Why Specialty Crops?

- I mean, Really? What is the big deal?
Why Specialty Crops?

• I mean, Really? What is the big deal?
• Low Volume, High Margin
I mean, Really? What is the big deal?
• Low Volume, High Margin
• Versatility and Profitability on the Farm.
Why Specialty Crops?

• I mean, Really? What is the big deal?
• Low Volume, High Margin
• Versitility and Profitability on the Farm
Why Canola?

- It can and will work in your rotation.
Why Canola?

- It can and will work in your rotation.
- World wheat demand is increasing at a decreasing rate from 2.5% to 1.5% over the next 30 years.
Why Canola?

- It can and will work in your rotation.
- World wheat demand is increasing at a decreasing rate from 2.5% to 1.5% over the next 30 years.
- Fats & oils are increasing at an increasing rate 3.3% to 5%.
The World Wants Twinkies Too...

- The Western diet is seeing duplication throughout the developing world.
The World Wants Twinkies Too...

- The Western diet is seeing duplication throughout the developing world.
- Think China...
The World Wants Twinkies Too...

• The Western diet is seeing duplication throughout the developing world.
• Think China...
• Now think “Dog Chow”
Canola Market Movers

• C-A-N-A-D-A: It’s more than just hockey and polite people in flannel.
Canola Market Movers

- The U.S. grows 2 million acres of canola.
Canola Market Movers

- The U.S. Grows 2 million acres of canola.
- Canada grows 20 million.
Canola Market Movers

- Vegetable Oil Markets
Canola Market Movers

- Vegetable Oil Markets
- Palm from Malaysia
Canola Market Movers

- Vegetable Oil Markets
  - Palm from Malaysia
  - Rape/Canola from Europe
Canola Market Movers

- Vegetable Oil Markets
  - Palm from Malaysia
  - Rape/Canola from Europe
  - Soy from North and South America
Canola Market Movers

- Vegetable Oil Markets
  - Palm from Malaysia
  - Rape/Canola from Europe
  - Soy from North and South America
- Flax, cotton, corn, sunflower, safflower and etc......
Canola Market Movers

• The “Crush” Formula
Canola Market Movers

- The “Crush” Formula
- Value of canola meal (local basis + CBOT Soy Meal) PLUS
Canola Market Movers

• The “Crush” Formula
• Value of canola meal (local basis + CBOT soy meal) PLUS
• Value of canola oil (local basis + CBOT soy oil) MINUS
Canola Market Movers

• The “Crush” Formula
• Value of canola meal (local basis + CBOT soy meal) PLUS
• Value of canola oil (local basis + CBOT soy oil) MINUS
• (Value of ICE Canola +basis) times the C$
The Loonie is Getting Looney

• Currency trade is crazy complicated.
The Loonie is Getting Looney

- Currency trade is crazy complicated.
- Correlation does NOT equal causation
The Loonie is Getting Looney

- Currency trade is crazy complicated.
- Correlation does NOT equal causation
- But.... Look at this:
The Loonie is Getting Looney
The Loonie is Getting Looney
The Loonie is Getting Looney
This crop has a lot of moving parts.
Basics

- This crop has a lot of moving parts.
- Veg oil, veg oil, veg oil!
Basics

• This crop has a lot of moving parts.
• Veg oil, veg oil, veg oil!
• Loonie, loonie, loonie!
Basics

- This crop has a lot of moving parts.
- Veg oil, veg oil, veg oil
- Loonie, loonie, loonie
- Marsha, Marsha, Marsha!
Canola vs. Major Grains

Canola Vs. Wheat Vs. Corn Vs. Soy Beans

In U.S. Dollars Per Bushel
Talk to me...

- Mike Conklin
- 509-349-8463
- mconklin@scoular.com
Questions?