

Dec 2008

SUMMER NEWSLETTER

FERTILISER PRICING



By Geoff Vickery

Recent front page articles in the rural press regarding the falling world price of fertiliser, and incidences of “price gouging” in the Australian market do not tell the entire story. This has consequently lead to a misconstrued perception of what is actually happening!!! We feel it is appropriate to give you an informed overview of how we see the fertiliser market

today; and the scenarios going forward.

Just like any other business that is focussed on what it does; we subscribe to daily reporting services related to the world fertiliser markets. [“crystal ball” subscriptions aren’t available yet!!] They didn’t tell us that we would see fertiliser prices rocketing to all time highs during the past Australian fertiliser season, nor did they mention a world financial crisis coming out of nowhere. They also forgot to tell us that after the Australian dollar (\$) nearly reached parity that it would then sink to a 25 year low. They do however give us daily information that allows us to make a more “informed estimate” rather than a “guesstimate” on purchases and market directions. Although the Australian market is only 1% of the total world market, what happens overseas does influence our market 10-12 weeks down the track.

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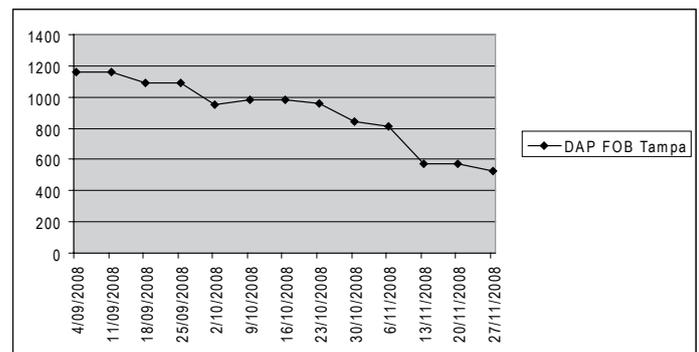
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Global pricing

On the global spot market in the last ten weeks Urea has dropped from \$US 850/tonne to \$US290/tonne ex the Arab Gulf and Ammonium Phosphates (DAP/ MAP) from \$US1220/tonne ex US Gulf to \$US550/tonne free on board (fob). Sea freight has also more than halved in cost, coming off all time highs.

The major part of these falls has been during the last 4 weeks.

Table 1. Price movement of DAP Ex Tampa in \$US.



Source: Fertilizerworks.com

Using indicative November spot prices and a 63 cent exchange rate 10 week forward retail prices can be estimated if a ship was purchased today and the currency hedged.

DAP						
Ex US Gulf per tonne	Sea Freight	Domestic Port. Cost and Freight. [cfr]	Conversion @63c \$A	Port charges Offload, cartage Inload/Storage Outload/screen Finance	Landed cost in store	Importer margin 8% reseller 4%
\$us550	\$us55	\$us605	\$au960	\$au50 approx	\$au 1010	\$1131 retail
Urea						
ex Arab Gulf tonne	Sea Freight	Domestic Port [cfr]	Conversion @63c \$au	Port charges Offload, cartage Inload/Storage Outload/screen Finance	Landed cost in store	Importer margin 8% Reseller 4%
\$us290	\$us40	\$us330	\$au524	\$au50 approx	\$au 574	\$643 retail

However the fall in prices does not immediately convert to lower Australian prices.

Exchange rate:

THE MOST SIGNIFICANT FACTOR we must take into account is that while DAP/MAP prices have fallen 55%, Urea

has sunk 65%, and sea freights have dived 40-70% (depending on route and number of ports of discharge) THE \$A HAS ALSO COME OFF A MASSIVE 40%.

I am still seeing articles (Profarmer 27/11/08) that somehow don't factor into their stories this massive loss of buying power on imports the 40% fall in the \$A has created.

Over the last 10 weeks the Australian dollar has fallen from a high of 98c to a low of 60c against the \$US; with swings of 5c in a day not uncommon.

When the \$A was 98c a product worth \$ US 1000t converts to \$1020t aussie. When the \$A is 60c that same \$1000tUS product equates to \$1666t aussie!!!!

(if the \$ had been 60c exchange during the cropping season DAP/ MAP would have retailed @\$2500t!!)

