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 25/02/2022

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	363	374	0	374	11	363	374	0	368	5
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	366	457	0	457	0	366	394	0	393	-10
EASTERN SEABOARD*	515	515	0	515	0	400	403	0	401	1
NATIONAL	515	515	0	515	0	396	402	0	400	0

STATE	60.1kg – 75kg (Buyers)									
	PRIME PRICE					AVERAGE PRICE				
	Maximum				Total CH	*Average*				Total CH
	Male	Female	Barrows	Total		Male	Female	Barrows	Total	
QLD	420	420	375	420	0	363	373	364	369	-1
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	364	365	0	364	-1
EASTERN SEABOARD*	420	420	375	420	0	360	372	361	365	-1
NATIONAL	420	420	375	420	0	360	371	361	365	-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	380	385	375	385	0	367	370	364	369	0
NSW	375	375	0	375	0	358	370	0	361	0
VIC	370	390	370	390	0	360	364	359	362	5
SA	370	390	370	390	0	362	378	359	369	0
WA	366	366	0	366	0	340	341	0	340	-4
EASTERN SEABOARD*	380	390	375	390	0	362	371	361	366	1
NATIONAL	380	390	375	390	0	360	368	361	363	1

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	370	375	365	375	0	345	360	354	353	3
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	346	342	0	346	0
EASTERN SEABOARD*	370	375	365	375	0	346	358	351	351	1
NATIONAL	370	375	365	375	0	346	356	351	350	0

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	434	456	0	449	23
NSW	0	363	0	363	7	0	358	0	358	7
VIC	0	0	0	0	0	0	0	0	0	0
SA	370	370	0	370	0	365	365	0	365	0
WA	366	457	0	457	0	366	394	0	393	-9
EASTERN SEABOARD*	482	500	0	500	0	401	394	0	392	11
NATIONAL	482	500	0	500	0	394	394	0	392	8

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	461	380	461	0	370	373	375	373	-1
NSW	0	0	0	0	0	0	0	0	0	0
VIC	0	0	0	0	0	0	0	0	0	0
SA	370	404	402	404	0	365	396	402	391	0
WA	366	366	0	366	0	364	365	0	364	-1
EASTERN SEABOARD*	375	461	380	461	0	368	384	388	382	0
NATIONAL	375	461	402	461	0	367	380	388	378	-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	394	407	380	407	0	391	398	375	393	1
NSW	400	400	375	400	0	373	387	368	380	-1
VIC	370	390	380	390	0	360	381	370	372	0
SA	400	400	398	400	0	399	397	396	397	1
WA	366	366	0	366	0	340	341	0	340	-4
EASTERN SEABOARD*	400	407	380	407	0	383	392	378	387	0
NATIONAL	400	407	398	407	0	378	386	378	381	-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	385	365	0	385	0	366	365	0	366	0
NSW	362	370	0	370	0	362	370	0	367	1
VIC	370	390	380	390	0	325	357	370	355	2
SA	392	392	0	392	0	390	390	0	390	0
WA	366	366	0	366	0	346	342	0	346	0
EASTERN SEABOARD*	385	390	380	390	0	364	372	370	370	0
NATIONAL	392	392	380	392	0	362	368	370	368	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	193	0
EASTERN SEABOARD*	0	0	216	0
NATIONAL	0	0	213	0

STATE	Backfatter Sows (Sellers)			
	PRIME PRICE		AVERAGE PRICE	
	Maximum		Average	
	Total	CH	Total	CH
QLD	0	0	290	0
NSW	0	0	0	0
VIC	0	0	201	18
SA	0	0	270	0
WA	0	0	193	-1
EASTERN SEABOARD*	0	0	262	4
NATIONAL	0	0	252	4

