



Oilseeds

Nathan L. Rosenau
Merchant

'16 Crop Year

Canada

- Produced 18.4mmt
 - Unchanged vs. previous year despite record yields
 - 2,115lbs vs 2,030lbs record high in 2013
- Harvest acres **DOWN** y.o.y.
 - Abandoned acres **UP**
 - Rain during harvest
 - Glut during last quarter weighed on markets

United States


- PNW produced 30% more in 2016 vs. prev year
 - PNW planted acres were down 16% vs 2015
- US prod was up 6% vs year prior
 - US planted acres were down 3.5% as well
- Montana had the lowest seeded acres of the last 3 years

'17 Crop Year

Canada

- Initial plantings projections point higher
- Crush is up y.o.y.
 - Keeps basis levels stronger vs record prod.
- Strong crush margins look to continue

United States

- Very few profitable crops
 - Montana acres up
 - Majority will be first timers
 - PNW acres up
 - Good grower knowledge base
- Domestic demand 

2017 Cost Comparison

NET YEARLY INCOME

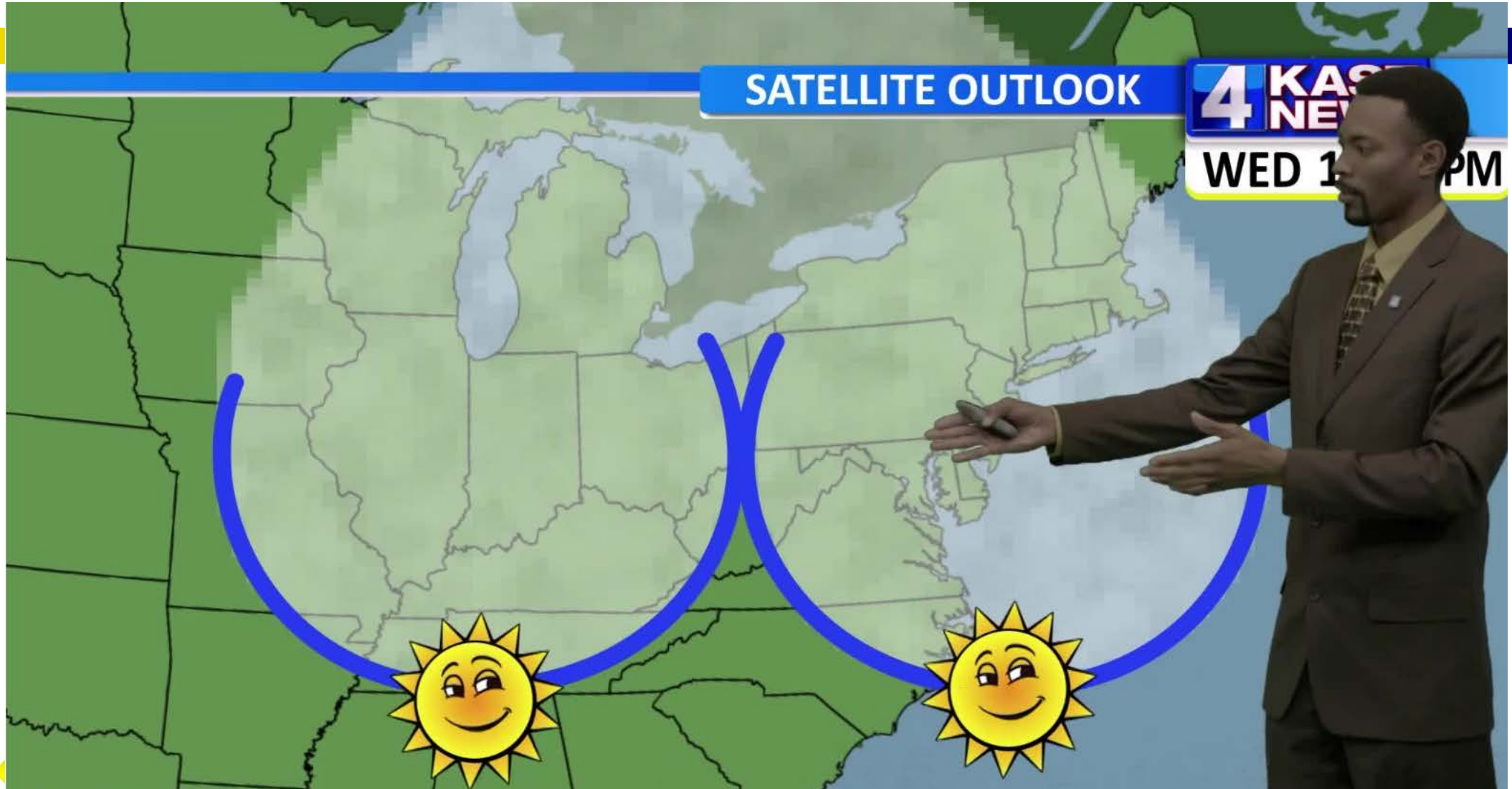
	Green Peas	Lentils	Garbs	SWW Spring Wheat	HRS At 14% Pro.	Canola	Spring Barley	Malt Barley	SWW Fall Wheat	HRW Fall Wheat
COSTS/ACRE										
Land Costs	\$ 90.00 ac	\$ 90.00 ac	\$ 90.00 ac	\$ 90.00 ac	\$ 90.00 ac	\$ 90.00 ac	\$ 90.00 ac	\$ 90.00 ac	\$ 90.00 ac	\$ 90.00 ac
Seed Charges	\$ 63.00 ac	\$ 23.40 ac	\$ 86.80 ac	\$ 23.00 ac	\$ 29.00 ac	\$ 44.00 ac	\$ 26.00 ac	\$ 27.00 ac	\$ 26.00 ac	\$ 26.00 ac
Fertilizer	\$ - ac	\$ - ac	\$ - ac	\$ 36.00 ac	\$ 54.00 ac	\$ 27.00 ac	\$ 24.00 ac	\$ 24.00 ac	\$ 39.00 ac	\$ 42.00 ac
Weed Control (Pre Plant)	\$ 11.00 ac	\$ 11.00 ac	\$ 11.00 ac	\$ 17.00 ac	\$ 17.00 ac	\$ - ac	\$ 17.00 ac	\$ 17.00 ac	\$ 7.00 ac	\$ 7.00 ac
