Agribusiness Monthly & COVID-19 Update May 2020

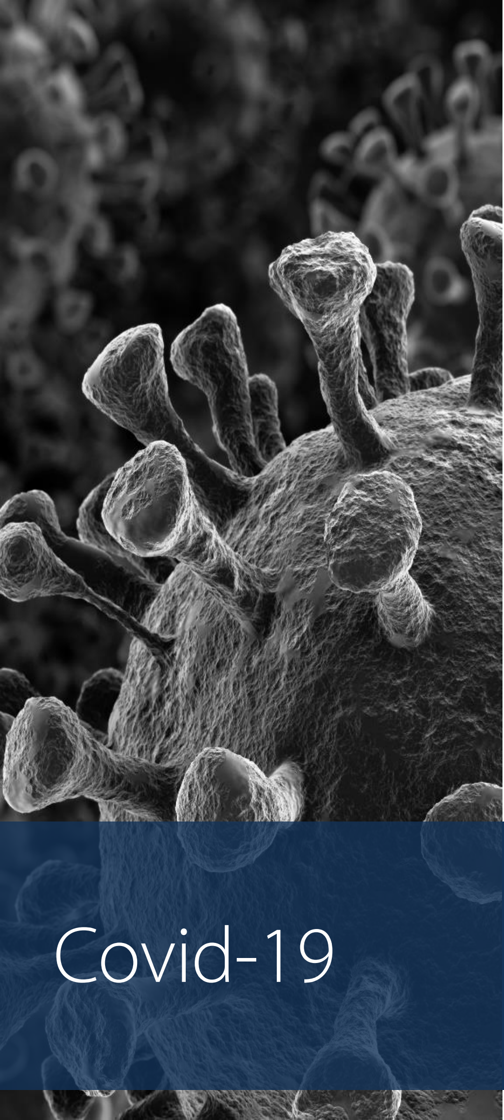
New Zealand

RaboResearch Food & Agribusiness   7 May 2020

Rabobank

Commodity outlook

Covid-19	A tough month still lies ahead, as panic buying passes and income effects come to the fore.
Dairy	Rabobank has forecast a farmgate milk price of NZD 5.60/kgMS in 2020/21.
Beef	Rabobank expects farmgate prices to hold firm over the next month as demand from China continues to recover and processing disruptions in the US create opportunities for NZ exporters.
Sheepmeat	Rabobank expects farmgate prices to stabilise during May, with the potential for some upward pressure on prices later in the month as domestic supplies start to ease.
Wine	Rabobank expects a rise in inventory in the US and Europe to create a more competitive landscape across 2020.
Horticulture	We see risks remaining for export volumes and prices across the balance of 2020.
Farm Inputs	We expect global price benchmarks for fertiliser will continue to remain at historically low levels (USD terms) for at least the three months ahead.
FX	We expect the NZD to fall to USc 57 within three months and stay thereabouts through Q3 2020.
Oil	Our expectation is that Brent crude oil will trade at USD 31.25/bbl at the end of June, before climbing to USD 43/bbl at year end.



Lockdowns have sapped the world economy

While China has gotten well, much of the rest of the world remains ill. At the global level, reported daily new infection rates have stabilised since the start of April, but not yet fallen below the range of 70,000 to 80,000 cases per day.

Some countries are relaxing restrictions, but much of the world is under lockdown.

The economic damage from lockdowns is becoming evident. Recent data releases have made for alarming reading:

- The Chinese, US, and EU economies shrank by 6.8%, 4.8%, and 3.8%, respectively, in Q1. For the latter two, Q2 will be far worse.
- 30 million US workers filed for unemployment benefits in the last six weeks.
- US retail sales fell 9% in March in seasonally adjusted MOM terms.
- South Korean exports (a bellwether for global trade) fell 24% YOY in the first three weeks of April.

Rabobank now forecasts a severe global recession and slow recovery. We anticipate that the world economy will contract 2.6% YOY in 2020, with every market that New Zealand F&A producers service effectively in recession in 1H. While Q2 2020 will likely be the low point, as lockdowns ease from thereon, the recovery is likely to be slow. Besides China, India, and South Korea, economic growth in 2021 is likely to prove insufficient in most key economies to offset the declines of 2020.

What to watch

- ***Will infection rates rise as lockdowns ease?*** China, so far, seems to have achieved an easing of restrictions on people's movements without major reinfection. But Singapore shows that initial stabilisation of infection rates can revert to sharp rises. Our forecasts assume that the world is able to transition out of lockdown without significant reinfections. The economic recovery will be weaker and delayed if that isn't the case.

F&A demand has taken a hit, sending USD commodity prices down

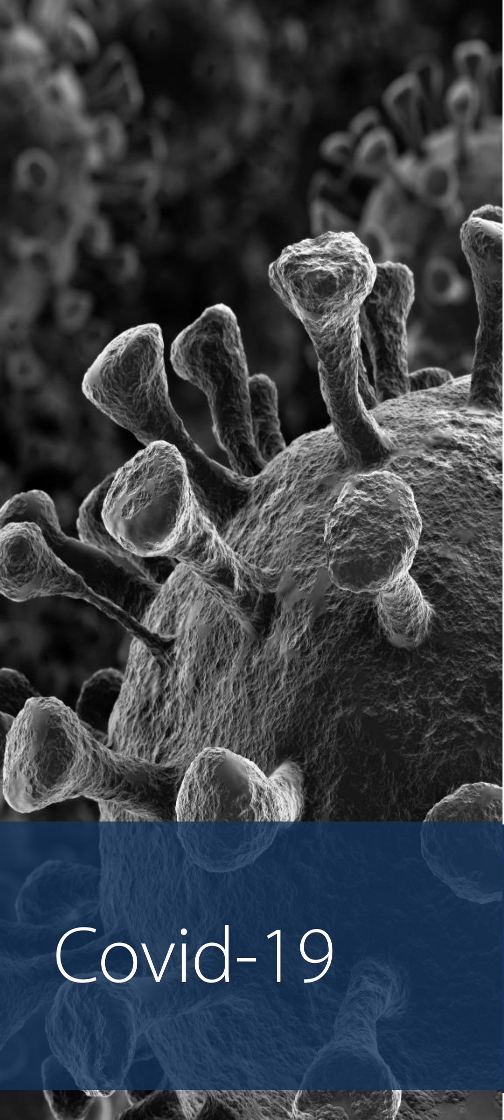
The Chinese market is improving each month, but remains extremely poor by the prior year's standards. Most foodservice outlets are now open, but sales are constrained by social distance rules imposed by either regulators, operators or citizens themselves. Yum! Brands reported that same-store sales were still down 10% below prior-year levels in late April, while Starbucks expects a 25% to 35% YOY sales contraction this quarter.

Sales in other offshore markets were boosted by pantry stocking in March. In the US, expenditure on food fell just 0.6% in March MOM, as a 27% decline in spending on eating out was offset by a 26% rise in retail sales.

But the support from pantry stocking had passed by mid-April, leaving producers exposed to the full extent of foodservice declines. Processors in many markets have also struggled to reorient from the quiet foodservice channel to busy retail sales, due to limitations of factories, labelling, or distribution.

