

Season Starter



2016/17 Season Starter: Estimated Pool Return update - 24 February 2017

Program Update

Today is a significant day for the Season Starter pool with AWB making the first distribution payment to participants in the pool. While I recognise that not all participants will be receiving the distribution having opted for a different payment option, it's a time when we need to be very clear on the valuation of the pool.

Today we are also making some adjustments to Estimated Returns, ranging from a reduction of \$5/tonne to increases of \$10/tonne depending on grade and port zone.

- Weighted Average Original EPR: \$270.81
- Weighted Average Current Cash Value today: \$210.89
- Weighted Average Current EPR: \$244.11 (net of all costs)

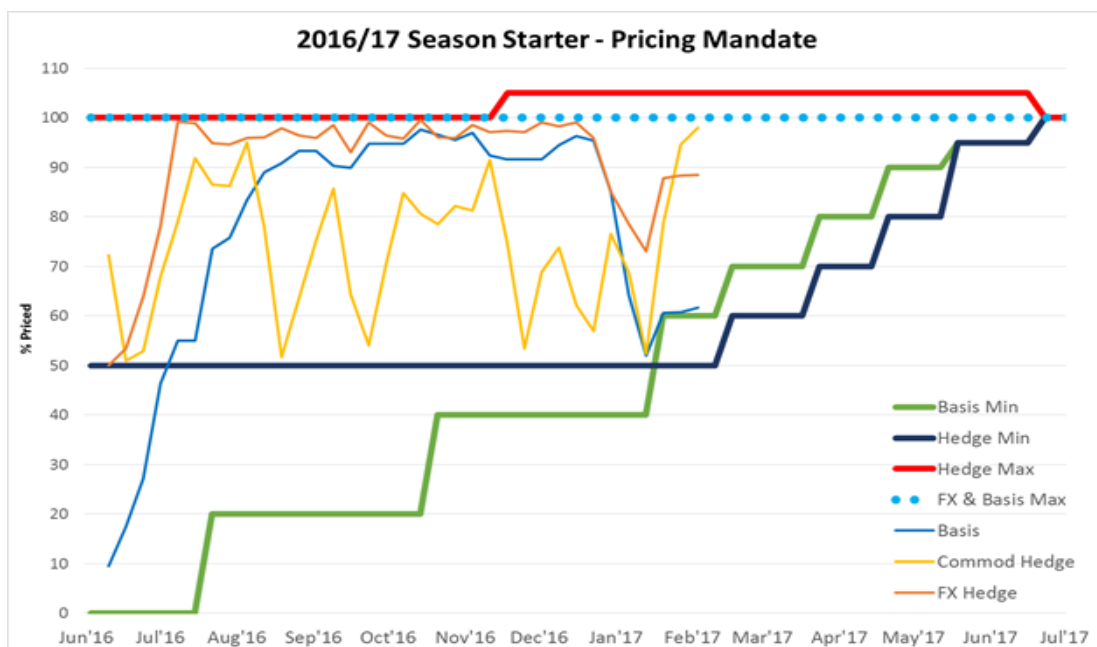
This year in most parts of the country we experienced a very drawn out and challenging harvest with many areas being slowed by moist weather conditions. Thankfully for most areas, this did not lead to extensive crop damage. The benign weather of 2016 has however likely resulted in a record size crop, with a record percentage of lower protein wheat. This has been reflected in the deliveries received into the pool.

While Australian wheat values collapsed between June and August last year, they were then relatively flat leading into harvest. During November with harvest commencing, it became clear that our crop was going to at minimum meet expectations bought with it new wave of downward pressure, with most pressure coming into lower quality wheat prices through the harvest window. The good news is that once the normal/expected harvest selling pressure eased off we have seen many of these lower quality wheat prices return to more respectable levels.

We will be providing your next update in March.

Pricing Mandate Update

AWB is committed to transparency and to demonstrate this, we provide a regularly updated pricing position. This exceeds the level of transparency recommended by the Australian Grain Industry Code of Practice, Operating Standard for Grain Pool Providers. The pricing mandate shows the parameters our trading team operate in when making pricing and hedging decisions.



