



Australian Government

Australian Bureau of Agricultural and
Resource Economics and Sciences

Weekly Australian Climate, Water and Agricultural Update

21 July 2011

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

Summary of key issues

- Rainfall received this week across southern and eastern parts of the country will assist winter crop growth. Further medium to heavy rainfall is forecast in the coming week in south-western and eastern parts of the country, which will provide further benefits for crops if it eventuates.
- Growth of mangoes and rice in northern Australia has been aided by recent cooler weather. In contrast, the recent cooler weather in north Queensland has cut the production of tomatoes in the Bowen area.
- Drier than normal conditions are forecast over central areas of Western Australia and much of South Australia during the August to October 2011 period. Warmer than normal day time and night time temperatures are forecast over most of Australia.
- Water storage levels in the Murray–Darling Basin (MDB) increased this week by 41 gigalitres (GL) and remained at approximately 84 per cent of total capacity.
- Banana prices declined in the week ending 16 July 2011 and appear to be past their peak for 2011. Most other fruit prices were steady, the main exception being rockmelon prices which recorded an increase.
- Bean, broccoli and lettuce prices increased in the week ending 16 July 2011, after the sharp declines of last week, but tomato prices continued to decline.
- The world wheat indicator price (US Hard Red Winter, free-on-board Gulf ports) averaged US\$311 a tonne for the week ending 19 July 2011, a 5 per cent rise from the previous week.
- Saleyards sheep prices in Victoria fell by 1 per cent for the week ending 15 July to 444 cents a kilogram. Saleyards prices increased by between 2 and 6 per cent in the other states.
- Saleyards prices of lamb fell in the eastern states but rose in Western Australia in the week ending 15 July. The largest fall occurred in New South Wales where the average lamb price at National Livestock Reporting Service reported saleyards fell by 6.7 per cent to 476 cents a kilogram.

