

Australian Oilseeds Federation

Crop Report



July 2009

Canola 2009/10

	2008/09	2009/10 Estimates	
	Production (tonnes)	Area Planted (hectares)	Production (tonnes)
NSW	262,000	240,000	360,000
Vic	251,000	219,000	318,000
SA	227,000	180,000	250,000
WA	1,138,000	610,000	820,000
Total	1,878,000	1,249,000	1,748,000

Source: Industry Estimates, 10/07/09

In **NSW**, there has been good rain across the whole state in June and early July, which has given the crop a solid start to the season. In the north and central west, the crop is well advanced, with some early crops starting to flower. Subsoil moisture levels are good, but there will need to be early spring rains to deliver a good harvest. There is evidence of blackleg leaf lesions in most areas, with some evidence of mandalotus weevils also present, neither of which is having any real impact on the crops.

Further south, the crops are progressing well with later sown crops now at the 4 leaf stage, with buds visible on some of the early planted crops. Subsoil moisture reserves are building well after good June rains and are now at a depth of 50-60 cm on the slopes, but less further south and to the west. Early spring rains will be important. Disease and insect levels are low. Weed control has been a challenge with consistent wet and windy conditions through June, but recent conditions have been better for spraying. Improved seasonal conditions has lifted yield prospects to 1.5 t/ha, off a slightly higher area.

There is some 7-10,000t of Juncea canola in NSW this season, with almost half around Condoblin in the Central West.

In **Victoria**, good conditions through June with close to average rainfall, but as with NSW, will need Spring rains to boost the moisture profile. Crops dry sown in Mallee are now at the stem elongation phase. The later sown crops are at the 6-leaf stage. Most crops now have "reasonable" subsoil moisture beneath them. In the Wimmera, crops range from 4 leaf stage (later sown crops) to 8 leaf stage. Insect pest have been mild in general because the crops were sown on time and have been growing fast. In the Western District, there have been good general rains, but there will still need to be average Spring rains as the subsoil is very dry. This area has reported a lot of issues with weeds this year, particularly late germinating

weeds, with an observation that the weed spectrum is changing with more intensive cropping (more group A herbicide resistant ryegrass and more wild radish). In the Geelong region, canola sown on time is at the 5-6 leaf stage. Growers are currently applying their post-emergent sprays. Insect levels are reported as low, although around Winchelsea, a few slugs and earwigs are causing some problems. The crops that were sown later (i.e. late May/early June) are at the 2-3 leaf stage.

In summary, no change to Victorian estimates, however yields can be expected to lift if Spring rain eventuates.

South Australia, like NSW and Victoria, has experienced very good June/July rains which has served to support the estimates provided last month (no change). Some crops in the mid north were flowering in early July while many crops on Eyre Peninsula will be flowering by mid July. Despite some hail damage on the Eyre Peninsula, and instances of black leg occurring, the outcome for yield in SA remains strong at 1.4t/ha.

For **Western Australia**, rainfall has improved compared to last months report, with the crop now fully emerged and growing well, with mixed growth stages, due to the patchy (rainfall) start to the season. June rainfall was 'average' for all growing areas in WA, as in most areas of Australia, and the forecast is for continued 'average' rainfall in WA at this stage. There are no significant issues (pest or disease) affecting the crop at this early stage, other than some colder conditions being experienced in some Southern areas.

Soybean 2008/09

	2007/08	2008/09 Estimates	
	Production (tonnes)	Area Planted (hectares)	Production (tonnes)
NSW	13,800	22,600	48,000
Qld	21,000	22,000	52,300
VIC	0	400	1,200
Total	34,800	45,000	101,500

Source: Industry Estimates 10/07/09

This is the last soybean crop report for the season, with no change in the estimates from last month. The outlook for the next season's crop is beginning to take shape, with early indications being another strong year, albeit likely to be down on this season's near record crop. Factors that will be influencing grower's decision is the current strengthening in

both sugar and cotton prices, which may lead to plantings of these crops at the expense of soybeans.

Global Snapshot

The outlook for the soybean crop in the US is still bullish as a result of favourable weather conditions holding up, while variable weather conditions in Canada has contributed to an overall decline in world production estimates for canola. Despite strong demand for sun oil, world supply is strong with exports from the 3 main exporting countries up 14%. In early July, the large supplies of sun oil led prices to be at a discount to soy and canola.

The increasing indications of an El Niño event resulting below-normal rainfall in Southeast Asia, Australia, South Africa and other countries, is tempering expectations. If this event materializes, it will also impact palm and other lauric oils. Demand for palm oil remains strong in the EU, up 18% on prior year. This is being driven by higher demand for use in electricity generation and biodiesel production. Germany has increased its admixture of biodiesel to biofuel to 7% from 5% last year.

Source: Oil World July reports

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