SUMMARY - SURVEY OF CEREAL AREAS AND VOLUMES - JULY 1, 2012

Introduction

As part of the Arable Industry Marketing Initiative, Opinions Market Research Ltd conducted a survey of 112 arable farmers to provide information as at July 1, 2012, on the 2012 harvest final production, sales channels and on-farm storage, plus 2012 final autumn plantings and spring planting intentions of wheat, barley and oats in New Zealand.

Summary of Key Points

At the 1st July 2012:

- The average yield of feed wheat (9.2 t/ha) and milling wheat (8.7t/ha) was over 1.5t/ha higher than 2011. Feed barley average 7.1t/ha and malting barley 7.5t/ha was 0.5 to 0.9t/ha higher than 2011. These yields reflect a very good growing season in most areas. Oat yields were 0.4 to 1.3t/ha less than 2011, a result of the dry season in Southland.
- These high yields, along with increased areas of feed wheat and feed barley, resulted in large increases in the tonnes of feed grains harvested (wheat 54% increase and barley 26% increase).
- As a result of these high volumes, there were high percentages of feed grain unsold on farm at the time of the survey. For feed wheat there were 128,180t unsold (37,500t in 2011) and for feed barley there were 113,430t unsold (67,230t in 2011). The tonnages for oats are low but the volumes unsold are much higher than in 2011.
- Total stocks on farm (sold and unsold) are much higher in 2012 at 274,300t (100,000t 1/7/2011) for feed wheat and 208,360t (123,000t 1/7/2011) for feed barley.
- The areas of wheat, barley and oats planted in the autumn are significant, but combined with spring planting intentions the predicted area of feed wheat and feed barley will be down approximately 6% and 12% respectively, while the area of feed oats would increase by 100%. Areas of milling wheat and oats and malting barley are predicted to be similar to 2012.
- These figures reflect the position at the 1st July 2012 and there have been a significant number of sales since this time. There will also have been changes in plantings and planting intentions in relation to soil and weather conditions and market trends.

Estimated national figures for 2010, 2011 and 2012 (final) as at July 1, 2012

	Units	Milling wheat	Feed wheat	Malting barley	Feed barley	Milling oats	Feed oats
Number of farmers in the survey who harvested this crop in 2012		42	73	23	93	9	8
2010 harvest							
Estimated NZ total hectares, 2010 harvest	Ha	20,245	48,071	10,307	44,505	6,713	4,376
Estimated NZ total tonnes, 2010 harvest	Tonnes	156,420	304,655	61,653	258,505	35,087	18,786
2011 harvest							
Estimated NZ total hectares, 2011 harvest	Ha	19,701	32,899	10,695	54,205	4,376	1,724
Estimated NZ total tonnes, 2011 harvest	Tonnes	141,756	241,544	60,506	307,494	22,511	6,589
2012 harvest							
Estimated NZ total hectares, 2012 harvest (final figures)	Ha	15,797	40,127	10,355	63,771	4,177	1,426
Estimated NZ total tonnes, 2012 harvest (final figures)	Tonnes	138,353	371,740	66,713	388,332	17,191	4,915
Sold on contract and delivered by July 1, 2012	Tonnes	42,757	75,424	44,367	128,210	4,353	327
Sold on contract and stored on farm on July 1, 2012	Tonnes	66,649	134,869	22,345	76,696	12,249	1,438
Sold at spot/ free price and delivered by July 1, 2012	Tonnes	-	22,014	-	51,764	-	732
Sold at spot/ free price and stored on farm on July 1, 2012	Tonnes	-	11,252	-	18,235	-	0
Unsold (from 2012 harvest) on July 1, 2012	Tonnes	28,946	128,181	0	113,427	588	2,418

