

WAFarmers WheatPool, managed by Emerald.



WAFarmers WheatPool 2009/10

July Early Order Premium +PLUS

MARKET UPDATE

Over the last month US futures have fallen, while the strong Australian Dollar has remained firm, which has unfortunately weakened local values. Northern hemisphere wheat crops are looking in reasonable shape and as such markets seem comfortable with the global wheat balance sheet moving into the 2009/10 marketing year. On the physical market, international free on board (FOB) values have weakened on the back of weak consumer demand as well as new export market supplies from India and Pakistan. Russian and Black Sea wheat remain plentiful. New crop production is close to arriving and resulting in Black Sea marketers aggressively pricing old crop stocks to make room for new crop supplies which are forecast to stretch storage and port infrastructure.

WAFarmers WheatPool, managed by Emerald, today announced strong July premiums for growers through the *Early Order Premium +PLUS* (EOP) 2009/2010 program.

EARLY ORDER PREMIUM

- The strength of the July EOP delivers notable value for growers as crop conditions start to look positive across the country. Recent rains in WA have been very positive for the coming season and WAFarmers WheatPool has held its EOP unchanged for July, to allow growers who may not have had the confidence in the season during June, to now commit. The guaranteed minimum price, a feature of the program from March through to June is not available for July.

ESTIMATED POOL RETURN

The EOP for July is \$13 per mt. This is on top of the estimated pool return (EPR) of \$310 per mt with a maximum cancellation fee of \$18 per mt. While general global wheat markets are coming under pressure, Emerald continues to actively look for opportunities to capture value for pool participants with this reflected in the EOP.

2009/10 WAFARMERS WHEATPOOL INCENTIVES

WAFarmers WheatPool offers growers a financial incentive for committing grain to the WheatPool early. The \$13 EOP theme will continue during the next month. The WAFarmers WheatPool intends to run a Hectare based WheatPool contract again in 2009/10 along with as the very popular Access contract which allowed growers to allocate WheatPool tonnage without any penalty for non-delivery. WAFarmers is also considering other WheatPool products that may assist your business, and are keen to hear your suggestions.

Please let us know by calling Michael O'Dea on (08) 9486 2100.

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Early Order Premium +PLUS			
WHEAT	Early Order Premium (per mt)	Estimated Pool Return FOB (\$AUD/t)	Maximum Cancellation Fee (per mt)
July EOP +	\$13	\$310	\$18

For more information about the WAFarmers WheatPool, managed by Emerald, contact WAFarmers WheatPool Marketing Manager, Michael O'Dea, on (08) 9486 2100.

WAFarmers aims to provide members and the Western Australian farming community with benefits and outcomes that positively assist their farming activities, and believes that the WAFarmers WheatPool assists in this goal.

Insight

Flexibility

Rewards