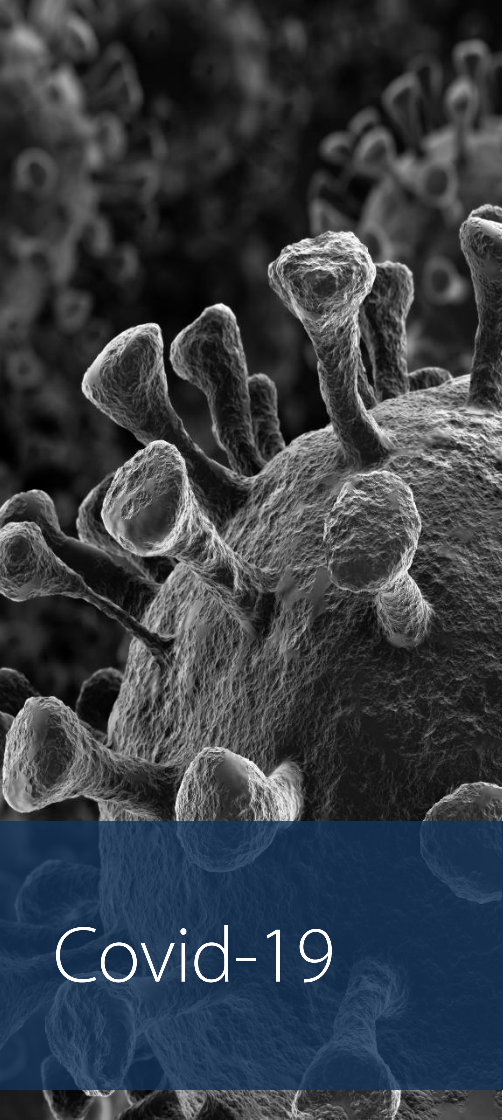
As demand has softened, USD commodity prices in offshore markets have fallen significantly in the last month. USD commodity prices of key agriculture products have now fallen 10% to 30% since the crisis started. Sugar has been hardest hit, with the impact of weaker demand exacerbated by falling oil prices, increasing the amount of cane that will be diverted from ethanol to sugar in Brazil this year. Wool and cotton have also been hit hard, with declining clothing sales (off 55% YOY in US stores in March) taking their toll.

The NZD has rallied in the last month, exacerbating offshore price declines in local currency terms.



What to watch

- ***A Chinese consumer boycott of Australian product.*** In late April, China's ambassador to Australia warned that consumers in his home country may boycott Australian products (specifically calling out beef) if the Australian government continued to push for an independent inquiry into the origins of Covid-19. South Korean companies can attest to the heavy impact of such a boycott, having suffered from one in 2017. Any boycott on Australian meat (or dairy) would provide additional opportunities for NZ product in the Chinese market in 2020.



Domestic market conditions have been much better

Pantry stocking brought a Covid-19-induced surge in retail food sales in March and April. Woolworths reported 11.1% and 13.7% growth in food sales for the quarter in Australia and New Zealand, respectively.

But the boost from pantry stocking has now past and will be reversed at some stage.

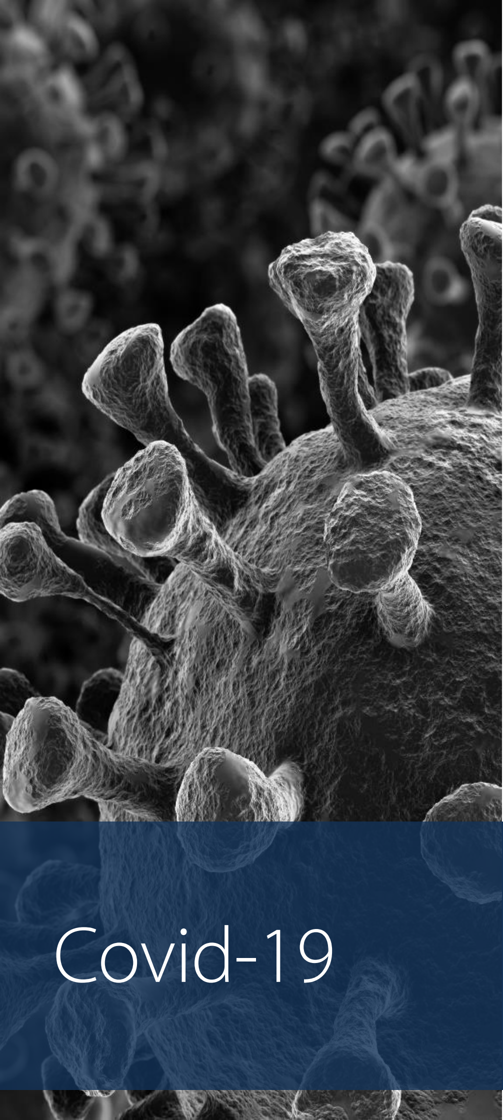
The industry has largely managed to keep farm input supply lines open.

Meanwhile, downstream processing and distribution have continued to operate largely uninterrupted. Between temporary workers, backpackers, and people returning to rural areas from the city, labour has largely been available (with some exceptions) for picking crops, keeping packing and processing factories running and trucks moving. Industries managed the Level 4 restrictions well, and should see some gains from the return to Level 3.

The experience of the US meat processing industry is a salient reminder of what can occur if the virus is not well managed. Delayed and less stringent government restrictions on people's movements have led to higher rates of infection in regional areas in the US. As of early May, the US pork and beef processing industries were operating at less than 75% of capacity due to plant closures, factory spacing, and labour shortages. This has depressed livestock prices for farmers and sent retail prices soaring.

What to watch

- ***NZ's reputation as a reliable supplier of food and fibre***. Since the crisis started, a range of offshore F&A industries have suffered severe processing closures (USA), struggled to get product out of ports (Brazil and Argentina), and threatened to (or actually have) restrict exports of food to offshore customers. To date, NZ has been a model of how to navigate a crisis, keeping plants open, supply chains running, and product heading to offshore buyers where required. The industry has kept food on the tables for NZ citizens, retained jobs for employees, and earned valuable export dollars. The industry has every chance of emerging from this crisis with its reputation enhanced both at home and abroad.



Covid-19

It’s early days, but NZ farmers will likely weather this storm

We are still in the early stages of the Covid-19 market journey. Lockdowns will start to ease in many countries in coming months, but that will likely be a gradual process. And while people will be more able to move about, we will start to see the income effect of lower pay, reduced working hours, and high unemployment hit food and beverage sales.

But Rabobank expects the NZD to fall further in coming months, providing some offset to falling offshore prices. The recent rally in the NZD has been driven by a wave of optimism over the prospects for the global economy that we feel is overdone. We expect the NZD to shift lower as expectations are reset following economic data releases through May and June.

In some cases, NZ producers are benefiting from missteps offshore. Many competing regions have seen shortages of picking labour, plant disruptions, port bottlenecks, and export restrictions – all of which have kept markets, like beef, tighter than what otherwise might have been the case.

What to watch

- While we continue to watch for ***supply chain disruption***, we consider it likely that NZ supply chains will hold up through this crisis, ensuring farmers have access to crucial inputs as well as downstream markets. Downstream supply chains remain harder and more costly than usual to navigate, but very much operational.

Global infection rate stabilising, but not falling

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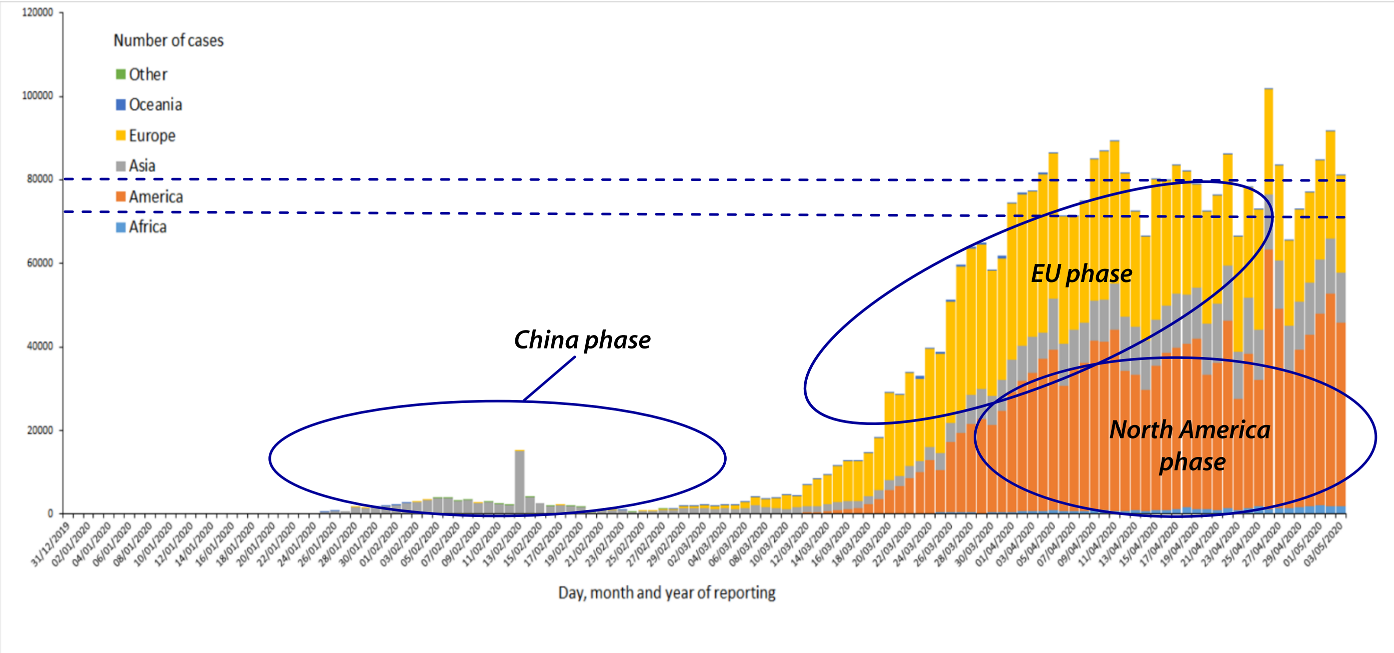
Reported daily new cases of Covid-19 by continent

