

Harvest 10



Barley

10/10



Day
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FAST RELIABLE SECURE

2017/18 Performance Insight

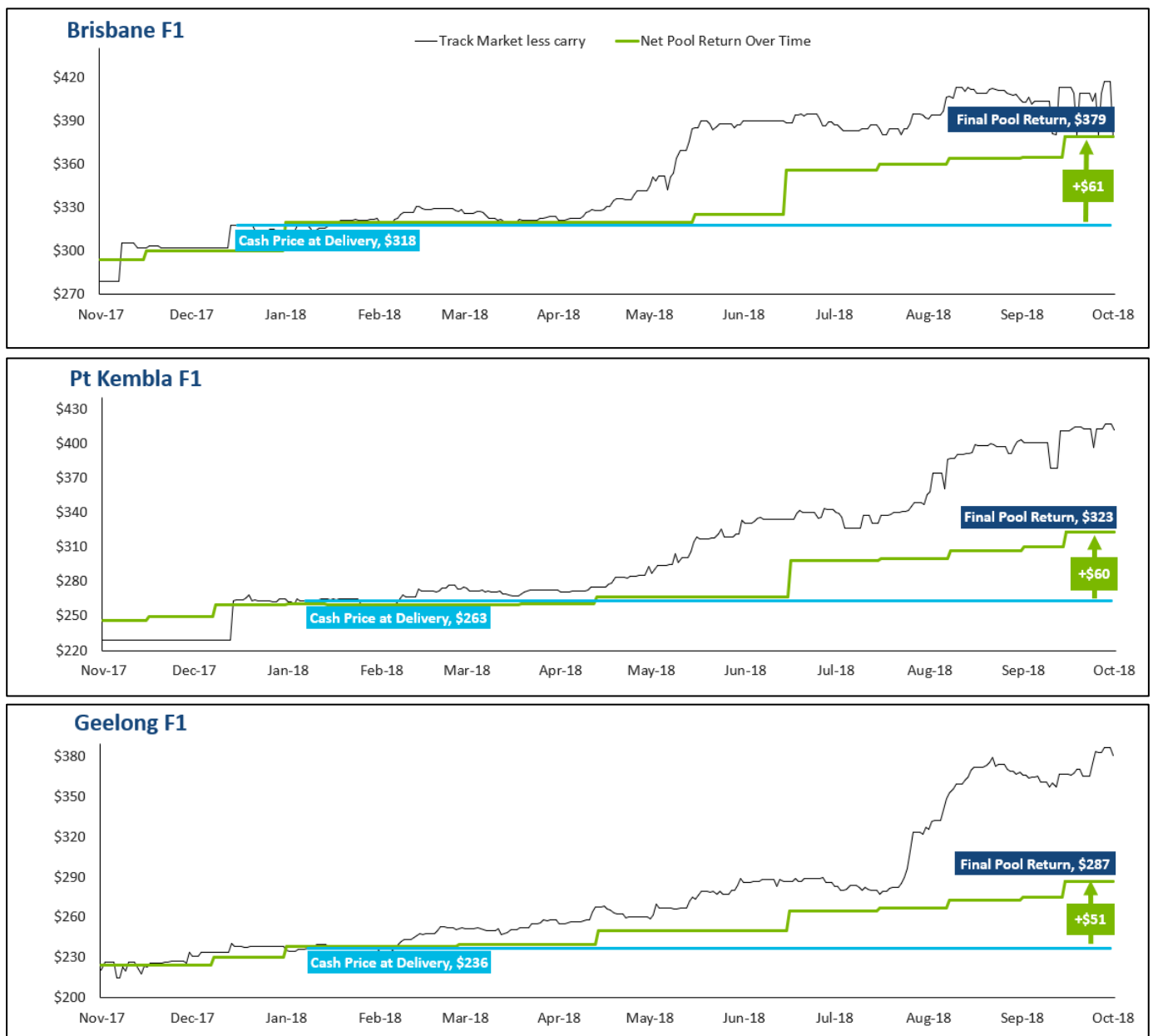
Key Objectives

GrainCorp's Harvest 10 (H10) Pool is designed to protect value and reduce price risk exposure, whilst allowing participation in the market during the 10-month marketing window.

