



Weekly Australian Climate, Water and Agricultural Update

15 December 2011

The full report is available from www.daff.gov.au/abares

Summary of key issues

- Heavy rainfall this week across parts of Western Australia has reportedly damaged some crops.
- Recent rainfall in New South Wales may affect the quality of wheat and barley crops that remain to be harvested.
- Flood warnings are current for a number of rivers in Queensland and to a lesser extent, New South Wales. Further rainfall is forecast over some of these areas in the coming week.
- Water storage levels in the Murray–Darling Basin decreased this week by 18 gigalitres and remained at approximately 89 per cent of total capacity.
- Bean, broccoli, cauliflower and navel orange wholesale prices were higher in the week ending 10 December 2011, but banana and melon prices were lower.
- The winter crop harvest is progressing well across Australia, with the harvest nearly completed in Queensland and parts of New South Wales.
- The world sugar indicator price averaged US23.4 cents a pound in the week ending 14 December 2011, US0.3 cents a pound lower than the previous week.
- The world wheat indicator price (US hard red winter, free on board Gulf ports) averaged US\$284 a tonne in the week ending 13 December 2011, compared with US\$288 a tonne in the previous week.
- The world coarse grains indicator price (US no. 2 yellow corn, free on board Gulf ports) averaged US\$254 a tonne in the week ending 14 December 2011, compared with US\$257 a tonne in the previous week.
- The Australian canola indicator price (Portland, Victoria) averaged AU\$473 a tonne in the week ending 12 December 2011, compared with AU\$475 a tonne in the previous week.
- Saleyard cattle price movements in the week ending 9 December 2011 were mixed. The Queensland trade steer indicator price rose 34 cents to a record 427 cents a kilogram. Trade steer prices also rose in Victoria and South Australia, but fell in New South Wales and Tasmania.

