

# EMERALD HARVEST BARLEY POOL 2009/10

Pool  
Finalisation

## POOL WRAP UP

### Market Highlights:

- > The 09/10 season experienced significant market events including export bans from the Black Sea countries, the Australian dollar firming considerably and the GFC. This, combined with a harvest under a deregulated wheat market, affected the barley market due to bulk handlers changing their operating practices, particularly for export.
- > The production concerns and the rush to secure food during the GFC saw large market swings as carry out of grain came under pressure. This caused huge volatility within the Australian market, particularly in WA and SA where barley is directly related to the FOB point with minimal domestic consumer influences.
- > During 09/10, Emerald and Sumitomo established their relationship which opened the pool to direct Japanese barley markets exporting a FOB cargo in May.
- > Feed grades in WA increased by \$2.76 on the last update and Gairdner by \$8.04, Hamelin \$10.82, Baudin 1 by \$5.92 and Malt 2 grades approximately by \$5/mt across the board. The good demand from offshore markets instigated firm markets into the second half of 2010 which the pool was able to capture due to the patient approach it took to marketing over the life of the pool.
- > The market in WA operated in a different environment post wheat deregulation with the introduction of the Port Access Auctions. This relieved the congestion of the 08/09 harvest, however the cost to Australian marketers increased with large penalties for not executing slots. This instigated the pool to hold grain and therefore increase storage fees. Due to these increased costs, the pool required to increase FOB costs by approximately \$2.30 across all port zones.

## Final 2009/10 Pool Returns by Grade

All Pool values are quoted FOB, and on a per mt basis.

Grade	FINAL EPR	Inc. EOP*
Gairdner 1	\$230	\$242
Baudin 1	\$240	\$252
Stirling 1	\$240	\$252
Hamelin 1	\$225	\$237
Buloke 1	\$220	\$232
Vlamingh 1	\$225	\$237
Gairdner 2	\$205	\$217
Baudin 2	\$205	\$217
Buloke 2	\$195	\$207
Vlamingh 2	\$195	\$207
Stirling 2	\$205	\$217
Feed Barley 1	\$185	197

\*Above EOP's based on March 2009 figures

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# The payment and amount set out in the cash flow information is indicative only, and no guarantee is given that payment will be made for the amount or in the month stated.

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