



# Weekly Australian Climate, Water and Agricultural Update



16 February 2012

The full report is available from [www.daff.gov.au/abares](http://www.daff.gov.au/abares)

## Summary of key issues

- Flooding in northern New South Wales and southern Queensland from heavy rainfall over the last few weeks has caused localised crop damage. Despite the flooding, summer crop yields are forecast to be above average in unaffected areas.
- Major flood warnings are current for the Birrie, Bokhoa, Culgoa, and Narran Rivers in northern New South Wales and the Balonne, Flinders, and Paroo Rivers in southern Queensland. State governments are assisting affected farmers with fodder drops and relocating stock to higher ground.
- La Niña conditions have showed some signs of weakening over the past fortnight with models continuing to indicate a decline to neutral conditions by autumn (Bureau of Meteorology 'ENSO Wrap-up' 14 February 2012).
- Water storage levels in the Murray–Darling Basin decreased this week by 294 gigalitres to approximately 81 per cent of total capacity.
- The Western Australian 2011–12 grain crop is estimated to have more than doubled to 17 million tonnes from the 2010–11 crop which was affected by rainfall deficiencies (Australian Crop Report February 2012, ABARES).
- Fruit and vegetable wholesale prices were generally steady or lower in the week ending 11 February 2012, with cauliflower and rockmelon among the few fruit and vegetable types to record increases.
- The world sugar indicator price averaged US23.7 cents a pound in the week ending 15 February 2012, almost the same as the previous week.
- The Eastern Market Indicator price for wool rose 4 per cent in the week ending 9 February 2012, to 1243 cents a kilogram clean. Bales offered for sale were up almost 15 per cent from the previous week.
- Saleyard lamb prices declined in all states in the week ending 10 February 2012. The largest fall was recorded in South Australia, where the indicator price fell by 8 per cent to 445 cents a kilogram as a result of weaker demand from feeders and processors.



### Outlook 2012 conference – registrations open

Registrations are now open for Australia's premier agriculture economics and commodity forecasting event. Details at [www.daff.gov.au/abares/outlook](http://www.daff.gov.au/abares/outlook)

# 1. Climate

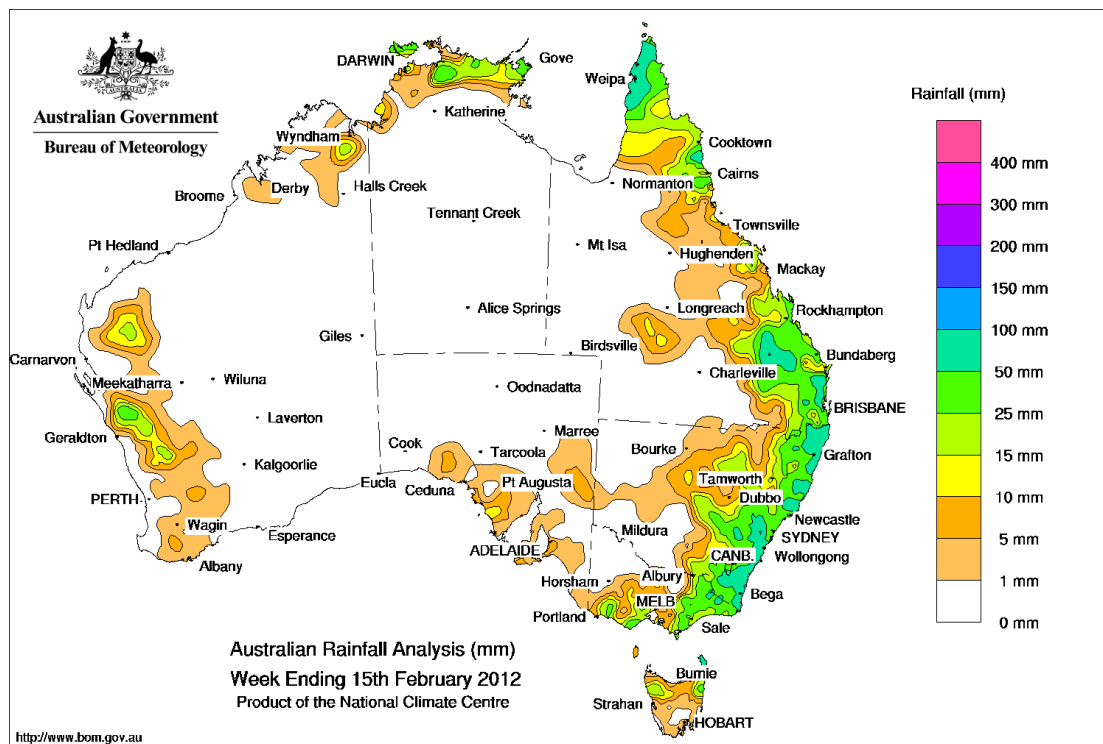
## 1.1. Notable events

- For the week ending 15 February, rainfall was recorded in all states and territories, with the highest falls occurring mostly in eastern Australia. The highest measured total for the week was 173 millimetres at Yarras (Mount Seaview), near Port Macquarie, New South Wales.
- Heavy rainfall over the past few weeks in northern New South Wales and southern Queensland has provided full moisture profiles for sowing of winter crops. Favourable soil moisture profiles will also improve pasture growth in these regions.
- Major flood warnings are current for the Birrie, Bokhoa, Culgoa, and Narran Rivers in northern New South Wales and the Balonne, Flinders, and Paroo Rivers in southern Queensland. State governments are assisting affected farmers with fodder drops and relocating stock to higher ground.
- La Niña conditions have showed some signs of weakening over the past fortnight with models continuing to indicate a decline to neutral conditions by autumn (Bureau of Meteorology 'ENSO Wrap-up' 14 February 2012).