1. Climate

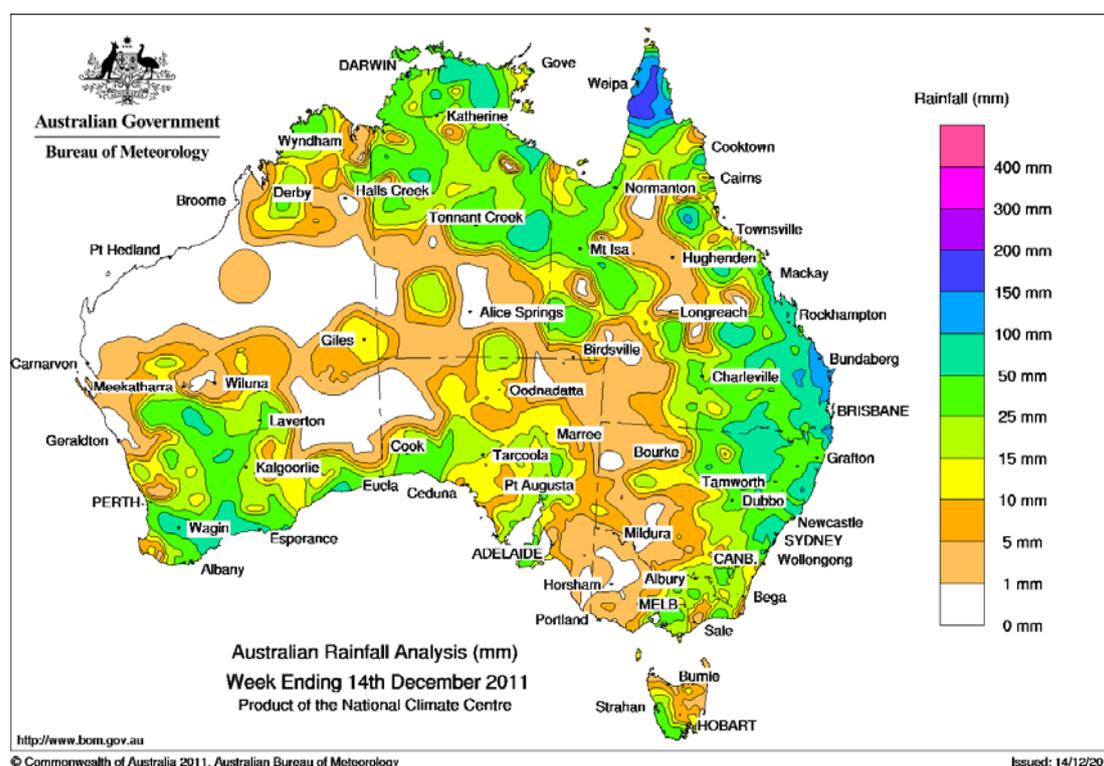
1.1. Notable events

- For the week ending 14 December, rainfall was recorded in all states and territories. The highest measured total for the week was 227 millimetres at Lady Elliot Island on the Great Barrier Reef.
- Heavy rainfall received this week across Western Australia's wheatbelt and southern Western Australia has reportedly damaged some crops.
- Heavy rainfall across northern New South Wales in late November and early December may have led to some downgrading of wheat and barley crops. Producers in the region are assessing the extent of damage to these crops.
- Rice crops in the Riverina, New South Wales have reportedly been damaged by large numbers of ducks, with many growers having to re-sow their crops.
- Flood warnings are current for a number of rivers in Queensland and New South Wales. Moderate to heavy rainfall is forecast for the coming week, which may exacerbate flooding in some areas.

1.2. Rainfall this week

For the week ending 14 December 2011, rainfall was received in all states and territories. For further information, go to www.bom.gov.au/climate/current/weeklyrain.shtml.

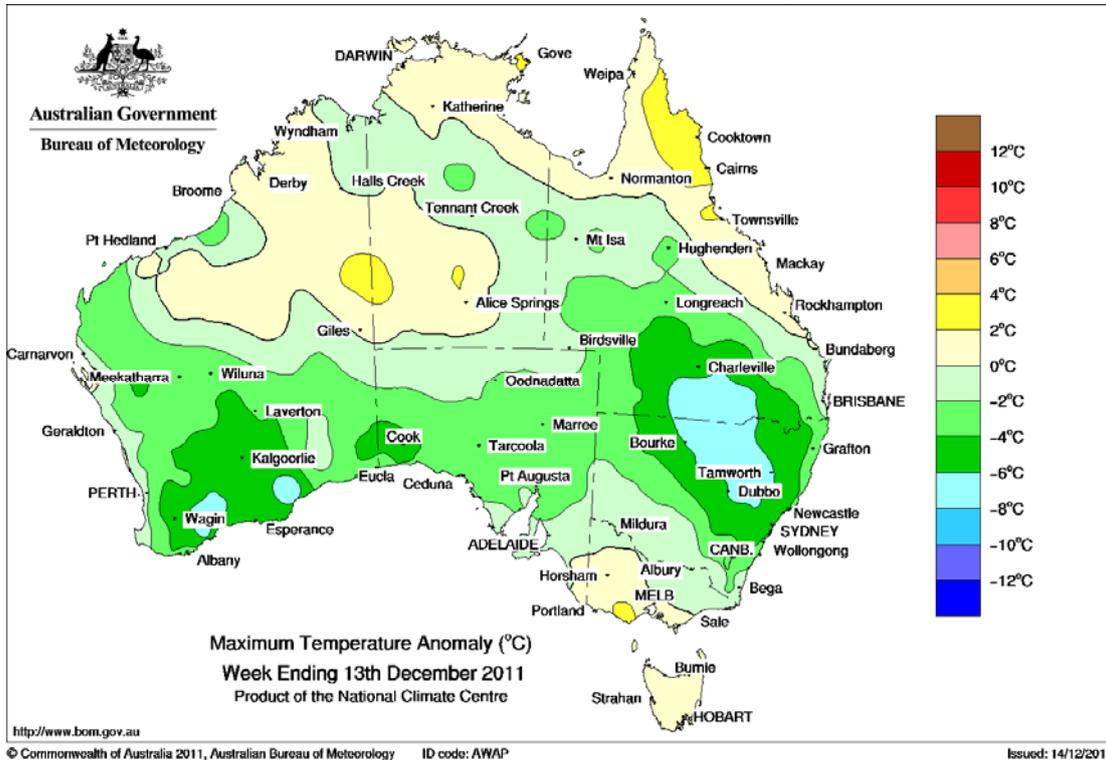
Rainfall for the week ending 14 December 2011