For more information or to subscribe, email ClimateUpdate@daff.gov.au

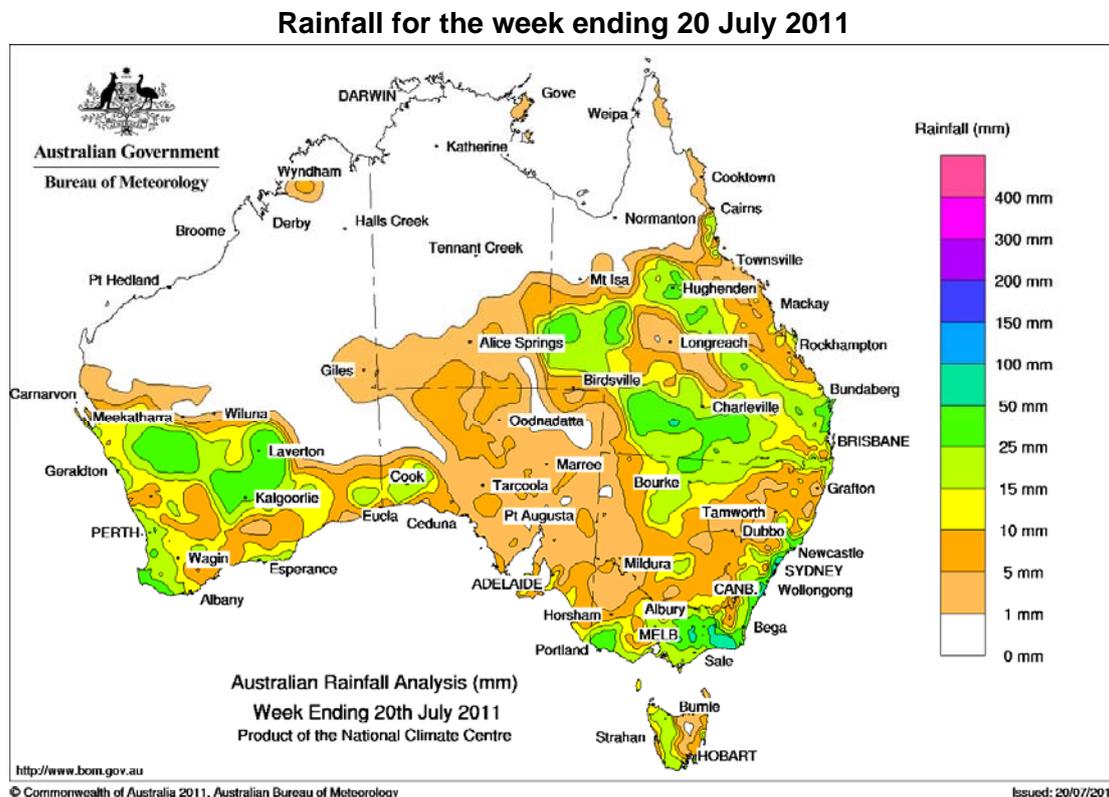
1. Climate

1.1. Notable events

- For the week ending 20 July 2011, most rainfall was recorded across southern and eastern Australia. The highest measured total for the week was 100 millimetres at Club Terrace in north-east Victoria.
- Rainfall received this week across southern parts of Western Australia, Victoria, New South Wales and Queensland will improve soil moisture availability and assist winter crop growth.
- Further medium to heavy rainfall is forecast for the coming week in south-western and eastern parts of the country which will aid winter crops, particularly in the south-west of Western Australia.
- Growth of mangoes in the Northern Territory and rice in the Ord River area has been aided by recent cooler weather. In contrast, the recent cooler weather in north Queensland has cut the production of tomatoes in the Bowen area, one of the main supply areas of winter and spring tomatoes.
- Recent rainfall received in south-west Western Australia is reportedly sufficient to secure water supplies that will last through the growing season for wine grape crops in the area.
- Drier than normal conditions are forecast over central areas of Western Australia and much of South Australia during the August to October 2011 period. In the remainder of the country, the chances of wetter or cooler conditions are equal. Warmer than normal day time and night time temperatures are forecast over most of Australia.
- Neutral El Niño/Southern Oscillation (ENSO) conditions persist across the tropical Pacific Ocean. The majority of climate models forecast neutral conditions continuing for winter and spring 2011 (Bureau of Meteorology ENSO 'Wrap-up', 20 July 2011).

1.2. Rainfall this week

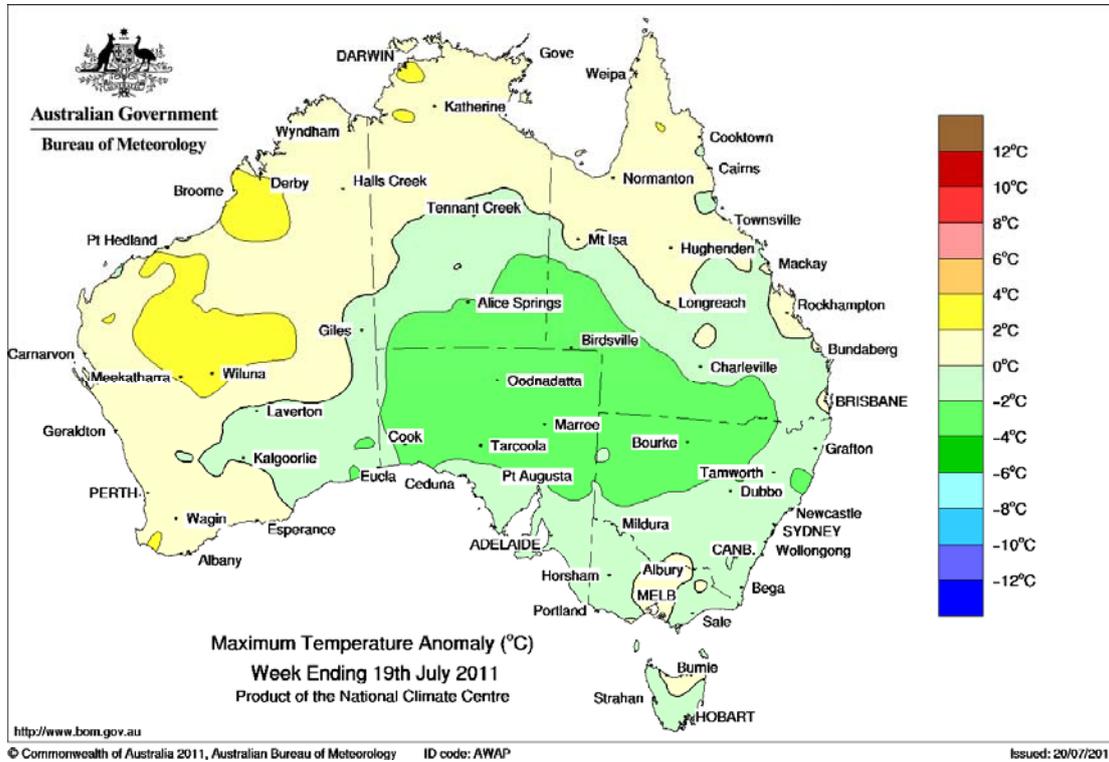
For the week ending 20 July 2011, rainfall was mostly received across southern and western Australia. For further information, go to www.bom.gov.au/climate/current/weeklyrain.shtml.



