

## EU Extra oat exports growing at annual rate of 7%

### Market summary

Chicago oat futures finished higher again last week with the May contract testing major overhead resistance at \$2.40 USBU. The current short-term trend is up while negative oat Technicals continue to soften on recent fund buying. Total oat futures open interest eased slightly this week on the Managed Money buying of their large short.

Fund/spec and outside markets, corn and wheat, remain the primary drivers of CBOT oat prices. Canadian grower hedging is extremely light and unlikely to form a huge percentage of daily trade volume moving forward unless prices rally.

Managed Money (MM) reduced 11% of their short position last week but are still holding a sizeable long. Other Reporting Traders and Non-Reporting Traders were net sellers this week, both decreasing some of their still rather large long positions. NRT are holding over 50% of long side OI.

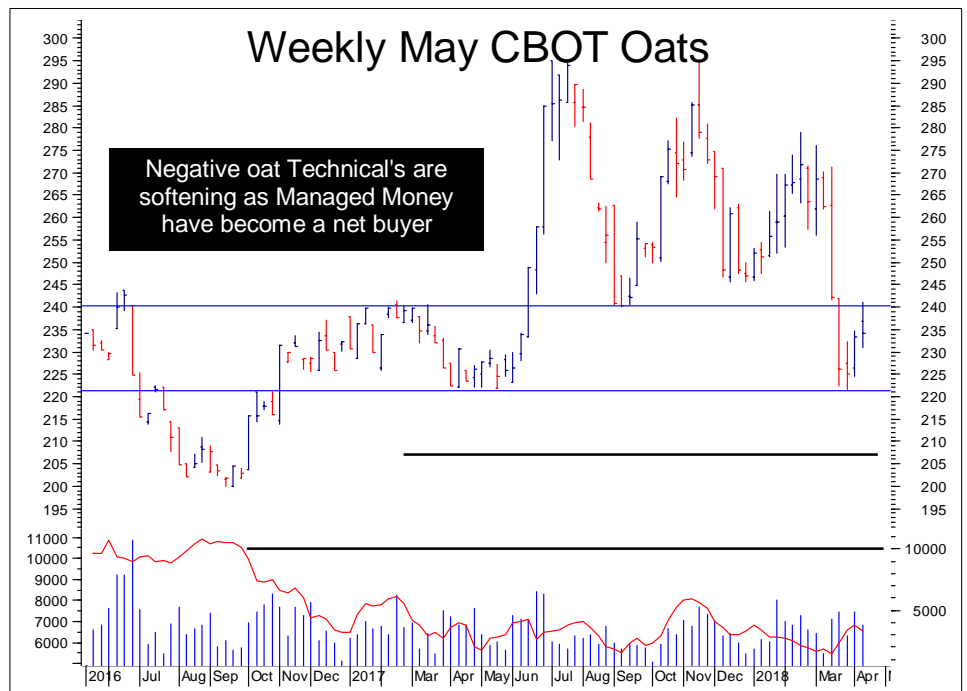
The combined fund/spec net CBOT oat long decreased again this week with NRT and ORT selling offsetting the MM buying. We continue to see a steady erosion of the combined long.

MM trading of other major crops saw a mixed bag this week. SRW, HRW and corn saw net buying, while MM were selling of soybeans and Soyoil.

Canadian cash oat trade remains very limited as oat prices in Western Canada remain below grower target price levels. Prices will need to climb near \$.25 to .30 CPBU for garner the attention of growers. The cold weather, rain and snow this spring are likely to see later than normal seeding of oat crops across most of Western Canada. Major US oat areas are also expected to see later than normal seeding.

A strong winter storm is slated for Alberta early next week that will further bolster snowpack in several areas. Historically, later seeding tends to reduce overall oat yields.

In Europe/UK, physical oat prices closed mixed. UK grower values were up slightly in the latest reporting period. Prices have rebounded off winter lows. Trade volumes were down, falling to the lowest weekly level in over three months.



(Continued on page 2)

German values were up slightly. Current trends are bucking historic seasonally lower trends.

Finnish oat prices, commercial and grower, were unchanged on the week. Finnish oat seeding is also expected to see some delays this year.

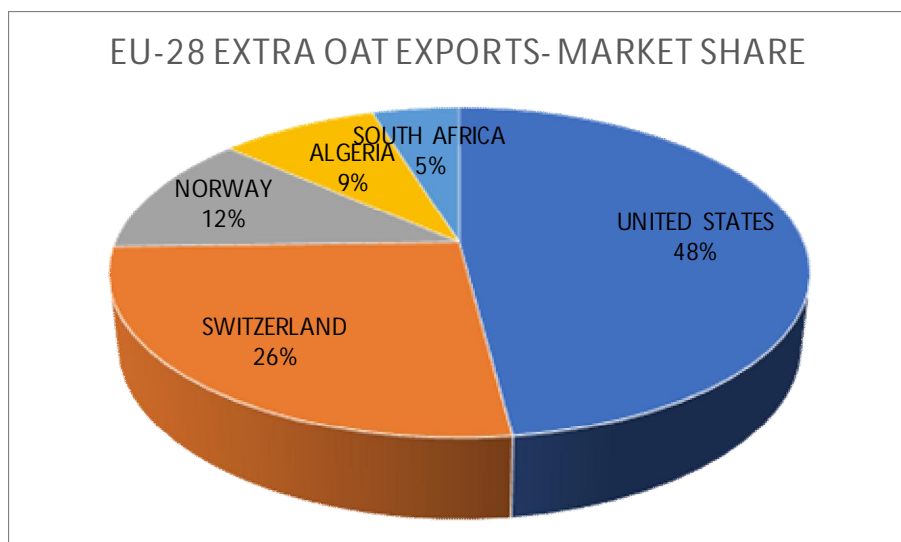
Western Australia grower oat prices were mixed on the week with 2017/18 values falling, 2018/19 are unchanged. 2017/18 values have seen increased volatility in recent weeks.

Dryness in eastern states is slowing seeding activity for oats as growers await adequate rainfall.

Western Australia also has some moisture issues though some regions are in decent shape to begin seeding.

