Input Cost Rises Eat Into Farming Margins

Australia Agribusiness Monthly

April 2022

RaboResearch
Food & Agribusiness

Rabobank

Commodity Outlook

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Commodities	The war in Ukraine keeps prices of key commodities like grains, oilseeds, energy and fertilizers volatile. Exports from the region remain severely disrupted, heavily tightening global supplies, especially for import countries.
Grains & Oilseeds	War updates and tight stocks are expected to prolong the exaggerated volatility in G&O markets, with no near-term reprieve from historically high pricing. CBOT wheat fell below USD 10/bu, but can only stay there if Russian wheat finds its way to importers, and Ukrainian farmers don't massively cut grain production, and are able to export.
Dairy	Record milk price signals have already been released for the 2022/23 season. A global supply crunch continues to support commodity prices, which will support farmgate milk prices in the new season.
Beef	Dry conditions in the north are forcing earlier cattle sales. This increase in numbers is expected to cause downward pressure on young cattle prices, and, as a result, we believe the EYCI will drift down. Finished cattle prices should remain more stable.
Sheepmeat	Good seasonal conditions and strong export markets are expected to balance the increased lamb supply, and we expect prices to remain flat over coming months.
Cotton	A moderate mid-year step down in cotton pricing is expected, while substantial demand concerns are weighing on our expectations for 2023.
Wool	Increases in apparel sales – including US sporting apparel imports containing wool – in key markets, provide favorable upside to wool prices. However, building economic uncertainty and constraints on consumer spending could still lead to downside price movement.
Downstream Markets	February marked a milestone for Australia's foodservice market. The Australian domestic market has opened up and there has been a normalization of consumer behaviour.
Farm Inputs	Unfortunately for local farmers, we think it is unlikely any significant price relief will be felt before the end this winter and spring.
FX/Interest Rates	AUD has been the best-performing G10 currency given the war-driven commodity price hike and strong economic growth outlook. RBA interest rate hikes are getting more likely in 2022 as inflation is a key issue.
Oil/Freight	Oil prices close to USD 100/bbl keep Australian fuel prices expensive. Bulk freight rates have firmed since the beginning of the war and the slow decline of container freight rates has halted for now.

A Wetter Than Usual Dry Season

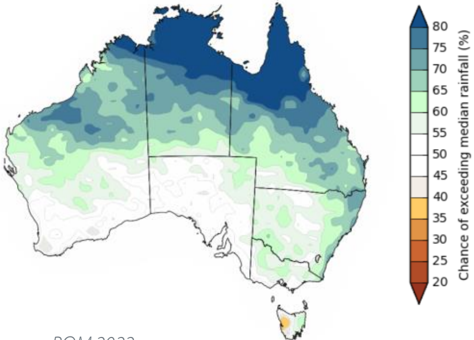
The Bureau of Meteorology (BOM) expects that it will be a wetter-than-usual dry season for Australia's north.

For Australia's southern productive regions, BOM's outlook is more moderate, with only about a 50% chance of exceeding median rainfall over the next three months. While the La Niña event continues to weaken, the system still has an influence over wetter-than-average conditions in the nations north and east.

International climate model suggest that the Indian Ocean Dipole (IOD) will move negative over the winter. BOM also notes the accuracy of models is very low during this period. A negative IOD during winter typically delivers above average rainfall to southern Australia.

A wet dry season?

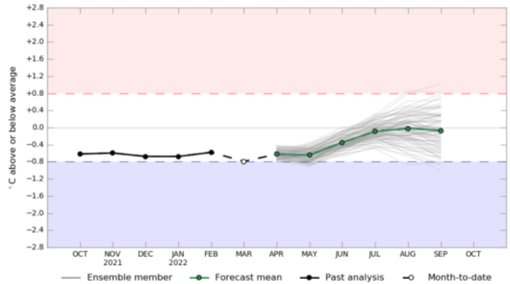
March – May 2022 rainfall outlook



Source: BOM 2022

La Niña event has continued to weaken

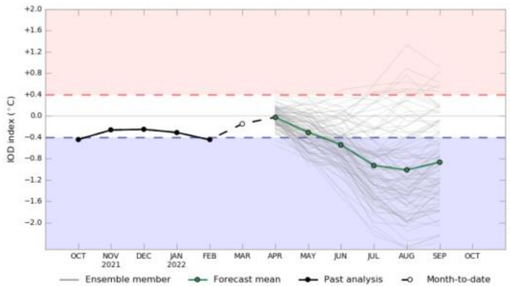
Monthly sea surface temperature anomalies for the central Pacific Ocean



Source: BOM 2022

IOD forecast to move negative

Monthly sea surface temperature anomalies for the Indian Ocean



Source: BOM 2022

Rain Continued To Lash East Coast During March

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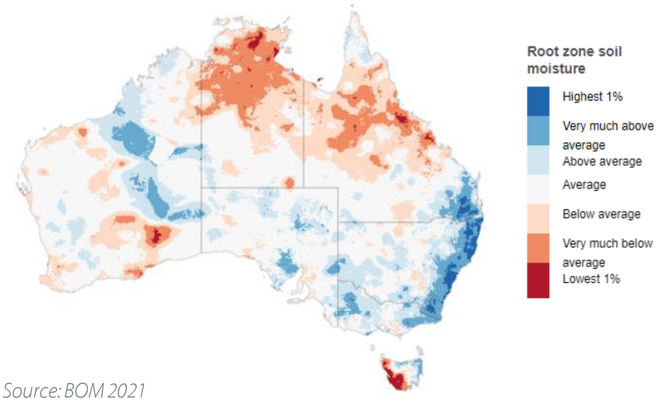
Copious amounts of rainfall have continued to fall on Australia's far east coast, with rain also extending into the major agricultural regions west of the divide.

Of the agricultural regions, parts of Southeast Queensland recorded above 100mm for the second successive month. Dalby has recorded 351mm so far this year, the highest recorded rainfall for the period in the last 10 years.

In the west and the south, rainfall varied. A large storm system delivered overdue rain in the west in late March, while there were few stations in South Australia that recorded more than 25mm for the month.

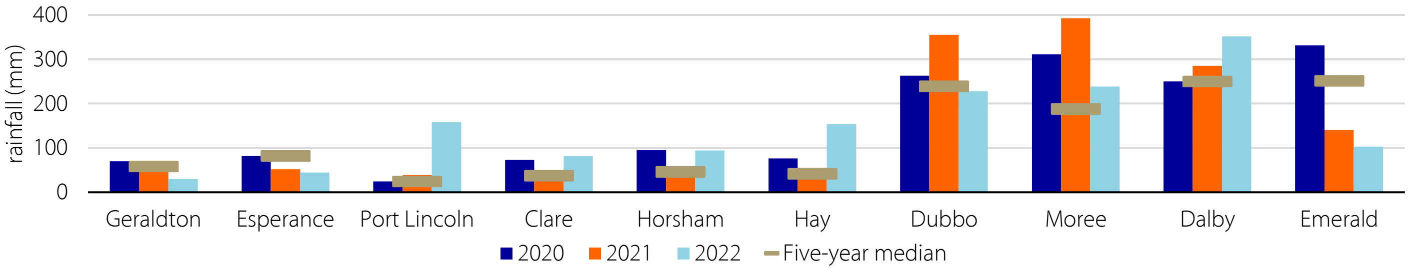
Soil moisture is now key heading into the main growing period in southern regions. Continued rainfall will help consolidate the healthy position many farmers find themselves in.