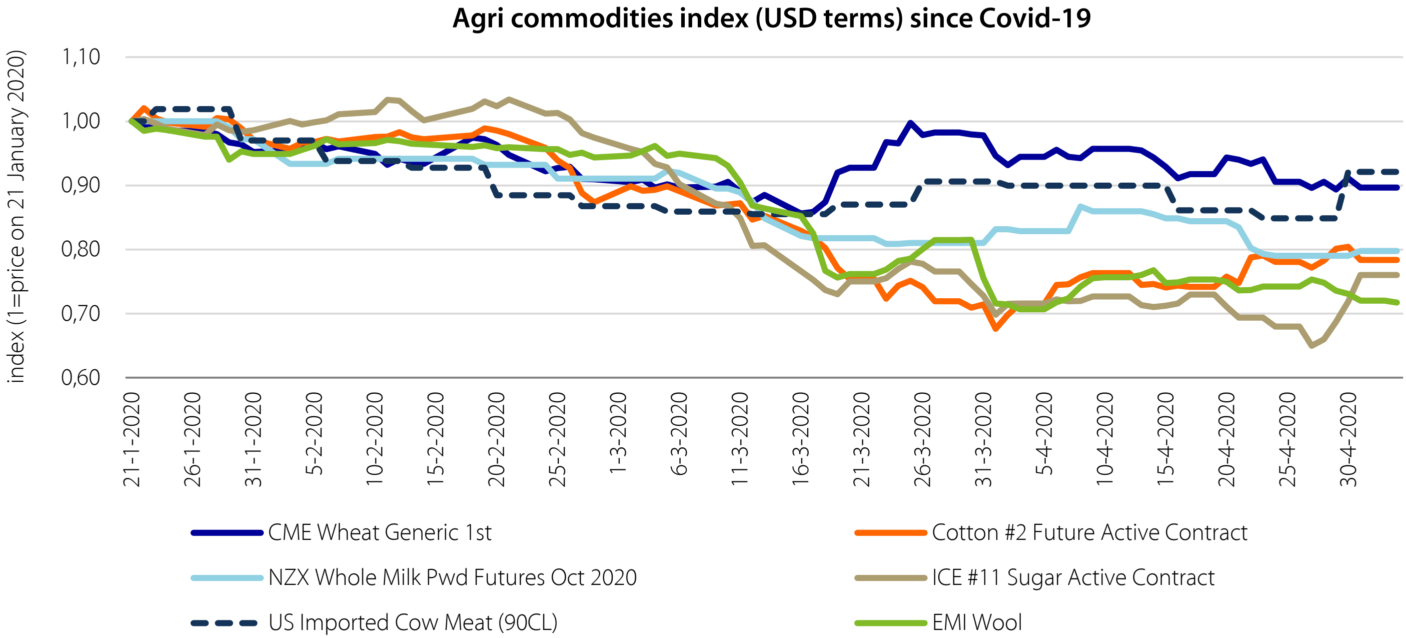


Source: European Centre for Disease Prevention and Control, 4 May 2020

USD commodity prices have already fallen significantly since the virus rose to prominence

Rabobank

Index of various USD agri commodity prices since 21 January 2020



Source: Bloomberg, Rabobank 2020

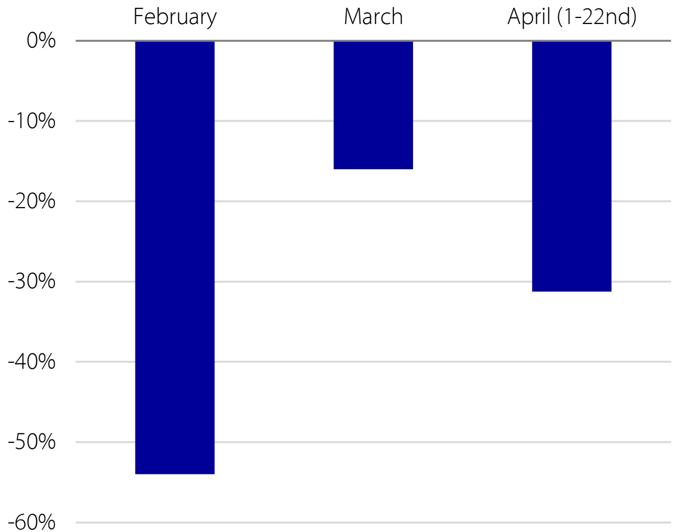
The Chinese market continues to improve each month but remains well below prior year

More foodservice stores are reopening, and the contraction of sales is diminishing. But a 10% YOY decline in late April is still a huge problem.

Yum China	*30 Jan*	*Mid-Feb*	*23 Mar*	*28 Apr*
Stores closed	30%	35%	5%	1%
Same store sales YOY	-40% to -50%		-20%	-10%*

Source: Company statements
** Month to date*

The YOY decline in NZ meat shipments to China has shown only partial improvement (though processing restrictions also play a role).



Source: Statistics NZ, Rabobank

Countries are at very different stages of the Covid-19 journey

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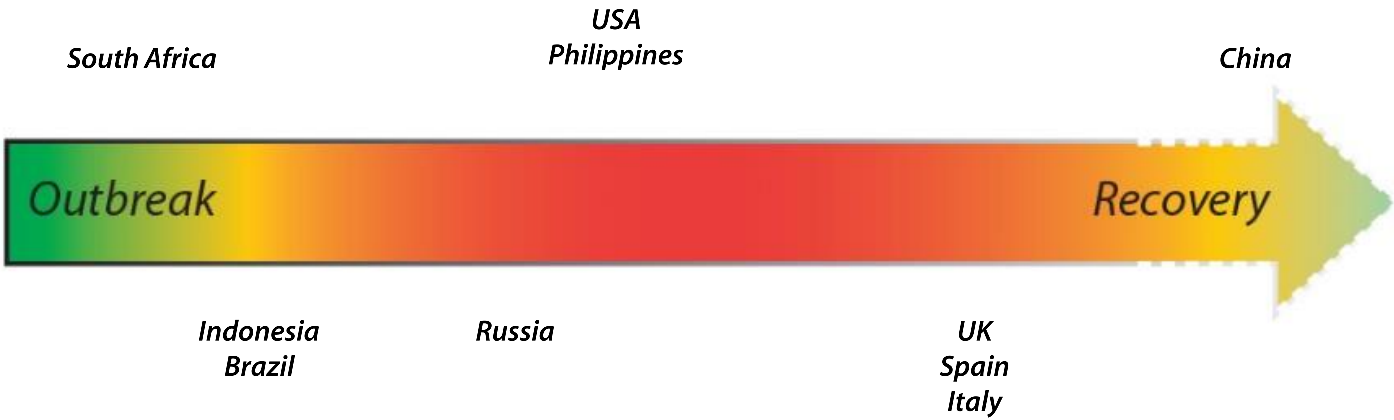
Unilever depiction of consumer market status as of late April

