Agribusiness Monthly & Covid-19 Update July 2020

New Zealand

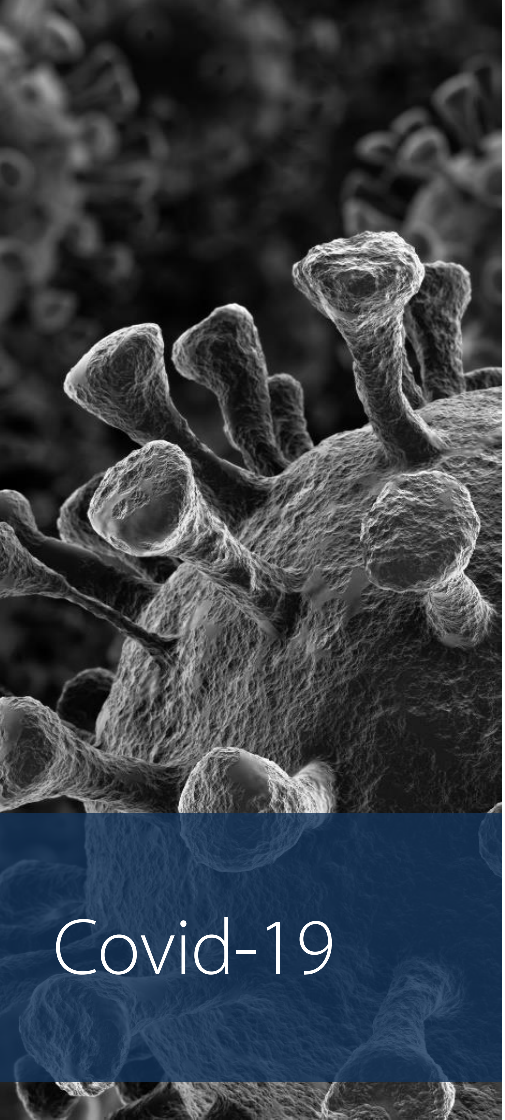
RaboResearch Food & Agribusiness

9 July 2020

Rabobank

Commodity outlook

Covid-19	Infections are on the rise again but ag prices hold firm.
Regulation	Change to freshwater reforms should reduce overall compliance costs, but ultimate impact at farm level still far from certain.
Dairy	Global price risks lay ahead, with weak fundamentals forecast to push commodity prices lower.
Beef	Seasonal tightening of supplies and solid export returns to put upward pressure on prices during July, but uncertainties in the US and China creating downside pricing risks for later in the year.
Sheepmeat	Procurement pressure to drive prices higher, although softening export returns set to limit seasonal lifts below levels experienced over the last two seasons.
Wine	Rabobank expects recovery in US on-premise channel post 2021.
Horticulture	Rabobank expects competition from Chile to emerge in China for some citrus exports.
Farm Inputs	Global urea benchmarks will continue to trade well-below the 10-year average through to the end of Q3, driven by factors both on the demand and supply side.
FX	We have tempered our forecast and now expect the NZD to bottom out at USc 60 by Christmas.
Oil	Despite the extra buying that we saw during June, the fundamentals of the oil market remain weak. We expect prices of Brent Crude to spend 2H '20 trading between USD 30 and USD 40/bbl.



Global infections are again rising

The last month has been a reminder that the virus is not yet on the wane, second waves will occur in some places, and lockdowns will come and go.

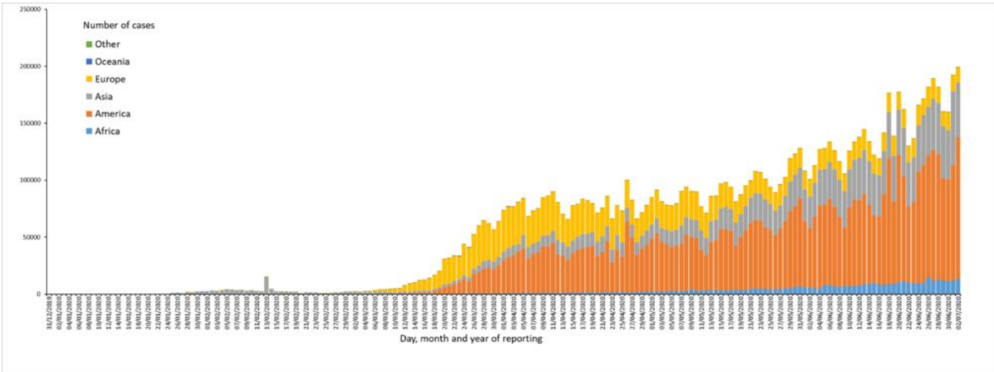
After six weeks of relative stability, global infection rates rose rapidly through June and into early July. By early July, global infections were well-above 200,000 per day, 57% above the levels we were seeing just a month earlier.

In contrast to the trend evident in May, infection rates are rising again in many of NZ's key F&A markets. New outbreaks occurred in cities like Beijing, Leicester and Melbourne, while infection rates rose in 38 US states and in Japan. To what extent this is due to increased testing may be irrelevant for F&A producers. Governments may respond regardless with increased lockdowns.

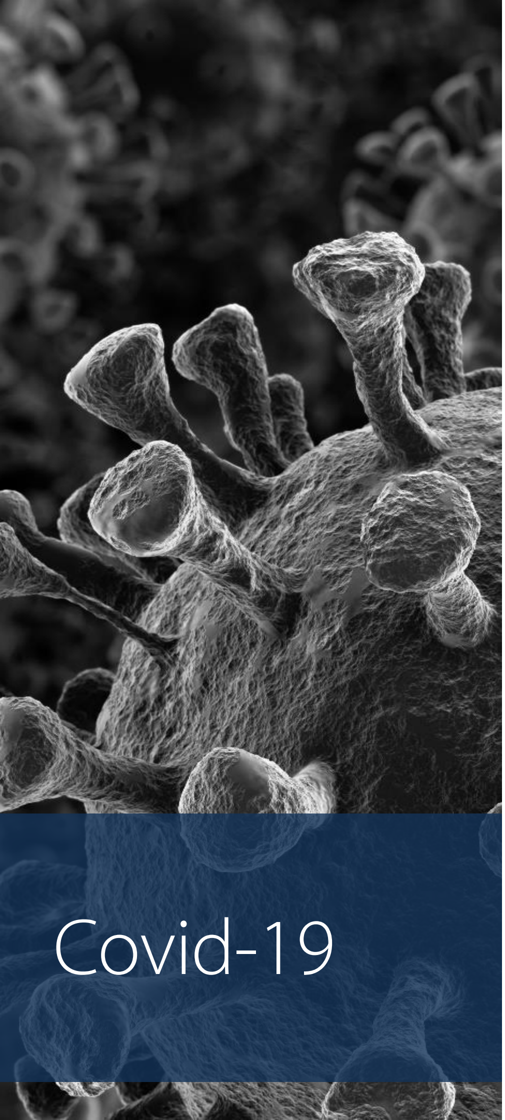
Easing is being delayed, or lockdowns re-introduced, in some cities and states as a result.

While more countries are easing restrictions than reimposing or delaying them, June has reminded us that this will not be one-way traffic.