Relative Soil Moisture, March 2022



Source: BOM 2021

Jan-March rainfall



Source: BOM 2022

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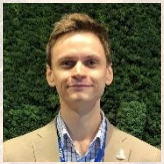

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Grains & Oilseeds

Headlines Driving Pricing

In step with the war in Ukraine, March saw some of the wildest global wheat trading on record. Compared to pre-invasion (21 Feb 2022), CBOT wheat is now up "just" 32%, but did reach +70% during the month. Markets have frequently been trading to limits depending on the tone of peace talk headlines. Conflicting headlines and tight stocks are expected to continue to drive exaggerated volatility in coming months, with no near-term reprieve from historically high pricing.

Rabobank's 12-month CBOT wheat price forecast has been increased to USc 1050-USc 1180/bu due to likely Black Sea export disruptions and production concerns. Ukrainian ports remain shut, and while rail exports are moving, the volume is small. Russia has continued wheat exports, including to Egypt and Tunisia, somewhat easing global supply concerns. However, news of Russian withdrawal from the northern Ukrainian regions is coupled with news of new attacks elsewhere, including the grain export port city of Odessa. Elsewhere, headlines have included that Chinese wheat production is the worst on record. This was lost in translation, however, as it is only the worst on record for ***some*** regions.

We have also increased our 12-month CBOT corn forecast, to between USc 750-USc 800/bu. With Ukrainian ports shut, stocks are unavailable, and with ongoing conflict and uncertainty, spring corn planting will be impacted. The USDA prospective US corn acres for 2022/23 report has harvested area at -4% YOY attributed to high input costs and competitively-priced soybeans. This, and Ukraine corn concerns, are supportive of global feed grain values throughout 2022.

Local wheat prices are expected to see limited upside over the coming months, while export supply chains continue to be congested: we expect global upside to be largely offset by falling basis. ***Barley prices are expected to maintain recent upside due to a lack of global availability until at least the mid-year EU harvest***. Since 21 February, we have seen local barley prices rise by 16%-24%.

What to Watch

- ***Structural impact to Ukrainian and Russian cropping:*** the combination of government sanctions and voluntary trade bans by companies are expected to have enduring structural impacts on Russia's ability to produce grains and oilseeds at the volumes achieved in recent years. Ukraine grain production might face substantial reductions, especially in corn.
- ***Dryness in North America shows no reprieve:*** the severity of the drought in the western half of the US has reduced, but drought is now more widespread when compared to this time last year, even reaching into the western Corn belt. The Canadian Prairies also remain very dry.

Global Wheat Prices To Remain Supported, AU to Continue to Lag

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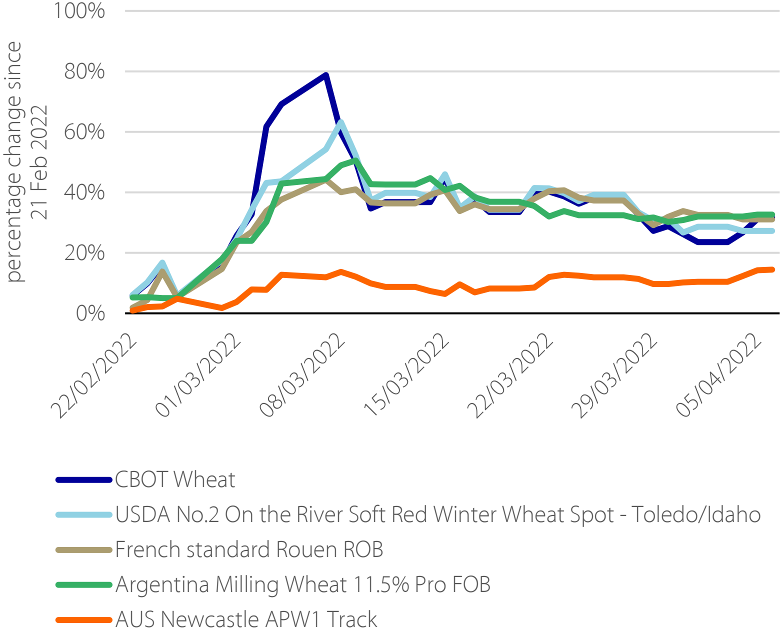
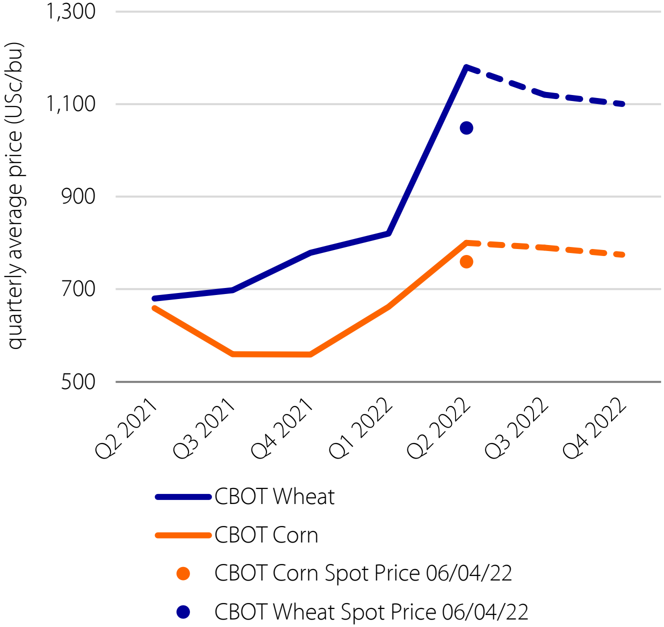
AU wheat price rise since 21 February lags behind global levels due to large crop and export challenges



Source: Bloomberg, Rabobank 2022

War in Ukraine amid an already tight global balance sheet expected to see prices remain high



Source: Bloomberg, Rabobank 2022. Forecast 25 March 2022
Note: All international prices converted into USD

Record Price Signals for New Season

The first milk price signals for the upcoming 2022/23 season are out. The good news for Southern export dairy farms is that the signals set a record for the timeliness of the announcements, and record guaranteed minimum price offer from the respective companies. The minimum price offers of around AUD 8.00/kgMS are a strong result. This follows an increase in milk price announced by Saputo Dairy Australia for the 2021/22 season; with one more price review due before season's end.

Global dairy commodity prices continued to strengthen in March. Export returns for Oceania butter and cheese are at record levels. Milk powder prices are not at record levels but are now only 15% shy of records. There are signs that the commodity market is nearing a peak, but it looks set to remain very firm as supply growth concerns persist.

The milk supply situation in export regions continues to deteriorate. The latest milk production data releases in the United States, New Zealand, and Australia have been below Rabobank expectations. The issues in New Zealand are the most concerning for global buyers, with a rapid fall in production as the season winds down. Milk production was down 8.2% YOY in February 2022 (on a volume basis). ***The rising cost of production remains a key issue in assessing the milk supply outlook.*** Weather-related disruptions have contributed to the global supply crunch. However, the rising costs of feed, fuel and fertilizer (among other inflationary pressures) are creating a further margin squeeze for dairy farm operators.