Weed Control (Post Plant)	\$ 30.00 ac	\$ 30.00 ac	\$ 50.00 ac	\$ 35.00 ac	\$ 35.00 ac	\$ 20.00 ac	\$ 20.00 ac	\$ 20.00 ac	\$ 35.00 ac	\$ 35.00 ac
Insect Control	\$ 26.00 ac	\$ 17.00 ac	\$ - ac	\$ - ac	\$ - ac	\$ 19.00 ac	\$ - ac	\$ - ac	\$ - ac	\$ - ac
Disease Control	\$ - ac	\$ - ac	\$ 25.00 ac	\$ 17.00 ac	\$ 17.00 ac	\$ 17.00 ac	\$ - ac	\$ - ac	\$ 17.00 ac	\$ 17.00 ac
Crop Insurance	?	?	?	?	?	?	?	?	?	?
Harvest/fuel/Machinery	\$ 60.00 ac	\$ 60.00 ac	\$ 60.00 ac	\$ 60.00 ac	\$ 60.00 ac	\$ 60.00 ac	\$ 60.00 ac	\$ 60.00 ac	\$ 60.00 ac	\$ 60.00 ac
Total Crop Expense	\$ 280.00 ac	\$ 231.40 ac	\$ 322.80 ac	\$ 278.00 ac	\$ 302.00 ac	\$ 277.00 ac	\$ 237.00 ac	\$ 238.00 ac	\$ 274.00 ac	\$ 277.00 ac
Yield	2,000 lbs.	1,400 lbs.	1,800 lbs.	80 Bu	65 Bu	2,000 lbs.	4,200 lbs.	3,700 lbs.	95 Bu	85 Bu
Following Crop Return										
Crop Value	\$ 200.00 ac	\$ 336.00 ac	\$ 522.00 ac	\$ 280.00 ac	\$ 341.25 ac	\$ 290.00 ac	\$ 220.50 ac	\$ 296.00 ac	\$ 332.50	\$ 391.00
Net Return	\$ (80.00) ac	\$ 104.60 ac	\$ 199.20 ac	\$ 2.00 ac	\$ 39.25 ac	\$ 13.00 ac	\$ (16.50) ac	\$ 58.00 ac	\$ 58.50	\$ 114.00
	- Round Up as Desicant									
Seeding Rates	180 lbs.	45 lbs.	140 lbs.	100 lbs.	100 lbs.	4 lbs.	100 lbs.	100 lbs.	100 lbs.	100 lbs.
Seed Costs/Lb.	0.35	0.52	0.62	0.23	0.29	11	0.26	0.27	0.26	0.26
Net Sale Price	\$ 10.00 Cwt	\$ 24.00 Cwt	\$ 29.00 Cwt	\$ 3.50 Bu	\$ 5.25 Bu	\$ 15.50 Cwt	\$ 105.00 tn	\$ 160.00 tn	\$ 3.50 Bu	\$ 4.60 Bu
Coasted Price	\$ 11.50	\$ 25.00	\$ 30.00	\$ 4.50	\$ 6.25	\$ 18.00	\$ 125.00	\$ 180.00	\$ 4.50	\$ 5.60
Fertilizer Rate				120 lbs.	180 lbs.	90 lbs.	80 lbs.	80 lbs.	130 lbs.	140 lbs.
Cost / Pound of N				0.3	0.3	0.3	0.3	0.3	0.3	0.3

