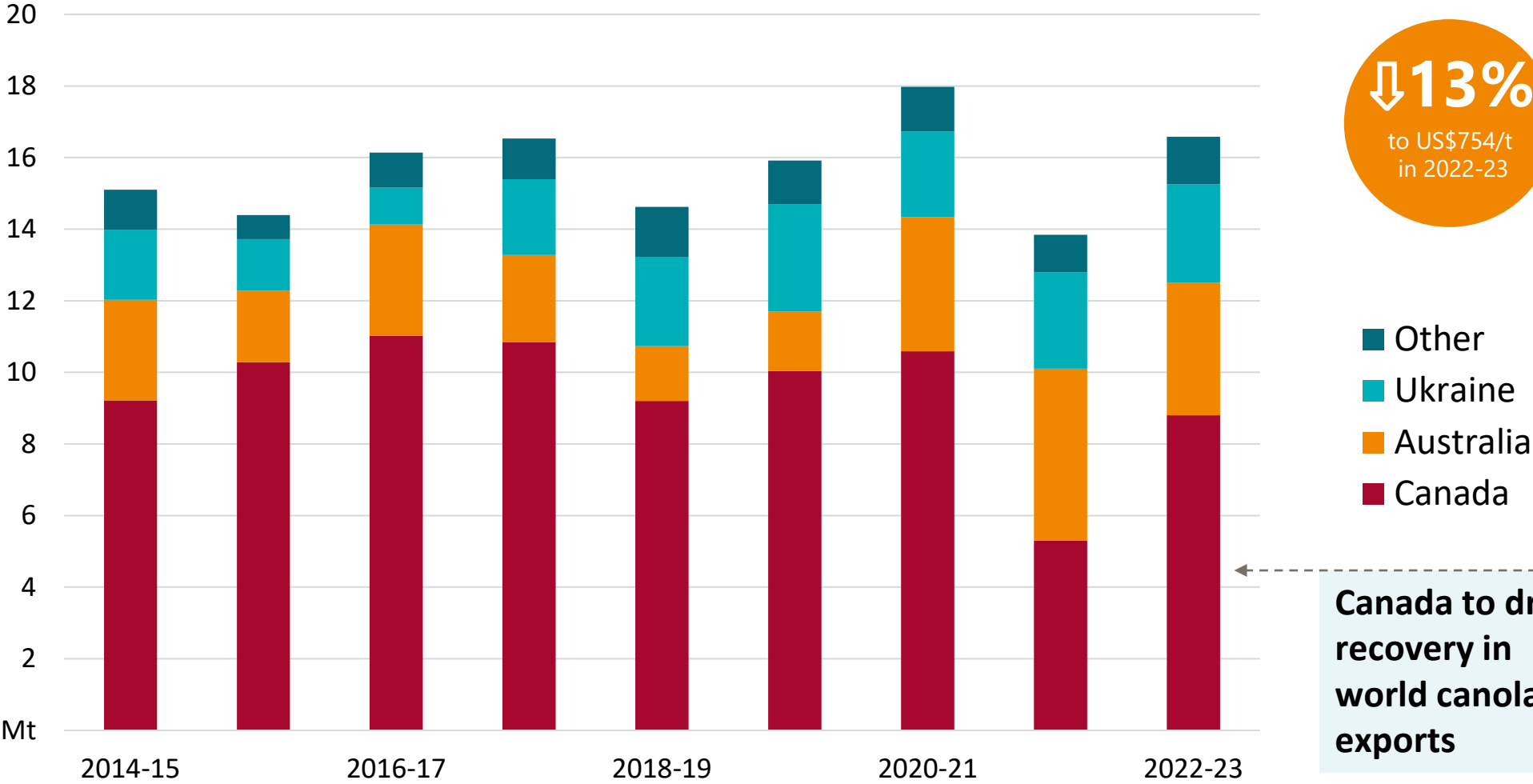
Coarse grain prices to remain elevated in 2022–23



