

# Pool update



1 June 2009

## SQP Pty Ltd 2009/10 pool update - June

SQP Pty Ltd 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 been 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)	\$290	\$220	\$565
Guaranteed minimum pool return	\$210	\$170	\$425
Early order premium	\$13	\$9	\$14
Maximum cancellation fee	\$16	\$14	\$25

**Note:** *Estimated Pool Returns (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 APW1 and all prices are delivered port 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. Prices are also subject to change over the life of the pool as a result in changing market conditions and management performance. All terms and conditions of SQP pools are published at [www.sqpgrain.com.au](http://www.sqpgrain.com.au). 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 SQP's pool returns call 03 5331 4943 or visit [www.sqpgrain.com.au](http://www.sqpgrain.com.au)

**For further media information:** Andrew Hillier (03) 5331 4943 or 0431 017103  
Anna Gillett – (03) 9882 4835 or 0419 160 377

---

### **Background information**

SQP 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.

SQP Pty Ltd 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. SQP Pty Ltd also offers a range of fixed price alternatives and other products.

For more information visit [www.sqpgrain.com.au](http://www.sqpgrain.com.au)

ENDS