



GERALDTON  
FISHERMEN'S  
CO-OPERATIVE

Rock Lobster Exporters

# the BROLOS Catcher

January 17, 2017

Issue No. 130

## 2016/17 Pre-Season Meetings

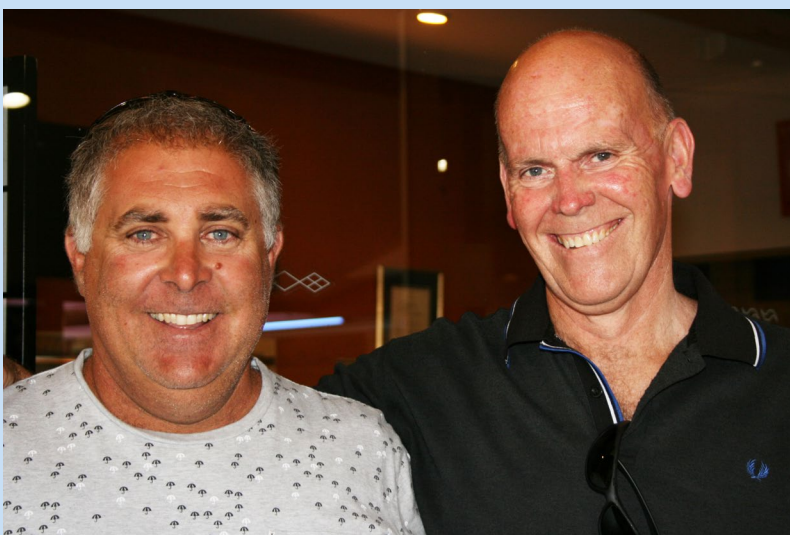
Last week GFC finished up our 2016/17 Pre-Season Meetings. The six meetings, held between November and January, were attended by 214 of our fishermen, investors, their partners and families. The meetings were a fantastic opportunity to keep GFC members informed with up-to-date information about the fishery, our markets and your Co-op.

Highlights from the meetings included:

- A full update covering the construction of our Welshpool live lobster facility, including pictures and videos.
- A presentation covering the outstanding work that GFC's Marketing, Operations, Finance and IT teams have put into developing ecommerce platforms, creating a true pot-to-plate supply chain and carving a unique presence for GFC in China's live seafood market. This presentation featured a special appearance (by way of a promotional video) by GFC fisherman Terry Parish.
- Plenty of robust discussion around leasing and sub-leasing.
- Pictures and stories from GFC's 2016 China Tours.

Thanks to everybody who took the time to come along to one of the meetings. We look forward to seeing you all again as we kick off our program of 2017 barbecues next month.

*Pictures (Top to Bottom): Reg Teakle, Ron Zimmermann, Ron Horseman & GFC Chairman John Ritchie; Ricky, Terry & Brad Mouchemore; Justin Pirrottina & John McMath, CEO Western Rock Lobster Council.*



## Foreign Exchange Impact

Now that we have seen the end of last season, it's worth taking a look back at one of the main price drivers of the last 12 months; the exchange rate between the Australian Dollar (AUD) and the Chinese Yuan (CNY).

Our Chinese buyers trade in CNY while GFC's members receive payments in AUD. Therefore, the exchange rate between these two currencies is a major factor in the value of your asset. Ideally, we want to see the CNY gain in value relative to the AUD (i.e. the AUD to lose value relative to the CNY) which will return us more AUD for the same amount of CNY.

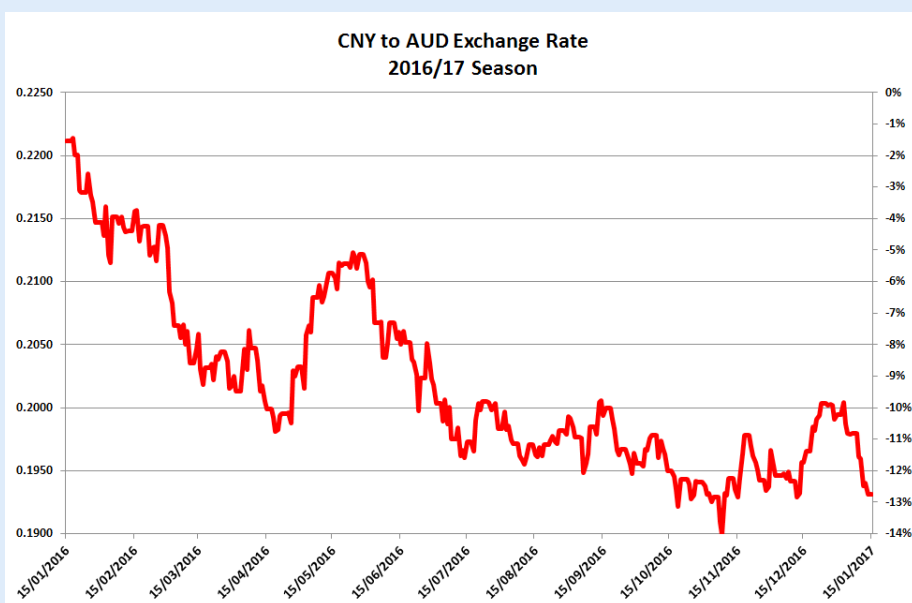
As has been reported at various times over the last 12 months, the CNY did the opposite to what we wanted and has lost significant value to the AUD. The chart below shows that the CNY lost over 12% in value from the start to the end of last season.

