

WAFarmers WheatPool, managed by Emerald.



WAFarmers WheatPool 2008/09 Update

The WAFarmers WheatPool has updated its 2008/09 season Estimated Pool Returns (EPR's). The WAFarmers WheatPool estimated returns have been lowered slightly following a continued appreciation of the Australian Dollar and selling pressure from other quality international markets.

A sustained appreciation of the Australian Dollar has pressured local grain markets and impacted the WAFarmers WheatPool 2008/09 Estimated Pool Returns with a lowering of between \$2 and \$4 per metric tonne (mt) on all grades. While US futures have remained firm in recent times, in Australian Dollar terms, we have seen weakness across all wheat grade prices.

While demand for Australian wheat remains, Western Australia is seeing strong selling pressure from quality wheat origins in the European Union and Canada, and lower quality wheat origins such as the Black Sea, with prices currently around a USD\$50 discount to Australian APW FOB values in some instances. This is naturally pressuring Australian physical wheat prices irrespective of recent movements in US futures markets.

Noodle wheats (ANW1 and ANW2) have not had to compete with Black Sea prices and cheaper origins, resulting in a drop of only \$2 per mt. Despite this, Emerald sees good demand for ANW1 and ANW2 for the remainder of the year and expects to continue its strong sales program into these FOB markets. Further development of existing international relationships is also set to continue to deliver competitive pricing opportunities for this significant Western Australian variety.

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The 2008/09 WAFarmers WheatPool Estimated Pool Return (EPR) Base Rate (\$AUD/t) By Grade Delivered FOB			
Grade	EPR	Grade	EPR
APW2	\$321	ANW1	\$315
H1	\$341	ANW2	\$303
H2	\$333	AGP1	\$299
AUH2	\$321	AUW1	\$281
ASW1	\$307	FEED	\$221

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