### EU-28 extra oat exports growing at 7% annually

EU-28 Extra oat exports, those going to non-EU countries, are growing at a rate of 7% annually. Five countries account for 94% of extra EU exports, The US,



Switzerland, Norway, Algeria and South Africa (see chart above). The US accounts for nearly half of the annual extra exports.

Extra exports have seen a steady decline since 2002 when they accounted for 62% of total EU – 28 oat exports to 20-year low of 12% in 2016. The percentage has leveled out in recent years averaging 19% of total exports over the past five years.

While off the recent five-year high of 0.445 MMT, exports are on pace year to-date (Jul-Dec) to climb 13% (see below). US exports are up 185% but this is

due to a late shipment from the 2016/17 crop year that spilled over into the 2017/18 exports.

Extra exports are mainly targeted to horse and milling markets. US exports are almost always targeted to the horse sector while Algeria and Norway demand is targeted to animal feed. Switzerland and South Africa import EU oats for milling markets.

We are not expecting any major shift from current trends with EU extra exports showing some volatility depending on Canada and Australia production/exports.

### EU Oat Exports - Extra EU 3rd Countries

metric tonnes	12-13	13-14	14-15	15-16	16-17	5 Yr avg	% of Total	5 yr CAGR	Year to Date (Jul-Dec)		Chge	MT Chge	Trends
									17-18	16-17			
UNITED STATES	7,806	195,755	114,484	185,548	48,249	112,050	44.9%	44%	59,781	20,998	184.7%	38,783.2	
SWITZERLAND	40,384	54,103	48,517	116,254	55,890	62,046	24.9%	7%	19,209	26,760	-28.2%	(7,551.2)	
NORWAY	41,421	38,912	3,257	14,906	4,785	27,885	11.2%	-35%	4,433	1,788	148.0%	2,645.2	
ALGERIA	9,222	7,957	16,171	59,868	21,613	20,293	8.1%	19%	6,945	21,517	-67.7%	(14,571.9)	
SOUTH AFRICA	26	-	25,133	31,022	963	11,236	4.5%	106%	25	387	-93.4%	(361.1)	
CHINA	-	5	696	11,262	2,082	2,393	1.0%		17	2,024	-99.2%	(2,006.8)	
CANADA	-	11,075	0	133	1	2,242	0.9%		28	-	0.0%	27.6	
SERBIA	1,832	2,285	2,205	2,521	845	2,137	0.9%	-14%	361	272	32.6%	88.9	
BOSNIA AND HERZEGOVINA	203	1,463	2,003	3,555	626	1,888	0.8%	25%	99	339	-70.9%	(240.4)	
MOROCCO	497	356	445	5,167	3,793	1,504	0.6%	50%	951	3,184	-70.1%	(2,232.6)	
ALBANIA	80	525	357	3,452	392	1,303	0.5%	38%	153	348	-55.9%	(194.4)	
UNITED ARAB EMIRATES	13	29	473	3,390	2,803	781	0.3%	192%	348	2,781	-87.5%	(2,432.9)	
OTHERS	1,590	2,222	3,073	8,184	2,940	3,520	1.4%	13%	894	1,775	-49.7%	(881.5)	
TOTAL	103,073	314,687	216,814	445,261	144,982	249,277	100.0%	7%	93,244	82,172	13.5%	11,072.1	

# Commitment of Traders

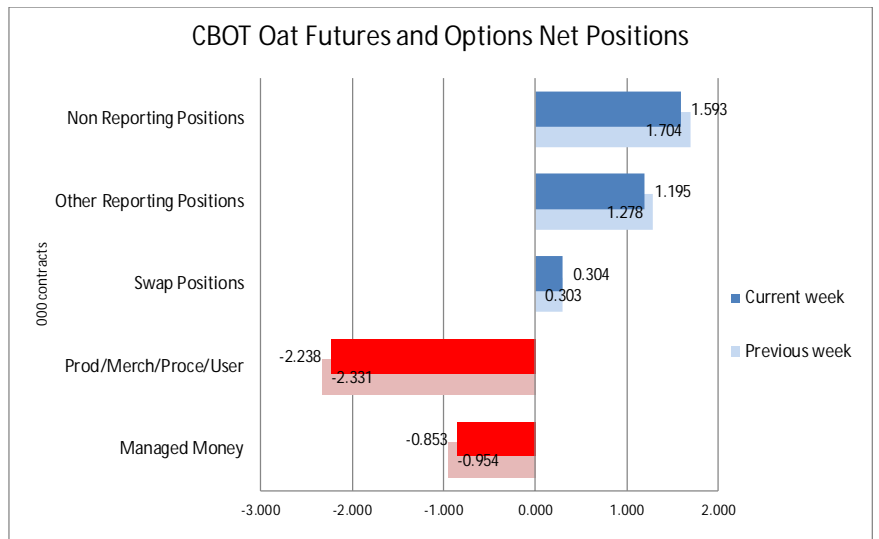
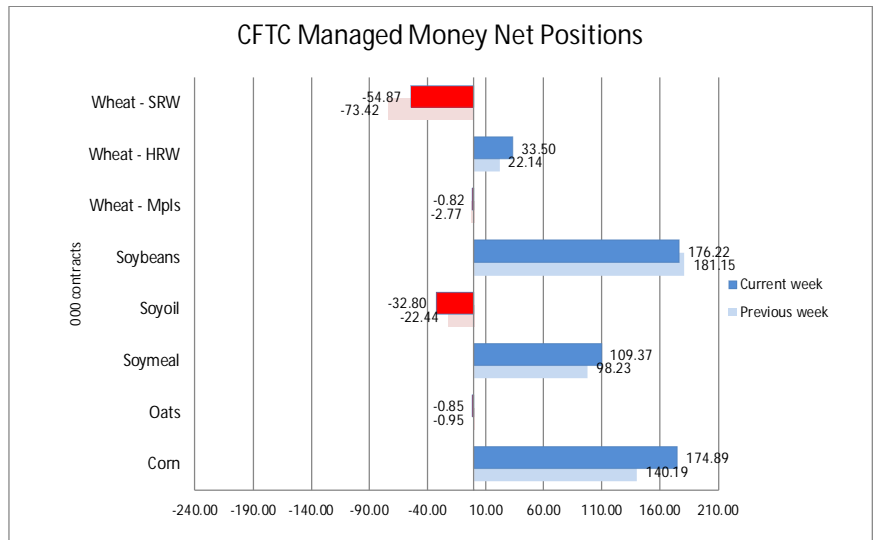
## CBOT Commitment of Traders Report

