

Cropping



April Monthly Update



Rod Baker
Agricultural Analyst

Key Watchpoints – April

- Weather will remain in focus as we head into the seeding window, particularly across southern cropping regions where conditions remain critically dry.
- China's subdued buying remains a key uncertainty for our wheat markets. Policy restrictions and soft domestic prices are curbing import demand.
- Barley export demand remains robust with ending stocks drawing down. We could see some price demand rationing to curb exports if domestic feed demand in southern states stay elevated due to dry conditions.

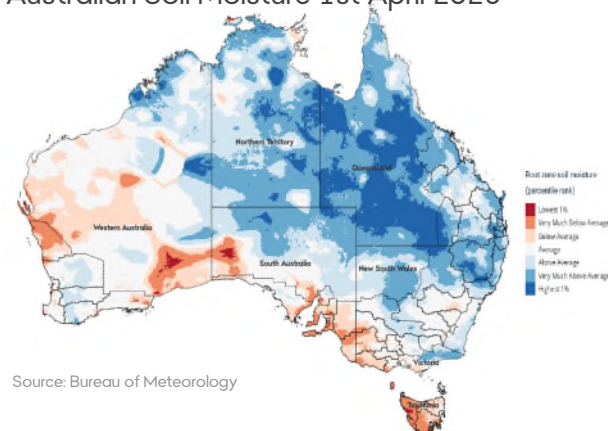
Early season outlook: A mixed bag

Above average rainfall in March has proven to be a double-edged sword for growers across Queensland and northern New South Wales. On the upside, widespread falls have recharged soil moisture profiles, setting up favourable conditions ahead of winter crop planting. However, the same rainfall has disrupted summer crop harvesting and introduced uncertainty around final yields and grain quality.

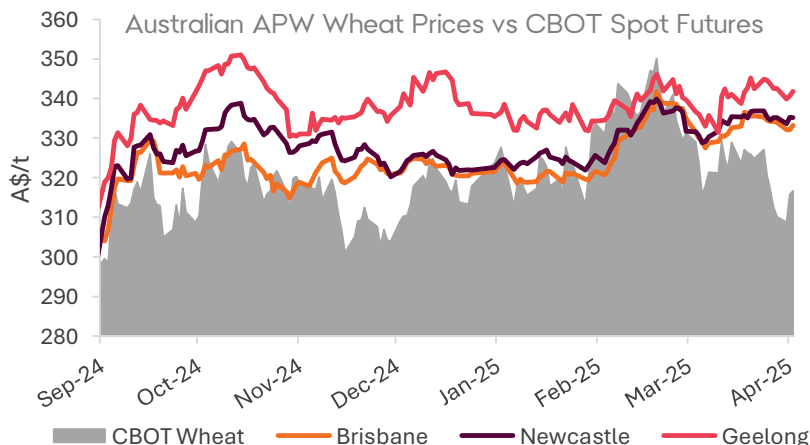
Further south, rainfall totals dropped off markedly as persistent high-pressure systems blocked the inland advance of tropical moisture. Much of Victoria and South Australia remain critically dry, with little relief recorded over the month. In Western Australia, most cropping regions received average to above-average rainfall through March, with the notable exception of the Geraldton region, which remained drier than usual.

Looking ahead, the 8-day forecast is showing promising falls of 10-50mm for central Queensland and much of Western Australia. However, most other cropping regions are expected to largely miss out in the short term. That said, there's still ample time for seasonal weather systems to deliver the moisture needed to support a strong start to planting. It remains too early for any firm speculation on how the season will unfold.

