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# Mallon AgCommodities Weekly Market Report

## International Influences

Inflation in the US is finally doing what the central bank wants it to do - decline! This suggests US interest rate rises may be finished. This is bullish news for our currency and so bad news for our grain prices as it cause them to fall, all other things being equal.

Managed money are short wheat futures across a number of contracts. This can be a bearish sign as it means they are betting on prices falling.

Russian wheat values have kicked a small amount recently. However it is important to note that they are still overwhelmingly the cheapest grain source in the world and exporters still seem to be searching for demand for the enormous crop.

Aussie grain remains expensive on the world market place.

## Domestic Overview

QLD harvest is mostly complete now other than a few headers till going in the eastern border regions.

Analysts have NSW at ~40% complete, but looking at NNSW (say Dubbo and north), I would think minimum 80% complete.

Vic harvests is only 15% complete and Australia wide we are approximately 40% complete.

Reports show a good mix of quality coming this year in wheat crops. This is opposed to the last three years where, for example, in 20/21 where everything was good protein and test weight due to nutrient build up over the drought (however mice droppings caused some headaches!), or 21/22 and 22/23 where fertiliser shortages along with rain caused large feed and lower grade milling grain production.

Faba Bean and Lupins prices are remaining strong as they are a substitute to canola, soybean, cottonseed and various other meals as a source of protein. Strong feed demand as well as packers having plenty of capacity and a relatively weak AUD is causing relatively strong pulse prices.

### Key

**Jan +:** this refers to markets January or after where the '+' typically refers to a monthly carry per tonne of between \$2.5 and \$3.  
**Managed Money:** refers to Wall St style investment companies who speculate on futures markets.





# International Futures Pricing

Contract front month	Price	USD FOB
US No 2 Hard Red Winter Wheat (HRW)	639.6 c/bu	287
US No 2 Soft Red Winter Wheat (SRW)	560.4 c/bu	254
EU France Grade 1 Wheat (Rouen)	227.75 EU/mt	254
Russian 12.5 Milling Wheat	-	235
ASX East Coast Wheat Futures	391 AUD	288 (Adelaide Track Basis)
AUD/USD	0.6516	
WTI Oil	76.51 USD/Barrel	

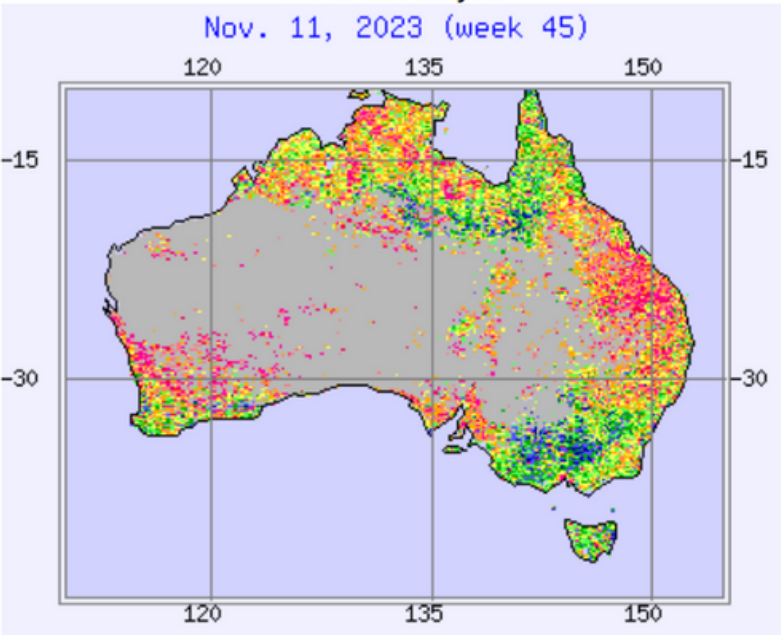
# Domestic Pricing

Market/Commodity (\$/mt)	SFW1 Wheat	Barley 1	Sorghum	Cottonseed
Downs	450	438	450	670
LPP	420	400	430	630
Newcastle	430		440	
Griffith Market Zone	375	345		
Melbourne	405	368		
Moree				630
Namoi Valley				
Macquarie Valley				600
MIA				625