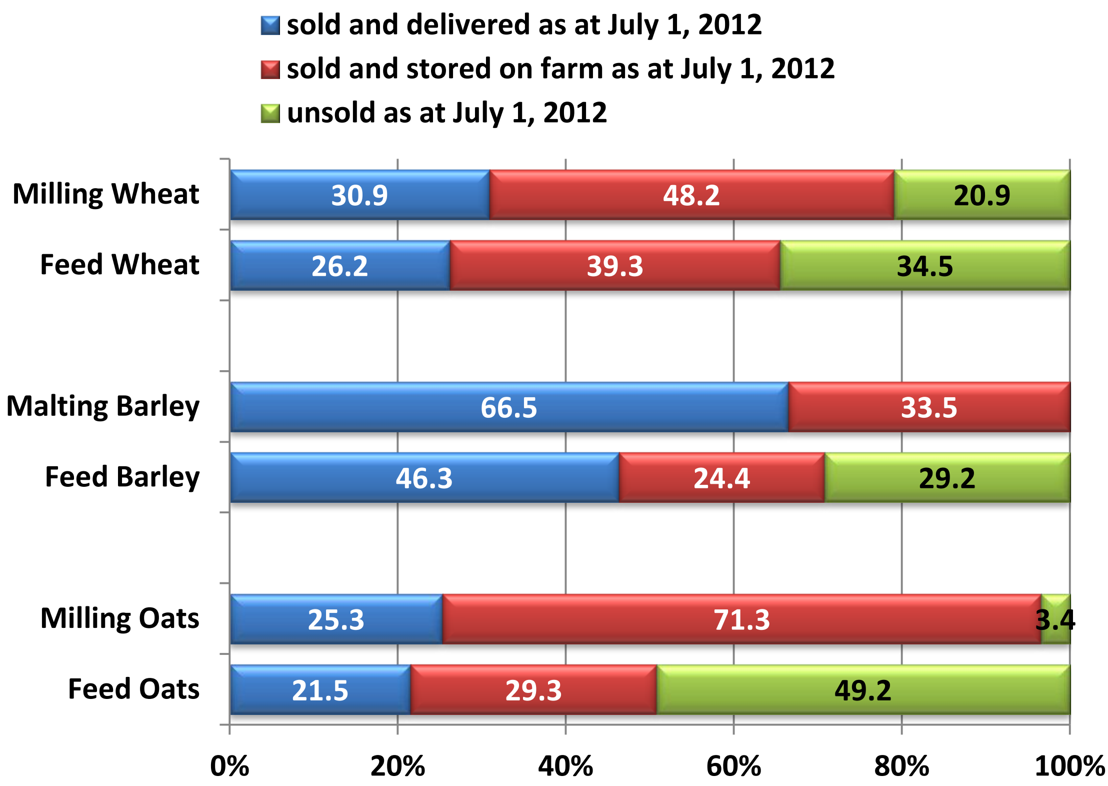
Number of farmers in the survey who harvested this crop in 2012	Units	Milling wheat 42	Feed wheat 73	Malting barley 23	Feed barley 93	Milling oats 9	Feed oats 8
Sales channels (2012 harvest)							
Sold on contract (total) by July 1, 2012	Tonnes	109,407	210,293	66,713	204,906	16,602	1,765
Sold at spot/ free price (total) by July 1, 2012	Tonnes	-	33,266	-	69,999	-	732
Delivery status of sold grain (2012 harvest)							
Sold and delivered (total) by July 1, 2012	Tonnes	42,757	97,438	44,367	179,973	4,353	1,059
Sold and stored on farm (total) on July 1, 2012	Tonnes	66,649	146,121	22,345	94,931	12,249	1,438
Total sales (2012 harvest)							
Sold (grand total) by July 1, 2012	Tonnes	109,407	243,559	66,713	274,905	16,602	2,497
Unsold on July 1, 2012	Tonnes	28,946	128,181	0	113,427	588	2,418
Estimated % change in hectares, 2010 to 2011 harvest		-2.7	-31.6	3.8	21.8	-34.8	-60.6
Estimated % change in hectares, 2011 to 2012 harvest		-19.8	22.0	-3.2	17.6	-4.5	-17.3
Estimated % change in tonnes, 2010 to 2011 harvest		-9.4	-20.7	-1.9	19.0	-35.8	-64.9
Estimated % change in tonnes, 2011 to 2012 harvest		-2.4	53.9	10.3	26.3	-23.6	-25.4
Unsold on July 1, 2011 (from July 1, 2011 AIMI Survey)	Tonnes	20,237	37,505	5,020	67,226	0	1,698
Increase from 2011 to 2012 in tonnes unsold on July 1	Tonnes	8,709	90,676	-5,020	46,201	588	720

Note: these estimated national figures were obtained by scaling up the survey totals for each question so that the 2011 national totals for each crop match the most recent (2011) Agricultural Production Statistics. Like all survey estimates, these national figures are not exact, and have an associated margin of error.

