Eyes & Ears

AUSTRALIAN Pork

Market news for the
Australian pork industry

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Pig Prices c/Kg HSCW, Trim 1 – Head on (average indicative prices). W/E 03/12/2021

Buyers Data

STATE	45kg – 60kg (Buyers)									
	PRIME PRICE					AVERAGE PRICE				
	Maximum				Total CH	*Average*				Total CH
	Male	Female	Barrows	Total		Male	Female	Barrows	Total	
QLD	340	343	0	343	4	340	343	0	341	4
NSW	505	505	0	505	0	480	480	0	480	0
VIC	370	370	0	370	0	365	365	0	365	0
SA	370	370	0	370	0	365	365	0	365	0
WA	360	451	0	451	0	360	398	0	398	-1
EASTERN SEABOARD*	505	505	0	505	0	390	391	0	391	2
NATIONAL	505	505	0	505	0	387	392	0	391	0

STATE	60.1kg – 75kg (Buyers)									
	PRIME PRICE					AVERAGE PRICE				
	Maximum				Total CH	*Average*				Total CH
	Male	Female	Barrows	Total		Male	Female	Barrows	Total	
QLD	450	450	375	450	0	357	367	364	363	2
NSW	365	375	0	375	0	354	364	0	357	0
VIC	370	390	370	390	0	362	375	359	368	0
SA	370	390	370	390	0	362	377	359	368	0
WA	360	360	0	360	0	357	358	0	357	2
EASTERN SEABOARD*	450	450	375	450	0	358	370	361	364	1
NATIONAL	450	450	375	450	0	358	369	361	363	1

STATE	75.1kg – 85kg (Buyers)									
	PRIME PRICE					AVERAGE PRICE				
	Maximum				Total CH	*Average*				Total CH
	Male	Female	Barrows	Total		Male	Female	Barrows	Total	
QLD	390	390	375	390	5	365	365	364	365	6
NSW	365	375	0	375	0	356	365	0	358	0
VIC	370	390	370	390	0	342	350	359	346	0
SA	370	390	370	390	0	363	377	359	369	0
WA	360	360	0	360	0	340	345	0	342	0
EASTERN SEABOARD*	390	390	375	390	0	358	366	361	361	2
NATIONAL	390	390	375	390	0	356	363	361	359	2

STATE	85.1kg and above (Buyers)									
	PRIME PRICE					AVERAGE PRICE				
	Maximum				Total CH	*Average*				Total CH
	Male	Female	Barrows	Total		Male	Female	Barrows	Total	
QLD	375	375	365	375	0	328	348	354	340	10
NSW	355	365	0	365	0	344	354	0	347	0
VIC	360	370	360	370	0	349	359	349	351	0
SA	360	370	360	370	0	349	359	349	353	0
WA	360	360	0	360	0	346	338	0	342	4
EASTERN SEABOARD*	375	375	365	375	0	342	354	351	347	3
NATIONAL	375	375	365	375	0	342	353	351	347	3

Sellers Data

STATE	45kg – 60kg (Sellers)									
	PRIME PRICE					AVERAGE PRICE				
	Maximum				Total CH	Average				Total CH
	Male	Female	Barrows	Total		Male	Female	Barrows	Total	
QLD	390	503	0	503	5	379	434	0	416	-3
NSW	0	348	0	348	4	0	343	0	343	4
VIC	0	0	0	0	0	0	0	0	0	0
SA	360	360	0	360	0	355	355	0	355	0
WA	360	451	0	451	0	360	398	0	398	-1
EASTERN SEABOARD*	390	503	0	503	5	367	378	0	372	0
NATIONAL	390	503	0	503	5	366	381	0	376	1

STATE	60.1kg – 75kg (Sellers)									
	PRIME PRICE					AVERAGE PRICE				
	Maximum				Total CH	Average				Total CH
	Male	Female	Barrows	Total		Male	Female	Barrows	Total	
QLD	375	459	385	459	2	370	366	380	367	3
NSW	0	0	0	0	0	0	0	0	0	0
VIC	0	0	0	0	0	0	0	0	0	0
SA	360	395	393	395	0	355	386	393	381	0
WA	360	360	0	360	0	357	358	0	357	2
EASTERN SEABOARD*	375	459	385	459	2	363	376	386	374	2
NATIONAL	375	459	393	459	2	362	372	386	371	2

STATE	75.1kg – 85kg (Sellers)									
	PRIME PRICE					AVERAGE PRICE				
	Maximum				Total CH	Average				Total CH
	Male	Female	Barrows	Total		Male	Female	Barrows	Total	
QLD	386	379	370	386	-15	384	376	365	380	-3
NSW	390	390	370	390	0	373	381	366	376	1
VIC	365	390	380	390	10	350	374	370	365	3
SA	400	400	392	400	0	388	392	390	391	0
WA	360	360	0	360	0	340	345	0	342	0
EASTERN SEABOARD*	390	390	380	390	-11	376	381	373	379	0
NATIONAL	400	400	392	400	-1	372	377	373	375	0