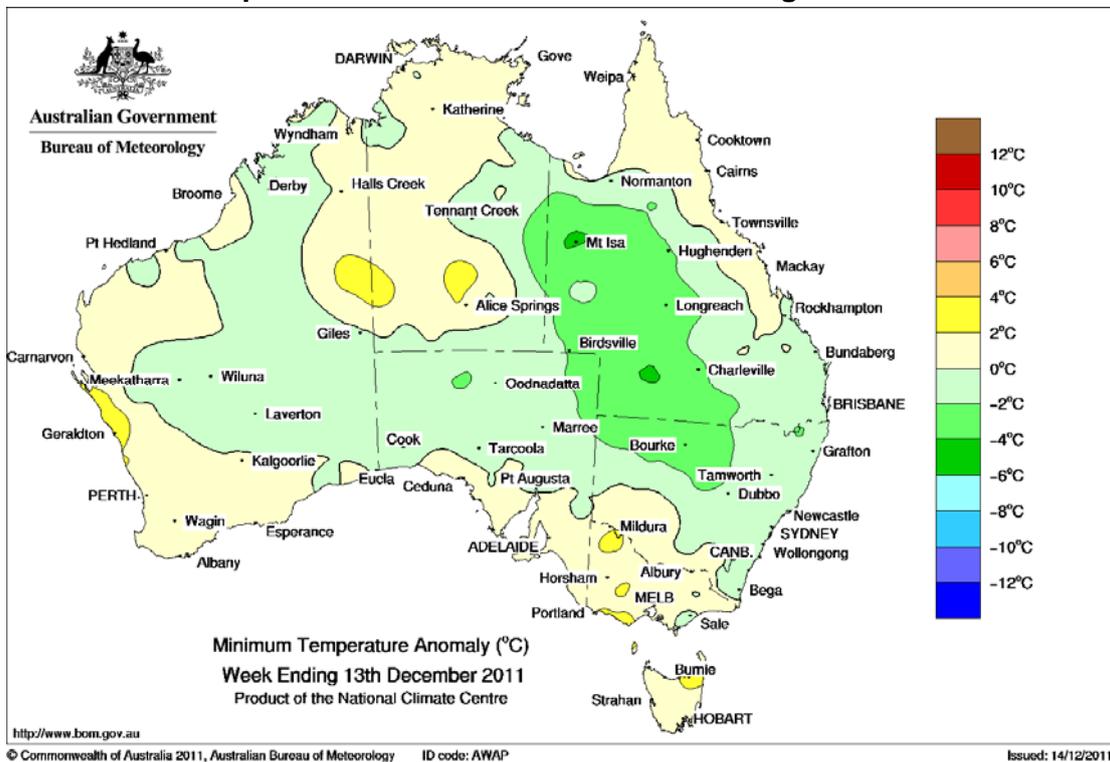
1.3. Temperature anomalies this week

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/.

Maximum temperature anomalies for the week ending 13 December 2011



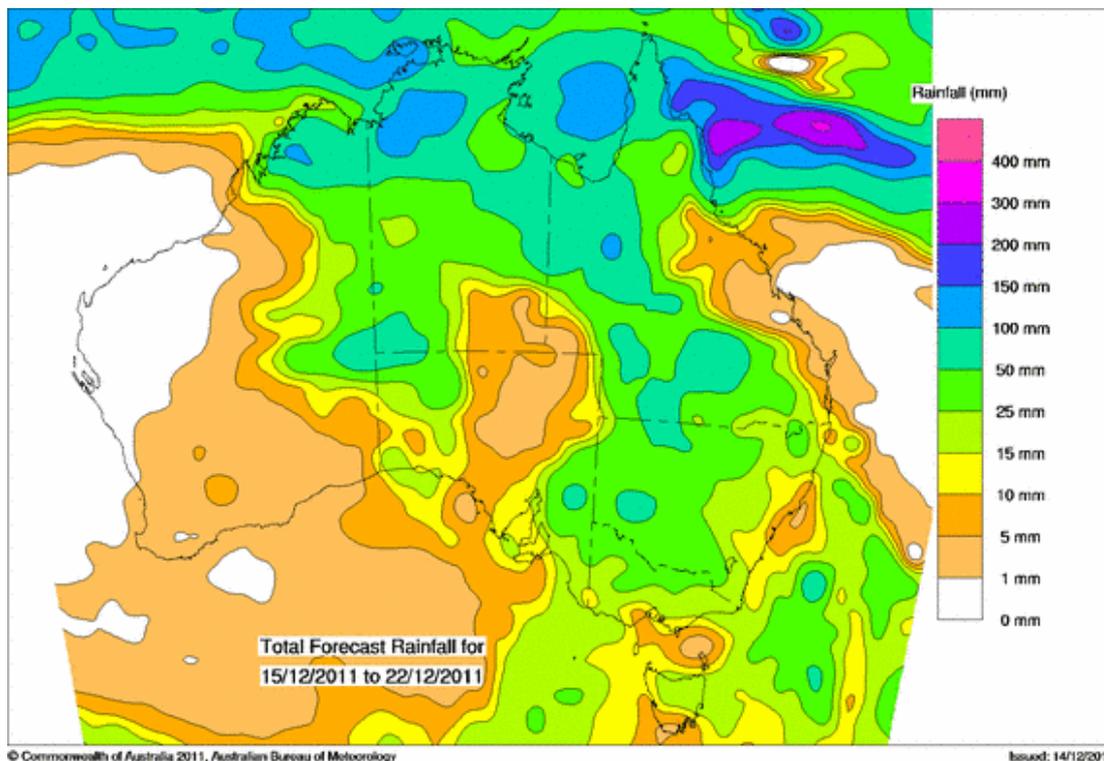
Minimum temperature anomalies for the week ending 13 December 2011



