

Australian Oilseeds Federation

Crop Report



June 2012

Canola 2012/13

2011/12 Interim Final		2012/13 June Estimate	
		Area Planted (hectares)	Production (tonnes)
NSW	390,000	720,000	670,000
Vic	370,000	770,000	420,000
SA	255,000	455,000	280,000
WA	800,000	1,240,000	940,000
Total	1,815,000	3,185,000	2,310,000
<i>Source: Industry Estimates: 8/6/2012</i>			

A re-appraisal of area devoted to canola in NSW, together with the timely arrival of much needed rain in many districts has lifted the forecast area and yield significantly versus last month. Area lifted by 120,000 Ha, which combined with the yield increases in SA and WA has lifted projected harvested tonnage by 230,000 tonnes to 3.196 million tonnes.

In **NSW**, a review by the state DPI has triggered a lift in the estimated overall area devoted to canola, despite there being some districts where area diminished due to crop losses resulting from lack of moisture. Most of May was dry across the State, with below average rainfall in most districts. Widespread rain in the last week of May, and variable follow-up rain in early June has served the crop well, triggering germination in dry-sown crops and giving early emerging seedlings a well needed boost. The rain did not extend to the south west of the state to any degree, where there remains staggered emergence.

The early sown crops are progressing well, being at cabbage stage with good ground cover by mid June. Later sown crops are at the 2-4 leaf stage. Some of the very early sown crops will be opened for grazing this month.

Insect damage to date has been moderate, with slugs and earwigs being the main concern, albeit it in limited areas. While disease levels are reported as low at this very early stage, reports of 'significant' planting of canola on last year's stubble may lead to a higher incidence of blackleg this year.

In **Victoria**, some areas of the Mallee are very dry, with little or any rainfall to date. The Wimmera is also predominantly dry,

despite the presence of occasional showers, and is in need of follow-up rain to ensure effective establishment and early growth. Where rain has fallen, weeds are beginning to emerge.

The overall situation in **South Australia** is good. On Eyre Peninsula there are crops that have a split germination, but generally the crops are looking good. Some crops in the South East were wind damaged with very strong winds in late May, but generally survived except for a few that may be re-sown. Many crops in the Mallee were sown early and deeper in order to maximise the use of existing moisture. Elsewhere, many paddocks were sown dry and needed the rain in late May to trigger germination. No significant pest issues at this stage, other than the expected snails, earwigs and millipedes.

For **Western Australia**, much of May and the first week of June experienced very dry conditions over much of the cropping districts, with the possibility of some canola area being lost in the Geraldton and Kwinana port zones. Crops that germinated on the back of early May rain had survived, and are doing well, particularly in the south and Esperance zone, and benefited greatly from the June rainfall. Subsequent rain through to mid-June has served the crops well, and while too late for re-sowing in the dry affected areas in the north, has strengthened establishment and early growth in other areas.

Sunflowers

2010/11 Final		2011/12 Estimate	
		Harvested Area (hectares)	Production (tonnes)
NSW	19,400	31,000	30,700
Vic	0		4,700
QLD	11,000	13,000	27,800
Total	30,400	44,000	63,200

Source: Industry Estimates: 8/6/2012

Updated forecasts show a slight decline on projected yield for sunflowers in Queensland and Victoria, compared to last month, largely offset by gains in NSW. At 87,000 tonnes, this will still be one of the largest harvests for 5-6 years.

Around 95% of the crop is of the high oleic variety, the balance split between poly (4%) and birdseed/confectionary at 1%.

In Central Qld, around 15,000 Ha of monos are planted, with good recent rains and no reports of TSV or powdery mildew to date. On the Darling Downs, despite some recent frosts, the crop is looking good with strong grower interest to go early with sunflower at the end of spring if appropriate conditions prevail. No significant pest or disease issues reported.

On the Liverpool Plains in NSW, the impact of loopers (caterpillars) and poor pollination resulted in disappointing yields, and with arrival of heavy rain, any late harvesting may now be difficult. In Victoria, the irrigated crops performed extremely well with reports of 4-5 t/ha, with dryland crops also good at 1.2t/Ha. There is also strong grower interest once again for sunflowers for the next season.

Global Snapshot

The USDA released its WASDE report this week, indicating that global oilseed production will be lower for the coming season as a result of reduced soy and cottonseed production. The decline is driven by a shift from soy to corn in China, a reduction in cotton planting in Brazil, rapeseed reduction in rapeseed in the EU and soybeans in Argentina. This are expected to be partly offset by increases in rapeseed production in Russia and increased sunflower production in the EU.

Reduced demand for biodiesel and return to typical South American soy crops is expected to soften the underlying firmness in oilseed prices over the coming year, with Oilworld projecting a 2-6% deflation of oilseed prices for the year ahead, concentrated on the second half.

Upcoming Events

Australian Grains Industry Conference:

July 30-Aug 1, Melbourne

Details at: <http://www.ausgrainsconf.com/>

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