

This
ISSUE.

MARKET REPORT

**INTERNATIONAL
INFLUENCES**

DOMESTIC OVERVIEW

INTERNATIONAL FUTURES

DOMESTIC PRICES

**AUSTRALIAN
VEGETATION HEALTH**

WEATHER INFLUENCES

**PRECIPITATION
FORECASTS**



INTERNATIONAL Influences

Offshore grain values continue to slide lower weighed down by heavy Black Sea export competition. The Ukrainian Grain Traders Union said that exports rose to 3.1 million tonnes in the first half of February compared with 2.2 million tonnes for the same period in January. Ukraine are big exporters of corn with the primary destination being Europe and China.



Ukrainian farmers will be reviewing their planting plans for 2024 (April planting) as current prices are below the cost of production. Late last year, Ukraine's biggest agribusiness group, The Agrarian Council, said that farmers spent US 149/t growing crops that were only worth US 94/t when it came time to sell them.

In US corn futures markets, traders are adding to already record large net short positions causing futures prices to drop to new lows. Soybeans are following.



DOMESTIC Overview



Yesterdays overnight US wheat futures activity (our Tuesday night) showed a bounce of 23 US cents per bushel. However, Aussie buyers saw it for what it was, a slight correction caused by a short covering bounce. Therefore, Aussie bids did not follow but remained the same or drifted lower again.

The El-Nino still persists, but the BOM is reporting that the oceanic indicators are weakening. The same report indicated that 50% of years following an El-Nino event were neutral and 40%-50% of years were La-Nina.

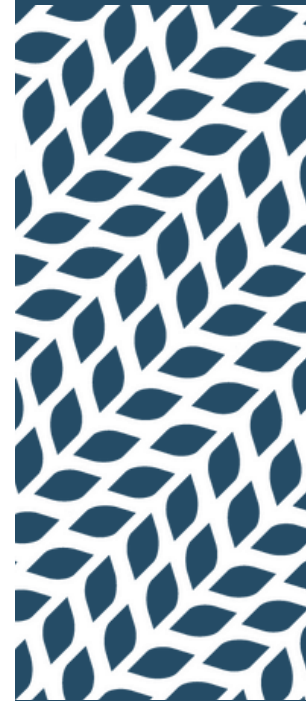
Sorghum crops look healthy. I was driving across the Liverpool Plains over the weekend and saw various stages of crops. Reports are that sorghum will be coming in any time as early as next week until as late as June. There has already been some crops harvested in early Feb around the Narrabri Moree area.

I read reports of Fall Armyworm damage to Sorghum crops in Central Queensland and the Darling Downs a couple of weeks ago but have not heard much since. The market does not seem to be reacting to it? Sorghum prices currently seem too high to be export competitive with the US. This can occur when exporters are trying to fill existing sales but are not yet experiencing grower selling. Grower selling is likely once sorghum is in the silos.

Key

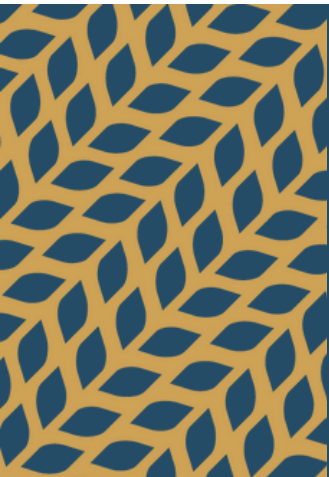
Short Covering Bounce: Futures Markets participants who are short can cause short-lived spikes in the market as they are buying in against their short positions.

Short: A participant who has sold more grain futures than they own, with the view to buy them back closer to the expiry of the contract at a lower price to generate profit. Of course, it doesn't always work like that.