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 15 to 22 December 2011



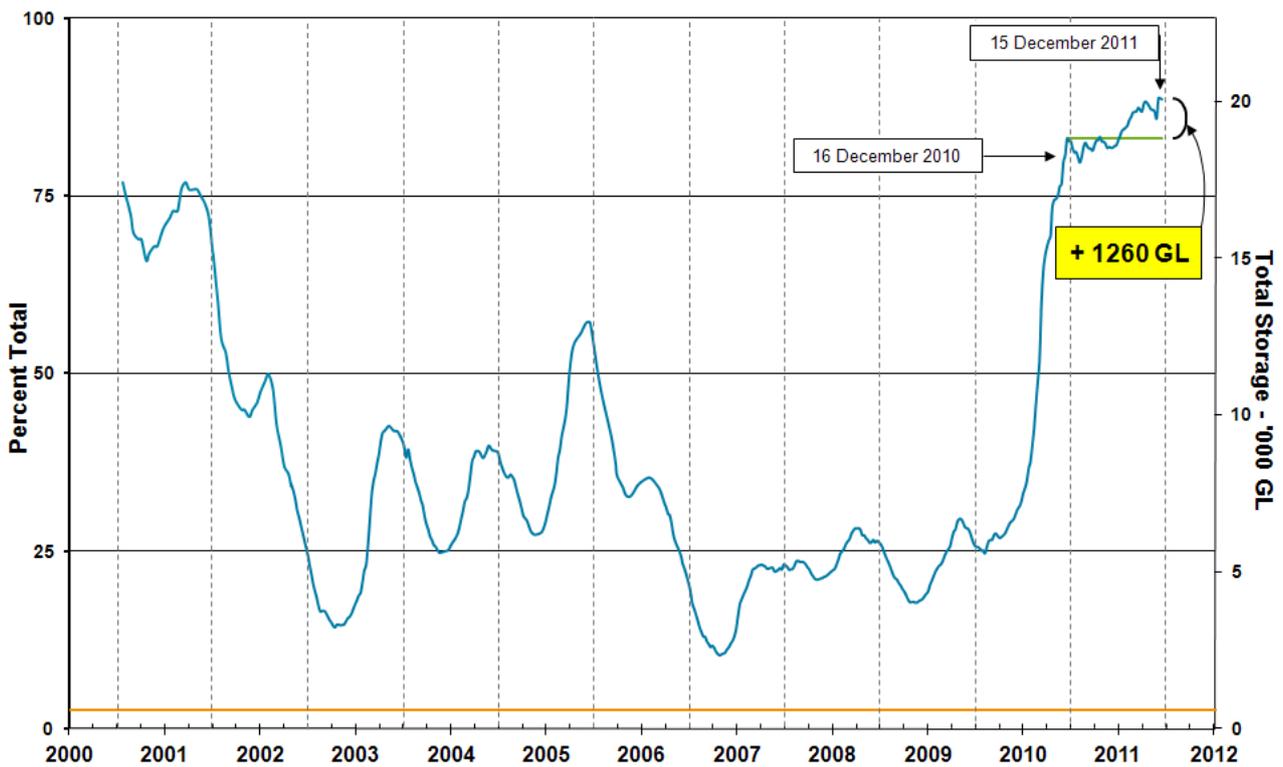
2. Water

2.1. Water availability

- Water storage levels in the Murray–Darling Basin decreased this week by 18 gigalitres (GL) to remain at approximately 89 per cent of total capacity. This is 6 percentage points or 1260 GL more than this time last year.
- Water storage levels are expected to fall at this time of year, with the peak inflow period finished and irrigation drawdown occurring.
- There were no changes to water allocations this week.

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 15 December 2011 is shown above. The green line indicates the storage level at the same time last year. The orange line indicates the amount of 'dead' or unusable storage.

