



MALLON

AgCommodities



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Mallon AgCommodities Weekly Market Report

International Influences

Offshore grain futures moved solidly higher overnight as reports surface that a Russian missile has hit a civilian ship carrying iron ore in the Black Seas Odesa region. The attack killed at least one person and injured another three.

Argentinian wheat production has been revised downwards as earlier rainfall seemed to be too late to improve yields as first expected.

Weather concerns in Brazil in addition to strong Chinese buying is reported as another reason for strength in international corn and soybeans markets.

Interesting to note oil prices coming back at ~US 75/barrel. This is good for inflationary pressures especially if prices stays down or continues to fall. The downside is of course the broad macro relationship between wheat/canola and oil prices.

Domestic Overview

There have been a few storms around in the past week and looks to be further rain on the forecast from today forward. At time of writing, it is muggy and threatening to rain here in Narromine.

Hopefully a lot of you will be finished or at least most of the way through harvest before the rain. Seems our weather systems have a remarkable ability to withhold rain from growers when its needed and provide rain during harvest. That being said, it is nice to know it can still do it.

Delivered domestic end user grain prices have been falling steadily for some time now for both wheat and barley, but more so barley. This to me is an interesting one as barley is a lot tighter on the grain balance sheet than wheat.

Grain prices at local bulk handlers have surprisingly kicked (upward) a little in the past couple of days, however, I am not sure how long lived this will be.

Finding homes for any volume of grain for November and December remains extremely difficult. Buyers are still in market but only for further out months such as Jan or after. I can't help but think if the market turns around (increases) bids will resurface as traders look to fill shorts.

Key

Downs: This is short for Darling Downs feedlots and refers to feedlots around Toowoomba, Cecil Plains and Dalby, QLD. It is the strongest demand point for feed grains on the east coast.

LPP: Liverpool Plains Feedlots. Another commonly used feed grain demand point around Quirindi and Carroona, NSW.

MIA: Murray Irrigation Area. typically used in relation to cottonseed markets and refers to locations such as Carathool/Whitton/Hay, NSW.





International Futures Pricing

Contract front month	Price	USD FOB
US No 2 Hard Red Winter Wheat (HRW)	655 c/bu	285
US No 2 Soft Red Winter Wheat (SRW)	592.2 c/bu	254
EU France Grade 1 Wheat (Rouen)	235.5 EU/mt	249
Russian 12.5 Milling Wheat	-	232
ASX East Coast Wheat Futures	390 AUD	292 (Adelaide Track Basis)
AUD/USD	.6406	
WTI Oil	75.65 USD/Barrel	

Domestic Pricing

Market/Commodity (\$/mt)	SFW1 Wheat	Barley 1	Sorghum	Cottonseed
Downs	450 Jan +	438 Jan +	450	700
LPP	420 Jan	410		640
Newcastle	425			
Griffith Market Zone	380	345		
Melbourne	410	360		
Moree				650
Namoi Valley				635
Macquarie Valley				625
MIA				625

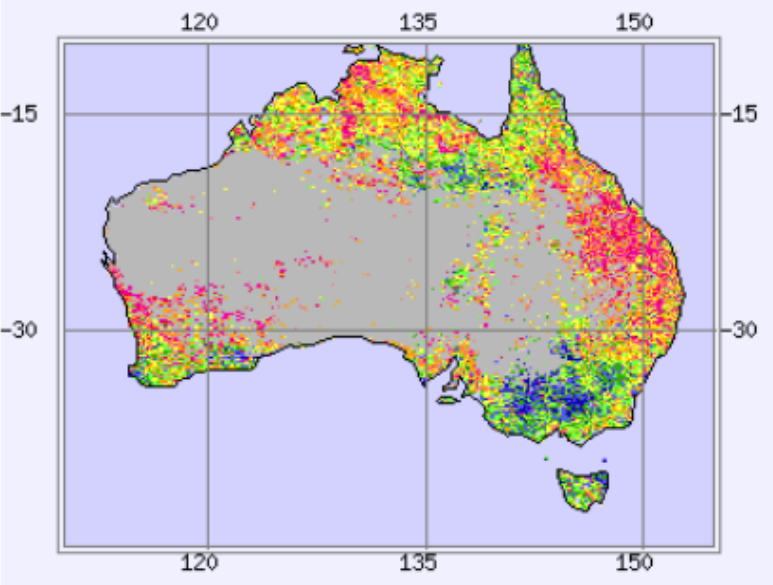


Australian Vegetation Health Index

Australia - Vegetation Health Index (VHI): Current Week and One Year Ago, 2023 week 44