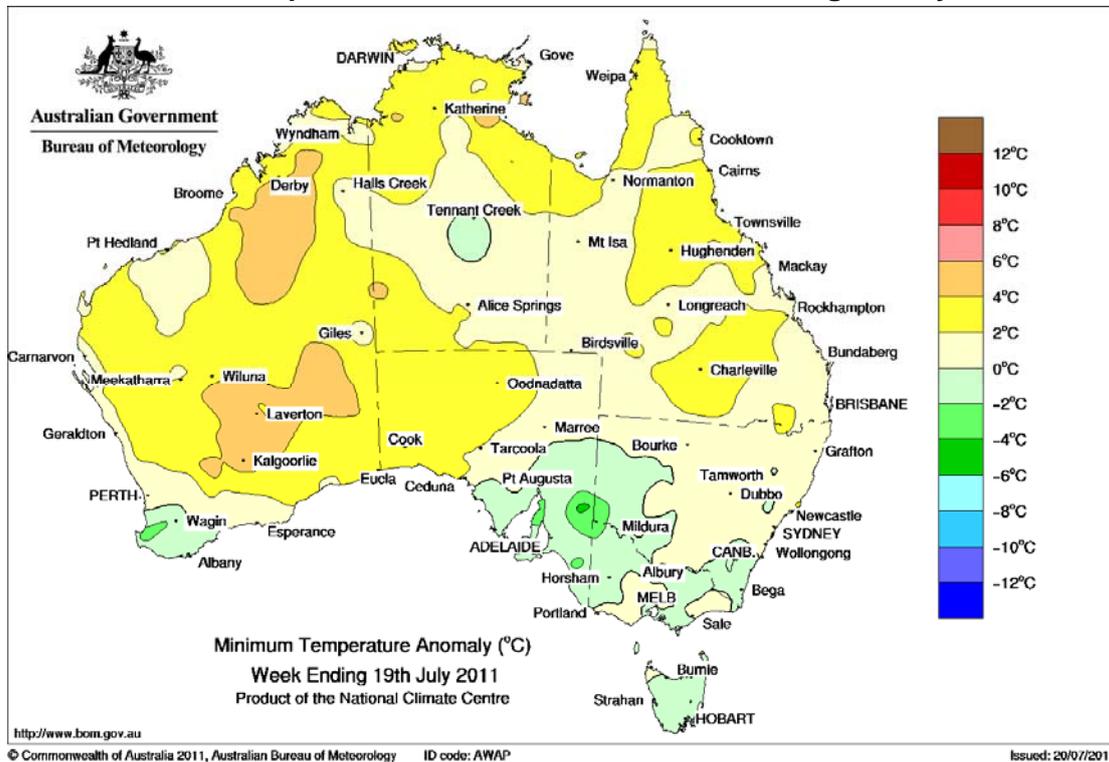
1.3. Temperature anomalies this week

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 19 July 2011



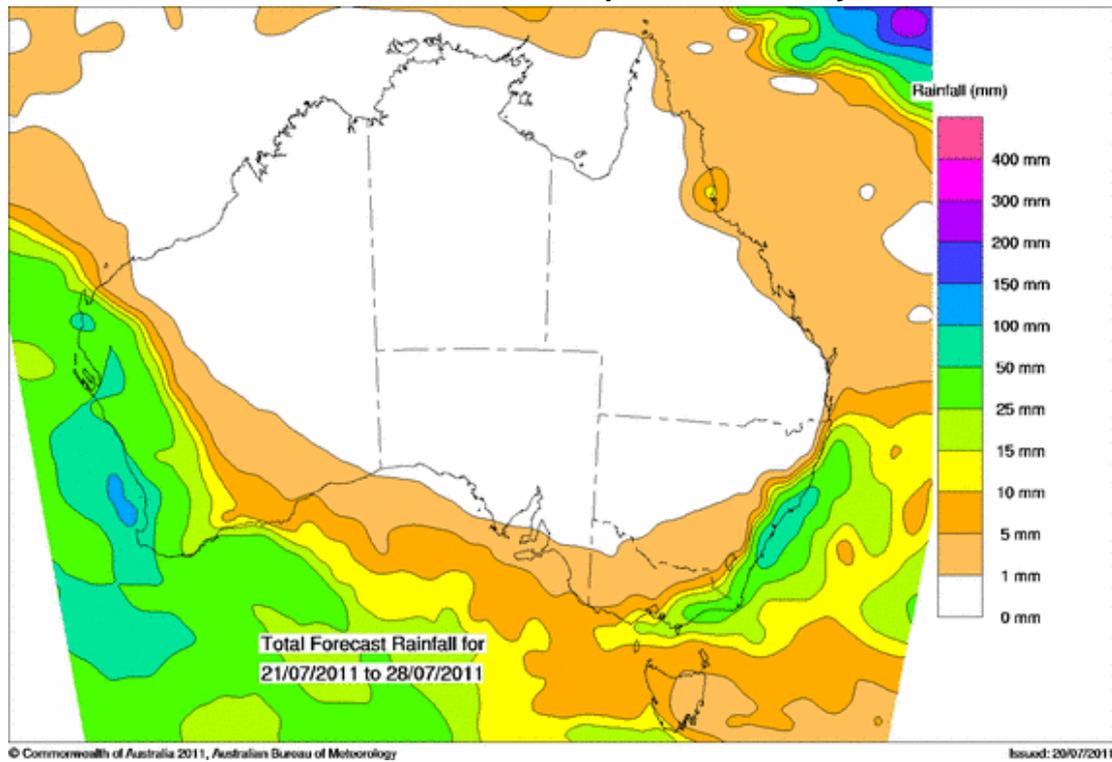
Minimum temperature anomalies for the week ending 19 July 2011



