



# MARKET WIRE

Politicians, Zeus, Freyr and Thor



**LACHSTOCK**  
CONSULTING

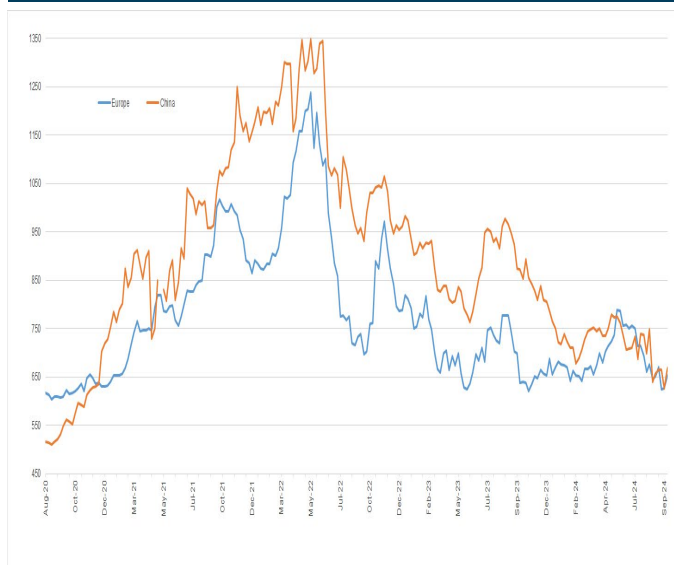
**TruFlex**<sup>®</sup>  
CANOLA

**Roundup**  
**Ready**<sup>™</sup>  
CANOLA

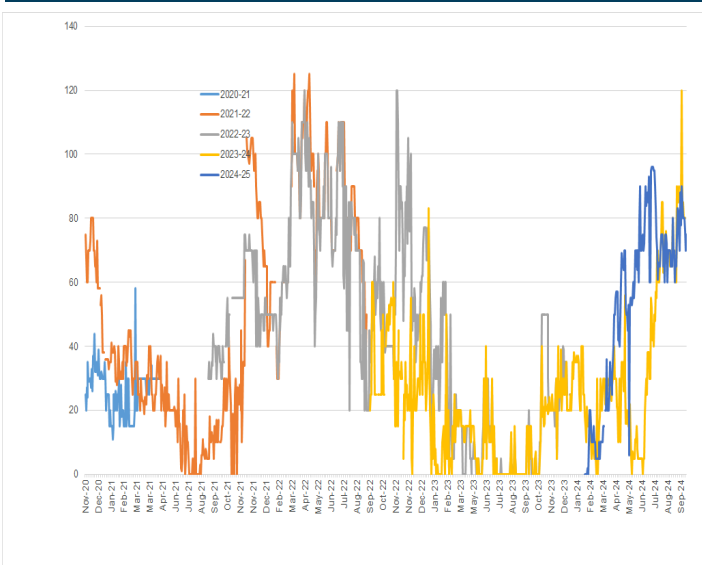


# GM CANOLA DATA DASHBOARD\*

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



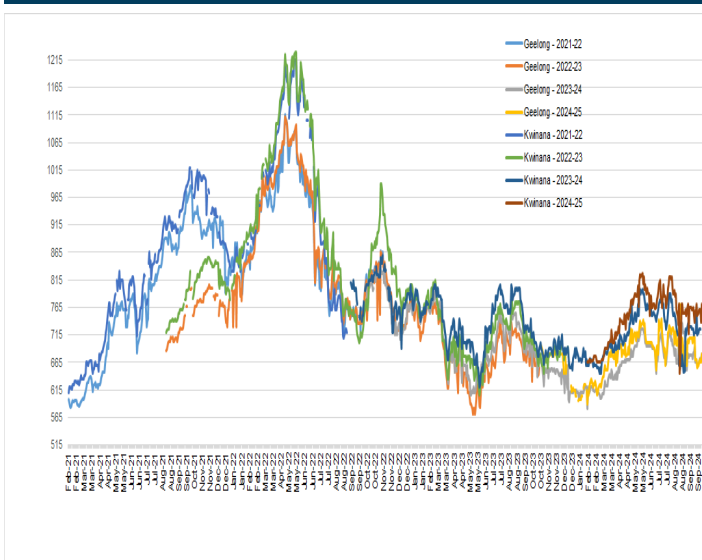
## KWINANA GM SPREAD (\$AUD)



