

DELTA



GRAIN MARKETING

OUTLOOK

April 2026

Independent Brokers. Smart Advice.

DELTA GRAIN OUTLOOK – Monthly Analysis and Strategy

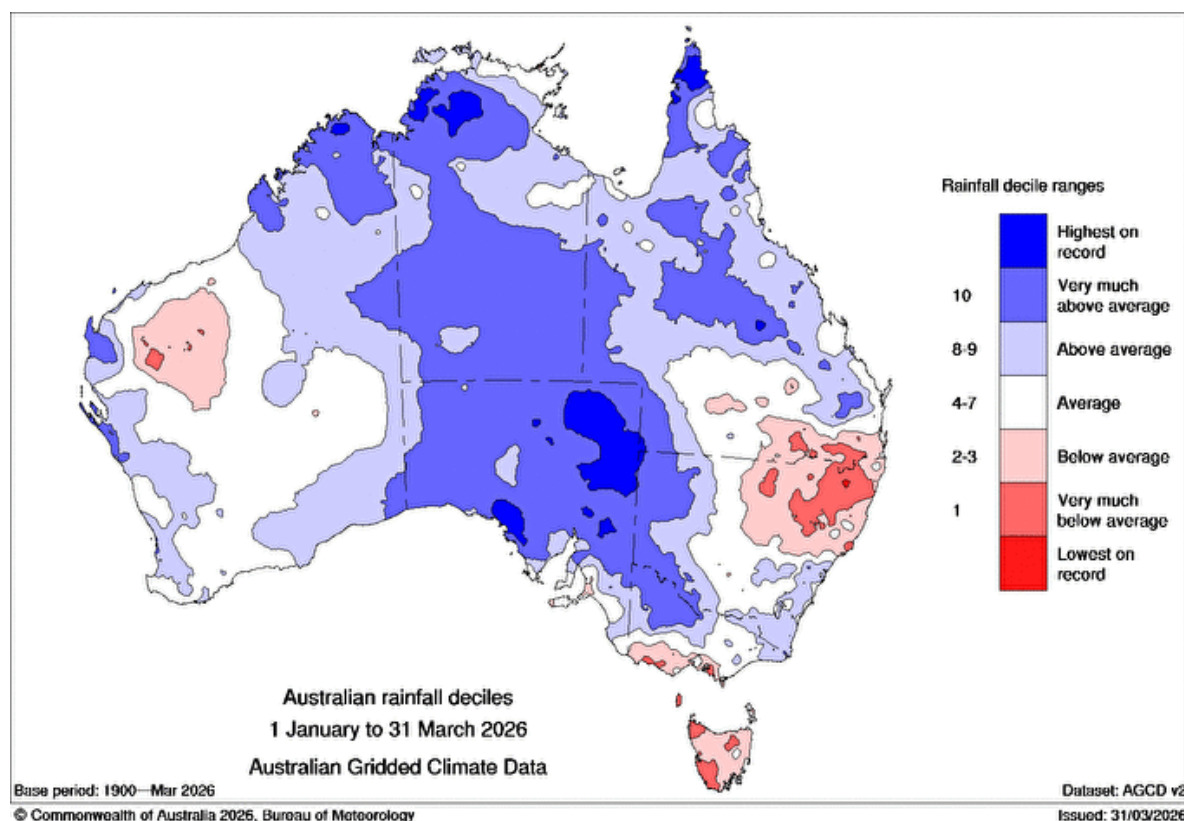
Introduction

Another month has passed since the start of hostilities between the US and Iran with uncertainty and volatility a daily occurrence in markets that are grappling to understand just how all this will play out. While a “ceasefire” appears to be in place, information is still sketchy regarding the opening of energy flows through the strait of Hormuz with the crude oil price showing high volatility and energy markets in general swinging on daily tweets and claims of victory or not, depending on who is talking.

Meanwhile international grain markets have not seen the level of volatility that energy stocks have with world trade dominated by a weighty supply side and relatively low demand from most of the major importing countries. The latest USDA report added more downside pressure with higher world ending stocks month on month across all the major grain categories. This has seen grain prices less reactive to the conflict in the Middle East than would otherwise be expected.

There is less uncertainty around the knock-on effects for Australia agriculture though, with higher fuel, fertilizer and interest rates, arguably the three most important factors other than the weather for growers. These cost pressures are particularly heightened leading into sowing, and this is influencing decisions on rotation selection with lower input pulse and barley rotations gaining hectares.

Meanhile the weather is also having a significant influence on markets in the East of the country. A picture tells a thousand words and the three-month rainfall decile Map from the BOM below, reflects a tough start to the year for many of our growers in Central/Northern NSW and NSW/Qld border regions.



This map and the forecast for less than average rainfall over the next two months is beginning to dominate grower and trade conversations and has already swung the market focus away from exports and international geopolitical factors back to domestic supply and demand.

Demand is at all-time high for grain on the East Coast. Cattle on feed touched 1.61 million in the December quarter of 2025 according to the Australian Lot Feeders' Association while the March quarter this year looks like matching that number. Poultry numbers are also at record levels, with 774 million birds forecast to be slaughtered this year, up 2.6% from 2024/25 and a new record for the country. Combining the growth in feed demand and the potential for a major drought in the main feed grain supply region of the country will see prices continuing to increase for the short to medium term.

How Growers navigate all this will be a challenge but by keeping things simple and stripping back on input costs if possible while concentrating on growing feed grain/pulses at this stage looks like making the most sense. It is somewhat fortunate from a purely pricing point of view that domestic demand is so high at a time when future supply may be lower than normal. If we were relying only on exports and international markets to be the main price setting influence this year, we would be in the middle of one of the worst "cost price squeeze" events the industry would have seen over the past few decades.

Wheat Outlook

INTERNATIONAL

Wheat Market Outlook – 2025/26

- This month's 2025/26 global wheat outlook is for higher supplies, lower consumption, slightly less trade, and increased ending stocks.
- Supplies are raised 1.5 million tons to 1,103.2 million, mainly on higher production from the EU and Russia.
- Global 2025/26 consumption is lowered 4.7 million tons to 820.1 million, mostly on reduced food, seed, and industrial use for India. That country's government wheat stocks data for the first 11 months of its marketing year indicate higher stocks than previously estimated implying less domestic use.
- World trade is 0.3 million tons lower at 221.9 million on reduced exports for Ukraine, Australia, and Brazil not being completely offset by higher exports for Russia and Kazakhstan.
- Projected 2025/26 global ending stocks are raised 6.2 million tons to 283.1 million and are 24 million or 9 percent higher than last year.
- India, Ukraine, the EU, Australia, and Bangladesh account for most of the stocks increase this month.