1.4. Rainfall outlook

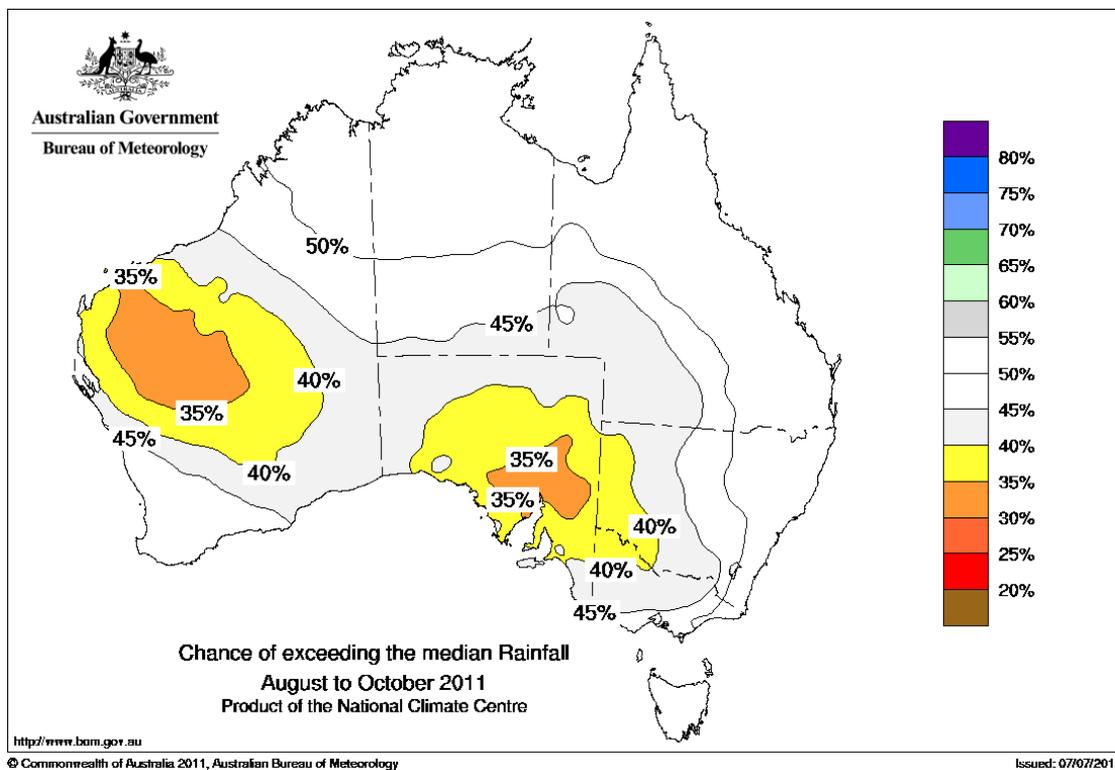
The rainfall forecast below is produced from computer models. As it contains no input from weather forecasters, it is important to also check local forecasts and warnings by the Bureau of Meteorology.