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What to watch

- ***Turbulent global grains markets.*** Grain and oilseed prices soared in late February and March, driven by the ongoing war in Ukraine, which shows little sign of de-escalating. At present, Ukraine exports are blocked, while Russian exports are heavily disrupted. As a result of ongoing geopolitical risks in global markets, Rabobank has revised higher the price outlook for most global grain and oilseed markets.

Milk Supply in the Export Engine Shuts Down

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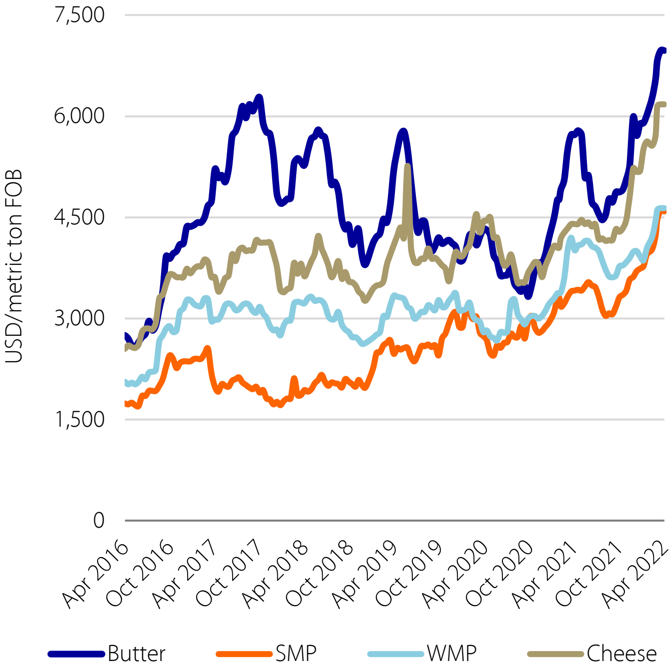
Global dairy prices, 2016-2022

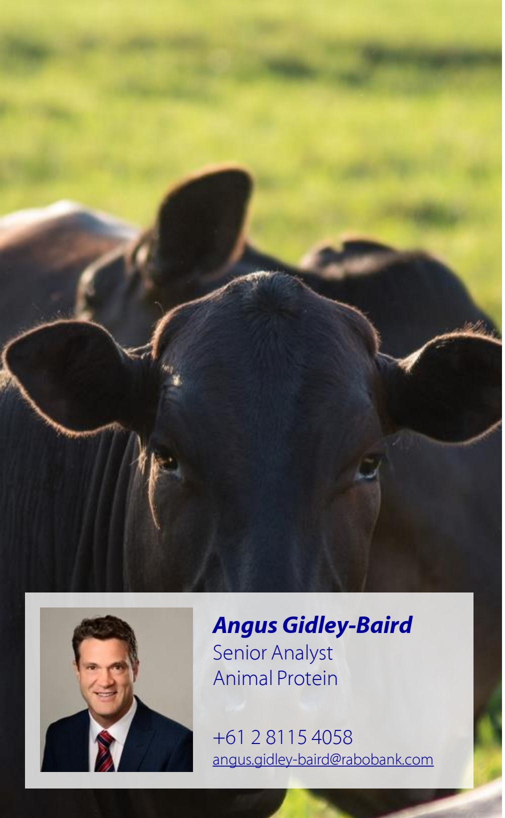


Source: USDA, Rabobank 2022

Production growth key exporting regions

	Latest month	***Last three months***
EU	-0.7% (Jan 22)	-0.7%
US	-1.0% (Feb 22)	-1.6%
Australia	-6.1% (Feb 22)	-4.3%
NZ	-3.7% season-to-date (February 2022)	

Source: Rabobank 2022



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Beef

Dry Conditions Lead to Price Drop

The EYCI has held steady for most of February and March but with increased cattle numbers out of northern Queensland and NT hitting the market, we think weaner prices will start to drift lower. Most cattle prices continued to track sideways through March, although all showed a drop in the last week of March. Restocker prices started to drift lower at the beginning of March and fell 6% between 24 February and 24 March. The EYCI was AUc 1082/kg cwt on 1 April – down 4% since the beginning of March. ***We expect younger lighter cattle prices to drift lower given seasonal conditions in the north but heavier cattle should see less movement given the ongoing limited numbers in the system.***

East coast weekly cattle slaughter continues to track in the low 90,000s, with the week ending 26 March seeing the highest volume recorded this year at 95,960. This is 21% below the five-year average for this time of year, reflecting the ongoing shortage of cattle and the challenges of managing available workforces in abattoirs. We have heard that in parts of Northern Queensland there are wait times of between 2 to 3 weeks to get a slot at some abattoirs.

Beef export volumes continue to be low, reflecting low production. March export volumes (74,348 metric tons swt) were down 11% YOY but did see a large increase on the volumes sent through January and February where flooding and Covid caused disruptions to processing. While most of the major markets have seen a drop in volumes YOY, South Korea has seen the largest drop, down 16%. February live export numbers were up 18% on January volumes but down 45% on 2021 volumes. With the sale of lighter cattle occurring in the north now, we expect the availability of live export cattle later in the year will be more constrained.

What to watch

- ***Dry conditions in the north*** – Bureau of Meteorology data shows parts of northern Queensland and NT have had a below average to very much below average rainfall for February and March. Over 20% of Australia's cattle are in these areas, and with little rain for pasture growth we are seeing increased cattle sales – Queensland saleyard numbers are up 10% YOY in March and up 7% on the five-year average. Producers are off-loading mainly younger lighter cattle and we expect this will cause young cattle prices to drop.