Daily reported new cases of Covid-19 by continent



Source: European Centre for Disease Prevention and Control, 7 July , 2020



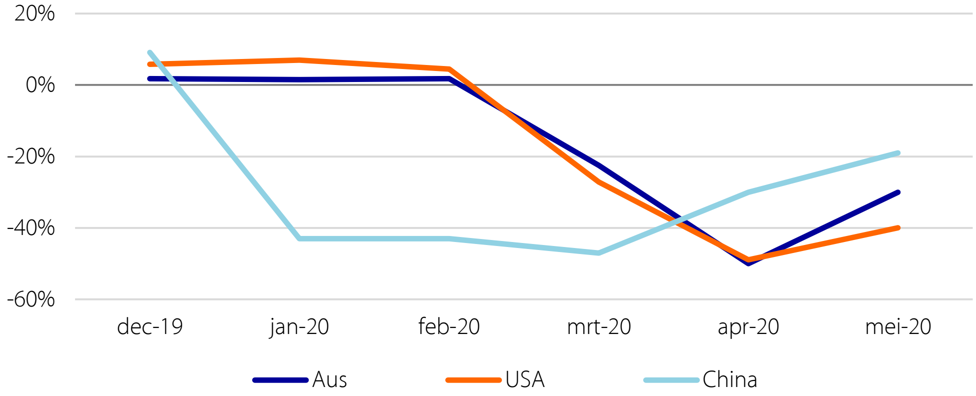
Retail remains strong but foodservice will take a long time to recover

Retail food sales are up through May in China, the US and Australia. People are eating more at home, and in some markets, consumer spending has been supported by generous government support programs.

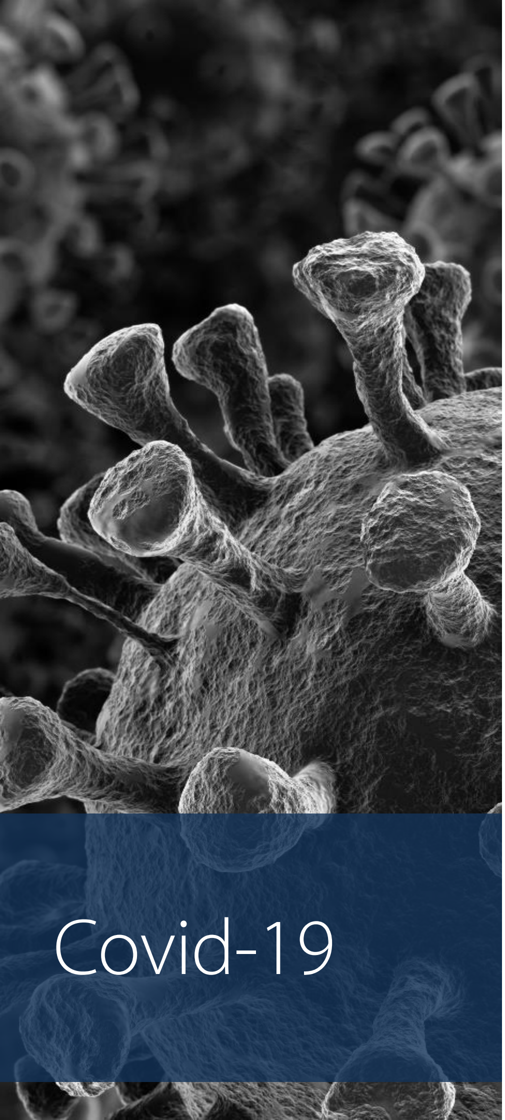
But foodservice remains heavily compromised by restrictions on people movement, the need to maintain social distancing and incomplete opening of restaurants.

China shows us that, even after lockdowns ease, the recovery of foodservice will be slow. In May, Chinese foodservice sales were still 20% below prior year levels. Rabobank expects that it will be September at least until we see the Chinese foodservice sector regain prior year sales. The recovery in the US will be even slower, as the virus is more widespread and there has been greater economic damage to consumers. Even after the global financial crisis, US foodservice took 18 months to recover. And this current crisis is significantly worse.

YOY change in food service sales – key markets



Source: ABS, China NBS, US Census Bureau, Rabobank analysis



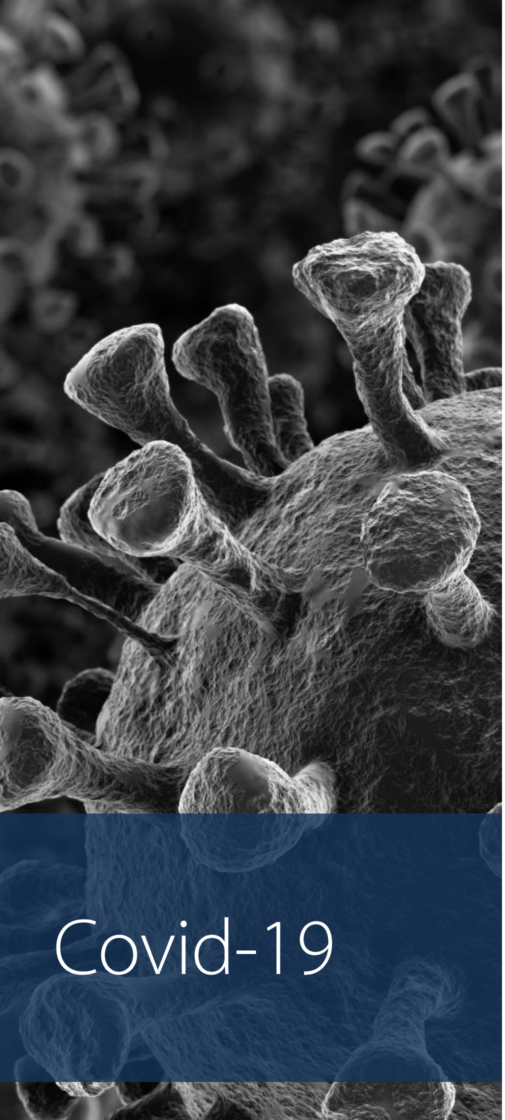
Supply chain disruptions in June were more company and plant specific

One of the features of the crisis so far has been the supply-side shocks. As we have covered in previous reports, earlier months saw ag supply chains in various regions impacted by labour shortages, processing problems, transport bottlenecks, port slowdowns or even government export bans.

Broad-based supply-side disruptions from Covid-19 dissipated through June. Most notably, the US meat processing industry had returned to more normal operations by the end of the month.

But company or plant-specific disruptions remain common. Following the outbreak of infection at a Beijing wholesale food market, Chinese authorities have become concerned by the (scientifically unproven) potential for the virus to be transported on meat. This led to inspections of imported meat at several ports and banning access to their market for around 20 plants around the world with known high infection rates of workers. Covid pressures have also helped push a Chinese trader, and significant buyers of Australian cotton, Weilin into voluntary administration, causing headaches for growers. Several cases at a Coles distribution centre in Laverton also caused a temporary shortages of various fresh and frozen product lines at that retailer's Melbourne stores.

While none of these disruptions have the same breadth of impact as those we saw in the market though May, they can still be highly impactful for those supplying these companies or plants. And for those not directly impacted, they are ***a reminder of the heightened risk environment in which businesses operate in 2020 – even in food and agriculture***.



