

As harvest draws to a close in Southern NSW we are reminded once again what a tough year it's been for the Riverina in 2009. Off to a flying start at the beginning of the season, yields began to rapidly dwindle away come August with average yields coming off at 1.2 to 2.0mt/ha. Moisture over the growing season was never renewed and yields suffered. However, GrainCorp have opened up a new segregation of bin grade this harvest putting smiles on even the most downturned of mouths.

Good harvest weather has meant a healthy supply of high-quality grain. With such a strong finish to the season most of the grades we have seen have fallen into the newly opened NSW grade of APH1 which is binned as high protein 14% plus. There are segregations at most major silos in NSW and bins are filling quickly.

The expected plan for the high protein wheat come 2010 will be export, with major grain accumulators looking to purchase this grade at a quick rate to fill pre placed export demand. APH1 is a high quality, high protein milling wheat, comprising of selected AH varieties. APH is ideally suited for high volume European breads; the physical appearance of APH is excellent with high test weights with a greater than 14 percent protein average. The supply of APH1 (minimum 14 per cent protein) in NSW has been much better than expected, despite the dry finish. Growers are not selling high-protein wheat until they see the quality of their wheat in the bin. Premiums of \$25 to \$30 a tonne are being paid for APH1 (minimum 14 per cent protein) over the new-crop APW1 wheat price.

Prices remain stable in the key markets for stockfeed in NSW. Feed-barley prices are down \$3 a tonne this week to a benchmark of \$165 a tonne delivered to Southern NSW Feedlots.

Wheat for the stockfeed markets is also down \$3 a tonne this week to \$205mt delivered MIA.

A brisk trade in containerised milling wheat is again expected this year. Victoria's grain packers have exported 610,000 tonnes of wheat for the 2008-09 seasons, or around twice the tonnage exported in bulk ships, however, buyers are becoming increasingly wary of this trade as quality is very hard to keep to a standard and reliability is known to be poor.

In 2010, the upcoming season has a strong shipping program for grain exports. The grain terminals report a wheat shipment program of 780,000 tonnes from the ports of Geelong and Portland and 1.065 million tonnes from Melbourne.

For further details please contact your local Australian Grain Accumulation
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