## 1.2. Rainfall this week

For the week ending 15 February 2012, rainfall was received in all states and territories. For further information, go to [www.bom.gov.au/climate/current/weeklyrain.shtml](http://www.bom.gov.au/climate/current/weeklyrain.shtml).

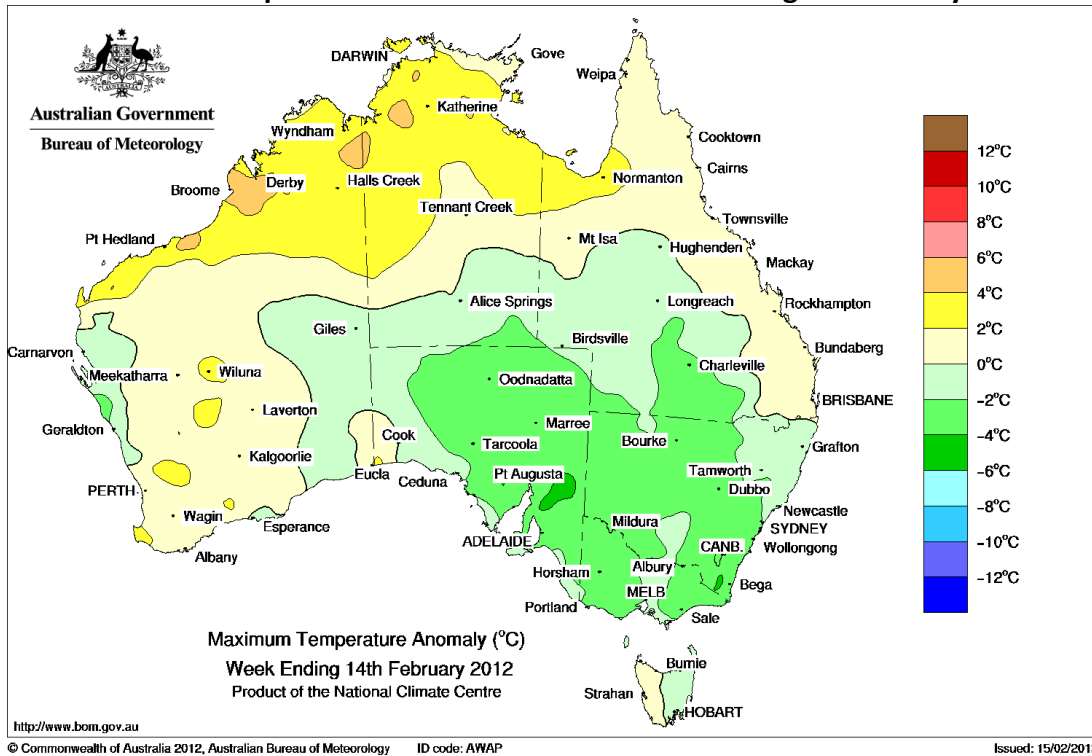
### Rainfall for the week ending 15 February 2012



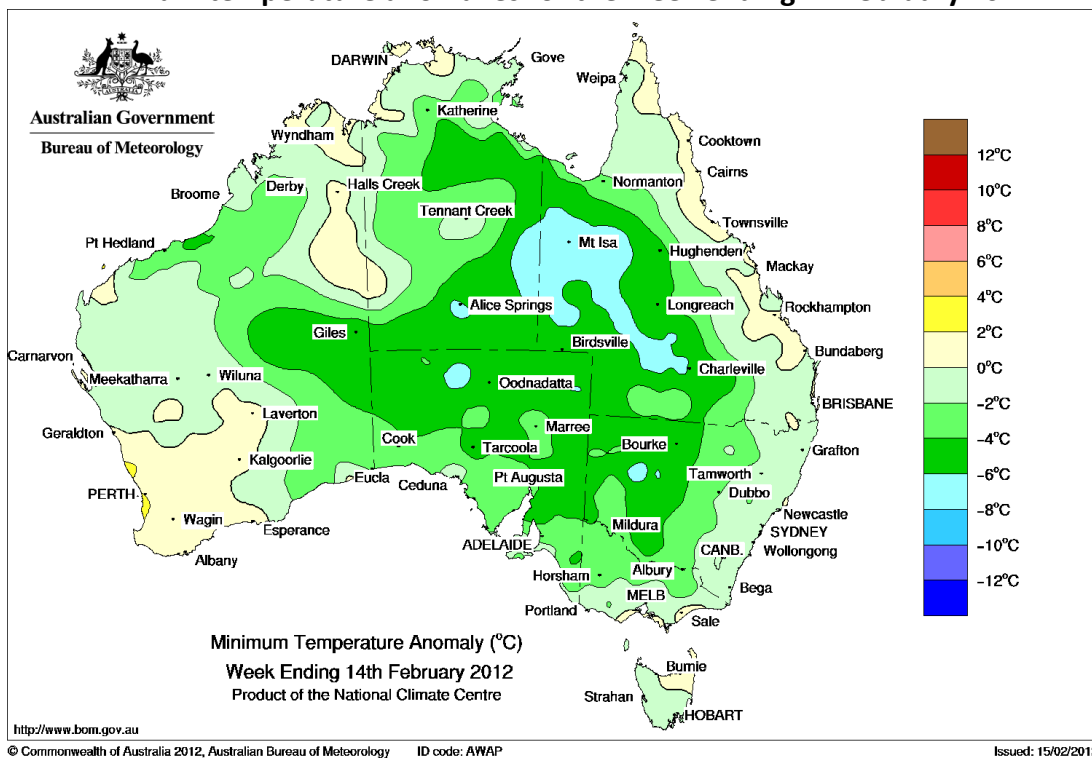
### 1.3. Temperature anomalies this week

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 from the long-term average. Temperature anomalies are calculated using high resolution gridded datasets from 1911 onwards. For further information on temperature anomalies, go to [www.bom.gov.au/jsp/awap/](http://www.bom.gov.au/jsp/awap/).