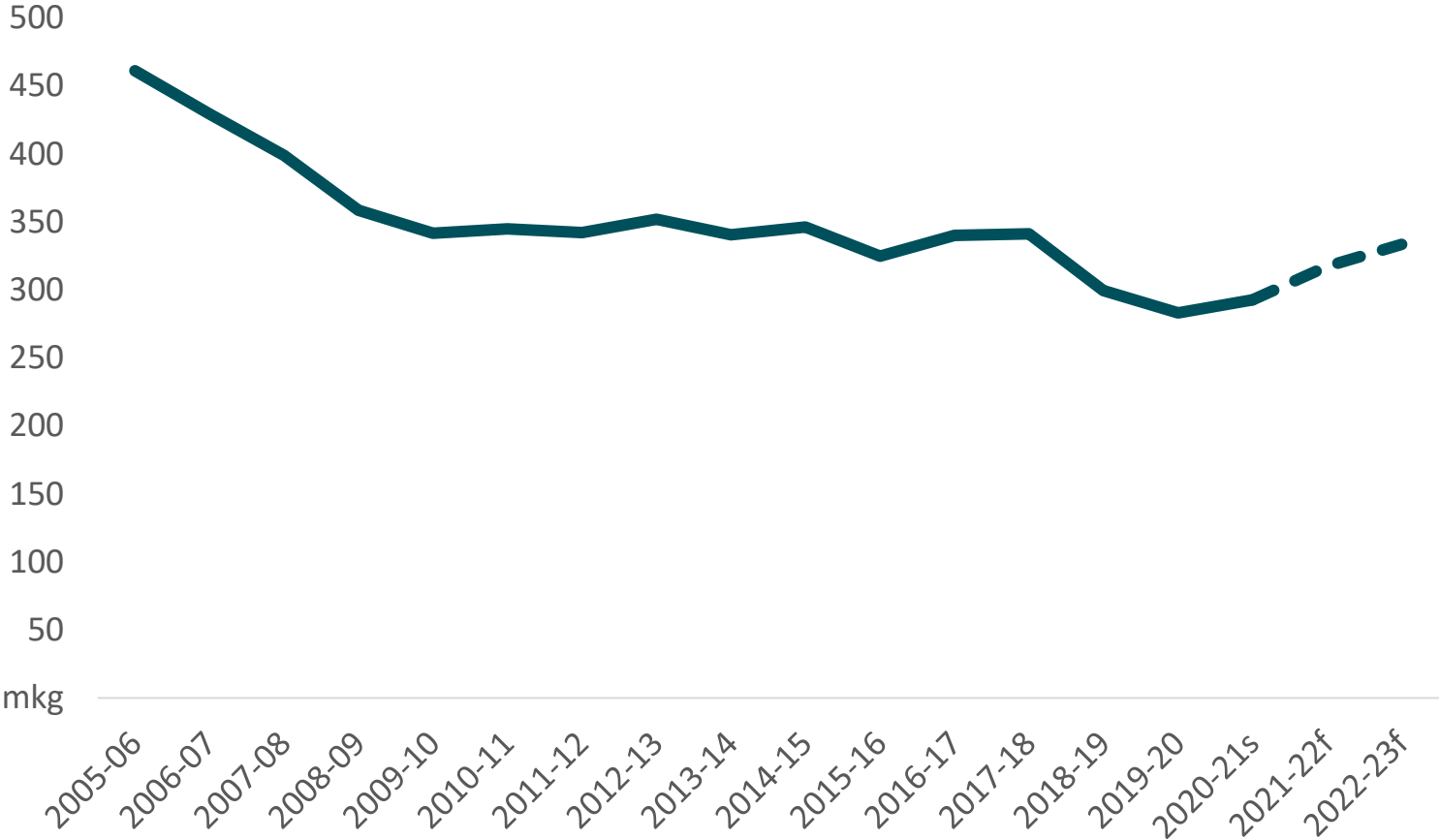
f forecast

Sources: ABARES; International Grains Council

Rising canola production in Canada to lift world exports and weigh on global prices

