

Harvest 10

Wheat

10/10

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Payment
Terms**

2016/17 Performance Insight

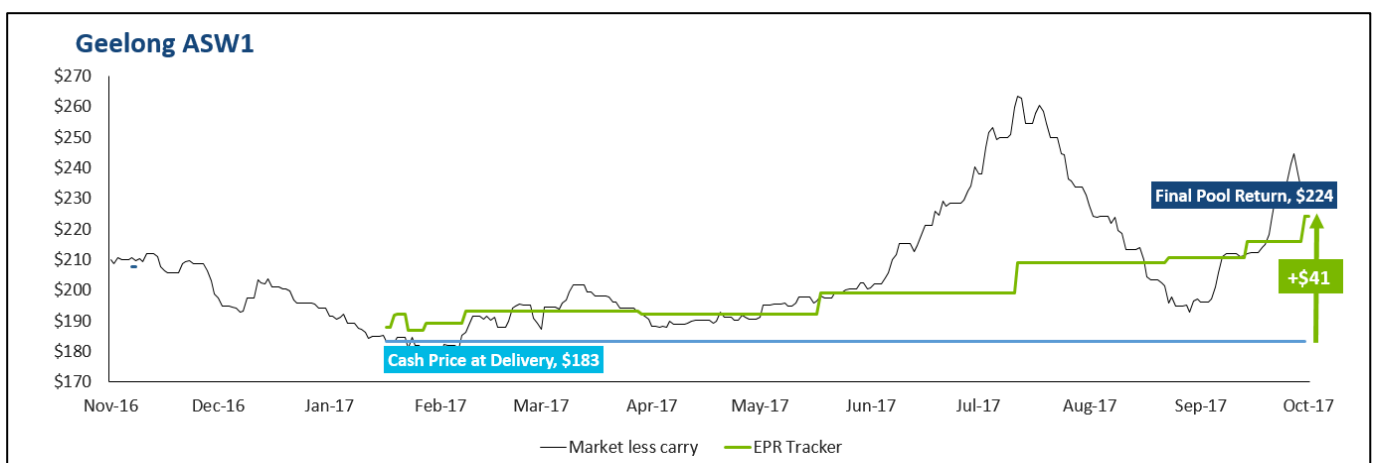
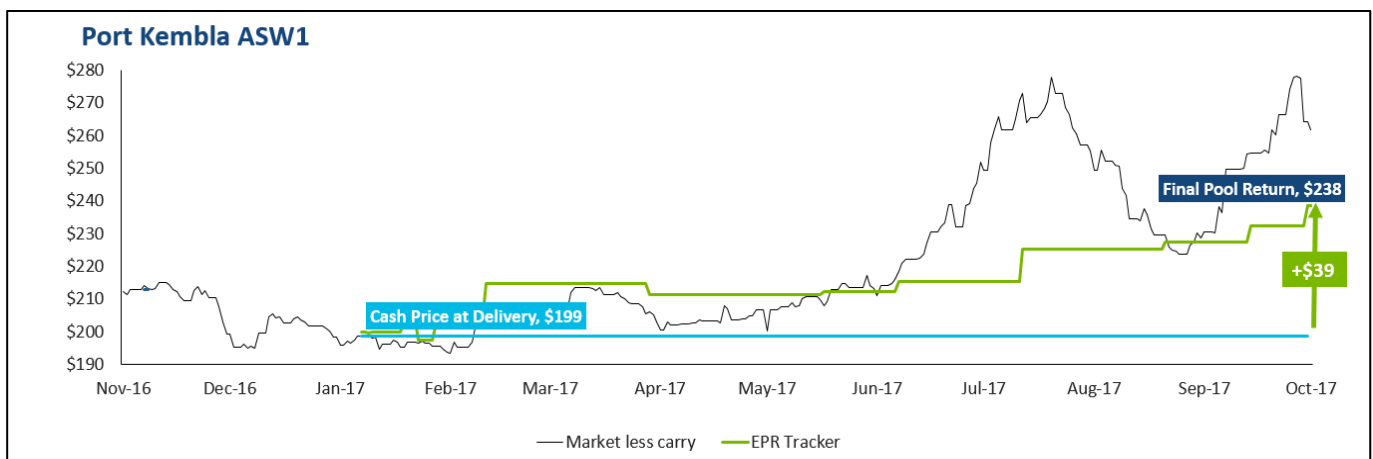
Key Objectives

GrainCorp's Harvest-10 (H10) Pool is designed to protect value whilst providing ten months of market participation.

Outcomes

The 2016/17 H10 Wheat Pool returned an average of **\$36/mt** above the average cash price at commitment across East Coast Wheat commitments.

2016/17 Harvest-10 Performance



Harvest 10

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

Wheat 10/10

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Pool Manager's Overview.

A record harvest, overseas volatility and poor Australian crop condition

The GrainCorp Pools team are proud to deliver you a final Harvest 10 Wheat Pool return of **+\$36/mt** above the average harvest cash price.

This result was achieved through a tactical sales program combined with a dynamic hedge strategy throughout the life of the pool.

Some of the key opportunities the pool capitalised on for its participants throughout the year were:

- Strong demand for Australian wheat from the export market, especially from India;
- A significant Chicago futures market rally in July;
- Australian basis strengthening as the Chicago market fell in August; and
- Firm Australian values throughout September due to some tough crop conditions across many parts of Australia.

The majority of the wheat received into the pool was marketed into the export channel, mainly to India and South-East Asia which were the most lucrative destinations.

Strategic sales were also made into the domestic feed market across the back-end of the year as the Darling Downs market rallied significantly above southern markets. The pool also took advantage of a late shift that saw domestic flour millers become the best paying market, taking the opportunity to sell here.

ASW1 was the main quality received into the pool, following the large volume of that variety harvested this year. As a result, ASW1 has been chosen as the benchmark grade.

Thank you for entrusting GrainCorp Pools to manage your wheat over the 16/17 harvest season. We are proud to deliver this strong result to all participants.

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

Thomas Lee
Pools Manager

Theo Saroukos
Assistant Pool Manager

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Proven Performance, backed by Australia's largest listed agribusiness

Geelong APW1			
Season	Post Harvest Average Price*	Harvest-10 Return	Outperformance
2013/14	\$269	\$283	+\$14
2014/15	\$273	\$284	+\$11
2015/16	\$245	\$270	+\$25
2016/17	\$218	\$225	+\$7
4 Year Average			+\$14

*net of carry

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

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