

Grain & Feed Insight



CANTERBURY
FEED WHEAT
(NZ\$/T)



437

ASW WHEAT
LANDED AKL
(NZ\$/T)



484

PALM KERNEL
NZ AVERAGE
(NZ\$/T)



385

CBOT CORN
(US\$/BUSHEL)



4.47

NZD:USD



0.600

NZD:AUD



0.908

Global grains

FAO Food & Cereal Price Indices - April

The recent April world food index was released over the weekend by the Food and Agriculture Organization (FAO) of the United Nations (UN), which noted a slight uptick in prices from March. The FAO Food Price Index (FFPI) stood at 119.1 points in April 2024, up 0.3 points (0.3 percent) from its revised March level, as an increase in the price index for meat and smaller upturns of vegetable oil and cereal indices slightly more than offset decreases in those for sugar and dairy products.

The FAO Cereal Price Index averaged 111.2 points in April, up 0.3 points (0.3 percent) from March but 25 points (18.3 percent) below its April 2023 value, reflecting softer grain prices globally from a year ago. Month on month (MoM), increases are led by upward pricing pressure from the European Union (EU), Russian Federation and the United States (US), who have experienced unfavourable crop harvesting conditions due to weather events. This was partly countered by pricing competition amongst exporters from those regions.

Maize pricing internationally actually increased led by disruptions to supply chains from infrastructure damage in the Ukraine. This was also combined with reduced production prospects in Brazil ahead of their main harvesting season. When looking at other coarse grains, global barley prices also rose in April, whereas prices declined for both rice and sorghum. The FAO noted that its All Rice Index dropped by 1.8% in April from lower quotations as a result of harvest pressure.

New Zealand

High Court's irrigation scheme ruling raises concerns

A recent High Court decision has overturned a discharge consent granted to Ashburton Lyndhurst Irrigation Ltd (ALI), citing a material error of law in the decision of the commissioner acting on behalf of the Canterbury Regional Council. The decision impacts future discharge consent applications across New Zealand, particularly those affecting water quality.

ALI's consent provided for a nutrient (mainly nitrogen) discharge allowance from farming activities between the Hakatere and Rakaia rivers for all ALI shareholders. ALI is a farmer owned co-operative with 238 shareholders around Mid Canterbury.

The Canterbury Regional Council views the decision as highlighting a need for clarity around Section 107 of the Resource Management Act (RMA), which governs the grant of discharge permits. The decision questions the ability to gradually reduce contaminant discharge over time, especially when adverse effects on aquatic life in the Hakatere and Rakaia rivers are significant.

The Canterbury Land and Water Regional Plan (LWRP), which permits consents in degraded water quality areas with plans for significant improvement, faces scrutiny following this ruling. The council plans to appeal, noting a potential misalignment between the RMA and the National Policy Statement for Freshwater Management, which advocates for ambitious freshwater improvement timelines.

Going forward, this ruling raises concerns over the way freshwater improvements can be achieved across the country with less leeway allowed in the RMA for discharge permits. Canterbury Regional Council chair Peter Scott recently sent a letter to RMA Reform Minister Chris Bishop and Environment Minister Penny Simmonds seeking an urgent amendment to Section 107 of the RMA.



Lewis Hoggard
Junior Dairy Analyst



Rosalind Crickett
Dairy Analyst

International prices - week ending May 3

	Last week	2 weeks ago	1 year ago
US Grain - NZD/t			
Wheat May	384	349	412
Wheat Jul	374	339	387
Corn May	273	264	394
Australian Grain - NZD/t* <small>Source: CME</small>			
Wheat APW	490	470	540
Wheat H1	570	544	584
Wheat ASW	484	465	528
Feed Wheat	461	451	478
Feed Barley	446	405	473
Sorghum	478	472	567