To put this into perspective, if the CNY/AUD rate was the same now as it was this time last year, the beach price would now be \$14.00/kg higher. In other words, every 1% drop in the CNY/AUD exchange rate equates to a drop of \$1.10/kg in the beach price. This shows that while beach prices are modest by recent Chinese New Year standards, the market remains in very good shape, and is paying historically high prices.

Currency markets are predicted to continue to be volatile over the next 12 months with increased uncertainty in the global arena.

On top of this, the Chinese government recently changed the way it values the CNY by adding 11 more reference currencies to the "basket" of currencies which determine the value of the CNY. Historically the value of the CNY has been heavily weighted against the value of the US Dollar (USD) however the Chinese government is now "depegging" from the USD which is giving China more independence in domestic monetary policy and points to ongoing volatility in the value of the CNY.

We can't predict which way it will move, but we can guarantee it will move!



## Market Update

The new season has begun relatively smoothly, with prices strengthening in the lead up to Chinese New Year (which falls on the 28<sup>th</sup> January this year). This has been driven in part by the fact that, unlike previous seasons, intake remained strong in the final weeks of last season which kept prices down, until the effect of CNY and several Lucky Days saw prices strengthen significantly.

Now that we are less than two weeks out from Chinese New Year, demand is expected to remain strong however, as always, price will ultimately be dependent on volumes caught during this period.

## Fishermen's Bait Price List

	CODE	CARTON SIZE		PRICE / KG	TOTAL (EX GST)
HEADS - ALFONSINO (NZ)	499	18	KG	\$1.50	\$27.00
HEADS - BLUE MACKEREL (NZ)	485	20	KG	\$1.65	\$33.00
HEADS - BLUE MACKEREL (TAIWAN)	484	20	KG	\$1.25	\$25.00
HEADS - HOKI	560	20	KG	\$1.50	\$30.00
HEADS - ORANGE ROUGHY	555	20	KG	\$1.65	\$33.00
HEADS - SALMON - LOCAL WHOLE	470	18	KG	\$1.90	\$34.20
HEADS - SALMON - LOCAL WHOLE	475	20	KG	\$1.90	\$38.00
HEADS - TUNA	480	20	KG	\$1.60	\$32.00
MACKEREL - WHOLE BLUE (NZ)	402	20	KG	\$2.15	\$43.00
MACKEREL - WHOLE BLUE (TAIWAN)	410	10	KG	\$1.65	\$16.50
SALMON CUTLETS	525	18	KG	\$1.90	\$34.20
SALMON CUTLETS	530	20	KG	\$1.90	\$38.00
PORK FLARE	151	15	KG	\$1.70	\$25.50
PORK FLARE	150	25	KG	\$1.70	\$42.50
SALT - BAG	703	25	KG		\$9.50
ICE	700	15	KG		\$5.00

Prices effective from 15th January 2017

**PLEASE NOTE: 10% GST WILL BE ADDED TO THE ABOVE PRICES**

**PRICES SUBJECT TO CHANGE WITHOUT NOTICE**

**SOME ITEMS MAY BE OUT OF STOCK FROM TIME TO TIME DUE TO SEASONAL FACTORS**

### BAIT ORDERS

#### Geraldton

Frank Arangio - Bait Store Person

Phone: (08) 9965 9034 or Mobile: 0457 310 159

Robert (Duck) Pascoe - Radio Room

Phone: (08) 9965 9032 or Mobile: 0418 931 110

#### Fremantle

Mario LaVerghetta - Logistics Manager

Phone: (08) 9435 8930 or Mobile: 0400 249 700  
or Mobile: 0427 384 692





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## Marine Store

More member specials in-store!

### You asked for it, now we stock it!!

A number of GFC fishermen have been chasing 'extra hard' rope for float rigs because ordinary rope just doesn't cut the mustard. We have trialled a rope with four Co-op fishermen, with excellent results.



If you need this hard rope we now have 40 coils of 12mm yellow/black in stock ready to go.

Order yours today by calling your Marine Store on (08) 9965 9048 or emailing [marinestoresales@brolos.com.au](mailto:marinestoresales@brolos.com.au).

Greg Gundlach Marine Store Manager

t (08) 9965 9048

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