

Australian Oilseeds Federation

Crop Report



December 2011

Canola 2011/12

| | 2010/11 Final | | Area Planted* (hectares) | 2011/12 December Estimate | |
|-------|---------------------------------|------------------------|--------------------------------|---------------------------------|------------------------|
| | Harvested Area (hectares) | Production (tonnes) | | Harvested Area (hectares) | Production (tonnes) |
| NSW | 310,000 | 620,000 | 395,000 | 390,000 | 720,000 |
| Vic | 240,000 | 450,000 | 390,000 | 370,000 | 630,000 |
| SA | 197,000 | 382,000 | 245,000 | 255,000 | 396,000 |
| WA | 845,000 | 709,000 | 800,000 | 800,000 | 1,200,000 |
| Total | 1,591,000 | 2,161,000 | 1,830,000 | 1,815,000 | 2,946,000 |



the state tonnage up by 90,000 t to 720,000- certainly a record for this state.

In **Victoria**, the favourable conditions also bolstered yields, with an overall increase from an estimated 1.59t/ha to 1.70t/ha this month. The impact has been an increase in tonnage of 40,000t. Oil contents have ranged from 39%-49%, with no reported weather damage in the State.

Additional area has been added to the **South Australian** figures, with some previously unknown canola area in the lower rainfall areas of Lower Eyre Peninsula now included. Much of the SA Canola has now been harvested, with a clearer indication of yield now available. Estimates yield has lifted from 1.49 t/ha to 1.55 t/ha, which when combined with the increased area, delivers an additional 30,000 tonnes. If realised, this will be the second largest canola crop on record for the state.

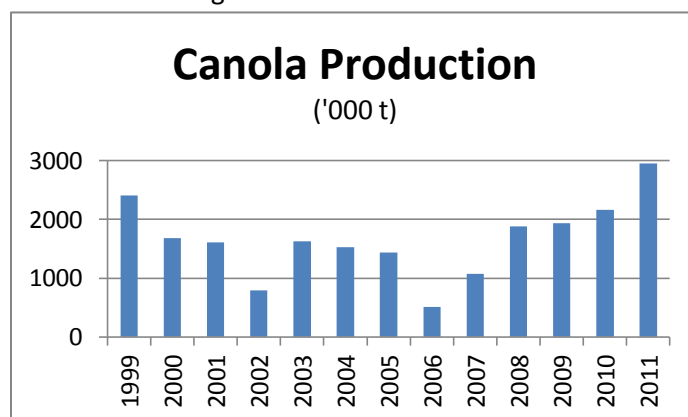
Nearly all the canola in **WA** has now been harvested and is in the bulk handling system. The state average yield was 1.5t/ha, which is above the 5 year average. If the 1.2 mln tonnes is realised (1.1mln already in the system) it will be the largest canola harvest on record. Average oil content is reported as being 44%, with very few reports of weather damage.

With the canola harvest across the country almost complete, more confidence can be provided in yield estimates, leading to a sizeable increase in the estimated size of the 2011 canola crop. Latest estimates are some 12%, or 320,000 tonnes, up on the estimates from last month. The late season rains and cooler weather has had a positive impact on overall yields in most areas, as well as delivering high oil levels.

Almost the entire crop in **NSW** is now harvested, with the heavy rains of recent weeks being too late to impact harvest progress in the north of the state, while having some impact on windrowed crops in the south. Yields in the north of the State averaged between 2.5-3 t/ha, with oil contents ranging between 41%-47%, and averaging 44%. Further south, oil contents were also strong, averaging 44% with recordings of 49% not uncommon. (51.7% oil recorded in one instance), and yields in the 2-3t/ha range.

The rain did impact some crops in the south, with lower test weights being recorded, and a separate segregation established for this quality at a small number of sites.

Some area in the Central West was lost to flooding, and the area has come back accordingly (5,000Ha). The stronger than anticipated yields across State (from 1.59t/ha last month to 1.85t/ha this month, and driven.

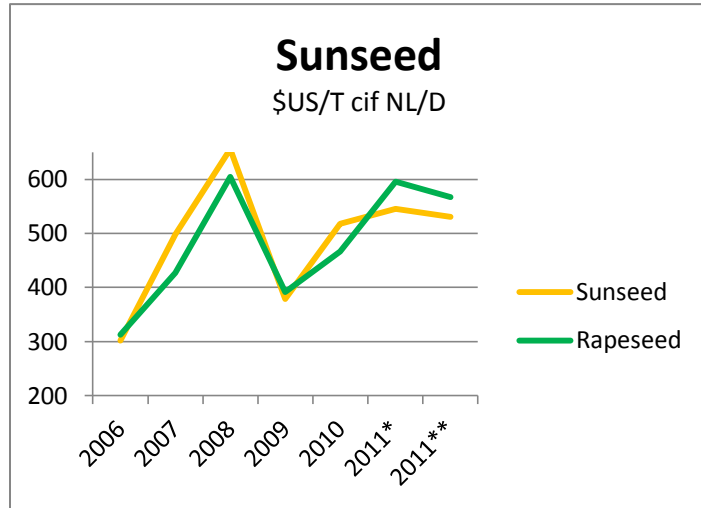


Sunflowers 2011/12

The prospect of a good summer soil moisture profile has lifted the potential sunflower crop for the 2011/12 summer season. Early plant sunflower area is currently estimated at around 30,000 Ha, including up to 5,000 Ha in Victoria. This is first year in many where there has been such a strong interest in sunflowers in this state, and may herald the return to the days of the 1980's when sunflowers were a key element in the rotation.

If the expected La Niña conditions prevail over summer, there could also be upwards of 10-15,000 Ha of late planted sunflowers, which would result in be the largest sunflower crop in 4 years for this season.

The larger global sunflower crop, with a 14% increase on last year, is providing ceiling on upward pricing, although prices delivered Newcastle are close to A\$600/t as at Dec 16.



Source: Oilworld * Nov 2011; **8 Dec 15, 2011.
(Sun cif: Amsterdam/Rape cif Hamburg)

Global Snapshot

Oilseed prices softened over the preceding month, driven by a number of factors:

- Instability in the EU drove liquidation of positions in commodities;
- USDA WASDE reporting higher US soybean ending stocks;
- Prospects for the South American soy crop improving.
- Larger production of oilseeds, generally, driven largely through increased sunflower production.

However, prices are expected to be underpinned through 2012 as a result of an expected reduction in global oilseed production and, from Australia's perspective, ongoing strong demand for EU biodiesel.

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Christmas Greetings

The AOF Executive and the team at AOF wish all our readers a safe and happy Christmas, and a prosperous and moisture laden 2012.

AOF Crop Report is provided free due to the support of the following Oilseed Development Fund (ODF) contributors

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