Total forecast rainfall for the period 21–28 July 2011

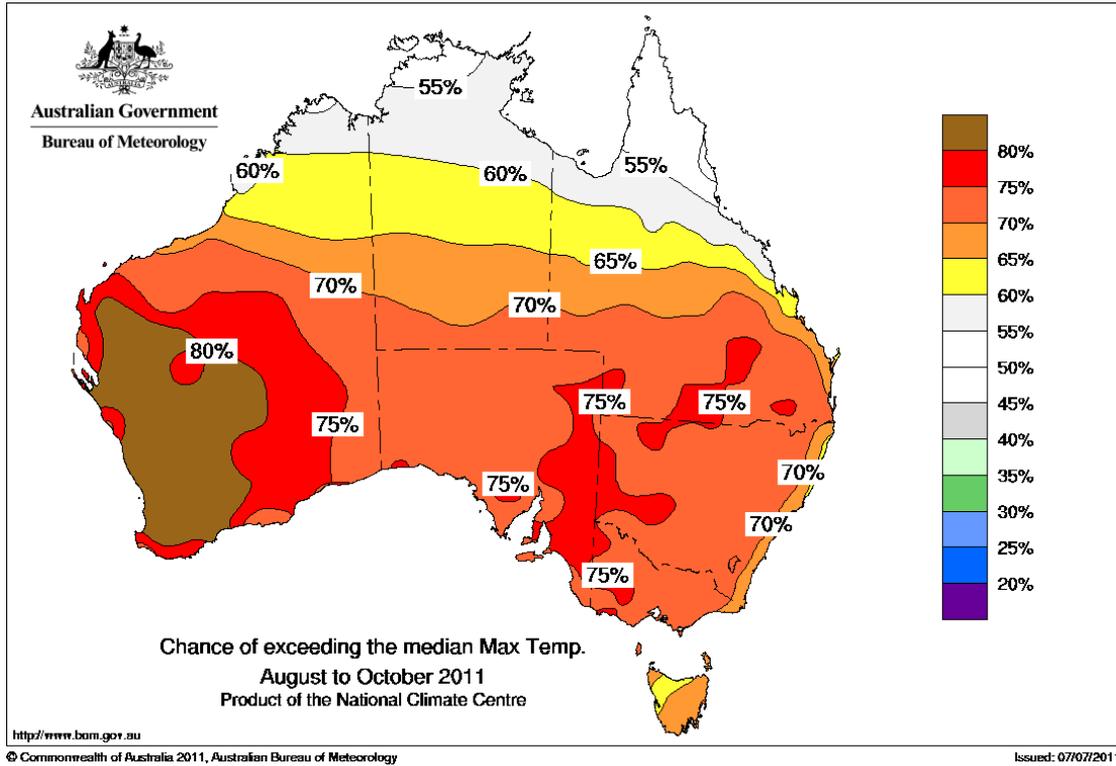


1.5. Seasonal outlook

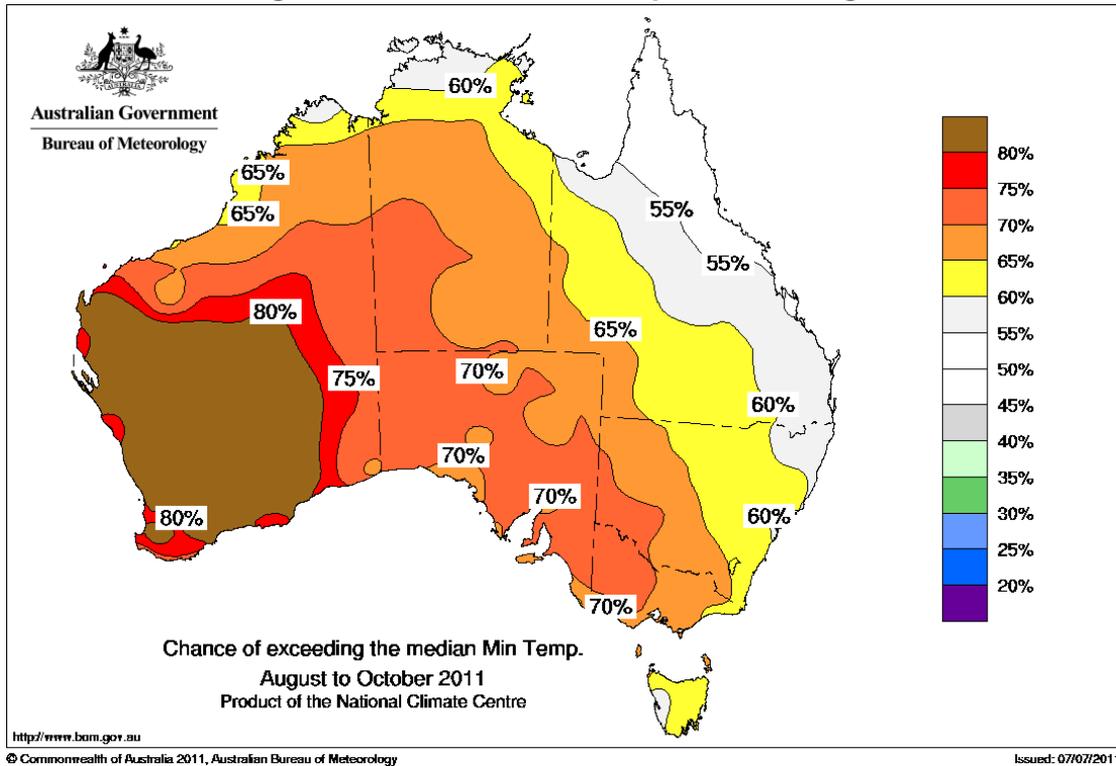
Chance of exceeding the median rainfall – August to October 2011