Weaner Prices Hold but Downward Pressure Builds With More Numbers

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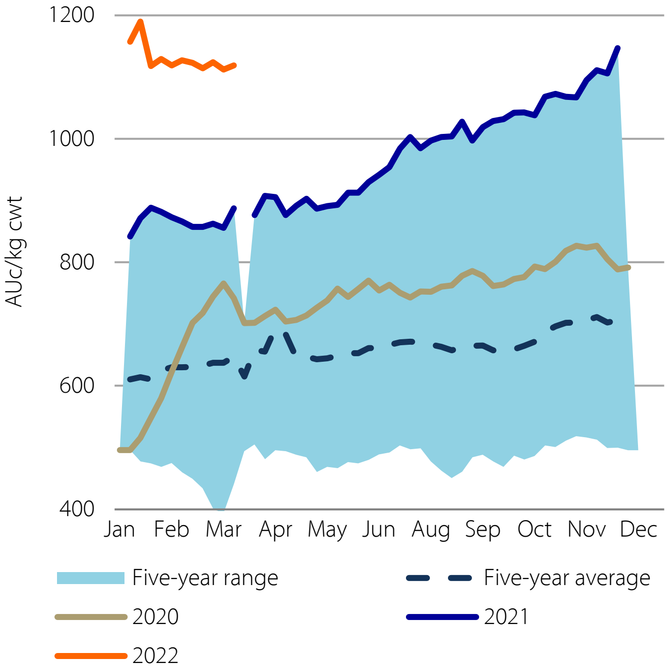
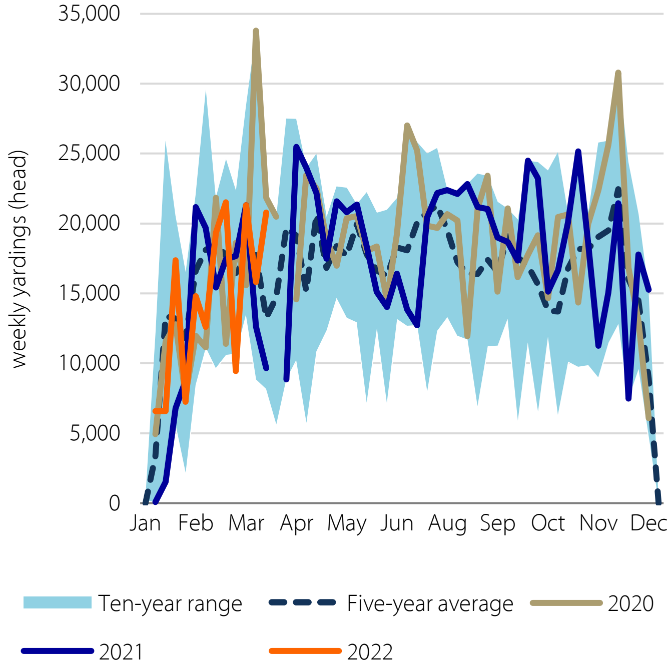
EYCI tracking sideways but is it about to dip?



Queensland saleyard numbers lift in March



Source: MLA, Rabobank 2022

Markets Expected To Level Out

Lamb and sheep prices continued to drift lower as we see numbers increase. Trade lambs and export lambs held firmer, reflecting the strong markets for finished lambs, while restocker and sheep (mutton) prices dropped further in light of waning producer demand. For the four weeks to 24 March, heavy lambs fell 1%, while restocker lambs fell 6%. The ESTLI was at AUc 798/kg cwt for the week starting 24 March, 7% below the same time in 2021. ***The favourable seasonal outlook and good export markets should balance the increased volumes of lambs, and we believe prices will remain relatively steady for the next month or two before lifting into the winter months.***

East coast weekly lamb slaughter numbers have been close to the five-year average for March, reflecting the increased numbers of lambs in the market. NSW lamb slaughter for the month of March was up 3% on the five-year average, while in Victoria it was 7% down on the five-year average. Mutton slaughter continues to remain low as the flock rebuilds. East coast mutton slaughter in March was 16% below the five-year average although numbers in NSW were up 9%.

Australian lamb exports in March (24,450 metric tons swt) pushed above the five-year average for the first time in six months. Lamb volumes to China in March fell 37% YOY but this was possibly due to a substitution across to mutton where exports increased 114% YOY resulting in an overall increase in sheepmeat volumes to China. Encouragingly, we also saw a lift in lamb exports to the Middle East – the first YOY increase in over two years. Together with mutton, total sheepmeat exports to the Middle East increased 58% YOY for March.

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Sheepmeat

What to watch

- ***Indian trade agreement –*** A trade agreement reached on 2 April 2022, between India and Australia, will see the current 30% tariff on Australian sheepmeat imports removed when the agreement is implemented. While India is a very, very small market for Australia (less than 1% of exports) currently, and it is a small importer, it does have a large sheep/goat flock and ranks as one of the largest consumption markets. This familiarity with sheepmeat will be an opportunity Australia could tap into to increase its export volumes to that market.

Lamb Prices Expected To Stabilize, New Markets Open Up

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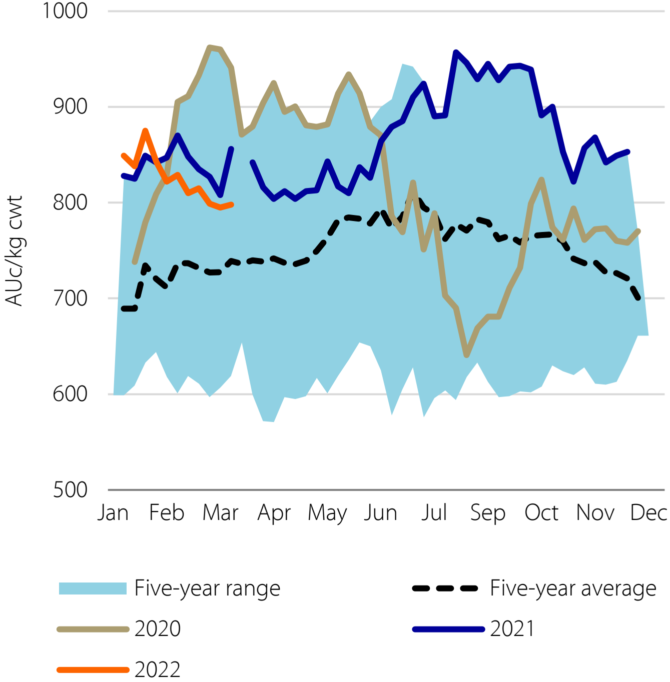
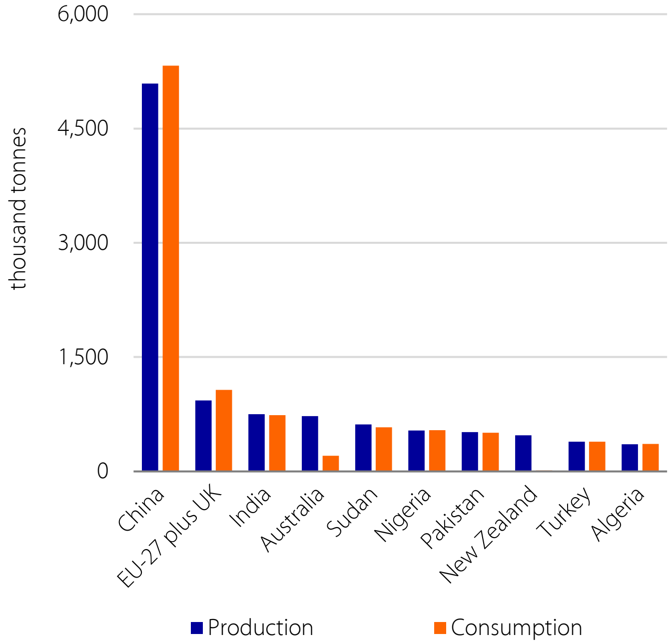
ESTLI looks like it will pull in line with 2021 prices



India, a major consumer and producer of sheepmeat, will remove the 30% tariff on Australian imports



Source: MLA, OECD FAO, Rabobank 2022

Cotton in the Clouds

ICE #2 gained 15% during March to end the month at USc 140/lb and at its highest since July 2011. Concern about ongoing drought in the southern US features in the support in the market, however, awareness that a large volume of open contracts need to be fixed ahead of May is considered the real driving force behind interest in the market.

