Summary of key issues

- During the week ending 16 May 2018 little to no rainfall was recorded across much of mainland Australia, with falls being restricted to south-eastern corner of the country.

- Temperatures continued to be much warmer than average across western areas of Western Australia during the week ending 15 May 2018. Maximum temperatures were generally close to average for the remainder of the country. In contrast, minimum temperatures were 2°C to 6°C below average across large areas of northern and eastern Australia.

- Persistent summer-like heat that sets many April records has continued over agricultural regions of Western Australia during the first half of May. Over the past week, warm northerly winds saw many northern agricultural regions record one of their latest days in autumn above 32°C, which is in excess of 10°C warmer than the maximum mean temperature for this time of year. The combination of these well above average temperatures and little to no rainfall during May-to-date is likely to have increased moisture stress in early sown winter cereal, pulse and oilseed crops, and reduced pasture growth and availability.

- The mid-month climate outlook for winter (June to August) 2018 indicates that there is no strong tendency towards either wetter or drier than average conditions for most of Australia. The main exceptions are in west of Western Australia, where a drier season is more likely, and in the country's far southeast, where a wetter season is favoured.

- During the next eight days, little to no rainfall is expected across most of the country. Totals between 10 and 50 millimetres are forecast for isolated coastal regions of Queensland and southern Victoria. Heavier falls are forecast for western Tasmania.

- Water storage levels in the Murray–Darling Basin (MDB) increased during the week ending 17 May 2018 by 61 gigalitres (GL) to 11,074 GL and are at 49 per cent of total capacity. This is 18 percentage points or 4,141 GL less than at the same time last year.

- Allocation prices in the southern Murray–Darling Basin increased slightly in the week ending 17 May 2018 to $163 per ML. This is an increase of $1 from the same time last week.
1. Climate

1.1. Rainfall this week

During the week ending 16 May 2018 little to no rainfall was recorded across much of mainland Australia, with falls being restricted to south-eastern corner of the country. Rainfall totals of between 10 and 50 millimetres were recorded across much of south-eastern New South Wales, southern Victoria, Tasmania and south-eastern agricultural regions of South Australia. Higher totals of between 50 and 200 millimetres were recorded across parts of south-western and alpine regions of Victoria, and much of southern and eastern Tasmania. The highest recorded weekly total was 267 millimetres at Mount Wellington north of Hobart.

Rainfall for the week ending 16 May 2018
1.2. Temperature anomalies this week

Temperatures continued to be much warmer than average across western areas of Western Australia during the week ending 15 May 2018. Maximum temperatures were generally close to average for the remainder of the country. In contrast, minimum temperatures were 2°C to 6°C below average across large areas of northern and eastern Australia.

Persistent summer-like heat that sets many April records has continued over agricultural regions of Western Australia during the first half of May. The warm weather has been brought on by a high-pressure system and a trough of low pressure off the coast producing a north to north-easterly wind flow over western parts of Western Australia. The warm winds saw many northern agricultural regions record one of their latest days in autumn above 32°C, which is in excess of 10°C warmer than the maximum mean temperature for this time of year. The combination of these well above average temperatures and little to no rainfall during May-to-date is likely to have increased moisture stress in early sown winter cereal, pulse and oilseed crops, and reduced pasture growth and availability.

![Map showing temperature anomalies for the week ending 15 May 2018](image-url)

Note: Spatial temperature analyses are based on historical weekly temperature data provided by the Bureau of Meteorology. These temperature anomaly maps show the departure of the maximum and minimum temperatures from the average over the 1961 to 1990 reference period. For further information go to: [http://www.bom.gov.au/jsp/awap/temp/index.jsp](http://www.bom.gov.au/jsp/awap/temp/index.jsp).
1.3. Mid-month National Climate Outlook

The rainfall and temperature outlooks presented below show the likelihood, represented as a percentage, of experiencing wetter or drier (and warmer or cooler) than median climatic conditions for the given outlook periods. Climate outlooks are generated by the Predictive Climate Ocean Atmosphere Model for Australia (POAMA), a dynamical (physics-based) climate model developed by the Bureau of Meteorology and CSIRO Marine and Atmospheric research division.

