

## National summary

National background comments: **report for the week ending 28th February, 2020.**

The fodder market is very responsive to rain and with recent falls occurring in many regions around the country over the last few weeks (at long last), demand has quickly softened. The Atherton Tablelands, Darling Downs, North Coast NSW, Central West NSW and the Bega Valley have all reported some reasonable rain events, albeit patchy in some instances. The obvious benefit from the rain has been a start in the growth of home-grown feed but equally, a lift in optimism. Those outcomes have seen hay/fodder demand quickly soften and, in some cases, we are now hearing of loads of hay that had been purchased/committed to but not yet delivered wanting to be cancelled. Not surprisingly, feedlots and larger livestock enterprises are maintaining their commitments.

We have witnessed some significant price changes this week as a result of demand softening, particularly in the Atherton Tablelands, Darling Downs and North Coast NSW. There have been further price changes in other regions also, but less pronounced than these areas.

The concern for some regions, particularly around the southern parts of the country, is that this rain is early for an autumn break and to get maximum benefit, it will need to continue into March and April.

Whilst supply is still relatively tight in some regions, the drop in demand has taken immediate pressure off the system and the outlook is more optimistic that supply will continue to meet demand. The caveat on this is of course a continuation of rain. If the 'tap is turned off' now, the situation could quickly revert back to problematic for supply and whilst we may only be on the cusp of autumn, planning for winter and corresponding fodder reserves is already factoring into the thinking of some growers and end-users.

It is reported that there are still very good supplies of straw in the system, especially out of Victoria. As a result, we have seen softening of straw prices this week across several regions.

There is a lot of hay still being transported around the country, meeting previous orders/commitments. We maintain our recommendation that all buyers ensure they obtain a feed-test and view the fodder before purchasing to be as confident as possible on the quality of their hay/fodder purchase.

## Northern Australia - Summary

- After a very long period of drought, recent rain events in these regions have lifted optimism for the year ahead and hay demand has all but stalled as a result.
- Late summer crops have been sown in some parts of northern Australia.
- Supply of feed has been limited with a lot of hay being carted into the region from the southern parts of the nation; this is now slowing with current hay trucks delivering previously committed orders.

- There are reports of orders now being cancelled (or attempting to be cancelled) due to the recent rains and the growth of home-grown feed now occurring.
- Local hay supplies have moved fast and there are limited supplies left; any further supply will need to be sourced from outside of the region.
- Fires have affected some pasture and feed supplies in some regions.
- The Government is offering special assistance grants to those affected by the bushfires. For more information and to apply, please visit <https://www.raa.nsw.gov.au/disaster-assistance/special-disaster-grant-bushfires>

### Southern Australia - Summary

- Last season's hay is limited in supply and there is limited carryover from previous years.
- There were a lot of frost damaged crops that were turned into hay this season.
- A lot of hay has been moving to the northern regions, but this is expected to slow now due to the rain.
- There is hay on the market that has been rained on in parts of southern Australia which has varying degrees of weather damage.
- Yields have been good for many in the south, however hay making conditions has been difficult this season due to inclement weather.
- Hay supplies have moved fast, and it is becoming increasingly difficult to source high-grade hay.
- Fires have affected some pasture and feed supplies in the region and various charities are still active in the market recurring fodder to donate to these affected regions.
- The NSW Government is offering special assistance grants to those affected by the NSW bushfires. For more information and to apply, please visit <https://www.raa.nsw.gov.au/disaster-assistance/special-disaster-grant-bushfires>
- The Victorian Government is offering support to those affected by the Gippsland bushfires. For more information on support available, and to apply, please visit <http://agriculture.vic.gov.au/agriculture/emergencies/recovery/current-incidents>

### Western Australia - Summary

- Domestic demand is steady in southwest Western Australia.
- New season hay and straw has moved fast and is limited in supply with most straw production now finished. A lot of hay in the state is now committed and becoming increasingly difficult to source.
- With limited carryover from previous seasons and poor yields across the state, securing long-term, reliable sources of feed may still be an issue.
- The export industry continues to dominate the WA market and is a solid indicator on pricing. Exporters continue to seek out quality hay and as a result, will set the price in the market for quality hay.
- Securing a good autumn break is still very much factoring in the minds of Western Australian growers, despite recent rains.

28-February-2020		<b>Hay</b>							
		<b>Cereal</b>	<b>Lucerne</b>		<b>Straw</b>		<b>Pasture</b>		
<b>Atherton Tablelands</b>	Price Range	N/A		N/A		N/A		\$300	\$350
	Change							-\$95	
<b>Darling Downs</b>	Price Range	\$420	\$450	\$600	\$650	\$280	\$330	\$250	\$300
	Change	-\$90		-\$100		-\$55		-\$215	
North Coast NSW	Price Range	\$400	\$450	\$500	\$600	\$170	\$230	\$220	\$250
	Change	-\$100		-\$100		-\$100		-\$115	
<b>Central West NSW</b>	Price Range	\$440	\$500	\$650	\$700	\$270	\$300	\$430	\$500
	Change	Steady		Steady		Steady		Steady	
<b>Bega Valley</b>	Price Range	\$450	\$500	\$650	\$700	\$250	\$300	\$400	\$500
	Change	Steady		Steady		Steady		Steady	
<b>Goulburn / Murray Valley</b>	Price Range	\$290	\$350	\$550	\$600	\$120	\$140	\$360	\$390
	Change	-\$5		-\$165		-\$55		Steady	
<b>Gippsland</b>	Price Range	\$280	\$320	\$550	\$650	\$150	\$200	\$180	\$200
	Change	-\$100		Steady		-\$40		-\$115	
<b>South West Victoria</b>	Price Range	\$250	\$300	\$500	\$600	\$120	\$170	\$180	\$220
	Change	-\$50		Steady		Steady		-\$45	
<b>South East South Australia</b>	Price Range	\$270	\$340	\$450	\$500	\$120	\$150	\$200	\$250
	Change	Steady		-\$45		-\$50		-\$85	
<b>Central Districts SA</b>	Price Range	\$270	\$370	\$400	\$450	\$120	\$150	N/A	N/A
	Change	Steady		-\$185		-\$35		N/A	
<b>South West WA</b>	Price Range	\$340	\$350	\$450	\$490	\$120	\$140	\$200	\$220
	Change	-\$25		Steady		-\$15		-\$70	
<b>North West Tasmania</b>	Price Range	\$260	\$340	\$370	\$400	\$150	\$200	\$250	\$320
	Change	Steady		Steady		Steady		Steady	