This points to a mid-year correction lower in global prices. The ICE #2 forward curve shows that the market expects a nearly 10% drop in prices into Q3. However, given increasing reports of rising yarn inventories, we expect a larger fall. Concern about the congested order pipeline as well as the economic outlook is also joined by positive prospects for the 2022 Brazilian cotton crop: a notably dry March after a wet January and February has allowed an expanded planting program and bolstered their production outlook for 2022/23.

Large areas of West Texas and Oklahoma remain drought affected. The USDA's prospective plantings report released at the end of March has 12.2m acres of US cotton in the books for the season ahead. This is a nearly 1m YOY lift in planted acres, despite the noted dry conditions. This is due to favourable conditions in other parts of the southern cotton belt, because there is still time in the planting window for good rains to arrive, and because plantings are expected to go ahead still despite the dry conditions, to allow eligibility for US crop insurance. This means we expect a high abandonment – the five-year average is 16%, but some merchants have noted potential abandonment above 20% for this year.

The Australian cotton harvest is moving south, and into the regions where some of the highest YOY increases in production are expected. ***Wet conditions are hampering defoliation and harvest somewhat, but we remain on track for a crop volume of 5.2m bales for 2021/22.***

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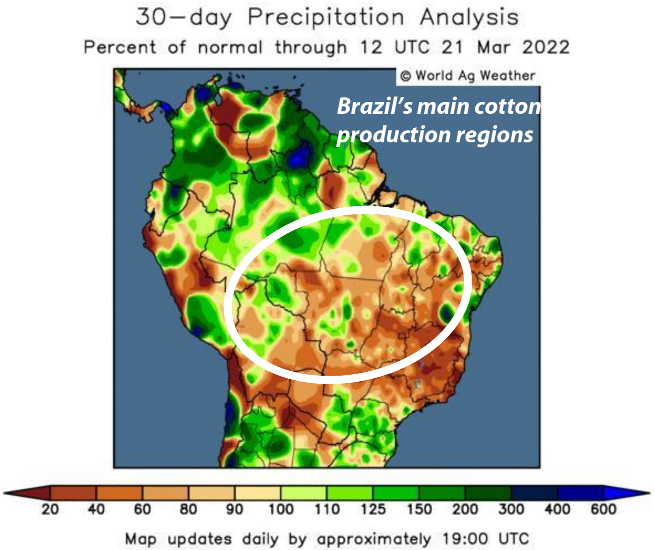
Cotton

What to watch

- ***Demand softening*** – On top of an already lackluster outlook for global economic growth, the war in Ukraine puts further downward pressure on expectations. Cotton demand globally has historically followed economic growth closely and fallen in the wake of global crises such as the 1970's oil shock, the Asian Financial Crises and of course Covid. This gives us cause for concern for 2023/24 pricing, and potentially earlier, given signs that US and EU consumers are already losing confidence.

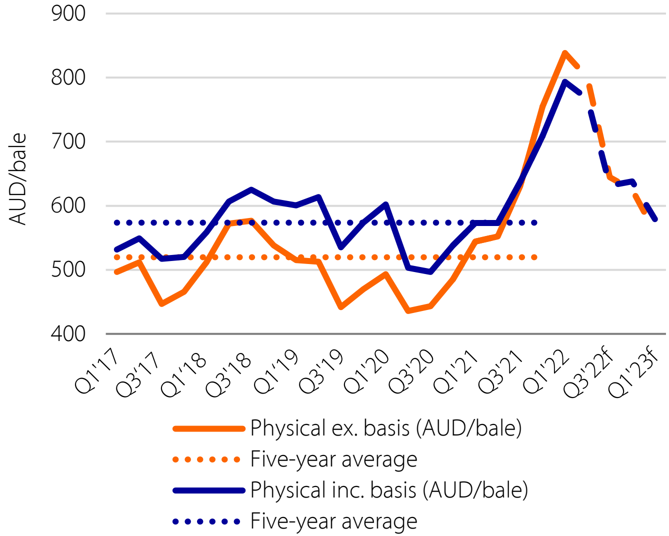
Bolstered Brazilian Cotton Prospects Just One Likely Reason To Lower Cotton Prices

A drier March in Brazilian cotton regions has bolstered their production prospects for 2022



Source: World Ag Weather, 2022

Australian Cotton prices staying high in the near-term AUD/bale, del Darling Downs



Source: Bloomberg, Rabobank 2022

We expect a move lower in global pricing mid-year. Locally, this will coincide with the bulk of new crop availability and AUD strengthening so we expect cash prices to find their way into the AUD 600- AUD 700/bale range in Q3.

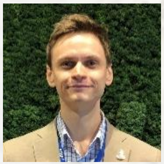
Positive Price Outlook for 2022

Rabobank continues to see upside for fine and mid micron wool prices through 2022 as demand for woollen apparel picks up. The Eastern Market Indicator closed 3% lower MOM on 31 March at 1374c/kg. The 17 -20 micron category traded 2-3% down while coarser wool traded 3-8% lower. Rabobank still expects the EMI to trade between 1350-1500c/kg through 2022.

February US retail apparel sales saw a notable improvement on already favourable levels, at 21% above pre-pandemic February 2019 levels, versus only 17% in January. The volume of US sporting apparel imports containing wool in December 2021 was 32% above pre-pandemic (December 2019) levels, and marks the fifth month of above pre-pandemic imports.

In the UK, retail apparel sales improved on January figures to be on par with February 2019. In Australia, February retail apparel sales were 31% higher versus 2019 levels. Retail apparel sales are expected to remain strong in countries where covid restrictions are low. In China, retail apparel sales data for January-March is unavailable but we expect the next available data to show a slowdown in spending due to recent lockdowns in March.

A possible thorn in improving apparel sales are the economic headwinds that are starting to build. US consumer sentiment in March continues to trend downward, now 35% below the pandemic recovery peaks set in May 2021, as US interest rates move higher. In China on the other hand the latest January figures shows a slightly rising consumer confidence, although this is prior to the most recent lockdowns.



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Wool

What to watch

Spinning Machinery exports on the move - The dollar value of spinning machinery sales in 2021 increased to the highest levels since 2017 in a supportive sign for natural fibre demand. We have also seen increased purchase of machinery by India, Turkey and Pakistan. While the total value of sales to China has not declined, it's share of total purchases of spinning machinery has dropped from 39% in 2019 to 32% in 2021 as buying activity in the aforementioned countries has increased.

