

Australian Oilseeds Federation

Crop Report



June 2010

Canola 2010/11

	2009/10 Production (tonnes)	2010/11 Estimate	
		Area Planted (hectares)	Production (tonnes)
NSW	261,000	300,000	480,000
Vic	391,000	260,000	415,000
SA	259,000	190,000	290,000
WA	986,000	860,000	1,030,000
Total	1,897,000	1,610,000	2,215,000

Source: Industry Estimates. 11/6/2010

With the first full month of the season now complete, a clearer picture of the situation has emerged both in terms of area sown to canola and post planting rainfall- particularly in WA. The result is a slight revision of the area upwards (from NSW and Vic) and reduction in both area and projected yield for WA, with the net effect being a small increase in overall area nationally, with reduction in national tonnage of 50,000 tonnes or 2.2%. Despite this, the current estimates still place the 2010/11 season as being the strongest in terms of area and tonnage in over a decade.

NSW has seen good rain across much of the cropping districts. This has driven an increase in area planted, with sowing complete in the North with most crops now well established. The warmer weather during May has seen some crops become well advanced relative to their sowing time, with full ground cover now evident in some cases. There is a chance that some of the early-mid maturing varieties may produce early flowering, presenting a good opportunity for grazing to restrain the growth. Further south, the good rains over recent weeks have served to replenish the sub-soil moisture with most areas now having a sufficient moisture profile for the winter. Except for the early crops planted with the intention of grazing mid season, all crops are at 2-4 leaf stage. Between 10-15,000 Ha have been estimated as being re-sown due to early locust damage, with the cold weather now serving to significantly curtail locust activity. There are few insect or disease problems in NSW, though the presence of beet western yellow virus on some canola crops will need close monitoring, as will the presence of silver leaf white fly (not traditionally a pest for canola). Some spraying has occurred to control veg weevils and aphids. Weed levels are reported as low, with the TT crops being effective management tool while no information is available at this stage about weed load in Roundup® Ready Crops.

Victoria had a very strong start to the season following the summer rain and the continued lower wheat prices have driven a further increase in area. The recent pest activity of mice and locusts has been severely curtailed now the colder winter weather has arrived. The rain over the past month has been welcomed, and most crops are now at the 4 leaf stage, though more rain is required to ensure effective establishment. The drier conditions in Vic have pulled the expected yield back from 1.8t/Ha last month to 1.6t/Ha this month. (still being above the 5 year average of 1.4t/Ha).

In **South Australia**, the South East had good rain during April/May, with all crops now sown and well established. The remainder of the State was still relatively dry up until 2 weeks ago, bringing relief to many growers who planted dry in April. Some of the early planted crop in the Mallee, planted on the back of good April rains, has been attacked by locusts, and while some has been re-sown, it is expected that not all will be re-sown.

The situation in **Western Australia** has become clearer this month, though no more promising. The 25-50mm that did fall in some areas disappeared quickly due to the very dry sub soil, while other areas are yet to experience a break. With the overall drier conditions to date, and the Bureau of Meteorology forecasting a 35% chance of average rain this winter, yields have been revised downwards to 1.2t/Ha which is slightly below the previous season and long term average. The area under canola cultivation has also been revised down. However, area and tonnages are still close to record levels for WA, despite the less than ideal conditions.

Global Snapshot

Canola production in Europe is forecast to be close to 5% below the record production of last year, despite area under cultivation being up on last year. Cloud cover and rain in Germany, much drier conditions in France and early frosts in the UK being blamed for the lower yields.

Meanwhile, canola sowing in Canada is being held back by rain, with up to 2mIn acres going unplanted in the key provinces of Saskatchewan and Manitoba.

The USDA WASDE is showing a slight increase in oilseed production from last month, mostly driven by higher peanut production, mostly ex China. Soy oil and meal pricing estimates remain unchanged from last month.

Source: Various on-line market reports, including Oilworld ISTA Mielke GmbH

What's Ahead...

"Australian Summer Grains - Opportunity through Unity"

This inaugural summer grains conference brings together the 5 primary summer crops (maize, sunflower, sorghum, soybean and mungbean) in one event to provide growers and scientists a forum to exchange tailored information for improved farming systems.

Royal Pines Resort, Gold Coast. June 21-24, 2010.

Details: <http://www.australiansummergrains.com.au/>

"Australian Grains Industry Conference"

The Australian Grains Industry Conference is the premier annual grains industry event. A number of issues will be covered, including: Global grains outlook and marketing; Australian grains industry supply chain consolidation; Review of the industry post deregulation; Volatility/risk management; Global issues - climate change, food security, biotechnology, etc; and specific sector, issue and commodity sessions.

Crown Promenade, Melbourne July 26-28, 2010

Details: <http://www.ausgrainsconf.com/>

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