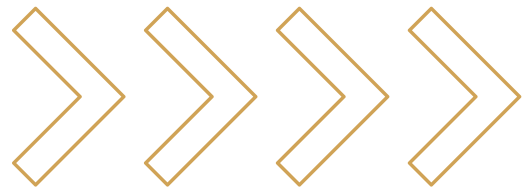


INTERNATIONAL Futures Pricing

Contract Front Month	Price	USD FOB
US No 2 Hard Red Winter Wheat (HRW)	578'2	277
US No 2 Soft Red Winter Wheat (SRW)	582'6	253
EU France Grade 1 Wheat (Rouen)	203.50	222
Russian 12.5 Milling Wheat		219
ASX East Coast Wheat Futures	339.00	
AUD/USD	0.6557	
WTI Oil	78.01	



DOMESTIC Pricing

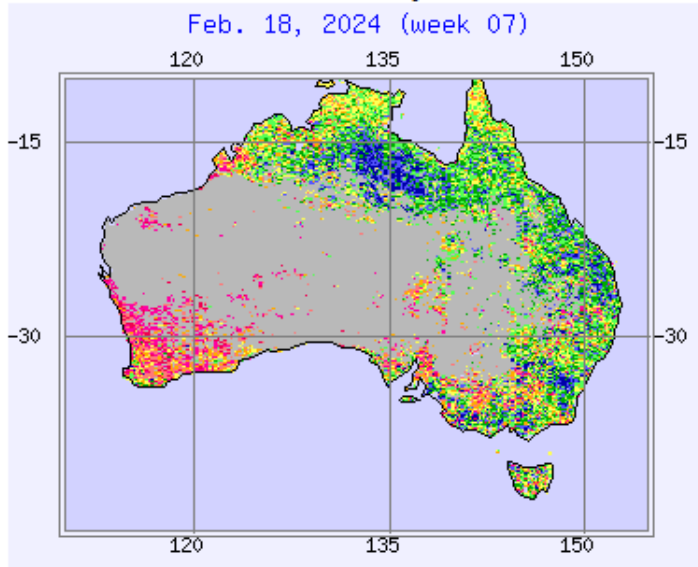


Market/Commodity (\$/mt)	SFW1 Wheat	Barley 1	Sorghum	Cottonseed
Downs	365	365	355	
LLP	345	345	340	
Newcastle	355		358	
Griffith Market Zone	320	305		
Melbourne	340	327		
Moree				435
Namoi Valley				
Macquarie Valley				415
Namoi Valley				415



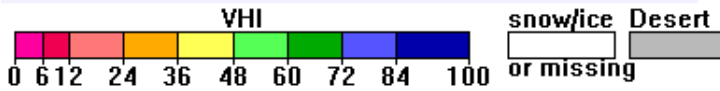
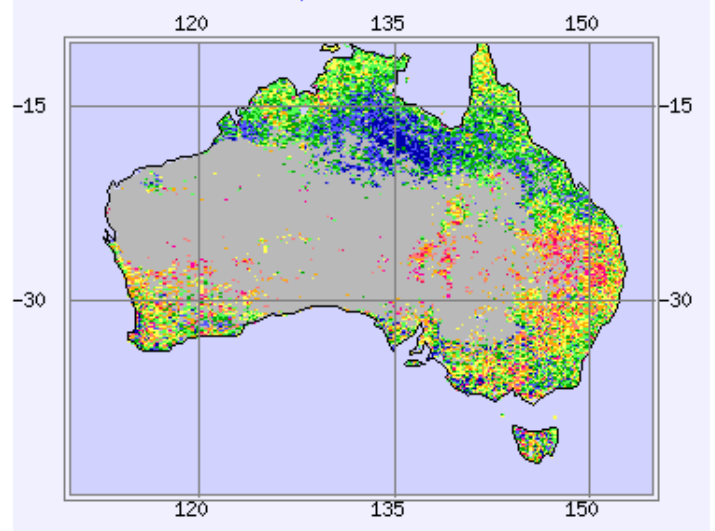
Vegetation Health Index

Australia - Vegetation Health Index (VHI): Current Week and One Year Ago, 2024 week 7
VHI of current year

