

Noodle Wheat Outlook Western Australia

This industry update is provided by the Wheat Council of the Grain Industry Association of Western Australia Inc (GIWA) as at Thursday, 8th February 2018.

Season summary

Western Australia's total grain production will be approximately 14.5 million tonnes this season, including more than 7.5 million tonnes of wheat. Noodle wheat production for the Korean and Japanese markets of 875,000mt (ANW1 and ANW2) represents 11.6 per cent of total wheat production, excluding seed retained on farm. Despite the year on year reduction in overall wheat production, the increase in noodle wheat as a share of wheat production indicates that the supply of noodle wheat is balanced against demand.

However, production of APW (used along with ANW to comprise the Japanese ASW noodle blend) has been impacted as a result of the reduction in overall wheat production this season. In the zones where noodle wheat is produced, the production of APW has reduced by around 33% from the prior season. This has had the effect of reducing the available stock of suitable APW grades for the Japanese ASW blend.

From a protein perspective, this season has seen an overall improvement compared to the prior season. Protein levels in noodle wheat have typically been higher than that experienced last season. The protein levels of APW are similar to that experienced last season.

As a result of the above factors, via the communications protocol with the Japanese Ministry of Agriculture, Forestry and Fisheries MAFF and the Japan Flour Millers' Association JFMA, the WA noodle wheat industry (CBH, AEGIC, GIWA) in their recent visit to Japan proposed the following to the Japanese industry with respect to the tender process for Japanese ASW:

- Revise the specification for minimum protein levels in the MAFF tender from 9.7% back up to 10.0%; and
- Retain APW1 as an allowable grade in the Japanese ASW blend

In response, on 30th January 2018, MAFF announced the schedule of their February Japanese ASW tenders, for April shipment, with updated specifications that will apply for future tenders. The updated specifications:

- Revised the specification for minimum protein levels in the MAFF tender back to 10.0% from 9.7% (pre 2016 level)
- Removed APW1 as an allowable grade in the Japanese ASW blend

The blend ratio 60% ANW 40% APW remains unchanged.

The GIWA Wheat Council's position is that APW1 should be an allowable grade on the MAFF tender specifications. The GIWA Wheat Council will continue to communicate on behalf of WA grain industry participants to ensure that, to the extent it is possible, both the requirements of our key Korean and Japanese noodle wheat markets and the WA noodle wheat industry are aligned. This includes supporting industry and AEGIC in any quality research or supply chain management issues.

Enquiries:

Brad Gosling
Chair, GIWA Wheat Council
brad.gosling@hotmail.com

Ph: +61 (0) 418 438 762

Larissa Taylor
CEO, GIWA
ltaylor@giwa.org.au

Ph: +61 (0) 413 076 665

Grain Industry Association of WA (GIWA) Inc.

PO Box 1081, Bentley DC WA 6983

Ph: +61 (8) 6262 2128

Twitter: [@GrainIndustryWA](https://twitter.com/GrainIndustryWA)

www.giwa.org.au