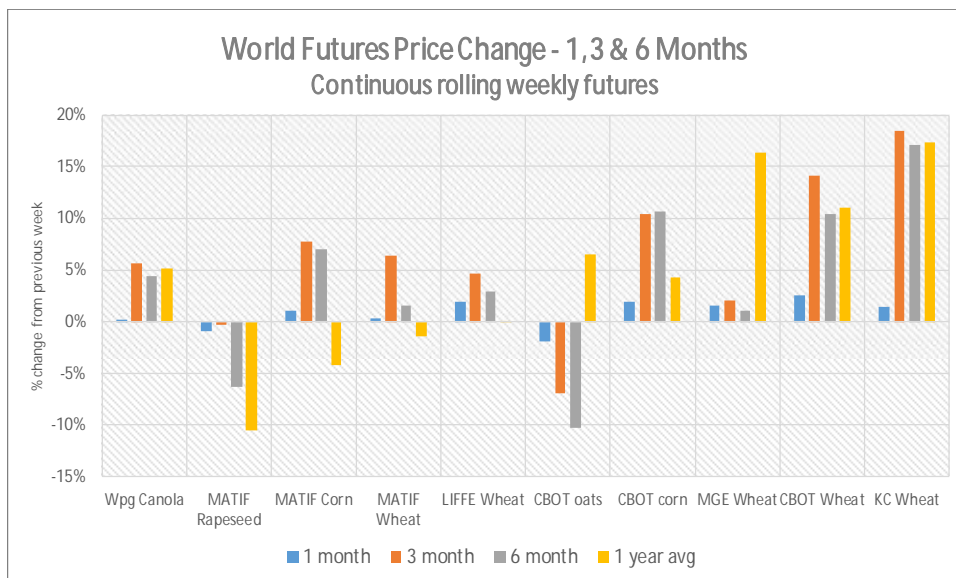
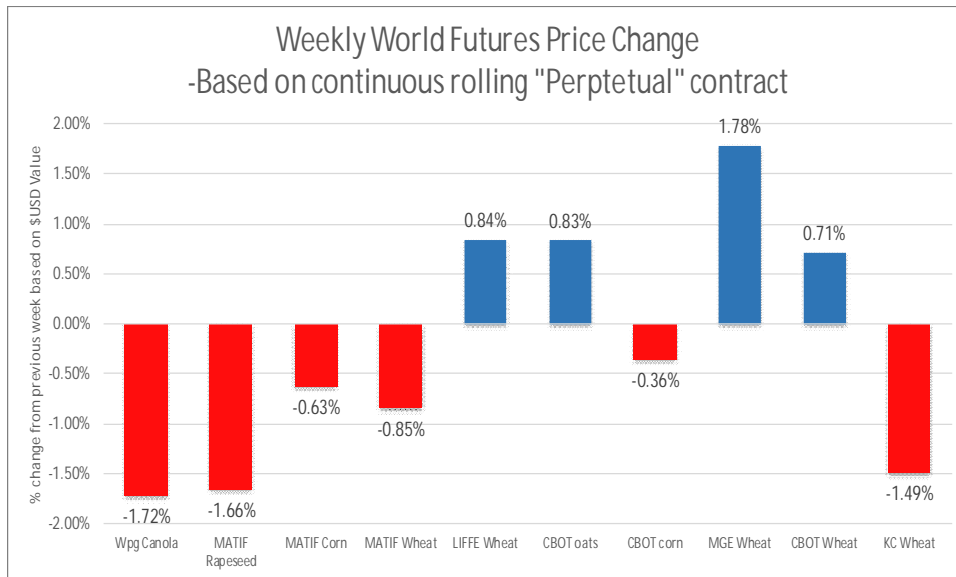
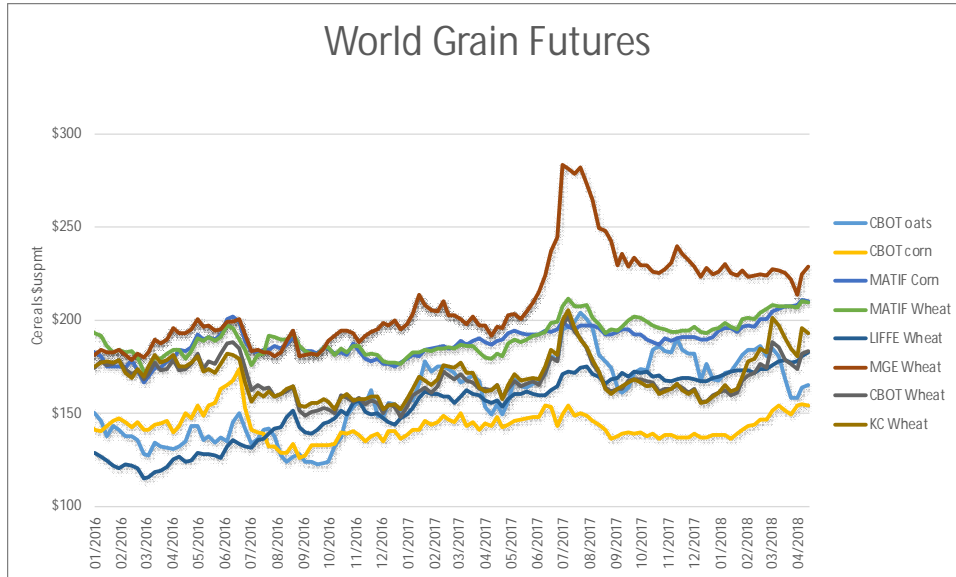
Disaggregated Futures and Options