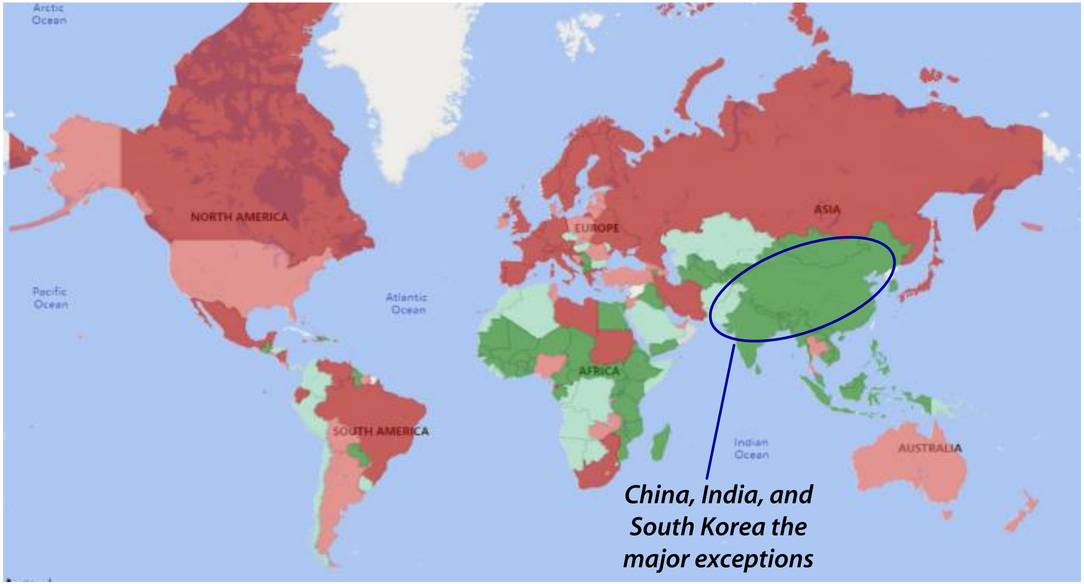


Source: Unilever earnings presentation, 23 April 2020, Rabobank reformatting

For most economies, the 2021 recovery will be insufficient to offset the 2020 fall

Rabobank

Net two-year GDP growth 2020 and 2021 (IMF forecasts)



Legend

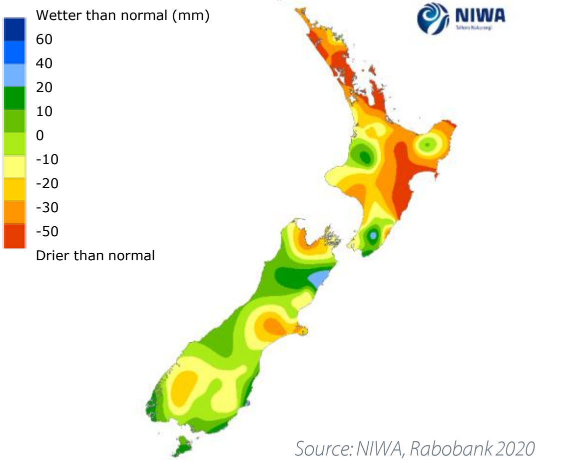
Net two-year growth (2020 and 2021)

- Above 2%
- 0 to +2%
- Flat
- 0 to -2%
- Below -2%

Source: IMF projections 9 April 2020, Rabobank analysis

Climate

Soil moisture anomaly (mm), 22 April 2020



Source: NIWA, Rabobank 2020

NIWA is forecasting temperatures for May to July to most likely be near average in the west of both islands and in the south of the South Island. NIWA notes temperatures are equally likely to be near average or above average in the north and east of both islands.

Rainfall through to July 2020 is equally likely to be near normal or below normal in the north and east of both islands. Near-normal rainfall is most likely in the west of both islands.

NIWA is forecasting soil moisture levels to most likely be below average in the north of the North Island, and to be near normal in the west of the South Island. For the east of the North Island and east of the South Island, NIWA notes soil moisture levels are about equally likely to be near normal or below normal. For the west of the North Island, soil moisture is most likely to be near normal.

What to watch

- ***Cold snaps and frosts:*** NIWA warns that sharp cold snaps are possible during May, as fronts move onto the country from the Tasman Sea and Southern Ocean. Frosts can also be expected in typically colder locations over the next three months.

Dairy

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Global storm clouds gather

New Zealand milk production for March was slightly ahead (+0.1%) of the previous year on a milk solids basis. For the season to March, New Zealand milk production is tracking 0.6% ahead on a kgMS basis, with only two months left to report. There has been some welcome rain in April for regions in the North Island. However, soil moisture deficits are still evident. Much of the growth has been supported by the South Island.

Unfortunately, it is unlikely that New Zealand will escape the challenges currently facing the global dairy markets. Despite New Zealand winding down milk supply for the season, the issues currently taking hold of the global dairy market and broader economy will persist into 2021 and likely beyond. As such, Rabobank has forecast a drop in farmgate milk prices for the 2020/21 season. Rabobank's current milk price forecast for 2020/21 stands at NZD 5.60/kgMS. As of 30 April, NZX milk futures for 2020/21 were slightly below NZD 6.00/kgMS.

According to news reports, Fonterra's fixed milk price of NZD 6.32/kgMS for next season was significantly oversubscribed. A total of 57.8m kgMS was subscribed, which represents less than 5% of annual New Zealand milk production.

From 1 June, Fonterra will implement changes to their Advance Rate, which will help to improve cash flow for their suppliers. This includes bringing forward the monthly payment date and also bringing forward final settlement payments.

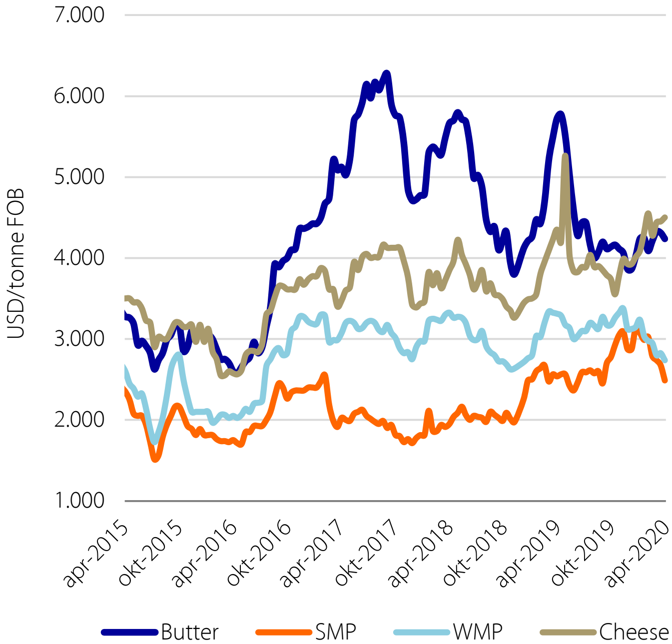
What to watch

- ***The New Zealand dollar rollercoaster.*** In recent weeks, the local currency has bounced back from recent lows. This is not what dairy exporters want to see. Nonetheless, Rabobank expects the currency to be vulnerable to further falls in the coming months. A silver lining for export returns is that the currency will likely be much lower than what it was the last time we saw similar commodity pricing cycles in US terms.

Milk production growth gaining pace

Rabobank

Global dairy prices, 2014-2020



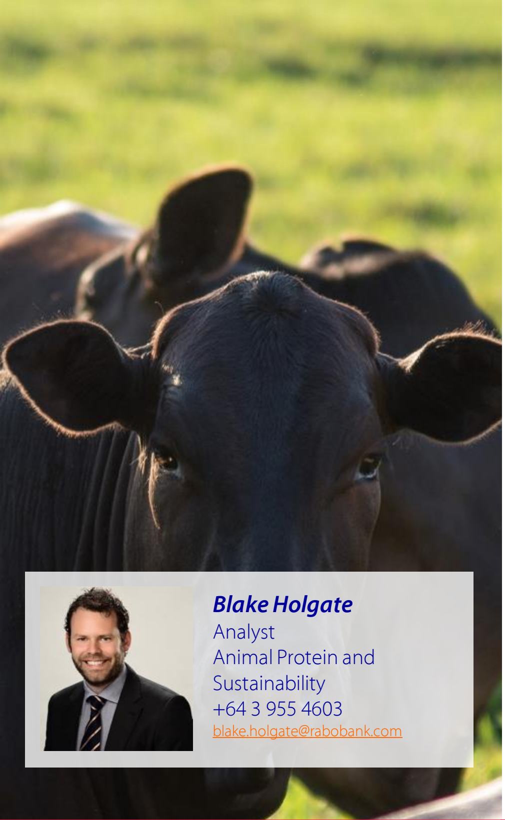
Source: USDA, Rabobank 2020

Production growth key exporting regions

	Latest month	Last three months
EU	1.3% (Feb 20)*	1.4%*
US	2.2% (Mar 20)	1.8%*
Australia	7.1% (Mar 20)	3.8%*
NZ	-0.6%* (2019/20 season to March 2020)*	

Source: Rabobank 2020

** February data is adjusted for leap year*



Processing space to remain tight

Securing space to kill cattle will remain challenging over the coming month, with most processors still operating slightly below normal capacity levels while working through the backlog created under alert Level 4. Rabobank expects farmgate prices to generally stabilize in May, as demand from China continues to recover and processing disruptions in the US create opportunities for NZ exporters.

