Rain in November assisted grass growth in some areas including central west New South Wales, Bega and Gippsland. This interrupted hay making at different stages although was welcome in the drought affected areas. Many farmers throughout the nation were busy making hay with many failed crops being cut, canola hay has been increasingly available as frost damage affected many regions and ultimately led to the decision to cut. Prices eased slightly in most dairy regions over November as new season supply entered the market and rainfall promoted pasture growth.

Harvest was in full swing throughout November amid some rain delays. After the winter crop production forecast was released and expected to be down 23%, many feared what harvest would bring. Multiple reports suggest although the yields are considerably lower than previous years, the quality is quite high. Despite the challenging conditions many farmers are harvesting high-quality milling wheat and malting barley. Rainfall in October and recently in November has helped pasture and dryland summer crop prospects which is providing some optimism for the subsequent harvest. Overall grain prices eased month-to-month with downward pressure coming from the international market. China launched an anti-dumping investigation into Australian barley which brought some volatility to the market. US and China trade tensions have somewhat eased as they two powerhouses call a truce although many are how long this will last.

There were mixed price movements for Australian wheat and barley this month with wheat increasing by 4% and barley down 2%. These figures remain much higher than the same time last year due to the drought conditions and low yield prospects. Domestic fertiliser prices have also had mixed price fluctuations as urea increased by 13%, DAP decreased slightly and MOP remained steady.

For a comprehensive overview of the market and indicative pricing for hay and feed grains, including canola meal, for key dairy regions across Australia, see Dairy Australia’s Grain & Hay Report. Published most weeks: https://dairyaustralia.com.au/industry/farm-input-and-costs/hay-and-grain-report-overview
Rainfall

As a whole November rainfall was slightly above the short term average, these falls were delivered over a few heavy days as opposed to a widespread period. November rainfall was above average for South Australia, Western Australia, the Northern Territory and eastern Tasmania. Conversely northern and eastern Queensland and north-eastern New South Wales were reportedly below average. Temperatures in November were very much above average for northern Western Australia, northeast Queensland and the top end of NT. Parts of Victoria and Tasmania also experienced warmer than average conditions while southern WA was below average.

Drought Statement

Rainfall was above average for much of Australia which helped decrease long-term deficiencies at the 8 to 11 month timescale, especially across the central and eastern Australia. Low-level sub soil moisture continues to remain below average in many areas which will impact on stream flow and available water throughout summer. To find more: http://www.bom.gov.au/climate/drought

Seasonal Outlook

The Bureau has released their three month climate outlook indicating what summer is going to look like for the remainder of 2018 and start of 2019. December to February looks to be warmer than average for almost all of Australia while the north of the mainland is expected to have a slow start to the wet season. Northern Western Australia, Queensland and the Northern Territory are expected to have below average rainfall while the rest of the country shows no indication of a wetter or drier than average season. With high summer temperatures and an increased likelihood of heat waves in the south, soil moisture is expected to remain below average.

The ENSO outlook continues at El Niño Alert for the third month in a row despite temperatures in the Tropical Pacific Ocean exceeding El Niño threshold. Atmospheric indicators have not yet coupled the ocean temperatures that would normally sustain El Niño. Currently, alert indicates a 70% chance of the event forming in 2018, around triple the normal likelihood.

For more climate outlook information see: www.bom.gov.au

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This month the Waranga Basin increased water levels, up 1%, all other monitored sites had minor reductions. The rainfall throughout November did little to improve storage levels, Glenmaggie, Dartmouth and the Hume all decreased 5% from October while Lake Eildon and Eppalock reduced by 2%. Warmer days and low soil moisture have both contributed to the low stream flow into monitored sites this month.

Seasonal determinations for all Victorian river systems improved this month. During November HRWS increased in the Murray, Broken and Goulburn systems by 5%, 7% and 6% respectively. The largest increase was experienced in the Loddon system improving by 11%. Much of northern Victoria received rain throughout November which assisted; if December brings more we can expect these figures to continue to trend upwards. Campaspe and Macalister both continue to offer 100% HRWS while Bullarook Creek offers 100% for both HRWS and LRWS.

Cull Cows

After a month-to-month decrease in October, November had a spike in cull cow numbers increasing by 45%. This month 7857 cows were culled compared to 5423 in October, 27% higher than the five year average and 63% compared to November 2017. This was complemented by a higher price up 28c/kg, although still significantly less than the same time last year. Historic data shows us this is out of the ordinary as there is normally a decrease in cull cow volume from October to November and could be explained by a number of factors. A dry year may have resulted in spring feed finishing early, this combined with the high cost of extremal feed may have accounted for a higher tally.

NSW Murray General Security allocations remain at 0%.

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