



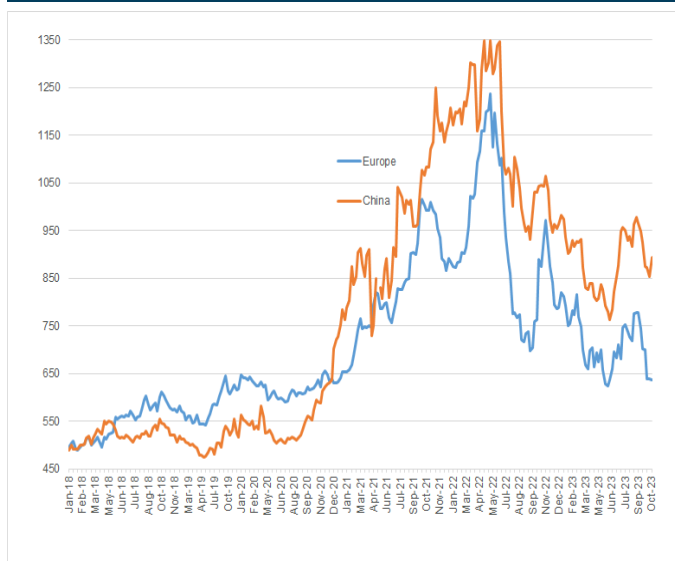
MARKET WIRE

NEXT STOP CHINA

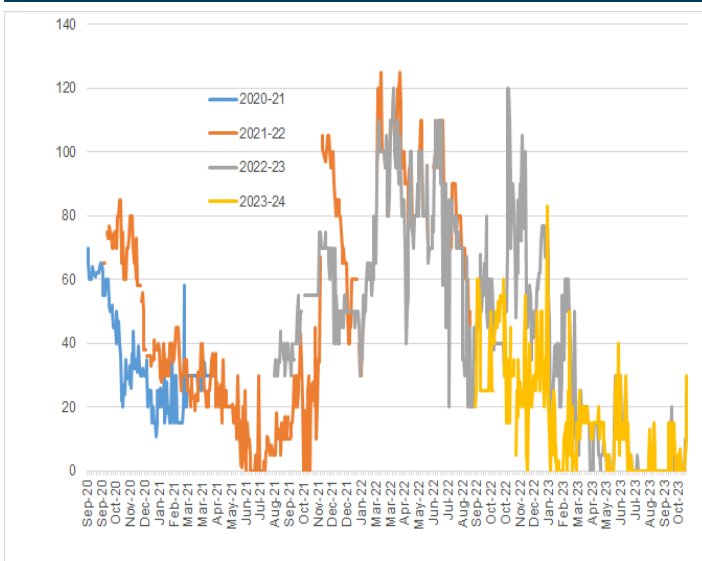


GM CANOLA DATA DASHBOARD

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



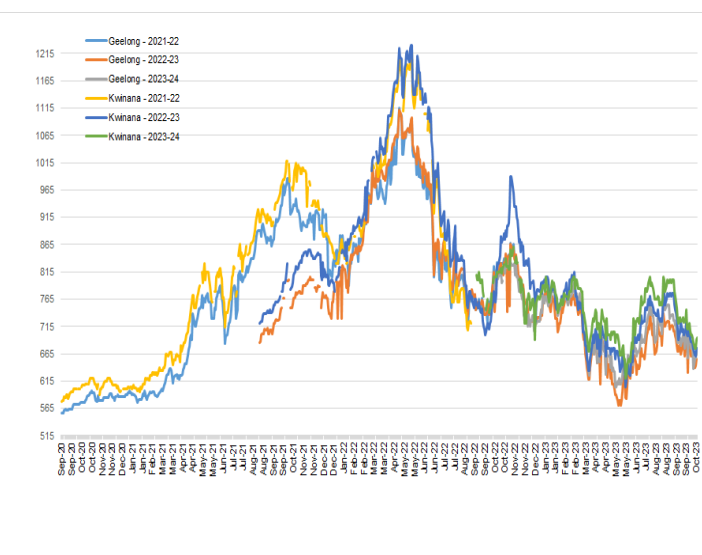
KWINANA GM SPREAD (\$AUD)



