

NAB ECONOMICS DATA INSIGHTS

AGRICULTURE IN FOCUS

MARCH 2022



NAB AGRI BUSINESS INFLOWS CONTINUE TO PERFORM STRONGLY

This report builds on our existing fortnightly Data Insights series and includes more detail on NAB business customer inflow data across various agricultural industries and states. While the data is quite volatile, we can see the broad impact of seasonal and commodity price changes across a number of commodities. This month, we consider the impact of a record winter crop on customer inflows.

During these extraordinary times, NAB has taken the decision to publish aggregated customer data categorised by industry segment with the view to helping provide clarity around which segments of the economy have been most affected by the broader macroeconomic trends at play. NAB takes data privacy very seriously. All customer transaction data has been aggregated and no individual's data is specifically identified or analysed as part of this process. The data used in this report will not be sold or made publicly available, but insights from the data will be shared with the Australian people.

COMMENTS FROM NAB GROUP CHIEF ECONOMIST

Business inflows for NAB agriculture, forestry and fishing customers jumped even higher in the new year, reflecting a record winter crop and high commodity prices. ABARES' latest estimates point to winter crop production up 10.8% 2021-22, with WA up 37.3%. The La Nina has been uneven, with floods in parts of NSW and Qld, but drier than average conditions in other regions.

This is reflected in our customer data to January, with grain customer inflows across Vic, NSW, SA and WA now at the highest level since our series began in 2015. WA has seen particularly strong conditions, with January income around 25% higher than the same period in 2019, when WA growers experienced a strong season combined with strong drought-induced eastern states demand.

6 week rolling business inflows, agriculture forestry and fishing (y/y % change)

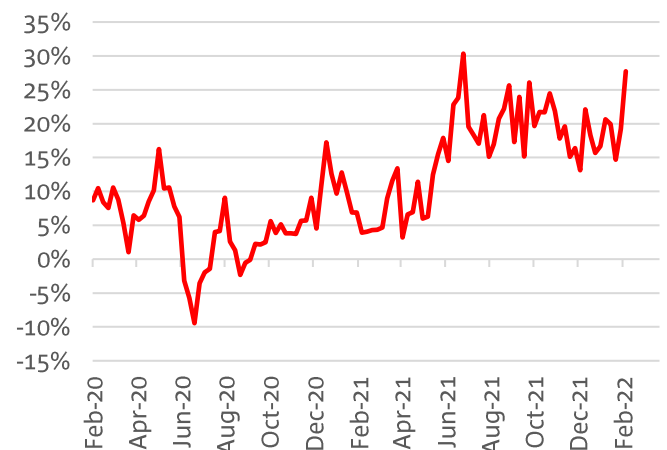
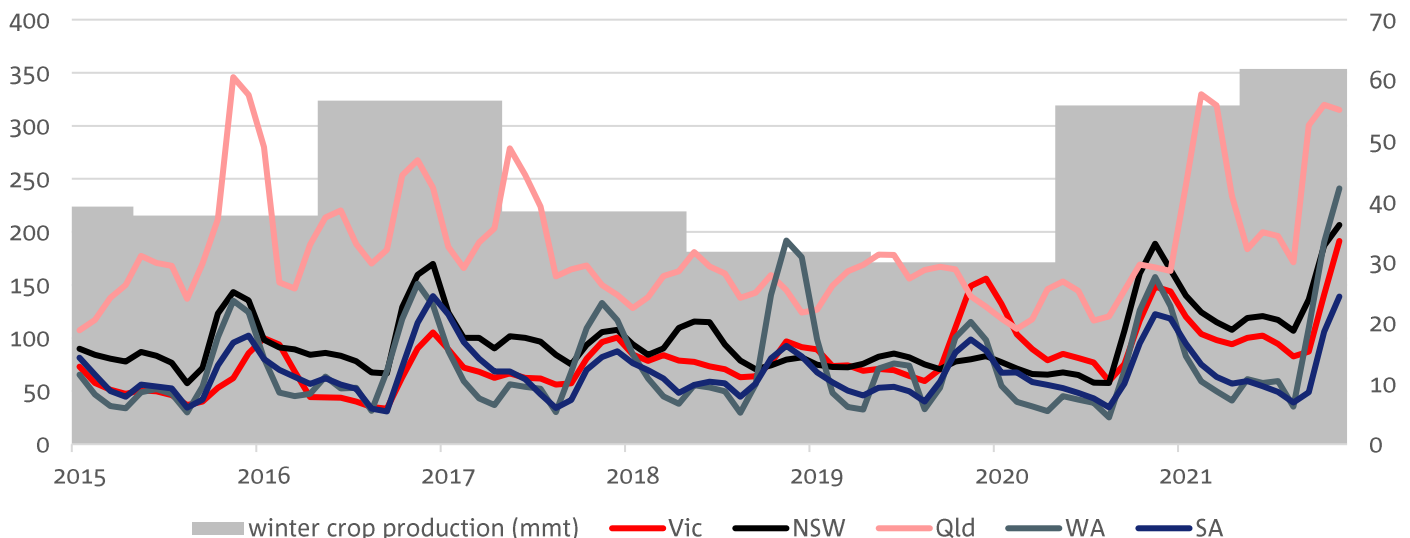


CHART OF THE MONTH

Monthly grain customer business inflows surge on record production (index, Jan 2015=100)