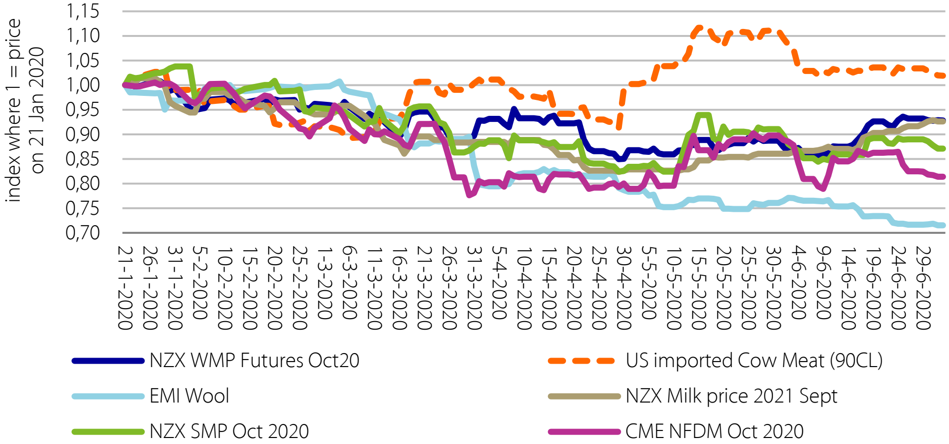
Commodity prices continues to hold

Despite heavily compromised end consumption of F&A products around the world at the moment, demand for product out of NZ has remained strong. For sheep and beef, weak end-demand has been offset by supply disruptions in other markets including ASF (African Swine Fever) in China, US meat processing plant restrictions and heavy falls in Australian production, as the industry restocks after years of drought. Demand for NZ dairy products has been supported by government intervention in the US and the EU.

The combination of government support for consumers, supply-side shocks and market intervention have helped keep USD commodity prices firm. This has underpinned farmgate prices that for most NZ producers remain above breakeven, despite the lack of significant softening in the NZD.

We remain wary of what might happen if government support for consumers and market intervention wanes in coming months. But so far, NZ ag is doing remarkably well in this crisis.

Index of various ag commodity prices in NZD terms since 20 January 2020



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Regulation

Revised water reforms lessen impact

The government made major policy announcements late May/early June in respect of freshwater reforms, and the NZ Emissions Trading Scheme (ETS). Changes to freshwater reforms should reduce the overall costs faced by farmers, but with some details yet to be released and changes at the regional level still pending, the ultimate impact at the farm level is still far from certain. Amendments to the ETS are likely to put upward pressure on carbon credit prices over the longer term, further incentivising the planting of trees to earn revenue from carbon.

Following extensive farmer feedback, several amendments have been made to some of the most controversial aspects of the Essential Freshwater proposals. Some have been made less restrictive (e.g. fencing requirements and interim intensification controls), deferred (form and timing of mandatory farm plans and the bottom line for Dissolved Inorganic Nitrogen) or removed (local nitrogen loss caps, which have been replaced with a national 190kg/N/ha/yr cap on synthetic fertiliser use). Controls around winter grazing and hill country cropping remain, which will require farmers to incorporate these restrictions into their planning for the 2021 season.

The freshwater requirements under these reforms are <u>minimum national practice standards</u>. To achieve the new and more stringent water quality bottom lines, some regional councils may still need to introduce regionally specific rules that are more restrictive than these minimum practice standards.

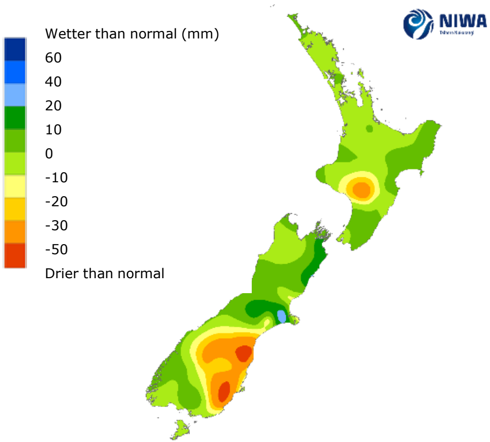
The government confirmed that it will be introducing a cap on the number of ETS carbon credits in circulation, as well as amending pricing controls (lifting the carbon price ceiling from NZD 25 to NZD 50 and introducing a pricing floor of NZD 20). This will incentivise carbon investment by simultaneously creating scarcity in the carbon market (with the scope for prices to move higher), while reducing risk.

What to watch

- ***Resources to provide guidance/information on freshwater reforms*** – Information sheets providing a useful summary and checklist of what farmers/growers need to do, and by when can be accessed via the following link – https://www.mfe.govt.nz/publication-search. There are specific information sheets for each sector (dairy/red meat and horticulture). The information sheets provide links to potential sources of funding for farmers/growers to make on-farm environmental improvements.

Climate

Soil moisture anomaly (mm), 5 July 2020



Source: NIWA, Rabobank 2020

NIWA is forecasting temperatures for July to September to most likely be above average in the east of the North Island, and about equally likely to be near average or above average in all other regions.

Rainfall through to September is about equally likely to be normal or below normal in the west of the South Island, and about as equally likely to be near normal or above normal in the east of the North Island. Near normal rainfall is most likely in all other regions.

NIWA is forecasting that soil moisture levels are about equally likely to be near normal (40%) or below normal (35%-45%) in the east and west of the South Island. In the north of the South Island, soil moisture levels are equally likely to be near normal (40%) or below normal (40%). All North Island regions are most likely to have near normal soil moisture levels.

What to watch

- ***La Niña :*** NIWA's criteria for a 'La Niña Watch' have been met. Under La Niña conditions, more north-easterly winds are characteristic, which tend to bring moist, rainy conditions to the north-east of the North Island, and reduced rainfall to the south and south-west of the South Island.

Global market risks lay ahead

New Zealand milk production for the month of May was up 3.8% on a milksolids basis compared with May 2019. This means the 2019/20 season closed as a record season for New Zealand at 1,896m kgMS of milk produced (the previous record was 2014/15). Rabobank is expecting milk production to expand marginally in 2020/21.

The milk supply drift continued last season. Based on the latest data, Fonterra's milk intake reached 1,517m kgMS for the season. This equates to just over 80% of the milk pool.

Details of the latest round of Fonterra Fixed Price have been formally released. The June intake saw 218 applications and 10m kgMS locked in at NZD 6.13/kgMS (net of service fee). Looking at the numbers so far for the season, there has been a total of 1,510 applications, with 35m kgMS allocated at a weighted average price of NZD 6.17/kgMS (net of service fee). This equates to around 3% of Fonterra annual intake - but with some bigger months ahead for activity.

Rabobank's revised farmgate milk price forecasts now stands at NZD 5.95/kgMS for 2020/21. Damage done to global markets through the Northern Hemisphere peak is less severe than originally expected.

However, there are still global risk ahead for export markets. Many dairy markets are still dealing with imbalances from demand destruction due to government lockdowns. Heightened retail sales and lower foodservice sales will begin to converge, returning to a more normal balance, but it will take time. Once government aid and market support slows, market fundamentals will again take hold in a slower economy that will take time to heal from the pandemic's economic damage. Inventory build will put downward pressure on dairy product prices in the months ahead due to the combination of heightened levels of stocks and competition for reduced import demand.

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Dairy

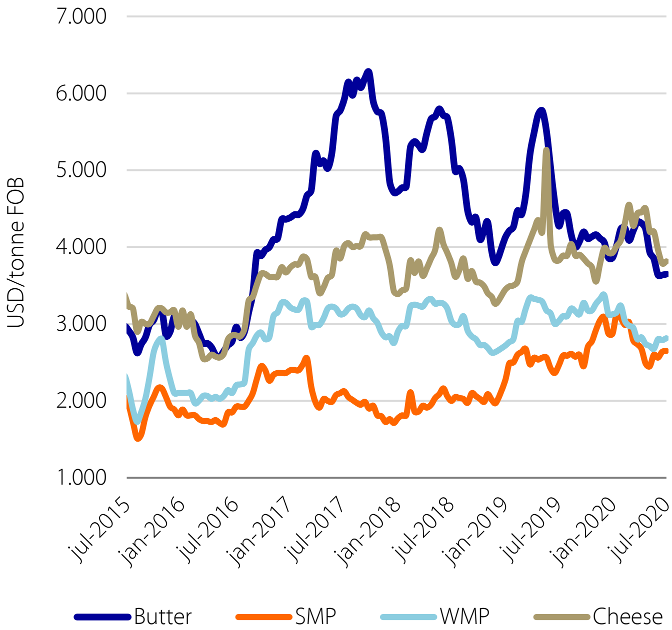
What to watch

- ***A more absent China?*** Rabobank has revised upwards the drop in import volumes from China in 2020 (in liquid milk equivalent terms). This is encouraging for New Zealand exporters. However, Rabobank remains cautious about China's import appetite in the months ahead as the market deals with above average inventory, robust domestic supply growth and weaker end-user demand. Annual imports (in LME terms are expected to be down 15% versus 2019).