**Maximum temperature anomalies for the week ending 14 February 2012**



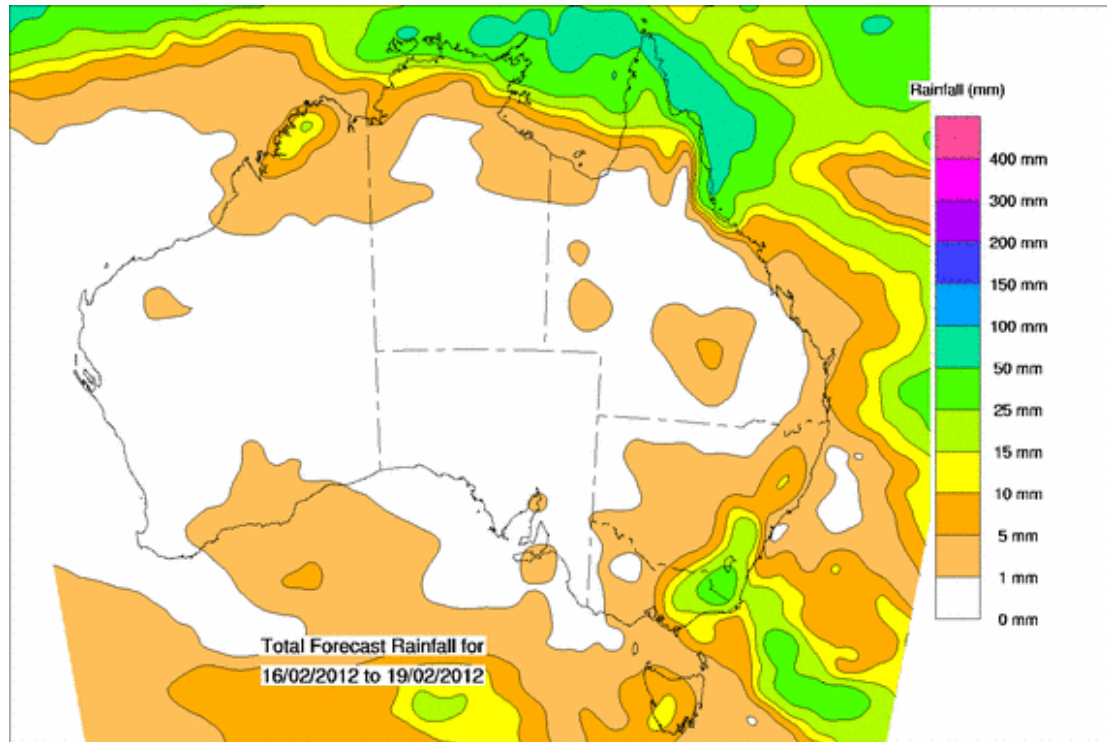
**Minimum temperature anomalies for the week ending 14 February 2012**



## 1.4. Rainfall outlook

The rainfall forecast below is produced from computer models. As it contains no input from weather forecasters, it is important to also check local forecasts and warnings by the Bureau of Meteorology.

