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Australia

Grain and Feed

Wheat & Barley Update

1999

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Report Highlights:

Includes PSD changes: No
Includes Trade Matrix: No
Unscheduled Report
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The following information spreadsheets contain the latest post analysis of the Australian wheat and barley situation.

While 1998/99 crop production is at a relatively high level flooding at the start of season in northern New South Wales (N.S.W.) and southern Queensland followed by persistent wet weather in the same regions reduced planted area and yields. Frosts in N.S.W., Victoria and Western Australia have adversely affected grain quality and yields. Less than average rainfall over many areas of Victoria reduced yields. Central N.S.W. and most of South Australia and Western Australia ideal growing conditions. The harvest was delayed in many regions due to cool weather and intermittent rainfall.

The 1998/99 wheat and barley crops will contain a much larger than average percentage of downgraded grain.

The N.S.W. wheat production estimate has been reduced following the release of the latest N.S.W. Grains Report (published by N.S.W. Agriculture). Their final estimate is for a crop of 5.465 million MT. Post has accepted this as the most accurate at this stage of the season.

N.S.W. Agriculture reports that the wet conditions, including numerous major floods, have resulted in water logging, uneven maturity within crops, and harvesting difficulties. The central and northern region also experienced thunderstorms, that resulted in lodging, and hail damage. A combination of wet fields and mild, cool weather delayed the harvest.

The N.S.W. bulk handling body, Graincorp, recently announced that it has revised it's total grain receival forecast for the 1998/99 year from 7 to 6 million MT's. This has subsequently been reduced to 5.6 million MT’s. Graincorp has introduced eight new receival catergories at sites throughout N.S.W. to cope with the increase in the amount of reduced quality grain in the current harvest.

The South Australian production number has been reduced 24,000 MT following the release of the latest Crop and Pasture Report by Primary Industries and Resources South Australia (PIRSA). We have increased the area for South Australia to reflect the PIRSA estimate. PIRSA state that despite frost damage in the South East and central Eyre Peninsula, overall wheat yields are reported to be have been average to above average, with quality reported to be excellent.

While Victoria has had a mixed season recent reports from the bulk handling body Vicgrain indicate that the dry weather in the Mallee and the late frost may not have affected production as much as was first expected. Two new segregations have been created in Victoria to accommodate high screenings and frost damaged wheat. The first - GP 20 accepts wheat with screenings up to 20 percent, while the second FED4 accommodates up to 30 percent screenings. Post believes that total Victorian production will be closer to last years production than currently forecast by ABARE. Thus Victorian production has been increased by 150,000 MT.

Western Australia’s historically large harvest is almost complete. The remainder of the harvest is expected to be of poor quality with a high proportion of sprouted grain. Press reports indicate that the Australia Wheat Board (AWB) expects as much as 200,000 MT to be weather damaged. The bulk handling body CBH has moved to establish special segregations for sprouted grain.

With the Australian harvest currently nearing completion it is clear that the 1998-99 season has proved to be a

difficult one to forecast. Press reports indicate that a second harvest may occur i.e. growers will clean their grain to remove screenings in an attempt to obtain better prices. The amount of grain stored on farm is very difficult to estimate and the depressed state of the feedgrain market provides an indication that the on-farm stockpile is substantial.

The AWB has moved quickly in an attempt to maximize receivals. It has established many new segregations which offer growers better returns for damaged grain.

The barley crop has experienced similar problems to the wheat crop. Production of malting quality barley in N.S.W. and Victoria was reported to be lower than achieved during the previous year while production in South Australia and Western Australia was higher.

