



## Media statement

11<sup>th</sup> January 2011

### SAG's short term feed pool closing this week.

Southern Ag Grain (SAG) today announced contracting to its Short Term Feed Wheat Pool will close this week.

To date this pool has received strong support from growers on the East Coast with the product assisting SAG's customers in what has been a tough harvest. The Short Term Feed Wheat Pool has been developed by SAG this year in response to one of the largest feed wheat production years the country has seen.

SAG's General Manager, Simon Wishart said the pool has a specific strategy to deliver higher returns to feed wheat growers than those presented at harvest.

"The combination of export bans in the Black Sea, due to drought, and a tightening of the US corn balance sheet, has underpinned global demand for feed grains and in particular Australian origin feed wheat's into South East Asia.

Whilst Black Sea origin feed grains remain locked out of export channels due to export bans, a window of opportunity exists for Australian growers to benefit from Black Sea's inability to supply Asian feed markets.

Given the tight balance sheet in corn and the impact on price, Asian Feed millers, who traditionally use US Corn in rations, are looking to switch into Feed Wheat. Given the Black Sea's current situation, SAG are in a strong position to provide grain into these markets and we remain confident that our market structure, both domestically and internationally, will present opportunities for Australian feed wheat over the course of 2011," Mr. Wishart concluded.

Delivery to SAG's Short Term Feed Wheat pool is by contract only and is scheduled to be closed for contracting on or before **Thursday 14<sup>th</sup> January**. SAG reserves the right to close the pool prior to Thursday if volumes or market conditions warrant such action.

Contracting into SAG's Long Term Strategic Pool is still open as is the option to contract or deliver directly into the Harvest Pool.

For further information on SAG's prices, pool returns or distributions call 02 6932 4400 or visit [www.southernaggrain.com.au](http://www.southernaggrain.com.au)

**For further information** – Simon Wishart – 02 6932 4400 or 0488 048 144  
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**Background information**



Southern Ag Grain is a joint venture between southern NSW grower group Southern Agventure Ltd and leading Australian grains manager Emerald Group Australia Pty Ltd.

Southern Ag Grain services the specific needs of southern NSW grain farmers. Proudly local and farmer focused, this unique organisation provides a transparent, competitive suite of marketing products to grain producers in the southern region of New South Wales.

Based in Wagga Wagga, Southern Ag Grain joint venture partners maintain regional and joint venture offices throughout NSW, Victoria, South Australia and Western Australia.