## 2023/24 EXPORT MATRIX ('000 t)

	Australia	Canada	Ukraine	Total
Bangladesh	274	-	47	321
China	1	4,720	-	4,721
EU-28	2,413	91	3,476	6,480
Japan	1,357	799	-	2,156
Mexico	607	686	-	1,293
Pakistan	679	-	-	745
UAE	713	450	5	1,168
Other	136	248	122	690
<b>Total</b>	<b>6,180</b>	<b>6,994</b>	<b>3,650</b>	<b>17,574</b>

## GEELONG/KWINANA PRICE (\$AUD/t)



## PRODUCTION MATRIX

Canola (mmt)	2023/24	2024/25	GM %
Australia	6.051	5.455	46%
EU-28	21.263	18.563	0%
Canada	18.544	19.086	97%
Ukraine	4.500	3.652	0%
<b>Major Exporters</b>	<b>50.358</b>	<b>46.756</b>	<b>45%</b>

## TOTAL CANOLA ESTIMATES

2024/25	WA	SA	VIC	NSW	National
Area (kha)	1,541	235	571	877	3,226
Yields (t/ha)	1.47	1.38	2.04	1.94	1.69
Production (kt)	2.270	0.323	1.163	1.697	5.455

\*Includes all canola, not just GM varieties.



# GM CANOLA MARKET REPORT



## GM CANOLA SITE BIDS (ISCC)

2024-25	GNC	Viterra	Louis Dreyfus	CHS Broadbent	CHS Broadbent	Riordan
Ardlethan				\$ 608.25		
Barellan				\$ 605.75		
Berrigan			\$ 643.25			\$ 615.00
Berrybank	\$ 666.50	\$ 641.50		\$ 656.50		
Beulah		\$ 623.00				
Birchip		\$ 623.00				
Boort		\$ 627.75	\$ 641.25			\$ 625.00
Bordertown		\$ 613.43				
Calleen			\$ 616.75			
Caragabal				\$ 610.00		
Carpolac		\$ 625.50				
Charlton		\$ 628.00	\$ 637.00			
Condobolin				\$ 599.25		
Coolamon				\$ 609.75		
Cootamundra				\$ 615.75		
Cunningar				\$ 620.75		
Dimboola		\$ 627.50	\$ 628.50			
Donald		\$ 619.00	\$ 637.00	\$ 642.00		\$ 627.00
Dooen		\$ 634.00				
Dookie		\$ 630.25	\$ 641.75			
Dunolly	\$ 660.25	\$ 633.25				
Elmore		\$ 634.25		\$ 649.25		
Grong Grong			\$ 615.50	\$ 605.25		
Hamilton	\$ 666.00	\$ 626.00				
Junee				\$ 612.25		
Lake Bolac				\$ 650.50	\$ 675.00	\$ 635.00
Mathoura		\$ 625.00	\$ 640.00	\$ 642.25		
Milvale				\$ 615.75		
Mitiamo		\$ 630.50	\$ 643.25			
Moama		\$ 628.00	\$ 641.50	\$ 644.25		\$ 627.00
Moree				\$ 602.25		
Murchison East		\$ 635.25	\$ 647.25			
Murtoa		\$ 628.00	\$ 640.25			
Narrandera				\$ 603.00		
Natimuk		\$ 629.75				
Nhill		\$ 627.75				
Numurkah	\$ 657.25					

NB\* Bids from the market as of 25/09/2024  
Refer to bid provider for delivery terms and conditions