Commodity	Managed Money			Prod/Merch/Proce/User			Swap Positions			Other Reporting			Non Reporting		
	Net Positon	Weekly Change	Weekly change %	Net Positon	Weekly Change	Weekly change %	Net Positon	Weekly Change	Weekly change %	Net Positon	Weekly Change	Weekly change %	Net Positon	Weekly Change	Weekly change %
Com	174.89	34.70	25%	-506.53	-31.54	7%	254.92	6.78	3%	142.93	-6.56	-4%	-66.211	-3.376	5%
<b>Oats</b>	<b>-0.853</b>	<b>0.10</b>	<b>-11%</b>	<b>-2.238</b>	<b>0.09</b>	<b>-4%</b>	<b>0.304</b>	<b>0.00</b>	<b>0%</b>	<b>1.195</b>	<b>-0.08</b>	<b>-6%</b>	<b>1.593</b>	<b>-0.111</b>	<b>-7%</b>
Soymeal	109.37	11.14	11%	-241.10	-6.41	3%	76.29	-4.33	-5%	35.77	-3.43	-9%	19.663	3.017	18%
Soyoil	-32.80	-10.36	46%	-127.11	13.71	-10%	100.63	-3.58	-3%	53.14	1.75	3%	6.140	-1.518	-20%
Soybeans	176.22	-4.94	-3%	-267.87	-9.05	3%	144.15	3.13	2%	23.93	4.36	22%	-76.434	6.494	-8%
Wheat - Mpls	-0.82	1.95	-70%	-5.77	-3.46	150%	3.60	0.35	11%	4.21	0.04	1%	-1.221	1.123	-48%
Wheat - HRW	33.50	11.36	51%	-78.67	-15.90	25%	35.16	6.29	22%	11.27	-2.31	-17%	-1.254	0.562	-31%
Wheat - SRW	-54.87	18.55	-25%	-84.84	-15.70	23%	117.62	-0.58	0%	34.45	1.64	5%	-12.355	-3.900	46%
Total	404.63	62.50	18%	-1314.11	-68.27	5%	732.67	8.07	1%	306.89	-4.58	-1%	-130.079	2.291	-2%

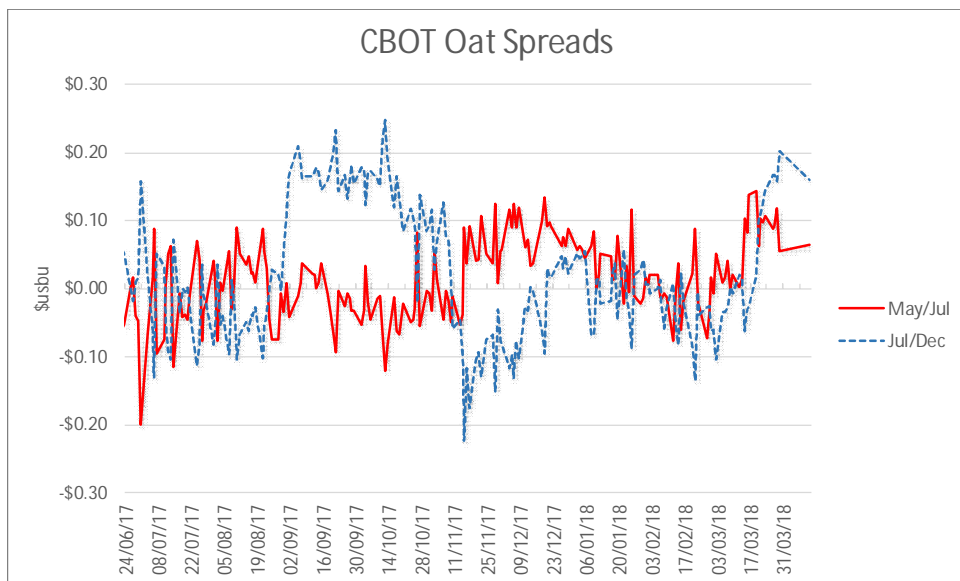
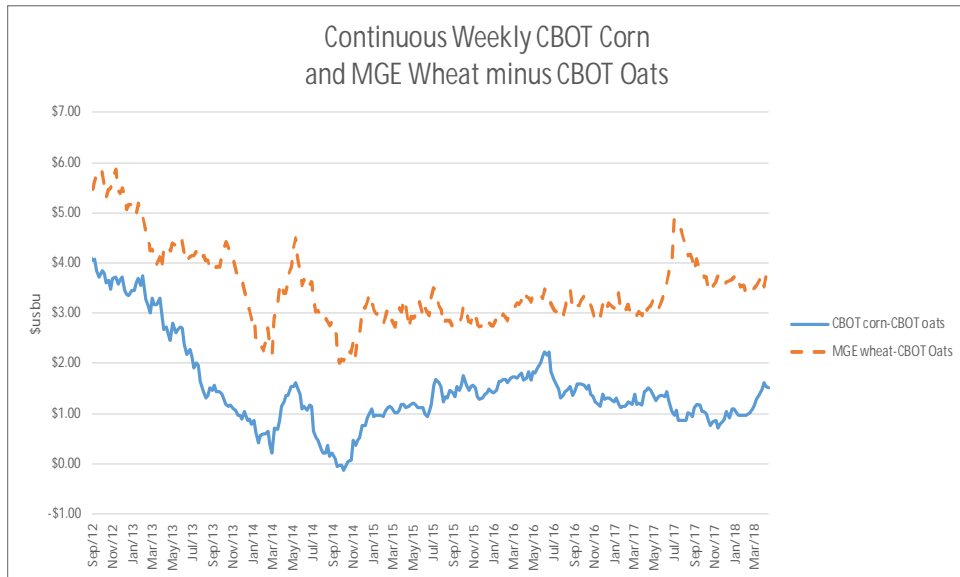
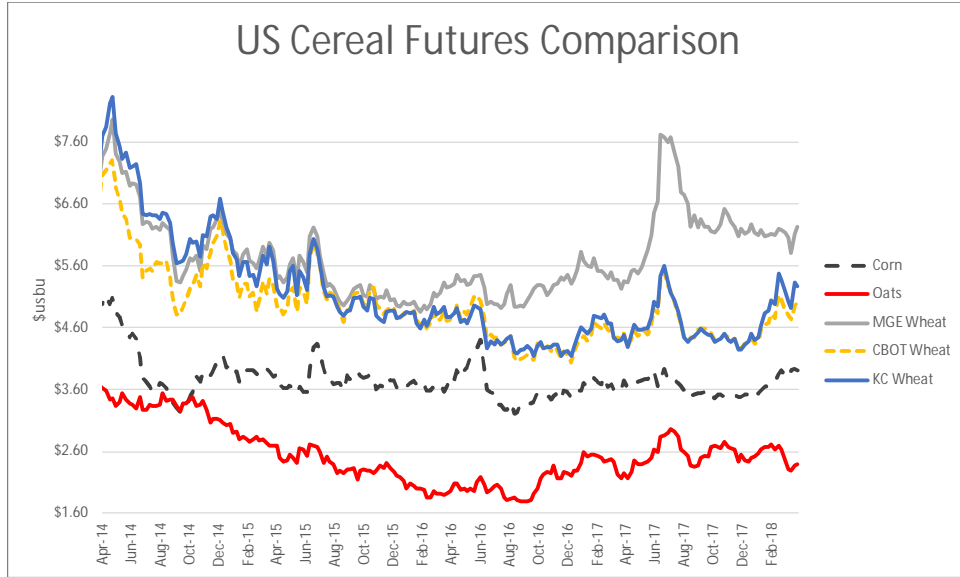
### As of April 10, 2018