The daily swings in the exchange rate also add to the complications for importers of when to actually purchase.

For example: If a trader on Monday 24/11/08 purchased DAP @\$590US with the exchange @60c AUD he would have a FOB (free on board) cost of \$983t at the port of loading.

If his competitor purchased \$ US 590 DAP on Friday 28/11/08 with the exchange @65c AUD he would have an FOB cost of \$907t (\$76t advantage).

Australian fertiliser importers are not "currency traders" and the \$ must be set at purchase. (No 1 rule)

What we really need for the lower \$US fert prices to make a significant change here is; the \$A to get to 75c at purchase (fob). This would take \$200t off the landed cost.

Delayed purchase:

The Global Financial Crisis (GFC) has seen credit dry up. The tightening of credit means major importers are holding off on purchases and worse still smaller opportune fertiliser traders are unable to secure finance at all. For many importers, price is less an issue than credit availability. A similar situation is evident in Australia's deregulated grain market where good cash prices are thin on the ground.

Normally DAP/MAP orders would be placed by Australian importers in mid November to early December to begin building stocks for the autumn cropping market. However Australian importers are going to leave their DAP/MAP purchases until January. The market is reporting that DAP/MAP could have a further downside of approx \$US80-120t before delayed buying starts as Chinas export tax for "finished phosphates" is to be reduced to 10% for Dec/Jan loading. This will impact the world price. Although Australia doesn't use Chinese high analysis because of quality issues the price impact will flow on to us.

Urea purchases would not begin until February for product to be in store in time for the winter market.

Shipping time to Australia is a minimum of ten weeks from the US. So if product was purchased today we would not see delivery

until mid February.

As buyers hold off on purchasing, manufactures are forced to sell at, or below cost to clear inventory. High cost plants are now being closed and plenty of others shut down for extended maintenance periods as producers can't get finance to purchase raw materials, (it is reported that 20% of the worlds production has been shut down). This unfortunately could have an impact on future supply (six months down the track). IFA's warning on food security appears prescient. It stands to reason that if developing countries can't get finance to fund fertiliser purchases; then farm production will inevitably be severely curtailed.

Things could get messy here!!! Just like last year when we saw importers holding off waiting for a lull in the price spikes that were happening, only to be caught in a supply chain bottleneck with late ships and higher prices every day they waited. Friday's market bulletin reported that Brazil's traditional Oct-Dec fertiliser imports were on trend to be down 76%. Now if Brazil (a massive user) and plenty of others are playing the waiting game just like the "aussies"; then we are definitely going to see price swings, shortages and late ships again for the cropping market

It's no different to cropping; if you don't get it in on time; it is never as good at the other end.

Domestic market:

The Australian fertiliser market is made up of a number of players involved in the manufacturing, distribution and sale of fertiliser

The channels to market have changed dramatically over the last ten years. Previously distribution tended to be state based with one dominant low analysis manufacturer/high analysis importer supplying the state through their own network of commission agents with very little competition. Now most regions are serviced by fertiliser dealers who buy; carry the debt and offer finance and source from several manufacturers and importers to ensure competitive pricing.

Domestic inventory:

The continued drought conditions in the eastern states along with late ships resulted in higher levels of DAP/MAP and Urea being carried forward. This is also another reason why traders are holding off purchasing. Ultimately this product will not go away and at best will have to be averaged with new purchases (whenever that may be).

Urea stocks are probably the highest due to lack of winter rainfall and only one importer has a boat on the water (11,000t). This is to be used as an averaging exercise as their last boat which is still in store was bought at the very top of the market. This cargo is being offloaded in Port Pirie and Port Lincoln because they have no room anywhere in their eastern seaboard depots. (Urea dropped another \$US40t after this was loaded). Urea is a fully manufactured product and prices are directly related to the price of oil (massive amounts of gas used). This is why the price has dropped so dramatically from \$US 850 to \$US290, although the price is now reported to be under the cost of production and plants are being shut down everywhere around the world.

