



MARKET WIRE

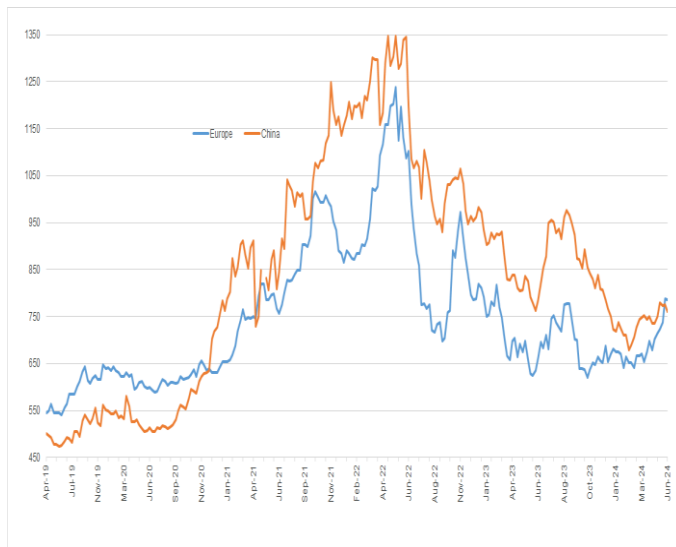
Winter Fatigue



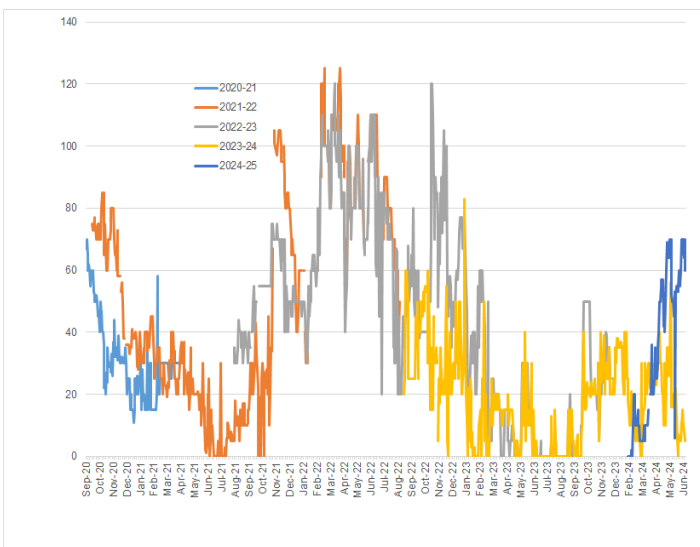


GM CANOLA DATA DASHBOARD

EU-CHINA PRICES (A\$ TRACK EQ.)



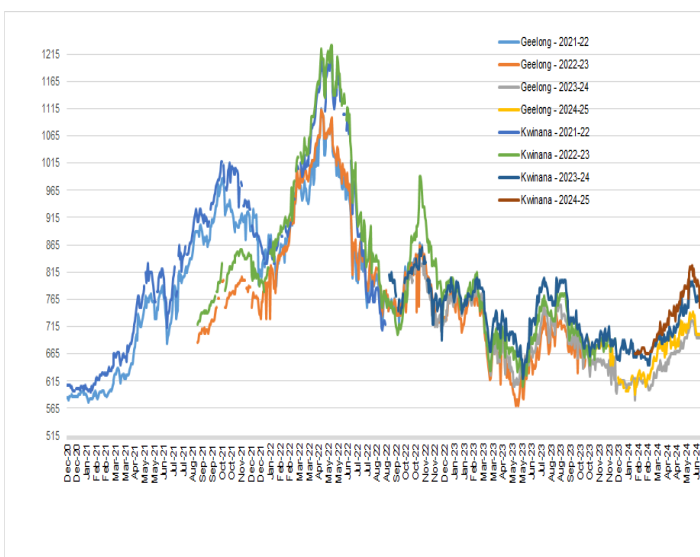
KWINANA GM SPREAD (\$AUD)



2023/24 EXPORT MATRIX ('000 t)

	Australia	Canada	Ukraine	Total
Bangladesh	267	-	60	327
China	30	4,100	-	4,130
EU-28	2,782	120	3,200	6,602
Japan	1,235	1,000	-	2,235
Mexico	500	800	-	1,300
Pakistan	552	200	-	852
UAE	601	150	50	901
Other	531	330	290	1,251
Total	6,498	6,700	3,600	17,598

