

FACT SHEET

SQP EXPRESS BARLEY POOL 2010/11



KEY POOL INFORMATION - FINALISATION 2011

POOL OBJECTIVE	MANAGER
The objective of the Express Barley Pool is to provide a higher return than prevailing cash markets over the September 2010 - March 2011 period. It will be benchmarked against the cash market in each port zone. The Express Pool has an objective of being simple for growers to use with two simple payments, at harvest and then at pool completion. EPR's are quoted on a track basis, net of management fees.	Terrie Muhlebach

POOL STRATEGIC DIRECTION

SQP will follow a prescriptive hedge strategy that will see the pool take predominately basis hedges prior to, and during harvest in the form of futures, options and swaps. Flat price sales will be made prior to and predominately post harvest to increase pricing cover as well as allow the lifting of basis hedges. Physical sales will be made conservatively until harvest is complete and qualities volumes known, this will reduce the risk faced by pool participants given at the time of commitment production risk is present.

Minimum Pool Pricing Levels

By 30th September
30% SOLD

By 31st January
60% SOLD

By the 30th April
80% SOLD

FINAL RETURN		ASSOCIATED DEDUCTIONS			NOTES TO FINAL RETURN
Grade	EPR (\$/mt)	FINANCE	PORT ZONE DIFFERENTIALS		
Gairdner 1	\$266.25	\$8.74	Geelong	-	* The final return is quoted as an NTP Base Price at the time of print. ** SQP calculates the deduction/rewards schedule for your payments at the same % as the payment itself, eg., harvest advance payment of 70% therefore all costs/rewards are basis 70% Finance cost is not applicable in calculating the Harvest Loan payable. 100% of underwriting costs, if applicable, will be deducted from the first advance.
Baudin 1	\$265.93	\$8.74	Melbourne	-	
Schooner 1	\$261.81	\$8.74	Portland	-	
Buloke 1	\$266.31	\$8.74			
Flagship 1	\$265.84	\$8.74			
Sloop 1	\$249.79	\$8.74			
GMIN	\$218.43	\$8.74			
Hindmarsh 1	\$238.14	\$8.74	Underwriting		
Feed Barley 1	\$208.11	\$7.48	\$2.50/mt		
Feed Barley 2	\$188.69	\$7.48	Current Interest Rate		
Feed Barley 3	\$150.20	\$7.48	7.40%		

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PAYMENT METHOD	PAYMENT GUIDE	HARVEST 2010	AUG	2011	Cost of Finance
CURRENT INTEREST RATE	7.40%	Payment	Final		Malt 1
Harvest Advance A harvest payment with GST included. EPR, quality and costs all calculated as a percentage per payment.	Payment %	70%	30%		\$9.25 finance plus \$2.50 underwriting
	\$ per mt guidance	TBA	TBA		
	Paid	14 days EOW			
Flexible Loan A loan which you nominate your drawdown timing. EPR, quality and costs all calculated as per your requested drawdown.	Payment %	Up to 75%	25%		Drawdown dependant plus \$2.50 underwriting
	\$ per mt guidance	TBA			
	Paid	7 days from request			

* All prices are in Australian dollars (AUD) and are Track Equivalent. Premiums and discounts are estimates as at the above date shown and delivery location need to be taken into account. The base rate refers to the Estimated Pool Return at a defined level of protein, moisture, screenings and test weight.

* For full terms and conditions refer to the SQP website www.sqpgrain.com.au or call (03) 5331 4943

Contact SQP Grain

03 5070 1000 Sea Lake | 121 Best Street

03 5381 0512 Horsham | Grains Innovation Park 110 Natimuk Road

03 5331 4943 Ballarat | 72B Mair Street East

www.sqpgrain.com.au | admin@sqpgrain.com.au