Whilst DAP/MAP are also fully manufactured to a certain extent; the price of phosphate rock has not come off any where near like other gas related products such as ammonia (\$US900-\$200) or molten sulphur (\$US800-\$90) Triple super is still being quoted today @\$US800t Morocco and Tunisia albeit no market. (Wont be used in the Australian market at that price either!!)

Potash is still at near record highs due to world inventories being low with Korean and Japanese contracts just been concluded at \$US900t cfr for first half 2009. The fundamentals point to potash being in short supply over the next 3 or 4 years. Contracts for all Australian offtakes have already been set by Campotex (sole supplier of potash to Aust) for the next 6 months. As I write this article 8000t of product is currently being offloaded in Portland for IPL and Impact Fertilisers and an email has come thru announcing a price rise of \$60t effective 8/12/08.

Superphosphate- 50,000t of high grade Moroccan rock was landed into Australia three weeks ago and the two east coast super manufacturers shared the boat at a reported cost of \$US high 400's cfr and if you assume the A\$ was set 13 weeks ago @ around 88c; this would equate to a landed cost of around \$520 aussie. Now it takes approx 66% rock (some lower grade Nauruan rock would also be blended) and 34% sulphuric acid to make a ton of single super. Add the port charges and the manufacturing cost plus a margin and I can't see single super being under \$450t this season. Moroccan rock prices are still being quoted at \$US380 fob (this is actually higher in \$A terms than supplies just landed).

Israeli single super was quoted on Friday 28/11/08 @\$US410 cfr Australia. That equates to an alongside the wharf cost @65c exchange = \$A 630t before port/unloading/storage/finance or margin costs (we won't see any of this here this year either at those prices!!). If China drops their export tax on phosphate rock (120% on raw materials) then maybe we may see something by April although their "heavy metals" content is a concern and Australian manufactures can only blend small amounts to keep within local laws on lead and cadmium contents.

Domestic demand:

As you can see prices quoted on the global spot market do not immediately flow through to our domestic market.

Our challenge is to continue to supply competitively priced fertiliser and to maintain stock levels to ensure we have product available when it is needed. We achieve this by being informed daily on world fertiliser markets knowing that what happens today will take 10 weeks to impact the Australian market; and not relying on just one sole supplier to pass on any reduction in costs. We are currently sourcing from five fertiliser manufactures and importers to ensure we are getting the best deal possible for our clientele.

We don't rest on our laurels, nor do we take anything for granted knowing full well that if our side of the partnership with our clientele is not contributing to their profitability; we can't expect to be there!!

Domestic prices:

Based on our market information at the moment, we expect to see the retail price of Urea come off in steps through the next

three months. New supplies should start coming into the country March/April for the winter market.

DAP and MAP will definitely come off its current retail of \$1565t. Whether it will get to the examples I quoted or even lower depends on world prices over the next 4 weeks as most traders hold off their purchasing until January.

These supplies won't enter the market until March. If global manufactures have not stepped up production, DAP and MAP prices may even have begun to increase again.

The price of Single super is dictated by the price of sulphuric acid and phosphate rock. Sulphuric acid prices have reduced dramatically in the last two months but phosphate rock has not. Both these products are purchased by the three domestic manufactures IPL, Impact and CSBP on contracts or formula pricing generally lasting six months. Therefore the inputs required for the production of single super to supply the autumn pasture market are mostly priced with stock already in store as well as on the water.

Last season we saw that super was going to be in short supply and built stock levels to make sure that we could supply when other business's were unable.

This season we recognise that most farmers topdressing fertiliser budget won't exceed last years dollar spent and will be more selective with their paddock applications; so we have reduced our forward single super purchases which are well under current retail prices. We also have some "off spec" high analysis phosphorus that that can be blended with single super for a cost effective price of P for pastures. The limited tonnage of Egyptian high quality reactive rock we have will be blended to produce Pasture Extender to provide available and slow release P.

The decision of what fertiliser to apply and when to apply it has a real impact on potential pasture productivity and crop yields. This spring we carried out a greater number of soil and tissue tests to make sure the fertiliser decision is made responsibly to ensure the continued profitability of your farming enterprise.

As always our early delivery options on single super for Dec and Jan will be the best price for the season. This I can guarantee!!!!