Chance of exceeding the median maximum temperature – August to October 2011



Chance of exceeding the median minimum temperature – August to October 2011



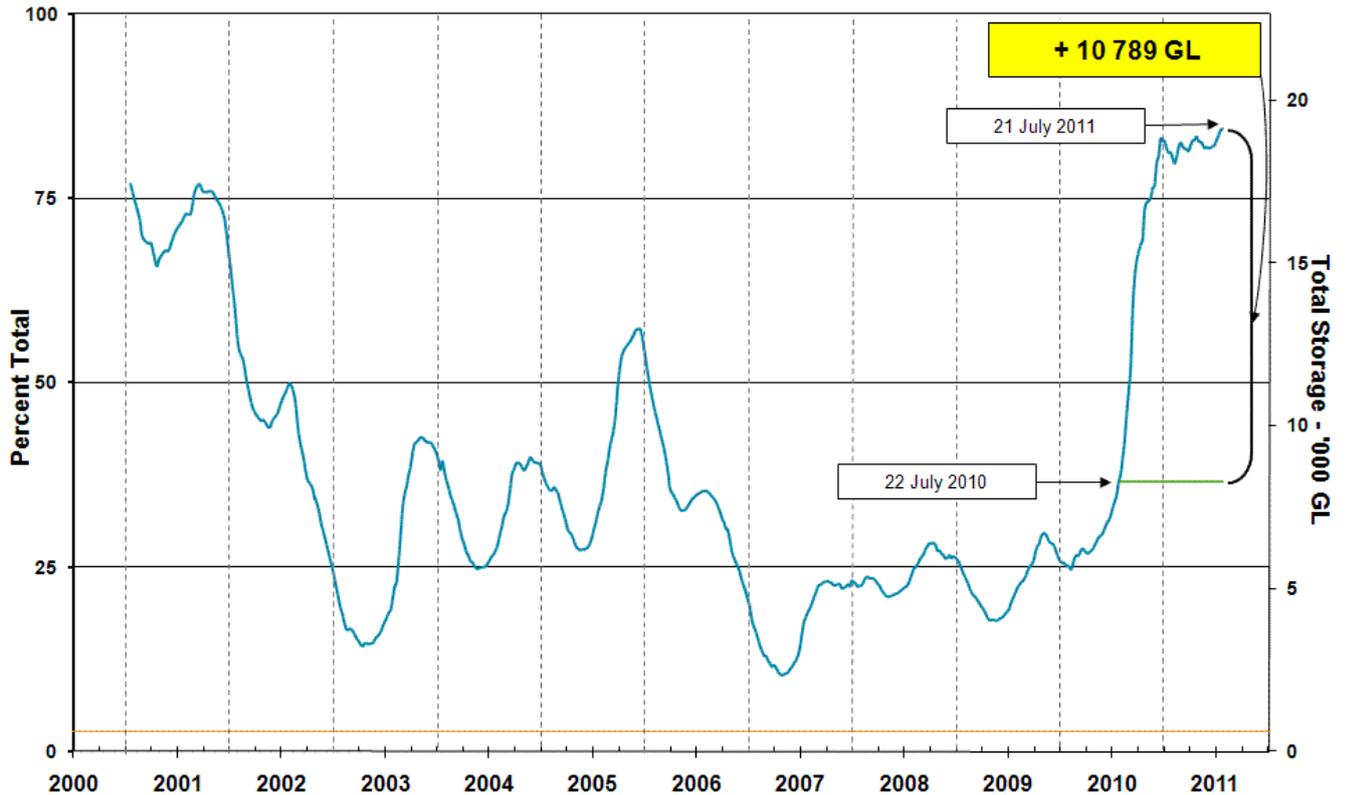
Water

1.6. Water availability and trading

- Water storage levels in the Murray–Darling Basin (MDB) increased this week by 41 gigalitres (GL) and remained at approximately 84 per cent of total capacity. This is 48 percentage points, or 10 789 GL, more than this time last year.
- There was no trade in the three representative major temporary water markets over the past week.

1.7. Water storages

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



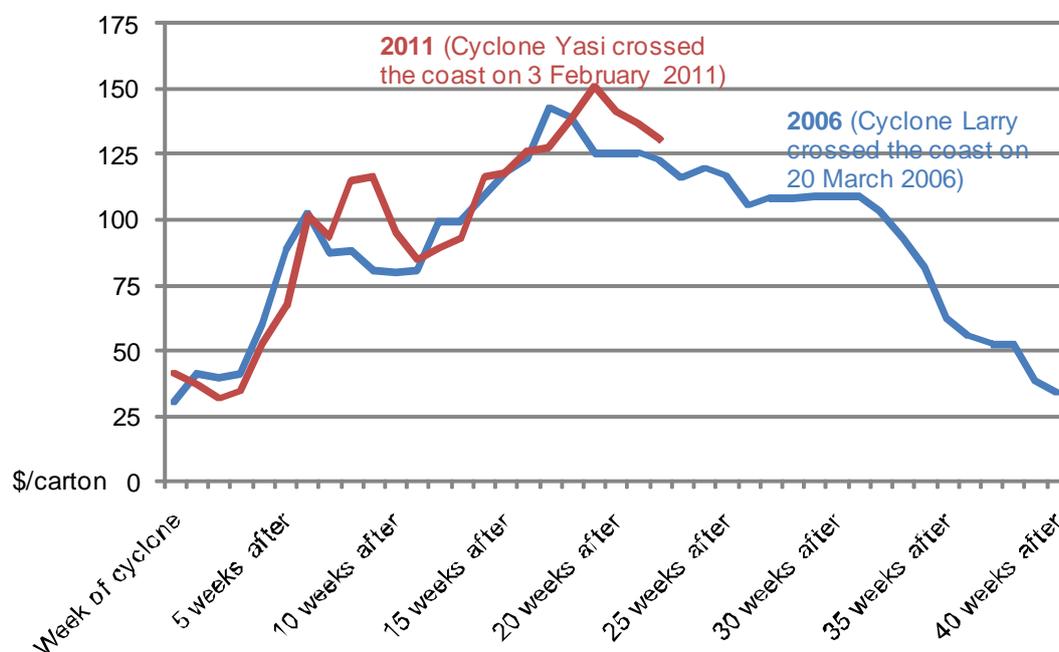
Information on irrigation water available in the Murray–Darling Basin from 1 January 2001 to 21 July 2011 is shown above. The green line indicates the storage level at the same time last year. The orange line indicates the amount of 'dead' or unusable storage.

2. Commodities

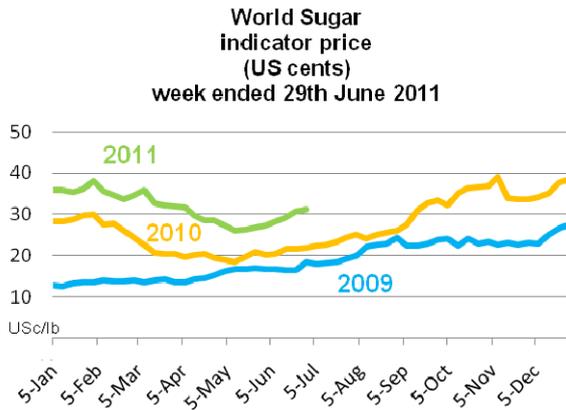
2.1. Production and commodities

- The Eastern Market Indicator price for wool (EMI) remained steady for the week ending 13th July 2011, at around 1361 cents a kilogram clean. Supply was strong with the number of bales offered being 50 per cent higher than the previous week. However, strong demand ahead of the upcoming annual July recess helped support prices.
- Banana prices declined in the week ending 16 July 2011, their third week of decline. Based on past experience with Cyclone Larry in 2006, banana prices appear to be past their peak for 2011 following the severe disruption to banana supplies from Cyclone Yasi in early February 2011 (figure A). Most other fruit prices were steady, the main exception being rockmelon prices which recorded an increase.
- Bean, broccoli and lettuce prices increased in the week ending 16 July 2011, after the sharp declines of last week, but tomato prices continued to decline.
- The world wheat indicator price (US Hard Red Winter, free-on-board Gulf ports) averaged US\$311 a tonne for the week ending 19 July 2011, a 5 per cent rise from the previous week.
- The world corn indicator price (US no. 2 yellow corn, free-on-board, Gulf ports) averaged US\$314 a tonne for the week ending 20 July 2011, a 6 per cent rise from the previous week.
- Saleyard sheep prices in Victoria, the largest producer of mutton, fell by 1 per cent for the week ending 15 July 2011 to 444 cents a kilogram. This fall represents a 7 per cent week-on-week increase in sheep yardings in Victoria. Saleyard prices increased by between 2 and 6 per cent in the other states.
- Saleyard prices of lamb fell in the eastern states but rose in Western Australia in the week ending 15 July. The largest fall occurred in New South Wales where the average lamb price at National Livestock Reporting Service (NLRs) reported saleyards fell by 6.7 per cent to 476 cents a kilogram. These trends reflect changes in lamb availability with saleyard throughput increasing by 18 per cent in the eastern states and decreasing by 6 per cent in Western Australia.

