

MARCH 21, 2024
ISSUE NO 31
BLAKE MALLON

This **ISSUE.**

MARKET REPORT

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MALLON
AgCommodities



NO.31

INTERNATIONAL

Influences



It seems last week's reports by Reuters of cancellations of up to 1 million tonnes of Australian wheat purchases by the Chinese were significantly overstated. Although it is still believed some cancellations did occur and a lot of wheat is being rolled to later shipping slots.

Cancellations did happen for a significant amount of US Soft Winter Wheat too with the reasons cited being a combination of large price declines and an oversupply on domestic markets due to large imports.

Egypt tendered for grain overnight. There were 2 million tonnes offered and only 110 000t booked. This signals that grain buyers are still bearish wheat and happy to make minimal purchases so that the next round of buying shows cheaper offers.

DOMESTIC Overview



The cottonseed market seems to be charging ahead. It is starting to look like it did at the end of last year - all bids, no offers. Seems the export market is driving this one as there is not much being consumed in the domestic market at these prices.

The canola rally that I mentioned last week has kept on rallying. It has rallied \$70 Canadian dollars based off the ICE Canola contract or 44 Euros based off the Euronext canola contract. Aussie track Canola prices have responded with a \$45/t rally. This will start to encourage acres to be planted as Canola at the expense of wheat and barley.

Domestic buyers for April/May Wheat and Barley are emerging more so than earlier in the month when these slots were virtually impossible to get. Bids across track and domestic markets are ~\$5 higher.

Key

ICE: Intercontinental Exchange - A futures exchange and clearing house responsible for the ICE canola futures contract which is based off the Canadian canola market.

Euronext Paris: AKA Matif AKA Paris Rapeseed - A futures exchange and clearing house based out of Paris, France. ICE and Euronext are considered benchmark canola pricing indicators.

Reuters: One of the largest news agencies in the world. Its headquarters are in London and it often reports on international grain related news.

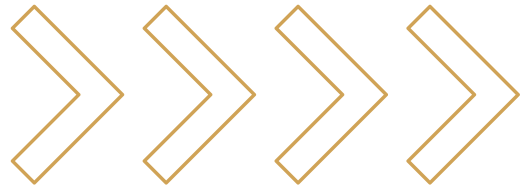


INTERNATIONAL Futures Pricing

Contract Front Month	Price	USD FOB
US No 2 Hard Red Winter Wheat (HRW)	585'6	271
US No 2 Soft Red Winter Wheat (SRW)	550'4	229
EU France Grade 1 Wheat (Rouen)	198.75	215
Russian 12.5 Milling Wheat		203
ASX East Coast Wheat Futures	316.00	257(Adelaide Track Basis)
AUD/USD	0.6628	
WTI Oil	81.27	



DOMESTIC Pricing

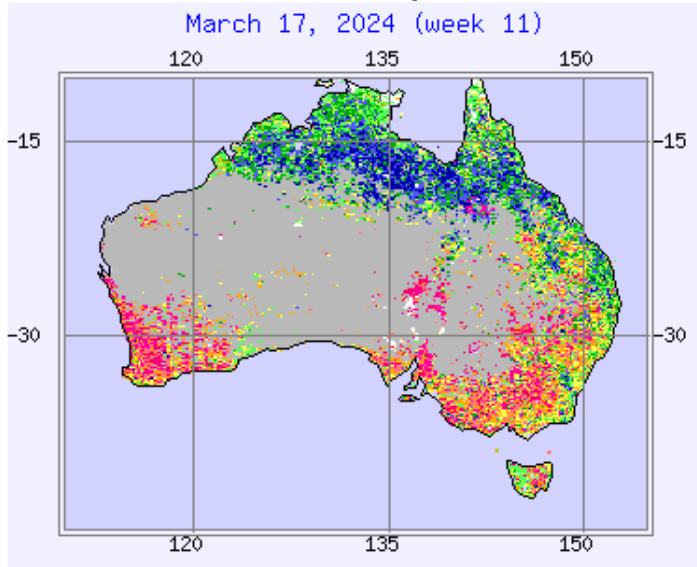


Market/Commodity (\$/mt)	SFW1 Wheat	Barley 1	Sorghum	Cottonseed
Downs	360	368	350	500
LLP	340	340	345	450
Newcastle	350		360	
Griffith Market Zone	320 (asw1)	310		
Melbourne	335	328		
Moree				450
Namoi Valley				445
Macquarie Valley				450
MIA				455