Cropping clients inspecting row spacing and control traffic effects in peas at Tom Porter's Lianthro property at Apsley

BUDGETING FOR PHOSPHORUS



*By Bill Feely
Sales Agronomist*

With increases in fertiliser prices over the past 12 months the decision of how to spend a limited fertiliser budget is an issue that is weighing heavily on producers minds. Before raising the white flag and deciding not to apply any fertiliser the long term impact to the overall productivity of the enterprise must be considered. By not applying any fertiliser immense pressure is placed on the enterprise's ability to maintain its long term productivity.

While there are numerous nutrients that plants need, the most common nutrient deficiency in Australia soils is phosphorus (P), nitrogen (N) for grasses, followed by sulphur (S) and then potassium (K). Results from the Hamilton Long Term Phosphate Experiment show there is a close relationship between inputs of phosphorus and profitability.

By world standards, the P content of the majority of Australian soils is low. This is due to the low P content of the coarse textured material which forms the parent material of many Australian soils. It is only the relatively young soils such as those developed on alluvium (eg dermosols) and basalt (eg vertosols) which may, initially at least, have adequate supplies of P for crop growth. The P in a grazed paddock moves continuously between the soil, plants and animals. Some phosphorus may be lost from the grazing system through soil reactions and the movement and management of livestock. If insufficient phosphorus is applied to balance these losses, the soil phosphorus status of the paddock will fall. So failure to apply P will lead to a fall in productivity. The fall in productivity will be exacerbated if the existing phosphorus is marginal to low.

Sources of Phosphorus

Superphosphate is the common fertilisers used to supply available phosphorus to sheep and beef pastures. Superphosphate is produced by treating phosphate rock with acids, which changes the phosphorus in the rock to a form that is water soluble and readily available to plants. Its consistent analysis and ease of application sees it as still applying the cheapest form of P.

Alternative sources of phosphorus that are available are reactive phosphate rock (RPR) and organic sources such as animal manures and composts. RPR can be an alternative to superphosphate when applied to acidic soils in high rainfall areas. They are naturally occurring slow release forms of P fertiliser, and the P in RPR doesn't become available to plants until the RPR dissolves in the soil to release water-soluble forms of phosphate that plant roots can take up. RPR's receive no chemical treatment, and are effective in acidic soils (pH CaCl less than 5.2 or 5.6 in water) that receive more than 700 mm average annual rainfall. Where these soil and rainfall conditions occur simultaneously the RPR can dissolve readily and perform similarly to superphosphate. RPR contains very little sulphur but if sulphur is required it can be added by blending RPR with gypsum. Reactive Phosphate Rock should not be confused with unprocessed Phosphate rock which may contain acceptable levels of total P but it is in a form that will not become available to plants within an acceptable time period.

Manures

Modern agriculture has moved away from using long-established fertilisers such as manures due to problems with their cost, availability and today's scale of farming operations. However in certain conditions manures may provide a cost effective alternative. Manures and composts contain a wide range of nutrients. Some nutrients are in organic forms and only become available as they are broken down by soil microbes into soluble form that plants can use. The nutrients are released over time, reducing the risk of nutrient leaching, particularly on sandy soils. Most of the K and N in poultry manures are available to plants soon after spreading. However recent research has shown that unless manures are incorporated into the soil a significant amount of the N can be lost.

Although manures contain a range of nutrients, your soil may not need all of them leading to luxury uptake of these nutrients. Continual heavy applications of manures can build nutrients to high levels which increases the risk of losses from root zones. Whilst there are benefits using manures there are also risks associated with their use, and need to be kept in context. Poultry litter and manure may include spilt feed that may contain material such as meat meal. Removal of all animal parts and feathers etc before spreading is essential as this will reduce risk of botulism being transferred to grazing stock. Ideally manure should be composted prior to spreading to kill most human and animal pathogens (eg salmonella). Be mindful that if the manure has not been composted it is recommended that you wait for at least two months before grazing pastures to reduce the risk of pathogen problems. In relation to the physical properties of manures the fact that they contain water, that means that the cost (\$/kg/ha nutrient) has to be adjusted to a dry matter basis. To take the water out of the product it has to be composted which adds cost to the product.