EMI Outlook Remains Positive Despite March Stagnation

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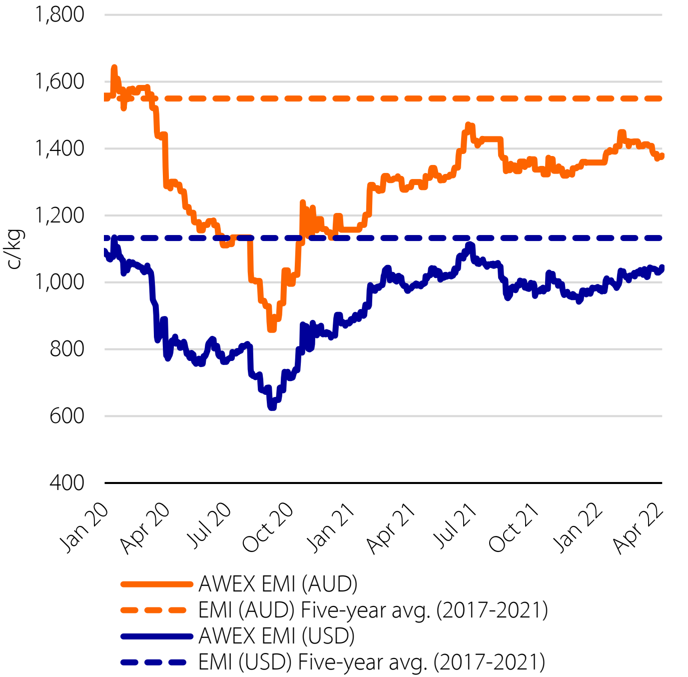
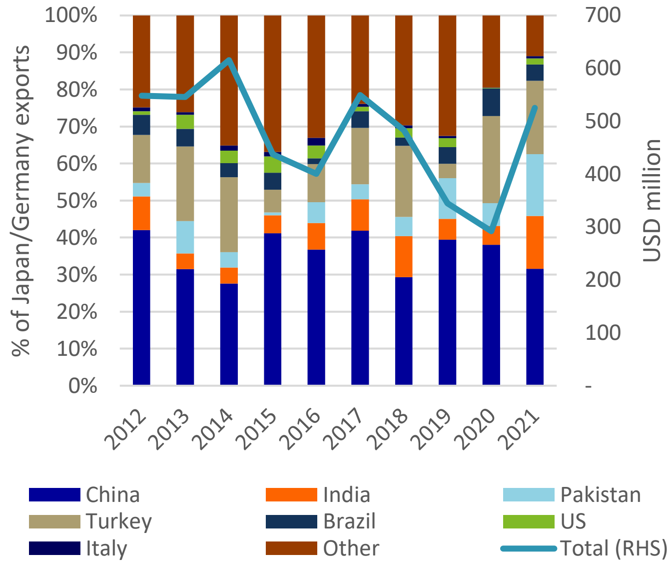
EMI stagnates in March but 2022 outlook remains positive



Source: Bloomberg, Rabobank 2022

Spinning machinery sales increase as India, Pakistan, and Turkey become more active



Source: Trademap, Rabobank 2022

Local Food Sales Bounce Back

Australian retail trade roared back to life in February. With the passing of the Omicron peak and a soft Christmas and New Year trading period, Australian total retail trade jumped 14% year-on-year (seasonally adjusted) in February 2022.

Food sales performed well. Turnover in the food retail and foodservice sectors both improved sequentially in February 2022. The month also marked a milestone. When benchmarked to 2019 (as a pre-pandemic measure), February 2022 was the first time on an index basis that the foodservice channel (marginally) outperformed food retail (see chart).

China's strict zero-Covid tolerance continues to cause disruption to the local food market. An Omicron wave across China in March, including economically important regions, has seen strict preventative containment measures. As a result, the foodservice channel has been severely impacted, with indicators pointing to the weakest performance in March 2022 since the pandemic began.

Many Australian households are facing cost of living pressures. The issue is getting media attention and now shapes as an election issue. Food inflation is a key component of the broader inflationary issues impacting the global economy. While consumers are already seeing higher food prices, there is likely more upside to come. A key watch will be on discretionary spending on food in the months ahead, given the broad-based jump in many consumer products.

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What to Watch

- ***Russia fresh produce trade.*** Russia is a large importer of fresh produce. Main imported items include bananas, greenhouse vegetables, citrus fruit, apples and pears and table grapes. The war in Ukraine (and subsequent sanctions) will negatively impact trade. This has the potential for a knock-on impact on export returns for the local Australian supply chains as the product is reallocated to alternative markets driven up the competition.

Downstream Markets

February Marks a Milestone for Foodservice

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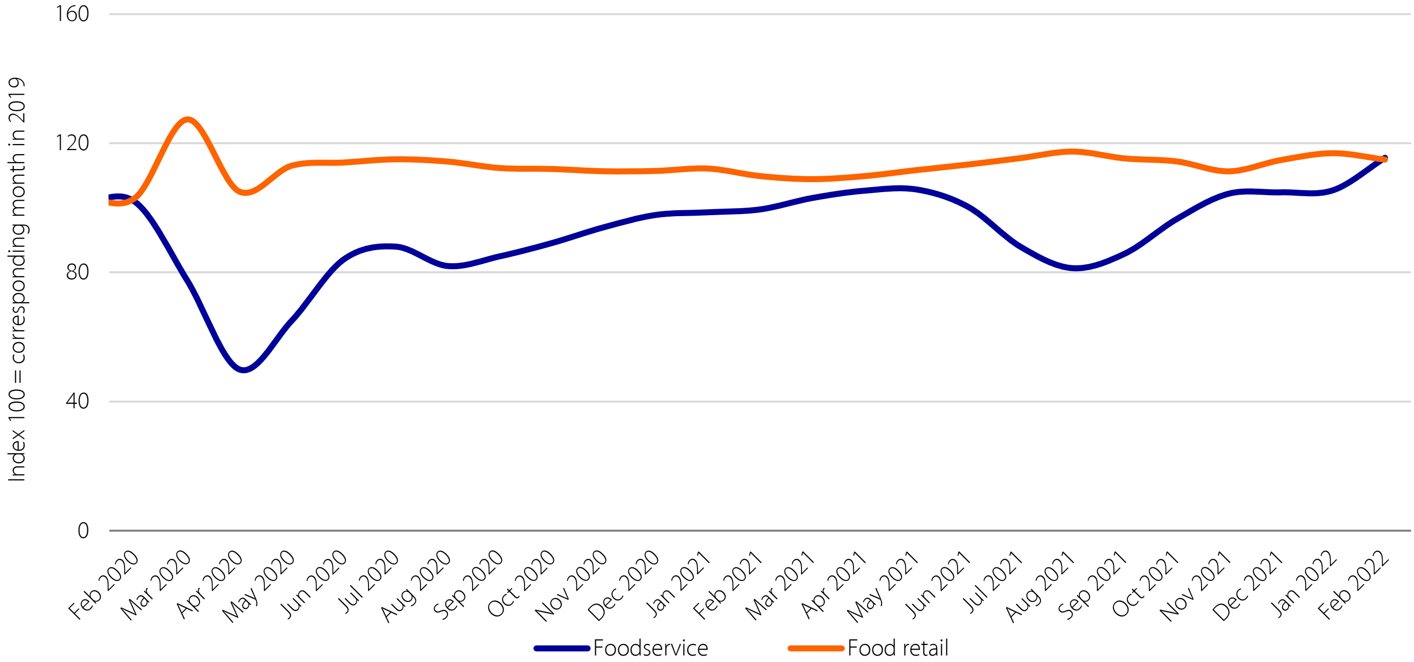
Australian monthly food market turnover, by channel, indexed to 2019



Sources: Australian Bureau of Statistics, Rabobank, 2022

Farm Inputs

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End of High Prices Not Yet in Sight

Unfortunately for local farmers, we think it is unlikely any significant price relief will be felt before the end of this winter and spring.