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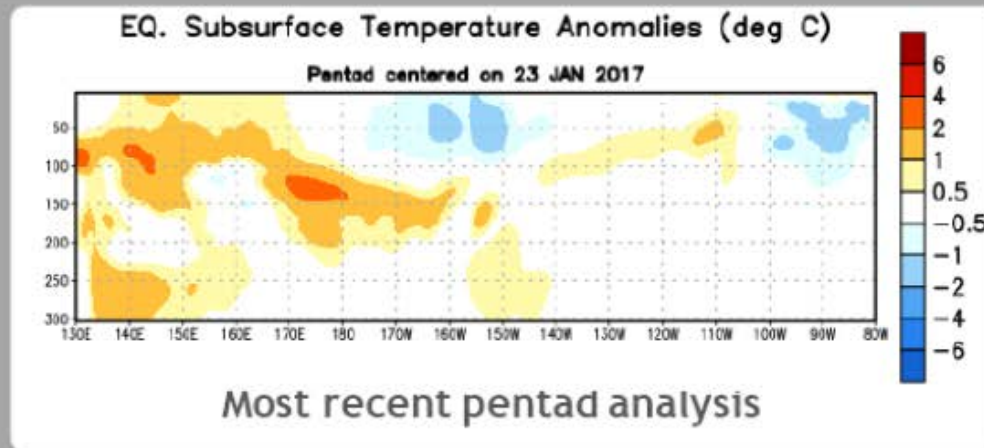
Weather Predictions....



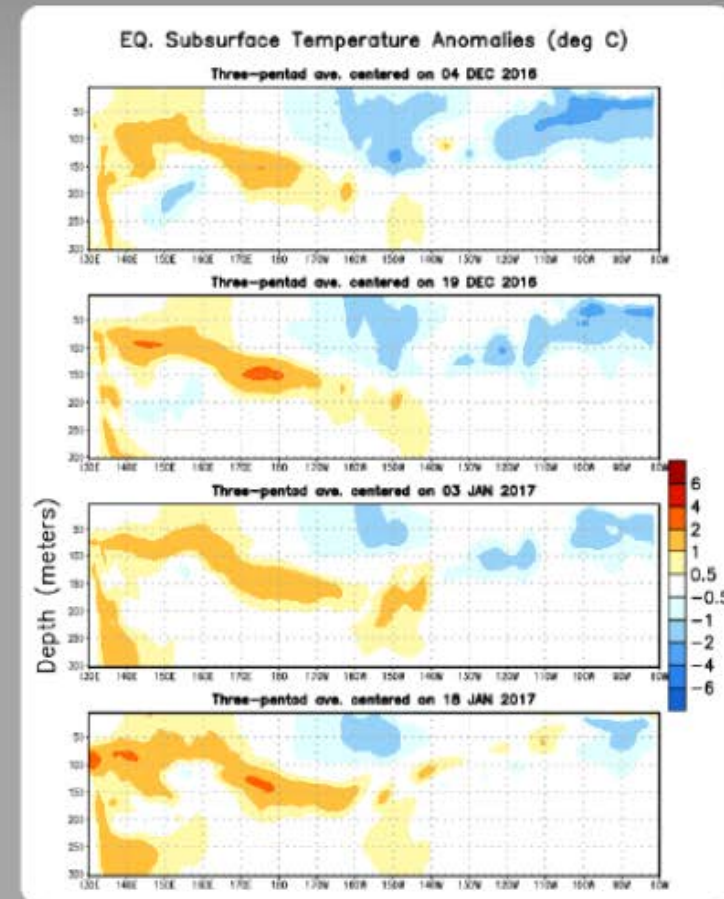
Weather Predictions

Sub-Surface Temperature Departures in the Equatorial Pacific

During the last two months, negative subsurface temperature anomalies have weakened across the equatorial Pacific Ocean.



Positive subsurface anomalies have persisted across the western and central Pacific Ocean.



What does el Niño mean?

- i) Modest summer/autumn dryness in India (pulses), Indonesia/Malaysia (palm – yield 9 months later), Australia (crops).
- ii) Warm summer bias W ½ of Prairies. Somewhat drier summer bias in W ½ too, even though map doesn't fully show.
- iii) Decent outcome in Europe, US. Some summer dryness in E. Europe & FSU (pollination).