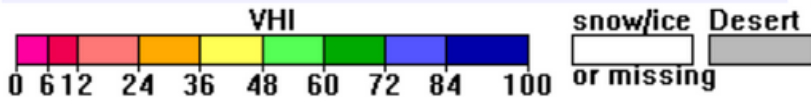
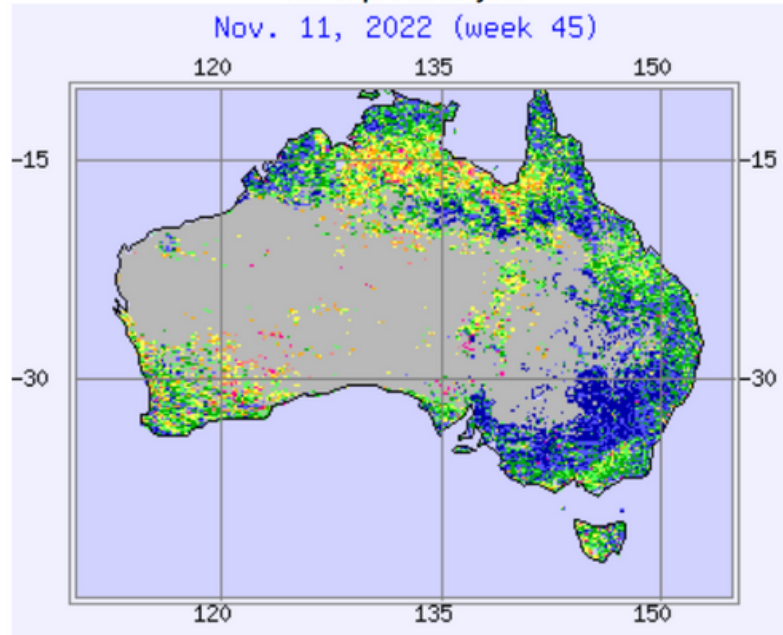
# Australian Vegetation Health Index

Australia - Vegetation Health Index (VHI): Current Week and One Year Ago, 2023 week 45  
VHI of current year