For further information, go to http://www.bom.gov.au/climate/ahead/about/

The current outlook reflects the neutral state of broad scale climate drivers, such as El Niño and La Niña and the Indian Ocean Dipole (IOD), meaning they are currently having little influence on Australia’s climate. Therefore, there is no strong shift in the outlook towards widespread wetter or drier conditions across most of Australia.

When broad scale drivers are neutral, the climate is often influenced by more local effects, such as the ocean temperature immediately surrounding the continent. Warmer than average temperatures currently in the Tasman Sea and associated low pressure may act to bring more onshore wind and rainfall to eastern Victoria and northeast Tasmania. Westerly winds that flow across southern Australia at this time of year are also likely to be weaker – reducing the chance of rainfall in the west of Western Australia.

There are roughly equal chances of a wetter or drier than average June for most of the country. Parts of inland Victoria and New South Wales have a moderate chance of a dry start to winter, as does the west of Western Australia (Bureau of Meteorology ‘National Climate Outlook’, 17 May 2018).

Chance of exceeding the median rainfall June 2018
The rainfall outlook for winter (June to August) 2018 indicates that there is no strong tendency towards either wetter or drier than average conditions for most of Australia. The main exceptions are in the west of Western Australia, where a drier season is more likely, and in the country’s far southeast, where a wetter season is favoured. (Bureau of Meteorology ‘National Climate Outlook’, 17 May 2018).

Chance of exceeding the median rainfall June to August 2018
The maximum temperature outlook for winter 2018 indicates no strong signal toward either above or below temperatures for much of Australia. Both daytime and night-time winter temperatures are more likely to be warmer than average across southern Australia, while night-time winter temperatures are favoured to be cooler than average in Queensland (Bureau of Meteorology ‘National Climate Outlook’, 17 May 2018).

**Chance of exceeding the median maximum temperature June to August 2018**

![Map showing the chance of exceeding the median maximum temperature June to August 2018](image1)

**Chance of exceeding the median minimum temperature June to August 2018**

![Map showing the chance of exceeding the median minimum temperature June to August 2018](image2)
1.4. Rainfall forecast for the next eight days

During the next eight days, little to no rainfall is expected across most of the country. Totals between 10 and 50 millimetres are forecast for isolated coastal regions of Queensland and southern Victoria. Heavier falls of between 50 and 200 millimetres are forecast for western Tasmania.

This rainfall forecast is produced from computer models. As it contains no input from weather forecasters, it is important to check local forecasts and warnings issued by the Bureau of Meteorology.

Total forecast rainfall (mm) for the period 17 May to 24 May 2018

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Issued: 17/5/2018
2. Water

2.1. Water availability

Water storage levels in the Murray–Darling Basin (MDB) increased during the week ending 17 May 2018 by 61 gigalitres (GL) to 11,074 GL and are at 49 per cent of total capacity. This is 18 percentage points or 4,141 GL less than at the same time last year.

Information on water available in dams used for irrigation in the Murray–Darling Basin from 1 January 2001 to 17 May 2018 is shown above. The top horizontal (short dash) line indicates the storage level during a similar time last year. The bottom horizontal (long dash) line indicates the amount of ‘dead’ or unusable storage.
2.2. Water allocations

On 15 May 2018 NSW Department of Primary Industries – Water announced allocation increases of 4 per cent for NSW Murrumbidgee general security to 45 per cent.

The current water allocations for the 2017–18 water trading season for licence holders in New South Wales, Victoria and South Australia water systems are summarised in the following table and charts.