Source: USDA WASDE Report

CHICAGO WHEAT FUTURES - WEEKLY CHART WITH BRENT CRUDE – world wheat inventory outpacing conflict volatility



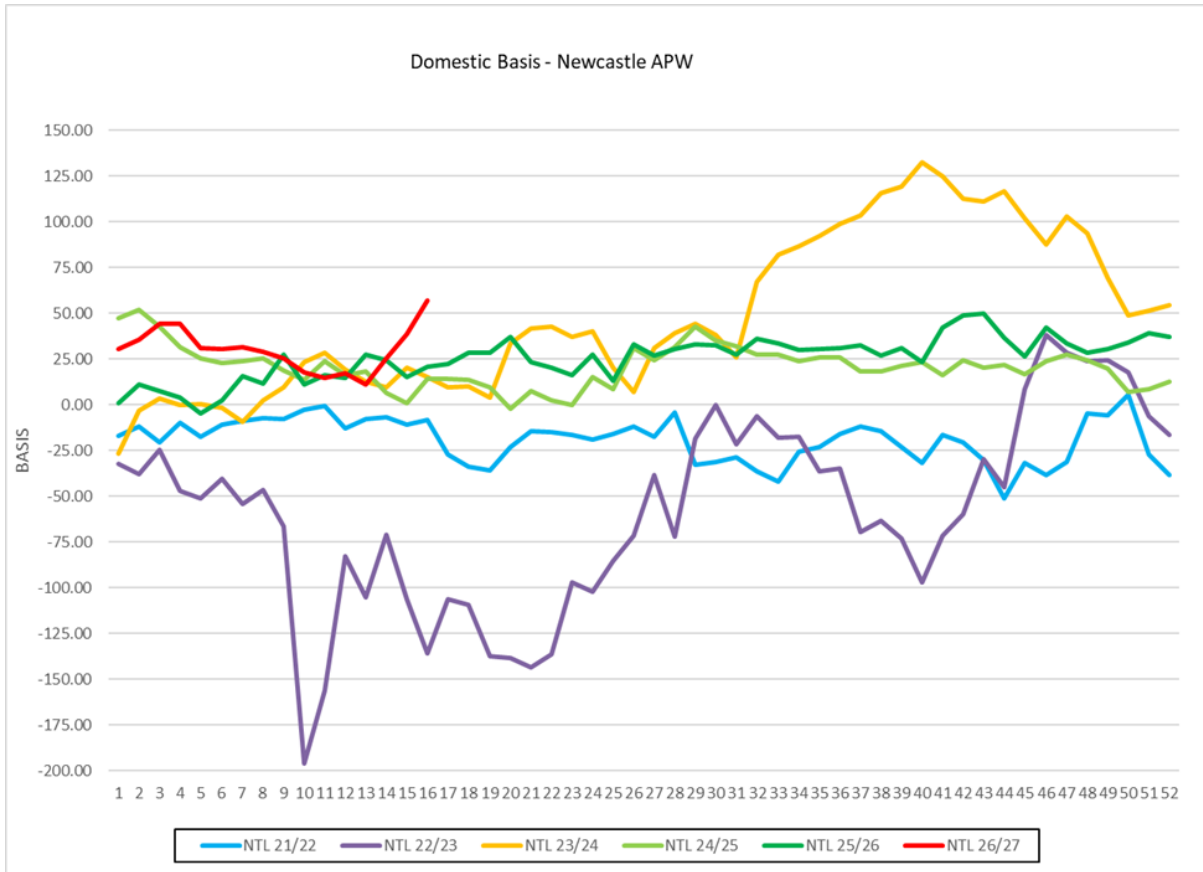
As we can see above US wheat futures in general tracked crude values, but we have not seen anywhere near the high percentage moves made by energy in the wheat market over the last few weeks. Crude is up 60% while wheat has technically fallen over that time. World wheat supply is ample and not seen us under threat at this point in the seasonal cycle with the USDA raising world ending stocks by over 6 MMT to 283MMT. Southern Hemisphere stock on hand is the major contributor to these numbers.

The US market appears to be effectively kicking the input cost (fuel and fert) problem down the road for now with Spring planting underway. The trade is hoping that the conflict will resolve itself before harvest begins in June but still feel comfortable that stocks will cover the current demand scenario. US wheat conditions while well behind last year could be a bullish factor moving forward but again not enough at this point to push prices higher.

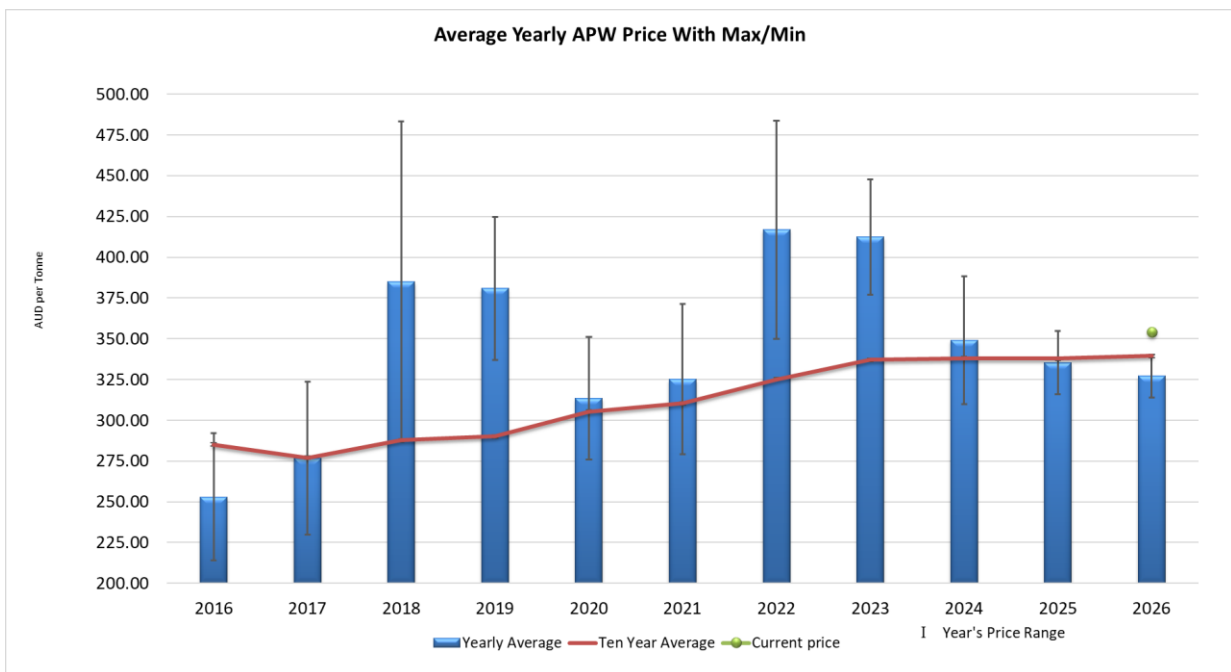
DOMESTIC

East coast wheat markets have “disengaged” from the world wheat price over the past two weeks with prices spiking late last week and sending basis rocketing up in Newcastle and Brisbane zones. Port Kembla also now starting to lift as the feed wheat drawing arc expands. The trade has looked at the weather and current demand profile and are now activity trading feed wheat into domestic homes rather than looking for protein premiums into export homes.

DOMESTIC BASIS – Basis goes vertical as the domestic feed shorts appear in northern NSW and SE Qld.



As we can see above East coast wheat basis has spiked and we are now very expensive when compared to other origins. Exporters were struggling to make margin into export homes anyway, due to the saturation of offers out of Argentina and Russia. With currency volatility adding to the uncertainty and the ocean freight rates spiking due to the oil crisis, domestic wheat is a better bet for traders wanting to leverage tonnages both ex-farm and in the system.



Prices now sit at the top of the range for the year and well above the average. Growers now have to make decisions around sales based on a lot of moving parts. Fortunately, most growers have held some old crop stock back due to unpalatable prices at harvest and year on year high production volumes. Quite a few were holding for tax purposes as well, but this has now morphed into quite a good drought hedge.

Wheat Strategy

CENTRAL QLD

All prices lifting with the feed shorts in the south and despite very good conditions in CQ for new crop planting, the old crop wheat market continues to rally. Ex-farm wheat is now pushing up to \$350 plus for May/June. Growers have the luxury of sub-soil moisture so selling into the rally is easier than southern regions. If you are comfortable and looking at starting sowing, then selling a percentage of old crop is warranted.

