

Dollars & Sense

- Canola economical \$\$\$ returns are always higher for top managers
- Last year the canola industry accounted for over \$15 Billion to Canadian Economy
- With over 20 million acres in 2012 we have exceeded our rotational limits and I anticipate a reduction in acreage in 2013 and an expansion in wheat

Canola Economics – Ave 2008 – 2010

Crop: Dryland HT Canola Zone: Brown Soils	Quartiles		Group
	Low	High	Average
Price (\$/Bushel)	9.00	11.50	9.88
Yield (Bushel/Acre)	21.50	28.00	28.29
	----- \$ / Acre -----		
Gross Revenue	221.25	346.95	288.52
Seed, Fert, Chem	97.34	133.88	117.71
Oth. Variable Costs	165.69	220.91	62.56
Fixed Costs	43.57	68.02	58.12
Total Production Costs	213.98	281.85	238.39
Total Cash Costs	185.77	257.19	215.05
Gross Margin	(12.41)	107.15	73.47

Canola Economics – Ave 2008 – 2010

Crop: Dryland HT Canola Zone: Dark Brown Soils	Quartiles		Group
	Low	High	Average
Price (\$/Bushel)	9.00	11.70	10.54
Yield (Bushel/Acre)	30.00	43.33	35.23
	----- \$ / Acre -----		
Gross Revenue	282.63	456.30	386.22
Seed, Fert, Chem	97.00	147.90	115.77
Oth. Variable Costs	62.97	82.16	72.27
Fixed Costs	39.81	80.60	68.20
Total Production Costs	215.67	291.55	256.24
Total Cash Costs	186.64	243.23	223.84
Gross Margin	79.98	278.80	162.38

Canola Economics – Ave 2008 - 2010

Crop: Dryland HT Canola Zone: Black Soils	Quartiles		Group
	Low	High	Average
Price (\$/Bushel)	9.00	11.00	10.38
Yield (Bushel/Acre)	32.00	49.00	41.26
	----- \$ / Acre -----		
Gross Revenue	316.22	530.54	438.25
Seed, Fert, Chem	117.18	181.05	146.66
Oth. Variable Costs	70.97	119.44	97.61
Fixed Costs	60.24	101.76	81.24
Total Production Costs	263.46	377.85	325.50
Total Cash Costs	222.51	324.98	278.17
Gross Margin	40.10	230.12	160.08

Canola Economics – Ave 2008 – 2010

Crop: Dryland HT Canola (All Zone: GreyWooded (South))	Quartiles		Group
	Low	High	Average
Price (\$/Bushel)	9.00	10.75	9.95
Yield (Bushel/Acre)	35.00	52.00	42.91
	----- \$ / Acre -----		
Gross Revenue	360.75	550.00	447.76
Seed, Fert, Chem	125.22	153.99	137.57
Oth. Variable Costs	89.41	136.16	111.90
Fixed Costs	70.03	102.20	86.91
Total Production Costs	291.99	385.80	336.37
Total Cash Costs	247.72	332.62	287.87
Gross Margin	93.63	241.63	159.89

Canola Economics – Ave 2008 – 2010

Crop: Dryland HT Canola (All Zone: GreyWooded (Peace))	Quartiles		Group
	Low	High	Average
Price (\$/Bushel)	8.89	10.00	9.34
Yield (Bushel/Acre)	25.00	38.00	32.66
	----- \$ / Acre -----		
Gross Revenue	241.00	336.30	308.09
Seed, Fert, Chem	107.46	121.76	120.13
Oth. Variable Costs	42.14	73.36	68.29
Fixed Costs	47.42	55.81	53.50
Total Production Costs	199.68	254.25	241.92
Total Cash Costs	177.02	213.03	204.39
Gross Margin	(10.56)	133.21	103.69