Farmgate prices eased across all classes of cattle in April, as reduced processing capacity saw processing costs rise and cattle supplies far outweigh available space. As of the end of April, the North Island bull price was down 2% MOM, averaging NZD 4.85/kg cwt, and the South Island bull price was down 6% MOM, averaging NZD 4.35/kg cwt.

Space for prime cattle will remain particularly difficult to secure until at least the end of May as processors work through the seasonal peak in the national cow kill. Operational efficiency improvements made while operating under Level 4 saw processing capacity lift from around 70% at the start of April to approximately 80% to 85% by the time New Zealand moved to Level 3. While the move to Level 3 will help to further improve throughput (as physical distancing requirements were reduced from 2m to 1m), most processors are still unlikely to be operating at full capacity yet, as they have indicated they will maintain a distance greater than 1m for staff-safety reasons.

US imported beef prices jumped in late April as US buyers turned to the import market to fill the gap created by Covid-19-related processing disruptions and high levels of US retail demand. This, combined with continuing demand improvement from China, should help to underpin export values through May.

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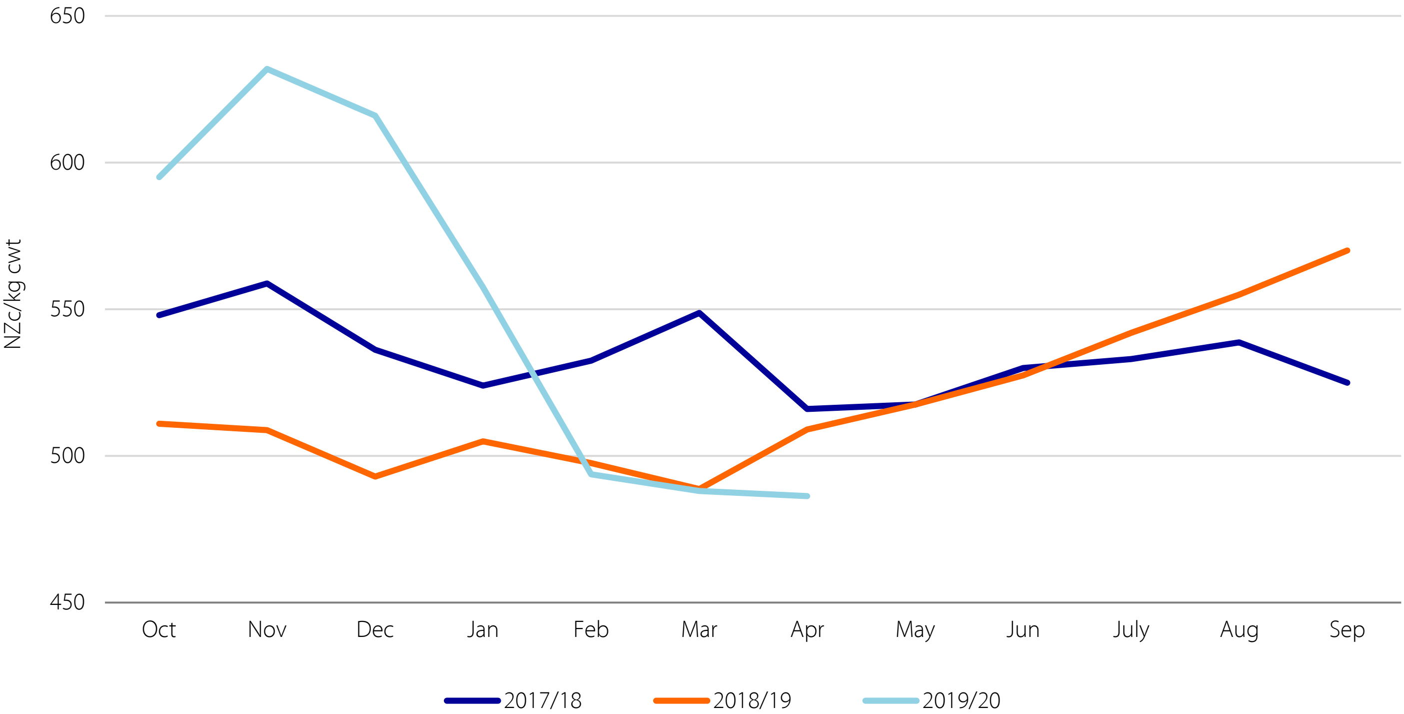
Beef

What to watch

- ***Reduced US protein production –*** Plant closures and worker-related disruptions in the US protein industry have had a severe impact on processing capacity across the species. At the time of writing, Rabobank estimates US beef production capacity to be down by approximately 25%. While US beef producers generally have the ability to hold onto cattle until processing space becomes available, many pork and poultry farmers do not, and have been forced to euthanise stock. This will have a negative impact on US protein production and exports in 2020.

North Island bull price, 2017-2020



Source: AgriHQ, Rabobank 2020

Slowing supplies to stabilise prices

Rabobank expects farmgate prices to stabilise during May, with the potential for some upward pressure on prices later in the month as domestic supplies start to ease.

The severe disruption to processing capacity caused by compliance with Level 4 physical-distancing requirements saw schedule prices continue to drop well beyond the seasonal low point that pricing levels normally reach. While there were sizeable weekly price drops through early and mid-April, prices did stabilise towards the end of the month, as processors were able to make efficiency improvements to increase throughput. As of the end of April, the price in the North Island averaged NZD 6.45/kg cwt (-8% MOM), while South Island lamb averaged NZD 6.30/kg cwt (-7% MOM).

The reduced processing capacity experienced through April has altered the normal procurement pressures that would otherwise come into play in May to put upward pressure on prices. However, there are reports that North Island lamb supplies are starting to slow and space availability in the South Island is improving. This could support a degree of procurement competition in some parts of the country later in the month. Processors are still operating at suboptimal capacity, despite the move from Level 4 to Level 3. However, processors have made significant efficiency gains over the last month, seeing throughput capacity lift from around 50% initially to approximately 80% to 85% by the start of May.

The shutdown of restaurants across Europe and the US has had a noticeable impact on the returns for higher-value lamb cuts, such as lamb racks and loins, predominately sold through these channels. However, other cuts (e.g. lamb legs, flaps, and forequarters) are still performing relatively well, helping to hold up overall lamb export returns.

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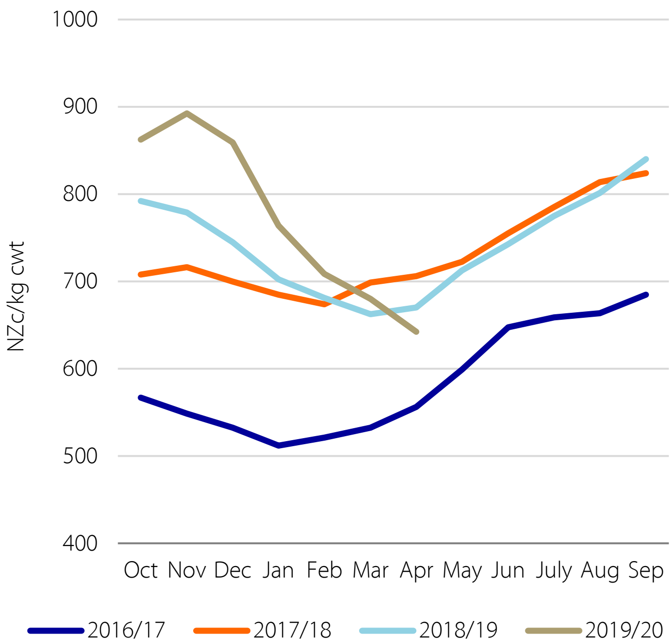
Sheepmeat

What to watch

- ***Chinese demand –*** Export data shows there was a significant jump in NZ lamb exports to China in March, compared with February (+120% MOM) when China's national lockdown forced NZ exporters to find alternative markets for China-bound product. While the 14,683 tonnes of lamb NZ exported to China this March was still down 20% on March 2019 volumes (which was a record high), there was only one other month last season when export volumes topped 14,000 tonnes, which indicates Chinese demand for NZ lamb is still strong after its Covid-19 lockdown.

