AUSTRALIAN Pork

Eyes & Ears

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 14/01/2022

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	343	346	0	346	0	343	346	0	344	0
NSW	515	515	0	515	0	490	490	0	490	0
VIC	370	370	0	370	0	365	365	0	365	0
SA	370	370	0	370	0	365	365	0	365	0
WA	0	457	0	457	64	0	403	0	403	13
EASTERN SEABOARD*	515	515	0	515	0	394	395	0	394	0
NATIONAL	515	515	0	515	0	394	396	0	395	1

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	359	368	364	364	0
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	366	366	0	366	0	357	361	0	359	-4
EASTERN SEABOARD*	450	450	375	450	0	359	371	361	364	0
NATIONAL	450	450	375	450	0	359	370	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	0	365	366	364	366	0
NSW	375	375	0	375	0	358	370	0	361	0
VIC	370	390	370	390	0	354	359	359	357	8
SA	378	390	370	390	0	365	378	359	371	0
WA	366	366	0	366	0	340	344	0	342	3
EASTERN SEABOARD*	390	390	375	390	0	361	369	361	364	1
NATIONAL	390	390	375	390	0	359	366	361	362	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	365	375	365	375	0	328	349	354	341	5
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	366	366	0	366	0	340	333	0	336	-5
EASTERN SEABOARD*	365	375	365	375	0	342	355	351	347	1
NATIONAL	366	375	365	375	0	341	352	351	346	1

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	482	500	0	500	0	399	436	0	424	0
NSW	0	356	0	356	0	0	351	0	351	0
VIC	0	0	0	0	0	0	0	0	0	0
SA	370	370	0	370	0	365	365	0	365	0
WA	0	457	0	457	64	0	403	0	403	13
EASTERN SEABOARD*	482	500	0	500	0	382	385	0	380	0
NATIONAL	482	500	0	500	0	382	387	0	384	2

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	460	385	460	0	370	368	380	369	0
NSW	0	0	0	0	0	0	0	0	0	0
VIC	0	0	0	0	0	0	0	0	0	0
SA	370	406	404	406	0	365	401	404	394	0
WA	366	366	0	366	0	357	361	0	359	-4
EASTERN SEABOARD*	375	460	385	460	0	368	384	392	381	0
NATIONAL	375	460	404	460	0	366	379	392	377	-1

STATE	75.1kg – 85kg (Sellers)									
	PRIME PRICE					AVERAGE PRICE				
	Maximum				Total CH	*Average*				Total CH
	Male	Female	Barrows	Total		Male	Female	Barrows	Total	
QLD	389	411	370	411	0	387	397	365	389	0
NSW	390	390	375	390	0	371	383	374	378	-3
VIC	370	390	380	390	0	360	381	370	372	0
SA	400	400	394	400	0	391	396	392	394	0
WA	366	366	0	366	0	340	344	0	342	3
EASTERN SEABOARD*	390	411	380	411	0	379	390	376	384	-1
NATIONAL	400	411	394	411	0	374	385	376	379	-1

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	384	365	0	384	0	366	365	0	365	0
NSW	370	371	0	371	0	365	371	0	369	0
VIC	370	390	380	390	0	325	358	370	354	-3
SA	0	0	0	0	0	0	0	0	0	0
WA	366	366	0	366	0	340	333	0	336	-5
EASTERN SEABOARD*	384	390	380	390	0	356	366	370	364	-1
NATIONAL	384	390	380	390	0	354	361	370	360	-1

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	199	36
EASTERN SEABOARD*	0	0	216	0
NATIONAL	0	0	214	4

STATE	Backfatter Sows (Sellers)			
	PRIME PRICE		AVERAGE PRICE	
	Maximum		*Average*	
	Total	*CH*	Total	CH
QLD	0	0	289	0
NSW	0	0	0	0
VIC	0	0	250	0
SA	0	0	270	0
WA	0	0	199	36
EASTERN SEABOARD*	0	0	273	0
NATIONAL	0	0	262	6

