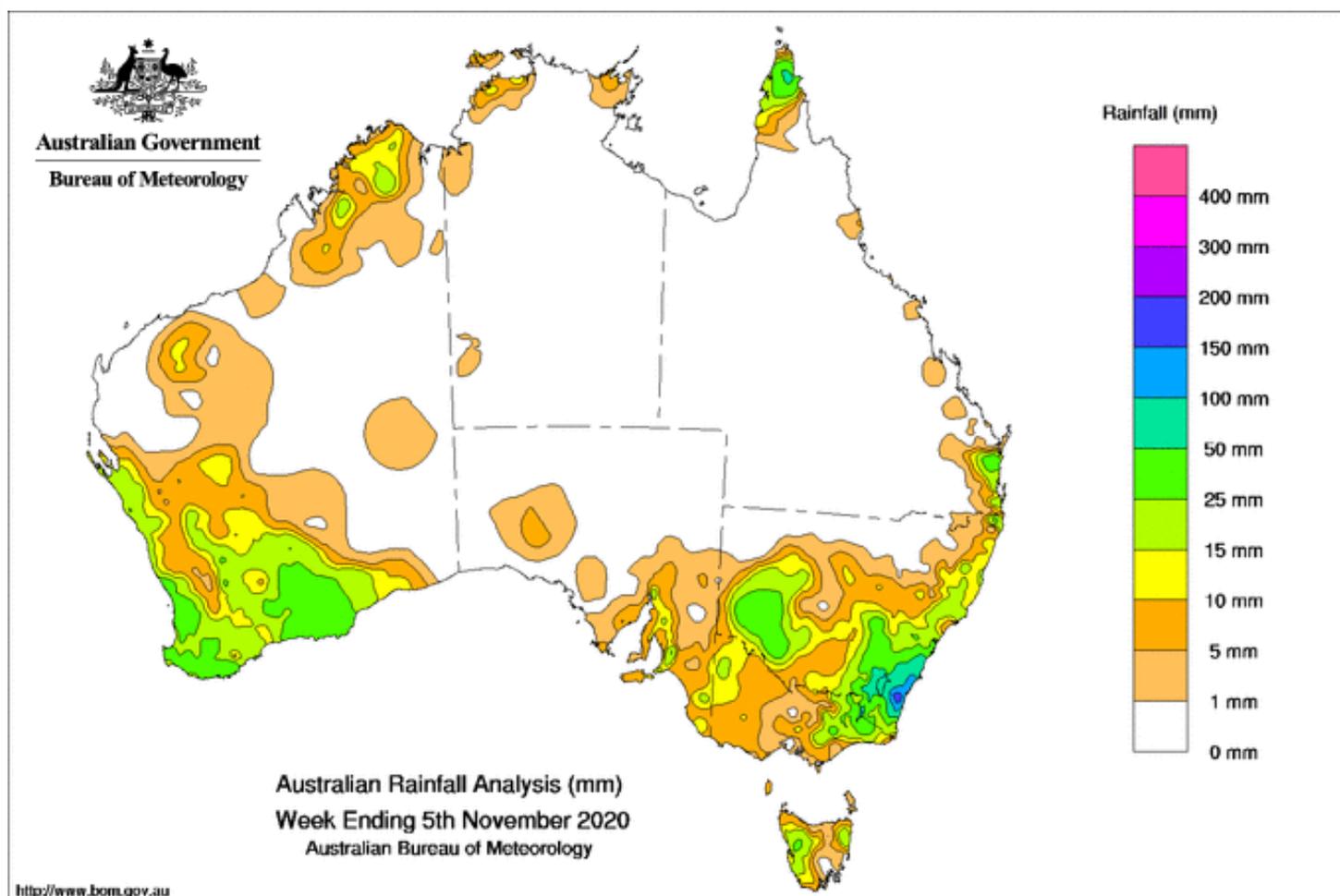


	This Report	Last Report	Change
AUD/USD (Spot)	\$0.7167	\$0.7064	\$0.0103
CBOT Wht USC/Bu (Spot)	611.5	609.25	2.25
CBOT Corn USC/Bu (Spot)	409.5	403.5	6.00
ASX Wht AUD/MT (Nov 20)	\$300.00	\$325.00	-\$25.00
ASX Bar AUD/MT (Nov 20)	\$232.00	\$230.00	\$2.00