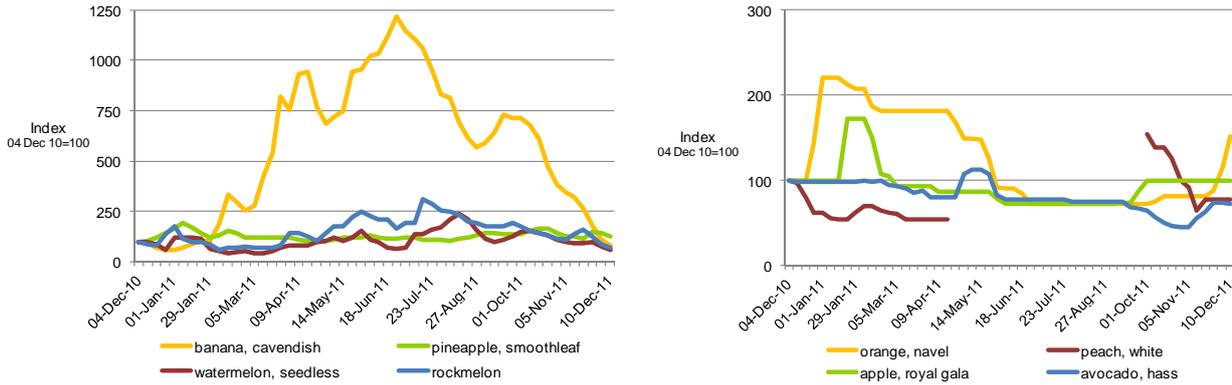
3. Commodities

3.1. Production and commodities

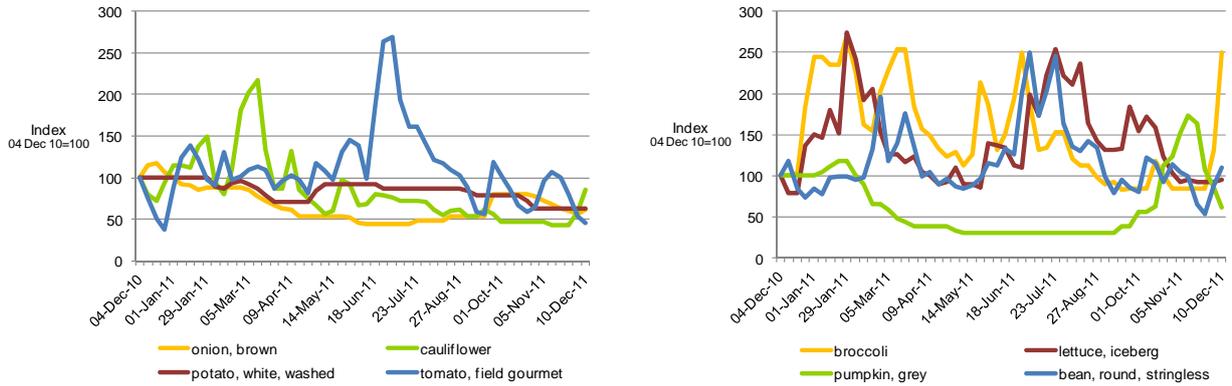
- Navel orange prices at wholesale were higher in the week ending 10 December 2011, as their main season draws to a close, but banana and melon prices were lower. New season valencia oranges are becoming available at wholesale prices around 30 per cent lower than at the same time in 2010, reflecting the much larger 2011–12 harvest that is in prospect.
- Bean, broccoli and cauliflower prices at wholesale were sharply higher in the week ending 10 December 2011.
- In Queensland and northern New South Wales, Graincorp reports that winter crop harvest is nearly complete, and in Victoria and southern New South Wales harvest is around 70 to 90 per cent complete. In South Australia, Viterro reports that it has received around 5.2 million tonnes of winter crops, which would represent harvest progress of around 70 per cent based on ABARES forecast winter crop production of 7.9 million tonnes. In Western Australia, CBH reports that around 68 per cent of estimated receivals have entered the Western Australian bulk handling system.
- Australian milk production increased 4.2 per cent year on year in October 2011. In Victoria and New South Wales, milk production rose by 6 per cent while Tasmanian milk output was 8 per cent higher over the same period.
- The world wheat indicator price (US hard red winter, free on board Gulf ports) averaged US\$284 tonne in the week ending 13 December 2011, compared with US\$288 a tonne in the previous week.
- The world coarse grains indicator price (US no. 2 yellow corn, free on board Gulf ports) averaged US\$254 a tonne in the week ending 14 December 2011, compared with US\$257 a tonne in the previous week.