There are many alternative products and soil amendments on the market, some are not good value on a \$/kg nutrient basis, others provide a bit of everything including nutrients you probably don't need and some are just pure snake oil. When investigating alternative products there are a few questions to be asked before going ahead. The first question is "Will the product supply the nutrients that are required?", "Will the product supply the nutrients at the lowest price?" and finally "Is there independent scientific evidence or data to support the claims?" If the answer to any of the above 3 questions is no, then don't buy the product. If you have reservations or doubts but are still curious then apply test strips to see if they provide any benefits. When applying test strips be sure that you set them up in a way that compares them effectively. By this I mean both current and alternative treatments must be applied at the recommended rates and compared to a control or no treatment plot.

What it boils down to is get smart and make the decisions that are going to optimise your production.

The first step is a simple soil test to reveal the current soil fertility and a tissue test to ascertain trace element status. A regular soil fertility monitoring program will save money by ensuring the correct nutrients are applied.

Establish target stocking rates for each area of the farm and allocate the required nutrient to the paddocks that will give the best bang for the buck. Spreading the same amount of fertiliser/ha over the whole farm every season is unlikely to give you the best return for the money invested. Priority should be given to pastures with a good base of perennial grass and clover while those of poorer quality will be much less responsive to fertiliser inputs.

Apply the fertiliser that provides the nutrients your soils need in a form that plants can access that is the best value based on \$/kg of nutrient applied.

There are no “magic bullets” if something sounds too good to be true then it probably is.

JOY'S OF CROPPING



By James Stewart

As we approach the business end of the season it has certainly not been an ideal finish. But we are coming to accept every season is going to throw up new challenges and opportunities. How we make decisions and how quickly we respond to these challenges will ultimately dictate our success.

Season that was

We entered the month of August with most areas wet (some spots very wet) from the good rainfall that occurred. Early monitoring with plant counts and tissue testing found a number of cereal crops showing deficiencies of both copper and zinc. Cereal crops after canola seemed to be more susceptible. Wet conditions meant trying to fix the problem with a late application of foliar trace element, in this situation some crops may have already suffered a yield penalty. As compared with crops that were sown with Copper and or Zinc or that had received an earlier (3 to 4 leaf stage) foliar application.

Record forward grain prices provided an opportunity to apply nitrogen to optimise yields. The decision as to how much to apply was made easier where we had carried out Deep N soil tests earlier in the year. Based on mineralisation of soil N levels, targeted yield and protein of grain, many crops received 50 to 100 kg/ha of Urea and in some cases Sulphate of Ammonia. Knowing how much N was “underneath” meant minimising the risk of overdoing the application of N. Had spring rains continued, further top up's of N could have been applied if the potential yield had improved.

When September rolled around so did cereal diseases with stripe rust present in wheat. Barley was also affected with spot form, net blotch and scald appearing. Long term cropping paddocks, that have had several canola crops, did start showing signs of Potassium deficiency. A Canola crop will remove 9.2 kg of K per tonne of grain removed. Recent research has found that Potassium deficiency in barley can predispose the crop to spot-form, net-blotch. A soil test at the start of the season identifies potential deficiency and the problem can be rectified then. Fungicide sprays can not cure leaves that are affected with disease, it can only prevent it. As a result fungicide application worked out to be cheap insurance for those that used them.

Coming into October we received some rainfall. Little did we know that this would be the last rain for the entire month.

The other major concern that eventuated in this month, which will affect everyone in some way, was the Global Financial Crisis. All commodities took a dive and grain was no exception. However with world wheat stocks at an all time low and a reduced domestic harvest we are looking to a firming of prices in the future.

All crops still look good at this stage but yield potential had been reduced. If we look at the things in our favour, the month of October has been quite mild with some heavy dews. We had only received two or three hot windy days and during the week of the 20th three frosts fell in a row in some areas, some frost damage occurred in crops in certain areas but was minimal for most clients.

As we approach harvest one needs to be mindful of how you are going to store and market your grain. It takes eight months to get to the end result so don't make marketing decisions on the weighbridge. There are many different options for selling grain (pools, contracts, cash silo prices, golden rewards) so make sure you are comparing apples with apples.