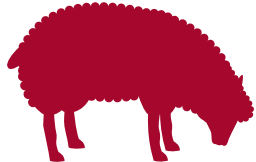


Poor macroeconomic conditions to hamper demand and wool prices

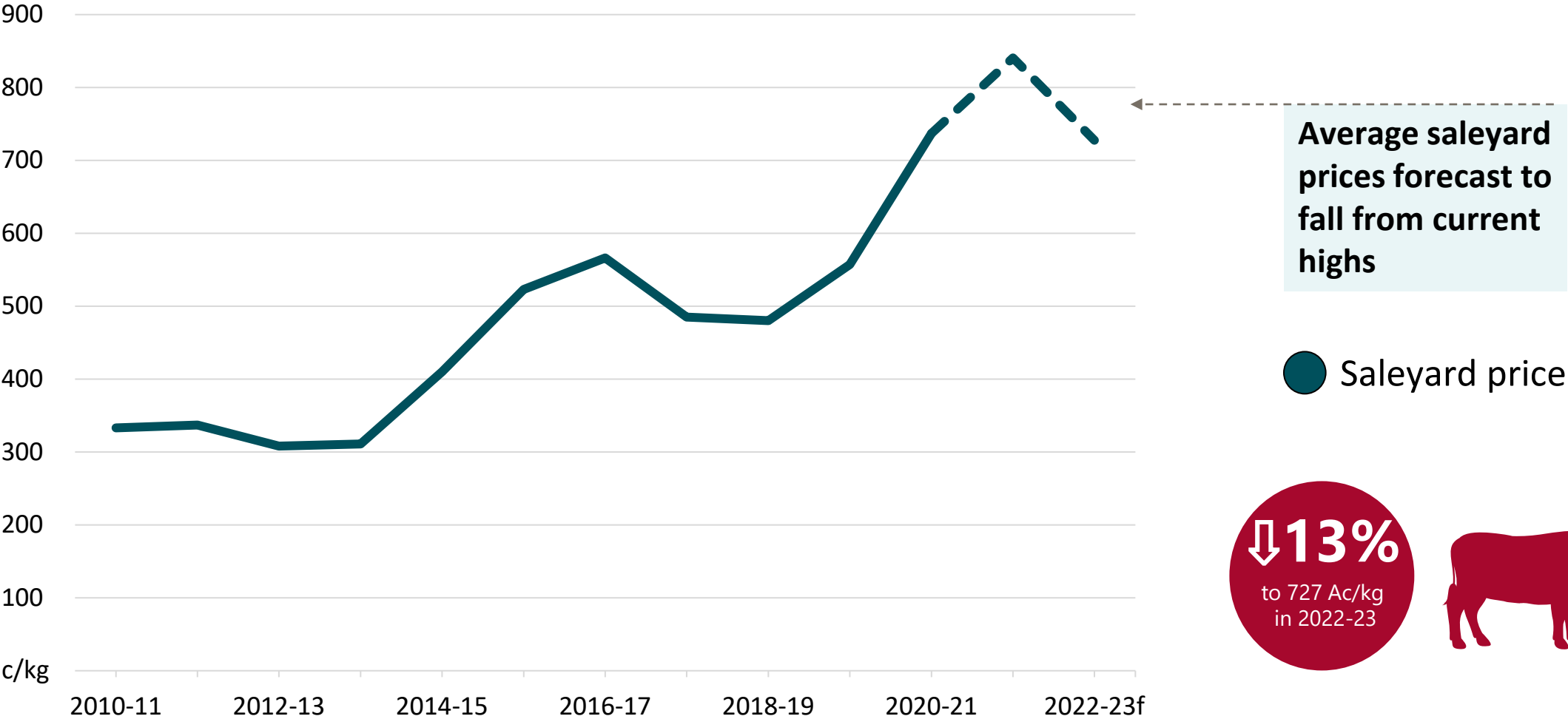


Australian shorn wool production to increase in 2022–23