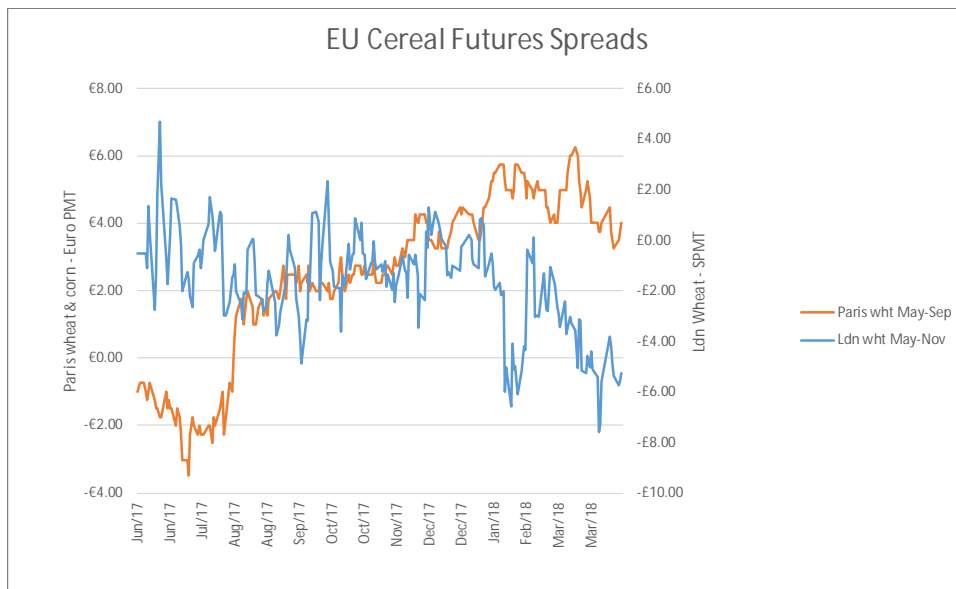
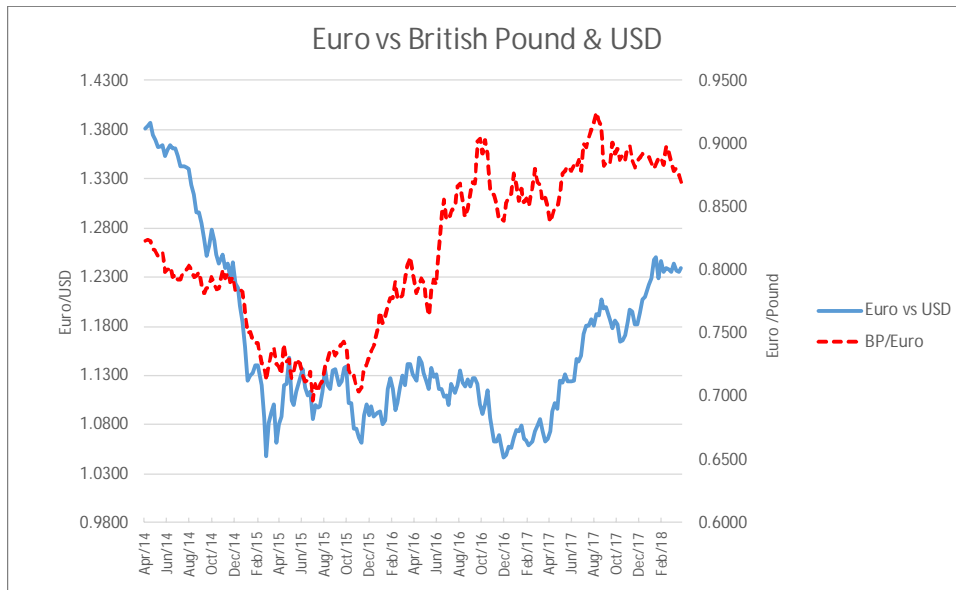
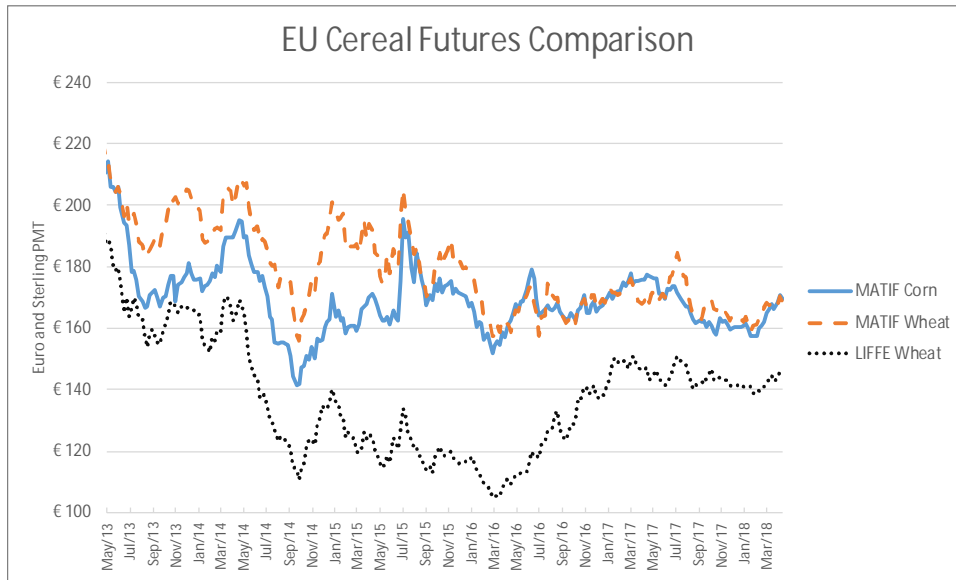
- Managed Money (MM) reduced 11% of their short position last week but are still holding a sizeable long.
- Other Reporting Traders and Non-Reporting Traders were net sellers this week, both decreasing some of their still rather large long positions. NRT are holding over 50% of long side OI.
- The combined fund/spec net CBOT oat long decreased again this week with NRT and ORT selling offsetting the MM buying. We continue to see a steady erosion of the combined long.
- Total oat futures open interest climbed for the further week in row but remains near record lows.
- MM trading of other major crops saw a mixed bag this week. SRW, HRW and corn saw net buying, while MM were selling of soybeans and Soyoil.