- The Australian canola indicator price (Portland, Victoria) averaged AU\$473 a tonne in the week ending 12 December 2011, compared with AU\$475 a tonne in the previous week.
- The world cotton indicator price (the Cotlook 'A' index) fell by 2.7 per cent in the week ending 14 December 2011, to average US96.1 cents a pound, the lowest in over 27 months.
- The world sugar indicator price (Intercontinental Exchange, nearby futures, no. 11 contract) fell 1.1 per cent to average US23.4 cents a pound in the week ending 14 December 2011. Upward revisions to Brazilian and European Union sugar production were factors influencing world sugar prices.
- The Eastern Market Indicator price for wool fell by 2.1 per cent for the week ending 8 December 2011, to 1168 cents a kilogram clean. Bales offered at sale for the week ending 8 December 2011 were 13 per cent higher than the previous week and the largest offering since 23 September 2011.
- Saleyard cattle prices for the week ending 9 December 2011 were mixed. The Queensland trade steer indicator price rose 34 cents to a record 427 cents a kilogram, as restocker demand remained strong amid reduced supply on account of heavy rain that interrupted the transport of cattle to market. Trade steer prices also rose in Victoria and South Australia, but fell in New South Wales and Tasmania. Cattle slaughter was lower than last week in all states except South Australia.

3.2. Recent movements in fruit and vegetable prices

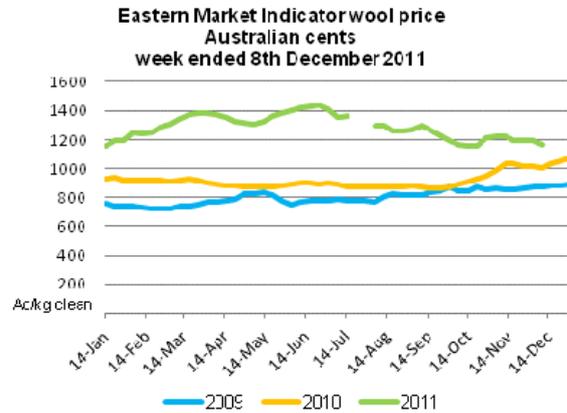
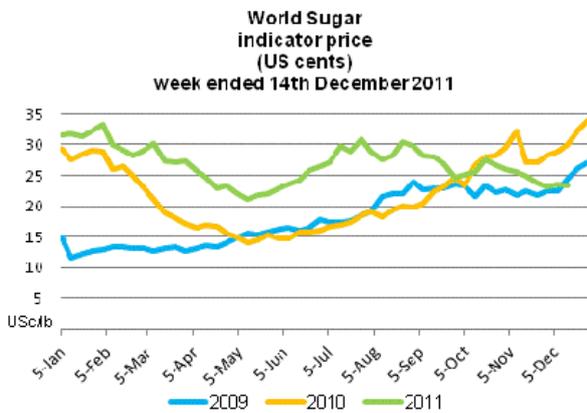
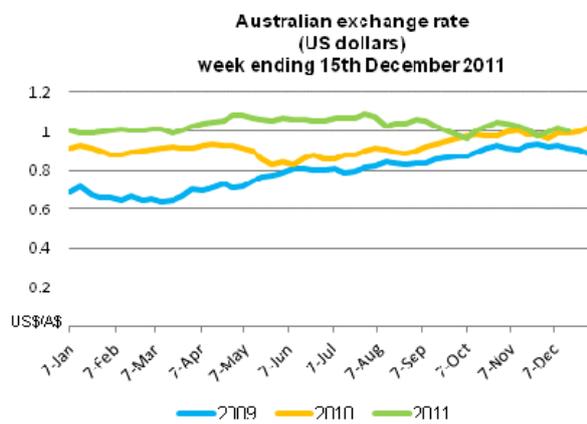
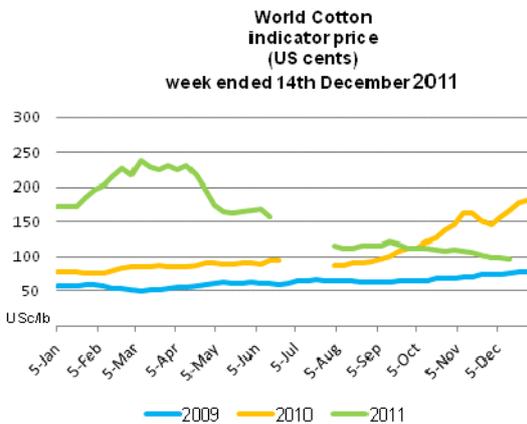
Weekly wholesale prices for selected fruit, Melbourne market