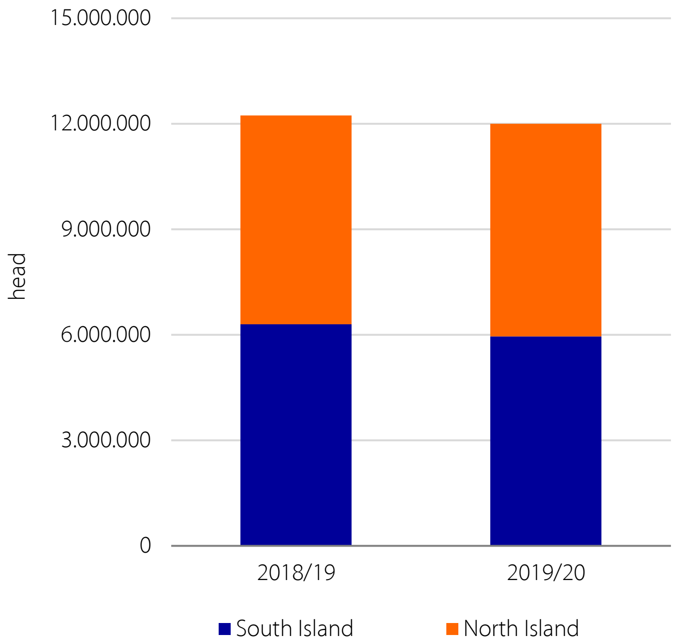
South Island lamb price and NZ lamb slaughter

South Island lamb price



Source: AgriHQ, Rabobank 2020

New Zealand lamb total slaughter (as of 4 April)



Source: NZ Meat Board, Rabobank 2020

Wine

Markets remained positive in Q1

Strong sales of New Zealand wines into key export markets continued across Q1. Volume and value continued to rise YOY. But the impacts of Covid-19 have yet to make themselves felt for New Zealand's wine exports.

The all-important North American market imported higher volumes at higher average prices per litre YOY in Q1 2020. Positive trading conditions continue to exist, despite the shutdown of foodservice in the US and other key markets. But the impacts of Covid-19 will become more apparent in Q2 and Q3 2020. An initial rise in retail sales via an element of stockpiling will not be sustained, as seen in Nielsen data for the US across March and early April. Initial weekly YOY retail sales spikes were followed by weekly reductions, as consumers in lockdown addressed their home inventory.

A large reduction in consumption in Europe in key markets under lockdown, such as Spain and Italy, will lead to increased inventory in those markets. With a period of 'catch-up drinking' considered unlikely once containment measures ease, this product will also need to find a home in the global market over the balance of 2020. Combined with high levels of premium Californian wine inventory in the US, we expect competition in key markets will become more intense in the next six months.

Vintage 2020 harvest has finished, and a rise in volumes YOY is perhaps a double-edged sword.

Across the board, an average to slightly above-average crop is reported, with reports of very good quality in some regions, especially Hawke's Bay. A rise in volume, even small, will be well received, as NZ has continued to draw down on inventory to support sales for the prior three years. However, a challenging trading period lies ahead in the next 12 months. We expect sales to slow, so increased inventory would lift working capital requirements.

What to watch

- ***Opportunity in online sales*** **–** Many consumers, including baby boomers who liked traditional brick-and-mortar shopping, have transitioned to online shopping under Covid-19 restrictions. How sticky this transition will be in a post-Covid-19 world under a 'new normal' is yet to be seen. But, we expect more consumers to shop this way in the future, creating a broader customer base for wineries.

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Q1 wine markets mostly hold up well

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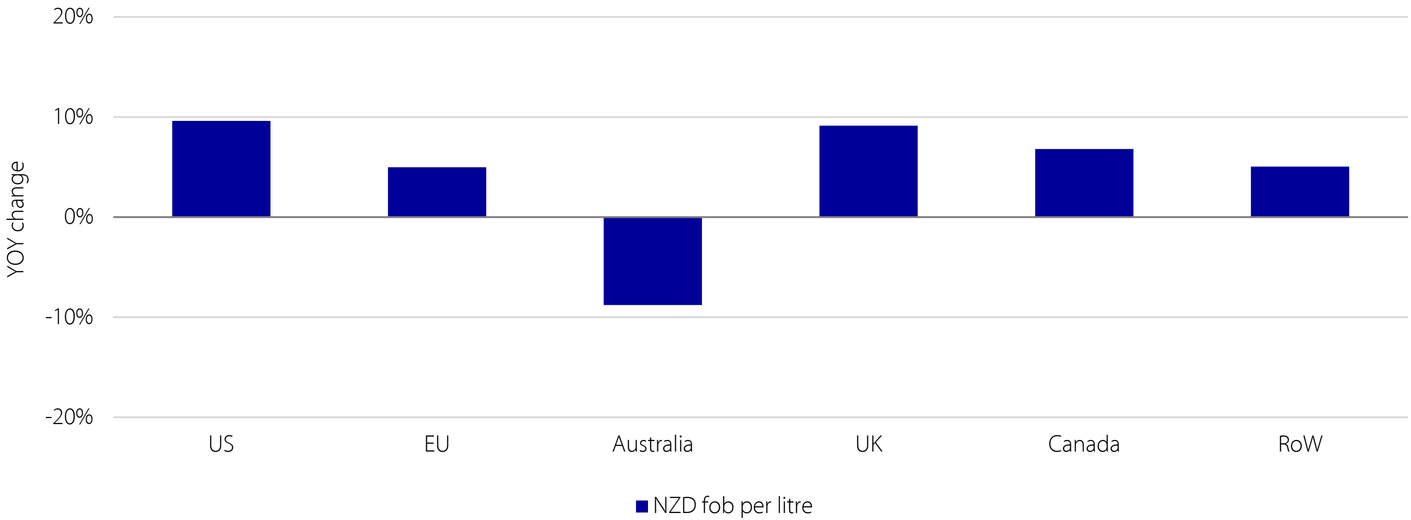
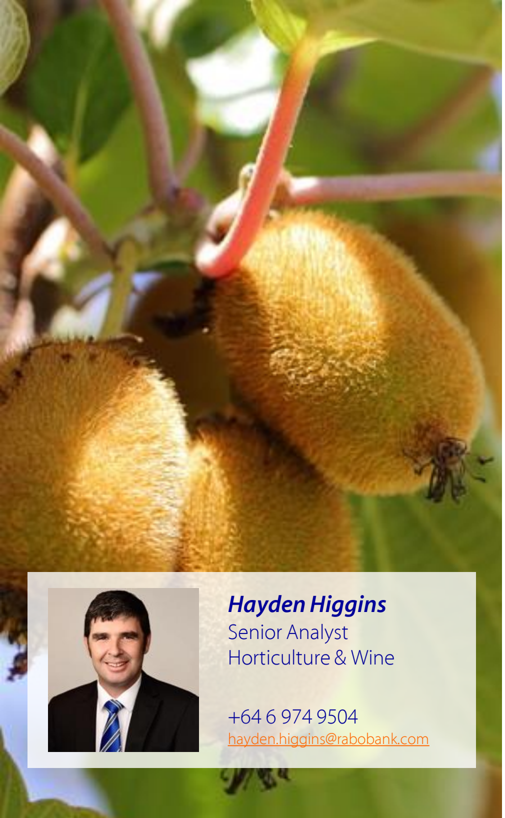
New Zealand wine exports (Q1 2020 vs. Q1 2019)



Source: Infoshare, Rabobank 2020

A rise in the volume and value of bulk exports to Australia was not enough to offset the reduction in packaged wine exports.