### Total forecast rainfall for the period 16 to 19 February 2012



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Issued: 15/02/2012

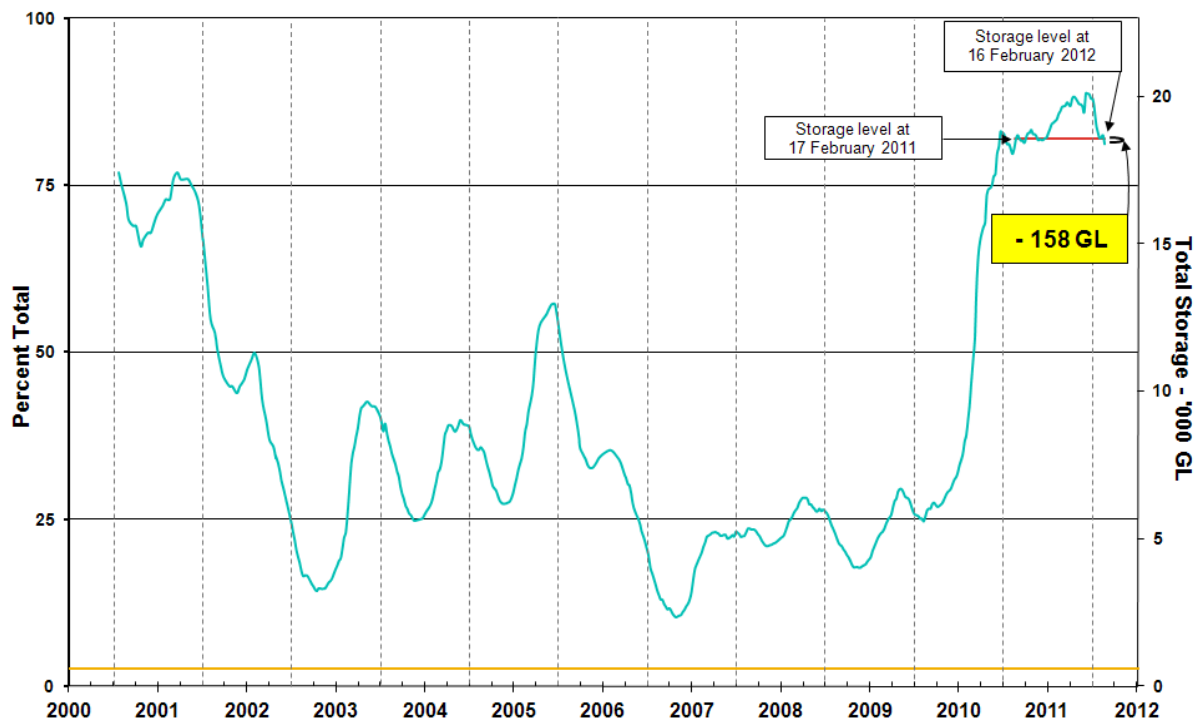
## 2. Water

### 2.1. Water availability

- Water storage levels in the Murray–Darling Basin (MDB) decreased this week by 294 gigalitres (GL) to approximately 81 per cent of total capacity. This is 1 percentage point or 158 GL less than this time last year.
- Heavy rainfall and flooding in Queensland and New South Wales has triggered pre-releases from the Menindee Lakes system for the third time in two years. In a bid to mitigate the worst effects of the flooding, releases have been increased in the last week. Further increases to releases are expected as the flooding moves downstream into the Darling River during February and March.
- General security water allocations in the NSW Gwydir, Lower Namoi and Macquarie-Cudgegong Valley's increased this fortnight to 150, 61 and 49 per cent of entitlement respectively.
- Releases from the Menindee Lakes have increased to allow for future inflows from recent flooding in southern Queensland and northern NSW.

### 2.2. Water storages

**Water storages in the Murray–Darling Basin (NSW, Victoria and Queensland)**



Information on irrigation water available in the Murray–Darling Basin from 1 January 2001 to 16 February 2012 is shown above. The top horizontal (red) line indicates the storage level at the similar time last year. The bottom horizontal (orange) line indicates the amount of 'dead' or unusable storage.

## 2.3. Water allocations

The current water allocations for the 2011–12 water trading season and changes over the last month for licence holders in New South Wales, Victoria and South Australia water systems are summarised in the following table.

	Allocations at 24 January 2012 (%)	Allocations at 16 February 2012 (%)
<b>NSW Murray Valley</b>		
High security	100	100
General security	100*	100*
<b>NSW Murrumbidgee Valley</b>		
High security	100	100
General security	100*	100*
<b>NSW Lower Darling</b>		
High security	100	100
General security	100*	100*
<b>NSW Macquarie Valley</b>		
High security	100	100
General security	38*	49*
<b>NSW Hunter Valley</b>		
High security	100	100
General security	100	100
<b>NSW Lachlan Valley</b>		
High security	100	100
General security	0*	0*
<b>Lower Namoi</b>		
High security	100	100
General security	52*	61*
<b>Upper Namoi</b>		
High security	100	100
General security	100*	100*
<b>Gwydir</b>		
High security	100	100
General security	96*	150*
<b>NSW Border Rivers</b>		
High security	100	100
General security	100	100
<b>NSW Peel Valley</b>		
High security	100	100
General security	100	100
<b>Victoria Murray Valley</b>		
High reliability	100	100
<b>Victoria Goulburn</b>		
High reliability	100	100
<b>Victoria Campaspe</b>		
High reliability	100	100

Low reliability	100	100
<b>Victoria Loddon</b>		
High reliability	100	100
<b>Victoria Bullarook</b>		
High reliability	100	100
Low reliability	100	100
<b>Victoria Broken</b>		
High reliability	100	100
Low Reliability	100	100
<b>South Australia Murray Valley</b>		
High security	100	100

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\*Carryover water may also be available.

## 3. Commodities

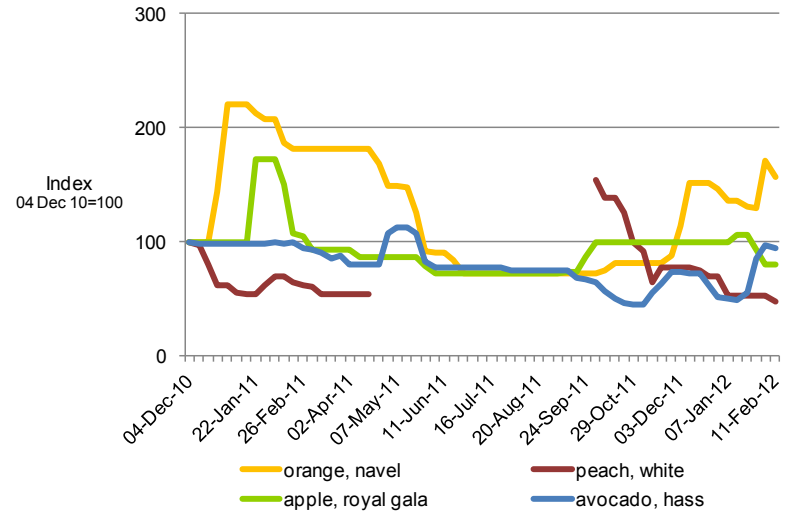
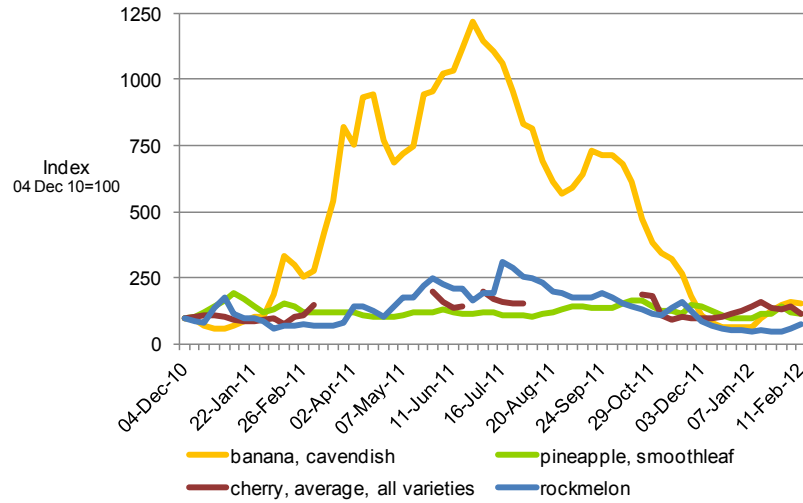
### 3.1. Production and commodities