2023/24 EXPORT MATRIX ('000 t)

	Australia	Canada	Ukraine	Total
Bangladesh	126	50	-	276
China	350	4,500	-	4,850
EU-28	2,663	-	3,000	5,663
Japan	984	1,300	-	2,284
Mexico	150	1,200	-	1,350
Pakistan	294	100	330	874
UAE	570	-	330	1,100
Other	126	450	140	816
Total	5,264	7,600	3,800	17,214

GEELONG/KWINANA PRICE (\$AUD/t)



PRODUCTION MATRIX

Canola (mmt)	2023/24	2024/25	GM %
Australia	5.299	4.955	46%
EU-28	20.667	20.144	0%
Canada	17.920	19.103	97%
Ukraine	4.278	5.289	0%
Major Exporters	48.162	49.491	42%

TOTAL CANOLA ESTIMATES

2023/24	WA	SA	VIC	NSW	National
Area (kha)	1,802	276	591	794	3,465
Yields (t/ha)	1.23	1.65	2.33	1.57	1.53
Production (kmt)	2,217	454	1,378	1,247	5,299

GM CANOLA MARKET REPORT



GM CANOLA SITE BIDS 2023-24

2023-24 Delivered Bids	GrainCorp	Viterra	Riordan	LDC	CHS	Inghams	Cargill
Ardlethan						\$ 547.78	
Ardrossan		\$ 614.02					
Arno Bay							\$ 601.95
Balaklava						\$ 583.70	\$ 599.81
Barellan						\$ 544.02	
Bellata							\$ 580.75
Berrigan			\$ 590.00				
Berrybank	\$ 633.50					\$ 583.19	
Boort			\$ 595.00	\$ 603.50		\$ 570.28	
Bordertown						\$ 581.91	\$ 578.43
Bowmans						\$ 583.70	
Bribbaree						\$ 557.09	
Burrumbuttock			\$ 585.00				
Calleen						\$ 544.86	
Caragabal						\$ 547.78	\$ 590.00
Carpolac						\$ 567.25	
Charlton				\$ 607.50		\$ 571.15	
Condobolin							\$ 579.25
Coolamon						\$ 549.30	\$ 589.75
Coonalpyn						\$ 593.19	\$ 586.52
Coonamble							\$ 578.25
Cootamundra						\$ 563.07	\$ 595.75
Cowra						\$ 559.73	
Croppa Creek							\$ 570.00
Cummins		\$ 627.89					\$ 607.89
Cunningar						\$ 568.91	\$ 600.75
Dimboola				\$ 593.88		\$ 575.34	
Donald				\$ 612.13		\$ 567.05	\$ 602.00
Dooen						\$ 566.79	
Dookie				\$ 609.00		\$ 575.12	
Dunolly						\$ 579.22	
Edenhope			\$ 585.00				
Edillilie		\$ 628.36					\$ 608.36
Elmore						\$ 581.20	\$ 609.25
Frances						\$ 567.18	
Gilgandra							\$ 586.00
Greenethorpe						\$ 562.51	
Grong Grong						\$ 543.74	\$ 585.25
Gunnedah							\$ 592.00
Hamilton	\$ 633.00					\$ 565.56	
Horsham			\$ 590.00				
Howlong			\$ 595.00				
Junee						\$ 551.32	\$ 592.25
Keith						\$ 583.70	
Kimba							\$ 589.52
Laharum			\$ 590.00				
Lake Bolac			\$ 605.00		\$ 630.00	\$ 581.54	

NB* Bids from the market as of 19/10/2023
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 - Cont