New crop numbers are attractive but there may be more upside potential the longer the drought lingers. Hold off on new crop sales until the crop is established.

SQLD/NSW

Its handy being long old crop at the start of a challenging sowing period and most growers are being pragmatic about the season ahead. Rain could/would certainly change the market dynamics but we would need above average totals in most areas to get confidence back. Growers are sitting on higher-than-normal old crop stocks for this time of the year and July 1 selling could also be something to watch out for with quite a few growers indicating that this will be when they will look to sell.

Hopefully we get the rain but either way prices look like they will increase from here. Scale up sell for cash flow or position some tonnage into the market before the end of the financial year. Work on percentages but we are still thinking values will keep lifting from here.

Canola Outlook

Global oilseeds

- The outlook for U.S. soybean supply and use for 2025/26 includes higher crush, lower exports, and unchanged ending stocks.
- Soybean crush is raised 35 million bushels to 2.61 billion on increased soybean meal domestic use.
- Exports are reduced 35 million bushels to 1.54 billion on pace to date and higher South American shipments.
- Soybean ending stocks are unchanged at 350 million bushels.
- The U.S. season-average soybean price for 2025/26 is forecast at \$10.30 per bushel, up \$0.10.
- Global 2025/26 soybean supply includes higher beginning stocks and production. Beginning stocks are raised 1.0 million tons mainly on a revised 2024/25 crop for Brazil.
- Soybean production for 2025/26 is raised 0.2 million tons on higher crops for Paraguay and South Africa partly offset by a lower crop for Uruguay.
- Global 2025/26 soybean use includes nearly unchanged exports, higher crush, and lower ending stocks.

- Increased soybean exports for Brazil and Paraguay are mostly offset by lower exports for the United States and Uruguay. Soybean crush is increased for the United States, Brazil, and Algeria.
- Global soybean ending stocks are reduced 0.5 million tons to 124.8 million, mainly on lower stocks for Argentina, Brazil, and Egypt.
- *Source: USDA WASDE Report*

The war has turned global oilseed markets into a roller coaster nobody queued up for. Energy and fertiliser prices have been lurching around like they've had too much coffee, sending oilseed prices on sharp, short-term swings. When the conflict first flared, shipping disruptions in the Strait of Hormuz sent prices shooting higher. Then, as whispers of diplomacy emerged, markets promptly changed their mind and headed south again — classic commodity mood swings.

The conflict has also pushed up nitrogen fertiliser costs, thanks to their tight link with energy markets. Most Northern Hemisphere farmers had already locked in inputs for their 2026 crops, but the fear of future shortages has inflated costs for the next planting cycle. Soy and other oilseeds spiked after the February 28 outbreak, only to tumble in early April when a ceasefire looked possible. And the volatility isn't done yet — just last week, Brent crude dropped \$US20 a barrel on the ceasefire news (its biggest fall in six years), only to bounce straight back to around \$97 like nothing happened.

High fertiliser prices are also nudging growers away from energy-hungry crops like corn and toward lower-input options such as soybeans — a trend Australia is likely to echo, with many farmers eyeing cheaper-to-grow grains.

Meanwhile, the USDA's April WASDE report played its usual role as the calm one in the room. Soybean markets barely flinched, with only modest futures gains and no changes to South American production estimates. Brazil stays at 6.614 billion bushels, Argentina at 1.764 billion, and traders everywhere continue refreshing their screens like something dramatic might still happen.

EU rapeseed imports for 2025/26 have taken a serious haircut, dropping 33% year-on-year. Ukraine still holds the top supplier spot at 1.35 Mt, though its volumes are down a hefty 42%, trimming its market share to 38.5%. Australia comes in second with 0.98 Mt, but it's had an even rougher season, imports are down 52%, pulling its share back to 28%.

Canada, meanwhile, is quietly winning the "least bad" award: it shipped 0.52 Mt, only a slight dip from last year, which bumped its share up to 14.8%. All up, the EU has imported 3.52 Mt so far — about one-third less than last season. Not exactly a booming trade year, unless you're Canada, but they were dumped temporarily by China so that is most likely the reason for the increase there.

Canadian Canola

With the reduction in tariffs for exported canola to China, dropping from a whopping 85% down to 14%, this is far more encouraging for farmers to continue to grow canola this spring. Statistics Canada's new-crop acreage report last week showed an increase of about 1% to 21.839 million acres. Although it is not a record planted crop, it's not far from the 22 million acres planted in 2024.

With renewed ties with China and an increase in prices, it seems that Canadian farmers are not swayed by higher fertiliser or fuel costs to refrain from sticking to canola crops this year. Southern parts still look a little bit dry, following a dry winter, but this could change and reports are certain not alerting to this fact just yet, but worth watching over the coming months.

MATIF MAY 26 WEEKLY DATA – Even after a solid rally from January, futures still haven't kept pace with the big leaps in Brent crude since the war kicked off. The main culprit is pretty simple: global rapeseed supplies are still comfortably high, and many of the usual import-dependent buyers have stepped back over the past year.

On the flip side, those lower exports have pushed more seed into domestic crush and biofuel use, which is quickly becoming the hot topic on everyone's radar. With energy markets this jumpy, biofuels are suddenly looking a lot more interesting to a lot more people.

Below is another comparison with Brent Crude oil where rapeseed futures are not fully responding to the sharp trajectory of Crude oil prices.



DOMESTIC

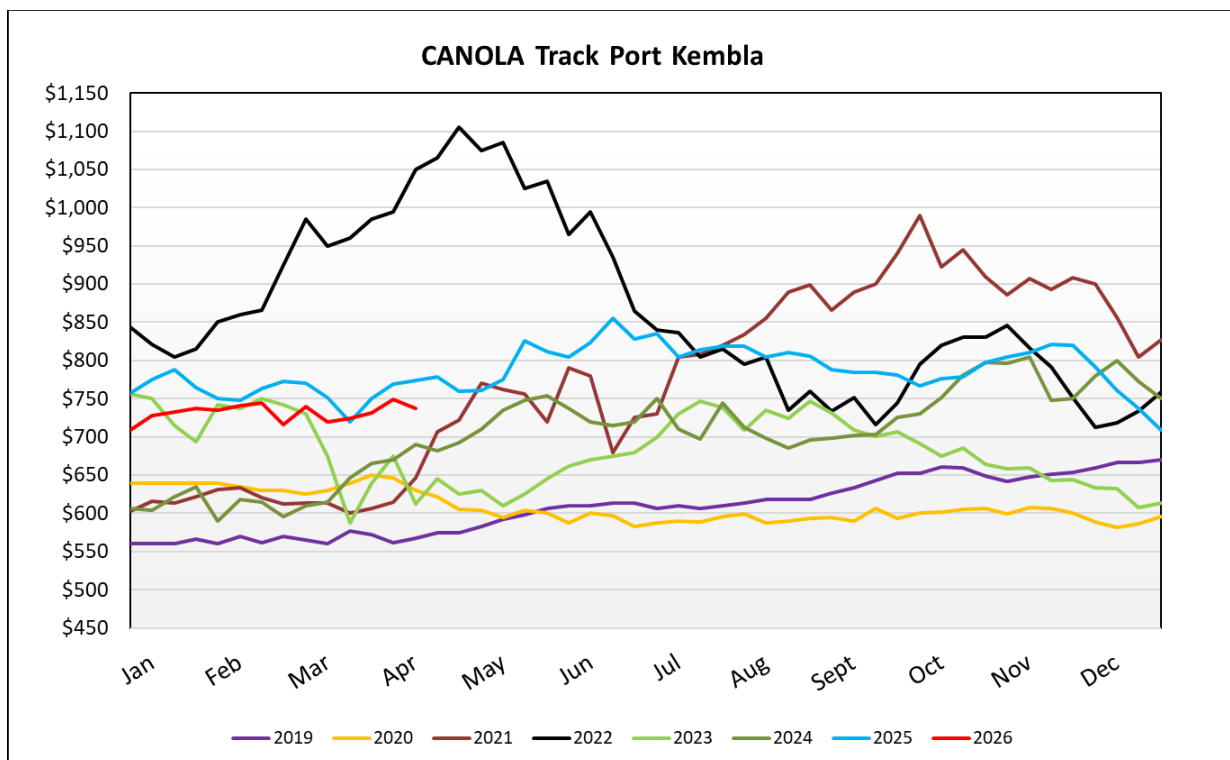
As highlighted earlier, although weather conditions improved in the southern parts of Australia, the central west and the north of NSW do not appear to be in the same condition. With the current situation of high fertiliser and high fuel costs, it is unlikely that growers north of central west NSW will be considering growing any canola this season