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# GM CANOLA MARKET REPORT



## GM CANOLA SITE BIDS (ISCC)

2024-25	GNC	Viterra	Louis Dreyfus	CHS Broadbent	CHS Broadbent	Riordan
Oaklands	\$ 648.25	\$ 621.25	\$ 639.25	\$ 646.25		
Parkes				\$ 610.25		
Piangil		\$ 617.50				
Quambatook		\$ 624.25	\$ 637.25			
Quandialla				\$ 611.25		
Rainbow		\$ 622.25				
Rand			\$ 626.25			
Red Bend				\$ 608.00		
Sea Lake		\$ 619.50	\$ 637.00			
Tabbita				\$ 603.25		
Tallem Bend		\$ 635.95				
Tatyoan North				\$ 652.50		
Temora				\$ 613.75		
The Rock			\$ 634.50	\$ 629.00		
Tocumwal		\$ 626.00	\$ 636.50			
Trundle				\$ 604.25		
Warracknabeal		\$ 626.25	\$ 636.00			
Werneth		\$ 637.00	\$ 648.00	\$ 657.50		\$ 645.00
Westmere	\$ 664.50	\$ 636.50		\$ 651.50		
Wyalong			\$ 607.50			
Wycheproof		\$ 625.75				
Yarrowonga		\$ 625.25				

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# GM CANOLA MARKET REPORT

## GM CANOLA BIDS (ISCC)

2024-25	Cargill	CBH	GrainCorp	Louis Dreyfus	Viterra
Albany	\$ 693.00	\$ 700.00	\$ 695.00	\$ 700.00	\$ 710.00
Esperance	\$ 693.00	\$ 710.00	\$ 695.00	\$ 700.00	\$ 710.00
Geraldton	\$ 693.00	\$ 710.00	\$ 695.00		\$ 710.00
Kwinana	\$ 693.00	\$ 710.00	\$ 695.00	\$ 700.00	\$ 710.00
Port Adelaide					\$ 655.00

2023-24	Cargill	CBH	GrainCorp	Viterra
Albany		\$ 660.00	\$ 665.00	\$ 675.00
Esperance		\$ 670.00		\$ 675.00
Geraldton		\$ 670.00	\$ 665.00	\$ 675.00
Kwinana		\$ 670.00	\$ 665.00	\$ 675.00
Port Pirie	\$ 603.81			\$ 607.81
Port Adelaide	\$ 626.00			\$ 630.00

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# Local market update

The start to spring has been a shocker for winter crops with very little rainfall, high temps, strong winds and now widespread frost. This has added further pain to the poor spring in major canola growing regions across the south east. Although the full extent of the damage is still being assessed, many growers have made the call to cut crops for hay rather than take them through to harvest.

The 3 month rainfall outlook is positive but there is very little confidence in the forecast at the moment, as the forecast and reality seem to be very different. A number of rainfall events that have been forecast over the last month have largely been very disappointing for VIC and SA where the moisture deficit continues to grow, with record low seasonal rainfall now impacting many regions.

The Grains Industry of WA revised their 2024-25 WA estimate up 100 kt in their September Crop Report, now seen at 2.22 mt. They note that canola crops in the medium and low rainfall areas were late to emerge and did not have time to put on the growth that is necessary to support high grain yields, while crops in the higher rainfall zones are in better shape, with yields expected to be closer to the longer-term average rather than recent higher yields.

The government announced a new Comprehensive Economic Partnership Agreement with the UAE last week which will mean Australian canola will enter the UAE tariff free – see global update.

**WA:** WA new crop canola values gained around \$30/t yesterday, to land at the \$770/t mark. The price spread to GM has narrowed and is currently around \$70/t, reflecting increased demand for GM seed and the uncertainty surrounding the change in trade flows which may arise if China starts taking Aussie seed.

**NSW/VIC/SA:** East coast new crop values continue to find strength on the back of the widespread frost event last week, gaining a further \$10-30/t to land at \$735/t, with the discount to the west narrowing to \$35/t. The spread to GM for new crop is currently around \$50/t.