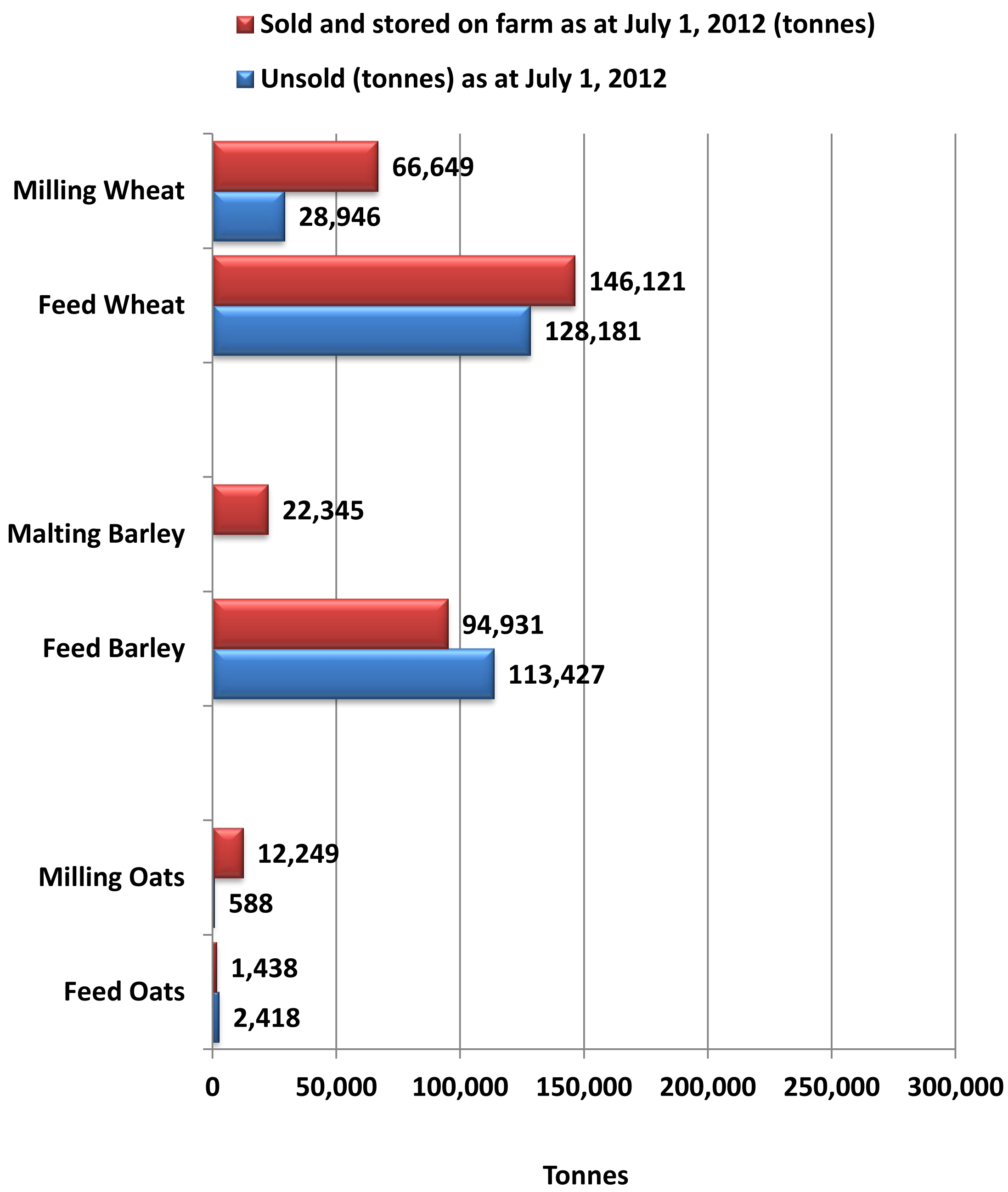
Estimated percentage changes in hectares and tonnes between the 2010, 2011 and 2012 harvests are given at the very bottom of the table. These estimates were obtained using data from the 112 growers who responded to both the current (July 1, 2012) AIMI Survey and both of the preceding, April 1, 2012 and October 1, 2011 AIMI Surveys, so are the percentage changes in the total hectares and tonnages summed over these exact same 112 growers in all three seasons.

Sales status of 2012 cereal crops as at July 1, 2012

The following graph presents information from the above table in the form of percentages:



Estimated national on farm storage of 2012 cereal crops as at July 1, 2012



Note: these are estimated totals derived from the survey, and have an associated margin of error.

Autumn plantings, and spring planting intentions as at July 1, 2012

	Milling wheat (ha)	Feed wheat (ha)	Malting barley (ha)	Feed barley (ha)	Milling oats (ha)	Feed oats (ha)
Number of farmers who planted or intend to plant as at July 1, 2012	43	67	22	86	8	15
Estimated NZ total hectares, 2010 harvest	20,245	48,071	10,307	44,505	6,713	4,376
Estimated NZ total hectares, 2011 harvest	19,701	32,899	10,695	54,205	4,376	1,724
Estimated NZ total hectares, 2012 harvest	15,797	40,127	10,355	63,771	4,177	1,426
Estimated NZ total autumn 2012 plantings (hectares, for harvest in 2013)	10,036	32,029	680	25,227	1,193	1,591
Estimated NZ total spring 2012 planting intentions as at July 1, 2012 (hectares, for harvest in 2013)	5,743	5,725	9,105	30,750	3,315	1,260
Estimated NZ total hectares, 2013 harvest (Autumn 2012 and Spring 2012 planting intentions combined)	15,779	37,754	9,785	55,977	4,509	2,851
Estimated % change in NZ total plantings, 2012 to 2013	-0.1	-5.9	-5.5	-12.2	7.9	100.0

Note: these estimated national hectares were obtained by scaling up the survey total hectares for each question so that the 2011 national total hectares for each crop match the most recent (2011) Agricultural Production Statistics. Like all survey estimates, these national hectares are not exact, and have an associated margin of error.