In the south feelings are mixed, and again as highlighted above, most growers around the world and including farmers on home soil will be seriously considering the cost of growing canola, when feed grains appear much more favourable. This is not to say that growers won't continue with their cropping plans, as many have been able to secure their fertiliser requirements and will be sowing into some very good conditions, but we feel that the next ABARES report could show a different picture to their most recent report.

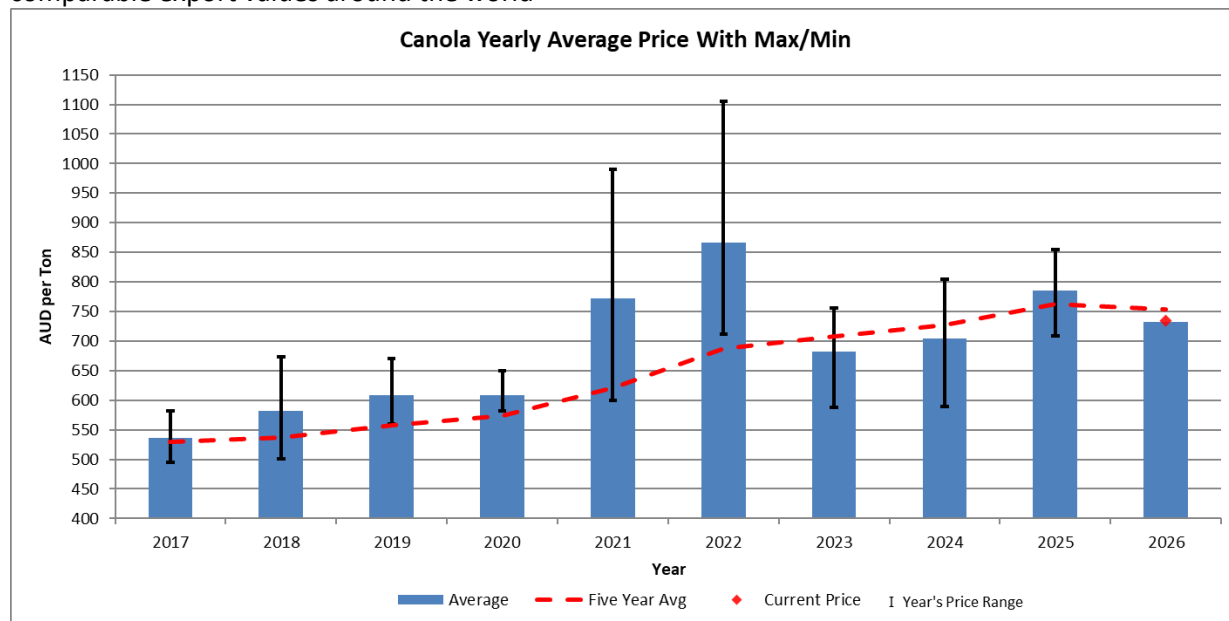
Domestic pricing has jumped around since the last report and the domestic crush appears to be dictating price volatility, with minimal exports at present. Having said that, exports were still very

strong this past season with good exports into Europe and most recently China. Most of this has been taken up by WA crop, but it was still positive to see from a domestic point of view. Old season prices have ranged from \$697 to \$772 Track Port Kembla with a \$40 premium for new crop prices.

The delivered crush markets were trading quite strong at the end of March/early April at \$800+ delivered Newcastle/Melbourne, but have dropped since to around \$775 delivered. A softer dollar was certainly helpful, but we feel that volatility will continue as buyers will be closely watching planting intentions over the next 6 weeks. The best way to capture pricing in a volatile market like this is to set some target prices with your broker, so please call us to discuss further.



Note: The current price of \$735 Track Port Kembla seems too cheap and not reflecting the price of comparable export values around the world



Canola Strategy

2025/26 Crop

Basis has recovered strongly from recent lows, lifting from -\$50.89 to +\$15 against Canada, and from -\$114 to -\$95 against MATIF. This reinforces that crushers are prepared to pay up when required. However, the recent decline in futures is adding downside pressure overall.

With sowing activity ramping up over the coming weeks, additional supply pressure is likely to weigh on the market in the near term. For this reason, we recommend maintaining a holding strategy for now and targeting opportunistic price spikes as they occur. As discussed previously, using target pricing remains the most effective way to capture these moves, so please get in touch to review any old crop still on hand.

2026/27 Crop

On some days, new-crop prices are trading at a premium to the old season, in some cases up to \$40/t higher. This suggests the trade is cautious about the volume of canola expected to be sown this season. Combined with a weaker Australian dollar, the forward price outlook is constructive.

That said, we recommend a cautious approach at this stage. Our preference is to focus on getting the crop established first before considering any forward sales for the 2026/27 season.

Barley Outlook

INTERNATIONAL

- Global coarse grain production for 2025/26 is forecast 5.1 million tons higher to 1.598 billion.
- This month's foreign coarse grain outlook is for larger production, trade, and ending stocks relative to last month.
- Foreign corn production is raised, with increases for India, South Africa, Indonesia, and Russia partially offset by a decline for Uruguay.
- India is raised reflecting higher area based on the latest information reported by the government.
- Major global trade changes for 2025/26 include higher projected corn exports for India, Russia, and South Africa with reductions for Pakistan and Uruguay.
- Corn imports are raised for Turkey and Morocco but reduced for Iran and Indonesia.
- Foreign corn ending stocks are up reflecting increases for India, South Africa, and Brazil.
- Global corn ending stocks, at 294.8 million tons, are up 2.1 million.

Source: USDA WASDE

The April 2026 USDE WASDE was a "neutral-to-bearish" report for US corn, as the USDA left the domestic balance sheet entirely untouched, maintaining ending stocks at 2.127 billion bushels (54 MMT). This remains a seven-year high, which continues to cap price rallies.

Global corn supply growth continues to pressure futures, specifically a 2.06 MMT increase in world ending stocks (reaching 294.81 MMT) and a refusal by the USDA to cut production estimates for Brazil and Argentina despite local reports of dryness.

US May corn futures



Potential (ceasefire) easing geopolitical tensions in the Middle East have also stripped the "war premium" from energy costs, allowing traders to focus back on the reality of a very well-supplied international market. Improving conditions in the US Midwest continue to also place a cap on prices, leaving the market trending lower as the 2026 planting season begins.