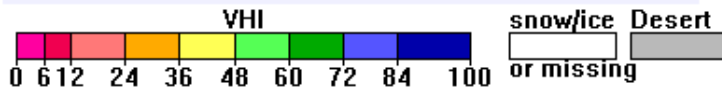
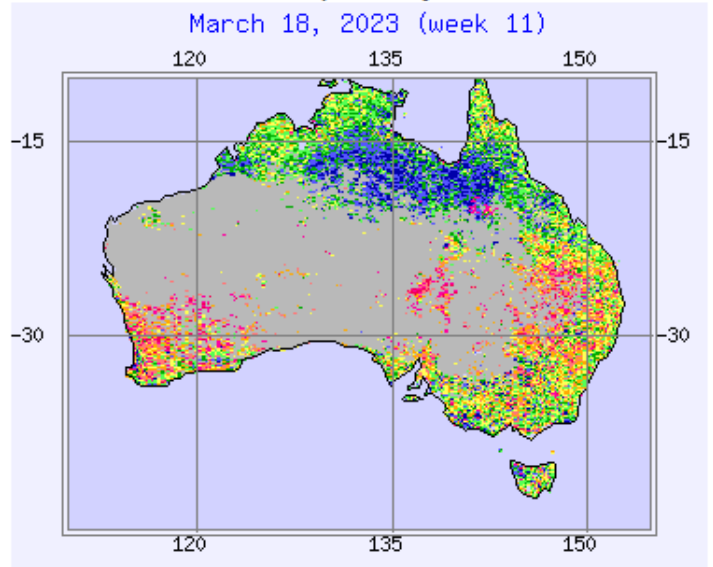
Vegetation Health Index

Australia - Vegetation Health Index (VHI): Current Week and One Year Ago, 2024 week 11
VHI of current year

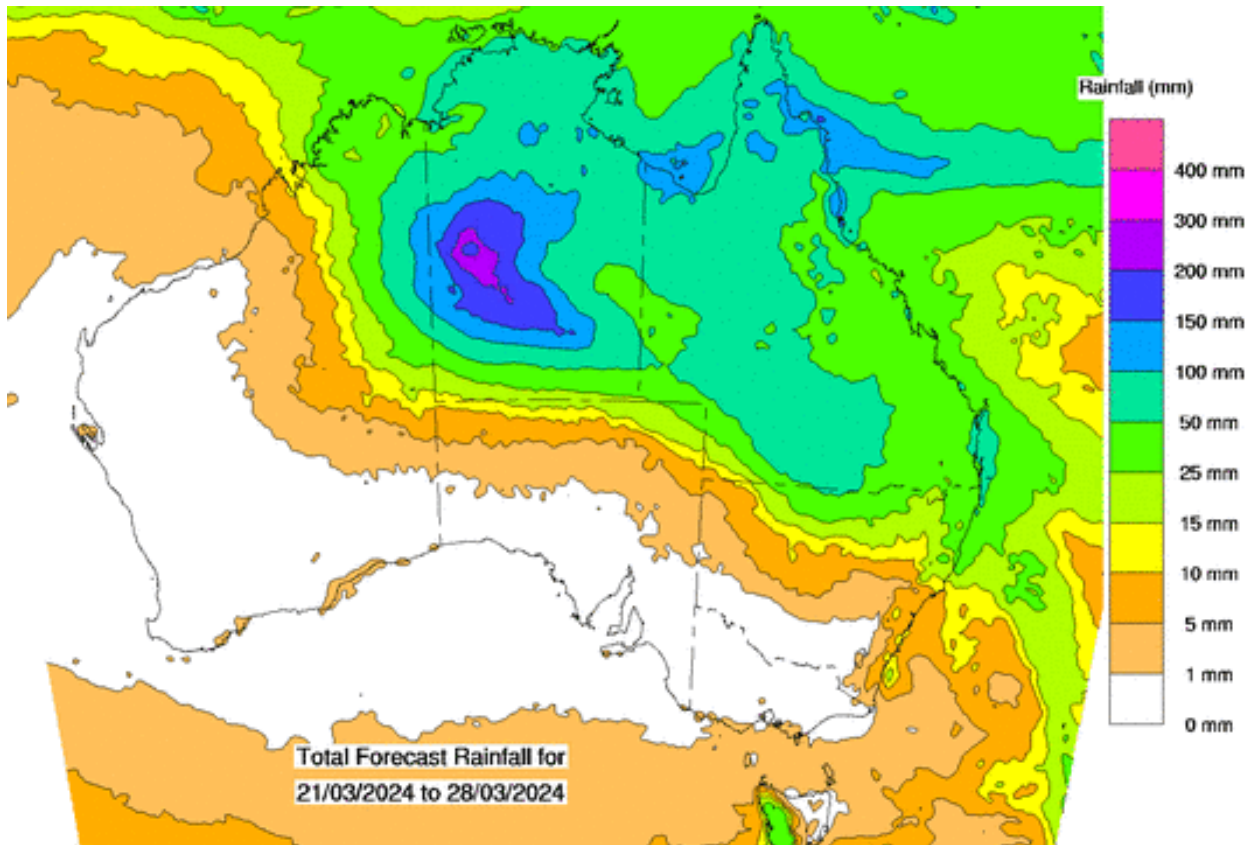


VHI of previous year

March 18, 2023 (week 11)