- In the most recent release of Australian Crop Report on 14 February 2012, ABARES reported new estimates and forecasts of winter and summer crop production for 2011–12. Despite recent flooding causing some damage, yield prospects for summer crops in unaffected regions are very positive.
  - Total summer crop production in Australia is forecast to rise by 18 per cent in 2011–12 to 5.4 million tonnes.
  - Cotton production is forecast to increase by 20 per cent to a record of around 1.1 million tonnes.
  - Grain sorghum production is forecast to increase by 13 per cent to 2.3 million tonnes.
  - Rice production is forecast to increase by 27 per cent to around 923 000 tonnes.
- Harvesting of winter crops for this season is now virtually complete, with only a small number of areas in southern Australia still to complete harvest. Western Australia experienced a recovery from very dry conditions last season and the eastern states experienced a second successive season of favourable conditions. In southern Queensland and northern New South Wales, the winter crop harvest was completed before the recent flooding.
  - Total winter crop production is estimated to be 45.4 million tonnes in 2011–12.
  - Wheat production is estimated to have increased by 6 per cent to a record 29.5 million tonnes.
  - Barley production is estimated to have increased by 5 per cent to 8.6 million tonnes.
  - Canola production is estimated to have increased by 16 per cent to 2.8 million tonnes.
- Vegetable prices were generally lower in the week ending 11 February 2012, with cauliflower one of the very few vegetable types to record an increase. The wholesale price of washed white potatoes was 38 per cent lower than at the same time in 2011, reflecting a very large Australian potato harvest in 2011–12 and an increase in imports of processed potato products, particularly from the United States and New Zealand. The value of Australian imports of processed potato products in 2011 increased to \$140 million, 57 per cent higher than in 2010.
- Rockmelon was one of the few fruit types whose wholesale price was higher in the week ending 11 February 2012.
- The world cotton indicator price (the Cotlook 'A' index) averaged US100.4 cents a pound in the week ending 15 February 2012, compared with US102.8 cents a pound in the previous week.
- The world sugar indicator price (Intercontinental Exchange, nearby futures, no. 11 contract) was US23.7 cents a pound in the week ending 15 February 2012, around the same as in the previous week.
- The Eastern Market Indicator price for wool rose 4 per cent in the week ending 9 February 2012, to 1243 cents a kilogram clean. Bales offered for sale were up almost 15 per cent from the previous week.
- The world wheat indicator price (US hard red winter, free on board Gulf ports) averaged US\$293 a tonne in the week ending 14 February 2012, compared with US\$306 a tonne in the previous week.
- The world coarse grains indicator price (US no. 2 yellow corn, free on board Gulf ports) averaged US\$280 a tonne in the week ending 15 February 2012, compared with US\$281 a tonne in the previous week.
- The world canola indicator price (Rapeseed, Europe, cif Hamburg) averaged US\$617 a tonne in the week ending 9 February 2012, compared with US\$613 a tonne in the previous week.
- Saleyard cattle price movements in the week ending 10 February 2012 were mixed. Trade steer prices were higher in all states except New South Wales.
- Saleyard lamb prices declined in all states in the week ending 10 February 2012. The largest fall was recorded in South Australia, where the indicator price fell by 8 per cent to 445 cents a kilogram as a result of weaker demand from feeders and processors.
- Australian milk production increased 3.5 per cent year on year for the first half of 2011–12. Milk production in Victoria and New South Wales increased by 4 per cent while production in Tasmania rose by 10 per cent. Milk production in Queensland and Western Australia fell by 6 per cent over the same period.