Outcomes

The 2017/18 H10 Barley Pool returned an average of **\$53/mt** above the average cash price at commitment across East Coast Barley Commitments.

2017/18 Harvest 10 Performance



Harvest 10

For performance, better cash flow and simplicity, it's 10/10

Barley

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Manager's Overview.

A leading pool with unparalleled access to our exclusive global market intelligence and reach.

For the second consecutive year, the GrainCorp Managed Products team is proud to deliver you a very strong final H10 return - this year an average of **+\$53/mt above the average harvest cash price.**

GrainCorp's global trading offices together with its leading presence in Australia's local markets gives H10 exclusive access to in-house market intelligence to consistently return value to growers. This is one of the advantage of GrainCorp Pools and Managed Products.

Local barley values rallied to all-time highs in 2017/18, due to consecutive East Coast droughts and profitable on-farm livestock markets being able to feed high-priced barley consistently all year.

Facing a smaller harvest with visible early export demand, the team delayed any initial sales until post-harvest in anticipation of potential export squeezes. The team did take advantage of these initial sales opportunities in South Australia, but a dry-planting forecast tempered the appetite to continue selling further.

Feed demand hubs in the Liverpool Plains and Darling Downs were sensitive to drought risk having already begun importing grain from southern NSW, so a lack of rainfall in May and June rallied the northern markets; here, the sales pace was ramped up and stock north of the Riverina was liquidated at then, season-high values.

The team remained tight-fisted with remaining barley in the final few months, cognisant of the drought risk, but comfortable that on-farm feeding would continue supporting values.

Late frosts in Western Australia and Victoria rallied the markets again in the final few months, providing the catalyst to finally liquidate – The remaining Victorian stock was sold almost exclusively into the lucrative Free-On-Truck, on-farm feeding markets in NSW.

As such, the ability of H10 to have an actively managed sales pace instead of a generic indexed approach, ultimately enabled returns to continue to increase in the final few months.

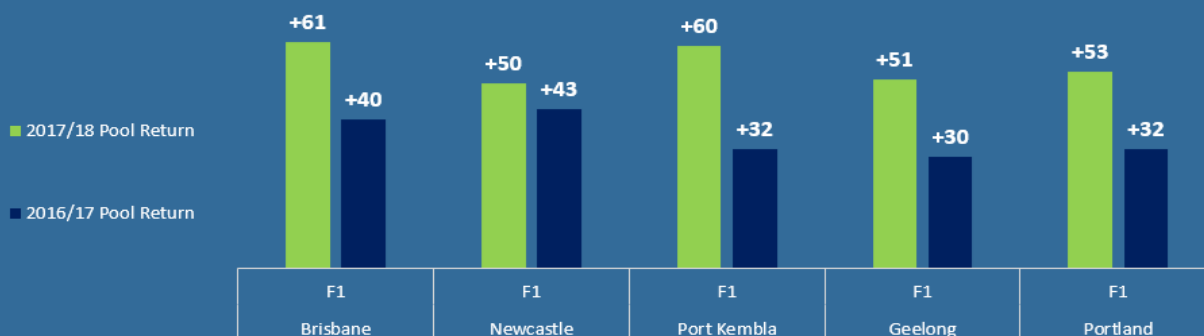
Thank you for entrusting GrainCorp Managed Products to manage your Barley during the 2017/18 season. We are proud to deliver another strong result to all participants.

If you would like to discuss this result further, please contact your local GrainCorp merchant.



Theo Saroukos
Pool Manager

Final Returns vs Harvest Prices



To find out more about Harvest-10 and how you can benefit this harvest, contact your local GrainCorp merchant or visit graincorpools.com.au

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