

# Spring Starter



## 2017/18 AWB Spring Starter: Estimated Pool Return update – 31 May 2018

### Program Update

Today AWB increased the Spring Starter Estimated Pool Returns between \$2 and \$14 for nearly every grade across all regions and on average returns are up by \$10.14/tn across the program.

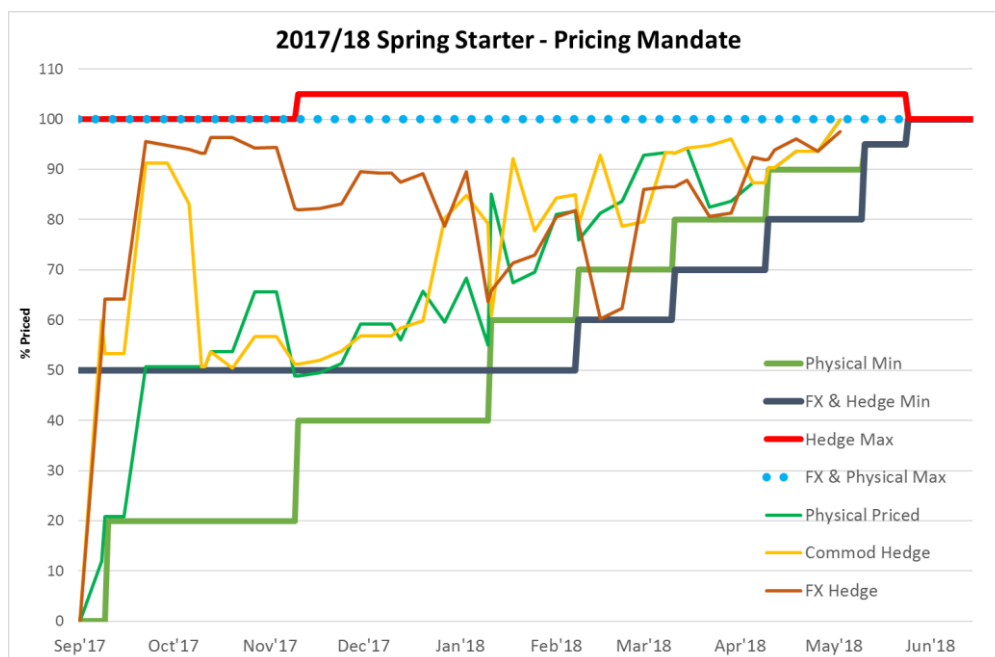
Through May we have been working to finalise the final 10% of the sales and hedging strategies. We are pleased to be generating value and raising the majority of pool returns so late in the program. We have less than four weeks to run and are on track to have this pool audited and paid out before the end of June.

Domestically, Australian wheat cash prices continued to firm through May across all port zones. Whilst widespread recent rains in WA, SA and parts of Vic have boosted production prospects, it is more than offset by the decline in production prospects up the East Coast of Australia. As we head into June without decent starting rains in many areas the potential production cuts will begin to be crystallised, which will somewhat underpin prices for the season.

Global wheat markets have also been supportive of price as conditions turn dry in the Black Sea region and pundits forecast reduced wheat production in the Former Soviet Union. In the US, the winter wheat crop has stabilised (36% good to excellent rating) and the bulk of the crop is headed. So while it feels like disaster has been averted there, US wheat futures recently printed contract highs mainly due to continued dry across many of the major wheat producing counties, including Russia, Ukraine and Australia. A strengthening USD (which impacts price competitiveness) and wheat export sales that persistently struggle post any price rally are the headwinds.

### 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	\$ 355.00 ↑ \$5	-	-	-
APH2	\$ 345.00 ↑ \$5	\$ 323.00 ↑ \$5	\$ 323.00	↑ \$5
H2	\$ 339.00 - \$0	\$ 313.00 ↑ \$5	\$ 313.00	↑ \$5
AUH2	\$ 337.00 ↑ \$3	\$ 303.00 ↑ \$5	\$ 303.00	↑ \$5
APW1	\$ 337.00 ↑ \$3	\$ 308.00 ↑ \$5	\$ 308.00	↑ \$5
ASW1	\$ 334.00 ↑ \$5	\$ 303.00 ↑ \$5	\$ 303.00	↑ \$5
AGP1	\$ 333.00 ↑ \$5	\$ 298.00 ↑ \$5.5	\$ 298.00	↑ \$5.5
SFW1	\$ 331.00 ↑ \$5	\$ 286.00 ↑ \$5.5	\$ 286.00	↑ \$5.5
FED1	\$ 310.50 ↑ \$5	\$ 266.00 ↑ \$5.5	\$ 266.00	↑ \$5.5

NEW SOUTH WALES				
Grade	NEWCASTLE	PORT KEMBLA		
APH1	\$ 350.00 ↑ \$5	\$ 350.00	↑ \$5	
APH2	\$ 340.00 ↑ \$5	\$ 338.00	↑ \$5.5	
H1	-	\$ 328.00	↑ \$5.5	
H2	\$ 330.00 ↑ \$4.5	\$ 321.00	↑ \$5	
AUH2	\$ 323.00 ↑ \$5	\$ 315.00	↑ \$5	
APW1	\$ 320.00 ↑ \$5.5	\$ 310.00	↑ \$5	
ASW1	\$ 308.00 ↑ \$5	\$ 300.00	↑ \$5	
AGP1	\$ 300.00 ↑ \$5	\$ 295.00	↑ \$5	
SFW1	\$ 295.00 ↑ \$5	\$ 288.00	↑ \$5	
FED1	\$ 278.00 ↑ \$5	\$ 271.00	↑ \$5	