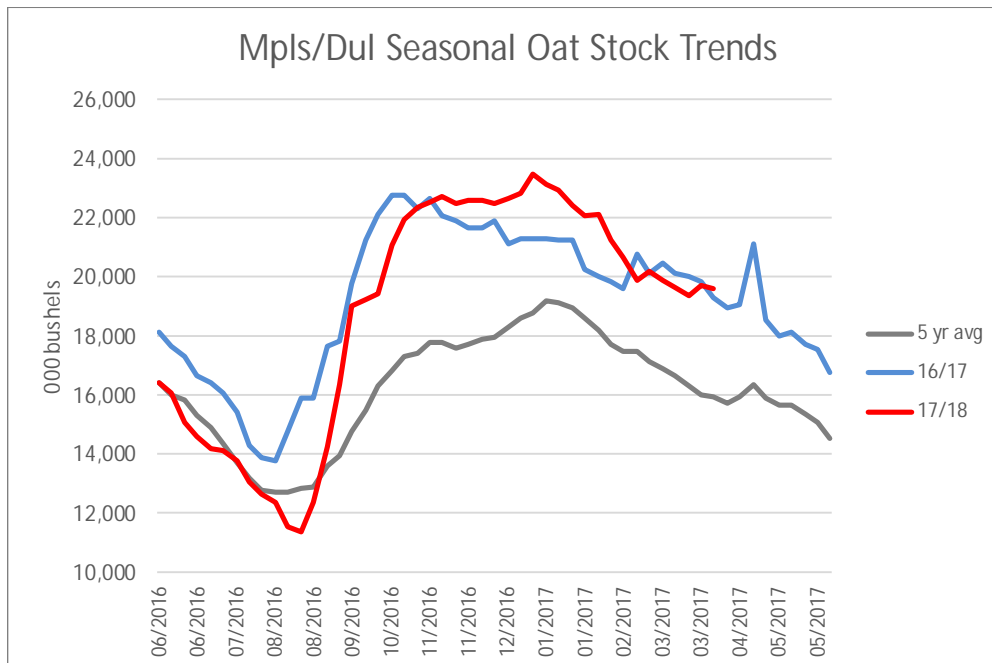
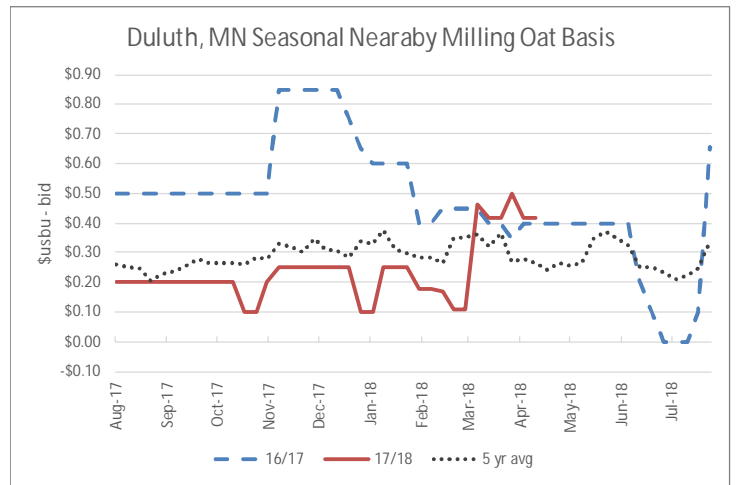
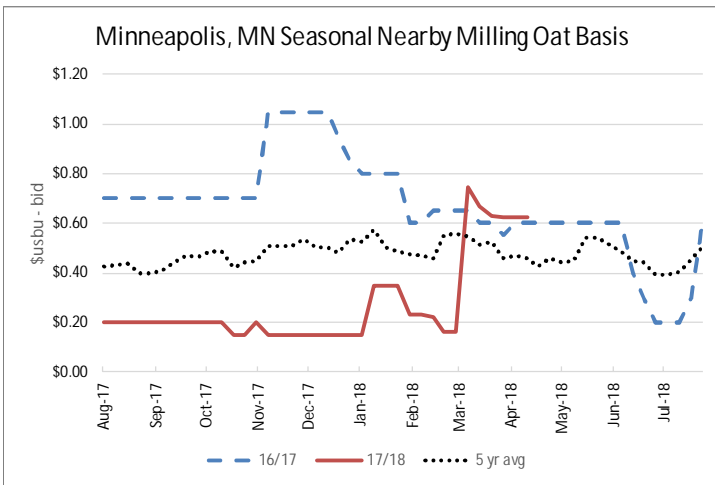
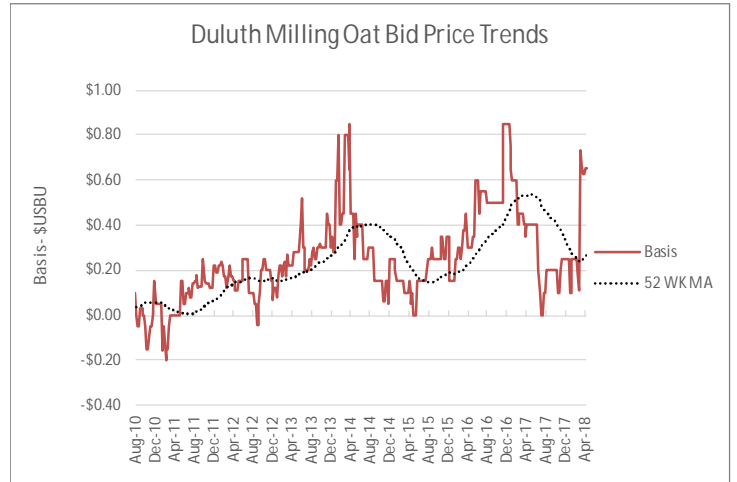
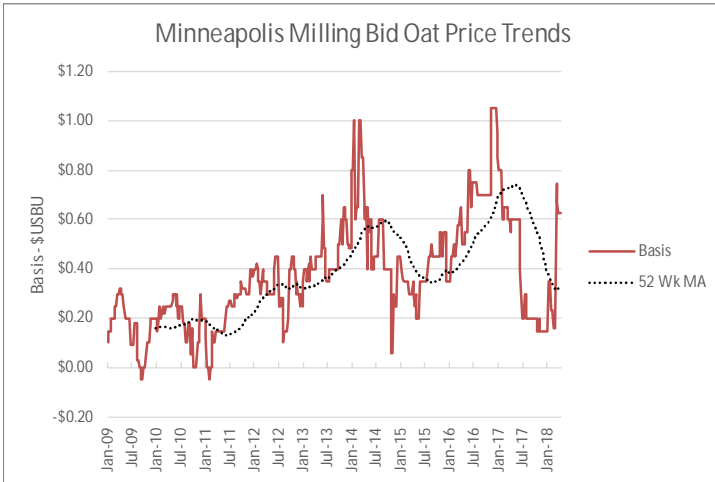