Resilient production growth across export regions

Rabobank

Global dairy prices, 2015-2020

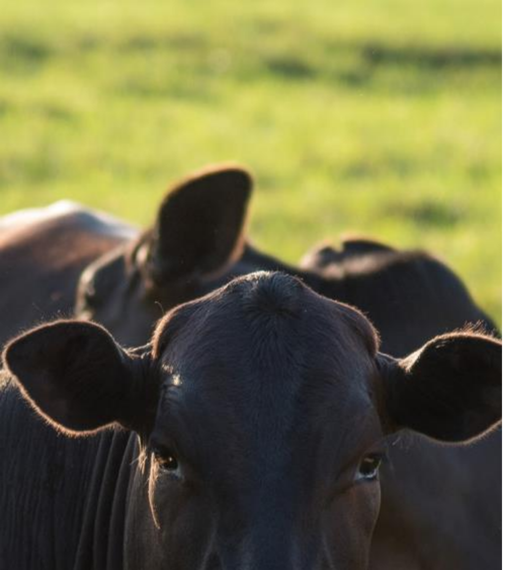


Source: USDA, Rabobank 2020

Production growth key exporting regions

	Latest month	Last three months
EU	0.4% (Apr 20)	1.1%*
US	-1.1% (May 20)	0.9%
Australia	6.0% (May 20)	6.5%
NZ	0.4% (2019/20 full season)	

Source: Rabobank 2020
* February data is adjusted for leap year



Beef

Prices to lift, but risks remain

RaboResearch expects the seasonal tightening of domestic cattle supplies, combined with solid export returns, to put further upward pressure on farmgate prices during July. Uncertainty in both the Chinese and US markets is building downside risks for pricing later in the year.

Farmgate prices made some strong gains through June, underpinned by high US imported beef prices and procurement pressure domestically. Tighter cattle supplies in the North Island relative to the South Island have seen a greater than normal pricing gap develop between the two islands. As at the end of June, the North Island bull price was NZD 5.40/kg cwt, up 6% MOM, with the South Island bull price sitting at NZD 4.65/kg cwt, up 4% MOM.

US beef processing capacity is back to near normal levels, and as a result, US imported beef prices have weakened from their May highs, but remain marginally up YOY. With a large volume of cattle now built up in the system, elevated US production is set to put further downward pressure on US imported beef prices. NZ exporters are also likely to face increased export competition from the US in high-value common markets such as Japan and Korea.

NZ beef exports to China performed well in April and May, but high levels of Chinese protein imports in recent months are increasing the risk of inventory build-up, which could have a negative impact on China's demand for NZ beef in 2H 2020. Following a significant drop off in export volumes during February-March, NZ exported effectively the same volume of beef to China in April-May this year as it did last year, but at an average export price 8% higher YOY. Given that China accounts for approximately 40% of NZ total beef exports, their demand for beef over 2H 2020 will have a significant influence on how NZ farmgate prices perform later in the year.

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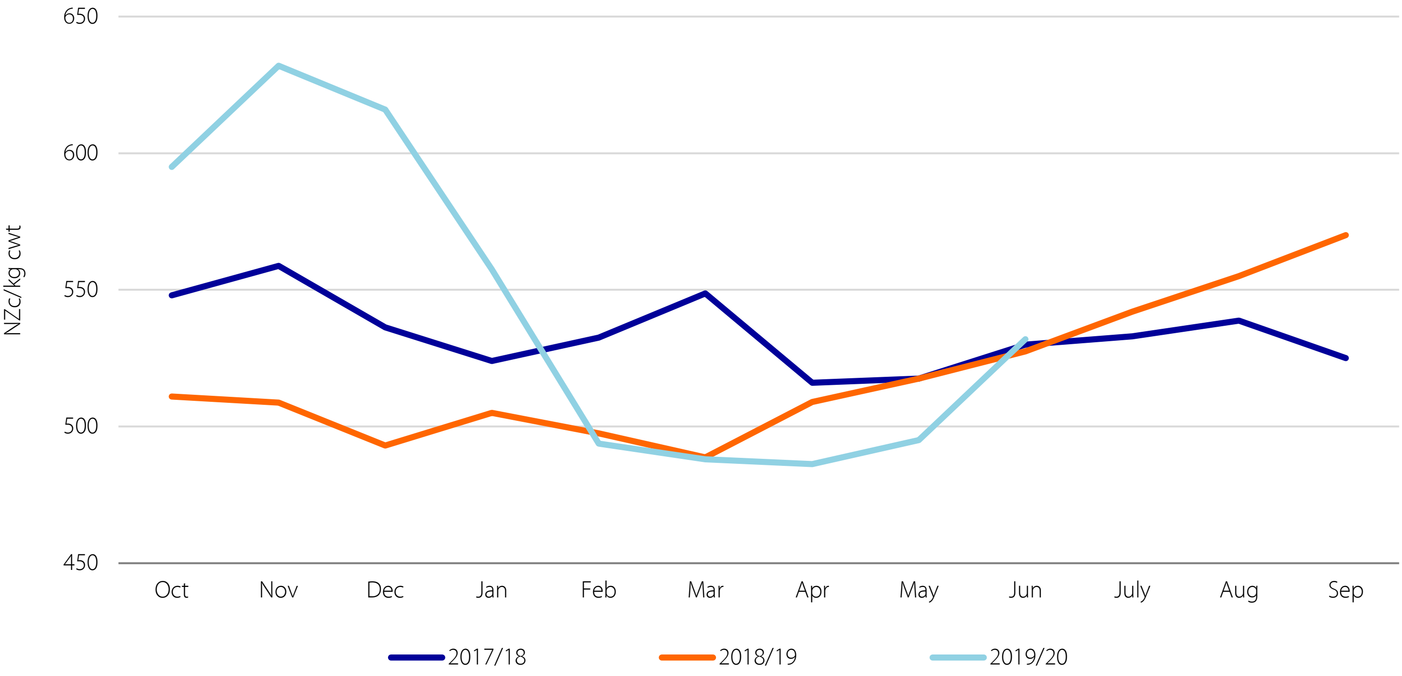
What to watch

- ***South Island procurement pressure –*** the processing disruptions caused during Level-4 lockdown created significant backlogs in the South Island cattle kill, particularly for prime cattle. This reduced South Island procurement pressure relative to the North Island (where the seasonal kill was further forward), and has seen the pricing gap between the two islands stretch beyond what is normal for this stage of the year. With South Island backlogs now being cleared, this should increase procurement pressure on South Island prices and help to close this pricing gap.

