

Season Starter



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

Program Update

Today AWB increased the vast majority of Season Starter Estimated Pool Returns between \$1 and \$12 in all regions and by an average of \$5.53/tn across the program.

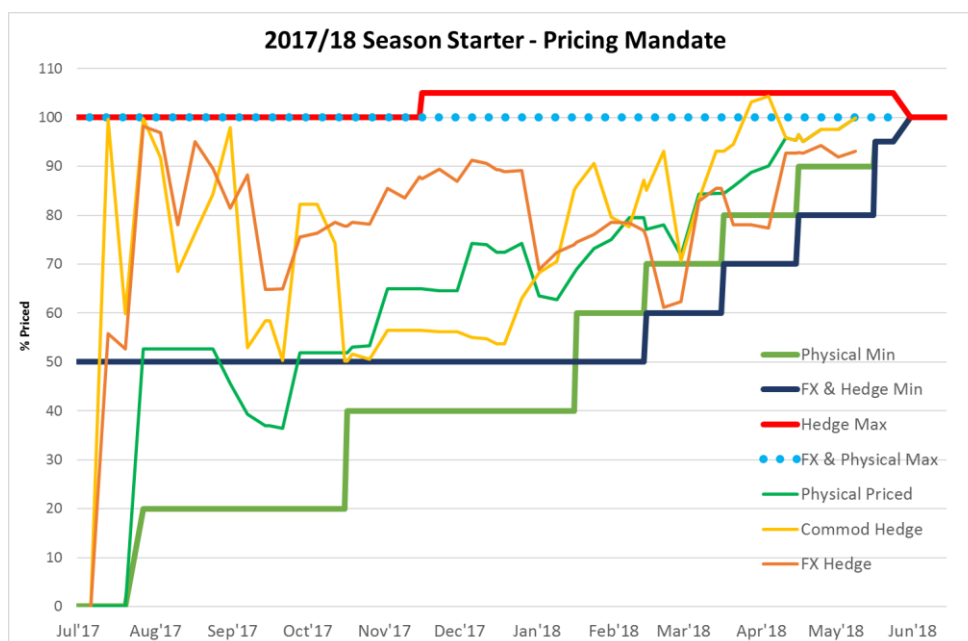
We headed into May with 5% risk to manage out and the last of our strategies are currently being executed. We are pleased to be returning more value to participants by raising the majority of pool returns so late in the program. There is less than four weeks to run in this pool and we remain on track to have the 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	\$ 358.00	↑ \$3	-	-	-	-
APH2	\$ 349.00	↑ \$3	\$ 326.00	↑ \$3	\$ 326.00	↑ \$3
H2	\$ 343.00	↑ \$3	\$ 314.00	↑ \$3	\$ 314.00	↑ \$3
AUH2	\$ 340.00	↑ \$3	\$ 313.00	↑ \$3.5	\$ 313.00	↑ \$3.5
APW1	\$ 340.00	↑ \$3	\$ 313.00	↑ \$3	\$ 313.00	↑ \$3
ASW1	\$ 337.00	↑ \$3	\$ 312.00	↑ \$3.5	\$ 312.00	↑ \$3.5
AGP1	\$ 336.00	↑ \$3	\$ 307.00	↑ \$3.5	\$ 307.00	↑ \$3.5
SFW1	\$ 336.00	↑ \$3	\$ 306.00	↑ \$3	\$ 306.00	↑ \$3
FED1	\$ 321.00	↑ \$3	\$ 289.00	↑ \$3	\$ 291.50	↑ \$3

NEW SOUTH WALES					
Grade	NEWCASTLE		PORT KEMBLA		
APH1	\$ 351.00	↑ \$3	\$ 339.00	↑ \$3	
APH2	\$ 342.00	↑ \$3	\$ 332.00	↑ \$3	
H1	-	-	\$ 324.00	↑ \$3	
H2	\$ 332.00	↑ \$3	\$ 319.00	↑ \$3	
AUH2	\$ 323.00	↑ \$3	\$ 308.00	↑ \$3	
APW1	\$ 318.00	↑ \$3	\$ 303.00	↑ \$3	
ASW1	\$ 310.00	↑ \$3	\$ 293.00	↑ \$3	
AGP1	\$ 307.00	↑ \$3	\$ 288.00	↑ \$3	
SFW1	\$ 300.00	↑ \$2.5	\$ 286.00	↑ \$3	
FED1	\$ 288.00	↑ \$3	\$ 266.00	↑ \$3	