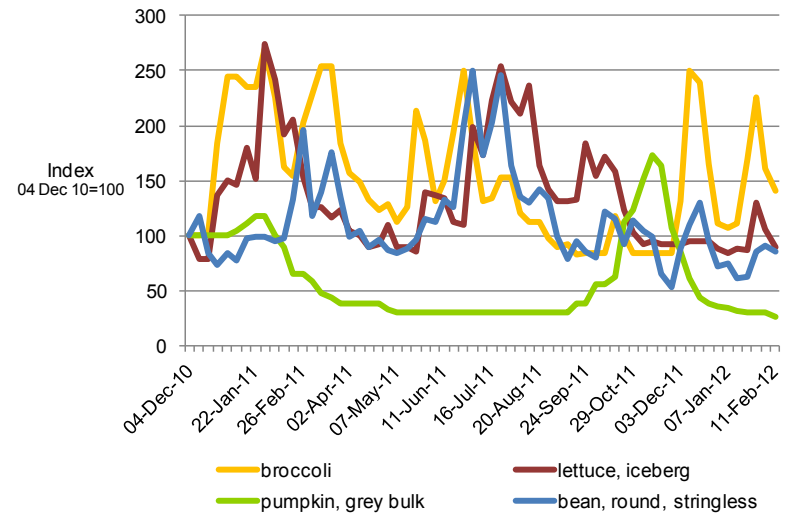
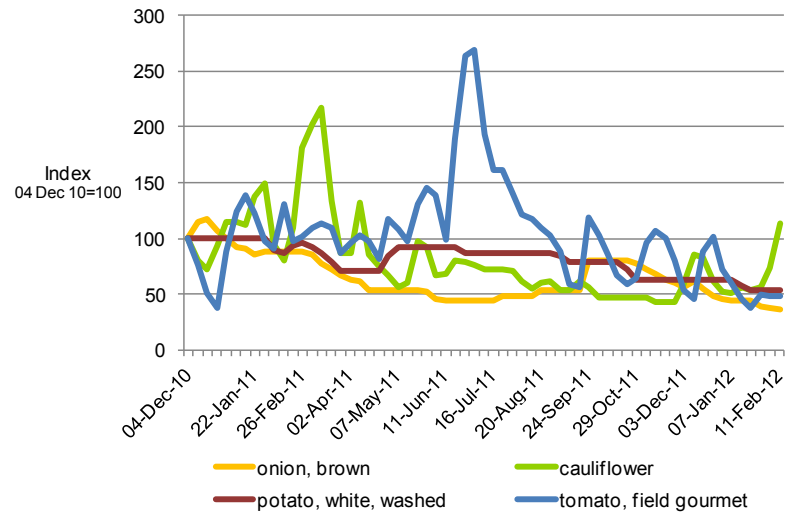


### 3.2. Recent movements in fruit and vegetable prices

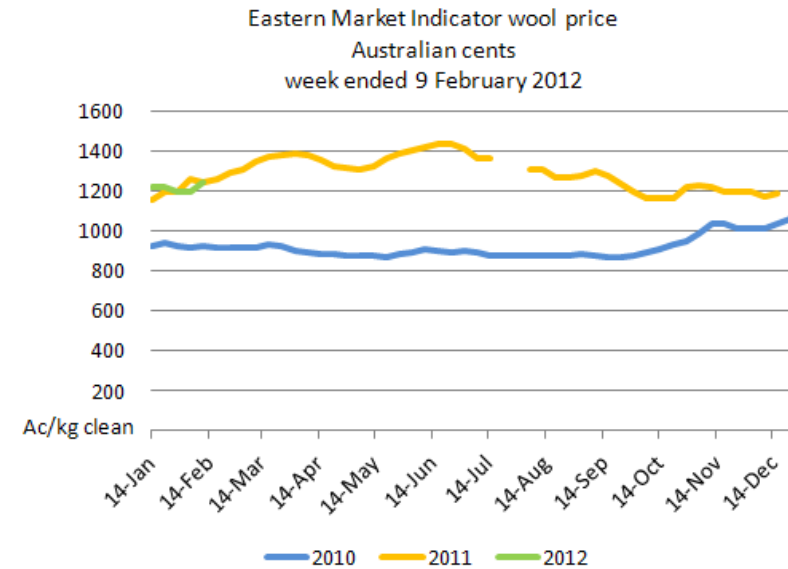
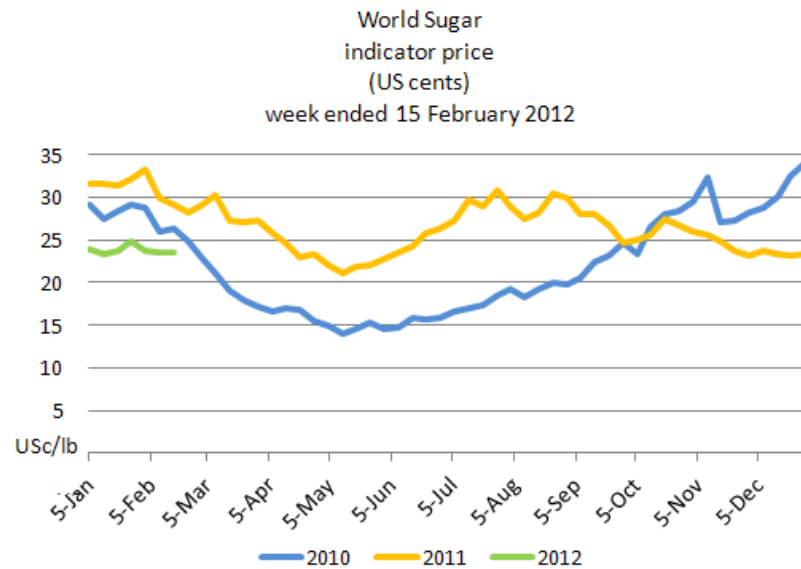
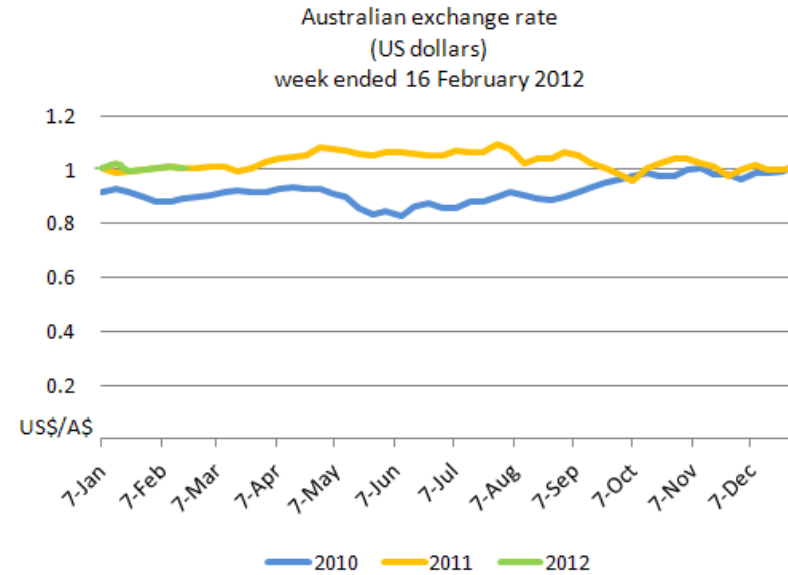
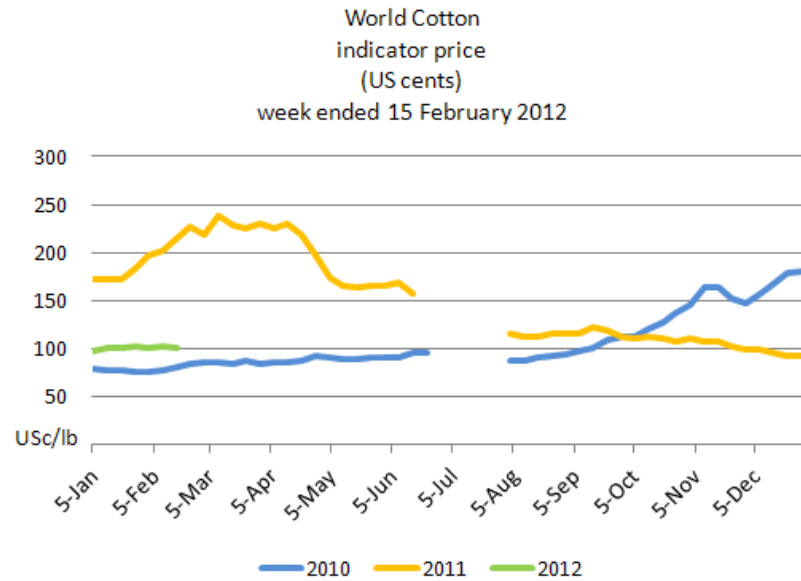
Weekly wholesale prices for selected fruit, Melbourne market