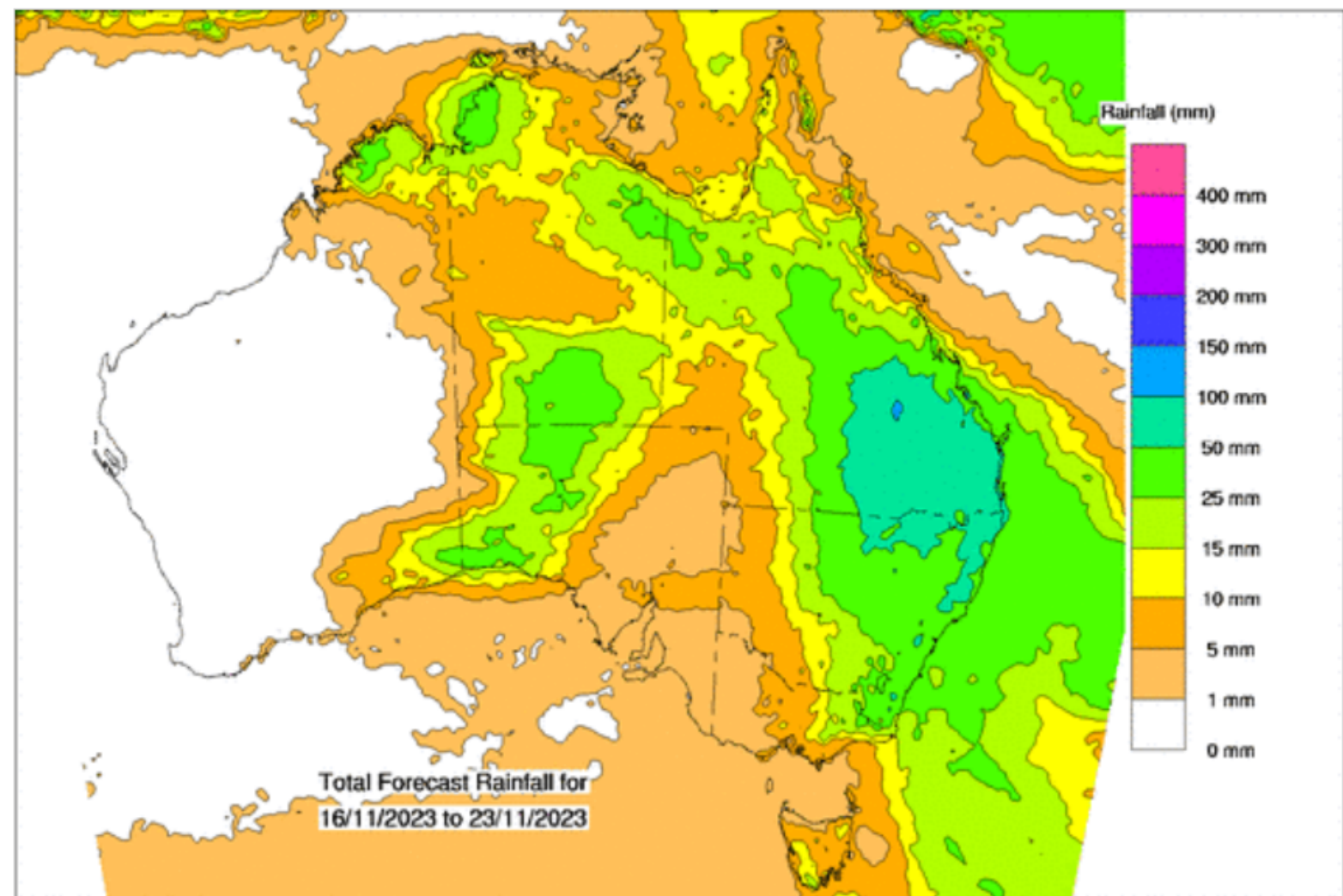
VHI of previous year

Nov. 11, 2022 (week 45)