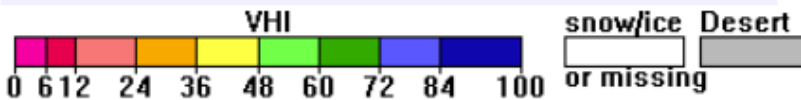
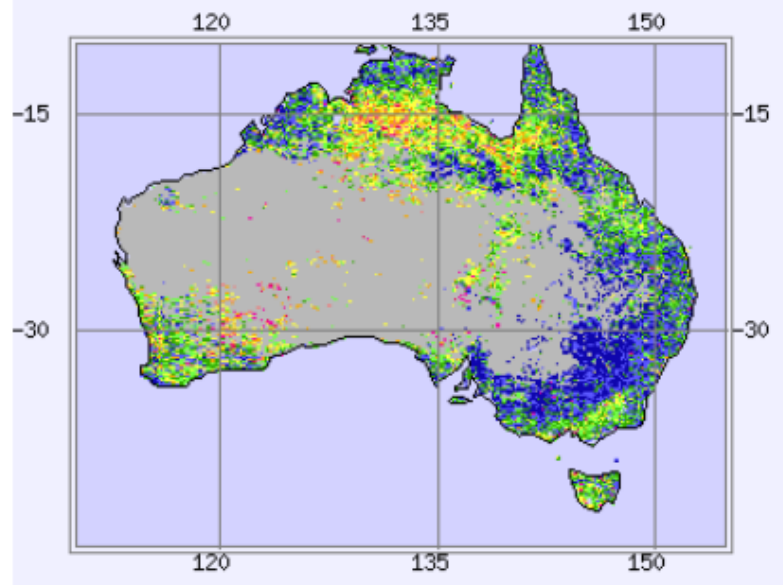
VHI of current year

Nov. 4, 2023 (week 44)