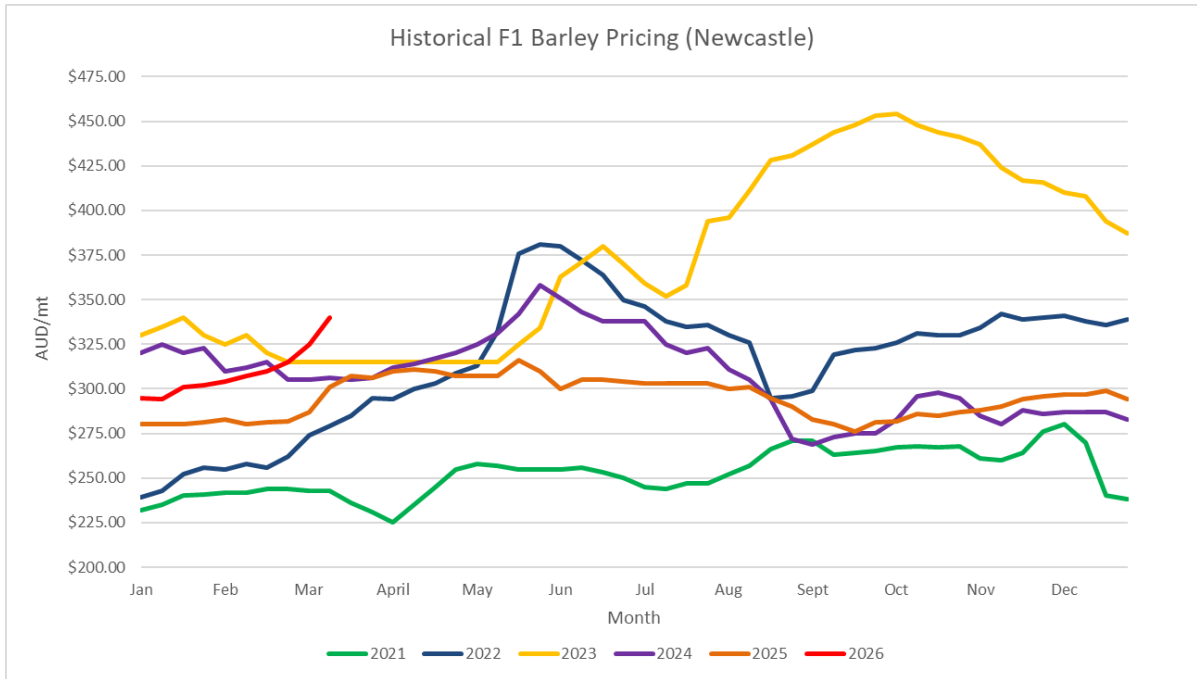
Global barley trade continues to see huge export numbers from major Southern Hemisphere exporters; this is meeting strong demand from key Asian and Middle Eastern markets. Australia continues to ship massive barley volumes out of WA, similarly, Argentina has leveraged a record 5.6 million tonne crop to push exports to their highest levels since 2013, with substantial volumes destined for Saudi Arabia and China.

While global coarse grain supplies are generally expanding, barley stocks remain relatively tight compared to wheat and corn, as record production is being rapidly absorbed by record feed consumption in the European Union and sustained high demand from China.

While barley trade looks positive in general, the market remains sensitive to external pressures, including the cost-price squeeze facing producers due to elevated fuel and fertilizer costs linked to Middle Eastern geopolitical risks, but despite these challenges, much of the 2025/26 exportable surplus has already been traded, potentially providing a solid price floor for the remainder of the 2026 marketing year.

DOMESTIC

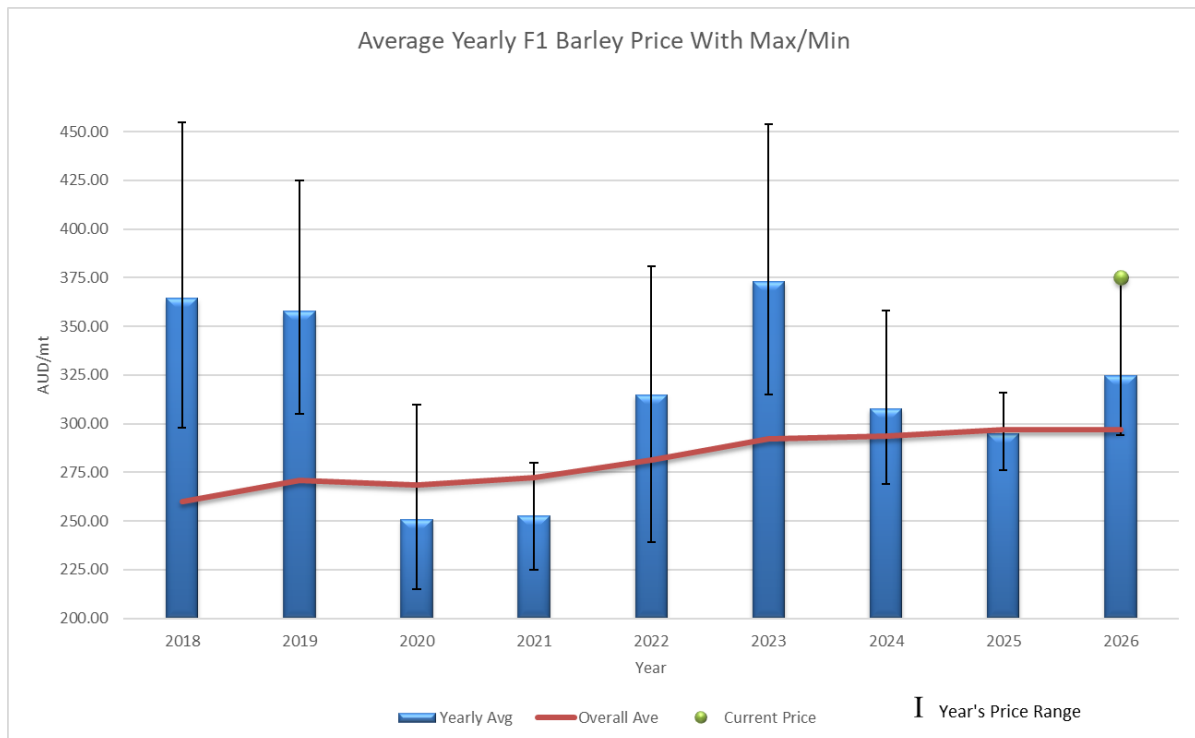
Barley prices have broken out to the upside over the past month accelerating as we progressed into Autumn accompanied by a dryer weather pattern in Northern NSW. Delivered Downs feedlot demand is leading the push with prices trading well over \$400.00/mt. As was the trend at harvest, growers were reluctant to sell barley at initial lower levels, and a hold position was adopted. This has paid off as Trade shorts and droughty conditions are now pushing prices into very good territory.



Track prices have been slower to move but are finally gaining some momentum as the trade and domestic consumers scramble to get long in a market that seems to catch a lot of them out year after year. Given that ABARES has forecast a record crop it is hard to believe that we are short barley, but it appears that a lot of what we have been saying in regards where barley is grown these days and the decline in barley Hectares in northern NSW is playing out again this year. This and the fact that most Growers are happy to sit on barley for at least 5-6 months.

The other factor pushing prices for barley on the east coast is the record export pace out of WA and SA. Current indicators are pointing to a 1MMT + per month shipping program out of the West with 6MMT already committed to exports out until April. Australian barley is still relatively cheap vs EU and Canadian.