North Island Bull Price



Source: AgriHQ, Rabobank 2020

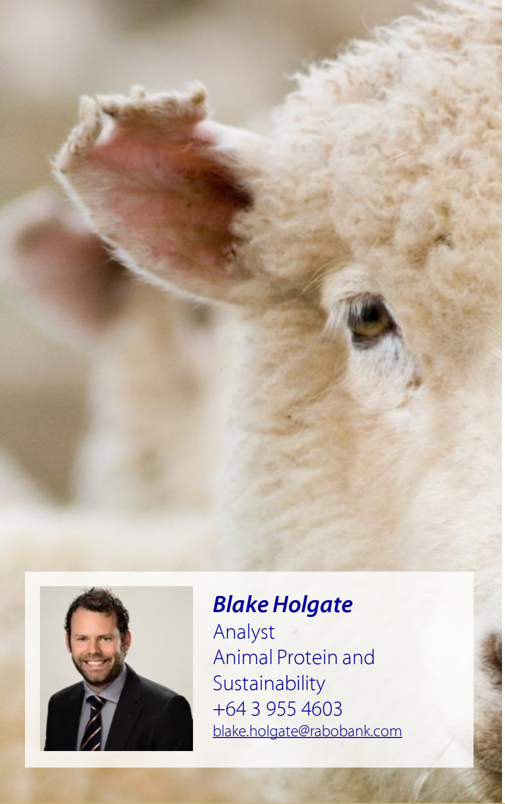
Softening markets to limit price lifts

RaboResearch expects procurement pressure to continue to put upward pressure on farmgate prices out to the end of the season, but softening export returns combined with ongoing Covid-19-related risks are set to limit price lifts below what has been experienced in recent seasons.

Tightening lamb supplies (particularly in the North Island) underpinned a healthy lift in farmgate prices through June. As of the end of June, the price in the North Island averaged NZD 7.15/kg cwt (+7% MOM), while South Island lamb averaged NZD 6.80/kg cwt (+4% MOM). Despite these gains, prices in both the North Island (-9% YOY) and the South Island (-12% YOY) remain well down on where they were at this stage last season. Prices are still above long-term average levels in both islands.

The ongoing impact of restricted foodservice activity due to Covid-19 has seen average export returns for lamb weaken, as NZ exporters become increasingly reliant on China. B+LNZ monthly export data shows average export returns are continuing to weaken, at a point in the season when returns traditionally start to lift. Average export returns for May were down 3% YOY. A significant drop in demand from key high-value markets, such as the US, EU and UK has seen exporters redirecting large volumes of product into China, generally a lower returning market. In May, 64% of all NZ lamb exports went to China (up from 45% of total exports last May).

Procurement competition remains a key factor in favor of farmers with lambs still to process. The STD national kill is now up 1.7% (as of 6 June). With B+LNZ forecasting a lower total lamb crop, lamb processors will have to compete for a tighter-than-normal supply of lambs for the remainder of the season. This may be partially offset by processors reducing processing capacity quicker than normal.



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Sheepmeat

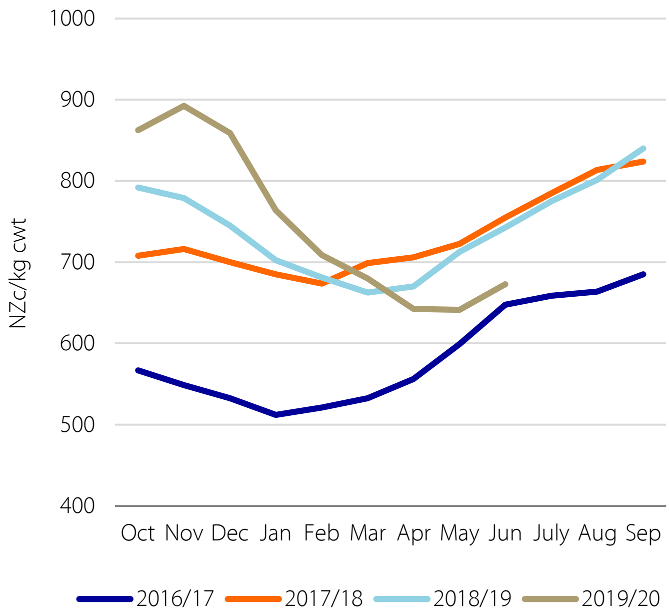
What to watch

- ***Beijing Covid-19 outbreak –*** the Beijing Covid-19 outbreak has been linked to imported salmon, resulting in increased scrutiny of imported food at the surrounding northern seaports. A significant proportion of NZ sheepmeat is imported via these ports. There is a risk that concerns from importers about congestion issues, similar to those experienced earlier in the year, impacts short-term demand. At this stage, demand does not appear to be materially impacted, but should the situation deteriorate, this could create issues for NZ exporters given the limited alternative market options currently available.

South Island lamb price and NZ Lamb Slaughter

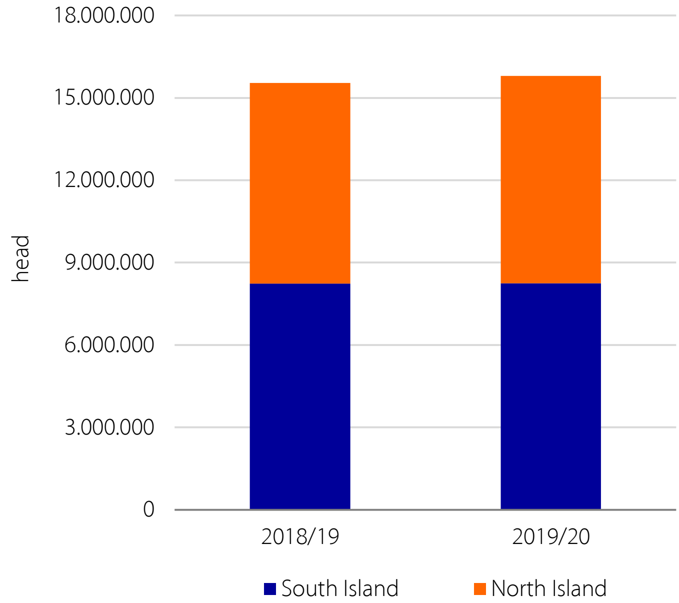
Rabobank

South Island lamb Price

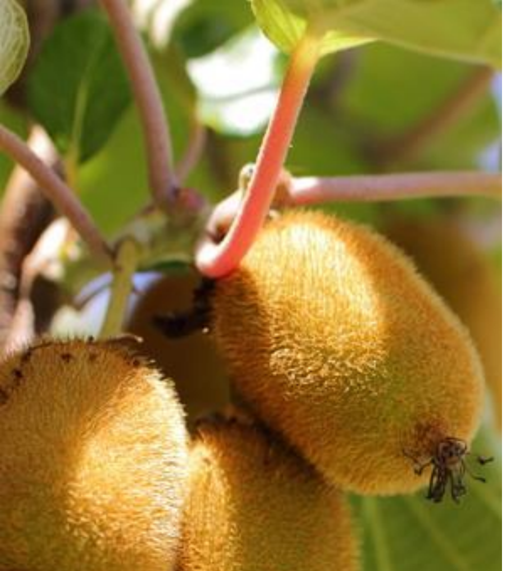


Source: AgriHQ, Rabobank 2020

New Zealand lamb total slaughter (as of 6 June)



Source: NZ Meat Board, Rabobank 2020



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Horticulture

Export Markets Continue To Deliver

New Zealand fresh apple exports in 2020 have continued apace with both export volume and value, and are ahead YTD, compared to 2019.

Price pressure can be seen emerging in some markets, but overall export prices are holding up very well in NZD fob terms. An almost doubling of export volumes to Vietnam, which has a large drop in fob prices YOY, will influence price reductions to that market. In local currency terms, some softening is observed for some markets when the influence of the depreciated NZD is accounted for. A resurgence in the NZD has not assisted in recent weeks, but our expectation is for further depreciation across 2020.

