

AWB Spring Starter



2017/18 AWB Spring Starter: Estimated Pool Return update – 19 January 2018

Program Update

Today AWB are leaving Spring Starter EPR's unchanged in all regions

We are pleased with the progress of our risk management strategies and the value they are generating for this Pool. As this Pool has been underway from September, we have been able to capture value and protect EPR's from current market weakness and a strengthening Australian dollar.

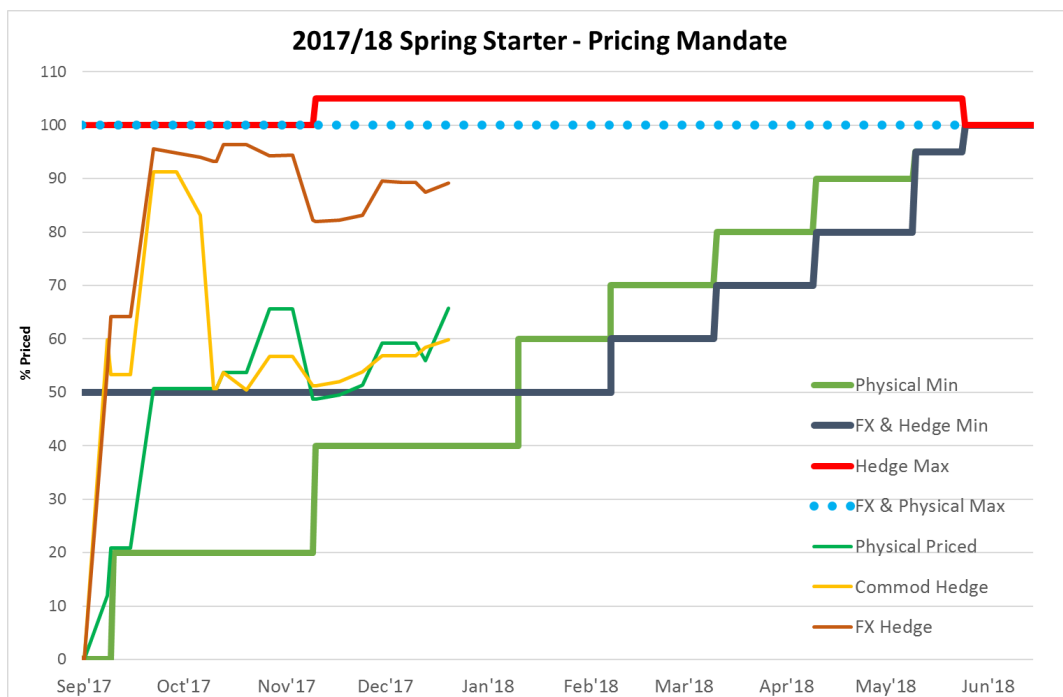
Since we last updated you in December, harvest is now all but complete across the country. We have experienced some big price moves since harvest began on certain grades and in port zones that yielded better than was expected. Nowhere is this more apparent than in the premium hard wheat markets in NSW and Victoria. In WA, the proportion of ASW received also kept growing as harvest moved south to finish with ASW1 representing approximately 40% of all WA wheat received.

With so much time and weather still ahead of US crops we don't expect to see significant movement in global prices until the crop breaks dormancy next month. With March 18 CBOT wheat futures at around AUD\$192/tn today, we feel that futures are very much at the bottom end of the long term range and any risk would seem to be to the upside.

With six months to run we are busily executing the pricing strategies and we remain on track to make first distribution payments in February.

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	\$	350.00 - \$0	-	-	-	-
APH2	\$	340.00 - \$0	\$	310.00 - \$0	\$	310.00 - \$0
H2	\$	334.00 - \$0	\$	300.00 - \$0	\$	300.00 - \$0
AUH2	\$	329.00 - \$0	\$	290.00 - \$0	\$	290.00 - \$0
APW1	\$	329.00 - \$0	\$	295.00 - \$0	\$	295.00 - \$0
ASW1	\$	324.00 - \$0	\$	290.00 - \$0	\$	290.00 - \$0
AGP1	\$	320.00 - \$0	\$	277.50 - \$0	\$	277.50 - \$0
SFW1	\$	318.00 - \$0	\$	265.00 - \$0	\$	265.00 - \$0
FED1	\$	297.50 - \$0	\$	245.00 - \$0	\$	245.00 - \$0