GEELONG/KWINANA PRICE (\$AUD/t)



PRODUCTION MATRIX

Canola (mmt)	2023/24	2024/25	GM %
Australia	6.057	5.214	46%
EU-28	21.263	19.652	0%
Canada	18.544	19.371	97%
Ukraine	4.470	3.919	0%
Major Exporters	50.334	48.155	44%

TOTAL CANOLA ESTIMATES

2024/25	WA	SA	VIC	NSW	National
Area (kha)	1,486	235	571	880	3,173
Yields (t/ha)	1.46	1.46	2.35	1.67	1.64
Production (kt)	2.166	0.342	1.237	1.466	5.214



GM CANOLA MARKET REPORT



GM CANOLA SITE BIDS

2023-24	Riordan	Cargill	Inghams
Balaklava		\$ 605.81	\$ 566.25
Bellata		\$ 574.75	
Berrigan	\$ 630.00		
Berrybank			\$ 593.02
Beulah			\$ 562.81
Birchip			\$ 577.77
Boort	\$ 640.00		\$ 579.59
Bordertown		\$ 584.43	\$ 564.46
Bowmans		\$ 611.39	\$ 566.25
Burrumbuttock	\$ 625.00		
Caragabal		\$ 606.00	
Carpolac			\$ 564.23
Chariton			\$ 580.50
Condobolin		\$ 595.25	
Coolamon		\$ 605.75	
Coonalpyn		\$ 592.52	\$ 575.75
Coonamble		\$ 572.25	
Cootamundra		\$ 611.75	
Cowra		\$ 601.25	
Croppa Creek		\$ 564.00	
Cummins		\$ 607.89	
Cunningar		\$ 616.75	
Dimboola			\$ 575.38
Donald	\$ 640.00	\$ 625.00	\$ 576.24
Dooen			\$ 581.15
Dookie			\$ 584.63
Dunolly			\$ 588.89
Edenhope	\$ 650.00		
Edillilie		\$ 608.36	
Elmore		\$ 632.25	\$ 590.95
Frances			\$ 553.71
Gilgandra		\$ 580.00	
Gladstone (SA)			\$ 551.29
Greenethorpe		\$ 601.50	
Grong Grong		\$ 601.25	
Gunnedah		\$ 586.00	
Hamilton			\$ 574.69
Horsham	\$ 650.00		
Howlong	\$ 630.00		
Junee		\$ 608.25	
Keith		\$ 591.88	\$ 566.25
Laharum	\$ 650.00		
Lake Bolac	\$ 650.00		\$ 592.46
Lara	\$ 685.00		
Lascelles			\$ 585.08

NB* Bids from the market as of 18/06/2024
Refer to bid provider for delivery terms and conditions

Information provided in this document have been sourced from Lachstock Consulting along with current advertised company bids. Lachstock Consulting Pty Ltd ABN 70 127 367 784 is the holder of an AFSL 320 562. The information and opinions within this document are of a general nature only and do not take into account the particular needs or individual circumstances of investors. Neither Lachstock Consulting Pty Ltd nor its subsidiaries give any warranty, whether expressed or implied, as to the accuracy, reliability or otherwise of the information and opinions contained herein and to the maximum extent permissible by law, accepts no liability in contract, tort (including negligence) or otherwise for any loss or damages suffered as a result of reliance on such information or opinions.