The knock-on effect is that if east coast feeders look to import barley from west to east like they did in 2018/19 then they would have to compete with exports and total tonnages are likely to be lower given the pace of the export program already. WA total barley production according to ABARES is 6.5MMT. This doesn't leave a lot of room for east coast feed demand.



In summary Barley prices have benefited from tightly held stock, increased feedlot demand, huge export demand and now the beginnings of a drought that may reduce new crop production significantly. Values are pushing up to the top of the range for the year and seem to be accelerating higher. When comparing to the 2018 drought, prices topped out at \$455 Track Newcastle so when looking back current prices are \$75.00/mt from those sorts of levels. Conditions are not as bad yet, with the drought confined to Northern NSW/SE Qld but the market may still have some decent upside potential.

Barley Strategy

Northern/ Central NSW growers have seen prices surpass \$350.00/mt ex farm over the last week while track values have jumped around \$30.00/mt over the past 3 weeks. While encourage selling into strength, there are other factors at play. Unfortunately, the weather is deteriorating and has thrown another “what if” into the mix. That said, prices are very good and selling a percentage on the way up is prudent. While upside potential remains, the market may have more grain on-hand in other locations this year so this may cap prices well below the last drought’s numbers.

Southern markets especially the Port Kembla zone, are finally waking up. Old-season barley has jumped around \$20/t, both ex-farm and in the system. Back in March we were struggling to find anything starting with a “3”, and now the only question is what the second digit will be.

With values around \$310 ex-farm Lockhart and \$320 ex-farm West Wyalong, growers will either be selling to free up cash for the next crop or watching the rain gauge to see whether \$330 is within reach. And with \$350 already trading in the Central West, southern growers will be hoping that momentum rolls further down the map.

This is a sell opportunity for anyone needing cashflow but keep an eye on the market tone. If prices start to flatten out, and we get widespread autumn rain before the end of May, the window could tighten quickly.

Sorghum Outlook

INTERNATIONAL

USDA numbers unchanged in the April report leaving ending stocks flat at 1MMT. Forecast exports for the marketing year up until the Sept 1 remain at 6MMT.

Actual US sorghum inspected at port for export up to Friday April 9th stands at 3.12MMT just over half of expected sales with 5 months remaining in the marketing year. This number is over 1.5MMT higher than the same time last year.

	US FOB Texas	Aussie dollar	Brisbane Track	FOB Cost	US Dollar Value	Basis
Month	Price					
May	\$222.03	0.7095	\$352.00	\$45.00	\$281.67	\$59.64
June	\$226.37	0.709	\$352.00	\$45.00	281.6715	\$55.30
July	\$226.37	0.708	\$352.00	\$45.00	281.6715	\$55.30

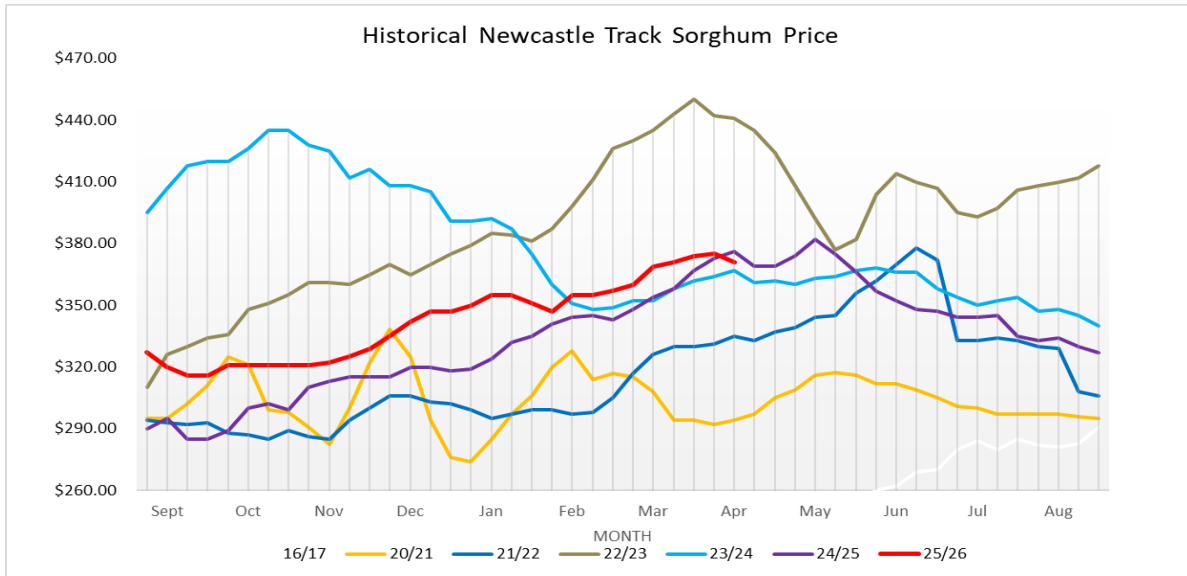
US sorghum prices continue to soften as they look to clear a massive carryout. Australian sorghum is now almost US\$60.00/mt dearer FOB equivalent. The trade relationship between the US and China appears to be a little healthier although US sorghum still attracts a 10% tariff into China which is keeping us as a preferred supplier but only marginally.

Talking to the major export traders, it appears that it is getting harder to engage Chinese sorghum buyers over the past few weeks and we are certainly not seeing the level of demand we saw earlier in the year. We knew US sorghum was going to be the main hurdle to us continuing owning market share, and with the US large carryover stocks combined with our harvest winding down, Chinese buyers may look elsewhere to fill the gaps.

On the new crop front US sorghum planting is moving quickly although moisture levels in the "Sorghum Belt" (Texas, Oklahoma, and Kansas) are becoming a concern. As of mid-April, 62% of Texas and 64% of Oklahoma topsoil is rated as "short" to "very short." In Kansas—the top sorghum-producing state—moisture is also tightening, though major sorghum planting there doesn't typically ramp up until late May.

DOMESTIC

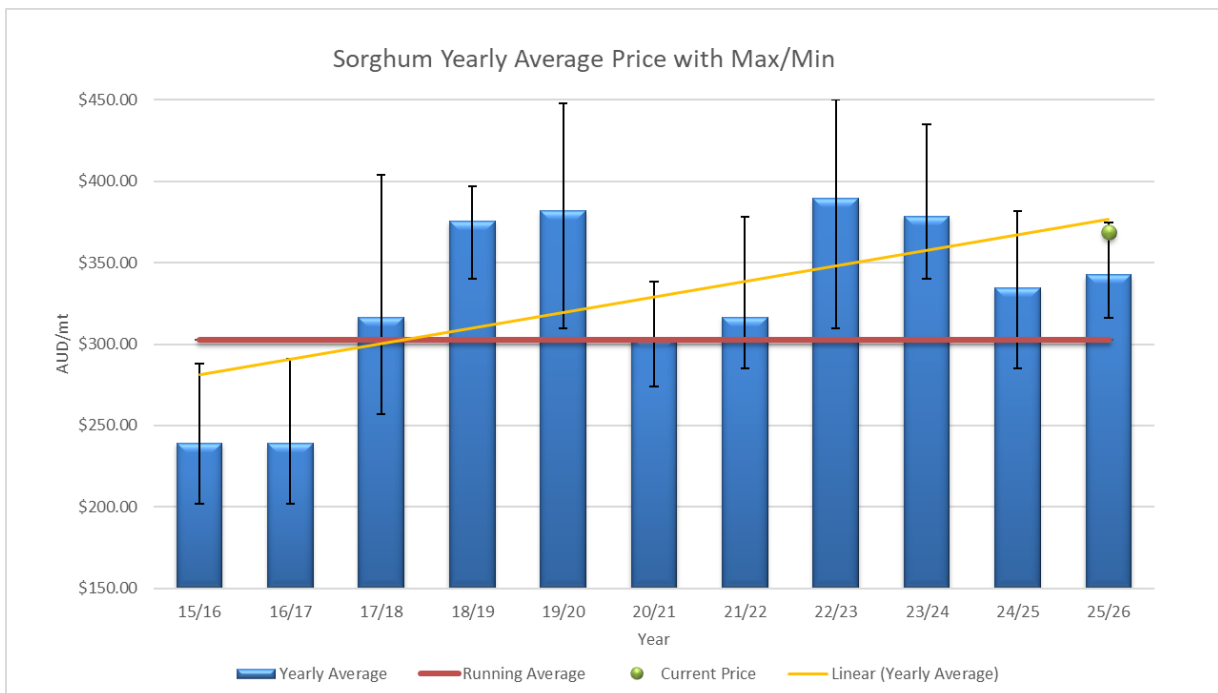
After a solid March/early April rally, sorghum prices have struggled to push further over the past two weeks. As mentioned above, lower follow through demand from China appears to be happening. This combined with peak harvest volumes on the Liverpool Plains with well above average pricing has left little reason for Growers not to cash out. Volume has come to the market, and this has allowed exporters to lower their sites a touch. The fluctuations in the dollar above 70 cents also making it harder for Exporters to “pay up” on grower offers.