# Global market update

Global canola values have continued to firm on the back of further cuts to the EU crop along with Stats Canada revising Canadian production down a further 0.52 mt. Although the looming China anti dumping probe had hit Canadian values hard, they have regained some of the losses as the balance sheet gets tighter. Very dry soybean planting conditions in Brazil and record China imports in August provided further support to soybean values although US harvest pressure will likely offset some of these gains as US harvest ramps up.

Statistics Canada revised 2024-25 production down a further 0.52 mt in their September update, now down 1% year on year. They noted that below average rainfall and prolonged high temps resulted in a decline in crop conditions throughout the season, although conditions were better in some areas compared with the previous year. The latest harvest estimates put Saskatchewan at 47% complete, Alberta at 31% and Manitoba at 49%. Harvest progress has reportedly been interrupted by rain in many regions.

The USDA revised global canola production down 1.27 mt in the September WASDE mostly made up of a 1.25 mt cut for the EU which is now seen at 17.65 mt. Interestingly they left Canada unchanged at 20 mt, while most other estimates are closer to 19 mt or even below.

EU production estimates continue to be trimmed after a relentlessly wet season in Germany and France with Cocalor the latest to cut its estimate for EU+UK - down 1.3 mt to 18.1 mt and down 15% year on year.

Ukraine's Ag Ministry estimates that as of 20 September 3.4 mt of canola had been harvested, down around 15% year on year reflecting lower area planted and lower yields after hot and dry seasonal conditions and a number of frost events.

US soybean harvest was estimated to be 13% complete this week, ahead of last years pace of 10% and the five-year average pace of 8%. Conditions were rated 64% good/excellent, steady from the previous week and well above last years 50%. The USDA revised global production up 0.48 mt in the September WASDE with a slight cut for the US on the back of slightly lower yields more than offset by upwards revisions for Canada and Paraguay. South American production was left unchanged.

# CASE STUDY – Politicians, Zeus, Freyr and Thor



As the Greek and Norse gods flex it out on the weather front around the globe, the politicians have been working hard to keep up. We have talked about the USA and China politicians recently, and this week it was the Australian – UAE announcement of a trade deal that hit the headlines. The deal, with a focus on core agriculture products, will see Australian canola exempt from the 5% import duty that the UAE currently has. Essentially giving it a \$40-50 competitive advantage over other exporting nations.

Australia has long been an exporter to the UAE, a market that is very price dependent on where the Australia prices vs. Canadian values sit. The UAE imports around 800,000/t a year and could go higher if China does in fact ban Canadian imports eventually. UAE will take the roll of crushing and then re-exporting the oil and meal to China.

Currently, the non-GM Australia seed is still more than the \$40 duty exemption higher than Canadian seed, so it won't see more non-GM demand. Although it should put a bit of support into the GM spread in Australia, to the extent that GM Australian values are up to \$40 higher than Canadian values, in theory anyway.

Canada is finding it hard to take a trick against the politicians and ancient gods, not only has China, USA and UAE all gone against them, they will continue to fight the uphill sustainability battle with the EU and the recent hot weather has led to a rapid decline in their crop size and quality. The crop size is reasonably well publicised, but the crop quality is not. As we are familiar with in Australia, hot weather in the lead up to harvest often results in low oil content. Something that is not common in Canada as they harvest in Autumn. The initial feedback is that oil content is very low in Canada this year and in Canada they don't pay oil bonifications. This means that Winnipeg futures and FOB offers out of Canada need to be adjusted when comparing to the Australian and European markets that do pay bonifications. This will further put pressure on Canada to compete more aggressively vs. Australian seed. As discussed in our local updates, Australia too is at the mercy of the weather, and we are desperately in need of rain to get us through to harvest.

Nothing fixed or new on the China front yet. There have been Australian representatives in China recently trying to work out conditions of reopening the canola trade which is positive, but nothing concrete yet. The wheels are in motion and turning a little faster. We will continue to watch this space.

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