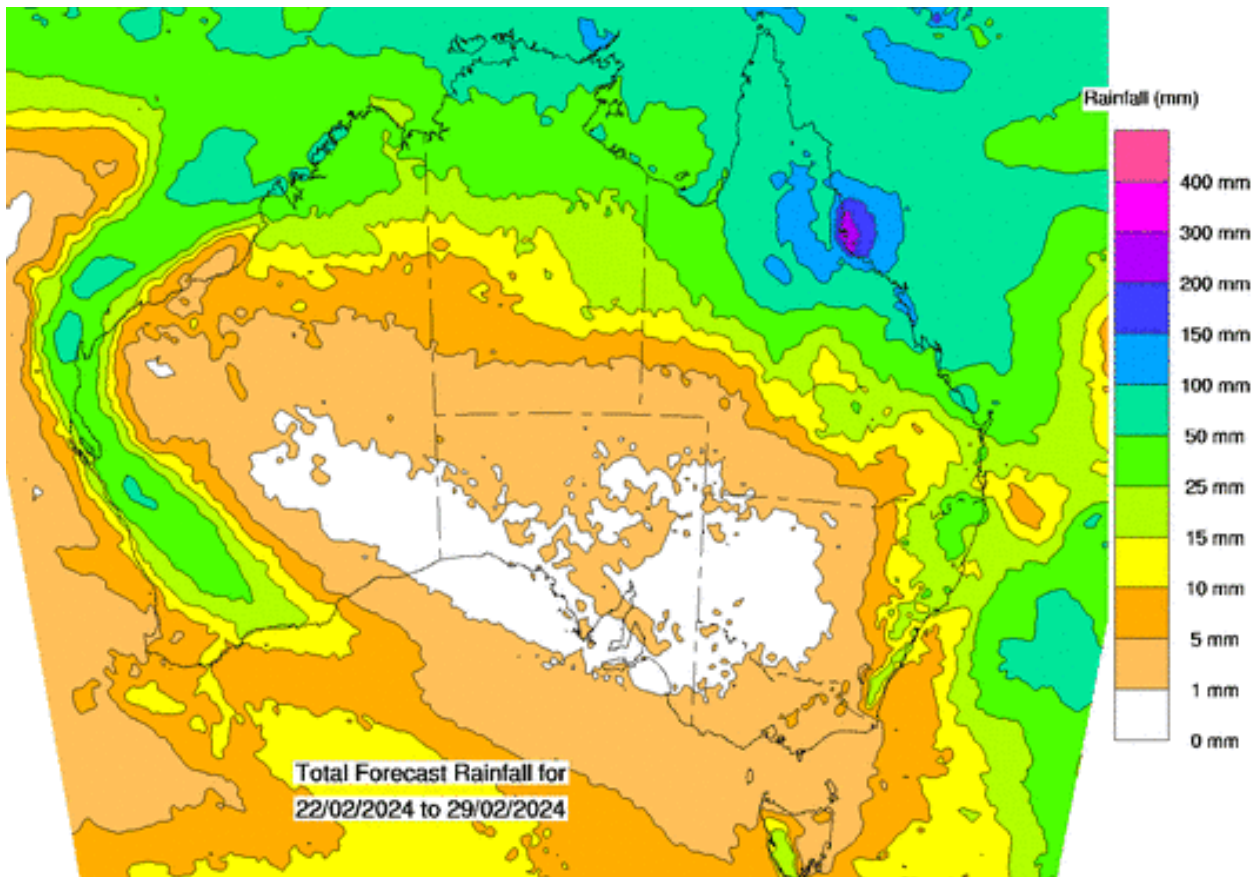


VHI of previous year

Feb. 18, 2023 (week 07)



8 Day BOM Rainfall Forecast

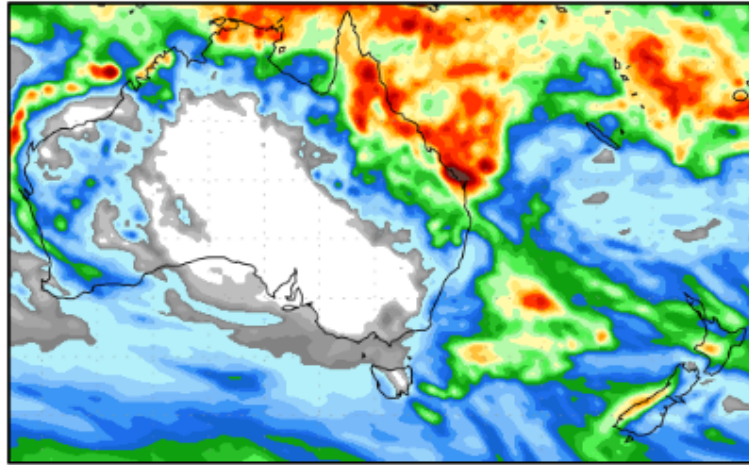
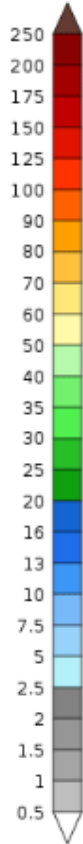