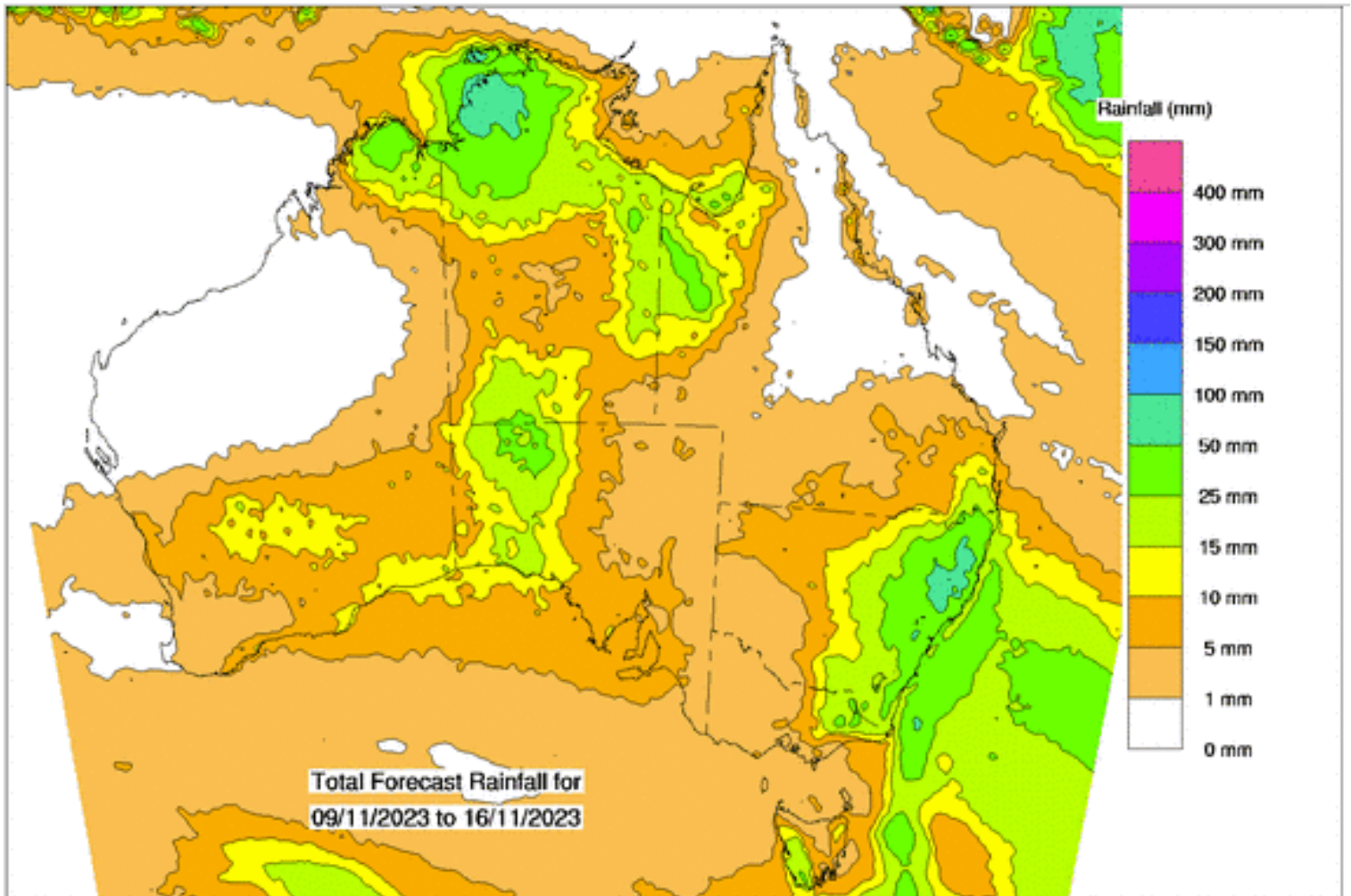
VHI of previous year

Nov. 4, 2022 (week 44)



Weather Influences

8 Day BOM Rainfall Forecast



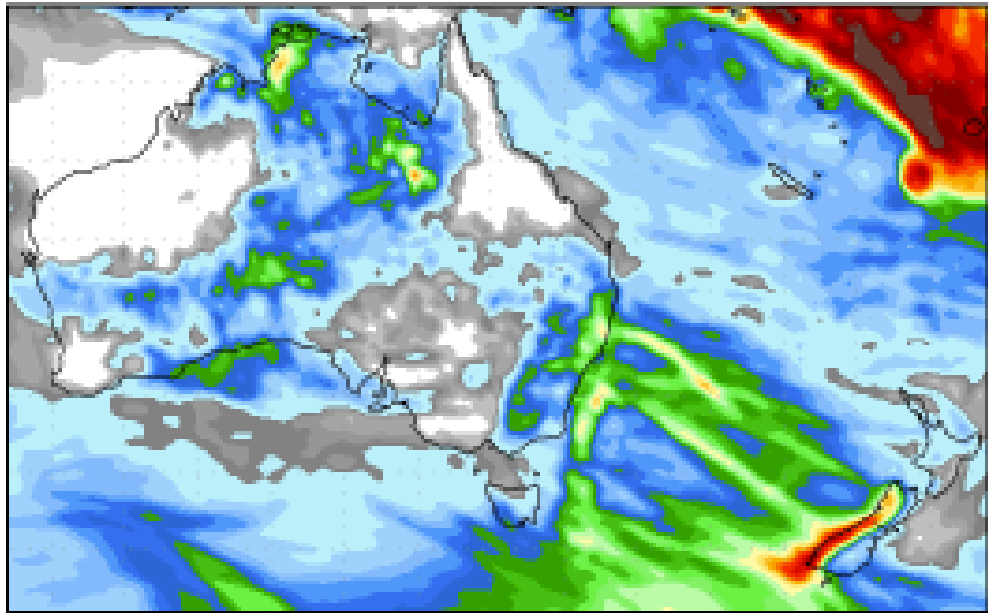
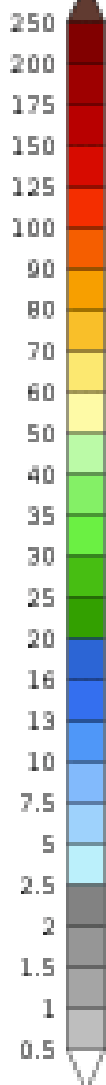
Weather Influences