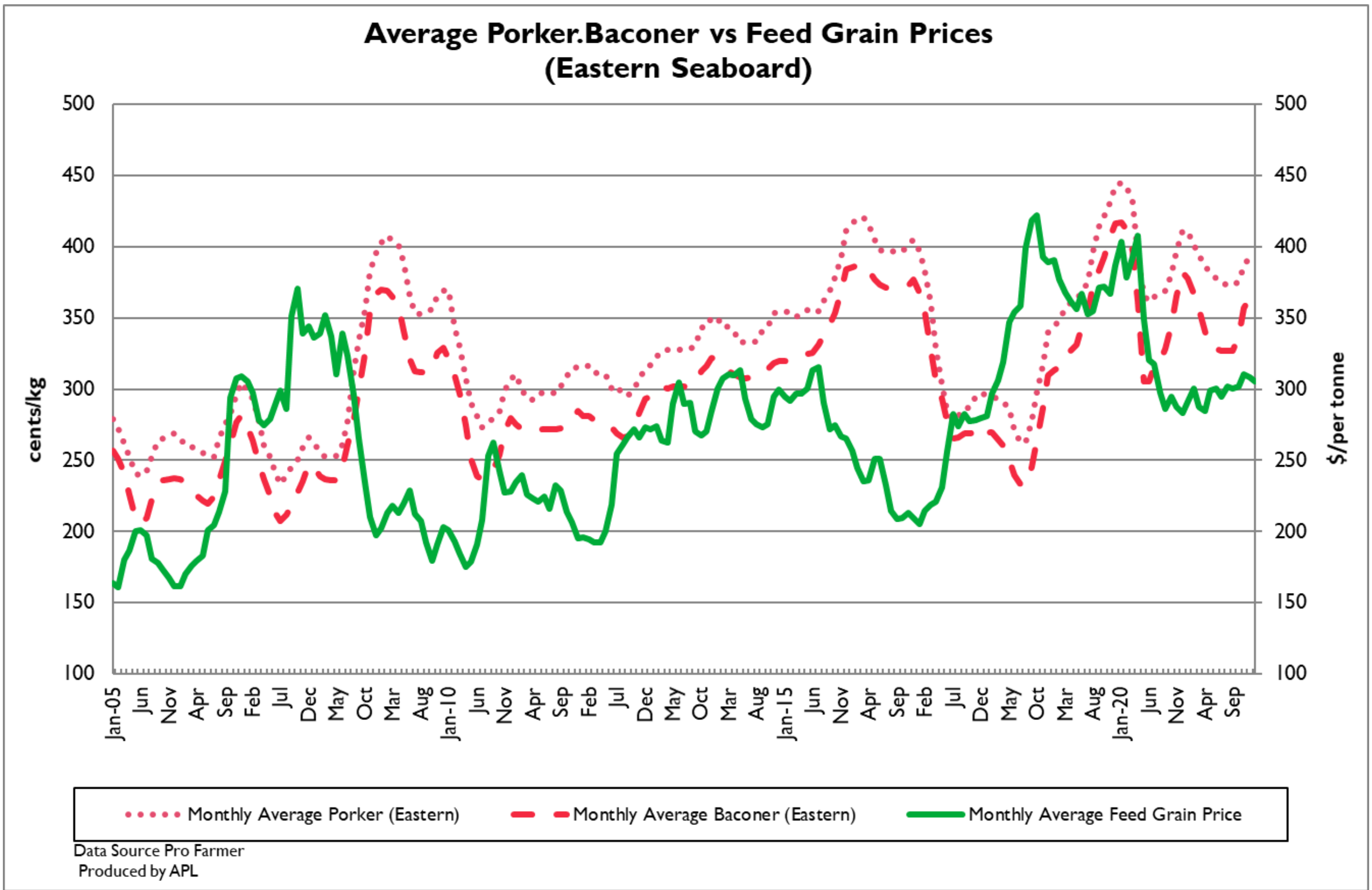
*CH: Denotes change from previous week. *Eastern Seaboard: Includes QLD, NSW, VIC & SA states only.*

SALEYARD PRICES (Buyers)	Baconer price			Porker Price			Numbers Sold	
Source	LW	TW	CH	LW	TW	CH	LW	TW
Toowoomba (QLD)	N/A	293	293	N/A	304	304	N/A	137

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)*

14/01/2022	CARCASS		BROKEN SALES					
	Pork	Bacon	Legs	Legs Ham Trim	Saddles	Loin	Forequarters	Bellies
TW	603	558	468	572	992	891	428	1209
LW	597	552	476	570	988	886	432	1181
MAT	572	543	455	541	924	814	426	1005
14/01/2022	**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	1414	746	1076	1125	1350	665	914	652
LW	1387	761	1076	1125	1350	669	903	639
MAT	1330	699	1023	1024	942	630	831	614



Weekly Grain Comments

(Source: Profarmer)

To the point:

- The International Grains Council (IGC) cut its world grain production forecast for the 2021/22 season by 1 million mt with global wheat, coarse grains, soybean and rice output estimates now at 2.29 billion mt
- China has reduced its forecasts for corn demand for feed sectors as low hog prices impact farmer profitability with growers looking to use cheaper feed alternatives such as barley and sorghum.

Key Market Indicators

19/01/22	CBOT Wheat Mar 22		AUD/USD	ICE Canola Mar 22		AUD/CAD	Matif Canola May 22		AUD/EUR
This week	393	769	71.84	1073	964	89.85	1083	687	63.41
	$A/t	Usc/bu	US c	$A/t	$C/t	CA c	$A/t	€/t	Euro c
Last Week	393	770	72.11	1133	1028	90.71	1171	743	63.43
Change	+ 1	- 1	- 0.27	- 60	- 64	- 0.86	- 88	- 56	- 0.02

International and National

The International Grains Council (IGC) cut its world grain production forecast for the 2021/22 season by 1 million mt with global wheat, coarse grains, soybean and rice output estimates now at 2.29 billion mt due to hot and dry weather across South America which continue to reduce production forecasts.

