

## Where to for sorghum?

By **ProFarmer Australia**

**W**ith our sorghum harvest at a close for 2008–09 and planting just around the corner for the next crop, it is timely to review the current grain sorghum outlook.

Despite another good summer and above average yields, 2008–09 sorghum production of 2.3 million tonnes is still 30 per cent shy of the record 3.25 mt harvested in 2007–08.

This can be attributed to a 15 per cent drop in area planted because of lower prices, less fallow available and a swing to alternative crops.

With only two months before we start planting the new crop, Australia's grain sorghum plantings are predicted to be lower again with a continued swing to alternative crops, low feed grain prices and crop rotation requirements. So what's the price outlook?

### International and domestic situation

The USDA currently forecasts world coarse grain consumption in the 2009–10 year (1091 mt) to exceed production (1074 mt) leading to a slight tightening of world coarse grain stocks.

On the demand side, cheaper corn should stimulate some export activity although this remains to be seen. But it will stimulate ethanol use which has stagnated in the past few months. We should also see feed demand pick up with lower values.

As we keep a close eye on the international market we tend to believe our market will revert back to being more domestic orientated for new crop sorghum.

With a return to more 'average' sorghum yields at home and the currently well-supplied international feed grain market, we see Australian sorghum price moving back from export parity – where it has traded for the past two years – into a domestic premium situation.

We therefore argue that sorghum will look to trade more independently and will become more sensitive to local supply and demand rather than day to day international factors.

More information: [www.profarmer.com.au](http://www.profarmer.com.au) ■

### KEY POINTS

- It is difficult to find significant upside in prices (near-term) without a major international crop problem.
- We expect the local market to revert back to being more domestic orientated for new crop sorghum.
- Domestic stocks will tighten in the next few months adding a premium to bids.
- Values should trade much closer to a traditional spread to wheat.

## Bagging without tractor power

**O**n farm grain bag storage is becoming a necessity of life to take advantage of faster harvesting and timely marketing of grains to obtain best price.

The tractor driven baggers have been around for some time. Martinez & Staneck (Argentina) patented their first grain bagger in 1995. In 2005 Martinez & Staneck patented the 'Zero Energy Bagger', which does not require a tractor to drive the feed auger as the auger can cause grain damage. The Zero Energy Bagger uses a patented diffuser system that spreads the grain across a steep feed chute into the grain bag.

The bag tunnel lowers to allow fitting of a nine foot bag easily. This means no climbing on top to winch a bag up and a much quicker and safer operation. A bag fills the same way as the auger type bagger, stretching the bag as it fills. The hydraulic braking system holds the machine against the bag being filled to stretch the bag to correct capacity.

Geoff Modra, Managing Director of Farm Tech Machinery visited Argentina two years ago to negotiate with Martinez & Staneck the distribution of the Zero Energy Bagger. Farm Tech imported four machines for last season to trial.

All machines worked superbly. Mr Guillermo Reyna of Martinez & Staneck also visited Australia to assist in training and set up of these first machines. A few modifications were suggested to suit our Australian conditions, and these ideas have been incorporated for this year's baggers.

One of the baggers was sold to Brian and Dan Matiske who farm near Forbes, NSW. Dan took delivery of the first machine. A follow up visit to their farm was undertaken by Geoff Modra and Guillermo Reyna to assist in training the operators and enable Guillermo to see Australian grain harvesting first hand.

Further information and a CD of the bagger working can be obtained from Farm Tech Machinery on 02 6024 6800. ■

**Dan Matiske on right and Dan's father Brian all smiles with a new bagger.**