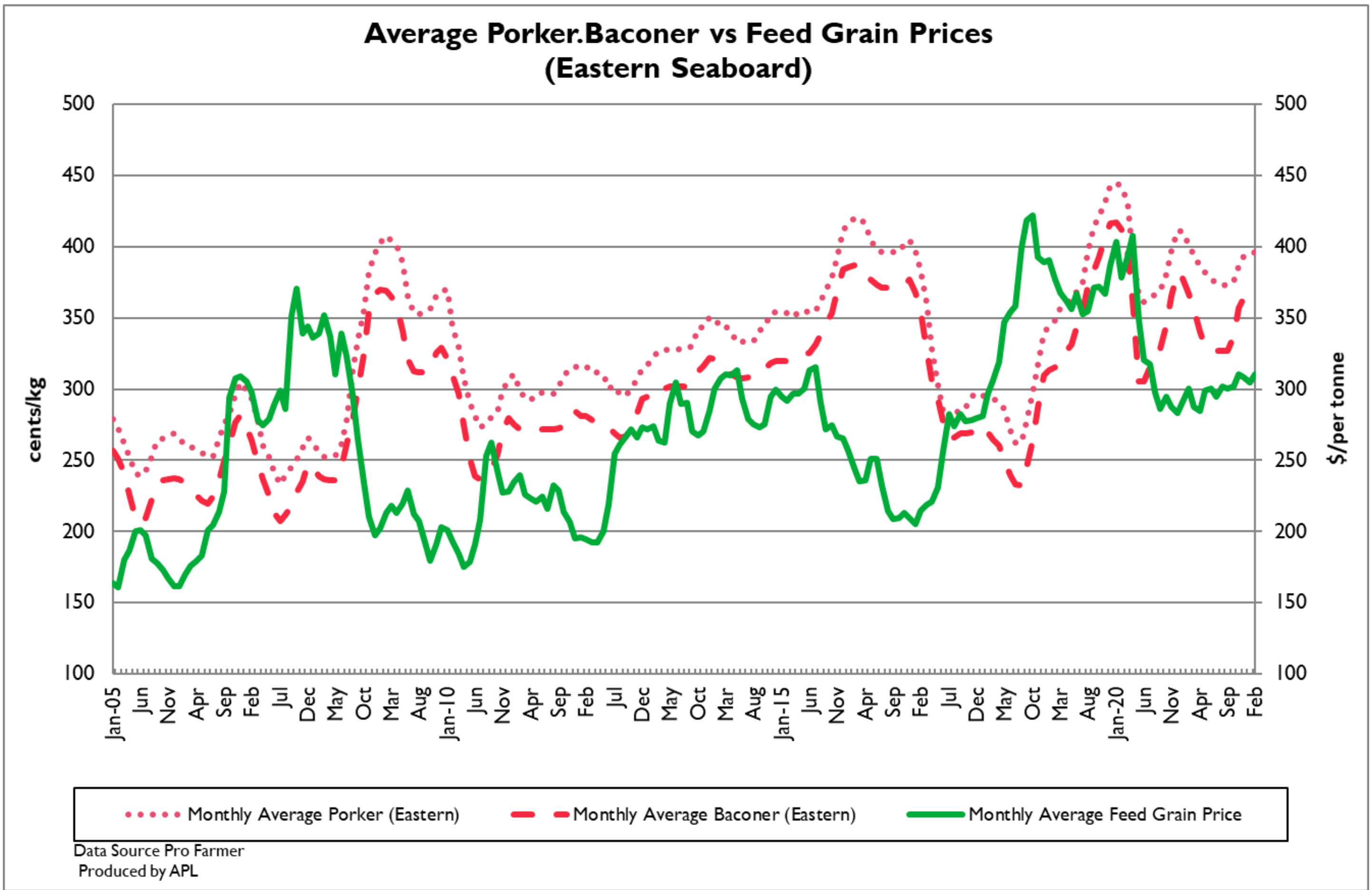
*CH: Denotes change from previous week. *Eastern Seaboard: Includes QLD, NSW, VIC & SA states only.*

SALEYARD PRICES (Buyers)	Baconer price			Porker Price			Numbers Sold	
Source	LW	TW	CH	LW	TW	CH	LW	TW
Toowoomba (QLD)	320	N/A	(320)	323	N/A	(323)	50	N/A

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)*

25/02/2022	CARCASS		BROKEN SALES					
	Pork	Bacon	Legs	Legs Ham Trim	Saddles	Loin	Forequarters	Bellies
TW	599	554	468	572	996	900	428	1190
LW	601	556	468	572	996	893	428	1190
MAT	573	542	453	543	931	815	424	1018
25/02/2022	**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	1364	744	1064	1113	1300	658	916	652
LW	1371	744	1064	1113	1300	658	914	652
MAT	1323	703	1022	1029	967	631	836	616



Weekly Grain Comments

(Source: Profarmer)

To the point:

- International wheat, corn and soybean futures have continued to surge over the last couple of days as Russia continues to invade Ukraine, further disrupting grain shipments from the Black Sea region.
- The Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES) have increased 2021/22 forecasts for all major grain crops across Australia.