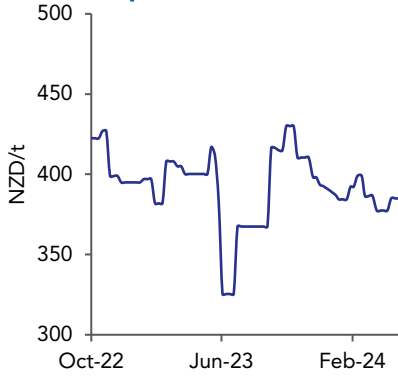
*Wheat and barley are Port Melbourne, sorghum is Port Brisbane. Landed Auckland, Source: Profarmer Australia

PKE - USD/t			
Ex Malaysia	138	138	155
<small>Source: MPOB</small>			
Freight			
Baltic-Dry Idx	1688	1844	1558

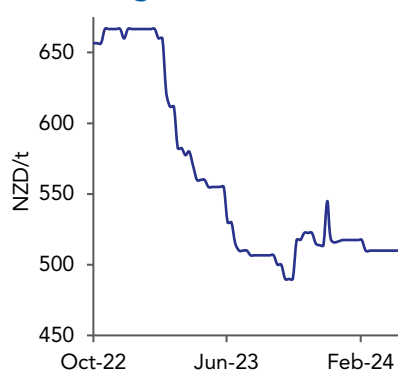
New Zealand prices - week ending May 3

Free Prices	Last week			2 weeks ago	1 year ago
	Avg	Low	High		
Feed (NZ\$/t)					
Wheat-Milling					
Canterbury	510	500	520	510	555
Wheat-Feed					
Canterbury	437	425	445	437	525
Southland	463	450	470	463	543
Manawatu	490	480	500	490	610
Barley-Feed					
Canterbury	423	410	430	421	508
Southland	453	440	475	453	515
Manawatu	485	430	540	485	610
Oats-Feed					
Southland	530	520	540	545	600
Canterbury	500	500	500	550	595
Maize-Grain					
Manawatu	395	370	420	415	636
Waikato	373	355	390	388	595
Palm-Kernel					
Canterbury		385		385	409
Manawatu		390		390	407
Waikato		377		377	383
Southland		388		388	402
Fertiliser (NZ\$/t)					
Ballance - Urea		895		895	1130
Ravensdown - Urea		899		899	1139
Ballance - DAP		1184		1184	-
Ravensdown - DAP		1189		1189	-
Silage (c/kg DM)					
North I. - Maize		0.38		0.38	-
South I. - Maize		0.34		0.34	-
North I. Hay, \$/bale		110		110	-

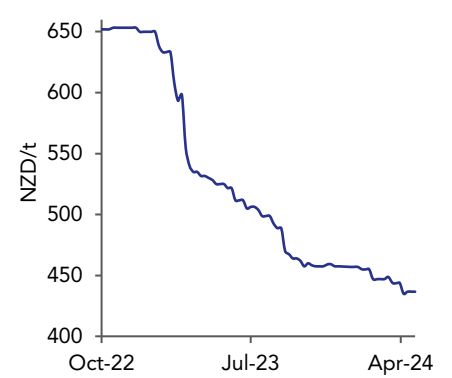
NZ PKE spot (NZ\$/t)



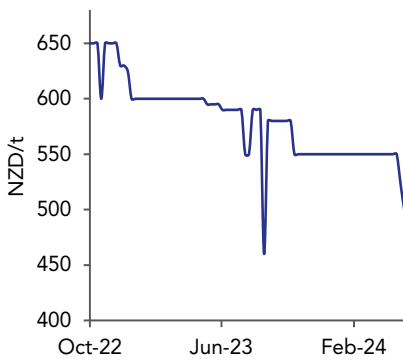
NZ milling wheat (NZ\$/t)



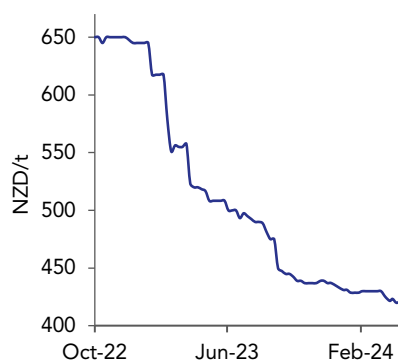
NZ feed wheat (NZ\$/t)



