

Pool update



1 June 2009

Emerald 2009/10 pool update - June

Emerald Group Australia (Emerald) today announced changes to its 2009/10 season estimated pool returns and *Early Order Premium +PLUS offer*.

Wheat

The *Early Order Premium +PLUS offer* has been reduced by \$1 per mt with the estimated pool returns (EPR), guaranteed minimum return (GMP) and maximum cancellation fees remaining unchanged. New crop wheat markets remain steady with current gains in US futures countered by a firming Australian dollar. New crop wheat production levels are still creating nervousness in the market with particular focus on northern hemisphere crops as they near the harvest window. Volatility will be a feature of wheat markets until the commencement of the northern hemisphere harvest and yields and crop quality is known.

Barley

The GMP for barley has been increased by \$10 per mt and the *Early Order Premium +PLUS offer* has been reduced by \$1 per mt while the EPR and maximum cancellation fee remain unchanged. There has been little activity with new barley crops recently with minimal export demand and a lack of any serious consumptive interest. Relative to other grains, values have remained low however with an uncertain feed grain demand base and for turnaround may remain in place until greater understanding of supply issues/concerns out of northern hemisphere.

Canola

The canola EPR and GMP have both been increased by \$5 per mt with the *Early Order Premium +PLUS offer* reduced by \$1 per mt. Oilseed markets continue to find bullish momentum due to ongoing Chinese demand and deteriorating crop conditions. New season US soybean plantings are well behind normal production, potentially reducing yield expectations. With the strong new season price appreciations however, it is likely that total acres planted have increased on initial expectations.

	Wheat (\$AUD/t)	Barley (\$AUD/t)	Canola (\$AUD/t)
Estimated pool return (EPR)	\$320	\$245	\$585
Guaranteed minimum pool return	\$230	\$150	\$455
Early order premium	\$13	\$7	\$14
Maximum cancellation fee	\$18	\$15	\$25

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

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Background information

Emerald Group Australia Pty Ltd is a leading independent grain marketing company and specialist pool manager offering a range of products to assist growers and agribusiness maximise returns and manage grain market risks.

As a specialist pool manager Emerald has significantly changed the pool marketing landscape in Australia. Emerald broke new ground with the establishment of the pool based contract premiums as well as forced the industry to maintain payments for quality by enhancing the quality payments matrix applicable in the 2008/09 season. Emerald also offers a range of fixed price alternatives and other products.

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

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