2023-24 Delivered Bids	GrainCorp	Viterra	Riordan	LDC	CHS	Inghams	Cargill
Lara			\$ 645.00				
Lascelles						\$ 574.16	
Lillimur						\$ 575.31	
Marnoo						\$ 562.25	
Mathoura				\$ 612.00			
Milvale						\$ 558.90	\$ 595.75
Mitiamo				\$ 606.50		\$ 574.75	
Moama			\$ 595.00	\$ 612.75			\$ 604.25
Moree							\$ 576.25
Murchison East				\$ 607.50		\$ 582.94	
Murtoa				\$ 605.63		\$ 565.69	
Naracoorte						\$ 571.28	
Narrandera						\$ 538.60	\$ 583.00
Nea							\$ 593.50
Nevertire							\$ 577.75
Nhill						\$ 568.55	
Numurkah	\$ 622.25						
Oaklands	\$ 618.25			\$ 598.63			\$ 616.25
Owen						\$ 583.70	\$ 601.25
Parkes							\$ 590.25
Piangil						\$ 554.89	
Premier							\$ 592.00
Quambatook				\$ 600.25		\$ 565.06	
Quandialla						\$ 554.17	\$ 591.25
Rainbow						\$ 557.75	
Red Bend							\$ 588.00
Roseworthy		\$ 627.87				\$ 584.24	
Rudall		\$ 619.62					\$ 599.62
Sea Lake				\$ 592.88			
Tabbita							\$ 583.25
Tailem Bend						\$ 597.56	
Tatyoan North			\$ 605.00		\$ 630.00	\$ 585.23	
Telford			\$ 595.00	\$ 614.25			
Temora						\$ 557.23	\$ 593.75
The Rock				\$ 607.00			
Tocumwal				\$ 605.88		\$ 569.41	
Trangie							\$ 580.25
Trundle							\$ 584.25
Tumby Bay		\$ 628.67					\$ 608.67
Ungarie						\$ 534.44	
Walbundrie			\$ 580.00				
Warracknabeal				\$ 600.75		\$ 559.85	
Waverley							\$ 596.25
Werneth			\$ 615.00				
Werris Creek							\$ 597.00
Westmere	\$ 629.00					\$ 576.11	
Willow Tree							\$ 600.25
Winchelsea			\$ 615.00				
Wolseley						\$ 576.89	
Wyalong						\$ 548.05	
Wycheproof						\$ 567.42	
Yarrawonga						\$ 568.79	

NB* Bids from the market as of 19/10/2023
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 PORT BIDS 2023-24

2023-24 Bids	Cargill	GrainCorp	Inghams	Viterra
Albany	\$ 660.00	\$ 650.00		\$ 680.00
Esperance	\$ 640.00			\$ 680.00
Geraldton	\$ 675.00	\$ 650.00		\$ 680.00
Kwinana	\$ 660.00	\$ 650.00		\$ 680.00
Port Adelaide	\$ 612.00			\$ 640.00
Port Lincoln	\$ 620.00			
Port Neill	\$ 604.45			
Port Pirie	\$ 597.81		\$ 568.74	\$ 617.81

NB* Bids from the market as of 28/09/2023
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



September was a shocker for rainfall, recording well below average in most canola growing regions, accompanied by scorching temperatures. Despite this, canola crops have generally fared better than cereals as they were planted earlier into excellent subsoil moisture, particularly across southern growing regions and although there has been a distinct lack of in crop rainfall, the timing of rain has been critical.

Early October rainfall has made all the difference in parts of SA, VIC and southern NSW, accompanied by much cooler temperatures, has given crops some much needed breathing space. With harvest either well underway or about to kick off we are expecting highly variable yields and oil content. There are some great looking crops across southern NSW, VIC and parts of SA offset by disappointing, albeit expected, yields in northern WA and central/northern NSW.

Lachstock have revised their canola production up around 200 kt to 5.30 mt, largely reflecting an upward revision for VIC. Despite a 35% year on year fall in production it is still above the historical average and we will have ample supply to satisfy the domestic market and a reasonable exportable surplus in 2023-24.