WX Maps Precipitation Forecasts

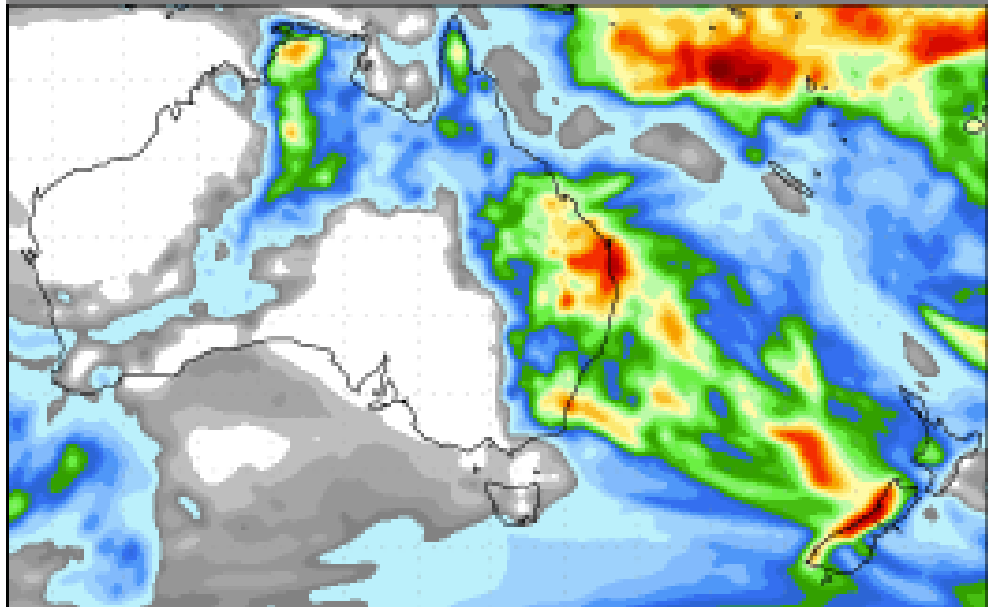


Precipitation (mm)
during the period:

Wed, 08 NOV 2023 at 12Z
-to-
Thu, 16 NOV 2023 at 12Z

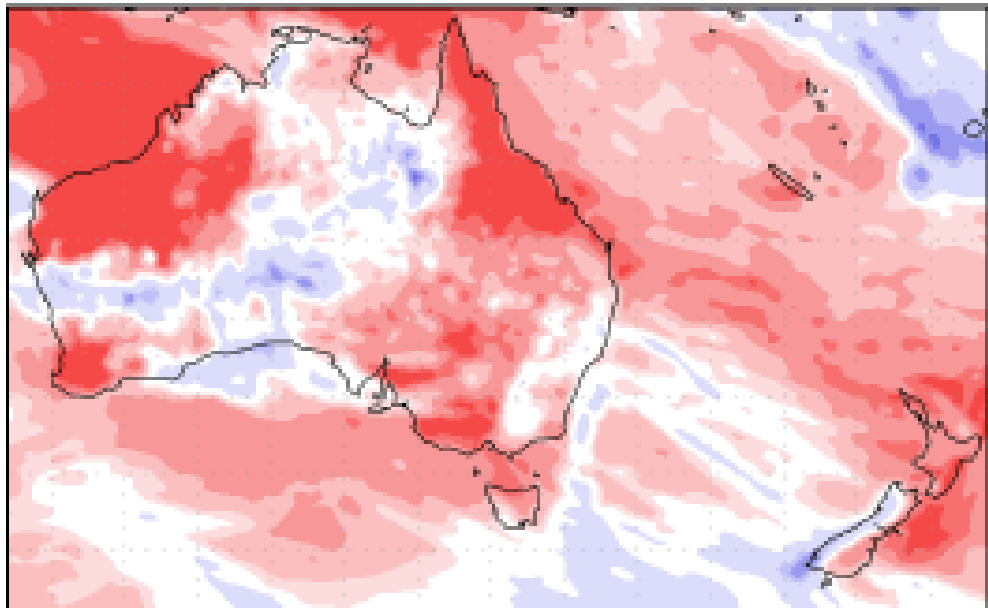
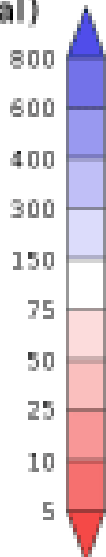


Thu, 16 NOV 2023 at 12Z
-to-
Fri, 24 NOV 2023 at 12Z



Precipitation (% of normal)
during the first period:

Wed, 08 NOV 2023 at 12Z
-to-
Thu, 16 NOV 2023 at 12Z



Precipitation forecasts from the National Centers for Environmental Prediction.
Normal rainfall derived from Xie-Arkin (CMAP) Monthly Climatology for 1979-2009.
Forecast initialization Time: 12Z08NOV2023