

Canola Adapting to Market Demand

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Rapeseed > canola > endless possibilities

- 1940s- rapeseed oil used to supplement petroleum as lubricants
- 1960s- low erucic acid rapeseed developed as edible oil
 - High erucic acid rapeseed oil still a stable niche market for Bunge
- 1975 - first low erucic & low glucosinilate > renamed CANOLA
- 1980s – low linolenic acid canola – improved shelf life
- 1990s – game changers
 - **herbicide tolerance traits** both non-GMO & GMO
 - **High Stability Canola Oil** - low linolenic & high oleic
 - great “No trans fat” alternative to hydrogenated veg oils
- 2000s – improved oil content & general agronomics
 - Soybean progress in high stability struggles
- 2010s – pod shatter, clubroot, sclerotinia, multi gene blackleg resistance

On the horizon

- ▶ USA trans fats ban
 - Canola already offers the solution with high stability oil
- ▶ Zero/reduced saturates
- ▶ Improved meal quality
- ▶ Mergers like Dow/Mycogen-Dupont > canola trait investment
- ▶ > Oil content
- ▶ New herbicide group(s) to:
 - address weed resistance
 - rotate systems
- ▶ GMO challenges?
- ▶ ?



Nutra-Clear NT is a highly stable cooking oil that delivers great tasting fried food. Its **high oleic, low linolenic** content makes Nutra-Clear NT the most stable oil in its category, giving you an exceptionally long frylife and ultimately lower food cost and labor savings. Nutra-Clear NT's versatility as a pure canola oil allows for creating unique back of the house applications such as a chipotle aioli or a blueberry vinaigrette.

Lowest saturated fat level per serving of all oils in this category - At 5% of recommended daily value per serving, falls within the healthy range of saturated fat

High stability - Provides an exceptional sustainable frylife, lowering overall supply labor cost and reduces waste

Zero grams trans fat per serving - Adheres to mounting trans fat and menu labeling legislation initiatives

Great flavor profile - Clean taste, no off flavors allowing your customers to taste their food, not the oil

Highest monounsaturated fat per serving - favorable effect on cholesterol and has heart health benefits

Allergen free - Reduces the incidence of food allergic reactions and product liability

Highly versatile - Multiple uses, from heavy duty deep frying to sauces and vinaigrettes

Outstanding fried food quality - Produces consistent, delicious fried food without an oily mouth-feel or off flavor



Where are we working today?



2016 Program Features

- Health Bonus – Sep-Nov Base = \$1.00/cwt
- **Early Signing bonus - \$0.10/cwt**
- Free On Farm Pickup / Freight assistance
- 1500 lb AOG
- Full Production - delivered by July, 2017
- 1012 RR, 1022 RR & CL 2020 hybrids

2016 Nexera Canola Production Contract

USA Nexera Program

Early Signing Program

On Farm Pickup

Full Production

BUNGE CANOLA HYBRIDS & SEEDING OPTIONS

Hybrid	Planting Date	Harvest
1012 RR	September 2016	November 2016
1022 RR	September 2016	November 2016
CL 2020	September 2016	November 2016

2016 NEXERA PRODUCTION CONTRACT APPLICATION

BUNGE CANOLA HYBRIDS & SEEDING OPTIONS

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2016 Nexera™ Canola Production Contract



Premiums

BUNGE CANOLA DELIVERY & PRICING OPTIONS

Delivery Month	Futures Month	Premium
September- November 2016	November 2016	Base
December 2016 - January 2017	January 2017	Base + \$0.40/cwt
February - March 2017	March 2017	Base + \$0.60/cwt
April - May 2017	May 2017	Base + \$0.50/cwt
June - July 2017	July 2017	Base + \$1.00/cwt

Price example @ Dec 14, 2015 market close (incl .10 ESB):

- **Sept'16 canola bid = 15.85**
- **Sep-Nov'16 Nexera = 16.95**
- **Dec'16-Jan'17 Nexera = 17.35**
- **Feb-Mar'17 Nexera = 17.55**
- **Apr-May'17 Nexera = 17.45**
- **June-July'17 Nexera = 17.95**

Carrington Trial

Nexera Program 2016

	<i>Nexera 1022RR</i>	<i>L140P</i>	<i>252</i>
Yield	2,283	2,321	2322
Price/cwt	\$ 15.66	\$ 15.66	15.66
Premium/CWT	\$ 1.10	\$ -	0
Freight value/CWT	\$ 0.60	\$ -	0
Price w/Premium/cwt	\$ 17.36	\$ -	0
Return/Ac	\$ 396.33	\$ 363.47	\$ 363.63
Return/Quarter	\$ 63,412.61	\$ 58,154.98	\$ 58,180.03
Difference	\$ 5,257.63		

Grain Marketing Team at Altona

- ▶ Candace Brunn – Grain Marketing Specialist
 - ▶ James Loewen – Grain Marketing Coordinator
 - ▶ Vanessa Braun – Grain Services Coordinator
 - ▶ Jeremy Hildebrandt – Grain Services Coordinator
 - ▶ Andrea Hildebrand – Grain Services Coordinator
 - ▶ Nolan Friesen – Grain Manager
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- ▶ Phone: Altona Office 1-800-203-9576
 - ▶ www.BungeServices.com and Bunge Mobile App!
 - Canola and Nexera prices