In Summarising the past 8 months have proved to be very challenging with the timing of decision making critical. The more information we have going into the growing season, the more organised and better informed we are to make precise application decisions during the growing season.

Happy harvesting.



Vickery clients at a recent crop walk, looking at a wheat crop in the Apsley area

New Base in Casterton

The recent purchase of Neville Roy's fertiliser business will provide Vickery Bros with a base to service our Casterton and Strathdownie area clients more efficiently. Robert Brown Casterton spreader driver will operate a spreader from the revamped depot and can be contacted on 0417329264.

CRICKETS

Areas with a history of cricket infestation will need to be monitored closely this summer. Timing is critical for effective cricket control, as crickets are most effectively and efficiently controlled at the late nymph and early adult stage. In a season like this we would expect to see young crickets prior to Christmas. You can monitor cricket numbers by placing hessian bags in areas known to harbour crickets. Crickets will seek shelter under these bags and their numbers can be checked on a weekly basis.

A lot of cricket control is undertaken far too late. Killing adult crickets in autumn is a waste of time and money. If you see bare areas around cracks the damage has already been done and it is too late for control methods. Traditionally crickets have been controlled by baiting with treated grain. Applying non residual synthetic pyrethrin insecticides via a boom spray is becoming more popular each year. The advantage is you kill some crickets by contacting them directly with the insecticide but also as a result if then ingesting the treated plant material.

LIME OR SUPER?

By Harry Armstrong



As farm input costs increase alternative products are often considered. As a result we are frequently asked "should I apply lime instead of fertiliser?" As with most things the answer is not as simple as yes or no. Fertiliser and lime are obviously quite different and perform different functions in pasture systems and should not be viewed as

"interchangeable"

Fertilisers are generally applied annually to pastures to replace nutrients removed when we remove or sell products grown on these pastures. Each year as we remove these products the soil becomes slightly more acidic. Lime is used to reduce this acidification. The rate of this acidification process in long term grazing systems is very slow. Acidification rates vary enormously depending on soil types and the type and frequency of product removed. Clover based pastures with little or no deep rooted perennial grasses present tend to acidify more rapidly than those containing high levels of perennial grasses. Legumes such as clovers supply significant amounts of nitrogen to soils. If this nitrogen is not utilized by a companion grass or subsequent crop it is leached down through the soil profile taking with it other elements such as calcium and magnesium, thus acidifying the soil.

So how do we know when our soils need lime? Soil tests, that's how. Liming clover based pastures is not cheap and ought to be viewed as a long term investment and should only be applied when a soil test indicates that it may be economically viable to do so. Lucerne is far less tolerant of acidic soils than clover and if grown in acid soils will usually require an application of lime in its establishment year. Likewise certain crops will often require lime to get the soil to their optimal pH range to be grown successfully.

Common misconceptions:

"Will superphosphate make my soil acidic?"

It is often claimed that superphosphate acidifies the soil where legume based pastures are grown. The effect is an indirect one. On its own superphosphate will have little if any effect on soil pH. Using superphosphate on our clover based pastures will stimulate legume growth and thus the nitrogen fixation via the rhizobia bacteria in the nodules attached to the roots of these plants. The subsequent decomposition of nitrogen rich plant residues can have the same effect on soil pH as applying fertiliser nitrogen. As stated previously if this nitrogen is not utilised, and allowed to leach through the soil profile it will, over time, acidify the soil.

"Will lime release all the locked up nutrients in my soil?"

There is some truth in this one. In very acid soils, the availability of some nutrients such as phosphorus, calcium, magnesium and molybdenum is very low, so the uptake by plants is obviously low. On the other hand other elements like aluminium, manganese and iron can be quite high in highly acid soils and may even reach toxic

concentrations. The growth responses we sometimes see when lime is applied to acid soils is often related to the alleviation of the aluminium or manganese toxicity and the overcoming of the phosphorus, calcium, magnesium or molybdenum deficiencies. Molybdenum is commonly deficient in this region and lime does tend to make it more available. That does not mean we recommend applying lime to rectify a low molybdenum level. Molybdenum can be applied far more cost effectively in other ways. As the soil pH rises, the availability of phosphorus, boron, copper, iron, manganese and zinc decrease, so over liming should also be avoided.