QUEENSLAND						
Grade	BRISBANE		GLADSTONE		MACKAY	
APH1	\$ 310.00	↑ \$10	NA	NA	NA	NA
APH2	\$ 300.00	↑ \$10	\$ 285.00	↑ \$15	\$ 285.00	↑ \$15
H2	\$ 281.00	↑ \$1	\$ 263.00	↑ \$1	\$ 263.00	↑ \$1
AUH2	\$ 266.00	↑ \$1	\$ 249.00	↑ \$1	\$ 249.00	↑ \$1
APW1	\$ 266.00	↑ \$1	\$ 251.00	↑ \$1	\$ 251.00	↑ \$1
ASW1	\$ 258.00	↑ \$1	\$ 242.00	↑ \$1	\$ 242.00	↑ \$1
AGP1	\$ 252.00	↑ \$1	\$ 237.00	↑ \$1	\$ 237.00	↑ \$1
SFW1	\$ 250.00	↑ \$5	\$ 232.00	↑ \$2	\$ 232.00	↑ \$2
FED1	\$ 240.00	↑ \$25	\$ 220.00	↑ \$20	\$ 220.00	↑ \$20

NEW SOUTH WALES				
Grade	NEWCASTLE		PORT KEMBLA	
APH1	\$ 310.00	↑ \$10	\$ 308.00	↑ \$10
APH2	\$ 295.00	↑ \$10	\$ 298.00	↑ \$10
H1	NA	NA	\$ 282.00	↓ \$1
H2	\$ 277.50	↓ \$2.5	\$ 275.50	↓ \$2.5
AUH2	\$ 258.00	↓ \$2	\$ 256.00	↓ \$2
APW1	\$ 257.50	↓ \$2.5	\$ 255.50	↓ \$2.5
ASW1	\$ 244.00	↓ \$3	\$ 239.00	↓ \$4
AGP1	\$ 236.50	↓ \$3.5	\$ 224.50	↓ \$3.5
HP51	\$ 237.50	↓ \$2.5	\$ 230.50	↓ \$2.5
SFW1	\$ 220.00	↑ \$5	\$ 215.00	↑ \$2
FED1	\$ 210.00	↑ \$10	\$ 208.00	↑ \$10

VICTORIA						
Grade	MELBOURNE		GEE LONG		PORTLAND	
H1	\$ 286.00	↓ \$1	\$ 286.00	↓ \$1	\$ 274.00	↓ \$1
H2	\$ 269.50	↓ \$2.5	\$ 269.50	↓ \$2.5	\$ 262.50	↓ \$2.5
AUH2	\$ 255.00	↓ \$2	\$ 255.00	↓ \$2	\$ 251.00	↓ \$2
APW1	\$ 254.50	↓ \$2.5	\$ 254.50	↓ \$2.5	\$ 250.50	↓ \$2.5
ASW1	\$ 239.00	↓ \$4	\$ 239.00	↓ \$4	\$ 235.00	↓ \$4
AGP1	\$ 223.50	↓ \$3.5	\$ 223.50	↓ \$3.5	\$ 219.50	↓ \$3.5
SFW1	\$ 214.00	↑ \$2	\$ 214.00	↑ \$2	\$ 210.00	↑ \$2
FED1	\$ 202.00	↑ \$10	\$ 202.00	↑ \$10	\$ 198.00	↑ \$10