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Weather & Crop Conditions

Weather this week has been more favourable for harvesting throughout the east coast whilst rain over WA largely fell in the south with little effect on harvest progress or quality. On the east coast, rain at the end of last week mostly fell in Western NSW leaving the remainder of the east to enjoy a sunny but cool harvest week. Harvest has progressed nicely with the weather break and QLD is well over 60% complete whilst Northern NSW is over 30% complete. Quality so far has been as expected post drought years, with high protein being seen in both barley and wheat whilst crops have seemingly escaped from weather damage during the storms. Harvest preparations are beginning in Southern NSW and Victoria although the beginning of harvest may be slowed by more rain forecast for the end of next week. Concerningly, the long-range forecasts for the week after the next is very wet for most of the east coast and harvest may halt harvest for a few days. In the west, harvest is in full swing with northern growing areas continuing are missing most of the rain seen, which fell around Albany and Esperance port zones. Harvest in South Australia is still in its infancy with only small tonnes hitting bulk handlers in the South.

Wheat – Global

Global wheat markets have continued to soften this week with favourable forecasts for the US, The Black Sea and Australia all helping to ease concerns. Weather in Russia and Eastern Ukraine has been a major driver for higher wheat prices over the last few months however forecasts are now suggesting wetter and cooler temps will be coming to the Black Sea. Similarly, in the US HRW belt, temperatures have cooled and forecasts are suggesting rain should be coming to elevate the poor start. In Australia, the news that storms hasn't cause weather damage has also been well received in global markets and especially Asia. Marco markets moving to a risk off approach have also played it's part in recent wheat softness. Traders are seemingly concerned by surging COVID cases in Europe and the US whilst the uncertainty around the US election is only adding to the risk averse mindset. With upcoming tenders into the Middle East and African countries, and with talk of COVID food security buying, demand for wheat remains stout around the world, demand which Australia remains in an excellent position to capture.

Coarse Grain – Global

Barley markets have remained steady this week despite weakness in wheat and a rising corn price. China continues its barley purchasing spree with barley from France, Canada, and Argentina, all being shipped to China with Ukraine largely sold out now. Closer to home Aussie barley is finding demand into South East Asia with Thailand, Vietnam and the Philippines all purchasing Aussie barley recently given barley's relativity to corn. Japanese buyers have been circling for Jan/Feb cargoes, with Aussie the clear preference over Canadian which is elevated in value due to Chinese buying. The next Saudi barley tender for Dec/Jan shipment is expected over the next few weeks and Aussie barley remains very competitive with China elevating prices from most other barley origins.