Kiwifruit exports also continue their good run with global markets continuing to take volume of fruit ahead of the same period in 2019, with strong pricing in fob terms also being observed to date.

Chile has commenced exports of citrus to China with recent clearance to that market.

Under new market access terms, the first shipments of citrus fruit have been sent from Chile to China. Chile is already a competitor for New Zealand in some citrus categories, such as lemons in Japan. The largest market for Chile remains the US but China will be an attractive new market for the Chilean sector - Citrus imports into China have more than doubled every year, by volume, since 2014.

Any major secondary disease outbreaks in China will bring further disruption to the supply chain and economy. This could spill into neighbouring trading partners, impacting two-way trade with China and economic recovery. This continues to present potential future downside price risk in 2020

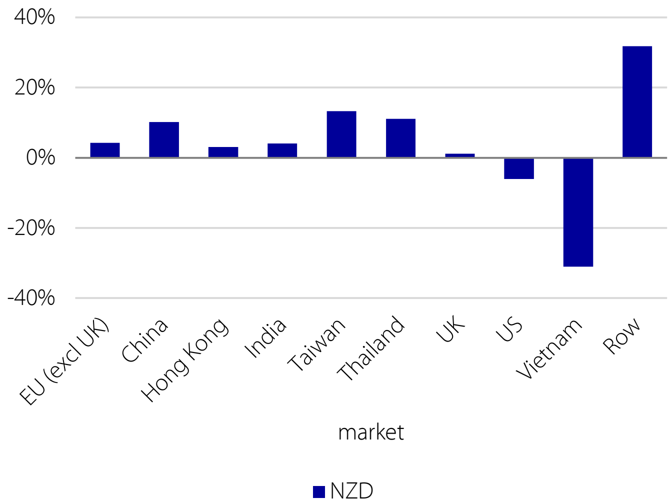
What to watch

- ***Exporter registrations for China –*** China has sought a register of processing facilities linked to exports of horticultural products to China. These are not proposed to be sued for border clearance at this juncture.

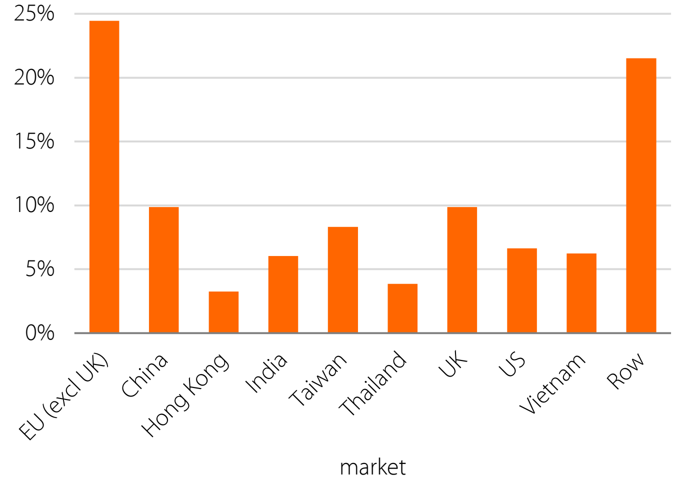
Some Signs of Price Softening Emerge

Rabobank

New Zealand fresh apple exports, change in price per kg YOY (Jan to May 2020)

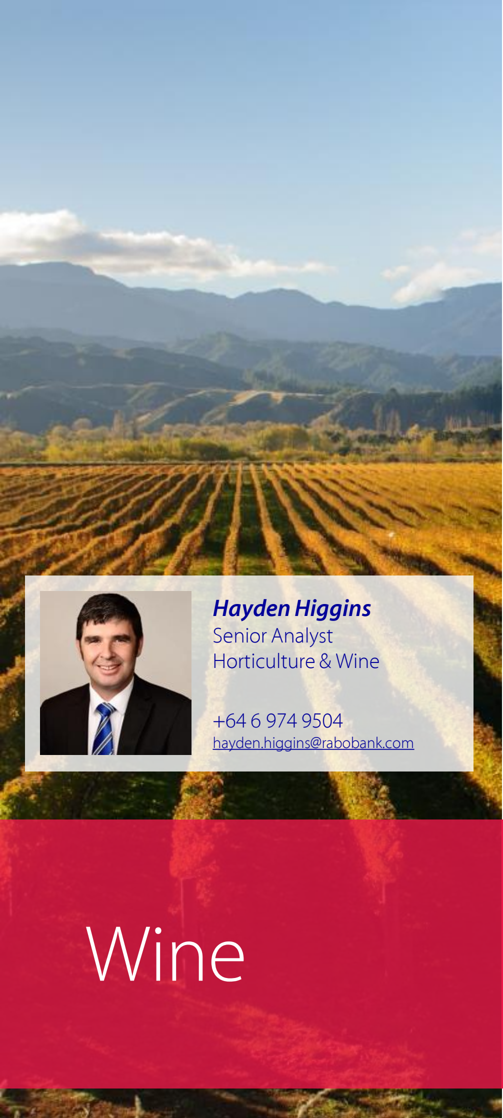


Market share by volume YTD (Jan to May 2020)



Source: RBNZ, Statistics NZ, Rabobank 2020

Volumes to Vietnam have doubled YOY, which will be influencing the price change there.



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Wine

A Mixed Case In 2020

Exports of New Zealand wine continue to rise, with another strong wine export year expected to close on 30 June. Dynamics are different in each key market, with varying stages of social distancing and lockdowns in place. This can also vary regionally within countries, as Covid-19 continues to disrupt. Consumers in the Australian market have pushed strong growth in the retail channel across most price categories.

Australia remains one of our key export markets with around 19 percent of New Zealand's wine exports heading there over calendar YTD to May 2020. Australia continues to experience varying levels of disruption from Covid-19, including a resurgence of cases in Victoria – this will continue to delay the full re-opening of on-premise channels across Australia.

But, like most other markets we export to, Australian retail has picked up volume from on-premise, with good growth in most price segments. Wine Australia reports that the strongest growth was in the AUD 6-AUD 10 per bottle and AUD 20- AUD 30 per bottle segment at off-trade level during the early stages of Covid-19 (over March and April 2020). New Zealand wine exporters have benefited, and although packed exports have reduced over the Covid-19 period, bulk exports have compensated for this.

The US market has shown some signs of recovery, but future Covid-19 outbreaks and containment measures will make a return to growth in on-premise a moving target.