Key Market Indicators

02/03/22	CBOT Wheat May 22		AUD/USD	ICE Canola May 22		AUD/CAD	Matif Canola May 22		AUD/EUR
This week	498	984	72.56	1169	1080	92.38	1266	826	65.21
	$A/t	Usc/bu	US c	$A/t	$C/t	CA c	$A/t	€/t	Euro c
Last Week	434	852	72.23	1099	1012	92.09	1145	730	63.70
Change	+ 65	+ 132	+ 0.33	+ 70	+ 68	+ 0.30	+ 121	+ 96	+ 1.51

International and National

International wheat, corn and soybean futures have continued to surge over the last couple of days as Russia continues to invade Ukraine, further disrupting grain shipments from the Black Sea region. Russia and Ukraine produce almost 30% of the world's wheat, with increasing export demand for Australian wheat likely to be constrained by tight logistics with ports at capacity. US corn values are also surging with Ukraine corn exports now effectively unavailable.

Farmers across Ukraine are concerned that the ongoing invasion by Russia will impact next seasons crop with nitrogen application supposed to be taking place over the next fortnight and planting due by the end of March/early April.

South Africa's Crop Estimates Committee (CEC) has published its monthly update with the 2021/22 corn crop forecast at 14.5 million mt, down 11% from last year. The 2021/22 winter wheat estimate was revised up to 2.3 million mt, the biggest crop in the last twenty years.

Thailand's Feed Miller's Association (TFMA) purchased 63,000 mt of Australian feed wheat at $349/mt FOB AUD for shipment between May 15-June 15. The tender concluded just prior to Russia's invasion of Ukraine which sent wheat prices surging.

US energy company Chevron and US agribusiness Bunge agreed to form a joint venture to create renewable feedstocks in the US.

Rainfall has arrived in Argentina over the weekend, providing relief for growers throughout drought-stricken agricultural regions. Rainfall is also forecast for southern areas of Brazil which has also seen drought this season.

The Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES) have increased 2021/22 forecasts for all major grain crops across Australia. Wheat production estimates were raised by a further 1.9 million mt to 36.6 million mt, a record level. Barley production estimate was increased by 400,000 mt to a record high of 13.7 million mt. Canola production was also increased by another 700,000 mt to a national record of 6.4 million mt.

Wheat

QLD/Nth NSW

QLD wheat markets continued to build strength from offshore price movements and port values over the past week. Daily price action has been very volatile. Grower selling has continued to improve with trade demand slowly integrating international futures price movements into local values as merchants look to secure coverage for upcoming shipments. Delivered bids into domestic feed markets are also strengthening with port price movements. Most are now covered well into Q2 with the odd trade short amidst wet conditions also adding support to prices with SFW demand into Asian feed markets continuing to improve.

Sth NSW/VIC/SA

Wheat prices have continued on the same path this week with most grades up about $10-20/t which is relatively stable compared to the volatility being shown in the offshore futures markets. With overseas prices rising sharply compared to the domestic price and no ability to increase grain exports due to Australia's shipping stem operating at capacity, it is uncertain exactly how much that this rise in international price will transfer to the Australian price. However, we have seen an increase in domestic forward contracts. The rise has been seen across all grades from feed wheat through to H1 and the fact it hasn't rallied sharper is a fair indication that buyers still have very good levels of cover. Track markets have improved in line with delivered markets.

Barley

Sth QLD/Nth NSW

Barley prices are gradually firming with spill-over from wheat and potential Ukraine export disruptions driving price moves. Increased demand from the Middle East is also supportive to port bids with export demand expected to hold leading well into the first half of 2022. Feedlot coverage is reportedly adequate for the medium term with Northern NSW supply expected to meet any nearby requirements.

Sth NSW/VIC/SA

Barley pricing is also firmer this week both on track and into delivered markets as nearby demand continues to outstrip supply on any given day. The amount of genuine BAR1 parcels being offered to the market is light on and has many starting to ask the question where all the barley is. Malt spreads also continue to be maintaining at very acceptable levels. The spreads back to BAR2 and BAR3 have narrowed. The spread between feed wheat and barley is remaining stable without narrowing which is hindering potential switching of feed rations into wheat away from barley.