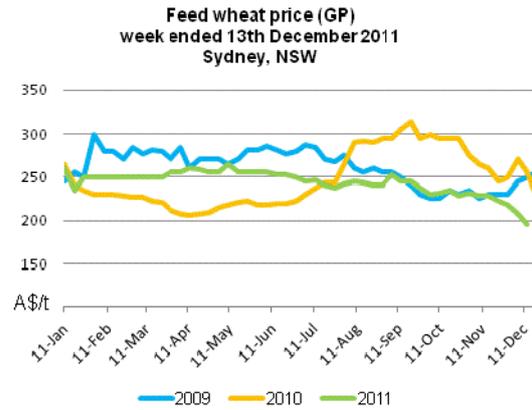
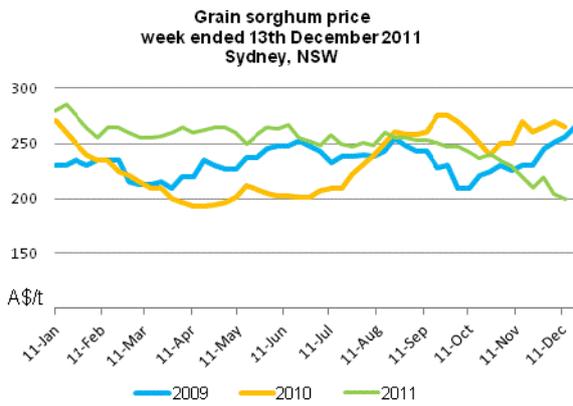
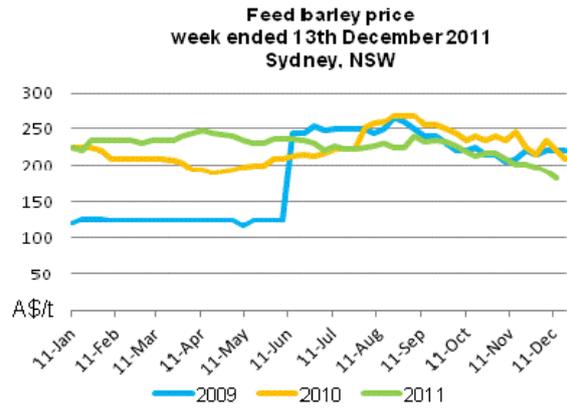
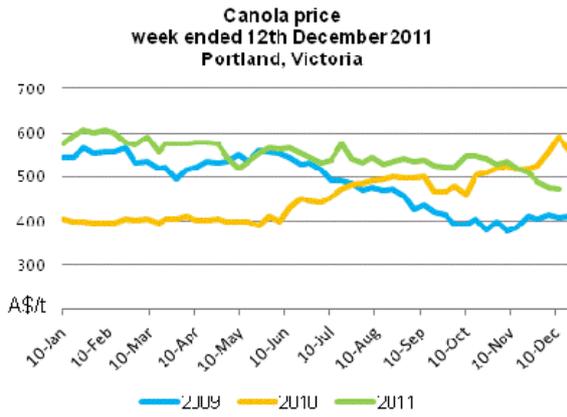
Weekly wholesale prices for selected vegetables, Melbourne market