The primary driver of high fertiliser prices will continue to be the war in Ukraine, on both the supply and energy front.

Russia, once responsible for 21% of global potash (MOP) exports, 14% of global urea exports and 14% of mono-ammonium phosphate (MAP) exports, has all but ceased exports of fertiliser. In fact, only very small amounts of granular urea are being exported from Georgia in the Black Sea according to research firm CRU. Difficulty in obtaining the product due to Russia's export ban is only half the challenge ; finding vessels and insurance is also very difficult.

EU natural gas prices stabilised in recent weeks, which should help to steady global nitrogen prices in the short term. Sanctions have forced some Russian-owned nitrogen plants in the EU to close, while approximately 30 percent of EU urea production is offline due to closures and the high costs of production.

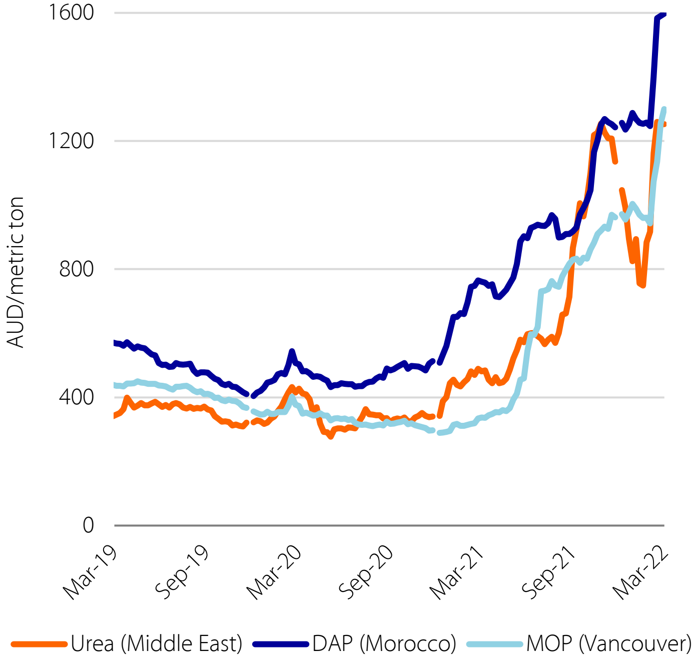
Beyond Russia, the previously announced June 30 conclusion for China's export restrictions is approaching. We think it is likely that we will see some 'relaxation' of restrictions, with domestic supplies remaining a clear priority. Given that Chinese winter wheat planting begins in October, we expect Chinese exports will be heavily limited compared to before the restrictions. An increase in exports would support lower local urea and MAP prices in particular.

What to Watch

- ***Local supplies –*** We are now in the peak period for local urea imports. Over the last 12 months, particularly local suppliers have remained resilient – we imported a record amount of MAP and Urea in the 2021 season, in the face of Covid-19 restrictions and high freight rates. However, 2022 brings a new set of challenges, with prices even higher and impacts from the war in Ukraine. Through this period, we see it as important that local farmers account for the supply risk and remain in close contact with their suppliers.

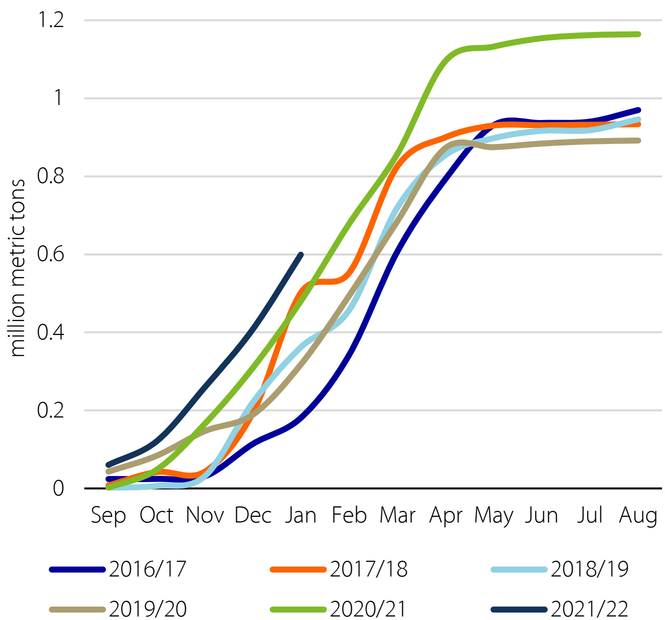
Urea Prices Have Equalled November Highs

AUD-adjusted global fertiliser prices (FOB)



Source: CRU, Rabobank 2022

Australian MAP imports



Source: CRU, Rabobank 2022

Commodity Strength

The AUD is currently trading just below USD 0.75. We have brought forward our six-month 0.75 AUD/USD forecast to a three-month view and expect a move towards 0.76 in six months.

- The budget for 2022-23 was released on Tuesday, March 29, six weeks earlier than normal due to the upcoming election. The good news is that the economy is roaring out of the pandemic, which has led to significant windfalls compared to earlier budget estimates. Nonetheless, the budget deficit for 2022-2023 is still AUD 78bn (3.4% of GDP).
- The 4.2% year-on-year growth in the December quarter was better than expected. A solid economic recovery from a Covid-derailed September quarter.
- The economy continues to show signs of strong performance. The Purchase Manager Indices (PMI) are at 57.3 for service and 57.9 for manufacturing index. A number above 50 indicates growth, so both the service and manufacturing sectors are expected to continue to grow strongly.
- Simultaneously, the job market sends positive signals. Unemployment is at a 14-year low, while vacancies are at record highs, and hours worked are close to recent highs. All these factors underscore the strong economic outlook.
- On the flipside, inflation is expected to increase further during the Q1 2022 (currently 3.5%), negatively influencing consumer confidence, which is close to the lows seen early in pandemic.
- Inflationary pressures are mainly caused by a supply shock in commodity markets as a result of the war in Ukraine and political tensions. The increase in costs is partly offset by one-offs announced in the budget. For example, halving the tax excise.
- Solid economic performance and rising inflation expectations increase pressure on the Central Bank to raise rates. We don't expect a cash rate increase before the second half of this year.

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FX

What to watch:

- We have brought forward our six-month 0.75 AUD/USD forecast to a three-month view and expect a move towards 0.76 in six months.
- Since the start of the war in Ukraine, the AUD is the best-performing G10 currency. In this timeframe, commodity currencies dominate the top of the performance table. Commodity price volatility will continue to impact the AUD.

Limited War Impact on Ocean Freight

The immediate impact of the war on global ocean freight is limited, with risks differing widely for different segments of ocean cargos. For container shipping, the global share of port calls to and from Russia and Ukraine is less than 1.5%, thus the impact on global container capacity is not catastrophic. Yet shippers can expect further costs such as fuel surcharges and soaring insurance. Similarly, the war's impact on dry bulk and breakbulk shipping is currently small. However, because Russia and Ukraine account for large numbers of global port calls in bulk (4%) and breakbulk (8.5%), high volatility in dry bulk and breakbulk shipping rates is expected in Q3 2022 – after the summer harvesting season in Ukraine and Russia. A sharp increase or decrease? It depends on how grain trades are played out among Europe, North America, Oceania and other regions.