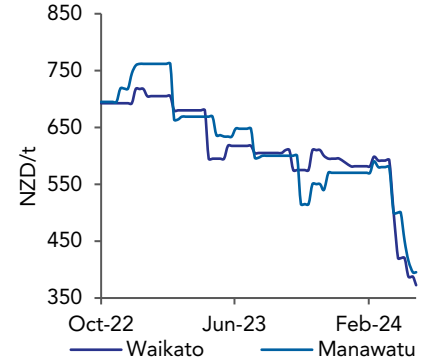
NZ feed oats CT (NZ\$/t)



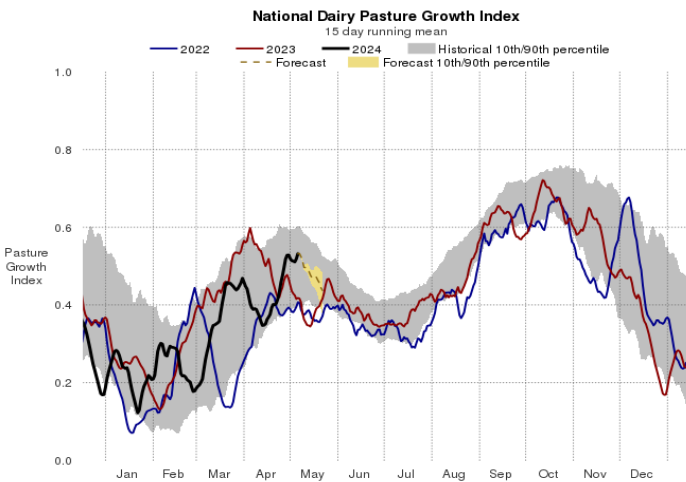
NZ feed barley (NZ\$/t)



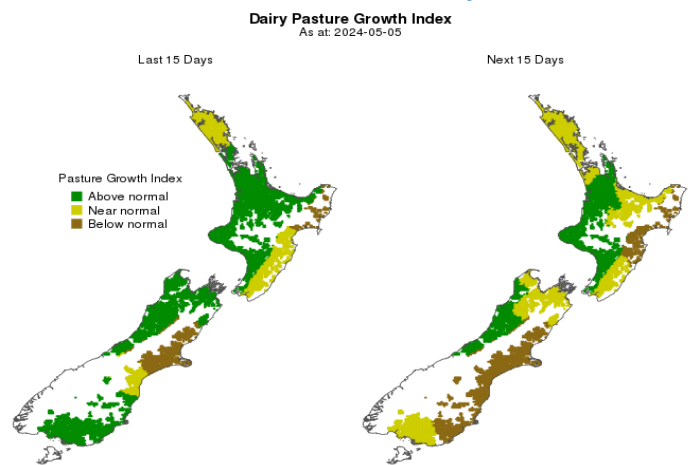
NZ maize grain (NZ\$/t)



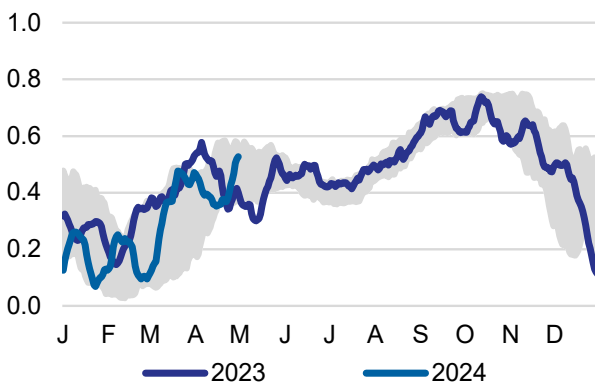
National PGI



NZX PGI heat map



North Island PGI



South Island PGI