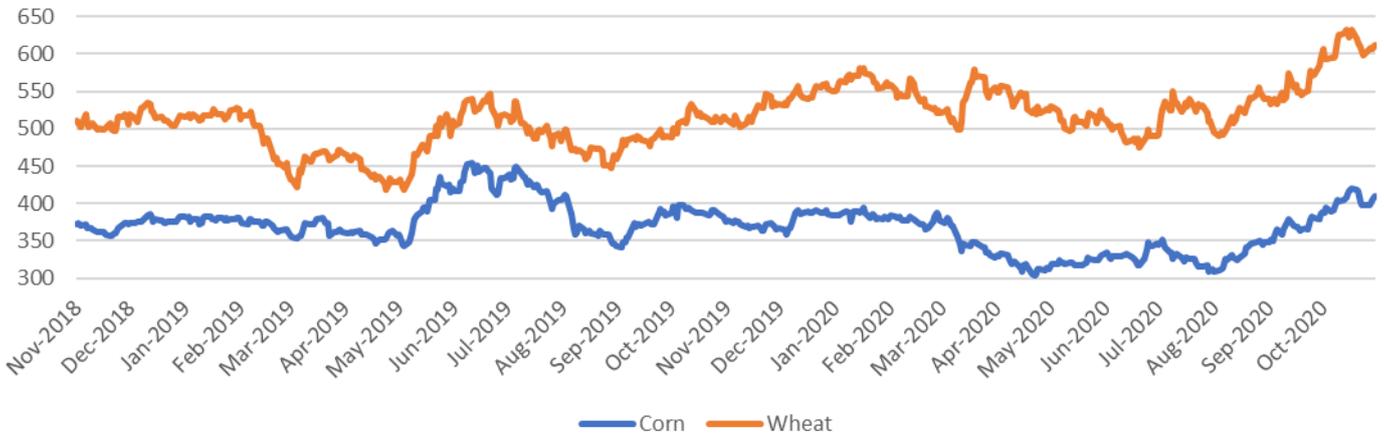
Wheat – Australia

This week, Australian domestic wheat markets have followed international markets softer whilst the quality of the crop already harvested in the east coast is putting pressure on grade spreads. International demand for Aussie wheat is still strong however with weather conditions improving overseas, some risk has been taken out of prices internationally. With the whole wheat market under pressure from overseas, high protein wheat prices have been under even greater pressure due to the quality profile of the QLD and Northern NSW crop already harvested. Quality so far is suggesting wheat crop is going to be 80% H2 or above, leading to APH2 prices to fall by up to \$40 over the last week. With more storms forecast over the next week there is still time for quality to become an issue.

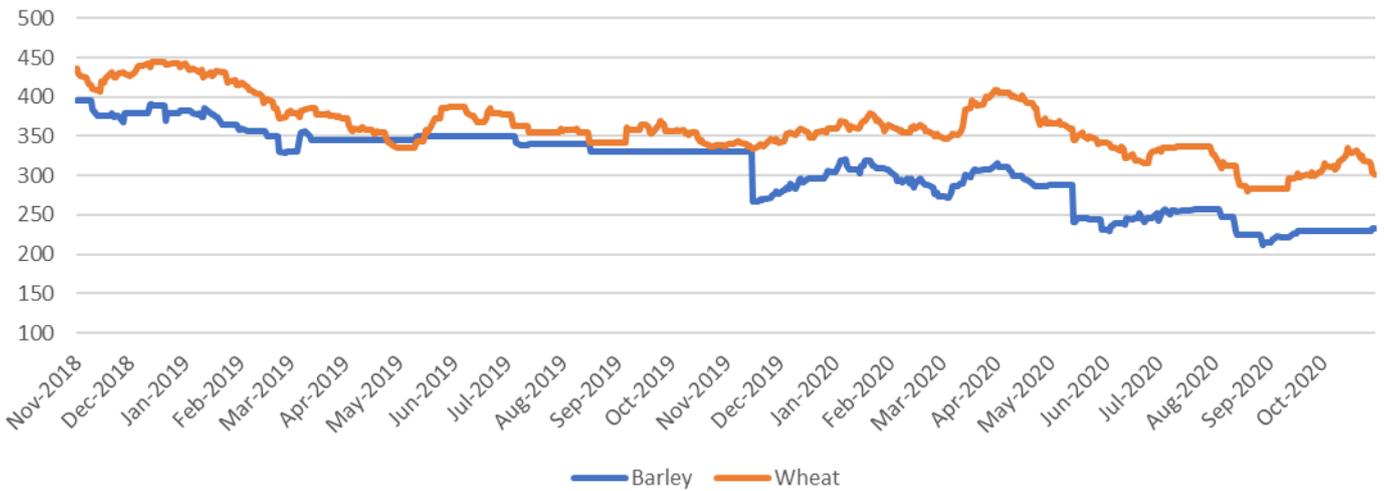
Coarse Grains – Australia

NC Sorghum markets been up and down this week, grower selling has increased with good rain and forecasts whilst traders have been looking to offload some of the risk their picking up back into the market. All signs are pointing toward a good sorghum crop with rains continuing in key growing regions and we have already seen a decent amount of sorghum planted. With the wheat and barley harvest finishing up in Northern NSW the major chunk of sorghum planting is set to begin over the next two weeks. Australian barley prices have come off this week despite international demand. Harvest pressure is starting to build with deliveries happening across the whole country and yields continue to meet or exceed expectations in the east. Quality remains an issue for the east coast however, with the drought recovering north showing protein above malting specifications. Demand for Aussie barley remains strong and Australian pricing is only improving Aussie barley's chances in the upcoming Saudi tender and as a continued replacement for international corn feeding.

Spot CBOT Corn & Wheat (USC/BU)



ASX Barley & Wheat (AUD/MT)



Spot AUDUSD Currency

