

# SunRice Update



October 2014 ~ Number 80

## C2015: Planting Update and Outlook

Seed issue and planting of the 2015 crop is now well under way, with an increase in seed orders in the last week.

We are pleased with the response from growers who are keen to grow as much rice as circumstances permit, despite the level of water allocation available and the high price of temporary allocation.

Most growers are supporting our call to use the water available to grow rice which will help us satisfy the increasing demand for high quality Australian rice.

There has been publicity around the likely size of the 2015 crop and some growers have asked for clarification regarding the outlook.

## Seed Orders

We have received strong seed orders across most of the varieties we require. To date seed orders have been placed to produce 773,000 tonnes paddy with new orders continuing to be placed.

Based on our modelling that takes into account water availability, seed orders and seed collected we expect production to be around 700,000 tonnes which will allow us to operate an efficient milling program; meet demand across our key markets; and maintain a strong paddy price.

We remain hopeful that there will be further improvement in water

availability over the remaining 4 to 6 weeks of the planting period to enable an additional lift in seed orders and production.

## Price Outlook

At the SunRice Pre-Season Grower Meetings in July, CEO Rob Gordon gave a detailed presentation on the prospects for C2014 and the outlook for C2015 (Rob's presentation is available on the SunRice website at Grower Services/Documents for Rice Growers).

In relation to C2015, we explained that the key price drivers are moving in the right direction.

The Australian dollar has weakened and while still volatile, it is predicted by some of the major banks to move even lower.

The drought in California is likely to see rice production from the smaller crop they are in the middle of harvesting produce around 25% less medium grain than usual.

This is positive for global medium grain pricing at the time we will commence selling our 2015 crop.

These factors point to strong price prospects for your 2015 harvest.

If you are still weighing up your options for 2014/15, I urge you to consider placing a rice seed order as soon as possible.

Grower Services are ready to assist with any further information you may require.

## NSW Export Awards Success

I am pleased to announce that SunRice has once again been recognised for excellence in the field of international trade, winning the Agribusiness award at the 2014 Premier's NSW Export Awards, held in Sydney on 23 October.

Our growth and success has been underpinned by a relentless commitment from everyone at SunRice and across the rice industry, including our growers. I'd like to congratulate all of our stakeholders on this wonderful achievement. This award is in recognition of your efforts, which has enabled SunRice to continue to build on our strengths.

As state winner, SunRice will now become a finalist in the 52nd Australian Export Awards to be held on 27 November 2014.

All the best for a great season.

Gerry  
Lawson AM  
Chairman





**C2014 Payment Schedule (Traditional Pool \$/Tonne)**

	Reiziq	Other Medium	Langi	Doongara	Opus	Kyeema	Koshi	Organic Premium	Bio- Dynamic Premium
<b>1st payment</b> (Paid)	200.00	188.00	231.00	222.00	231.00	270.00	276.00	70.00	70.00
<b>2nd payment</b> (14 October 2014)	50.00	48.00	55.00	53.00	55.00	61.00	61.00	30.00	30.00
<b>3rd payment</b> (24 February 2015)	23.00	22.00	27.00	26.00	27.00	32.00	32.00	30.00	30.00
<b>4th payment</b> (28 April 2015)	18.00	17.00	22.00	22.00	22.00	28.00	29.00	20.00	20.00
<b>Appraisal</b> (28 April 2015)	8.00	8.00	8.00	8.00	8.00	8.00	8.00		
<b>5th payment</b> (26 May 2015)	16.00	15.00	19.00	18.00	19.00	22.00	23.00	30.00	30.00
<b>Final payment</b> (28 July 2015)	25.00	22.00	33.00	31.00	33.00	39.00	41.00		
<b>Total</b>	<b>340.00</b>	<b>320.00</b>	<b>395.00</b>	<b>380.00</b>	<b>395.00</b>	<b>460.00</b>	<b>470.00</b>	<b>180.00</b>	<b>180.00</b>

These estimates have been prepared using the information available at the time of publishing. Please be aware that the estimates could be affected by a number of factors, including prevailing market conditions, foreign exchange rates, crop quality and unforeseen events. Therefore the forecast payment schedule should be regarded as an estimate only and the final crop return will depend on the actual conditions that have prevailed throughout the entire crop year.

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**CORPORATE MANAGEMENT TEAM**

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