Figure A. Banana prices in 2006 and 2011, Melbourne wholesale market

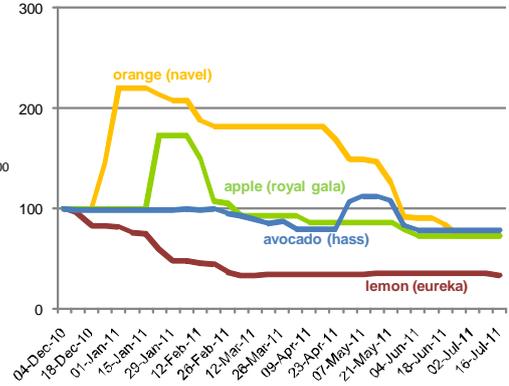
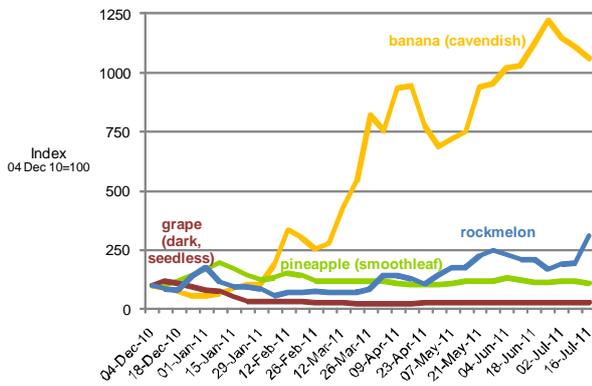


2.2. Selected world indicator prices

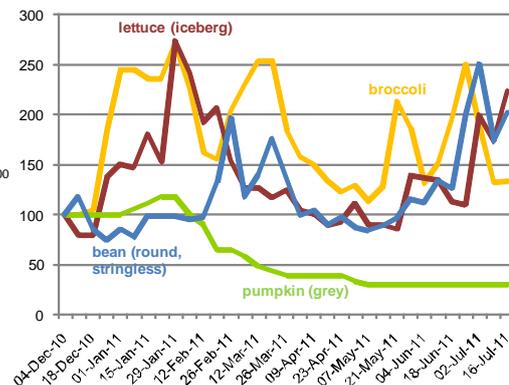
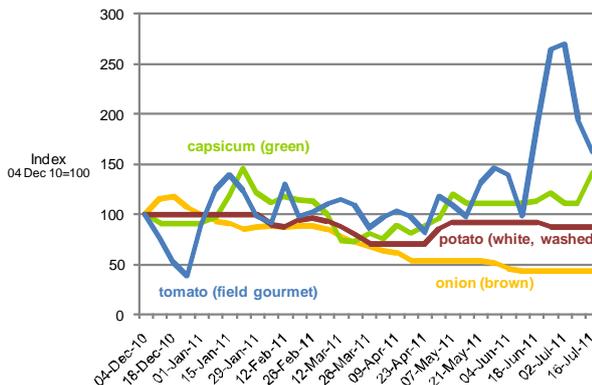


