

Australian Oilseeds Federation

Crop Report



October 2012

Canola 2012/13

	2011/12 Final		2012/13 October Estimate	
	Harvested Area (hectares)	Production (tonnes)	Area Planted (hectares)	Production (tonnes)
NSW	390,000	720,000	610,000	854,000
Vic	370,000	770,000	434,000	607,500
SA	255,000	455,000	295,000	413,000
WA	800,000	1,240,000	906,000	860,500
Total	1,815,000	3,185,000	2,245,000	2,735,000

Source: Industry Estimates: 15/10/2012

Some well-needed rain over the past fortnight in many growing areas in all states has provided a necessary 'top up' to soil moisture, providing growing confidence in the forecasted yields. While frost is reported to have had some impact, (and some crops even having a dusting of snow last week), it is the risk of warm weather in the coming fortnight which is now on the minds of growers. With seed filling underway in most districts, cooler conditions in the coming weeks will ensure optimal oil and fatty acid formation.

In **NSW**, crops in the north of the state are at windrowing stage, although harvesting is yet to commence. Moving south, flowering is coming to an end, which will be hastened by the onset of warmer weather, expected this week.

Frosts over the past month are being reported as causing some damage and triggering some crops being cut for hay- although reports attributed to frost damage could be a result of clethodim application just prior to a frost, which may produce similar effects. Insect damage is reported to be low, and any increase in numbers will be impacted by imminent windrowing.

Yields at 1.4t/ha are well below the average for NSW, primarily due to staggered start and overall general N deficiency in many areas. However the record area this

year will still deliver a record crop for the State, more than double the 5 year average.

The situation in **Victoria** is little changed from last month, with any downside, particularly from the Mallee, already reflected in AOF estimates. The north-east and the south west areas are looking very good for an average year, though another shower of rain will be beneficial. The Wimmera is still depending on finishing rain and in particular, a cool finish. As with NSW, any hot weather (>30°C) will have an impact on yield and oil quality at this stage.

South Australia, like NSW and Victoria, also had some welcomed rain over the past few weeks, with up to 25mm falling in the mid north, and more than 25 mm in the south-east and Eyre Peninsula. Frosts have been an issue in the Mallee and upper south-east, with the impact unknown at this stage. Insect damage is reported as being at low levels.

Western Australia has experienced some reasonable rainfall in the last few weeks in the southern Geraldton and west Kwinana zones, although rainfall in the Albany and Esperance zones was poor. Consequently, while crops in the north have fared better than initially anticipated, crops in the southern areas have had yield estimates reduced, with Esperance now expecting an average crop. The net effect is a slight reduction in overall yield for WA canola. Canola harvesting is beginning in the north, with initial deliveries having been made.

Global Snapshot

The USDA released its WASDE¹ report last week, with a surprise lift in US soybean estimates, with a consequent softening of prices. The boost in US production, of 6.2

¹ World Agricultural Supply and Demand Estimates

million tonnes, helped boost overall global production forecasts by 4.6 million tonnes from the prior month. Closing stocks are also expected to rise, however stocks will remain tight until the South American crop is harvested. The South American crop will be the determinant of prices for the coming months. Despite delayed planting due to excess rain, the prospect of an El Niño event (i.e wetter conditions) over the growing season have eased, and at this stage the outlook is for an 'average' season.

Canadian and Australian canola crop downward revisions have also put pressure on canola stocks, with Oilworld projecting lowest canola supplies in 4 years. Any increase in price combined with expected better production in the EU could reduce EU demand for Australian canola.

Upcoming Events

AOF Annual General Meeting:

Sydney, October 25.

Both the Canadian Canola Council and AOCS have released details of their 2013 conferences:

Canola Council Congress:

Vancouver: March 14-15, 2013

AOCS Annual Meeting:

Montréal, April 28-May 1, 2013

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