

# QSL Weekly Update

21 June 2018

## Daily Price

Thursday, 21st Jun 2018

**11.89** US c/lb prompt

**0.7368** AUD/USD spot

**\$A353.12** MT OTC

**\$A340.52** MT IPS OTC

[More info >](#)

## Your QSL Grower Services Team

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## Indicative Pool Prices

The table below provides an overview of QSL's indicative gross pool prices as of **25 May 2018**. Please note that these prices are **indicative only** and do not include an allocation from the QSL Shared Pool.

Growers can access milling-district specific indicative pool prices and applicable Shared Pool results at [www.qsl.com.au](http://www.qsl.com.au).

QSL POOL	2017 SEASON GROSS AUD/T IPS	2018 SEASON GROSS AUD/T IPS
HARVEST POOL	<b>\$416</b>	<b>\$381</b>
ACTIVELY MANAGED POOL	<b>\$446</b>	<b>\$366</b>
EARLY-START ACTIVELY MANAGED POOL	<b>N/A</b>	<b>\$366</b>
GUARANTEED FLOOR POOL	<b>\$517</b>	<b>\$350</b>
2-SEASON FORWARD POOL	<b>\$506</b>	<b>\$413</b>
ACTIVELY MANAGED POOL (WILMAR GROWERS)	<b>\$400</b>	<b>N/A</b>
GUARANTEED FLOOR POOL (WILMAR GROWERS)	<b>\$369</b>	<b>N/A</b>
US QUOTA	<b>\$717</b>	<b>\$721</b>

*This report contains information of a general or summary nature. While all care is taken in the preparation of this report, the reliability, accuracy or completeness of the information provided in the document is not guaranteed. Information about past performance is not an indication of future performance and nothing contained in this report should be relied upon as a representation as to future matters. The update on marketing and pricing activity does not constitute financial product or investment advice. You should seek independent advice before making any pricing decisions. QSL does not accept any responsibility to any person for the decisions and actions taken by that person with respect to any of the information contained in this report.*

## June Advances payments

QSL is making two Advances payments this week, as the first payment of the 2018 Season is made along with the June Advances payment for the 2017 Season.

For Wilmar Growers, QSL made its June Advances payment for the 2017 Season yesterday, Wednesday 20 June, a day earlier than the usual Thursday payment run, with the first Advances payment for 2018-Season deliveries to be made today, Thursday 21 June. Please note that separate QSL statements will be issued for both payments.

Payment arrangements for all other growers receiving QSL Advances will reflect the usual local payment arrangements and timings.

### 2018-SEASON ADVANCES VALUES

The first Advances of the 2018 Season will be based on QSL indicative pool values as at **18 May 2018**. These were:

QSL POOL	AUD/TONNE GROSS
2018 Harvest Pool	\$369
2018 Early-Start Actively Managed Pool	\$354
2018 Actively Managed Pool	\$352
2018 Guaranteed Floor Pool	\$345
2018 2-Season Pool	\$379
2018 US Quota	\$721

Please note that the values quoted above have been rounded to the nearest dollar and do not include the QSL Shared Pool allocation, as this varies between milling districts. You can find the Shared Pool value applicable to you under the **QSL Pool Prices** section of the QSL homepage ([www.qsl.com.au](http://www.qsl.com.au)) or by clicking on the relevant link below:

- [Bundaberg Growers – Shared Pool](#)
- [Isis Growers – Shared Pool](#)
- [Mackay Growers – Shared Pool](#)
- [MSF Sugar Growers – Shared Pool](#)
- [Tully Sugar Growers – Shared Pool](#)
- [Wilmar Growers – Shared Pool](#)

Wilmar Growers using QSL will receive Advances based on their individual pricing position, with any unfilled grower-managed pricing orders valued as at 18 May 2018 ICE 11 rates (i.e. marked to market). The QSL Advances for all other Growers will reflect the local payment arrangements detailed in their Cane Supply Agreements.

## Cash flow forecasting tool ready for 2018 Season

Growers using the QSL Direct portal can now access an estimate of their 2018-Season QSL payments using our cash flow forecast tool. The current forecast is calculated using indicative QSL pool values as of 18 May 2018 (these values are detailed on the previous page).

While the forecast tool can be helpful for growers seeking an insight into potential payments during the course of the coming year, it is important to be aware that the data provided by the forecaster is an **estimate only** based on changing pool valuations that cannot be finalised until the end of the financial year. The estimate generated does not factor in any allowances, deductions, the cane constant, GST payments or CCS adjustments passed on by your miller and so may not reflect the actual payment made by QSL, particularly during the season. Each forecast is based on many assumptions and is subject to significant uncertainties, many of which are outside the control of QSL.

As such, QSL does not make any representations as to the accuracy of the information derived from the cash flow forecast tool, nor does QSL make any guarantees that this outcome will be achieved. Growers choosing to use this tool should treat the forecast generated as a general guide only which they should update regularly to ensure it captures the most recent pool values.

## Target Price Pool rolling now underway

As previously advised, any unfilled 2018-Season orders or open nominations for the QSL Target Price Pool which were not filled at market last night, 20 June 2018, will now have their July 2018 contract exposure automatically rolled forward to the October 2018 contract.

This involves QSL transferring any unfilled orders or open nominations for the July 2018 ICE 11 contract to new, equivalent positions in the October 2018 contract. While QSL does not charge a fee for this, the difference between these two contract values is the 'roll' cost that will apply for this transaction.

QSL will advise growers of this roll cost after this process is complete. Growers using the QSL Direct portal who have orders that have rolled will then be able to see the roll cost noted on any applicable open orders in their account and this additional cost will be incorporated into their new target price. For instance, if the roll cost was \$2/t, an unfilled order for \$400 would be automatically adjusted to become a target of \$402. So the market would need to equal or go above \$402 in order to get the original \$400 target and cover the \$2 cost of the roll.

Should you decide to change the target for any rolled orders, your new target price will continue to reflect the applicable roll cost. For example, if you adjusted a rolled order target from \$400 to \$350, the system would still automatically apply the \$2 roll cost and adjust your revised target price to \$352.

Next week's QSL Update will feature further details on the new rolling arrangements, including confirmation of the final roll cost applicable. In the interim, for more information please read the Pricing Pool Terms for this product (available by [clicking here](#)) or contact your local QSL representative.

## Farm changes and transferring pricing

Wilmar Growers who need to transfer 2017-Season pricing as the result of a farm sale, leasing change or business restructure are reminded they must have all necessary paperwork, including the required deeds of novation, signed and submitted to QSL by **next Wednesday 27 June 2018**. For further information regarding this process, please contact your local QSL Grower Services Team member or call the QSL Direct Helpline on 1800 870 756.