Delivered Port bids still remain the best values for Growers with Newcastle bid \$390 after topping out at \$400.00/mt. Container trade is struggling to match the bulk numbers with rising costs for both sea and rail freight.

Prices have also softened in CQ with delivered market back \$8-\$10.00/mt. Unfortunately, CQ values have not gotten to the level we saw in Newcastle and Brisbane, and it will be interesting to see if they can pick up some value when harvest competition starts. Crop size forecast varies from 300,000-350,000mt

On the demand side there is approximately 225,000mt of sorghum lined up on the Graincorp stem in CQ out to September. Other export hubs anecdotally would look to move at least another 50-100,000mt through mobile ship loaders and containers. How much of this is covered is debatable but we would argue that not that much has been sold forward by the grower. Hopefully we see competition for tonnes once the headers get going.



Sorghum Strategy

CENTRAL QUEENSLAND: Conditions have turned a touch dryer but overall, the crop should get home alright. Early harvest still a few weeks away. Delivered Port prices were hanging around \$370.00/mt but have now slipped \$5.00/mt. Still look like good value and well worth offering up for a decent percentage.

System bids have been very sticky and topped out at \$350 Track last week. Prices are now closer to \$340 but we still think that firm offers above the bids will get a solid look considering the lack of forward sales. 25% of an average yield probably worth selling at this point.

NNSW: Harvest feels like it is 90-95% done and the bulk of Grower sales have been made. With the slowdown in demand and increase in freight cost eroding margin we still think that values are still worth looking at and sales should be made. If the boats stop, then sorghum will revert to feed levels which are around \$30.00/mt under SFW1 in a normal year. That would take the market from \$390.00/mt port Newcastle to around \$350.00/mt.

Chickpea Outlook

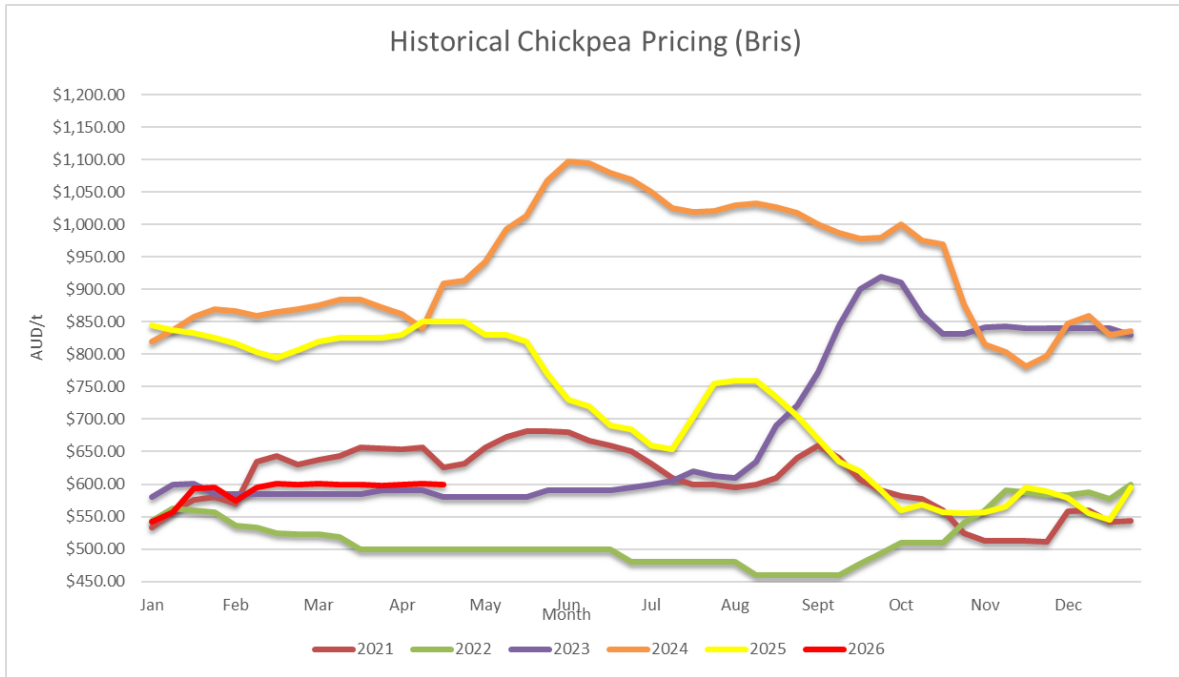
India is currently at the peak of its 2026 Rabi harvest. Production is forecast to be solid, with estimates suggesting a harvest of approximately 11 to 12 million tonnes. This has been supported by a 5% increase in seeded Ha (roughly 9.58 million hectares) and improved soil moisture from recent monsoons.

As of mid-April 2026, the Indian government has maintained a proactive stance on pulses to balance consumer inflation against farmer protection. While some pulses saw extensions of "Free" import status, the policy for chickpeas (gram) remained unchanged following the March 31st deadline.