| Water allocations in the Murray–Darling Basin (NSW, Victoria and South Australia) |
|---|---|---|---|
| **Allocations at** | 17 May 2018 | 10 May 2018 |
| **New South Wales** | General security | High security | General security | High security |
| NSW Murray | 51% | 97% | 51% | 97% |
| NSW Murrumbidgee | 45% | 95% | 41% | 95% |
| NSW Lower Darling | 100% | 100% | 100% | 100% |
| NSW Macquarie and Cudgegong | 38% | 100% | 38% | 100% |
| NSW Hunter | 100% | 100% | 100% | 100% |
| NSW Lachlan | 2% | 100% | 2% | 100% |
| NSW Lower Namoi | 7% | 100% | 7% | 100% |
| NSW Upper Namoi | 100% | 100% | 100% | 100% |
| NSW Gwydir | 18% | 100% | 18% | 100% |
| NSW Border Rivers | 100%(a)/19.62%(b) | 100% | 100%(a)/19.62%(b) | 100% |
| NSW Peel | 100% | 100% | 100% | 100% |
| **Victoria** | Low reliability | High reliability | Low reliability | High reliability |
| Victoria Murray | 0% | 100% | 0% | 100% |
| Victoria Goulburn | 0% | 100% | 0% | 100% |
| Victoria Campaspe | 59% | 100% | 59% | 100% |
| Victoria Loddon | 0% | 100% | 0% | 100% |
| Victoria Bullarook | 100% | 100% | 100% | 100% |
| Victoria Broken | 100% | 100% | 100% | 100% |
| **South Australia** | Class 3a/3b | Class 3a/3b |
| South Australia Murray | 100% | 100% |
Select water allocation percentages in the southern Murray–Darling Basin
2.3. Water markets

Allocation prices in the southern Murray–Darling Basin increased slightly in the week ending 17 May 2018 to $163 per ML. This is an increase of $1 from the same time last week. This contrasts with an average price of $134 in April across the whole southern MDB, and $32 during the same month last year.

Allocation trade activity in the southern Murray–Darling Basin

The trades shown reflect market activity and do not encompass all register trades. The price line reflects locally fitted price values for the entire southern Murray–Darling Basin. Data shown is current until 17 May 2018. Trade activity is shown as colour density.

| Allocation trade prices, southern Murray–Darling Basin trade zones (price per ML) |
|------------------------------------------|----------------|----------------|----------------|----------------|
|                                 | Southern MDB | Victoria Goulburn | SA Murray | NSW Murrumbidgee |
| Current week: 11/05/18 – 17/05/18     | $162.52      | $161.07          | $154.72     | $182.28         | $160.25         | $160.05         |
| Last week: 04/05/18 – 10/05/18       | $161.03      | $159.05          | $151.91     | $180.47         | $158.31         | $163.80         |
| April 2018                            | $133.57      | $124.68          | $131.26     | $157.70         | $136.67         | $134.22         |
| April 2017                            | $31.95       | $42.99           | $42.03      | $10.72          | $42.52          | $35.65          |
## 3. Commodities