# North American Futures Trends

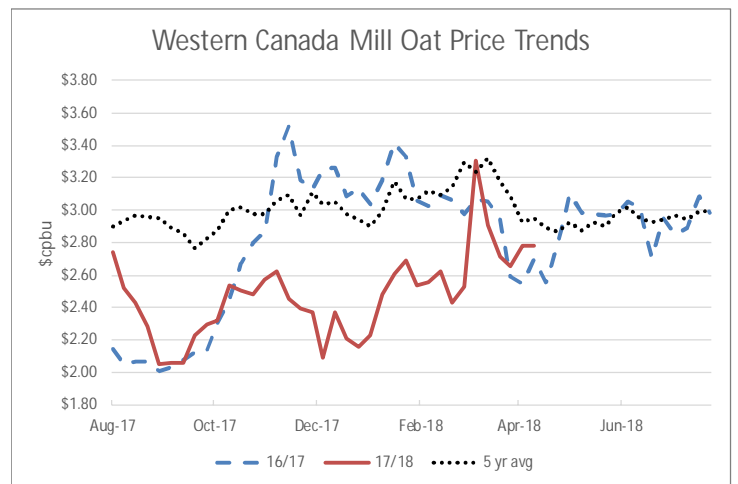
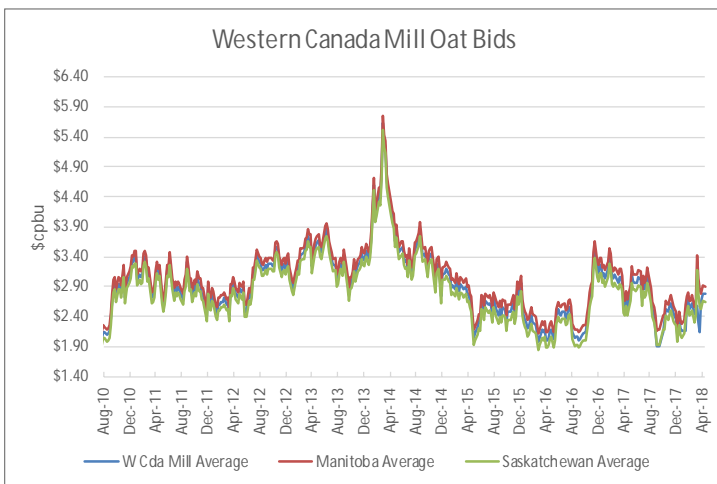
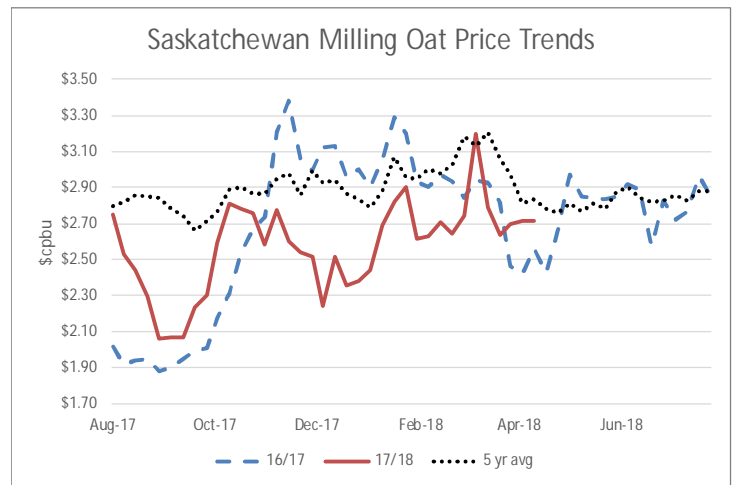
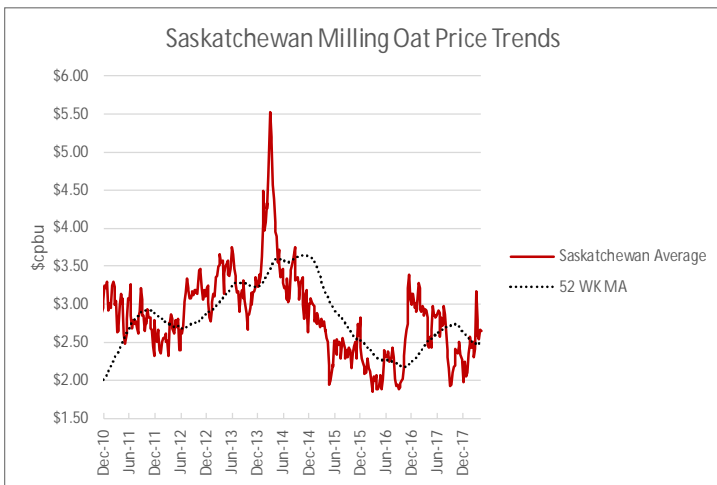
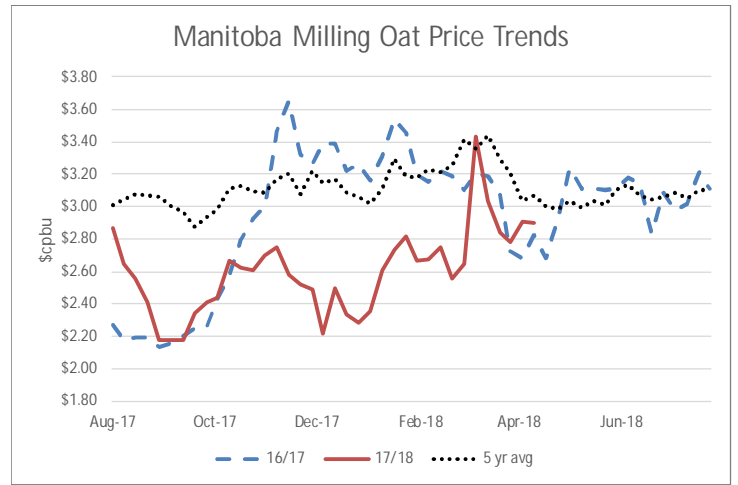
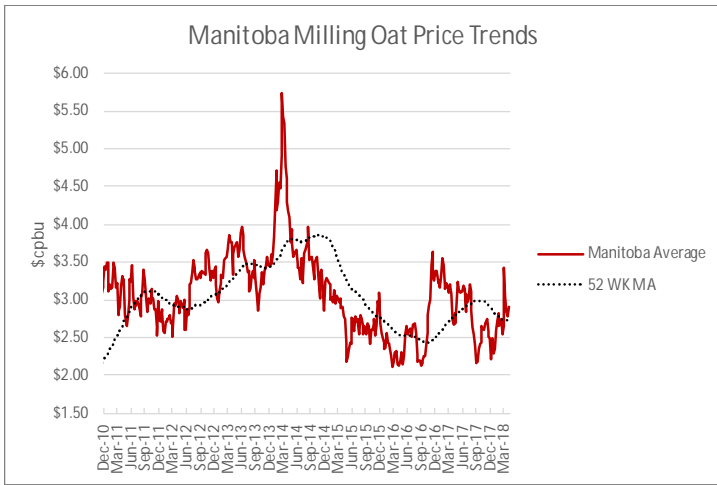