WX Maps Precipitation Forecasts

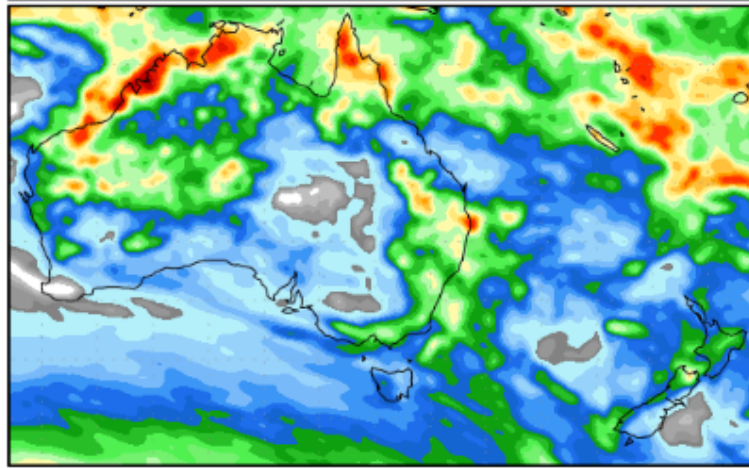
Precipitation Forecasts

Precipitation (mm)
during the period:

Wed, 21 FEB 2024 at 12Z
-to-
Thu, 29 FEB 2024 at 12Z

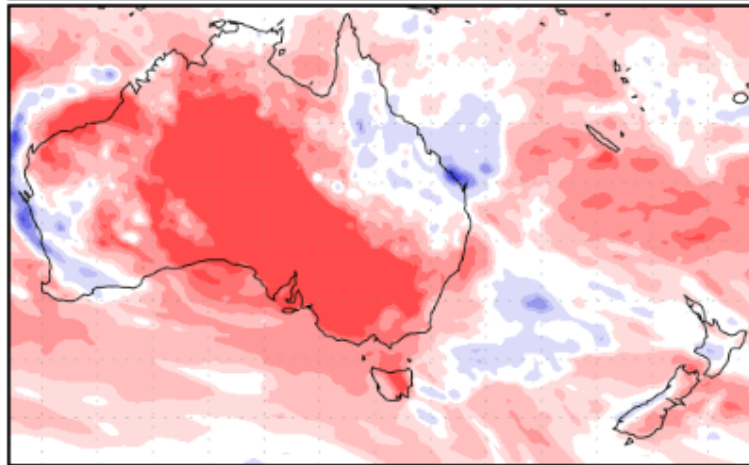
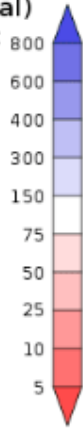


Thu, 29 FEB 2024 at 12Z
-to-
Fri, 08 MAR 2024 at 12Z

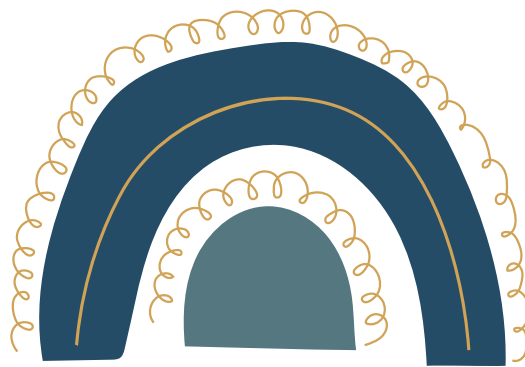


Precipitation (% of normal)
during the first period:

Wed, 21 FEB 2024 at 12Z
-to-
Thu, 29 FEB 2024 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: 12Z21FEB2024



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!



Phone

0486 012 106



Email

blake@mallonag.com.au



Socials

@Mallonagcommodities

www.mallonagcommodities.com.au