
The Liverpool Plains has had an extremely wet winter with some areas receiving up to 9 inches above average rainfall for the year to date. With a full moisture profile and then more rain, we are starting to see the effects of water logging on the winter crop. The effects of this on the crop will be determined with what the spring has to offer, and with forecasts suggesting average rainfall through until the end of the year it is likely that we will see crop quality downgraded. The upside of this is the fast approaching 10/11 summer cropping season is looking promising with ideal conditions and an upwards trending market.

In early August Russia downgraded its crop forecast and banned exports triggering a rise across many commodities as world exporters scramble to fill the global supply and demand. From this we have seen a very welcomed overall increase in prices for Australian growers. Current prices for the winter crop are attractive with new crop wheat prices fluctuating between \$285-\$300/mt for multigrade contracts for the Newcastle Port Zone in the past week. Demand for old crop is also strong with 09/10 feed wheat trading at \$270-\$277/mt delivered, Liverpool Plains market zone. 10/11 Canola has been fairly steady this past week with the market offering \$514-\$519/mt into the system and \$524-\$527 delivered Newcastle. Old crop sorghum has been in strong demand this past week and prices have reflected this. At time of writing sorghum delivered Spring Ridge is \$230/mt and \$248 delivered Newcastle, equating to a \$215-\$222 ex farm for many growers.

The summer cropping season is fast approaching and after recent price rises there are some very attractive options for growers. Sorghum, grit-maize and cotton are all worth considering. Interest in cotton has been unprecedented this year as growers look to capitalize on good prices, water allocation and current soil moisture levels. Prices are now up above \$500/bale making it a very promising addition to the balance sheet. The cotton plant, both irrigated and dry-land is forecast to be significantly higher than recent years.

Millers are currently offering fixed ton grit-maize contracts for delivery on the Liverpool Plains ranging from \$310-\$350/mt with a range of varieties to choose from. This has been popular amongst growers to date as it provides an excellent alternative for the summer crop rotation. New crop sorghum is currently priced at \$235-\$240/mt Newcastle Port Zone shaping it up to be profitable for the up coming season. Contact your local grain marketers to discuss the different contract options as delivered homes and ex-farm options are also available.

For further details contact your local Australian Grain Accumulation office,
Field Merchant – David Caldwell, Tamworth (02) 6701 8800.