



Knowing Your Canola Markets

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CANOLA MARKETS

- **Canola Basics**
- **World View**
 - Futures, Oil Supply/Demand
- **North American**
 - Crop Size
- **Local Markets**
- **Knowing Your Product**
- **Making your decision**

CANOLA BASICS

- Canola Futures

- Futures are traded on the ICE (formerly Winnipeg Commodity Exchange)
- Canola Futures are traded in Canadian Funds
- Unit of Measure – Metric Ton (2,204.62 pounds)
- 1 Contract = 20 Metric Tonnes (44,092.4 pounds)

	Name		Last	Net Chng	High	Low	Open	Bid	Ask	Volume	Settle
Canola											
RSc1	ICE CANOLA JAN8	☐	508.40	+2.30	509.80	506.10	506.10	508.20	508.50	1114	506.10
RSc2	ICE CANOLA MAR8	☐	516.40	+2.20	517.50	514.20	514.20	516.40	516.70	422	514.20
RSc3	ICE CANOLA MAY8	☐	522.80	+2.80	523.60	522.50	523.00	522.40	522.60	172	520.00
RSc4	ICE CANOLA JUL8	☐	525.90	+2.80	526.40	525.40	525.40	525.50	525.70	17	523.10
RSc5	ICE CANOLA NOV8	☐	504.90	+1.90	504.90	504.90	504.90	505.00	505.20	17	503.00
RSc6	ICE CANOLA JAN9	☐	506.50					508.10	509.20		506.50
RSc7	ICE CANOLA MAR9	☐	508.30					508.70	516.20		508.30
RSc8	ICE CANOLA MAY9	☐	508.30					508.70	519.70		508.30

CANOLA BASICS

- **Canadian Dollar Exchange is how we convert Canola into a US Priced Commodity**
 - Traded on CME Globex
 - Influence heavily by
 - US Dollar
 - Crude Oil
 - Currently Trading around .7900.
 - You can buy .7900 US Dollars for every 1 Canadian Dollar.

CANOLA BASICS

$(\text{Futures} \pm \text{Basis}) \times \text{Exchange Rate} = \text{Price/mt}$

$\text{Price per metric ton} / 2,204.62 = \text{Price per Pound.}$

$\text{Price per pound} \times 100 = \text{Price Per CWT.}$

Futures	Basis		Exchange		Price
510	- 8	x	.7900	=	\$396.58/mt US

$\$396.5 / 2,204.62 = \$.1799/\text{pound}$

$\$.1799 \times 100 = \$17.99/\text{CWT.}$

WORLD VIEW

- **Common outside factors influencing Canola**
 - Soybean Futures
 - Soybean Oil Futures
 - Canola Oil is priced off of Soybean Oil Futures
 - Other Vegetable Oils (Palm Oil)
 - Canadian Dollar Exchange (inversely related)
 - Crude Oil
 - Weather

NORTH AMERICA

- **Common internal factors influencing Canola Prices**
 - Supply
 - Crop Size in Canada and the US
 - Timing of Farmer Selling
 - Demand
 - Crush and Crush Capacity
 - Export Demand (China)

LOCAL MARKETS

- Local Elevator

- Locations all over NW Minnesota and NE North Dakota
- Can ship to Crush Plant or Export

- Crush Plant/End User

- NW Minnesota
- Southern Manitoba
- South East ND
- West Central ND

KNOWING YOUR PRODUCT

- What type of Canola did you grow?

- Commodity
- Specialty

- What is the quality of your Canola?

- Factors
 - Moisture
 - Green Count
 - Heat Damage
 - Foreign Material
 - Oil %?

KNOWING YOUR PRODUCT

- **What is your canola worth in your bin?**
 - Quality
 - Cash Price
 - Freight

- **What are your costs?**

- **What is a realistic profit margin?**

BID SHEET



Bid Sheet

Delivered CHS Hallock, MN

Date:

12/5/2017

Dump Hours:

Monday - Friday 7AM to 7PM

Delivery Month	Basis	Futures	Cash Price CDN \$ / MT	US \$ / MT Delivered	US \$ / CWT Delivered	US \$ / BU Delivered	CDN \$ / BU Delivered	
Dec	F	-8 \$	509.70 \$	501.70 \$	395.14 \$	17.92 \$	8.96 \$	11.38 \$
Jan	F	-5 \$	509.70 \$	504.70 \$	398.03 \$	18.05 \$	9.03 \$	11.45 \$
Feb	H	-7 \$	518.50 \$	511.50 \$	403.39 \$	18.30 \$	9.15 \$	11.60 \$
Mar	H	-5 \$	518.50 \$	513.50 \$	404.97 \$	18.37 \$	9.18 \$	11.65 \$
April	K	-5 \$	524.90 \$	519.90 \$	410.02 \$	18.60 \$	9.30 \$	11.79 \$
May	K	-2 \$	524.90 \$	522.90 \$	412.39 \$	18.71 \$	9.35 \$	11.86 \$
June	N	-2 \$	528.40 \$	526.40 \$	415.15 \$	18.83 \$	9.42 \$	11.94 \$
July	N	0 \$	528.40 \$	528.40 \$	416.72 \$	18.90 \$	9.45 \$	11.98 \$

Contact us today at 1-855-5CANOLA in the U.S. and 1-844-222-6652 in Canada. All bids are subject to change without notice. All contracts will be in MT. Payable in USD.

HOW TO RECEIVE OUR BIDS

- **Website**

- www.chsag.com/hallock

- **Email Bids**

- Email Zack.Schaefer@chsinc.com

- **Text Message**

- Text: 701-370-5240

- Name and Provider



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Thank You!

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