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Week ended</th>
<th>Unit</th>
<th>Latest price</th>
<th>Price week prior</th>
<th>Weekly change</th>
<th>Price 12 months prior</th>
<th>Year on year change</th>
</tr>
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<tbody>
<tr>
<td><strong>Selected World Indicator Prices</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Australian Dollar – AUD/USD Exchange Rate</td>
<td>16-May</td>
<td>US$/A$</td>
<td>0.75</td>
<td>0.75</td>
<td>0%</td>
<td>●</td>
<td>0.74</td>
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<tr>
<td>Wheat – US no. 2 hard red winter wheat, fob Gulf</td>
<td>15-May</td>
<td>US$/t</td>
<td>242</td>
<td>252</td>
<td>-4%</td>
<td>●</td>
<td>199</td>
</tr>
<tr>
<td>Coarse Grains – US no. 2 yellow corn, fob Gulf</td>
<td>16-May</td>
<td>US$/t</td>
<td>180</td>
<td>179</td>
<td>&lt;1%</td>
<td>●</td>
<td>158</td>
</tr>
<tr>
<td>Canola – Rapeseed, Europe, fob Hamburg</td>
<td>15-May</td>
<td>US$/t</td>
<td>410</td>
<td>402</td>
<td>2%</td>
<td>●</td>
<td>430</td>
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<tr>
<td>Cotton – Cotlook ‘A’ Index</td>
<td>16-May</td>
<td>USc/lb</td>
<td>93.0</td>
<td>93.3</td>
<td>&lt;1%</td>
<td>●</td>
<td>90.6</td>
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<tr>
<td>Sugar – Intercontinental Exchange, nearby futures, no.11 contract</td>
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<td></td>
</tr>
<tr>
<td>Wool – Eastern Market Indicator</td>
<td>10-May</td>
<td>Ac/kg clean</td>
<td>1,891</td>
<td>1,836</td>
<td>3%</td>
<td>●</td>
<td>1,534</td>
</tr>
<tr>
<td>Wool – Western Market Indicator</td>
<td>11-May</td>
<td>Ac/kg clean</td>
<td>2,018</td>
<td>1,952</td>
<td>3%</td>
<td>●</td>
<td>1,527</td>
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<tr>
<td><strong>Selected domestic crop indicator prices</strong></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Milling Wheat – ASW1, track quote, Port Adelaide, SA</td>
<td>15-May</td>
<td>A$/t</td>
<td>271</td>
<td>265</td>
<td>2%</td>
<td>●</td>
<td>192</td>
</tr>
<tr>
<td>Feed Wheat – General purpose, Sydney, NSW</td>
<td>15-May</td>
<td>A$/t</td>
<td>315</td>
<td>315</td>
<td>0%</td>
<td>●</td>
<td>235</td>
</tr>
<tr>
<td>Feed Barley – Sydney, NSW</td>
<td>15-May</td>
<td>A$/t</td>
<td>322</td>
<td>322</td>
<td>0%</td>
<td>●</td>
<td>211</td>
</tr>
<tr>
<td>Canola – Portland, Vic.</td>
<td>14-May</td>
<td>A$/t</td>
<td>515</td>
<td>517</td>
<td>&lt;1%</td>
<td>●</td>
<td>520</td>
</tr>
<tr>
<td>Grain Sorghum – Sydney, NSW</td>
<td>15-May</td>
<td>A$/t</td>
<td>395</td>
<td>395</td>
<td>0%</td>
<td>●</td>
<td>270</td>
</tr>
<tr>
<td><strong>Selected domestic livestock indicator prices</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beef – Eastern Young Cattle Indicator</td>
<td>10-May</td>
<td>Ac/kg cwt</td>
<td>484</td>
<td>500</td>
<td>-3%</td>
<td>●</td>
<td>634</td>
</tr>
<tr>
<td>Mutton – Mutton indicator (18–24 kg fat score 2–3), Vic</td>
<td>11-May</td>
<td>Ac/kg cwt</td>
<td>460</td>
<td>448</td>
<td>3%</td>
<td>●</td>
<td>530</td>
</tr>
<tr>
<td>Lamb – Eastern States Trade Lamb Indicator</td>
<td>10-May</td>
<td>Ac/kg cwt</td>
<td>598</td>
<td>595</td>
<td>&lt;1%</td>
<td>●</td>
<td>641</td>
</tr>
<tr>
<td>Pig – Eastern Seaboard (60.1–75 kg), average of buyers &amp; sellers</td>
<td>04-May</td>
<td>Ac/kg cwt</td>
<td>260</td>
<td>269</td>
<td>-3%</td>
<td>●</td>
<td>300</td>
</tr>
<tr>
<td>Goat – Eastern States (12.1–16 kg)</td>
<td>14-May</td>
<td>Ac/kg cwt</td>
<td>484</td>
<td>464</td>
<td>4%</td>
<td>●</td>
<td>656</td>
</tr>
<tr>
<td>Live cattle – Light steers ex Darwin to Indonesia</td>
<td>12-May</td>
<td>Ac/kg lwt</td>
<td>280</td>
<td>280</td>
<td>0%</td>
<td>●</td>
<td>320</td>
</tr>
<tr>
<td>Live sheep – Live wether (Muchea WA saleyard) to Middle East</td>
<td>14-May</td>
<td>$/head</td>
<td>95</td>
<td>na</td>
<td></td>
<td></td>
<td>116</td>
</tr>
<tr>
<td>Indicator</td>
<td>Week ended</td>
<td>Unit</td>
<td>Latest price</td>
<td>Price week prior</td>
<td>Weekly change</td>
<td>Price 12 months prior</td>
<td>Year on year change</td>
</tr>
<tr>
<td>-----------</td>
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<td>--------------</td>
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<td>----------------------</td>
<td>---------------------</td>
</tr>
<tr>
<td>Dairy – Whole milk powder</td>
<td>15-May</td>
<td>US$/t</td>
<td>3,226</td>
<td>3,231</td>
<td>&lt;1%</td>
<td>3,312</td>
<td>-3%</td>
</tr>
<tr>
<td>Dairy – Skim milk powder</td>
<td>15-May</td>
<td>US$/t</td>
<td>2,047</td>
<td>1,999</td>
<td>2%</td>
<td>1,998</td>
<td>2%</td>
</tr>
<tr>
<td>Dairy – Cheddar cheese</td>
<td>15-May</td>
<td>US$/t</td>
<td>4,205</td>
<td>4,024</td>
<td>4%</td>
<td>3,726</td>
<td>13%</td>
</tr>
<tr>
<td>Dairy – Anhydrous milk fat</td>
<td>15-May</td>
<td>US$/t</td>
<td>6,354</td>
<td>6,032</td>
<td>5%</td>
<td>6,631</td>
<td>-4%</td>
</tr>
</tbody>
</table>