AUSTRALIA WHEAT: State-Level Statistics (Million Hectares; Tons Per Hectare; Million Tons)											
										ABARE	POST
											EST.
	1984/85	5 Yr Avg	1991/92	1992/93	1993/94	1994/95	1995/96	1996/97	1997/98	1998/99	1998/99
Queensland										Dec	Jan
Area	0.921	0.834	0.482	0.800	0.555	0.596	0.627	0.997	1.000	1.150	1.150
Yield	1.714	1.517	0.714	0.875	1.000	0.372	0.829	1.984	1.493	1.913	1.913
Prod	1.579	1.284	0.344	0.700	0.555	0.222	0.520	1.978	1.493	2.200	2.200
New South Wales											
Area	3.603	2.731	1.499	1.800	1.978	1.492	2.328	3.419	3.025	3.131	3.131
Yield	1.611	1.622	1.530	2.333	2.571	0.512	1.936	2.522	1.948	1.948	1.745
Prod	5.805	4.416	2.294	4.200	5.086	0.764	4.508	8.622	5.893	6.100	5.465
Victoria											
Area	1.523	1.167	0.678	0.950	0.780	0.854	0.853	1.003	0.895	0.940	0.940
Yield	1.750	1.859	1.760	2.526	2.592	1.052	2.252	2.425	1.736	1.489	1.649
Prod	2.666	2.133	1.193	2.400	2.022	0.898	1.921	2.432	1.554	1.400	1.550
South Australia											
Area	1.378	1.551	1.289	1.550	1.216	1.469	1.519	1.551	1.400	1.740	1.824
Yield	1.474	1.287	1.652	1.729	1.744	1.026	1.793	1.836	1.917	1.954	1.878
Prod	2.031	1.999	2.129	2.680	2.121	1.507	2.724	2.847	2.684	3.400	3.426
Western Australia											
Area	4.652	3.704	3.235	4.000	3.852	3.974	3.892	4.356	4.100	4.500	4.500
Yield	1.414	1.290	1.461	1.550	1.737	1.422	1.754	1.768	1.899	1.800	1.800
Prod	6.580	4.735	4.725	6.200	6.689	5.652	6.827	7.702	7.784	8.100	8.100
Total											
Area	12.077	9.988	7.183	9.100	8.381	8.385	9.219	11.326	10.422	11.461	11.545
Yield	1.545	1.466	1.488	1.778	1.966	1.078	1.790	2.082	1.863	1.850	1.797
Prod	18.661	14.567	10.685	16.180	16.473	9.043	16.500	23.581	19.417	21.200	20.741

Estimates based on historical Australian Bureau of Agricultural and Resource Economics reports.

AUSTRALIA BARLEY: State-level Statistics
(Million Hectares; Tons Per Hectare; Million Tons)

											ABARE	POST
											EST.	EST.
	1988/89	1989/90	1990/91	1991/92	1992/93	1993/94	1994/95	1995/96	1996/97	1997/98	1998/99	1998/99
Queensland											Dec	Jan
Area	0.216	0.174	0.187	0.128	0.189	0.232	0.080	0.185	0.194	0.145	0.140	0.140
Yield	1.870	2.241	2.053	0.547	1.508	1.129	0.662	1.027	2.335	1.614	1.286	1.286
Prod	0.404	0.390	0.384	0.070	0.285	0.262	0.053	0.190	0.453	0.234	0.180	0.180
New South Wales												
Area	0.440	0.391	0.447	0.497	0.560	0.623	0.421	0.570	0.673	0.572	0.545	0.545
Yield	1.670	1.734	1.761	1.489	1.864	2.103	0.572	1.544	2.242	2.026	1.835	1.717
Prod	0.735	0.678	0.787	0.740	1.044	1.310	0.241	0.880	1.509	1.159	1.000	0.936
Victoria												
Area	0.356	0.487	0.426	0.522	0.551	0.639	0.486	0.680	0.596	0.590	0.540	0.540
Yield	1.551	1.413	1.423	1.674	2.025	2.712	0.792	1.765	1.671	1.515	1.481	1.481
Prod	0.552	0.688	0.606	0.874	1.116	1.733	0.385	1.200	1.217	0.894	0.800	0.800
South Australia												
Area	0.847	0.889	0.947	0.991	1.023	1.115	0.911	1.050	1.024	0.997	0.897	0.897
Yield	1.243	1.907	1.599	1.877	1.813	1.999	1.250	1.810	1.920	2.010	1.975	2.137
Prod	1.053	1.695	1.514	1.860	1.855	2.229	1.139	1.900	1.966	2.004	1.772	1.917
Western Australia												
Area	0.383	0.419	0.494	0.551	0.611	0.799	0.590	0.700	0.908	0.946	0.830	0.830
Yield	1.439	1.492	1.494	1.623	1.736	1.728	1.602	1.857	1.794	1.844	1.600	1.807
Prod	0.551	0.625	0.738	0.894	1.061	1.381	0.945	1.300	1.629	1.744	1.500	1.500
Total												
Area	2.242	2.360	2.501	2.689	2.934	3.408	2.488	3.185	3.395	3.250	2.952	2.952
Yield	1.470	1.727	1.611	1.650	1.827	2.029	1.111	1.717	1.995	1.857	1.779	1.807
Prod	3.295	4.076	4.029	4.438	5.361	6.915	2.763	5.470	6.774	6.035	5.252	5.333
Estimates based on historical Australian Bureau of Agricultural and Resource Economics reports.												