2.3. Recent movements in fruit and vegetable prices

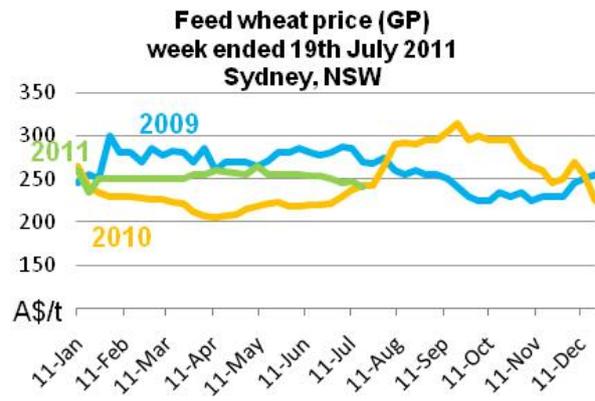
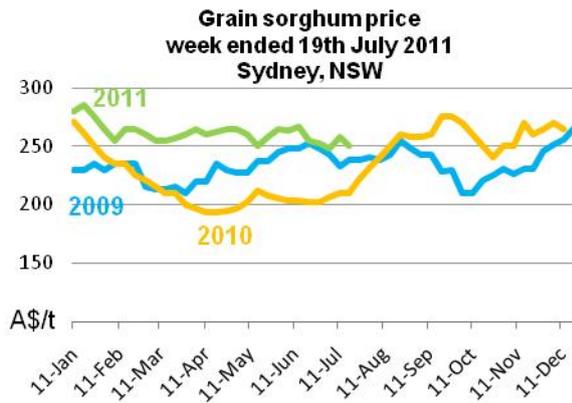
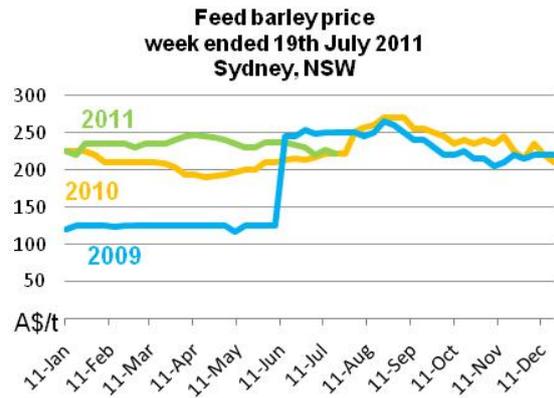
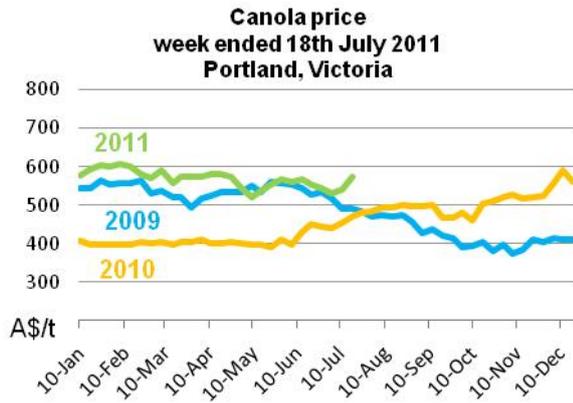
Weekly wholesale prices for selected fruit, Melbourne market



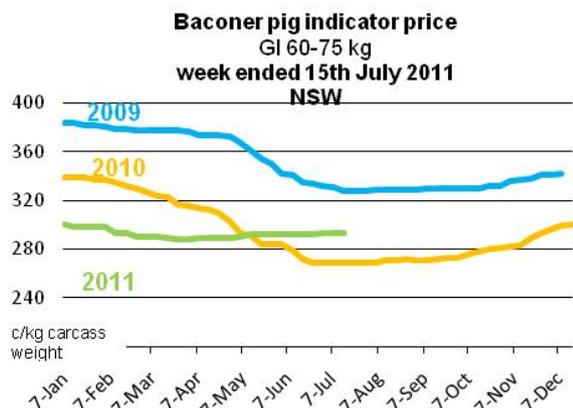
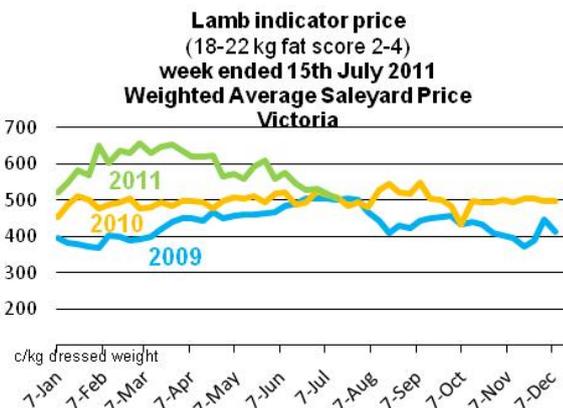
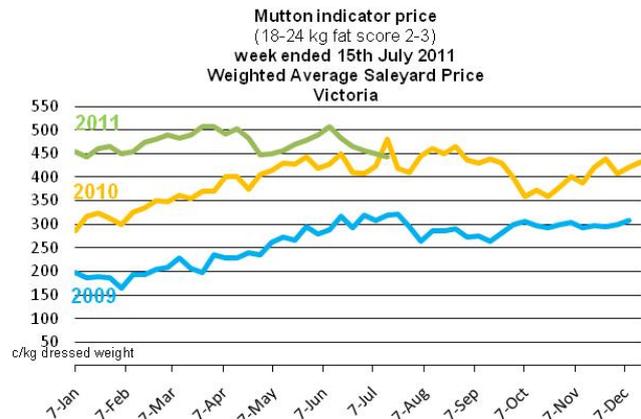
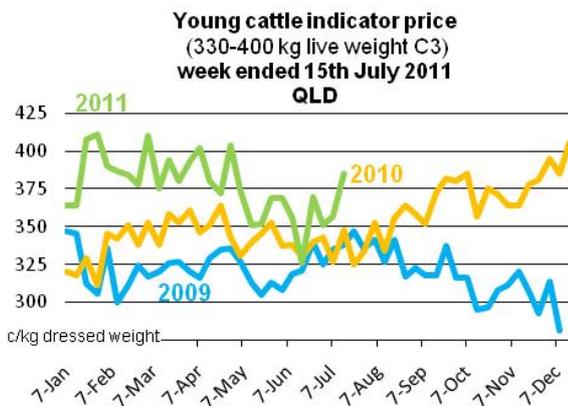
Weekly wholesale prices for selected vegetables, Melbourne market



2.4. Crop indicator prices



2.5. Livestock indicator prices



3. 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: <http://www.bom.gov.au/jsp/awap/>
- Temperature anomalies: <http://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

Murray–Darling Basin

- Murray–Darling Basin Authority: www.mdba.gov.au/water/waterinstorage

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