Australian Soil Moisture 1st April 2025

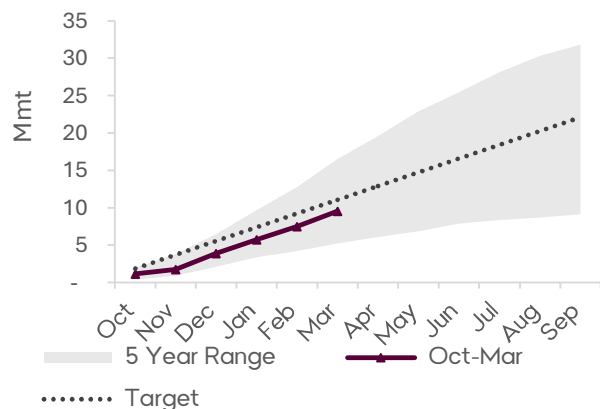


Source: Bureau of Meteorology

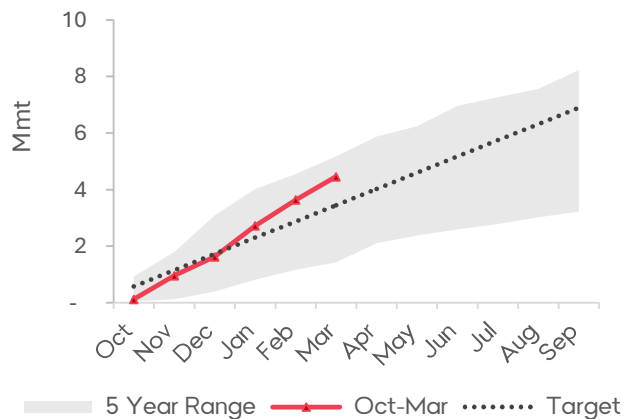


Source: Profarmer Australia

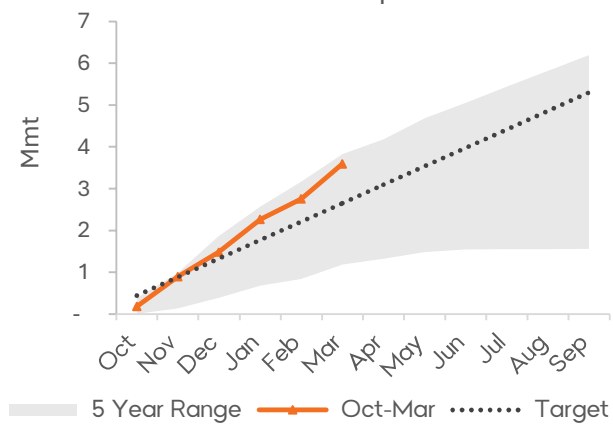
2024/25 Wheat Export Pace



2024/25 Barley Export Pace



2024/25 Canola Export Pace



Source: ABS & ACF

Focusing on fundamentals amid market noise

Recent grains market activity has been heavily influenced by factors unrelated to supply and demand – most notably, the Trump administration’s reintroduction of tariffs. While these trade tensions are expected to shift global trade flows over time, the extent to which they will impact overall demand remains uncertain.

Given this backdrop, this month’s report will focus on core supply and demand fundamentals, and more specifically, where Australian grain stocks are likely to sit at the end of the 2024/25 marketing year. With the season now at the halfway mark, current and forward-looking export data provides a solid guide as to how stock levels may evolve.

Wheat exports lag as China stays on the sidelines

Wheat exports continue to lag, with exporters reporting limited offshore interest. As of March, cumulative wheat shipments are estimated at 9.8 million tonnes, which is 11.2 per cent behind the pace required to meet our 22.1 million tonne export estimate for the 2024/25 marketing year.

The key missing piece remains China, with just over 500 thousand tonnes shipped so far this season – well down on the 2.9 million tonnes at the same point last year. Without a lift in Chinese demand and a sharper export pace, it will be difficult to meet current projections. If

shipments remain sluggish, the carryout – currently estimated at five million tonnes – could build further, adding pressure to values and storage ahead of harvest. While national stock levels are expected to be heavy; conditions will remain mixed at a state level. Western Australia is likely to carry significant supply due to strong production and slower exports, whereas Victoria and South Australia are expected to remain tight, reflecting lower production and firm domestic demand amid ongoing dry conditions.

Barley and canola exports exceed expectations

A front-loaded export program has seen both barley and canola tracking well ahead of pace to meet full-season estimates. As of the end of March, barley exports are estimated at 4.53 million tonnes, which is 31 per cent above the pace required to reach our 6.9 million tonne forecast. Canola exports are even further advanced, with shipments estimated at 3.65 million tonnes, placing them 38 per cent ahead of the pace needed to hit the 5.3 million tonne target.

While global market uncertainty remains elevated, Australia is unlikely to face burdensome stock levels for barley and canola heading into the new marketing year. Strong early-season exports have kept both commodities well balanced. In contrast, a heavier wheat carryout will leave local values more exposed to global market forces, particularly in the absence of a demand recovery from key buyers like China.

This report has been created by Bendigo Bank Agribusiness Insights. It is intended to provide general information on a particular subject or subjects and is not an exhaustive treatment of such subject(s). The information herein is believed to be reliable and includes information obtained from official or other sources considered reliable. Bendigo and Adelaide Bank makes no representation as to or accepts any responsibility for the accuracy or completeness of information contained in this report. Any opinions, estimates and projections in this report do not necessarily reflect the opinions of Bendigo and Adelaide Bank and are subject to change without notice. Bendigo and Adelaide Bank has no obligation to update, modify or amend this report or to otherwise notify a recipient thereof in the event that any opinion, forecast or estimate set forth therein, changes or subsequently becomes inaccurate. Information contained in this report does not take into account your personal circumstances and should not be relied upon without consulting your legal, financial, tax or other appropriate professional.

Bendigo Bank Agribusiness Insights is a division of Bendigo and Adelaide Bank Limited ABN 11 068 049 178 AFSL/Australian Credit Licence 237879.