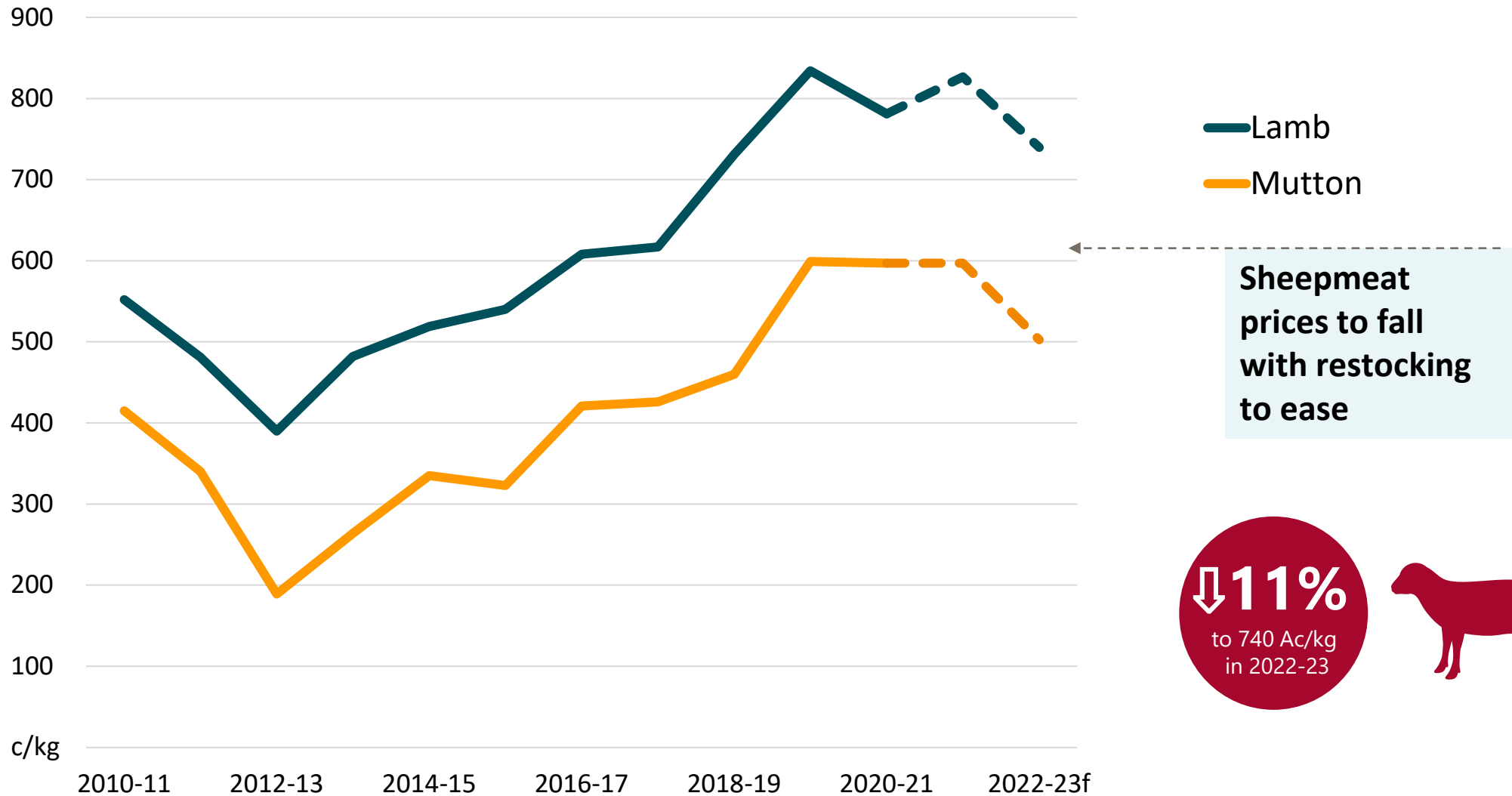
0%
to 1,390 Ac/kg
in 2022-23



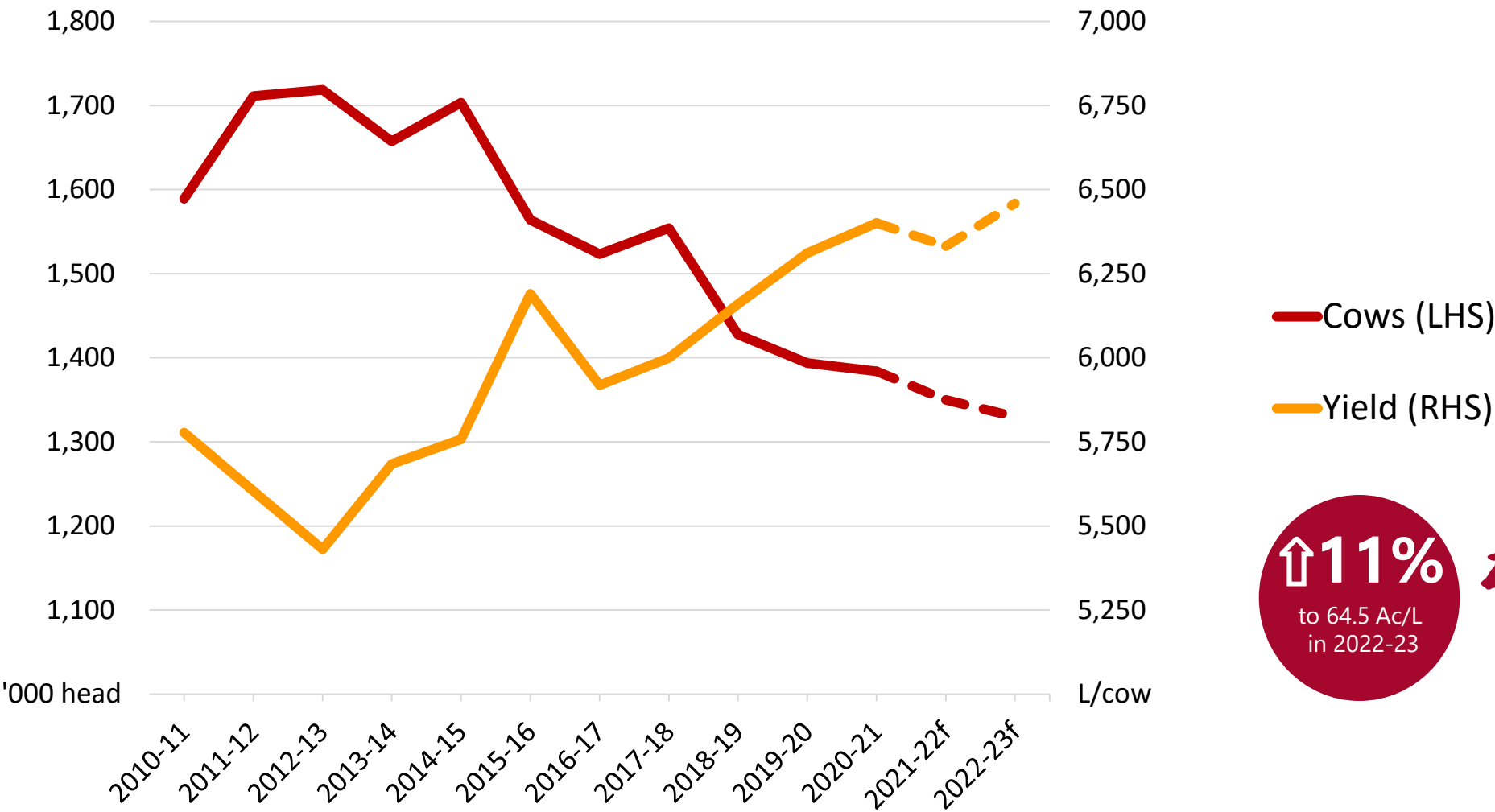
Value of beef production to fall slightly due to lower cattle prices



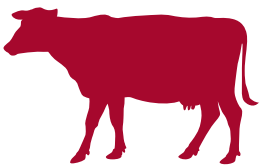
Sheepmeat prices to fall but remain high in 2022–23



Record farmgate milk prices due to tight supply



↑11%
to 64.5 Ac/L
in 2022-23





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