



GRAIN MILLERS

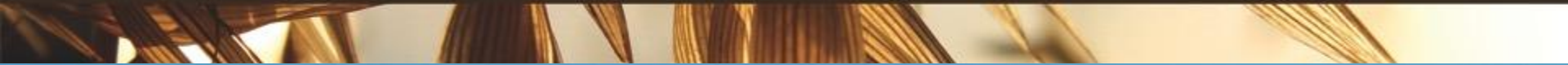
Oat Market Outlook 2019





GRAIN MILLERS

Rycroft Transload Facility



2800 mt elevator opened November 2018 in Rycroft

2018 in a nutshell.....

- Weather challenges
- Drought in areas
- Early frost/snow
- Difficult harvest



How are we starting 2019

- What is the quality?
- Seeing extremely high quality, good color and test weight. Also seeing
- High than average frost damage
- 0-80% damage
- Very low test weights
- Sprouting and related weather damage

How are we starting out 2019

- Imagine on a trip in your vehicle and your “low fuel” light comes on....that is where we are at
- 500,000mt carry out with questionable quality
- Stats Can is projecting around a 2% increase in acres.....
- Grain Millers is predicting a closer to 5% increase
- In areas as other cereals, finding quality seed is proving to be a challenge

How are we starting out 2019

- Interesting times in Canadian Oat markets
- Export to non traditional markets
- Depending on 2019 yields, we could see anything from .50\$ increase to a .25\$ decrease from todays values
- All the typical factors will of course affect price
- Hi-Pro Feeds closing doors Feb 1, 2019 which will change Northern Alberta feed markets

2019 Organic Outlook

- Strong demand for good quality old crop
- Very strong supply of organic CWRS and Yellow peas with limited marketing opportunities so predicting an increase of organic oat acres
- Strong new crop pricing is being offered to growers
- Grain Millers new mill will be opening in Yorkton in late 2019

So what to do next???

- Pay attention to what is happening in Canada/US markets
- Watch Australian and European markets
- At harvest take a large amount of samples, know what you have in your bins !!
- Market in stages, know your costs and spread out your sales over the crop year and take advantage of opportunities
- During harvest, take a few minutes and look for bumps up in the market or trends to take it down. Crazy things can happen during a harvest

So what to do next???

- Thank You !
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- Questions ?