STATE	85.1kg and above (Sellers)									
	PRIME PRICE					AVERAGE PRICE				
	Maximum				Total CH	Average				Total CH
	Male	Female	Barrows	Total		Male	Female	Barrows	Total	
QLD	375	365	0	375	10	365	365	0	365	0
NSW	370	370	0	370	0	363	370	0	367	1
VIC	365	390	380	390	10	324	360	370	356	7
SA	0	0	0	0	0	0	0	0	0	0
WA	360	360	0	360	0	346	338	0	342	4
EASTERN SEABOARD*	375	390	380	390	10	355	366	370	364	2
NATIONAL	375	390	380	390	10	354	362	370	360	2

STATE	Backfatter Sows (Buyers)			
	PRIME PRICE		AVERAGE PRICE	
	Maximum		Average	
	Total	CH	Total	CH
QLD	0	0	285	0
NSW	0	0	215	0
VIC	0	0	170	0
SA	0	0	170	0
WA	0	0	202	40
EASTERN SEABOARD*	0	0	216	0
NATIONAL	0	0	214	5

STATE	Backfatter Sows (Sellers)			
	PRIME PRICE		AVERAGE PRICE	
	Maximum		Average	
	Total	CH	Total	CH
QLD	0	0	291	1
NSW	0	0	0	0
VIC	0	0	250	67
SA	0	0	270	0
WA	0	0	202	6
EASTERN SEABOARD*	0	0	274	16
NATIONAL	0	0	263	15

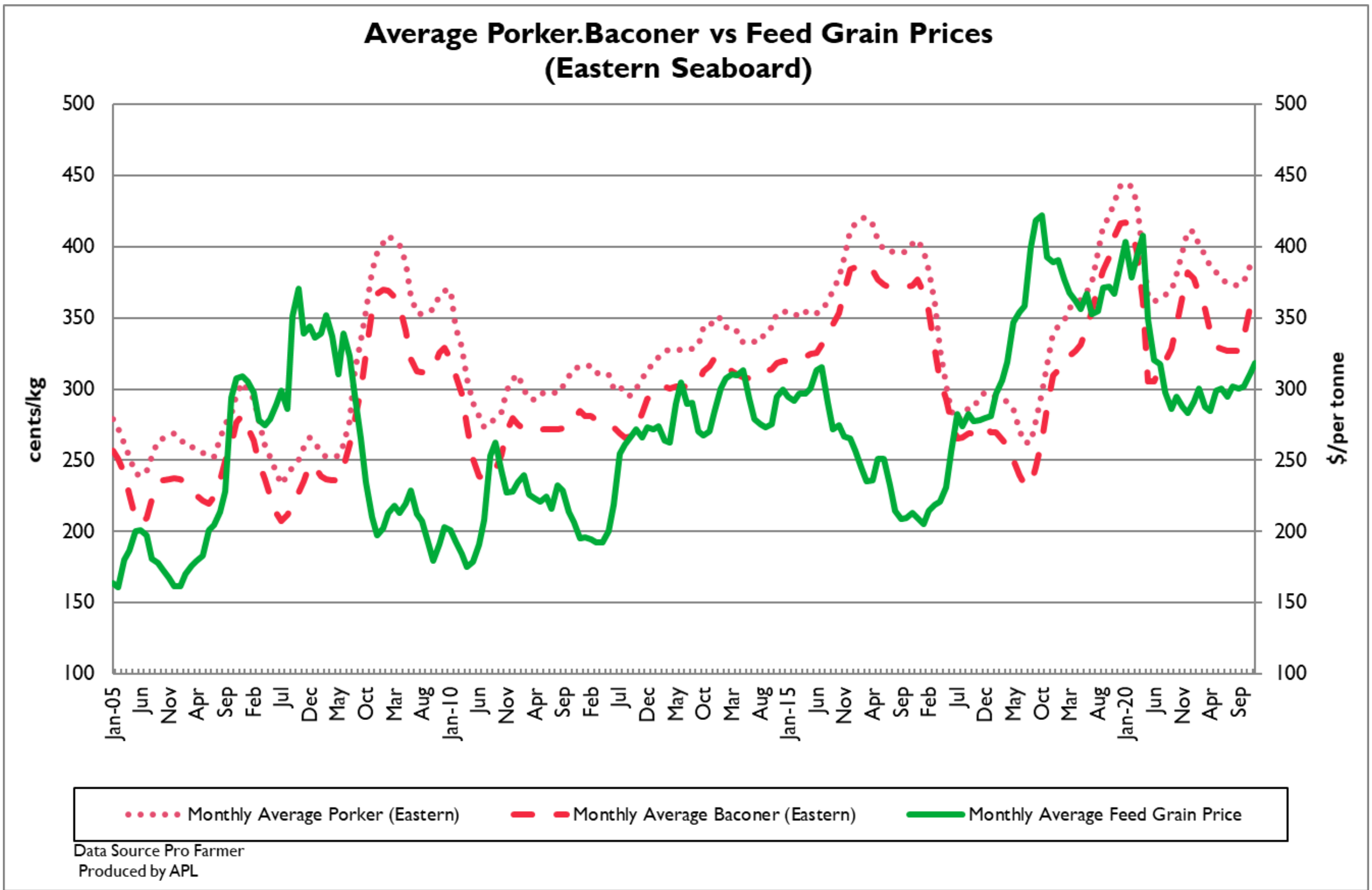
*CH: Denotes change from previous week. *Eastern Seaboard: Includes QLD, NSW, VIC & SA states only.*