NEW SOUTH WALES					
Grade	NEWCASTLE		PORT KEMBLA		
APH1	\$	345.00 - \$0	\$	345.00 - \$0	
APH2	\$	335.00 - \$0	\$	332.50 - \$0	
H1	-	-	\$	322.50 - \$0	
H2	\$	317.50 - \$0	\$	312.00 - \$0	
AUH2	\$	310.00 - \$0	\$	305.00 - \$0	
APW1	\$	306.50 - \$0	\$	300.00 - \$0	
ASW1	\$	295.00 - \$0	\$	290.00 - \$0	
AGP1	\$	285.00 - \$0	\$	280.00 - \$0	
SFW1	\$	280.00 - \$0	\$	272.50 - \$0	
FED1	\$	260.00 - \$0	\$	252.50 - \$0	

VICTORIA						
Grade	MELBOURNE		GEE LONG		PORTLAND	
H1	\$	285.00 - \$0	\$	285.00 - \$0	\$	280.00 - \$0
H2	\$	268.00 - \$0	\$	268.00 - \$0	\$	263.00 - \$0
AUH2	\$	260.00 - \$0	\$	260.00 - \$0	\$	255.00 - \$0
APW1	\$	260.00 - \$0	\$	260.00 - \$0	\$	255.00 - \$0
ASW1	\$	246.00 - \$0	\$	246.00 - \$0	\$	241.00 - \$0
AGP1	\$	232.50 - \$0	\$	232.50 - \$0	\$	227.50 - \$0
SFW1	\$	225.00 - \$0	\$	225.00 - \$0	\$	220.00 - \$0
FED1	\$	205.00 - \$0	\$	205.00 - \$0	\$	200.00 - \$0

SOUTH AUSTRALIA										
Grade	PORT ADELAIDE		PORT GILES		WALLAROO		PORT LINCOLN		THEVENARD	
H1	\$	270.00 - \$0	\$	270.00 - \$0	\$	265.00 - \$0	\$	278.00 - \$0	\$	270.00 - \$0
H2	\$	250.00 - \$0	\$	250.00 - \$0	\$	245.00 - \$0	\$	255.00 - \$0	\$	250.00 - \$0
AUH2	\$	242.50 - \$0	\$	242.50 - \$0	\$	237.50 - \$0	\$	247.50 - \$0	\$	242.50 - \$0
APW1	\$	242.50 - \$0	\$	242.50 - \$0	\$	237.50 - \$0	\$	247.50 - \$0	\$	242.50 - \$0
ASW1	\$	228.00 - \$0	\$	228.00 - \$0	\$	223.00 - \$0	\$	233.00 - \$0	\$	228.00 - \$0
AGP1	\$	214.00 - \$0	\$	214.00 - \$0	\$	209.00 - \$0	\$	219.00 - \$0	\$	214.00 - \$0
SFW1	\$	207.50 - \$0	\$	207.50 - \$0	\$	202.50 - \$0	-	-	-	-
FED1	\$	185.00 - \$0	\$	185.00 - \$0	\$	180.00 - \$0	\$	190.00 - \$0	\$	185.00 - \$0

WESTERN AUSTRALIA								
Grade	KWINANA		ALBANY		ESPERANCE		GERALDTON	
H1	\$	305.00 - \$0	\$	300.00 - \$0	\$	295.00 - \$0	\$	305.00 - \$0
H2	\$	280.00 - \$0	\$	275.00 - \$0	\$	270.00 - \$0	\$	280.00 - \$0
AUH2	\$	267.50 - \$0	\$	264.00 - \$0	\$	259.00 - \$0	\$	267.50 - \$0
APW1	\$	267.50 - \$0	\$	264.00 - \$0	\$	259.00 - \$0	\$	267.50 - \$0
APW2	\$	262.50 - \$0	\$	259.00 - \$0	\$	254.00 - \$0	\$	262.50 - \$0
ASW1	\$	251.00 - \$0	\$	248.00 - \$0	\$	243.00 - \$0	\$	251.00 - \$0
AGP1	\$	242.50 - \$0	\$	237.50 - \$0	\$	232.50 - \$0	\$	242.50 - \$0
ANW1	\$	325.00 - \$0	\$	315.00 - \$0	-	-	\$	320.00 - \$0
ANW2	\$	285.00 - \$0	\$	280.00 - \$0	-	-	\$	282.50 - \$0
FED1	\$	215.00 - \$0	\$	210.00 - \$0	\$	205.00 - \$0	\$	215.00 - \$0

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