Once again we need to constantly monitor the nutrient status of our crops and pastures by regular soil and plant tissue testing so informed, intelligent decisions can be made when deciding which nutrients and soil conditioners to apply.

Evergraze lucerne field day

On Tuesday 27th January we will be running a lucerne field day at "Springwood" 953 Mokanger Rd, Cavendish. Fire Map ref 432 B1.
10am to 12.30 lunch provided.

RSVP by Thursday 22nd January to Harry Armstrong,
Mob: 0417 052 095 or harry@vickerybros.com or
Jade on 5575 2777

Grain Storage

Vickery Bros have 15 (100ton) grain silos set up at Coleraine for grain storage this year. Storage costs are \$8/ton in and \$8/ton out for wheat and barley (\$10 each way for oats) with \$0.50/ton/week after the end of February.

Grain sales

Anyone wishing to purchase grain can contact John Jacobson (Jake) at the Coleraine office on 55 752777. Jake will put potential buyers in touch with growers.



LIVESTOCK CONTAINMENT AREAS

Unfortunately we are again faced with the challenge of a failed spring. Perhaps it is time to reflect on the 2006 spring and recall some of the lessons from that period. As we headed towards Christmas in 2006 the quantity of feed on offer diminished rapidly, as it inevitably will again this year. Although the quantity of dry feed was low, the quality was surprisingly good and hence livestock performance on the rapidly disappearing feed was better than expected in many cases. So the message is rather than guess as to whether your livestock are gaining, losing or maintaining condition over this critical period, weigh and

monitor them regularly. You are then able to make an informed decision about when to begin supplementary feeding.

Containment areas and sacrifice paddocks have proven to be worthwhile for many livestock producers over the past few years and a large amount of knowledge and experience has been gained on how to set them up and manage them correctly. Local DPI offices will have literature available as well as trained staff to assist anyone establishing a containment area or sacrifice paddock for the first time.

SUMMER CROPS

Early sown summer crops appear to be coping reasonably well with the dry conditions so far and any decent rainfall over the next month should kick them along quite well. It will most likely be another bad season for insect damage as crops become stressed. Spraying is expensive and often not very effective. Careful grazing of crops and allowing regrowth to come seems a better approach.

Late sown crops have not germinated well and are very patchy, so the question arises. What do we do with them? We could leave them and be content with a fallow situation over summer which will give

a good start to autumn 2009 sowings. However there are risks with this strategy if the paddock is subject to wind erosion over summer. An alternative would be to wait until we get a substantial summer rainfall event and resow the entire paddock with grazing type oats, millet, forage sorghum or even annual rye grass if soil moisture is high enough. This strategy worked well last year for some clients, and provided valuable summer feed and ground cover. Oats, millet or sorghum sown at this time of year will not however grow on into winter so be prepared to spray them out in early autumn and resow the paddock to either a crop or permanent pasture.

FARM WALK AT FRANCES

by James Stewart

In October Southern Farming Systems in conjunction with Vickery Bros held a field day in the Frances region. The group visited 3 farms: Llanthro where Tom Porter and Ryan Milgate showed and explained machinery set up, inter row sowing, controlled traffic and legume rotations in a cropping program.

The next stop was at Wayne Hawkin's place where Wayne went through his on-farm storage set up, growing clover and lucerne under centre pivot irrigation for small seed and hay export and utilising nitrogen mineralisation from lucerne and clover. The final stop was Peter Hannaford's where Peter has set up a trail site for deep ripping. Peter went through the different plots and treatments at the site.



Crop Discussion group

As the area devoted to cropping increases in the high rainfall region it is important that "new" croppers have access to the latest information to achieve profitable yields.

We will be therefore facilitating a crop discussion group this coming season. The group will meet regularly at different farms focusing on crop monitoring and timing of cropping practices.

The group is open to "new" and experienced croppers. For more details contact James Stewart on 0427 752 773.

**Contact the professional team at Vickery Bros.
Making it easy to grow more grass.**

Agronomy Team

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Bill Feely	0409 427963
Harry Armstrong	0417 052095
James Stewart	0427 752773

Depots

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