Exporters rise to the occasion

Despite all the challenges laid out in front of them, exporters have achieved strong results in Q1. The kiwifruit and apple sectors are benefiting from collaboration and best practices at a time of major disruption to New Zealand supply chains. Early season sales are elevated in volume and value, and markets are absorbing fruit, generally at prices above the same period in 2019.

The combined value of New Zealand's fruit, nut, and vegetable FOB export receipts for Q1 lifted by 22% YOY (+NZD 118 million) in 2020. The depreciation of key trading partners' currencies against the NZD supported this lift. The rise was led by kiwifruit and apples, with FOB value for kiwifruit up by NZD 105 million (+127%) YOY and apples up by NZD 10 million (+8%) YOY.

Chinese imports remained in growth mode at a macro level in Q1 2020 through China's peak Covid-19 period, but some key suppliers felt the Covid-19 impacts. China continued to grow its fresh produce imports. But some of its closer trading partners, like the Philippines and Thailand, experienced a reduction in sales across the quarter, as border and supply chain disruptions played out. New Zealand's main exports in this period were fresh cherries, with pip fruit and kiwifruit only really hitting markets in March. By this stage, much of China's supply chains had reopened for fresh produce.

Peak supply chain disruption risk in New Zealand reduces the further we get through harvest. But key risks still remain offshore. As covered in our earlier Agribusiness Monthlies in 2020, we still see risk of supply chain disruptions in offshore markets influencing prices and/or volumes in 2020. A resurgent NZD, when combined with our April forecast of steeper declines in the global economy, leads us to maintain our view that the prospect of softening export prices across 2020 remains a risk.

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Horticulture

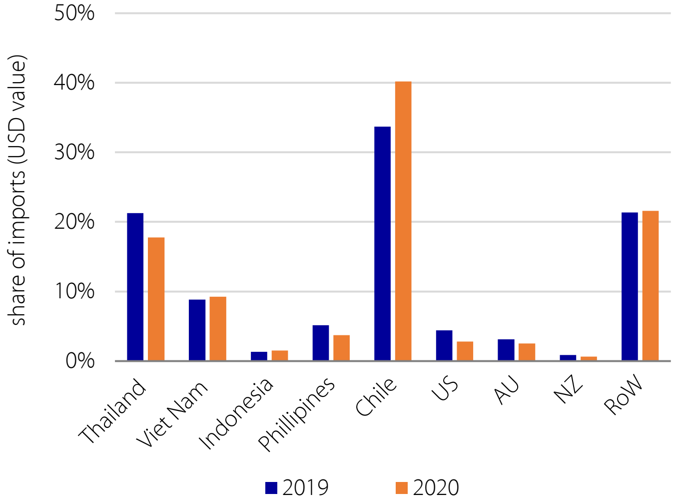
What to watch

- ***Container availability –*** Lower-than-normal demand for imports is expected in the next quarter, as the country comes out of lockdown into a recessionary environment. This will lead to fewer ships arriving at New Zealand ports. This brings with it the possibility of a shortage of containers for exports into Q3.

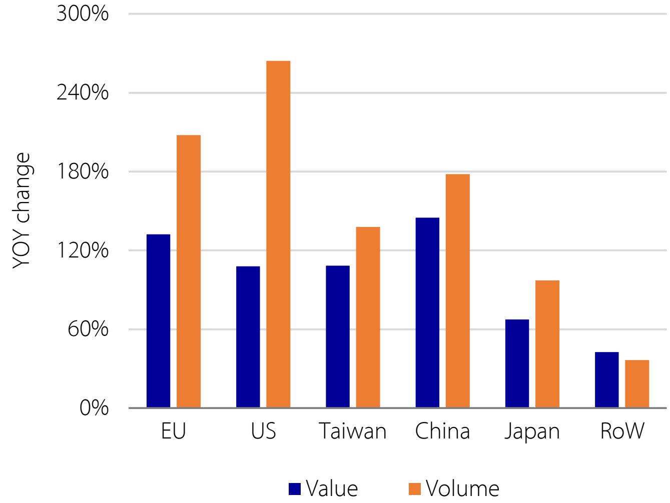
Kiwifruit hitting the green light

Rabobank

Market share of Chinese fruit, vegetable, and nut imports by supplier (Q1 2020 vs. Q1 2019)



YOY change of New Zealand kiwifruit exports (Q1 2020 vs. Q1 2019)



Source: Infoshare, China Customs, Rabobank 2020

Early season export results show promise for the balance of the 2020-21 export year – but there is a long way to go.

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Farm Inputs

Covid-19 interruption risk remains

We expect global price benchmarks for fertiliser will continue to remain at historically low levels (USD terms) for at least the three months ahead. While global prices of urea have now fallen below pre-Covid-19 levels, the risk of interruption to supply chains and/or production remains. Interruption (if any eventuates) and currency movements are likely to be the most significant influences to local prices in the short term.

Global input supply chains continue to operate with little interruption. Most of the Covid-19-related interruption is in India, where lockdown has been extended for another 21 days. CRU estimates (as of 30 April) that about 9.6% of global DAP production and 2.7% of global urea production is currently shutdown in India (incl. Jordan for DAP). See our latest article 'Covid-19 Casts Shadow Over Fertiliser and Crop Protection Supply Chains' for more details.

In USD terms, prices of urea ex. Middle East (FOB) fell12% MOM, to USD 230/tonne. This is now the lowest value since December 2017. Global phosphate benchmarks also fell 12% MOM. Heavy stocks and growing export availability will help to keep a cap on prices of phosphate and urea, respectively, in the next three months and soften the impact of any Covid-19-related disruption to production or logistics.

This month, China signed a new potash contract some USD 70/tonne below the previous contract, and only slightly above the lowest contract price in the last decade. This will act as a price indicator for the next 12 months and help suppliers to reduce large stocks of potash.

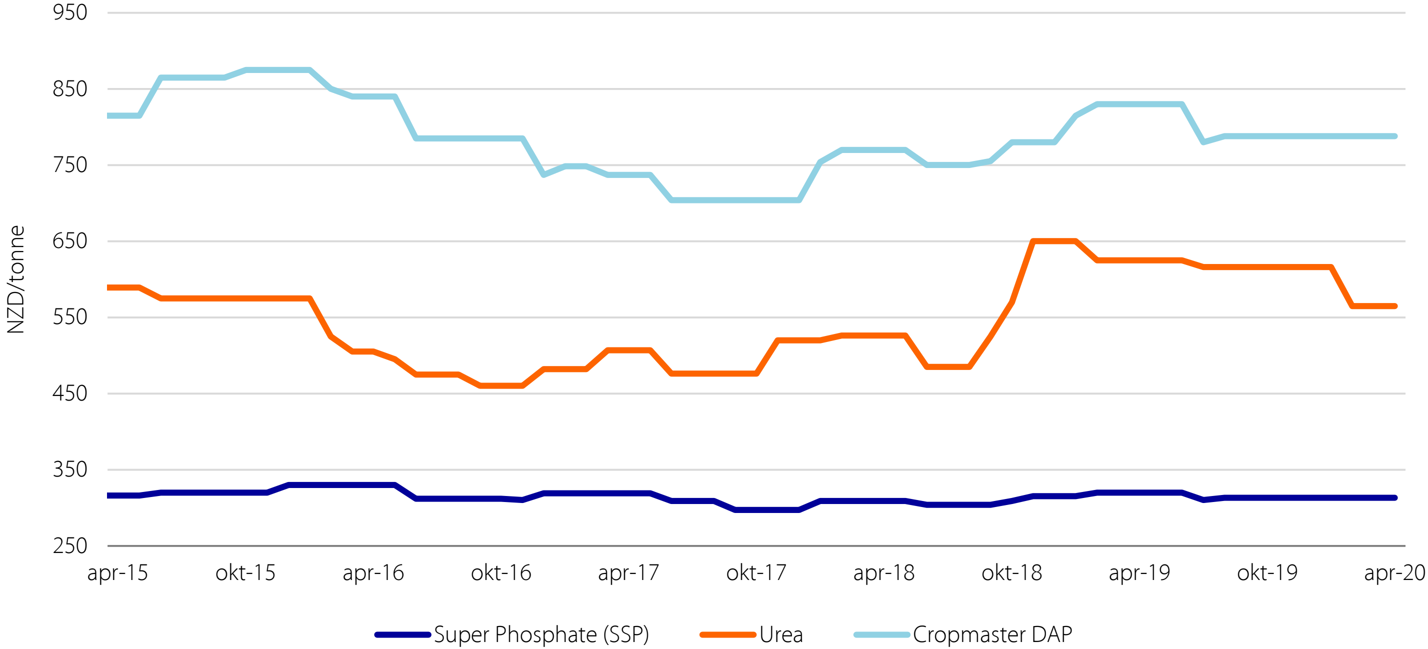
Despite the fall in global prices, local advertised retail prices did not change last month.