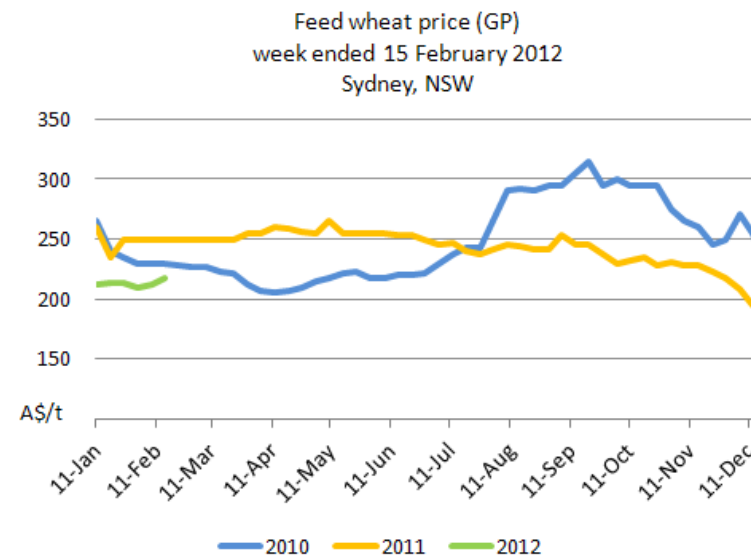
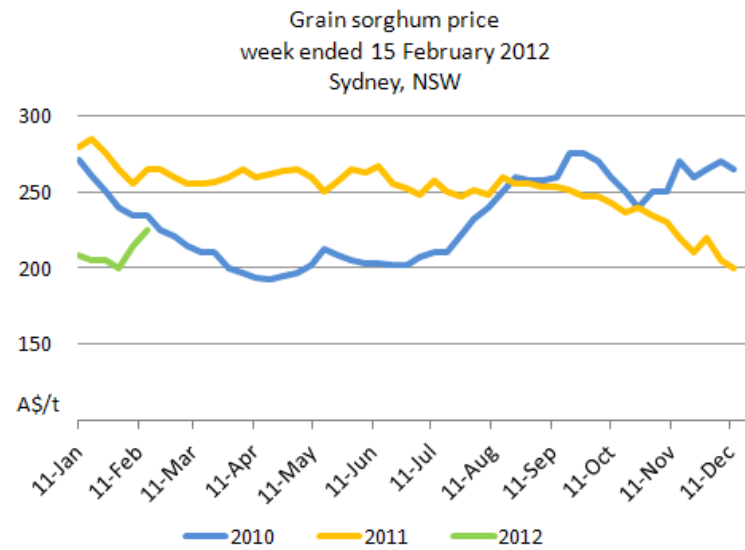
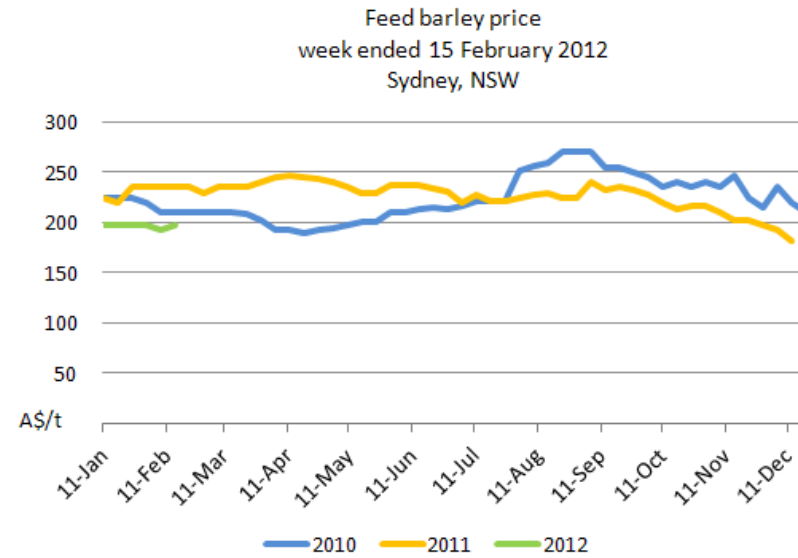
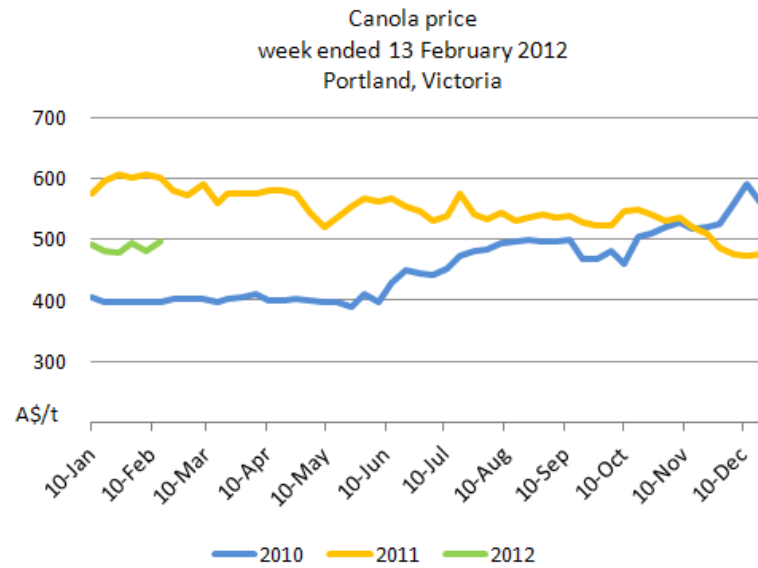
Weekly wholesale prices for selected vegetables, Melbourne market