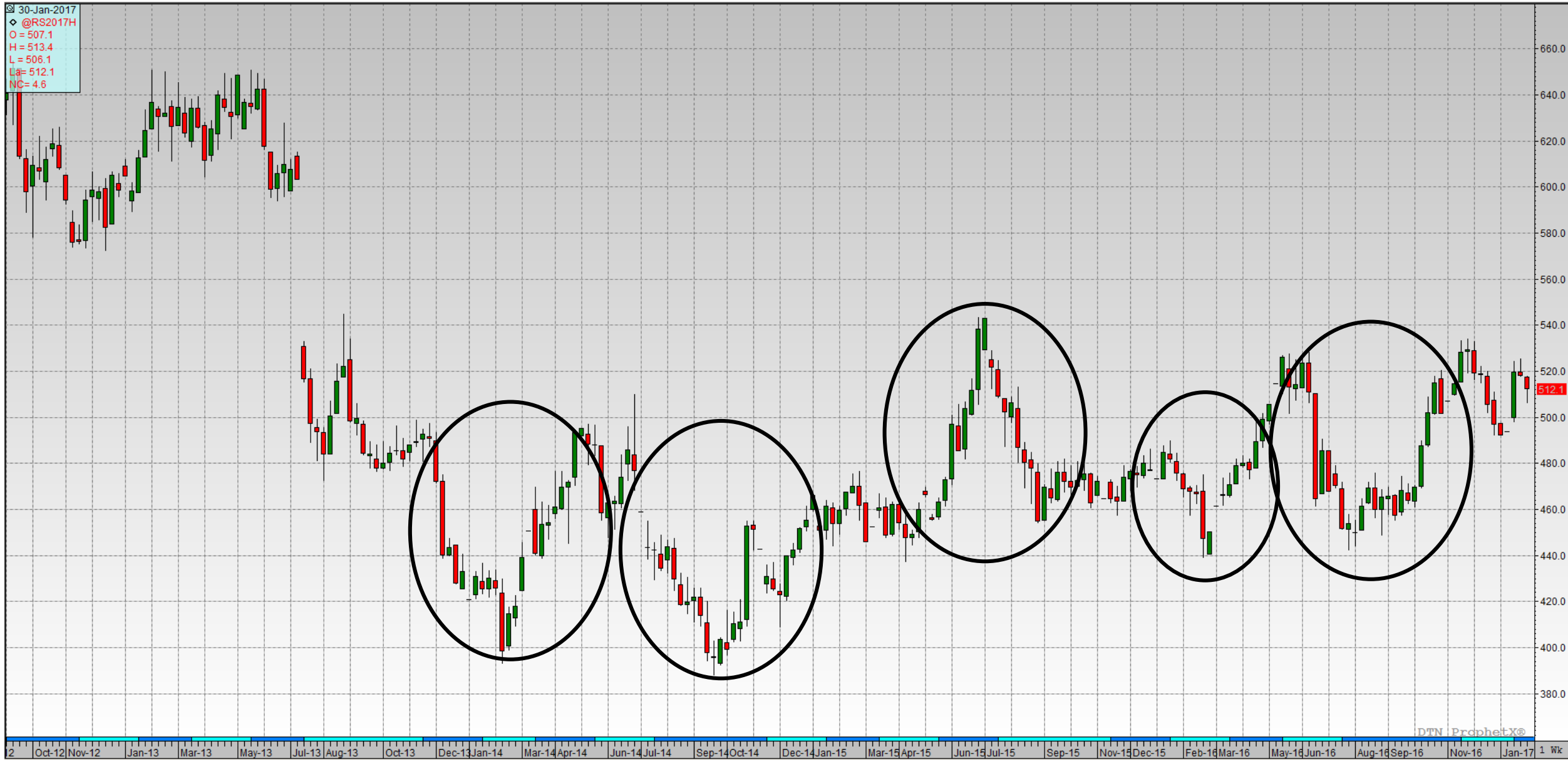
Whether you agree or disagree on potential outcome or have a bias, this evolving event should incrementally add some hype at some point as some will embrace it. Think about likelihood of money flow crowd bias to be long or stay married to a short.

1-Feb-2017
@RS2017H
O = 507.1
H = 513.4
L = 506.1
La = 512.1
NC = 4.6



DTN ProphetX®





My Crystal Ball

- Stable prices
 - Within the typical ebb and flow
- Bin it and sell it later
 - \$1.50/cwt premium RIGHT NOW if you can store it for 6 months

Dictating your market

THE ABSOLUTE BEST WAY TO MAKE
MORE MONEY!

Announcement:



Columbia Grain, Inc

AND

Montana Specialty Mills





Thank You

Questions