While Covid restrictions gradually loosen around the world, it still is a key factor in China's economy – and thus in China's manufacturing, export outputs, and domestic consumption. China is one of the most important trading partners for Australian and New Zealand commodities. China effectively locked down two of their largest four cities in March, a week at a time, along with numerous others for extended periods. While essential businesses (such as transportation and ports) are allowed to continue operating with limited immediate disruption to the supply chain, the zero-Covid approach and the repeated lockdowns will negatively impact China's domestic consumption and manufacturing output. As of April 1, the cost of China's outgoing containers have declined 12%-24%, led by growing capacity and softening demand.

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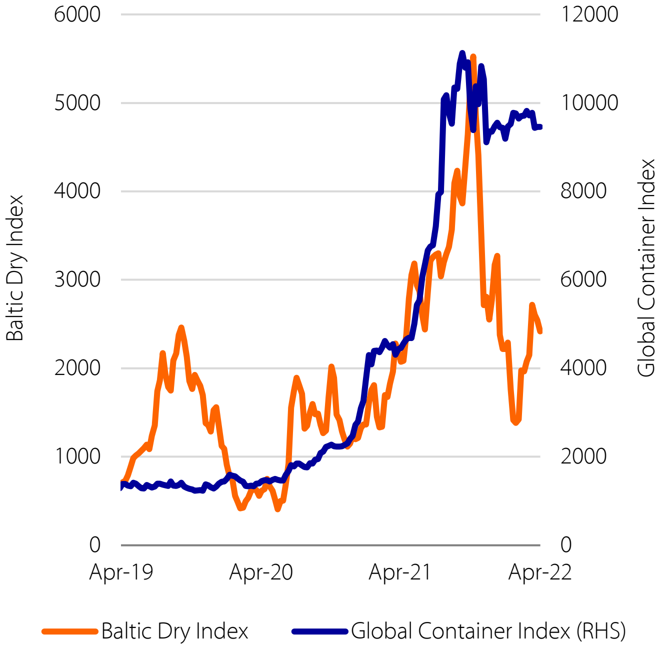
Oil & Freight

What to Watch

- ***Oil –*** The fundamentals of the global oil market continue to point to higher prices in the coming months. While the US announced it will release 1m barrels per day from its strategic sources for the next six months, it is unlikely to help global diesel prices as there is little spare refining capacity in Europe or the US. The supply side of the market will continue to be in focus given that the brief and self-declared Houthi rebel ceasefire with Saudi Arabia has come to an end. As such, it would not surprise us to see more attacks on Saudi oil facilities.

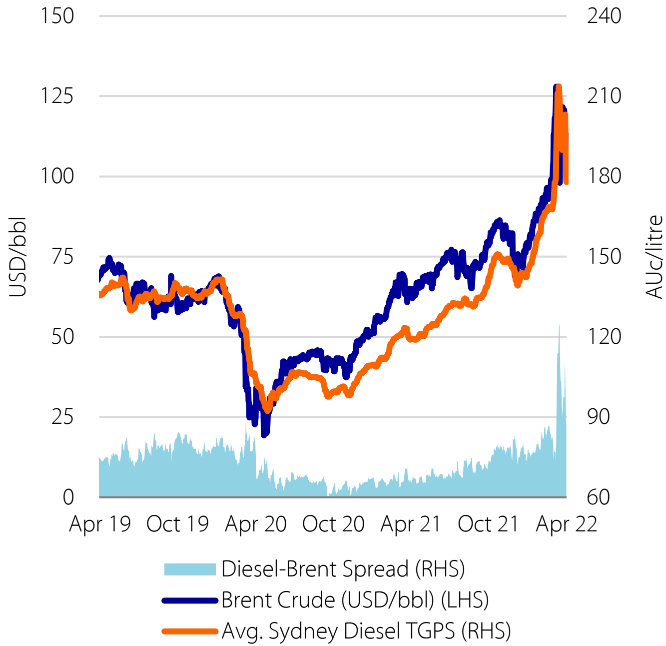
Oil Prices Have Reached Record Highs and Freight Rates Remain Elevated

Baltic Dry Index very volatile, with container index only a little below record highs



Source: Bloomberg, Rabobank 2022

Brent Crude Oil & Average Sydney Diesel, Apr 2019-Apr 2022



Source: Bloomberg, Rabobank 2022

Agri Price Dashboard

31/03/2022	Unit	MOM	Current	Last month	Last year
Grains & oilseeds					
CBOT wheat	USc/bushel	▲	1,006	928	618
CBOT soybean	USc/bushel	▼	1,618	1,644	1,437
CBOT corn	USc/bushel	▲	749	698	564
Australian ASX EC Wheat Track	AUD/tonne	▲	400	383	280
Non-GM Canola Newcastle Track	AUD/tonne	▲	921	842	592
Feed Barley F1 Geelong Track	AUD/tonne	▲	348	302	227
Beef markets					
Eastern Young Cattle Indicator	AUc/kg cwt	▼	1,090	1,125	878
Feeder Steer	AUc/kg lwt	▼	583	587	454
North Island Bull 300kg	NZc/kg cwt	•	590	590	500
South Island Bull 300kg	NZc/kg cwt	•	575	575	450
Sheepmeat markets					
Eastern States Trade Lamb Indicator	AUc/kg cwt	▼	798	810	856
North Island Lamb 17.5kg YX	NZc/kg cwt	▼	830	835	655
South Island Lamb 17.5kg YX	NZc/kg cwt	▼	815	825	625
Venison markets					
North Island Stag	NZc/kg cwt	•	795	795	520
South Island Stag	NZc/kg cwt	▲	800	785	535
Oceanic Dairy Markets					
Butter	USD/tonne FOB	▲	6,975	6,550	5,725
Skim Milk Powder	USD/tonne FOB	▲	4,600	4,225	3,400
Whole Milk Powder	USD/tonne FOB	▲	4,638	4,450	4,200
Cheddar	USD/tonne FOB	▲	6,175	5,713	4,400

Agri Price Dashboard

31/03/2022	Unit	MOM	Current	Last month	Last year
Cotton markets					
Cotlook A Index	USc/lb	▲	153.6	134.7	87
ICE No.2 NY Futures (nearby contract)	USc/lb	▲	135.7	122.6	81
Sugar markets					
ICE Sugar No.11	USc/lb	▲	19.5	18.0	14.77
ICE Sugar No.11 (AUD)	AUD/tonne	▲	574	537	416
Wool markets					
Australian Eastern Market Indicator	AUc/kg	▼	1,375	1,421	1,300
Fertiliser					
Urea	USD/tonne FOB	▲	1,000	580	357
DAP	USD/tonne FOB	▲	1,050	858	580
Other					
Baltic Dry Index	1000=1985	▲	2,369	2,040	2,046
Brent Crude Oil	USD/bbl	▲	108	101	64
Economics/currency					
AUD	vs. USD	▲	0.748	0.726	0.760
NZD	vs. USD	▲	0.695	0.677	0.699
RBA Official Cash Rate	%	•	0.10	0.10	0.10
NZRB Official Cash Rate	%	•	1.00	1.00	0.25

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