GM CANOLA MARKET REPORT



GM CANOLA SITE BIDS

2023-24	Riordan	Cargill	Inghams
Lillimur			\$ 561.86
Maimuru		\$ 602.50	
Marnoo			\$ 573.17
Milvale		\$ 611.75	
Mitiamo			\$ 584.24
Moama	\$ 640.00	\$ 627.25	
Moree		\$ 570.25	
Murchison East			\$ 592.76
Murtoa			\$ 574.82
Naracoorte			\$ 558.24
Narrandera		\$ 599.00	
Natimuk			\$ 571.07
Nea		\$ 587.50	
Nevertire		\$ 571.75	
Nhill			\$ 564.62
Nullawil	\$ 650.00		\$ 585.59
Oaklands		\$ 619.25	
Oaklands_GF			\$ 569.78
Owen		\$ 607.25	\$ 566.25
Parkes		\$ 606.25	
Piangil			\$ 563.58
Premer		\$ 586.00	
Quambatook			\$ 574.17
Quandialla		\$ 607.25	
Rainbow			\$ 560.23
Red Bend		\$ 604.00	
Roseworthy		\$ 613.87	\$ 566.80
Rudall		\$ 599.62	
Tabbita		\$ 599.25	
Tailem Bend		\$ 606.95	\$ 580.12
Tatyoan North	\$ 650.00		\$ 596.16
Telford	\$ 630.00		
Temora		\$ 609.75	
Tocumwal			\$ 578.69
Trangie		\$ 574.25	
Trundle		\$ 590.25	
Tumby Bay		\$ 608.67	
Walbundrie	\$ 630.00		
Warracknabeal			\$ 568.75
Waverley		\$ 590.25	
Werneth	\$ 660.00		
Werris Creek		\$ 591.00	
Westmere			\$ 585.66
Willow Tree		\$ 594.25	
Winchelsea	\$ 665.00		
Wolseley		\$ 590.20	\$ 559.44
Woorinen			\$ 579.99
Wycheproof			\$ 576.62
Yarrawonga			\$ 578.04

NB* Bids from the market as of 18/06/2024
Refer to bid provider for delivery terms and conditions

Information provided in this document have been sourced from Lachstock Consulting along with current advertised company bids. Lachstock Consulting Pty Ltd ABN 70 127 367 784 is the holder of an AFSL 320 562. The information and opinions within this document are of a general nature only and do not take into account the particular needs or individual circumstances of investors. Neither Lachstock Consulting Pty Ltd nor its subsidiaries give any warranty, whether expressed or implied, as to the accuracy, reliability or otherwise of the information and opinions contained herein and to the maximum extent permissible by law, accepts no liability in contract, tort (including negligence) or otherwise for any loss or damages suffered as a result of reliance on such information or opinions.

GM CANOLA MARKET REPORT



GM CANOLA SITE BIDS (ISCC)

2024-25	GrainCorp	Viterra
Ardrossan		\$ 634.02
Berrybank	\$ 648.50	\$ 646.50
Beulah		\$ 628.00
Birchip		\$ 628.00
Boort		\$ 632.75
Bordertown		\$ 618.43
Carpolac		\$ 630.50
Charlton		\$ 633.00
Dimboola		\$ 632.50
Donald		\$ 624.00
Dooen		\$ 638.00
Dookie		\$ 635.25
Dunolly		\$ 638.25
Elmore		\$ 639.25
Hamilton	\$ 648.00	\$ 631.00
Mathoura		\$ 630.00
Mitiamo		\$ 635.50
Moama		\$ 633.00
Murchison East		\$ 640.25
Murtoa		\$ 633.00
Natimuk		\$ 634.75
Nhill		\$ 632.75
Numurkah	\$ 637.25	
Oaklands	\$ 628.25	\$ 626.25
Piangil		\$ 622.50
Quambatook		\$ 629.25
Rainbow		\$ 627.25
Sea Lake		\$ 624.50
Tailem Bend		\$ 640.95
Tocumwal		\$ 631.00
Warracknabeal		\$ 631.25
Werneth		\$ 642.00
Westmere	\$ 643.50	\$ 641.50
Wycheproof		\$ 630.75
Yarrawonga		\$ 630.25

NB* Bids from the market as of 18/06/2024
Refer to bid provider for delivery terms and conditions

Information provided in this document have been sourced from Lachstock Consulting along with current advertised company bids. Lachstock Consulting Pty Ltd ABN 70 127 367 784 is the holder of an AFSL 320 562. The information and opinions within this document are of a general nature only and do not take into account the particular needs or individual circumstances of investors. Neither Lachstock Consulting Pty Ltd nor its subsidiaries give any warranty, whether expressed or implied, as to the accuracy, reliability or otherwise of the information and opinions contained herein and to the maximum extent permissible by law, accepts no liability in contract, tort (including negligence) or otherwise for any loss or damages suffered as a result of reliance on such information or opinions.



