

Australian Oilseeds Federation

Crop Report



August 2004

Canola 2004/05

Production estimates have been revised up marginally (2%) due to more positive outlook in WA and SA. However, NSW and Victoria are still dependent on a good spring to secure forecast production.

State	2003/04	2004/05 Production	
	Production (Tonnes)	Area Planted (Hectares)	Production (Tonnes)
NSW	282,000	301,000	421,400
Victoria	420,000	240,000	384,000
SA	310,000	180,000	270,000
WA	610,000	392,000	478,200
Total	1,622,000	1,113,000	1,553,600

Source: Industry Estimates, 13/8/04

Most of **NSW** received rain in late July and early August, although this varied from 10-50 mm in earlier falls and 10-20 mm in the later fall. The north of the state and the more favourable areas continue to have the best outlook. Crops in the north look good, although there is a wide variance in maturity, with early crops at 5-10% flower. In the central and southern districts, lack of subsoil moisture continues to be the major issue and while crops have been kept going with the rain over the past month, they will require good rain through the spring. A potential risk for yields is that if there is not further rain in the central and southern areas in the next 2-3 weeks, this combined with the late planting and low prices, may see less than optimal levels of fertiliser applied by farmers. There have been a few pest problems in the south and also incidence of aphids in the north, but this is not expected to impact yields. In summary, area and yields have been left unchanged. However, with crops in late and no subsoil moisture, a good spring is essential to secure production.

In **Victoria** the Western Districts and area south of Horsham are looking very good. While crops were planted 3-4 weeks late, there has been no further stress and, with good spring rain, have excellent potential. Crops in the northern Wimmera and Mallee are less impressive and some of the later crops are struggling. There has been some downy mildew in the wetter areas and some blackleg incidence, but neither is expected to impact yield. There has been some insect damage to the later crops in the drier areas. In most areas the crops have made good progress in last couple of weeks and, while similarly to NSW a good spring is required, the crop has good potential. Area and yield have been left unchanged at this time.

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

Meadow Lea Foods	Unilever Australasia
Peerless Holdings	Cargill Oilseeds Australia
Riverland Oilseed Processors	Ridley Agriproducts
Bartter Enterprises	Millmaster
Grain Pool WA	Louis Dreyfus
Noble Grain	GrainCorp

In a state of contrasts, parts of the lower south east of **South Australia** have been impacted by excessive moisture and water logging, while crops in the north are still lacking moisture. However, generally crops are looking okay across the state. There has been some patchy incidence of lucerne flea and red legged earth mite damage. There has also been some incidence of blackleg, which could be of more significance than in Victoria. Again there is yield upside with good spring rain. Area has been left unchanged, but yields have been revised up slightly (3%).

Western Australia looks set to have another good year. Crops are in good condition across the state, particularly in the north. Some of the later crops in the south are lacking subsoil moisture. Area has been increased slightly and yields revised up by 5%.

Market Comment

It was reported last month that new crop outlook is being pressured by the large crops around the world, in particular, soybeans in the US and rapeseed/canola in Europe and Canada. Little has changed and, in fact, prospects for Europe and Canada have improved somewhat. However, this has been slightly offset by the news in the latest USDA report that the soybean crop will be slightly below expectations although still large. Given this outlook, it can be expected that values will continue to drift lower.

Oil World forecasts global oilseed production to surpass last year's total by nearly 10%. In particular, soybean, canola/rapeseed and cottonseed will all increase significantly.

Upcoming Meetings

CAA Canola Production Forums - Back to the Future for Canola
18 August Narrandera Ex-Services Club and 19 August Forbes Services Memorial Club

AOF Industry Forum & AGM

6 & 7 October 2004 Eden Park Hotel, Melbourne. Three global experts will share their thoughts including:

- John Goodwin IASC President - Global trends and emerging issues
- Guenther Buck Global Manager Raw Materials Unilever - Global trends in oils and fats consumption
- Lorin Debonte Cargill Canada - The specialty oil industry in North America

Local speakers include Daniel Jenshel Peerless Foods; Peter Reading GRDC; Dr Rod Mailer, NSW Agriculture; Warren Hannam AustGrains; Steve Marcroft and Dr Allan Green CSIRO.

Registration forms available at www.australianoilseeds.com or contact AOF on 03 9533 2623.

13th Australian Soybean Conference 1-3rd March 2005, Barooga Sports Club NSW