

# AWB Harvest Pool

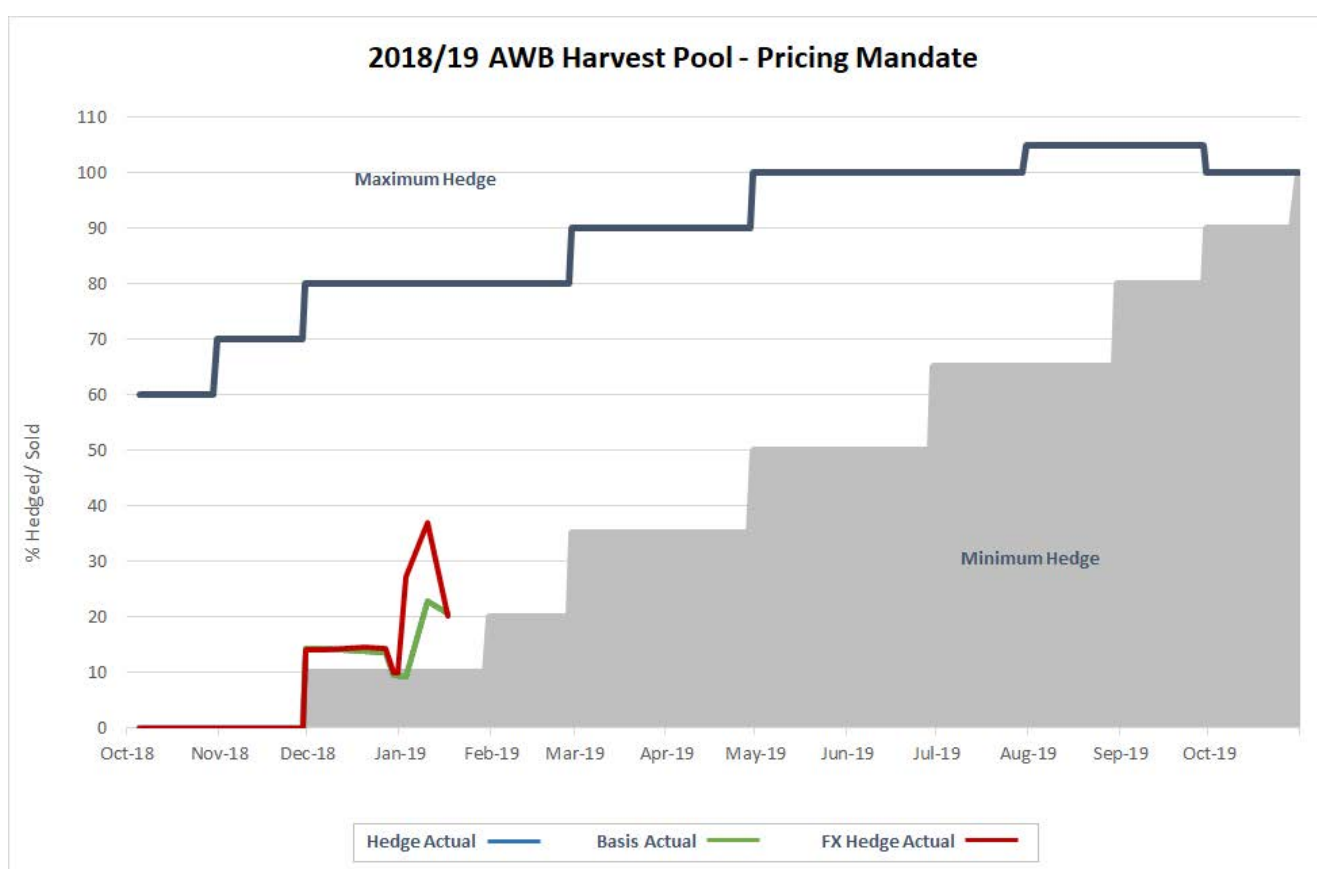
A smart tool for the modern farmer.



## 2018/19 AWB Harvest Pool Pricing Mandate

**PROGRAM SUMMARY:** Harvest Pool is an actively managed 12 month program designed for growers who want to begin to market their grain beyond harvest and who would like a program that is finalised prior to the following harvest.

### AWB Harvest Pool Pricing Mandate Update - January



#### Current Pricing Mandate insights:

- We continue to limit exposure on grades we feel are over-valued and at present have sold 20% of our basis exposure. This percentage will naturally fluctuate a little until receivables are finalised.
- We still have no additional wheat futures hedges (currently at 20%, in line with physical sales) as US wheat futures have not experienced the price gains global wheat markets have in recent months. At US512c/bu, March19 futures remain only US10c/bu above recent lows, which we think will provide a floor in the short-term.
- Since our last update we have increased our FX hedges from 12% to 20%. With the exception of the 'flash crash' in the first trading week of the New Year, the AUD/USD has maintained a 'bid-tone'. While the US government shutdown and the UK's Brexit plans both remain far from resolved, AUD will have limited downside against their respective currencies and we plan to continue to buy dips as we did in early Jan.