SOUTH AUSTRALIA										
Grade	PORT ADELAIDE		PORT GILES		WALLAROO		PORT LINCOLN		THEVENARD	
H1	\$ 275.00	↓ \$1	\$ 273.00	↓ \$2	\$ 268.00	- \$0	\$ 268.00	↓ \$1	\$ 263.00	↓ \$1
H2	\$ 260.50	↓ \$2.5	\$ 258.50	↓ \$3.5	\$ 256.50	↓ \$1.5	\$ 256.50	↓ \$2.5	\$ 251.50	↓ \$2.5
AUH2	\$ 249.00	↓ \$2	\$ 246.00	↓ \$3	\$ 245.00	↓ \$1	\$ 242.00	↓ \$2	\$ 239.00	↓ \$2
APW1	\$ 247.50	↓ \$3.5	\$ 245.50	↓ \$4.5	\$ 245.50	↓ \$2.5	\$ 243.00	↓ \$4	\$ 242.00	↓ \$2
ASW1	\$ 232.00	↓ \$5	\$ 230.00	↓ \$5	\$ 230.00	↓ \$4	\$ 228.00	↓ \$5	\$ 227.00	↓ \$4
AGP1	\$ 217.50	↓ \$3.5	\$ 215.50	↓ \$4.5	\$ 215.50	↓ \$2.5	\$ 213.00	↓ \$4	\$ 210.50	↓ \$3.5
AUW1	\$ 206.00	- \$0	\$ 204.00	↓ \$1	\$ 204.00	↑ \$1	\$ 202.00	- \$0	\$ 199.00	- \$0
FED1	\$ 206.00	↑ \$10	\$ 204.00	↑ \$9	\$ 204.00	↑ \$11	\$ 202.00	↑ \$10	\$ 194.00	↑ \$10

WESTERN AUSTRALIA								
Grade	KWINANA		ALBANY		ESPERANCE		GERALDTON	
H1	\$ 300.00	↑ \$2	\$ 289.00	↓ \$1	\$ 283.00	- \$0	\$ 295.00	↓ \$1
H2	\$ 280.50	↓ \$2.5	\$ 274.50	↓ \$2.5	\$ 270.50	↓ \$2.5	\$ 278.50	↓ \$2.5
AUH2	\$ 266.00	↓ \$2	\$ 263.00	↓ \$2	\$ 260.00	↓ \$2	\$ 264.00	↓ \$2
APW1	\$ 266.00	↓ \$2	\$ 263.00	↓ \$2	\$ 261.00	↓ \$2	\$ 264.00	↓ \$2
APW2	\$ 261.00	↓ \$3	\$ 258.00	↓ \$3	\$ 256.00	↓ \$3	\$ 259.00	↓ \$3
ASW1	\$ 254.00	↓ \$4	\$ 251.00	↓ \$4	\$ 249.00	↓ \$4	\$ 252.00	↓ \$4
AGP1	\$ 234.50	↓ \$3.5	\$ 231.50	↓ \$3.5	\$ 229.50	↓ \$3.5	\$ 232.50	↓ \$3.5
ANW1	\$ 294.00	↑ \$1	\$ 282.00	- \$0	\$ 275.00	- \$0	\$ 284.00	↑ \$3
ANW2	\$ 256.00	↓ \$2	\$ 248.00	↓ \$2	\$ 246.00	↓ \$2	\$ 249.00	↓ \$2
FED1	\$ 213.00	↑ \$10	\$ 210.00	↑ \$10	\$ 208.00	↑ \$10	\$ 211.00	↑ \$10

For more information contact your local AWB representative or call 1800 447 246

DISCLAIMER: There may be tax consequences for you in connection with the Products. This may include tax being payable on any scheduled payments made to you. The tax treatment and the year in which payments may be included in your income may vary depending on your specific circumstances. The information presented in relation to the Products does not constitute tax advice to you. It is very important that you seek professional financial and tax advice in relation to your particular circumstances.

The AWB Season Starter™ is an initiative of AWB Harvest Finance Pools Pty Ltd atf 2016/17 AWB Pools Trust ABN 23 179 735 262 ('AWB', 'we', 'us' or 'our'). Season Starter™ is a committed sub-pool within the 2016/17 AWB Pools Trust which requires growers to commit to deliver a volume of wheat. This document contains information of a general background or summary nature about the operation of aspects of the Season Starter™. It does not purport to be comprehensive or complete. It does not constitute financial product or investment advice, a risk management strategy or a recommendation with respect to Season Starter™. The statements contained in this document are accurate as at the date of publication unless otherwise stated and remain subject to change without notice. AWB is not under any obligation to correct or update any such information.