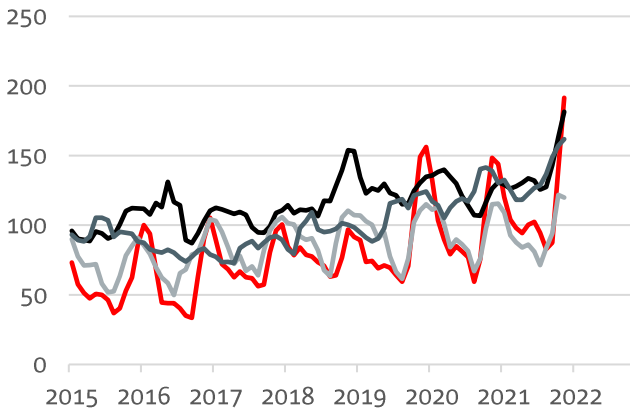


DATA APPENDIX: SELECTED COMMODITIES BY STATE

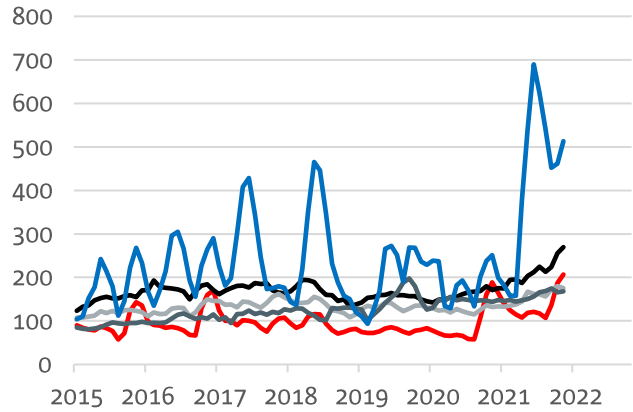
Three month moving average index (Jan 2015 = 100), business inflow per customer

— Grain — Beef cattle — Sheep — Dairy — Cotton — Sugar

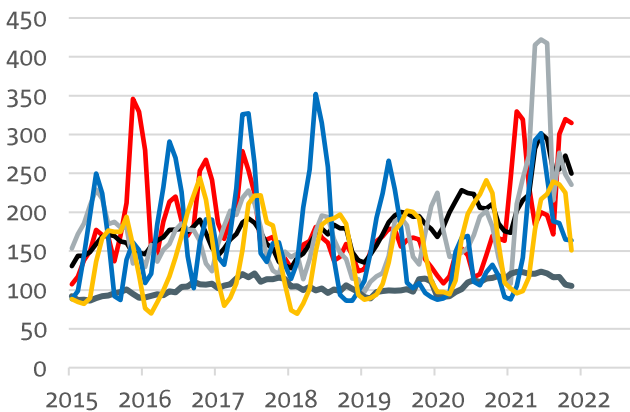
Victoria



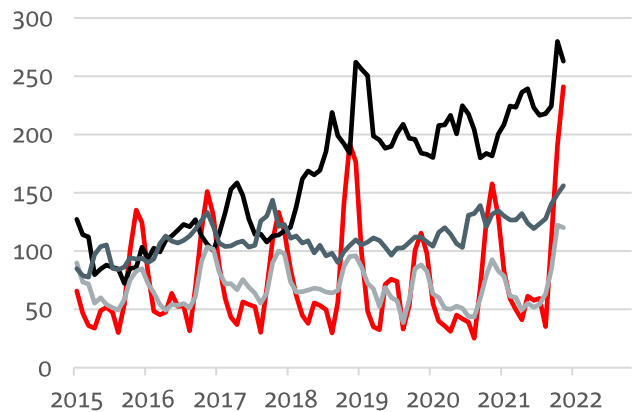
New South Wales



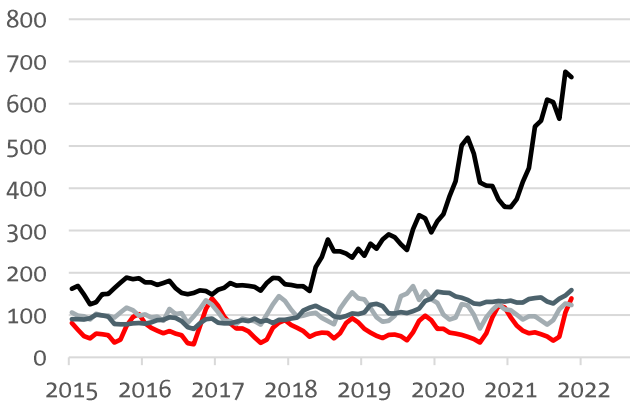
Queensland



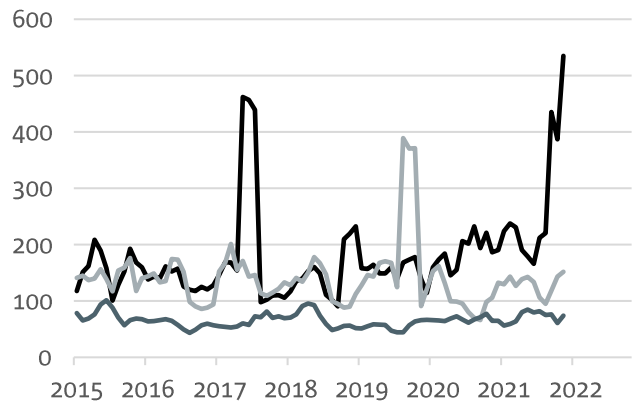
Western Australia



South Australia



Tasmania



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