GM CANOLA MARKET REPORT

GM CANOLA BIDS

2023-24	Cargill	GrainCorp	Louis Dreyfus
Albany	\$ 674.00	\$ 720.00	\$ 720.00
Esperance	\$ 637.00		
Geraldton	\$ 641.00	\$ 695.00	
Kwinana	\$ 746.00	\$ 735.00	\$ 735.00
Port Adelaide	\$ 618.00		
Port Pirie	\$ 603.81		

2024-25	Cargill	CBH	GrainCorp
Albany	\$ 712.00	\$ 740.00	\$ 740.00
Esperance	\$ 712.00	\$ 740.00	\$ 740.00
Geraldton	\$ 707.00	\$ 740.00	\$ 740.00
Kwinana	\$ 712.00	\$ 740.00	\$ 740.00

GM CANOLA BIDS (ISCC)

2023-24	CBH	Viterra
Albany	\$ 720.00	\$ 720.00
Esperance	\$ 715.00	
Geraldton	\$ 695.00	\$ 695.00
Kwinana	\$ 735.00	\$ 735.00
Port Pirie		\$ 622.81
Port Adelaide		\$ 645.00

2024-25	CBH	Louis Dreyfus	Viterra
Albany	\$ 695.00	\$ 694.00	\$ 700.00
Esperance	\$ 695.00	\$ 689.00	
Geraldton	\$ 695.00		\$ 700.00
Kwinana	\$ 695.00	\$ 694.00	\$ 700.00

NB* Bids from the market as of 18/06/2024
Refer to bid provider for delivery terms and conditions

Information provided in this document have been sourced from Lachstock Consulting along with current advertised company bids. Lachstock Consulting Pty Ltd ABN 70 127 367 784 is the holder of an AFSL 320 562. The information and opinions within this document are of a general nature only and do not take into account the particular needs or individual circumstances of investors. Neither Lachstock Consulting Pty Ltd nor its subsidiaries give any warranty, whether expressed or implied, as to the accuracy, reliability or otherwise of the information and opinions contained herein and to the maximum extent permissible by law, accepts no liability in contract, tort (including negligence) or otherwise for any loss or damages suffered as a result of reliance on such information or opinions.



Local market update

ABS data shows that we exported 648 kt of canola in April, up 25% from March. The EU took the bulk of the quantity at just under 425 kt, Japan took 115 kt and the UAE 65 kt. There is a combined 1.36 mt on the stem for May-Jul, which would put 2023-24 export pace at 5.21 mt, around 4% behind this time last year and puts us at around 90% of our total export forecast.

The forecast change in rainfall patterns has delivered for WA, with June rainfall to date finally turning the season around, although we still estimate a further pull back in area planted to canola (it just got too late). Crops that went in dry are now expected to have enough moisture to germinate, and crops that were established will be boosted. Further rainfall will be critical for crops to reach the current forecast.

The same cannot be said for SA where they have continued to miss out on the recent rainfall events that the west and east have been picking up. Despite some recent falls of 10 – 25 mm, most major cropping regions in SA have received record low seasonal rainfall. We have cut both area planted and yields again this month, with production currently expected to be down over 40% year on year, the lowest since 2019-20. Western VIC is also very dry, with June rainfall to date also very disappointing. It is not too late in VIC as they do have stored soil moisture, but it is getting late for them to be able to make up lost time with production currently tipped to be down 20% from last year. NSW is certainly the standout so far this season with a near ideal start, and despite a fall in area planted, production is expected to be higher year on year.

WA: After rallying to nearly \$830/t on the back of the ongoing dry conditions, WA new crop values have eased to \$795/t following the game-changing changing June rainfall but at that level are still the highest since early spring 2023. Old crop canola values are around the \$765/t mark and with current export pace WA is still expected to have above average carry out. The price spread to GM for new crop has widened to \$70/t, reflecting strong demand for non-GM seed with expected tightening of supply.

NSW/VIC/SA: East coast values have also eased on the back of recent rainfall in southern NSW and parts of VIC and are still at a significant discount to the west. New crop values currently have eased to around the \$725/t mark, while old crop values have fallen below \$700/t, currently at \$690/t. The price spread to GM seed for new crop is still around \$30-35/t.



Global market update

Global canola crop conditions are quite mixed with conditions in Canada improving considerably over the last month, while conditions in the EU vary between countries with some too wet and others too dry. Conditions in Ukraine are a watch point as their spring has been dry with a number of frost events, but production will still be well above the historical average.

