

\$100 a tonne less for grain

Port Lincoln Times, 17/9/09, pg 3

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GRAIN prices have continued to slump because of good worldwide production and the Australian dollar increasing.

EP Grain grain accumulation manager Mark Carr said prices had been down in the last six months because there had been very good crops in the northern hemisphere.

A record wheat crop has been forecast for the world and Australia's forecast is 22.7 million tonnes according to the Australian Bureau of Agriculture and Resource Economics.

Two factors mainly contribute to the lower prices, the large amount of supply, which has weakened demand, and the Australia dollar has increased.

EP Grain's cash price for APW1 wheat yesterday was about \$210 per tonne, which was around \$100 a tonne less than earlier this year.

F1 barley is at about \$135 and canola is around \$450, but this was one commodity that was expected to go to \$500 or higher.

Mr Carr said there was no price increases predicted in the near future.

There is the option of using grain pools and waiting for better prices, but with the last three years finishing unfavourably some growers cannot afford to wait until later next year, according to Mr Carr, and this will see some people having no choice but to take cash price.