What to Watch

- ***Currency*** – The NZD found some strength during April, reflecting the decreased market volatility compared with the month prior. While a stronger currency is a thorn in the side of exporters, for importers it increases purchasing power. While global benchmarks for fertiliser are at or near ten-year lows, in USD terms, a historically weak NZD is offsetting some of the benefits. Last week, we increased our forecast for the NZD to USc 57 at the end of the next three months, up 3% on our previous forecast.

Local prices stable MOM

Local NZ reported retail prices



Source: Ravensdown, Rabobank 2020

Rates & FX

NZD bounce likely to prove temporary

We expect the NZD to fall to USc 57 within three months and stay thereabouts through Q3 2020.

As outlined last month on this page, the NZ dollar is being traded somewhat as a proxy for Chinese economic prospects and global risk. As both these turned sour in Q1, the NZD plummeted, bottoming out at USc 57 on 20 March. But a shift in mood has since driven a rally in the NZD, driving it back up to USc 60.57 on 6 May.

Several factors have underpinned this wave of optimism: signs that the Chinese economy is recovering, while avoiding reinfection; signs that NZ itself has stabilized the virus at low infection levels and can now start going back to work; and a rally in the US equities market, buoying a sense of investor optimism.

But we find it difficult to be optimistic about the outlook for the NZD. The Chinese economy is likely recovering more slowly than most think. Data, such as electricity usage and public-transport use, suggests that activity remains piecemeal. The IMF is forecasting growth of just 1.2% for the year. This will have significant impacts on NZ commodity exports (and their prices).

The NZD remains highly susceptible to deterioration of global risk sentiment, which we expect to see.

What to watch

- ***The resurgence of the US-China trade war.*** President Trump is openly considering the imposition of further tariffs on products it imports from China and other punitive measures as compensation for what he sees as a coronavirus crisis of Chinese origins. A resurgence of hostilities will negatively impact Chinese economic prospects (and with it NZ prospects) and depress risk appetite.

The NZD bounce is a pain for local exporters

Rabobank

NZ currency against the US dollar

Source: RBA, Rabobank 2020

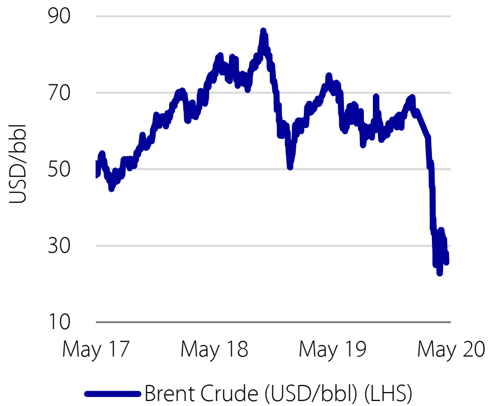
Supply burden here to stay

We expect poor demand and high stocks will keep oil prices suppressed for at least the next nine months. Our expectation is that Brent crude oil will trade at USD 31.25/bbl at the end of June, before climbing to USD 43/bbl at year end. This is good news for local farmers, who are paying historically low diesel prices.

April was an historic month for oil markets and futures trading, given the unprecedented trading action that resulted in oil prices settling in negative territory for the first time in history. On 20 April, the spot May-20 NYMEX WTI (US oil benchmark) collapsed on the penultimate trading day, prior to its expiration, and settled at an unbelievable USD -37.63/bbl. In our view, this historic move was largely the result of a technical squeeze related to contract expiration and the nuances of exchange contract specifications.

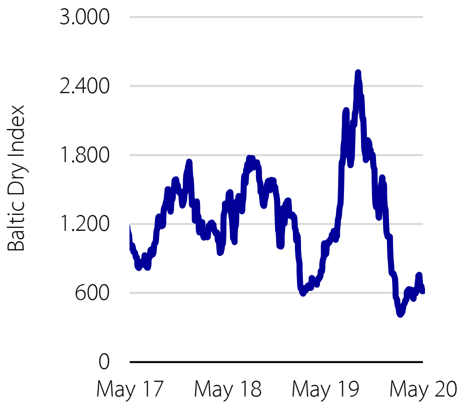
We don’t expect negative oil prices to happen again soon. Many brokers and clearing houses are restricting trading in nearby crude contract. We have also seen some meaningful changes to the structure of oil ETFs and investor products, which will reduce the risk that a similar technical squeeze may happen again.

Brent Crude Oil, May 2017-May 2020



Source: AIP, Bloomberg, Rabobank 2020

Baltic Dry Index, May 2017-May 2020



Source: Bloomberg, Rabobank 2020

Agri Price Dashboard

As of 04/05/2020	Unit	MOM	Current	Last month	Last year
Grains & oilseeds					
CBOT wheat	USc/bushel	▼	516	549	471
CBOT soybean	USc/bushel	▼	847	854	907
CBOT corn	USc/bushel	▼	309	331	365
Australian ASX EC Wheat	AUD/tonne	▼	311	340	324
Non-GM Canola Newcastle	AUD/tonne	▲	677.8	643.1	592
Feed Barley F1 Geelong	AUD/tonne	▼	280	308	345
Beef markets					
Eastern Young Cattle Indicator	AUc/kg cwt	▲	Not reported	704	505
Feeder Steer	AUc/kg lwt	▲	Not reported	375	287
North Island Bull 300kg	NZc/kg cwt	▼	485	495	500
South Island Bull 300kg	NZc/kg cwt	▼	435	465	470
Sheepmeat markets					
Eastern States Trade Lamb Indicator	AUc/kg cwt	▲	Not reported	910	697
North Island Lamb 17.5kg YX	NZc/kg cwt	▼	645	700	710
South Island Lamb 17.5kg YX	NZc/kg cwt	▼	630	680	670
Venison markets					
North Island Stag	NZc/kg cwt	•	700	700	910
South Island Stag	NZc/kg cwt	•	700	700	905
Dairy Markets					
Butter	USD/tonne FOB	▼	4,238	4,325	5,200
Skim Milk Powder	USD/tonne FOB	▼	2,488	2,738	2,475
Whole Milk Powder	USD/tonne FOB	▼	2,738	2,800	3,338
Cheddar	USD/tonne FOB	▲	4,500	4,438	4,088

Agri Price Dashboard

As of 04/05/2020	Unit	MOM	Current	Last month	Last year
Cotton markets					
Cotlook A Index	USc/lb	▲	66.8	60.8	87
ICE No.2 NY Futures (nearby contract)	USc/lb	▲	56.6	51.0	77
Sugar markets					
ICE Sugar No.11	USc/lb	▲	11.0	10.3	12.71
ICE Sugar No.11 (AUD)	AUD/tonne	▼	379	380	438
Wool markets					
Australian Eastern Market Indicator	AUc/kg	▼	1,225	1,287	1,943
Fertiliser					
Urea	USD/tonne FOB	▼	230	262	265
DAP	USD/tonne FOB	▲	310	307	383
Other					
Baltic Dry Index	1000=1985	▲	617	616	699
Brent Crude Oil	USD/bbl	▼	26	34	69
Economics/currency					
AUD	vs. USD	▲	0.64	0.60	0.71
NZD	vs. USD	▲	0.60	0.59	0.68
RBA Official Cash Rate (03/03/2020)	%	•	0.25	0.25	1.50
NZRB Official Cash Rate	%	•	0.25	0.25	1.75

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