VICTORIA						
Grade	MELBOURNE		GEE LONG		PORTLAND	
H1	\$ 320.00	↑ \$3	\$ 320.00	↑ \$3	\$ 317.00	↑ \$3
H2	\$ 301.00	↑ \$5	\$ 301.00	↑ \$5	\$ 298.00	↑ \$5
AUH2	\$ 290.00	↑ \$6	\$ 290.00	↑ \$6	\$ 287.00	↑ \$6
APW1	\$ 290.00	↑ \$6	\$ 290.00	↑ \$6	\$ 287.00	↑ \$6
ASW1	\$ 283.00	↑ \$6	\$ 283.00	↑ \$6	\$ 280.00	↑ \$6
AGP1	\$ 277.00	↑ \$5	\$ 277.00	↑ \$5	\$ 274.00	↑ \$5
SFW1	\$ 271.00	↑ \$5	\$ 271.00	↑ \$5	\$ 268.00	↑ \$5
FED1	\$ 257.00	↑ \$6	\$ 257.00	↑ \$6	\$ 254.00	↑ \$6

SOUTH AUSTRALIA										
Grade	PORT ADELAIDE		PORT GILES		WALLAROO		PORT LINCOLN		THEVENARD	
H1	\$ 311.00	↑ \$5.5	\$ 309.00	↑ \$3.5	\$ 304.00	↑ \$3.5	\$ 312.00	↑ \$6.5	\$ 302.00	↑ \$1.5
H2	\$ 288.00	↑ \$6	\$ 286.00	↑ \$4	\$ 281.00	↑ \$5	\$ 289.00	↑ \$6	\$ 279.00	↑ \$3
AUH2	\$ 278.00	↑ \$5.5	\$ 276.00	↑ \$3.5	\$ 271.00	↑ \$4.5	\$ 279.00	↑ \$5.5	\$ 269.00	↑ \$2.5
APW1	\$ 277.00	↑ \$6.5	\$ 274.00	↑ \$3.5	\$ 269.00	↑ \$3.5	\$ 277.00	↑ \$6.5	\$ 267.00	↑ \$1.5
ASW1	\$ 268.00	↑ \$6.5	\$ 265.00	↑ \$4.5	\$ 260.00	↑ \$4.5	\$ 268.00	↑ \$6.5	\$ 258.00	↑ \$2.5
AGP1	\$ 258.00	↑ \$6.5	\$ 256.00	↑ \$6.5	\$ 251.00	↑ \$7.5	\$ 258.00	↑ \$6.5	\$ 249.00	↑ \$3.5
SFW1	\$ 250.00	↑ \$6.5	\$ 248.00	↑ \$6.5	\$ 243.00	↑ \$7.5	-	-	-	-
FED1	\$ 245.00	↑ \$5	\$ 243.00	↑ \$5	\$ 238.00	↑ \$6	\$ 245.00	↑ \$5	\$ 236.00	↑ \$4

WESTERN AUSTRALIA								
Grade	KWINANA		ALBANY		ESPERANCE		GERALDTON	
H1	\$ 338.00	↑ \$3.5	\$ 332.00	- \$0	\$ 327.00	- \$0	\$ 333.00	↑ \$1
H2	\$ 318.00	↑ \$6	\$ 312.00	↑ \$2.5	\$ 307.00	↑ \$2.5	\$ 313.00	↑ \$3.5
AUH2	\$ 308.00	↑ \$7.5	\$ 302.00	↑ \$4	\$ 297.00	↑ \$4	\$ 303.00	↑ \$6
APW1	\$ 306.00	↑ \$7.5	\$ 300.00	↑ \$4	\$ 295.00	↑ \$4	\$ 301.00	↑ \$5
APW2	\$ 301.00	↑ \$6.5	\$ 295.00	↑ \$3	\$ 290.00	↑ \$3	\$ 296.00	↑ \$4
ASW1	\$ 298.00	↑ \$8.5	\$ 292.00	↑ \$5	\$ 287.00	↑ \$5	\$ 293.00	↑ \$6
AGP1	\$ 291.00	↑ \$8.5	\$ 285.00	↑ \$5	\$ 280.00	↑ \$5	\$ 286.00	↑ \$6
ANW1	\$ 365.00	↑ \$11	\$ 355.00	↑ \$9	-	-	\$ 355.00	↑ \$12
ANW2	\$ 325.00	↑ \$6	\$ 315.00	↑ \$4	-	-	\$ 325.00	↑ \$10
FED1	\$ 271.00	↑ \$8.5	\$ 265.00	↑ \$5	\$ 260.00	↑ \$5	\$ 266.00	↑ \$6

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