WA: After reaching highs of over \$800/t in early September, WA canola prices have eased over the last couple of weeks and are back to the \$700/t mark for non-GM. This reflects both offshore moves and harvest kicking off in WA, SA and NSW. The GM spread varies by port zone but has generally widened to \$40-50/t reflecting the easing of Canadian values.

NSW/VIC/SA: East coast values have also eased but are no longer trading at a significant discount to the west, closing the gap at \$695/t. The GM spread has widened to around \$30/t. The market still remains thinly traded, with growers reluctant to sell until they know what they have in terms of yield and oil content - both highly variable from early harvest results.

Global market update

Canola prices have continued to ease over the month as the Canadian crop got bigger and the EU and Ukraine crops were also revised higher. The EU is well supplied, and Ukraine seems to be having no trouble moving their record crop (despite the obvious challenges). China is continuing to snap up Canadian volumes as eyes now turn to planting conditions for the 2024-25 northern hemisphere crop.

Canada's harvest has progressed quickly, estimated to be about 87% complete in Alberta by the 10th October, 90% complete in Saskatchewan by early October and 94% finished in Manitoba by the 17th. Yields have proven to be better than expected with production much higher than initially feared. The USDA pegged production at 17.8 mt in the October WASDE compared to SatsCan's 17.4 mt but other estimates are back up around 18-19 mt.

The 2023-24 Ukraine crop is estimated at a record 4.4 mt, up 16% year on year reflecting a significant increase in the area sown combined with well above average yields. Despite the obvious constraints they seem to be having no trouble moving it. The Ukraine Ministry of Agriculture reported that canola sowing for the upcoming season (2024-25) may increase by a further 40%, according to a survey of growers, reflecting better returns and easier logistics compared to wheat and barley. Plugging in an average yield this could mean production of over 5 mt in 2024-25, 70% above the five-year average.

With planting of EU winter crops underway under generally favourable conditions, it is expected that area planted to canola will be slightly lower reflecting lower prices, with more area likely to be switched to wheat and barley. According to European Commission data for the week ending 15th October, 2023-24 EU canola imports are down 38%, reflecting a decline in arrivals from Australia and Ukraine.

CASE STUDY – NEXT STOP CHINA



We have managed our way through October okay so far, parts of the eastern states received some anomalous rain events in what has otherwise been a very dry and hot period. This has been enough to keep things moving along. Farmers continue to remain soft sellers, we saw some movement on the back of the rain, but otherwise the expectations are for farmers to focus on grains as harvest approaches.

With supply more known, now the big focus is on what China does next. They continue to be extremely active in buying wheat, barley and corn to rebuild their reserves, from all origins, including, and especially Australia. We estimate as much as 4 mt of wheat and more than 1.5 mt of barley has been booked for the coming crop year from Australia alone. That then begs the question, well what about canola?

We continue to see improvements in ties between China and Australia, with the recent release of Australian journalist Cheng Lei, along with further talk this week from Beijing Ambassador Xiao Qian, that China is getting ready to end the tariff on Australian wine imports.

Prime Minister Albanese had been touted to visit China in October, which now looks like being November to further discuss the relationship. The latest step forward from a potential wine deal comes after Australia signaled the potential of removing tariffs on the import of Chinese wind turbine towers.

Prior to the China trip, the PM is visiting the USA, and no doubt China-Western relationships will be a hot topic and depending on the outcomes they may have an impact on how the PM's trip to China goes in November.

Australian canola is not subject to any official trade barrier, but it is widely felt that the restrictions on black leg, that limit China's import of Australian canola, is a non-tariff trade barrier. A slow and steady resumption of trade sometime after the visit may be on the cards and would certainly do a lot in reducing the price gap between Australian and Canadian canola through 2024. Longer-term, this bodes well for both countries with Canada's large domestic crush expansions likely to come at the expense of export markets like China, putting Australia in the box seat to fill the void. We will be watching the pre and post trip agreements very closely with hope for a canola resolution sneaking into the discussions.

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.

