Presentation to the
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Australian Supply & Demand 2011/12

Supply

- Very little carry in this year due to reduced production in 2010/11 season caused by weather problems during the 2010/11 harvest.
- Planted area in Australia in 2011/12 was down by approx 50% over the previous season – lack of suitable planting seed and lack of grower confidence were the two major reasons
- Seasonal weather conditions were favourable meaning low disease problems and slightly above average yields.
- Early harvest quality was good but heavy rain on last 30% of harvest (mainly NSW) meant about 5/10% of crop was abandoned and remainder had varying degrees of quality problems

Australian Supply & Demand 2011/12

Supply (Cont’d)

- Quality problems ranged from slightly darker out shell through very dark in colour and damage to the pea itself.

- It is worth noting that GTA Export standards under which most chickpeas from Australia are traded allows for some discolouration of outer shell. While subjective it allows for product to be of “light to medium brown in colour”.

- This allows for product with minor rain damage to be received and classified as #1 grade. The main focus of the standards is too ensure the inner pea is sound and of good yellow/golden colour. Standards therefore aimed mainly at milling markets not the whole eating market where outer shell appearance is more critical.

Australian Supply & Demand 2011/12

Demand

- Domestic milling requirements in Australia while small are growing gradually

- Grower retention for seeding requirement will be higher as expectations are that 2012/13 planting will increase by about 20%

- Export demand continues to grow at a steady pace. UAE is now a big market for Australian chickpeas where product is processed for domestic consumption and re-export to nearby Gulf Countries.

- Bangladesh demand seems about unchanged although like many countries they are struggling to find the USD's to buy product. For this reason we expect demand from Bangladesh to be at the lower end of the normal range this year however will be earlier given that Ramadan is much earlier in July.

Australian Supply & Demand 2011/12

Demand

- Pakistan was a big importer last season (mainly our water damaged defectives) and with reports of local production being cut by at least 50%, our expectation is demand will continue at a solid pace through 2012. They will once again will take firstly our defectives but with only a small volume this season and small carry-over we expect they will eventually take our first grade product.

- India, as has traditionally been the case, have purchased significant tonnage in the period Nov/Dec/Jan. The SIGNIFICANT difference this year compared to last is that it has actually been shipped.

- In 2010/11 most of the sales were either washed out or diverted to other destinations (mainly Pakistan and Bangladesh).

Australian Supply & Demand 2011/12

CARRY – IN			30,000
PRODUCTION			360,000
TOTAL SUPPLY			390,000
DOMESTIC USE	MILLING	25,000	
	SEED	35,000	60,000
EXPORTS TO-DATE	INDIA	110,000	
	PAKISTAN	25,000	
	BANGLADESH	25,000	
	UAE	15,000	
	OTHER	5,000	180,000
REMAINING SUPPLY			150,000

Australian Supply & Demand 2011/12

Further Export Demand

Bangladesh	100,000mt
Pakistan	70,000mt
UAE	50,000mt
India	???

but it doesn't really matter.

Australian deficit (prior new crop availability in November 2012) 70,000mt without any further from India.