### 3.3. Selected world indicator prices



### 3.4. Crop indicator prices





## 4. Data attribution

### Climate

#### Bureau of Meteorology

- Weekly rainfall totals: [www.bom.gov.au/jsp/awap/rain/index.jsp](http://www.bom.gov.au/jsp/awap/rain/index.jsp)
- Monthly and last 3-months rainfall percentiles: [www.bom.gov.au/jsp/awap/](http://www.bom.gov.au/jsp/awap/)
- Temperature anomalies: [www.bom.gov.au/jsp/awap/](http://www.bom.gov.au/jsp/awap/)
- Rainfall forecast: [www.bom.gov.au/jsp/watl/rainfall/pme.jsp](http://www.bom.gov.au/jsp/watl/rainfall/pme.jsp)
- Seasonal outlook: [www.bom.gov.au/climate/ahead](http://www.bom.gov.au/climate/ahead)
- Drought statement: [www.bom.gov.au/climate/drought/drought.shtml](http://www.bom.gov.au/climate/drought/drought.shtml)
- ENSO Wrap-Up: [www.bom.gov.au/climate/enso/](http://www.bom.gov.au/climate/enso/)
- Soil moisture (BoM, CSIRO and the former Bureau of Rural Sciences): [www.eoc.csiro.au/awap/](http://www.eoc.csiro.au/awap/)

### Water

#### New South Wales

- New South Wales Water Information: <http://waterinfo.nsw.gov.au/>
- New South Wales Office of Water, Department of Environment, Climate Change and Water: [www.water.nsw.gov.au/Home/default.aspx](http://www.water.nsw.gov.au/Home/default.aspx)
- Available water determinations register: [www.wix.nsw.gov.au/wma/DeterminationSearch.jsp?selectedRegister=Determination](http://www.wix.nsw.gov.au/wma/DeterminationSearch.jsp?selectedRegister=Determination)
- Snowy Hydro: [www.snowyhydro.com.au/lakeLevels.asp?pageID=47&parentID=61&grandParentID=4](http://www.snowyhydro.com.au/lakeLevels.asp?pageID=47&parentID=61&grandParentID=4)

#### Queensland

- Sunwater: [www.sunwater.com.au](http://www.sunwater.com.au)
- seqwater: <http://seqwater.com.au>

#### South Australia

- SA Water: [www.sawater.com.au/SAWater/Environment/TheRiverMurray/River+Murray+Levels.htm](http://www.sawater.com.au/SAWater/Environment/TheRiverMurray/River+Murray+Levels.htm)
- South Australian Department of Water: [www.waterforgood.sa.gov.au/](http://www.waterforgood.sa.gov.au/)

#### Victoria

- Goulburn–Murray Water: [www.g-mwater.com.au](http://www.g-mwater.com.au)

#### Water trading

- Waterexchange: [www.waterexchange.com.au](http://www.waterexchange.com.au)

### Commodities

#### Fruit and vegetables

- Datafresh: [www.datafresh.com.au](http://www.datafresh.com.au)

#### Mutton, lambs, wheat, barley and grain sorghum

- The Land: hardcopy or online at <http://theland.farmonline.com.au/markets.aspx>

#### Cattle, mutton, lambs and pigs

- Meat and Livestock Australia: [www.mla.com.au/Prices-and-markets](http://www.mla.com.au/Prices-and-markets)

#### Canola

- Weekly Times: hardcopy