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Record commodity export earnings in sight

Australia's commodity export earnings are forecast to reach a record high in 2010–11, according to *Australian commodities–September quarter 2010,* released by ABARE–BRS today.

"Export earnings from the farm and minerals and energy sectors are expected to reach a record of $215 billion in 2010–11" said Paul Morris, ABARE–BRS's Deputy Executive Director.

This forecast of commodity export earnings in 2010–11 represents an increase of 26 per cent from the $171 billion in 2009–10, and an upward revision from the forecast released in June.

The value of farm exports is forecast to increase by close to 10 per cent in 2010–11 to $31.4 billion. Export earnings from crops are forecast to increase by 14 per cent to $17.3 billion and livestock by 5.6 per cent to $14.2 billion.

"The forecast increase in earnings from agricultural exports in 2010–11 mainly reflects the improved outlook for crop production in eastern Australia and favourable prices for a number of agricultural commodities including wheat, barley, cotton, beef, sheep meat and dairy products," Mr Morris said.

Earnings from energy and minerals exports are forecast to increase by 30 per cent in 2010–11 to around $180 billion, up from $138.5 billion in 2009–10.

The value of energy exports is forecast to rise by 28.2 per cent to $73.7 billion in 2010–11. Earnings from exports of metals and other minerals are forecast to increase by 31 per cent to $106.1 billion in 2010–11.

Forecast increases in export shipments and higher prices for Australian iron ore and coal are the main reasons for the expected sharp increase in mineral resources exports.

Strong export performance is also expected for commodities such as gold, alumina and nickel.

To download *Australian commodities–September quarter 2010*, please visit the ABARE–BRS website www.abare-brs.gov.au or phone Publications on 02 6272 2010.

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