Sorghum

QLD

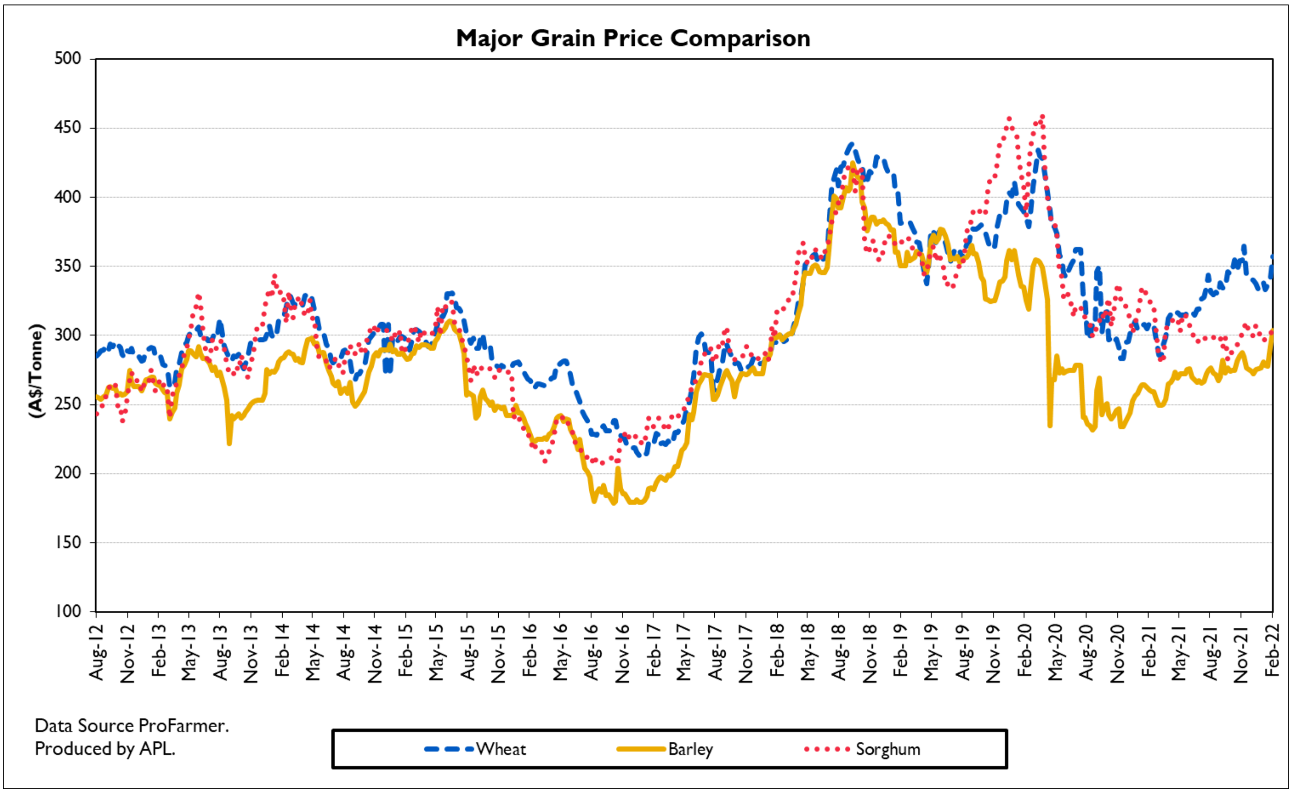
Early sorghum harvest has now stalled with falls of 40 – 150mm heard across most areas. Yields have remained strong in the 5-8t/ ha range leading into last week's event. Grower selling interest is now quiet with most awaiting a return to the paddock to assess crop and moisture before considering further commitments. Track pricing into port for nearby shipments remains the key price point. Local prices remain a function of offshore markets and nearby domestic white grain movements. CBOT corn and Asian feed demand are the key influencers across export markets with Australian port bids still cheap given price relativity to competing global feed grains. ABARES forecast 2022 sorghum harvest is now at 2.62mmt.

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	306	325	19	365	370	5	285	295	10	380	390	10
Feed Barley	290	305	15	276	297	21	247	262	15	285	287	2
Sorghum	302	300	-2	330	340	10	272	284	12	296	303	7
Soy meal	920	914	-6	920	914	-6	940	934	-6	920	914	-6
Canola meal	540	540	0	545	545	0	480	480	0	480	480	0
Cotton seed	848	852	4	808	812	4	818	822	4	808	812	4
	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	299	316	17	323	334	11	335	340	5	302	319	17
Feed Barley	256	268	12	258	270	12	300	305	5	264	277	13
Triticale	265	275	10	265	275	10	337	340	3	337	340	3
Soy meal	955	949	-6	950	944	-6	950	944	-6	940	934	-6
Canola meal	495	495	0	520	520	0	505	505	0	520	520	0
	Delivered Geelong			Delivered Adelaide			Delivered Fremantle					
	LW	TW	CH	LW	TW	CH	LW	TW	CH			
Feed Wheat	358	380	22	358	378	20	345	380	35			
Feed Barley	315	320	5	327	347	20	294	305	11			
Soy meal	920	914	-6	940	934	-6	NA	NA	NA			
Canola meal	505	505	0	550	550	0	515	515	0			
Feed Oats	305	305	0	330	340	10	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.



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