SALEYARD PRICES (Buyers)	Baconer price			Porker Price			Numbers Sold	
Source	LW	TW	CH	LW	TW	CH	LW	TW
Toowoomba (QLD)	N/A	349	349	N/A	371	371	N/A	96

CH: Denotes change from previous week. N/A: Denotes no data provided.

Pork Wholesale Prices **(ESB c/Kg)** ***(Source: APL Market Reporting TW: This Week | LW: Last Week | MAT**: Moving Annual Total)*

03/12/2021	CARCASS		BROKEN SALES					
	Pork	Bacon	Legs	Legs Ham Trim	Saddles	Loin	Forequarters	Bellies
TW	597	552	490	570	978	880	444	986
LW	595	550	490	570	974	880	440	962
MAT	571	544	459	543	918	814	429	980
03/12/2021	**CARTON SALES**							
	US Ribs	Boneless Legs	Fillets	Boneless Middles – 1 8 – 13mm fat	Boneless Middles – 2 13 – 20mm fat	Boneless Shoulders	Pork Neck	Trim – 90CL
TW	1409	771	1076	1023	940	669	910	639
LW	1409	771	1076	1023	940	669	906	639
MAT	1337	696	1023	1014	901	629	828	614



Weekly Grain Comments

(Source: Profarmer)

To the point:

- The final Statistics Canada report for 2022 has forecasts declining production across most major field crops in comparison to the September report estimates.
- NSW had another very slow week of harvesting due to large rainfall across the state. Victorian harvest is in full swing, with GrainCorp recording their biggest day of deliveries for the year so far of over 400,000 mt.

Key Market Indicators

08/12/21	CBOT Wheat Mar 22		AUD/USD	ICE Canola Jan 22		AUD/CAD	Matif Canola Feb 22		AUD/EUR
This week	418	809	71.15	1138	1024	89.98	1102	696	63.18
	$A/t	Usc/bu	US c	$A/t	$C/t	CA c	$A/t	€/t	Euro c
Last Week	406	787	71.22	1084	987	91.02	1025	645	62.87
Change	+ 11	+ 21	- 0.07	+ 53	+ 37	- 1.04	+ 77	+ 52	+ 0.31

International and National

The final Statistics Canada report for 2022 has forecasts declining production across most major field crops in comparison to the September estimates. The decline in output has continued to be driven by widespread drought conditions throughout most major grain production regions.

Rainfall in the Midwest of the US is expected to help replenish soil moisture following winter wheat plantings. Widespread rains throughout Brazil's agricultural regions are also expected to continue with crops rated as being in good conditions across most states.

A private Philippines buyer issued a tender for feed wheat from Australia, the Black Sea, US, EU, or Canada of between 15,000 mt to 60,000 mt for loading during January to June.

Russia's agricultural agency is expected to impose export quotas for grains through to June 2022. The wheat quota is expected to be set at 9 million mt.

Australia recorded its highest October export figures in the last nine years, exporting 1.48 million mt during the month. Barley shipments through October were 481,639 mt, the highest October total in 10 years.

NSW had another very slow week of harvesting due to large rainfall across the state. Victorian harvest is in full swing, with GrainCorp recording their biggest day of deliveries for the year so far of over 400,000 mt. South Australia had a full week of harvesting last week, although wheat and barley quality has taken a hit due to the November rains.