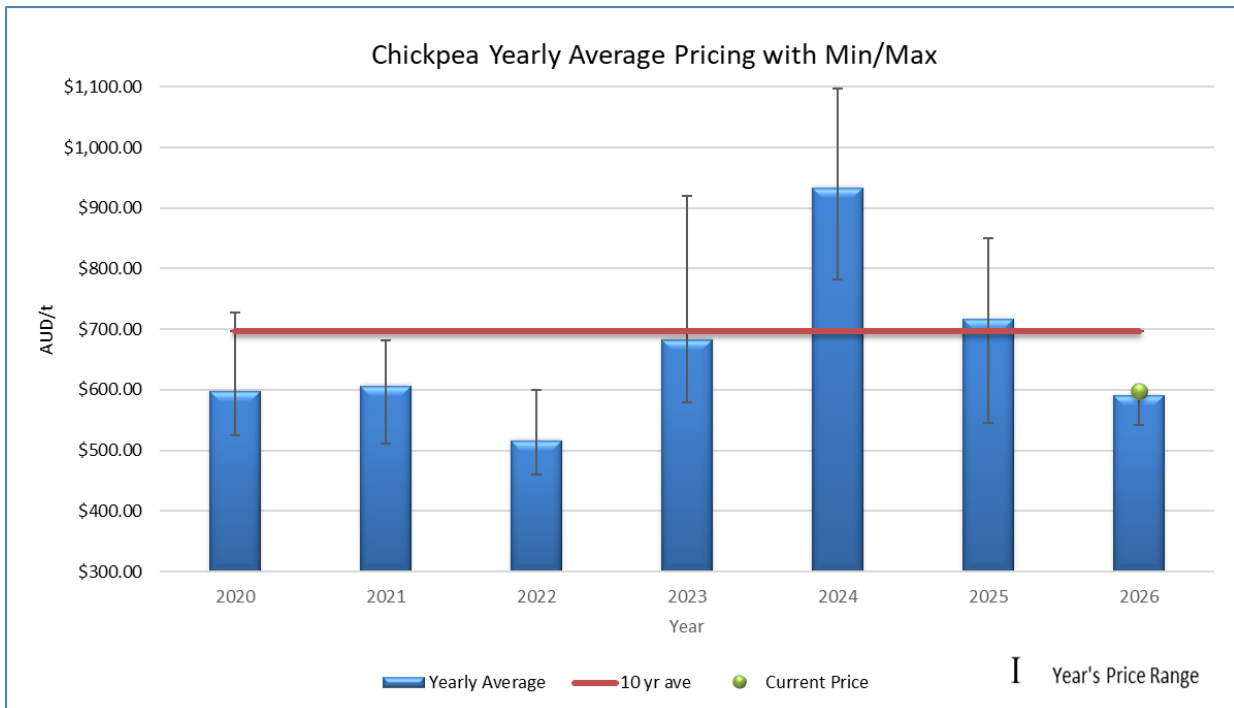
The 10% basic import duty on Desi chickpeas, which was implemented in early 2025 to replace the previous duty-free window, remains in place as of April 2026. While there was significant market speculation in late 2025 and early 2026 that the tariff might be hiked to 30% to protect local farmers during the peak of the current Rabi harvest, the government has opted for stability for now. This decision likely stems from a desire to keep a lid on food inflation ahead of upcoming state elections, despite the domestic crop looking like it will produce well over 11MMT.

Domestic

With the continuation of stasis quo in regards tariff settings, the local market has flat lined and appears to be in a relative state of equilibrium. Prices have remains locked into a narrow channel with the odd move up or down depending on currency and export slots appearing. Brisbane did see a small trade short last week and values did climb back up to \$650 delivered Port, but overall prices are the same as they have been since the start of the year. Delivered Brisbane now bid \$625 this week.



Given that demand looks to be lower moving forward we would expect the market to centre around the currency as has happened in previous years when we have seen low demand. Ocean freight rates also will have an effect on the ability for exporters to make trades and margins into secondary homes such as Pakistan and UAE. We will be competing in some cases with Indian chickpeas that are “backdoored” into these markets as well.



New Crop:

The dry weather in northern NSW/SE QLD is pushing growers into looking at rotations from a cost recovery basis with Urea prices discouraging high N usage under wheat crops at present values. Chickpeas obviously need less N and do have a net advantage the flowing year in regards Nitrogen

fixation given the right environment. Chickpeas can also be deep planted with long fallow paddocks that have sub-soil an obvious target. This is probably the main advantage with chickpeas this year and we expect growers to chase moisture with pulses heavily favoured.

New crop prices remain flat to old crop at \$600.00/mt plus delivered port. CQ currently has the best moisture profile on the east coast and with prices hovering around \$600 we expect a solid chickpea plant again this year all be it slightly lower than the previous two solid crops.

Chickpea Strategy

The market is very much a “sell if you need the cash” type market. Prices should remain flat over the next few months. Volumes are low so their may be the odd short appear.

We are inclined to wait for these shorts to appear, which usually occurs as buyers look to fill an order, most likely for containers. India remains the X factor in the market and if they need to own more peas, at the back end of the season then prices should lift especially in CQ for early harvest.

Cotton Outlook

INTERNATIONAL:

The April 2026 WASDE report, released on April 9, was generally neutral for the U.S. but bearish globally, as significant increases in world production and stocks outweighed a slight rise in consumption. The global balance sheet saw more movement, characterized by a "heavy" supply trend. Production, raised by almost 900,000 bales to 121.87 million. The gains were driven by 300,000-bale increases each for China, India, and Pakistan. Consumption, raised by approximately 560,000 bales to 119.14 million. This was driven by higher mill use in China and India, though partially offset by cuts in Bangladesh and Vietnam. Ending Stocks, raised by over 650,000 bales to 77.04 million bales. The rising stocks-to-use ratio (64.7%) indicates ample global supplies, which has tempered recent price rallies.

US COTTON FUTURES -weekly chart – war premiums helping cotton futures against loose supply scenario.



Despite the bearish WASDE figures, ICE cotton futures hit 16-month highs (around 76 cents/lb) this week. This is being driven by high oil prices (raising the cost of synthetic alternatives like polyester) and persistent drought in the U.S. Cotton Belt.

DOMESTIC: Australian Exports: Australia’s 2025/26 exports are forecast to rise nearly 10% to 5.7 million bales. While production is lower than the previous year, high beginning stocks are allowing Australia to aggressively supply China and India, offsetting lower shipments to Vietnam. Brazil continues to be a major competitor for Australian and U.S. cotton, posting record March exports and expanding its market share in Asia.

With bale prices at yearly highs, it is well worth investigating making some sales, especially given the burdensome supply situation worldwide. Fortunately, the war in Iran has provided a selling opportunity in an otherwise depressed market.

SUMMARY

The global agricultural landscape is juxtaposed between a volatile energy market and consecutive years of high production and over supply. Despite ongoing hostilities between the US and Iran, international grain prices have remained relatively subdued due to record global ending stocks which has muted the typical "war premium" we would expect and saw recently when Russia invaded Ukraine. However, the conflict has triggered a significant "cost-price squeeze" for Australian growers, driving up the costs of fuel, fertilizer, and interest rates.

Domestic factors are increasingly decoupling from international trends. Severe dryness across Central and Northern NSW is shifting the market toward internal supply security. This comes at a time of record-high domestic demand, with record cattle on feed and poultry numbers.

Consequently, domestic feed grain prices for wheat and barley have hit the after burners with basis reaching levels that make exports now unworkable.

High costs for fuel, fertilizer, and interest rates—driven by the US-Iran conflict—are making a "cost-price squeeze" a major risk. Growers will need to simplify input strategies and pivot toward less hungry crops where possible to protect margins. Given the record-high domestic demand from the

lot-feeding and poultry sectors, focusing on feed grains and pulses currently makes the most strategic sense.

**All the best,
The Delta Grain Team**

CONTACTS:

Delta Grain Armidale Office

Suite 7, 165 Beardy Street
Armidale NSW 2350
Phone: 02 6772 0000

General Manager & Grain Marketer - NNSW, CWEST & SNSW

Mick Parry

Licensed Financial Services Officer
AFSL No: 301796
Mobile: 0414 347 330
mparry@deltaag.com.au

Grain Marketer – NNSW, Liverpool Plains, Central QLD

Tom Vanzella

Mobile: 0429 022 726
tvanzella@deltaag.com.au

Grain Marketer – SNSW Region & Riverina

Graham Martin-Dye

(Delta Ag Harden)
Graham Mobile: 0417 055 619
gmartindye@deltaag.com.au

Delta Grain Administration

Libby Parry

02 6772 0000
lparry@deltaag.com.au