VICTORIA				
Grade	MELBOURNE	GEELONG	PORTLAND	
H1	\$ 305.00 ↑ \$7	\$ 305.00 ↑ \$7	\$ 300.00	↑ \$7
H2	\$ 290.00 ↑ \$10	\$ 290.00 ↑ \$10	\$ 285.00	↑ \$10
AUH2	\$ 280.00 ↑ \$11	\$ 280.00 ↑ \$11	\$ 275.00	↑ \$11
APW1	\$ 280.00 ↑ \$10	\$ 280.00 ↑ \$10	\$ 275.00	↑ \$10
ASW1	\$ 270.00 ↑ \$13	\$ 270.00 ↑ \$13	\$ 265.00	↑ \$13
AGP1	\$ 260.00 ↑ \$7	\$ 260.00 ↑ \$7	\$ 255.00	↑ \$7
SFW1	\$ 250.00 ↑ \$7.5	\$ 250.00 ↑ \$7.5	\$ 245.00	↑ \$7.5
FED1	\$ 238.00 ↑ \$12.5	\$ 238.00 ↑ \$12.5	\$ 233.00	↑ \$12.5

SOUTH AUSTRALIA						
Grade	PORT ADELAIDE	PORT GILES	WALLAROO	PORT LINCOLN	THEVENARD	
H1	\$ 295.00 ↑ \$8	\$ 290.00 ↑ \$5	\$ 287.00 ↑ \$5	\$ 295.00 ↑ \$7	\$ 285.00	↑ \$5
H2	\$ 270.00 ↑ \$8	\$ 265.00 ↑ \$4	\$ 262.00 ↑ \$4	\$ 270.00 ↑ \$8	\$ 260.00	↑ \$2
AUH2	\$ 260.00 ↑ \$9.5	\$ 255.00 ↑ \$7.5	\$ 252.00 ↑ \$6.5	\$ 260.00 ↑ \$8.5	\$ 250.00	↑ \$5.5
APW1	\$ 260.00 ↑ \$8.5	\$ 255.00 ↑ \$6.5	\$ 252.00 ↑ \$5.5	\$ 260.00 ↑ \$7.5	\$ 250.00	↑ \$4.5
ASW1	\$ 250.00 ↑ \$12	\$ 245.00 ↑ \$9	\$ 242.00 ↑ \$8	\$ 250.00 ↑ \$12	\$ 240.00	↑ \$5
AGP1	\$ 236.00 ↑ \$12	\$ 231.00 ↑ \$8	\$ 228.00 ↑ \$7	\$ 236.00 ↑ \$12	\$ 226.00	↑ \$5
SFW1	\$ 232.00 ↑ \$12	\$ 226.00 ↑ \$9	\$ 220.00 ↑ \$8	-	-	-
FED1	\$ 220.00 ↑ \$10	\$ 209.00 ↑ \$9	\$ 203.00 ↑ \$8	\$ 220.00 ↑ \$10	\$ 205.00	↑ \$10

WESTERN AUSTRALIA				
Grade	KWINANA	ALBANY	ESPERANCE	GERALDTON
H1	\$ 315.00 ↑ \$8	\$ 310.00 ↑ \$8	\$ 305.00 ↑ \$10	\$ 312.00 ↑ \$5
H2	\$ 297.00 ↑ \$7	\$ 290.00 ↑ \$8	\$ 282.00 ↑ \$10	\$ 292.00 ↑ \$7
AUH2	\$ 286.00 ↑ \$11	\$ 280.00 ↑ \$11	\$ 274.00 ↑ \$11	\$ 281.00 ↑ \$10
APW1	\$ 284.00 ↑ \$10	\$ 279.00 ↑ \$10	\$ 274.00 ↑ \$11	\$ 279.00 ↑ \$9
APW2	\$ 279.00 ↑ \$11	\$ 274.00 ↑ \$11	\$ 269.00 ↑ \$12	\$ 274.00 ↑ \$9
ASW1	\$ 272.00 ↑ \$14	\$ 267.00 ↑ \$12	\$ 262.00 ↑ \$14	\$ 267.00 ↑ \$11
AGP1	\$ 265.00 ↑ \$14	\$ 260.00 ↑ \$14	\$ 253.00 ↑ \$14	\$ 260.00 ↑ \$11
ANW1	\$ 340.00 ↑ \$10	\$ 330.00 ↑ \$10	-	\$ 330.00 ↑ \$5
ANW2	\$ 300.00 ↑ \$5	\$ 295.00 ↑ \$5	-	\$ 300.00 ↑ \$7.5
FED1	\$ 240.00 ↑ \$13.5	\$ 235.00 ↑ \$13.5	\$ 229.00 ↑ \$14	\$ 236.00 ↑ \$11.5

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

**IMPORTANT INFORMATION:** The AWB Spring Starter™ is an initiative of AWB Harvest Finance Pools Pty Ltd atf 2017/18 AWB Pools Trust ABN 14 391 417 252 ('AWB', 'we', 'us' or 'our'). Spring Starter™ is a committed sub-pool within the 2017/18 AWB Pools Trust. This document contains information of a summary nature about the operation of aspects of the Spring Starter™. It does not purport to be comprehensive or complete. Nothing in this document is intended to constitute financial, investment, tax, legal or any other form of advice, recommendation or a representation that any transaction, or otherwise is suitable or appropriate for you. If you would like further details including the terms and conditions please contact 1800 447 246 or visit [www.awb.com.au](http://www.awb.com.au). The statements contained in this document are accurate as at the date of publication unless otherwise stated and remain subject to change without notice.