



## ***Robust commodity prices and a good season stabilise South Australian farmer confidence***

### ***Results at a glance:***

- *SA farmer sentiment has stabilised in the latest quarter, after declining at the end of 2021*
- *The majority of the state's farmers are expecting conditions to improve or stay the same*
- *Strong commodity prices and good seasonal conditions are the major causes for optimism*
- *Rising input prices are a concern among farmers*

**Strong commodity prices and good seasonal conditions across much of the state have buoyed sentiment among South Australian farmers, as the sector looks to the year ahead.**

**The latest quarterly Rabobank Rural Confidence Survey, released today, found South Australian farmer confidence has stabilised after a significant softening at the end of 2021, with 25 per cent of those surveyed expecting agribusiness conditions will improve in the coming 12 months.**

**A further 51 per cent are expecting conditions to remain stable, while 20 per cent are concerned they will decline.**

**This compares with 26 per cent of SA farmers who had a positive outlook last quarter and 15 per cent with a pessimistic view.**

**Rising commodity prices were cited by 91 per cent as the reason for their optimistic outlook, while 38 per cent credited good seasonal conditions for their positive view.**

Rabobank regional manager for South Australia Roger Matthews said the stabilised confidence levels seen in the latest survey were understandable with farmer sentiment being buoyed by current strong commodity prices and good seasonal conditions across much of the state.

“Many South Australian farmers are currently thinking ‘how much better can it get?’,” he said. “Good summer rainfall over South Australia’s pastoral areas has been positively received by beef producers and we are now starting to see flood waters make their way into the Lake Eyre system.”

Mr Matthews said while much of South Australia had enjoyed an above-average harvest and good crop yields last year, the ongoing impact of the state missing out on solid spring rainfall in grain-growing regions, such as the Mallee, had tempered confidence going into the new year.



**Rabobank**

**Media Release  
March 15, 2022**

The latest survey found confidence within the state's beef sector remains strong with 68 per cent of beef producers expecting agribusiness conditions to improve or stay the same in the year ahead.

South Australian sheep producers are also upbeat with 86 per cent of the sector expecting conditions to improve or remain the same.

"A strong sheep market, combined with a good season, has given sheep producers a very positive outlook," Mr Matthews said.

Mr Matthews noted though that the drier-than-usual summer in the south east of South Australia will have impacted livestock producers.

The state's grain growers were less optimistic. While a combined 51 per cent expect conditions will improve or remain the same in the coming 12 months, 41 per cent of grain growers are anticipating agribusiness conditions will worsen.

Mr Matthews said the cost and availability of farm inputs was driving concern among grain growers, with 76 per cent of grain growers citing rising input prices for their negative outlook.

"We have already seen grain growers making significant investments in inputs last November/December for the season ahead. Growers are paying up front to ensure they can secure access for key inputs, particularly fertiliser," he said.

A comprehensive monitor of outlook and sentiment in Australian rural industries, the Rabobank Rural Confidence Survey questions an average of 1000 primary producers across a wide range of commodities and geographical areas throughout Australia on a quarterly basis. The most robust study of its type in Australia, the Rabobank Rural Confidence Survey has been conducted since 2000 by an independent research organisation. The next results are scheduled for release in June 2022.

<ends>

**Rabobank Australia & New Zealand is a part of the global Rabobank Group, the world's leading specialist in food and agribusiness banking. Rabobank has more than 120 years' experience providing customised banking and finance solutions to businesses involved in all aspects of food and agribusiness. Rabobank is structured as a cooperative and operates in 38 countries, servicing the needs of approximately 8.4 million clients worldwide through a network of more than 1000 offices and branches. Rabobank Australia & New Zealand is one of Australasia's leading agricultural lenders and a significant provider of business and corporate banking and financial services to the region's food and agribusiness sector. The bank has 93 branches throughout Australia and New Zealand.**

**Media contacts:**

Denise Shaw  
Head of Media Relations  
Rabobank Australia & New Zealand  
Phone: 02 8115 2744 or 0439 603 525  
Email: [denise.shaw@rabobank.com](mailto:denise.shaw@rabobank.com)

Will Banks  
Media Relations Manager  
Rabobank Australia & New Zealand  
Phone: 0418 216 103  
Email: [will.banks@rabobank.com](mailto:will.banks@rabobank.com)