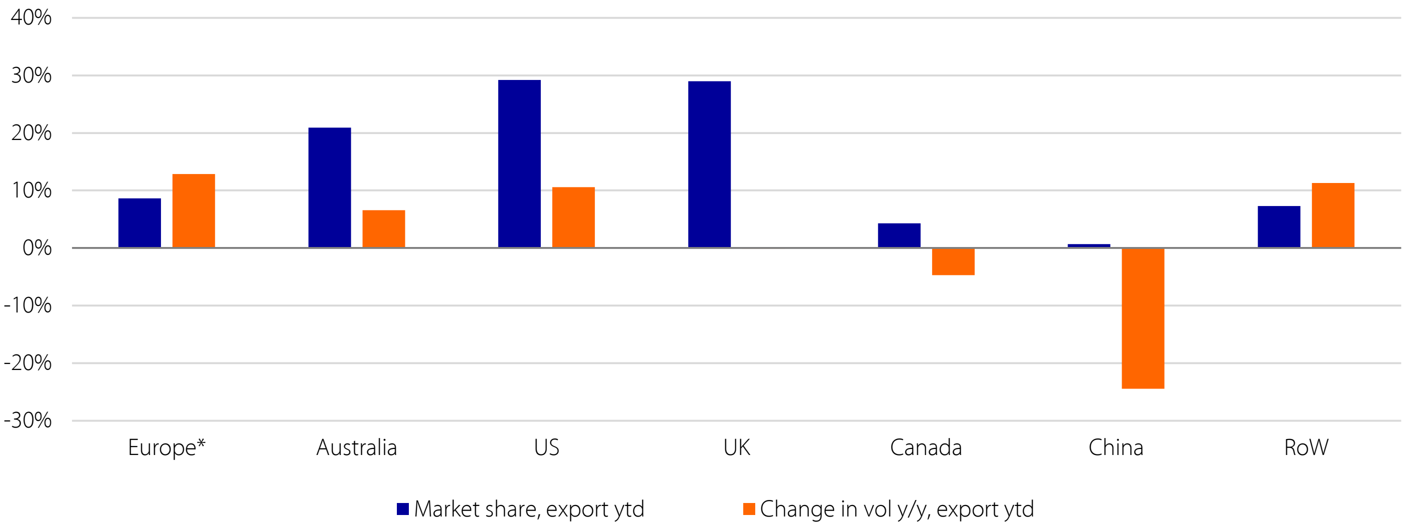
In the US wine market, retail continues to capture lost on-premise sales, but not all. The rise in sales via large format retail will not be reflective of total sales channel changes across all retail. We expect the return to growth in the on-premise channel to occur post 2021 – refer to our latest wine quarterly for a more in depth view on the US premium wine market.

What to watch

- ***In-market prices –*** With the exception of Australia, over the calendar year to May 2020, NZD fob export value per litre has risen YOY. But when the depreciation in the currency is accounted for, only the UK shows signs of rising prices in local market currencies. We expect the NZD to depreciate further across 2020, which will be needed to cushion any further softening.

Exports Continue to Hold Up

New Zealand wine exports volume (July 2019 to May 2020)



**Germany, the Netherlands, Denmark, Ireland, Sweden*
Source: NZWG, Statistics NZ, Rabobank 2020

Despite current global turbulence related to Covid-19, New Zealand wine exports continue to perform ahead of the same period in the prior year to the majority of key markets.

Farm Inputs

Global prices to remain supportive

Global urea benchmarks will continue to trade well-below the 10-year average through to the end of Q3, driven by factors both on the demand and supply side. This will ensure local NZ prices remain favourable.

On the supply side, the cost of raw materials has fallen, in line with other global energy benchmarks due to Covid-19 related factors. Natural Gas (NG1 – NYM, USD/mmbtu) is down 29 percent YOY, while thermal coal (ZCE, USD/mt) is down 20 percent YOY. Similarly, global demand for urea has been underwhelming, particularly in the US where the increase in planted acres is previously much less than previously expected, following major floods in 2019.

A key driver of global prices moving forward will be the activity of India and China in the global market. Indian suppliers will reduce dependency on global supplies this year, as domestic production ramps up. We expect prices to somewhat recover during Q3, due to seasonal demand from the Northern Hemisphere. However, any price increase will be tempered by an increase in Chinese exports.

While disadvantageous for local exporters, an increase in the local dollar has supported purchasing power during the peak importing season.

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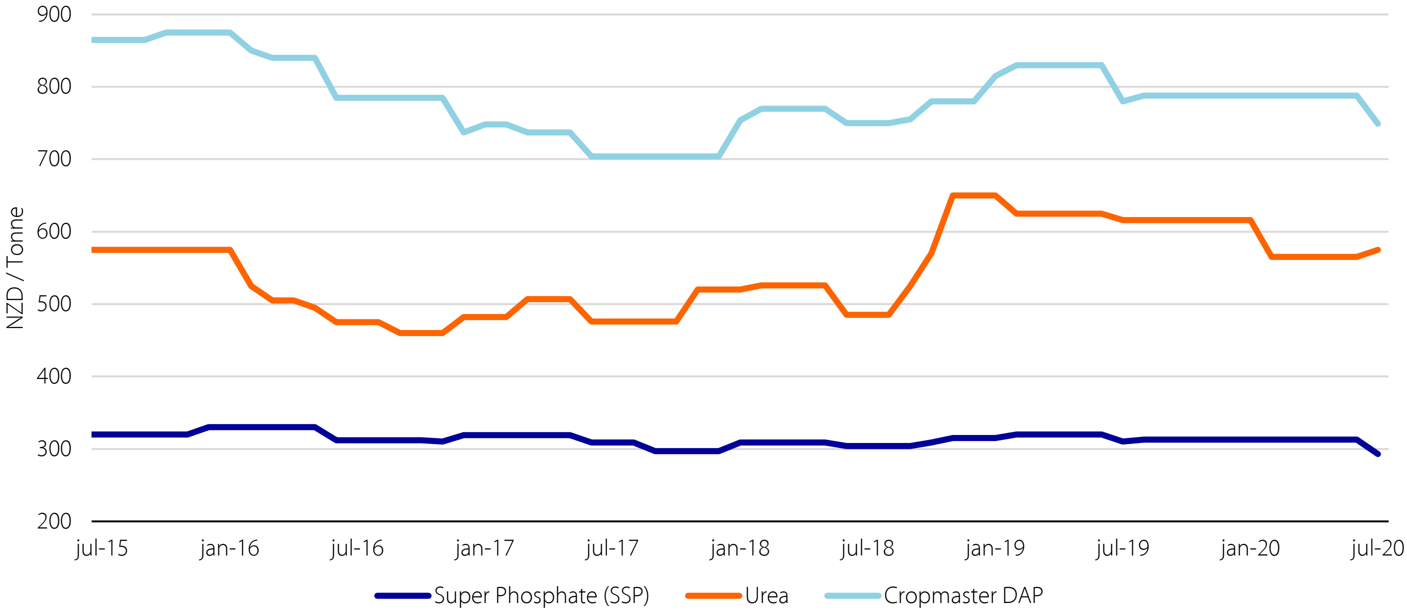
What to Watch

- ***Covid-19 supply chain risk remains:*** The risk of interruption to global supply chains due to Covid-19 remains ongoing. Production risk is mitigated by the fact NZ urea comes from a number of suppliers across Saudi Arabia, Malaysia and China – if there was interruption to one of these sources, alternatives would be available. An interruption to ocean freight is the most substantial risk, and may bring localised shortages if interruption does eventuate.

Local Phosphate prices dipped

Rabobank

Local NZ published retail prices



Source: Ravensdown, Rabobank 2020

Rates & FX

NZD downside this year is shrinking

The NZD rose 3.5% against the US dollar in May. At USc 65, is now just 1.3% down on pre-crisis levels.

The NZD has clearly outperformed our expectations through the second quarter.

There is plenty to be concerned about when assessing the health of the NZ economy. Despite Covid's pain only arriving in the dying weeks of March, GDP contracted 1.6% in Q1 – the biggest contraction in 29 years. And ANZ's NZ business confidence index was still -34.4 in June vs. -41.8 in May, despite the virus having been beaten locally.

But the NZD continues to be pushed higher by a combination of optimism regarding the global economic outlook, rising investor risk appetite, Chinese economic recovery and an earlier reduction in infection rates in NZ compared with many other countries.

Rabobank expects global optimism to be tested in the coming months and sees risk appetites waning. The Covid-19 virus is yet to peak, secondary infection waves are quite likely, the cold war between the US and China looks set to ratchet up further over Hong Kong, and China's economy will continue to struggle in the face of a weak global demand for its exports.