South Korea's feed making association Major Feedmills Group (MFG) purchased 198,000 mt of corn for April-May delivery at US$328/mt CFR. MFG also booked 50,000 mt of Australian feed wheat at US$336/mt CFR. This follows a 55,000 mt purchase of Aus feed wheat privately from Louis Dreyfus, paying US$334/mt CFR for shipment February March shipment.

Iraq's trade ministry has booked 150,000 mt of Australian high protein grade wheat paying US$447/mt CFR for February shipment.

China's pork output rose by almost 20% in 2021 compared to 2020, despite this rise, China has reduced its forecasts for corn demand from feed sectors as low hog prices impact farmer profitability with growers looking to use cheaper feed alternatives such as barley and sorghum.

Russia has released its first update for its export duties for 2022, the export duty on wheat was reduced slightly, dropping $0.70/mt to US$97.50/mt. The barley export duty was cut by $7.20/mt to US$79/mt.

The Australian federal government have announced they will provide a fee rebate to any students or backpackers who come back to Australia in the next few months with hopes visa holders will return to fill workforce shortages in the agriculture industry.

Wheat

QLD/Nth NSW

QLD wheat markets have been relatively quiet over the week with little price change. Growers are slowly returning from holidays and are starting to consider summer crop harvest; however, they are not yet feeling pressured to commit further winter crop parcels at current levels. High protein wheat continues to attract a premium $85-150 above feed wheat, depending on the port zone. The export market strength continues to underpin values at current levels while domestic consumer bids remain flat with users continuing to contemplate feed rations and mixes.

Sth NSW/VIC/SA

The wheat market across the east coast has been shifting lower for the good part of 10 days or so on the back of a bearish WASDE report which highlighted global stocks were better than the market expected, and that new crop plantings in the Northern Hemisphere were going to be up significantly. This is mainly due to the near record price levels we are currently seeing for global wheat. As a result, domestically, we saw milling wheat values follow the trend lower before regaining some ground over the last day or two. Feed wheat values bucked the trend and managed to hold up well relative to the offshore market. Local demand for SFW1 type wheat is increasing though as more feeders bring into the ration mainly at the expense of barley.

Barley

Sth QLD/Nth NSW

Barley prices have been steady over the week with offshore demand adding support to local values. Domestic consumer interest remains subdued with most comfortable that white grain supply from Northern & Central NSW will be sufficient to meet any short-term coverage requirements. Aussie barley from a price perspective continues to compete against EU and Black Sea on a FOB basis, but currently sits behind wheat and canola in the shipping stem.

Sth NSW/VIC/SA

Barley values are steady on last week although there has been a slight drop off in depth of buyers as some domestic end users are making the switch to feed wheat given the spread is relatively tight. Solid export demand and a weaker AUD/USD are helping to support values. The amount of BAR1 being made available has also been scarce. In the Vic Mallee, many barley growers are happy sellers as they are seeing significant premiums above what other Melbourne sites are trading due to their proximity to the tighter SA markets.

Sorghum

QLD

Sorghum harvest is now commencing across Central Downs this week with the crop considered in good condition. Early sorghum availability will be limited with the majority expected to be ready by March and later with initial trade estimates reflecting a crop of 2.0-2.5mmt. The export market is still key to further pricing upside however sorghum is considered expensive amongst domestic white grain feed alternatives. A small premium is available for early sorghum but is slowly being wound back. Port remains the key price point for now with logistical constraints potentially an issue once harvest commences in earnest.

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	303	300	-3	340	338	-2	254	270	16	390	370	-20
Feed Barley	290	290	0	275	274	-1	235	255	20	250	255	5
Sorghum	305	305	0	325	323	-2	300	295	-5	300	295	-5
Soy meal	885	868	-17	885	868	-17	905	888	-17	885	868	-17
Canola meal	555	535	-20	560	540	-20	495	475	-20	495	475	-20
Cotton seed	760	830	70	720	790	70	730	800	70	720	790	70
	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	294	294	0	340	334	-6	362	340	-22	297	297	0
Feed Barley	246	246	0	245	249	4	290	290	0	253	253	0
Triticale	250	255	5	255	255	0	310	310	0	310	310	0
Soy meal	920	903	-17	915	898	-17	915	898	-17	905	888	-17
Canola meal	475	465	-10	500	490	-10	485	475	-10	500	490	-10
	Delivered Geelong			Delivered Adelaide			Delivered Fremantle					
	LW	TW	CH	LW	TW	CH	LW	TW	CH			
Feed Wheat	375	370	-5	350	350	0	325	327	2			
Feed Barley	300	300	0	280	255	-25	281	291	10			
Soy meal	885	868	-17	905	888	-17	NA	NA	NA			
Canola meal	485	475	-10	530	520	-10	495	485	-10			
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.