

2018/19 AWB Season Starter Pricing Mandate

PROGRAM SUMMARY: Season Starter is an actively managed 12 month program designed for growers who want to begin to market their grain early in the season and who would like a program that is finalised within 6 months of harvest.

AWB Season Starter pricing mandate update - February



Current Pricing Mandate insights:

- Basis hedges have increased since the last update, from roughly 54% to 60%. We will wait for the current round of selling to abate and demand to return before adding to sales, particularly as we have held on to grades in zones that attract good demand year round.
- We still have no additional wheat futures hedges (currently at around 60%, in line with physical sales) as we positioned for more potential upside in US wheat futures than downside risk.
- Since our last update we have increased our FX hedges to roughly 82% from 62%. We still think the AUDUSD could push higher so will remain majority hedged against rallies in the short term.