

Australian Oilseeds Federation

Crop Report



August 2009

Canola 2009/10

	2008/09	2009/10 Estimates	
	Production (tonnes)	Area Planted (hectares)	Production (tonnes)
NSW	262,000	240,000	312,000
Vic	251,000	219,000	318,000
SA	227,000	175,000	237,000
WA	1,138,000	630,000	819,000
Total	1,878,000	1,264,000	1,686,000

Source: Industry Estimates, 14/08/09

In **NSW**, some crops are beginning to show signs of moisture stress, following a July with below average rainfall- with only 50% of average rainfall in some places. Hybrids are reported to be suffering more from moisture stress, due to their early vigour. If no rain falls in the next 7-10 days, some of the crops in the Central West will go backwards, with soil moisture at only 30cm, and forecasts of rising temperatures and drying North West winds over coming days adding to soil moisture concerns.

Flowering has commenced in the Central West, ranging from 20%-100% in crops. Aphids are emerging as an issue in this area, with there also being significant evidence of blackleg lesions at this stage.

Further south, the crops are progressing well, though with a wide variation in growth across the paddocks due to a dry May during emergence. Above average rains in June has done little to assist the late emerging plants. Most of the crops are flowering in the West, and beginning to flower on the slopes. Sub-soil moisture levels are an issue, and good spring rains are need to bring the crop to a good finish. Disease levels in the South are low, though as with the Central areas, levels of blackleg lesions are reported as being high, with some varieties more affected than others. Levels of aphids are reported as high, although there has been little spraying at this stage. The risk of an emerging El Niño weather pattern is causing growers to hold back further investment in the crop with top dressing applications of Nitrogen (which would otherwise be indicated at this time).

In **Victoria**, the situation is much better than NSW, with good rainfall throughout the season to date. Lack of rainfall in recent weeks has not impeded growth and development as there has been sufficient subsoil moisture and crops are continuing to develop well. If spring rains eventuate, there could even be an upside to forecast yields- although this likelihood is tempered with the risk an El Niño pattern becoming entrenched.

Flowering has started in some early sown crops, which could be a problem should frosts eventuate. There is moderate incidence of blackleg.

South Australia has seen no significant change since last month, with estimates holding firm.

For **Western Australia**, is now on track from a rainfall perspective, with some areas on average, and others just slightly below average, and sub soil moisture levels at a good level. The poor rainfall at the start of the season did result in staggered germination, with consequential variation in levels of flowering across paddocks. This will make swathing (windrowing) decisions difficult come harvest time. The next 4 weeks will determine how the crop is shaping up in terms of yield and much will depend on rainfall, temperature, wind and insects, all of which become critical in spring. Some areas have experienced cold conditions there have been isolated reports of Aphid & Lucerne flea activity. There are no major disease concerns, however water logging has been reported in the higher rainfall areas of Kwinana and Albany zones, but this is starting to dry out now.

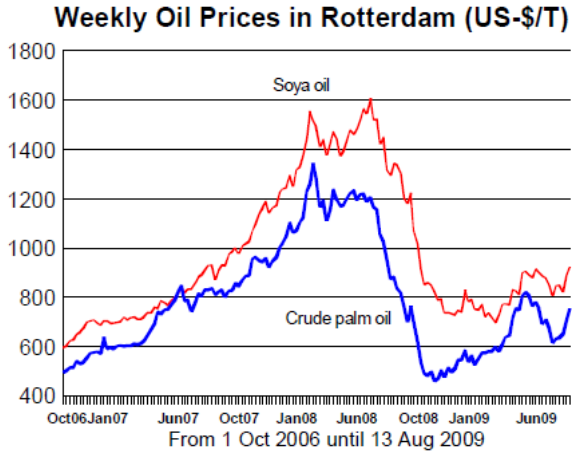
Global Snapshot

Soybean supply from the 3 majors (Brazil, Argentina, Paraguay) Sept-Feb are expected to decline by as much as 8%, and this is unlikely to offset by the increased US supply, creating upward pressure on price. Stocks of US soybeans are also expected to fall by around 10%, despite possible record production.

Malaysian palm oil production is expected to be down on last year due to a very dry June & July stressing the palms, which will also have an impact on 2010 yields.

A bumper crop of the three major oilseeds in the EU provides a countering to the shortages elsewhere, with record crushing levels recorded for the 3 oilseeds combined, and for rapeseed on its own. Despite this, Oilworld report that it is foreseeable that the EU will need to import rapeseed later this season, which can probably only come from Australia. Currently, demand from China for Australian canola is reported as being strong.

Source: Oil World August reports and member feedback.



Source: Oilworld; August 13, 2009.

AOF Crop Report is provided as a service to industry due to the support of the Oilseed Development Fund (ODF).

Meadow Lea Foods	Unilever Australasia	Peerless Foods
Cargill Australia	Atlantic Pacific Foods	Alba Edible Oils
Riverland Oilseeds	MSM Milling	Cootamundra Oilseeds
Grain Pool WA	GrainCorp	ABB Grain