Global soybean values have been pressured lower by the ongoing South American harvest. Although, Brazil has had significant issues with flooding in the south, combined supply out of Argentina and Brazil is still expected to be massive. Brazil harvest is now complete while Argentina is estimated to be 92% complete with the latest conditions rating at 71% fair/excellent. The USDA trimmed Brazil production by 1 mt in the June WASDE, now seen at 153 mt and they kept Argentina unchanged at 50 mt. With combined production at over 200 mt and US production expected to be up nearly 8 mt in the coming season, supply is heavy.

The USDA estimates that 93% of soybeans have been planted, close to the five-year average of 91%. Condition ratings put 70% of the crop in good/excellent condition, compared to 54% at the same time last year and well above the five-year average.

Stratégie Grains cut their EU canola production forecast by 0.2 mt in their latest update, reflecting the impact of wet conditions in France, with production now seen at 17.9 mt (19.7 mt previous year). Cocal's latest estimate pegged EU production at 18.5 mt, compared to 20.2 mt the previous year and UK production at 0.9 mt, down from 1.2 mt the previous year. The USDA revised French production down by 0.3 mt in June, WASDE reflecting the ongoing wet conditions with total EU production now seen at 18.75 mt - down 6% year-on-year but above the five-year average.

Canadian conditions have improved significantly with the various weekly provincial crop reports all noting good planting progress despite the weather and the net benefit of moisture for crop emergence and establishment. The latest Saskatchewan Crop Report for the week ending 10th June rated canola conditions at 78% good/excellent. The Alberta Crop Report estimates that 100% of the crop is in the ground. Noting that although widespread rainfall hampered progress in some low-lying areas, the additional moisture is seen as beneficial for crop emergence. The USDA has tipped Canadian production to be up 4% year-on-year at 19.6 mt, their biggest crop since 2019-20.

CASE STUDY – Winter Fatigue



The Russian weather story has not gone away, but the market has run into some winter blues and is fatigued over the ongoing crop losses and its impact on the market. Offsetting the Russian crop challenges are the improved conditions in USA, Canada and parts of Australia. With harvest getting closer in the northern hemisphere, and the consumer still staying surprisingly quiet, the markets have all trended lower in June.

The dramatic improvement in Canadian conditions has put an end to the short-covering rally in Canadian futures markets. The funds remain short, but the squeeze is over and the buffer has brought better Canadian conditions. This comes on the precipice of the Ukrainian and European harvest. Now it's time to refocus and reset to the canola marketing year ahead.

As we mentioned in the last report, there is over 40 million tonnes of canola to harvest in the next 3 months, so the market won't feel like it is running out of canola for a while yet. The recent price drop might cause farmers to pause their initial excitement about selling large volumes during harvest, but we will still expect to see some good flow coming into the market during harvest.

The market will now juggle what is a period that realises and quantifies what we thought the production numbers to be, but it doesn't usually come with any major supply shocks. Therefore, the market will shift its focus to the demand side. How aggressive will the crushers and exporters be in coming in on the back of the farmer selling that comes? Most in the market are seeing a very tight, potentially unsolvable, situation arising as we move in 2025. But on the other hand, we have a lot of supply to absorb in the next 3 months. We can expect quite a bit of volatility and then, as we get closer to the end of August with the EU and Ukraine harvest behind us, we can expect the anxiety to lift once more. With the crushers not wanting to be the last one standing when the music stops, the tightness starts to take hold in anticipation for a 2025 shortfall.

We have elections to digest, we have Australian weather, we have USA soybean weather (albeit that the crop in the USA is off to a very good start today) which all give rise for potential bumps and volatility. The main game will be the threat of tight canola supplies that sits on the horizon, but ahead of us first is the big northern hemisphere harvest.

This document may contain forward-looking statements based on current assumptions and forecasts made by Bayer management. Various known and unknown risks, uncertainties and other factors could lead to material differences between the actual future results, financial situation, development or performance of the company and the estimates given here. These factors include those discussed in Bayer's public reports which are available on the Bayer website at www.bayer.com. The company assumes no liability whatsoever to update these forward-looking statements or to conform them to future events or developments.

TruFlex® and Roundup Ready® are Registered Trademarks of the Bayer Group.

