

The 2009/10 season has left many WA growers disappointed and frustrated. The combination of high input costs, low grain prices and poor seasonal conditions has meant many grain growers recorded a loss from season 2009/10.

After a dry start to the season in WA, many growers took the option to dry seed a vast percentage of their crop with the view that the likely-hood of rain towards the beginning of June would get the crop out of the ground. This did occur, however only light falls were recorded across much of the Wheatbelt leading to many crops struggling to get going as the onset of cool winter conditions limited growth.

The mild weather conditions continued throughout the months of July to September combined with weekly falls of rain of around 5mm to keep the crops going, but never delivered a full moisture profile that would carry growers through flowering if conditions turned dry.

During late September WA growers held their breath as a repeat of the frost in the previous season was closely avoided with only small areas in the north reporting frost damage. Nonetheless, after the months of mild conditions, a weekend of hot weather during mid October finished off many crops across the state during the important grain fill stage.

Harvest kicked off in the Geraldton area with early results indicating yields below expectations, low protein, and screenings issues. As the harvest moved south through the state these trends continued, with many growers expressing the frustration and disappointment of poor yields combined with low commodity prices.

In the second year of a deregulated market, the options for growers were plentiful when it came to marketing their grain. Many growers chose to fill forward contracts and take advantage of early premiums offered by many pool providers. The common theme during the peak of harvest was to warehouse grain and look for spikes in the cash prices throughout the months of January to April.

As grain buyers became aware of the extent of quality issues across the grain production areas, premiums appeared in the market as spreads widened for high protein wheat and malt barley as marketers sort to cover domestic and export demand.

With many growers currently looking at the balance sheet of 2009/10 with despair, simultaneously with the forecasts of low commodity prices and increasing input costs for the season ahead, there is however, a quiet optimism expressed by growers not only in WA, but Australia wide, that 2010/11 might deal a good hand.

For further details please contact your local Australian Grain Accumulation
Field Merchant – Damien Manson, WA (08) 9435 3300.