

13 February 2012

Agribusiness Sector to Remain Strong despite Wet Start to 2012

Despite devastating floods in regional Queensland and New South Wales and significant damage caused to numerous farming properties, Suncorp Bank today said the agribusiness sector could afford to remain optimistic about the year ahead.

Suncorp Bank National Head of Agribusiness Greg Leahy said his heart went out to all those affected by recent downpours but it was important for landholders to maintain a long term perspective.

“There’s no doubt this rain has created great heartache for many farmers, particularly around the badly affected areas of Mitchell, Roma, St George and Moree,” Mr Leahy said.

“With the clean up process barely underway, it’s likely to be some time before we’re able to put a dollar figure on damage caused to crops, stock and farming infrastructure.

“There are however some positives to the wet weather and the majority of landholders in eastern states should enjoy good conditions for next winter’s crop and future pasture production as a result of the rain.

“While the cotton industry appears to have been hard hit other sectors can look forward to a good season ahead.”

Delivering his agribusiness forecast for 2012 Mr Leahy said despite ongoing global economic uncertainty commodity prices were generally holding up quite well and likely to continue that way.

“Cattle prices are either at or near record highs and if you look at the long-term average prices Australia is competing reasonably well, despite the continued strength of the Aussie dollar,” he said.

“Inflation remains under control and given the economic turmoil in Europe and across other parts of the northern hemisphere, it’s unlikely the Reserve Bank will be under pressure to increase interest rates.”

Mr Leahy said the rural property market was also beginning to improve.

“Prices generally seem to have found their support levels and some properties are beginning to change hands,” he said.

“This is good news for the future of Australia’s agribusiness sector.”



Suncorp Bank is a Foundation Sponsor of the Australian Year of the Farmer and is this year celebrating its 110th anniversary since opening its doors as the Queensland Agricultural Bank in 1902.

“It’s important to remember the significant and often understated contribution that rural producers make to our everyday lives and the Australian economy,” Mr Leahy said.

Suncorp Bank is offering the following financial relief assistance to flood affected customers:

- An opportunity to defer home loan repayments for a period.
- Residential, personal, business and agricultural loan restructuring without the cost of most bank fees.
- Waived early withdrawal fees for those clients wishing to withdraw from term deposits.
- Refund of merchant rental fees for a period.
- Credit card repayment relief where necessary.
- An opportunity to defer up to three monthly repayments on equipment finance facilities.

Agribusiness and commercial customers can direct all financial hardship requests firstly to their Relationship Manager. The Suncorp Bank Call Centre is the backup point of contact on **13 11 75**.

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About Suncorp:

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