Wheat

QLD/Nth NSW

Wheat markets have been mixed over the past week, with APW and High Protein wheat surging into Friday's session before easing earlier this week. Growers with protein grade wheat are not sellers and await further market advances before committing parcels as trade shorts slowly arise. Feed wheat values are displaying a firmer tone despite increased forecast volumes south of the border as harvest recommences. Offshore feed wheat demand is growing with Australian exporters continuing to work into Asian markets, though lower corn values may change this set up in the coming months. Trade may shift across to an East Coast port focus to export more feed wheat following the first quarter of 2022.

Sth NSW/VIC/SA

The last fortnight has been largely rain affected, meaning harvest hasn't progressed all that much in NSW. There wouldn't be too many areas in all of NSW that aren't now stripping SFW1 or FED1. As a result, lower grade feed spreads have blown out, with more rain on the forecast this is unlikely to change anytime soon. Looking at Victoria, the Mallee has been stripping mostly H1/H2 and other regions in Vic aren't experiencing the same downgrading that NSW has. Harvest is progressing rapidly through wheat in Mallee and Northern Wimmera approximately 60-70% done and yields above expectation in most areas. South Australia is feeling the impact of November rainfall, causing widespread downgrades. This has impacted on wheat in a number of areas with feed grades falling away as a result.

Barley

Sth QLD/Nth NSW

Barley values have not experienced the same volatility as wheat despite harvest being disrupted across the border. Port prices are easing with global movements and spill over from wheat values. Nearby wheat prices have supported local barley bids as end user demand continues to place a floor under values as domestic road logistics tighten and trade shorts arise. Barley is still the preferred feed ingredient in mixes over wheat locally, however significant increases to feed wheat supplies may see demand switch to the later.

Sth NSW/VIC/SA

Barley remains quite firm, with export demand keeping markets well supported even in the wake of a big feed wheat event in NSW. Victorian prices are feeling more pressure, ultimately how much feed wheat becomes available and what the freight spreads are will likely be the determining factors in what happens to barely bids. Early exporters appear to have a bit of cover on barley now which has created the double whammy of increased selling and decreased demand which is helping keep a lid on prices. Malt premiums remain higher across NSW and Victoria with SA premiums currently nothing to write home about.

Sorghum

QLD

Nearby demand for old crop sorghum is continuing to wane with sporadic bids arising to clean up any existing stocks. New crop sorghum buds are firming with trade interest; however growers are even further from committing amidst current weather conditions. Planting and early crop progress is mixed following the weekend rain. Local feed demand into the first quarter of 2022 remains subdued with users indicating a higher portion of feed wheat in mixes with price relativity also favouring the later at current levels. Demand from China remains the key factor for further upside to prices and support leading into the first half of next year.

Weekly Grain Table

(Source: ProFarmer)

	Delivered Darling Downs			Deliverd Brisbane			Delivered Northern NSW			Delivered Newcastle		
	LW	TW	CH	LW	TW	CH	LW	TW	CH	LW	TW	CH
Feed Wheat	328	330	2	385	390	5	266	270	4	385	405	20
Feed Barley	300	295	-5	286	277	-9	262	260	-2	265	270	5
Sorghum	315	315	0	320	335	15	268	275	7	303	296	-7
Soy meal	780	780	0	780	780	0	800	800	0	745	745	0
Canola meal	515	515	0	520	520	0	455	455	0	455	455	0
Cotton seed	750	745	-5	710	705	-5	720	715	-5	710	705	-5
	Delivered Southern NSW			Delivered Port Kembla			Delivered Goulburn Valley			Delivered Central VIC		
	LW	TW	CH	LW	TW	CH	LW	TW	CH	LW	TW	CH
Feed Wheat	354	369	15	378	399	21	400	405	5	365	375	10
Feed Barley	275	259	-16	290	269	-21	300	295	-5	281	272	-9
Triticale	290	295	5	290	295	5	350	350	0	350	350	0
Soy meal	815	815	0	810	810	0	810	810	0	800	800	0
Canola meal	450	445	-5	475	470	-5	460	455	-5	475	470	-5
	Delivered Geelong			Delivered Adelaide			Delivered Fremantle					
	LW	TW	CH	LW	TW	CH	LW	TW	CH			
Feed Wheat	387	405	18	360	360	0	360	350	-10			
Feed Barley	315	305	-10	290	290	0	285	285	0			
Soy meal	780	780	0	800	800	0	NA	NA	NA			
Canola meal	460	455	-5	505	500	-5	470	465	-5			
Feed Oats	300	300	0	300	300	0	280	280	0			

DD = Darling Downs Bris = Brisbane Nth NSW = Northern New South Wales New = Newcastle Sth NSW = Southern New South Wales Pt K = Port Kembla GV Goulburn Valley Central Vic = Central Victoria Geel = Geelong Adel = Adelaide Freo = Fremantle. LW = Last week TW = This week CH= Change N/Q = No Quote Due to the volatility of the grain market, caution must be used when valuing data.