## Weather Influences

### 8 Day BOM Rainfall Forecast



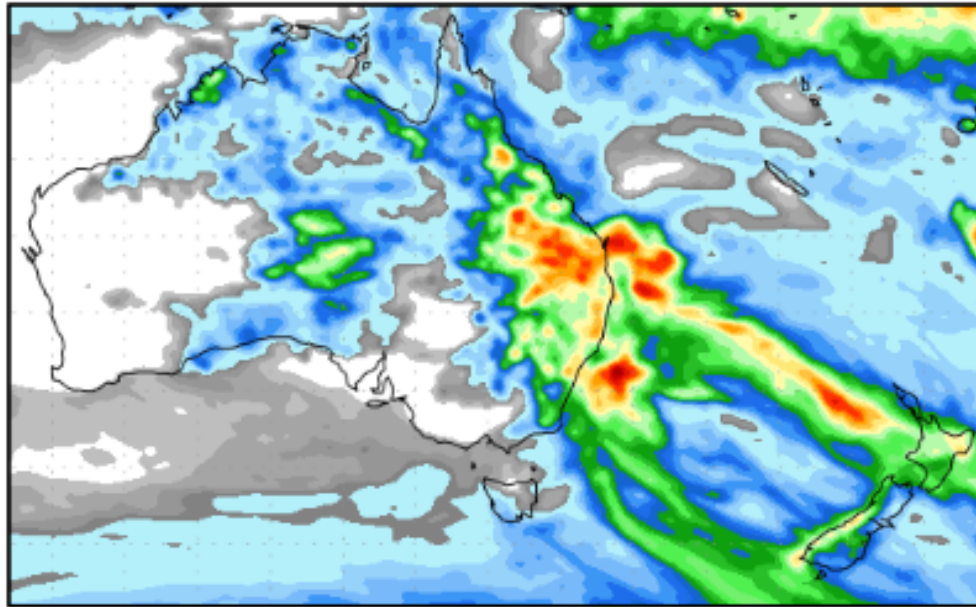
# Weather Influences

## WX Maps Precipitation Forecasts

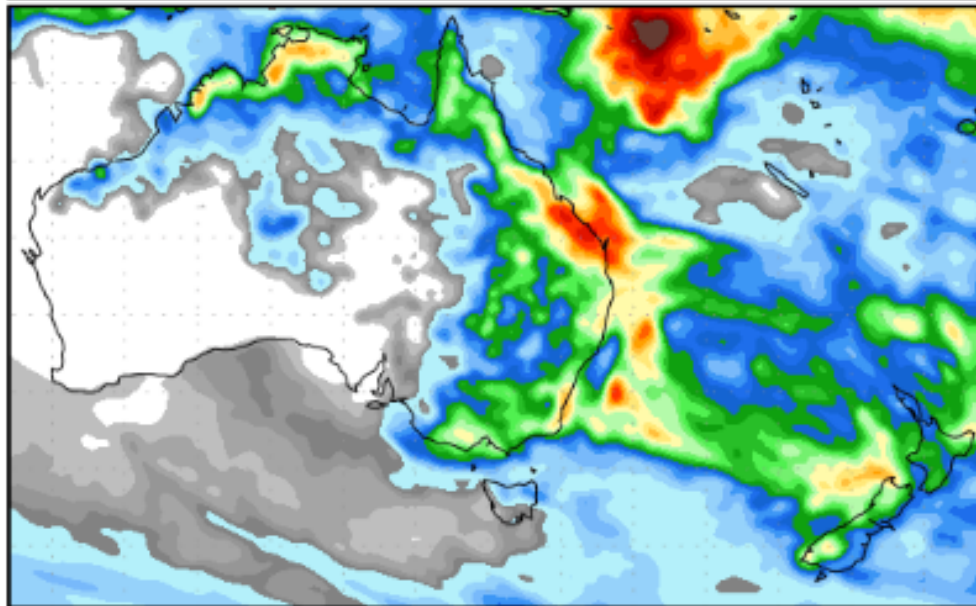


Precipitation (mm)  
during the period:

Wed, 15 NOV 2023 at 12Z  
-to-  
Thu, 23 NOV 2023 at 12Z

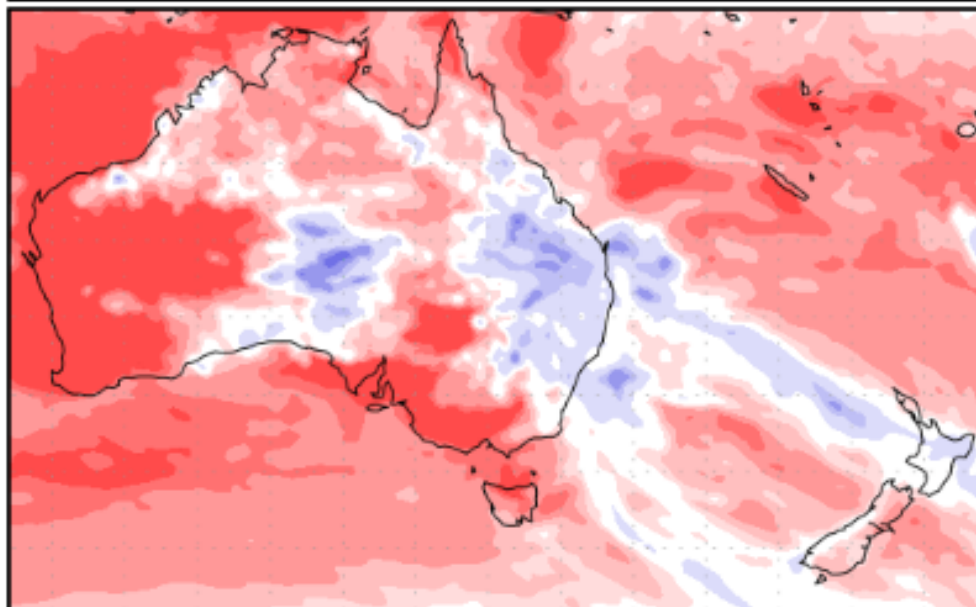
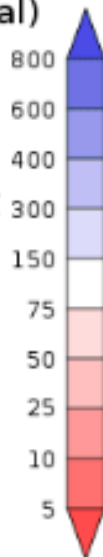


Thu, 23 NOV 2023 at 12Z  
-to-  
Fri, 01 DEC 2023 at 12Z



Precipitation (% of normal)  
during the first period:

Wed, 15 NOV 2023 at 12Z  
-to-  
Thu, 23 NOV 2023 at 12Z



Precipitation forecasts from the National Centers for Environmental Prediction.  
Normal rainfall derived from Xie-Arkin (CMAP) Monthly Climatology for 1979-2003.  
Forecast Initialization Time: 12Z15NOV2023