Nonetheless, we have softened our expectation for the damage this will cause to the NZD. And now expect ***the NZD to bottom out at USc 60 by Christmas in our 12-month forecast.***

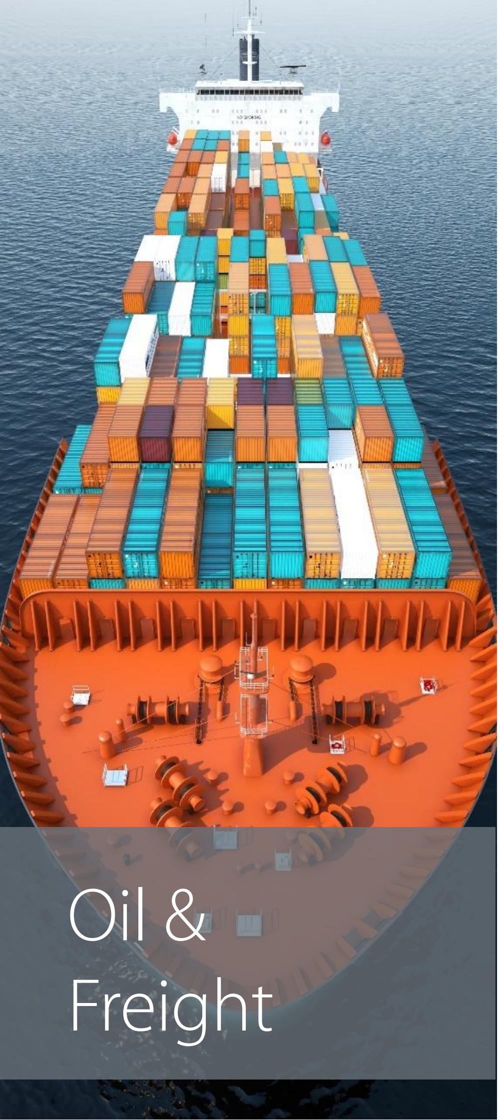
What to watch

- ***Whether rising infections in many US states necessitate further lockdowns.*** At the time of writing, infection rates are rising again in 38 US states. Opening up is being paused in 13 states and partially reversed in six others (including California and Texas). A significant renewal of restrictions on people movement in the US in coming months would endanger its nascent economic recovery, and likely depress the USD against the NZD. Get well soon, America!

The NZD rose again through May

NZ currency against the US dollar

Source: RBA, Rabobank 2020



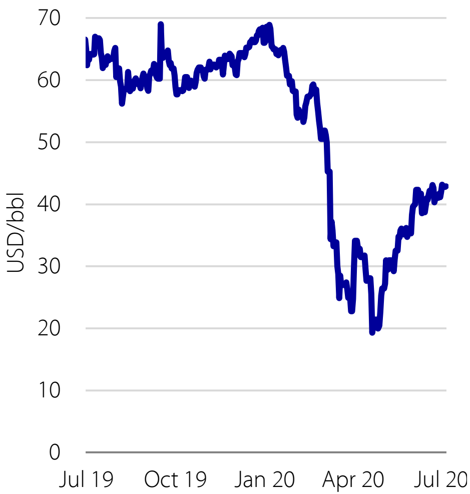
We expect Brent to slip again

Despite the extra buying that we saw during June, the fundamentals of the oil market remain weak. We expect prices of Brent Crude to spend 2H '20 trading between USD 30 and USD 40/bbl.

It has been a volatile few weeks in global oil markets, primarily driven by an influx of retail investors entering the market. However in late June, the oil complex has lost some steam as price movements again started to reflect swelling inventories. We expect high inventories to continue to weigh on the market during the second half of 2020. However, we are mindful not too be overly bearish, given the volume of central bank support pumping through global financial markets.

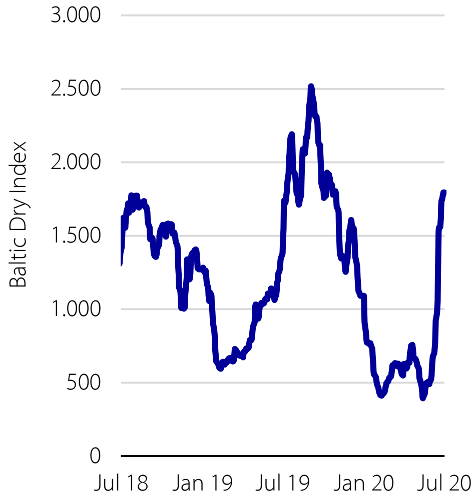
The Baltic Dry Index, the global indicator of ocean freight prices, increased 300% during June, due to strong iron ore demand.

Brent Crude Oil, July 2019-July 2020



Source: AIP, Bloomberg, Rabobank 2020

Baltic Dry Index, July 2018-July 2020



Source: Bloomberg, Rabobank 2020

Agri Price Dashboard

As of 06/07/2020	Unit	MOM	Current	Last month	Last year
Grains & oilseeds					
CBOT wheat	USc/bushel	▼	490	515	519
CBOT soybean	USc/bushel	▲	893	868	872
CBOT corn	USc/bushel	▲	343	331	434
Australian ASX EC Wheat	AUD/tonne	▼	291	303	327
Non-GM Canola Newcastle	AUD/tonne	▼	645	668	581
Feed Barley F1 Geelong	AUD/tonne	▲	240	239	351
Beef markets					
Eastern Young Cattle Indicator	AUc/kg cwt	NA	764	Not reported	492
Feeder Steer	AUc/kg lwt	NA	392	Not reported	293
North Island Bull 300kg	NZc/kg cwt	▲	540	520	535
South Island Bull 300kg	NZc/kg cwt	▲	465	445	510
Sheepmeat markets					
Eastern States Trade Lamb Indicator	AUc/kg cwt	NA	836	Not reported	908
North Island Lamb 17.5kg YX	NZc/kg cwt	▲	715	685	785
South Island Lamb 17.5kg YX	NZc/kg cwt	▲	680	665	765
Venison markets					
North Island Stag	NZc/kg cwt	▲	605	545	900
South Island Stag	NZc/kg cwt	▲	605	545	895
Dairy Markets					
Butter	USD/tonne FOB	•	3,638	3,638	4,275
Skim Milk Powder	USD/tonne FOB	▲	2,638	2,563	2,463
Whole Milk Powder	USD/tonne FOB	▼	2,788	2,800	3,038
Cheddar	USD/tonne FOB	▼	3,788	3,963	3,825

Agri Price Dashboard

As of 06/07/2020	Unit	MOM	Current	Last month	Last year
Cotton markets					
Cotlook A Index	USc/lb	▲	70.7	67.5	78
ICE No.2 NY Futures (nearby contract)	USc/lb	▲	63.1	61.8	63
Sugar markets					
ICE Sugar No.11	USc/lb	▲	12.2	12.0	12.36
ICE Sugar No.11 (AUD)	AUD/tonne	▲	389	382	432
Wool markets					
Australian Eastern Market Indicator	AUc/kg	▼	1,114	1,183	1,723
Fertiliser					
Urea	USD/tonne FOB	▲	230	215	290
DAP	USD/tonne FOB	▲	311	295	353
Other					
Baltic Dry Index	1000=1985	▲	1,894	679	1,740
Brent Crude Oil	USD/bbl	▲	43	42	64
Economics/currency					
AUD	vs. USD	▼	0.69	0.70	0.70
NZD	vs. USD	▲	0.65	0.65	0.66
RBA Official Cash Rate (03/03/2020)	%	•	0.25	0.25	1.00
NZRB Official Cash Rate	%	•	0.25	0.25	1.50

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