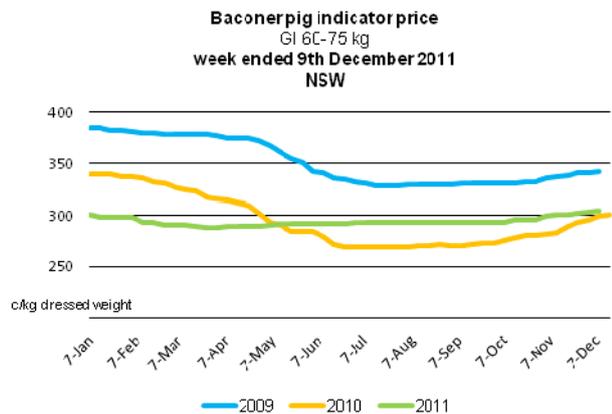
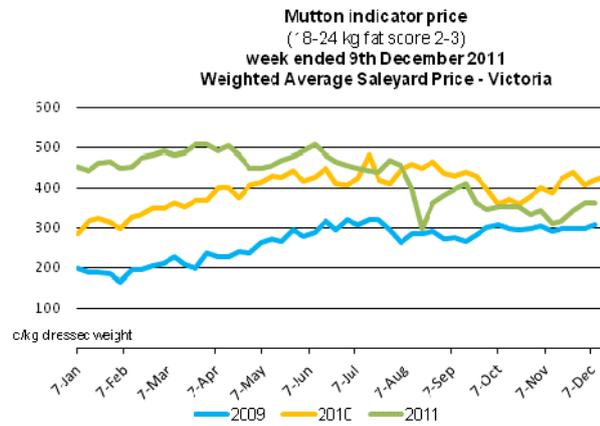
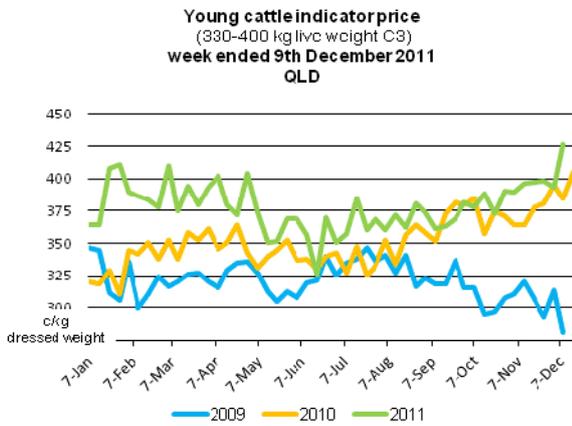
3.3. Selected world indicator prices



3.4. Crop indicator prices



3.5. Livestock indicator prices



4. Data attribution

Climate

Bureau of Meteorology

- Weekly rainfall totals: www.bom.gov.au/jsp/awap/rain/index.jsp
- Monthly and last 3-months rainfall percentiles: www.bom.gov.au/jsp/awap/
- Temperature anomalies: www.bom.gov.au/jsp/awap/
- Rainfall forecast: www.bom.gov.au/jsp/watl/rainfall/pme.jsp
- Seasonal outlook: www.bom.gov.au/climate/ahead
- Drought statement: www.bom.gov.au/climate/drought/drought.shtml
- ENSO Wrap-Up: www.bom.gov.au/climate/enso/
- Soil moisture (BoM, CSIRO and the former Bureau of Rural Sciences): 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
- Available water determinations register: www.wix.nsw.gov.au/wma/DeterminationSearch.jsp?selectedRegister=Determination
- Snowy Hydro: www.snowyhydro.com.au/lakeLevels.asp?pageID=47&parentID=61&grandParentID=4

Queensland

- Sunwater: www.sunwater.com.au
- seqwater: <http://seqwater.com.au>

South Australia

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

Victoria

- Goulburn–Murray Water: www.g-mwater.com.au

Water trading

- Waterexchange: www.waterexchange.com.au

Commodities

Fruit and vegetables

- Datafresh: 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

Canola

- Weekly Times: hardcopy