

Pool update



6 January 2010

Emerald 2009/10 January pool update

Emerald Group Australia (Emerald) today announced stable estimated pool returns (EPR) across its wheat, barley and canola pools.

Wheat

Wheat EPRs have been maintained.

There is limited international demand for wheat at the moment, as major northern hemisphere sellers lower the price of their ample stocks to make way for new crop supplies. Exporters, such as the Black Sea and France, are aggressively selling lower protein wheat, while Germany and Canada continue to get the lion's share of protein markets. US wheat continues to be overlooked due to price. The divergence of wheat futures and physical markets continues, as CBOT wheat futures continue to make gains despite substantial stocks and limited demand. Funds, as always, have been pricing CBOT without regard for supply and demand fundamentals.

Domestically, the fluctuating Australian dollar has seen Australian wheat trade within a limited price range with most foreign exchange moves being countered by opposing CBOT adjustments. Although demand exists for Australian wheat, it is not close to the highs of December-January of 2008.

As we move into the new year, the focus will be on northern hemisphere new season production, as the markets watch closely for crop progress after the winter thaw.

Emerald NQWP 2009/10 wheat pool estimated pool return (EPR) base rate (\$AUD/t) by grade delivered FOB			
Grade	EPR	Grade	EPR
APW1	\$258	AUH2	\$248
APH2	\$280	AGP1	\$243
H1	\$275	HPS1	\$236
H2	\$266	AUW1	\$228
ASW1	\$248	FEED	\$203

Note: Estimated Pool Return (EPR) is as at date of release and at a defined quality level for each pool pay grade. Prices are net of management fees. Early Order Premiums (if applicable) need to be ADDED to the quoted returns. Wheat base grade is APW and all prices are Free On Board (FOB) and deductions associated with payment option choice and location to be taken into account. All prices are in Australian dollars (AUD) and are estimates only and subject to change over the life of the pool as a result of changing market conditions and management performance. All terms and conditions of Emerald pools are published on our website at www.emerald-group.com.au and more detailed information in relation to returns and deductions can be found on each pools 'fact sheet' which can be downloaded from the web site.

For more information on Emerald's pool returns call 1300 880 432 or visit www.emerald-group.com.au

For further media information: Anna Gillett – (03) 9274 8818 or 0419 160 377

Background information

Emerald is one of Australia's leading grain marketing companies. Working directly with producers and producer organisations, Emerald provides a range of marketing and risk management products that seek to maximise returns and minimise risk for grain producers.

Emerald has developed and maintains a number of alliances and joint ventures with producer organisations nationally and has offices in Melbourne, Ballarat, Horsham, Port Lincoln, Perth, Esperance, Narrogin and Geraldton. Emerald holds an Australian Financial Services License, is authorised for the export of bulk wheat by WEA and for the export of bulk barley from South Australia by ESCOSA.

For more information visit www.emerald-group.com.au.