*a Global Dairy Trade prices are updated twice monthly on the first and third Tuesday of each month.*
3.1. Selected world indicator prices

World wheat indicator price
US No. 2, hard red winter wheat, fob Gulf
Week ended 15 May 2018

![Graph of World wheat indicator price]

World coarse grains indicator price
US corn No. 2, fob Gulf
Week ended 16 May 2018

![Graph of World coarse grains indicator price]

World canola indicator price
Europe fob Hamburg
Week ended 15 May 2018

![Graph of World canola indicator price]

World cotton indicator price
Cotlook 'A' index
Week ended 16 May 2018

![Graph of World cotton indicator price]
3.2. Global Dairy Trade (GDT) weighted average prices

**Whole milk powder price**
15 May 2018

**Skim milk powder price**
15 May 2018

**Cheddar cheese price**
15 May 2018

**Anhydrous milk fat price**
15 May 2018
3.3. **Selected domestic crop indicator prices**

**Grain sorghum indicator price**
Sydney, NSW
Week ended 15 May 2018

**Feed barley indicator price**
Sydney, NSW
Week ended 15 May 2018

**Feed wheat indicator price**
General Purpose, Sydney, NSW
Week ended 15 May 2018

**Milling wheat indicator price**
ASW1, track quote, Port Adelaide, SA
Week ended 15 May 2018
3.4. Selected domestic livestock indicator prices

Eastern Young Cattle Indicator
Week ended 10 May 2018

Eastern States Trade Lamb Indicator
Week ended 10 May 2018

Mutton indicator price in Victoria
(18–24 kg fat score 2–3)
Week ended 11 May 2018

Pig indicator price Eastern Seaboard
(60.1–75 kg)
Week ended 4 May 2018
3.5. Selected fruit and vegetable prices – week ended 17 May 2018

Weekly wholesale prices for blueberry, pineapple (smoothleaf), watermelon (seedless) & banana (cavendish)

Weekly wholesale prices for kiwifruit (hayward), strawberry, apple (royal gala) & avocado (hass)

Weekly wholesale prices for onion (brown), cauliflower, potato (white, brushed) & tomato (field gourmet)

Weekly wholesale prices for broccoli, lettuce (iceberg), pumpkin (grey bulk) & bean (round stringless)
4. Data attribution

Climate
Bureau of Meteorology

Water
New South Wales

Queensland
- Sunwater: www.sunwater.com.au
- Seqwater: http://seqwater.com.au

South Australia
- South Australian Department of Environment, Water and Natural Resources: www.environment.sa.gov.au

Victoria
- Goulburn–Murray Water: www.g-mwater.com.au

Commodities
Fruit and vegetables
- Datafresh: www.freshstate.com.au

Pigs
- Australian Pork Limited: www.australianpork.com.au

Canola
- Weekly Times: hardcopy

Dairy
- World wheat, canola
- International Grains Council
- World coarse grains
- United States Department of Agriculture
- World cotton
- Cotlook: www.cotlook.com/
- World sugar
- New York Stock Exchange - Intercontinental Exchange
- Wool
- Milling wheat
- ProFarmer
- Domestic wheat, barley, sorghum
- The Land: hardcopy or online at www.theland.farmonline.com.au/markets

Domestic canola
- The Weekly Times: hardcopy
- Cattle, beef, mutton, lamb, goat and live export