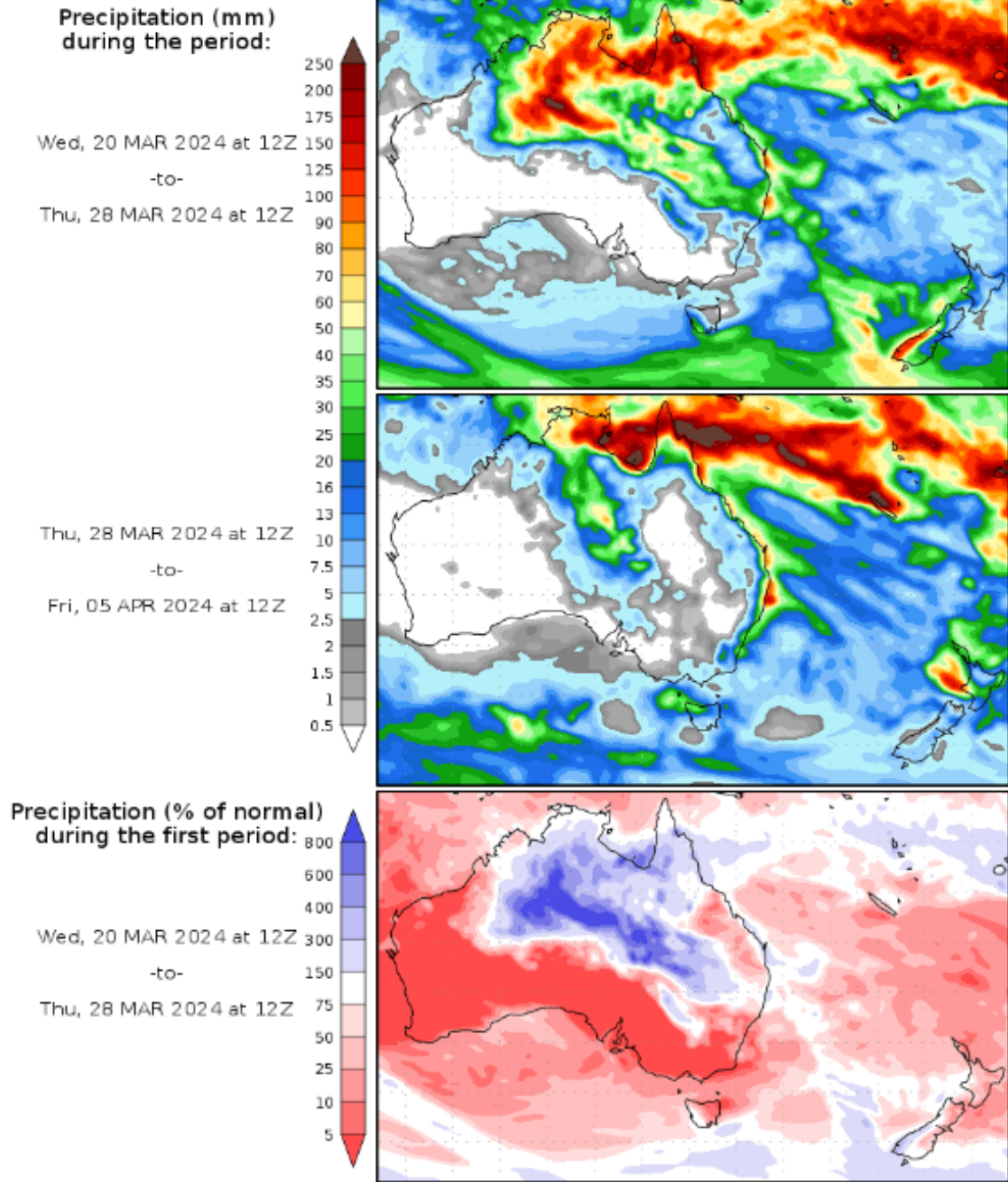


8 Day BOM Rainfall Forecast

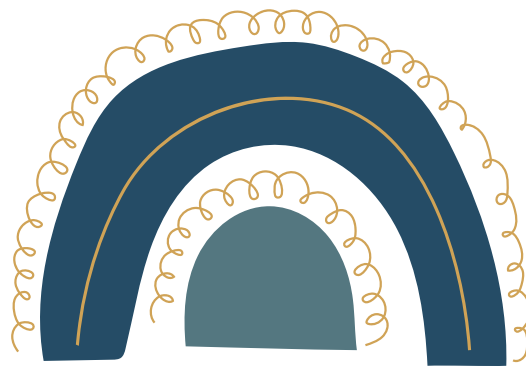


WX Maps Precipitation Forecasts

Precipitation Forecasts



Precipitation forecasts from the National Centers for Environmental Prediction.
Normal rainfall derived from Xie-Arkin (CMAP) Monthly Climatology for 1979-2003.
Forecast Initialization Time: 12Z20MAR2024



Bridging the Gap Between Farmers and Optimal Marketing Pathways

At Mallon AgCommodities, our primary goal is to connect farmers with the most promising marketing opportunities, while also catering to consumers who require grain for feedlotting, feed processing, or supplement feeding.

By taking on the complexities of commodity trading and logistics, we free you up to concentrate on what you do best. Contact us today for an outstanding and streamlined service experience.



MALLON
AgCommodities

Lets chat!



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