Prices reflect trends rather than absolute traded values

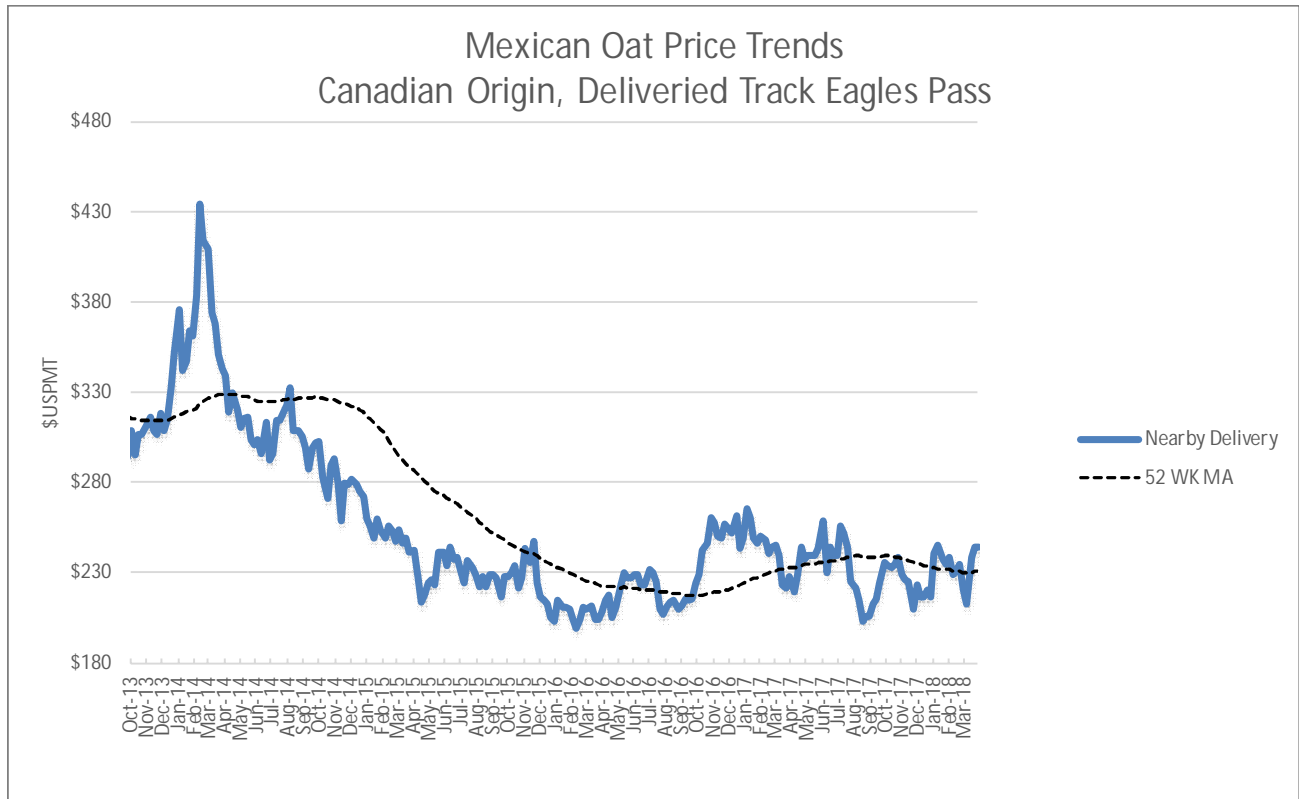


# Canadian Oat Mill Price Trends

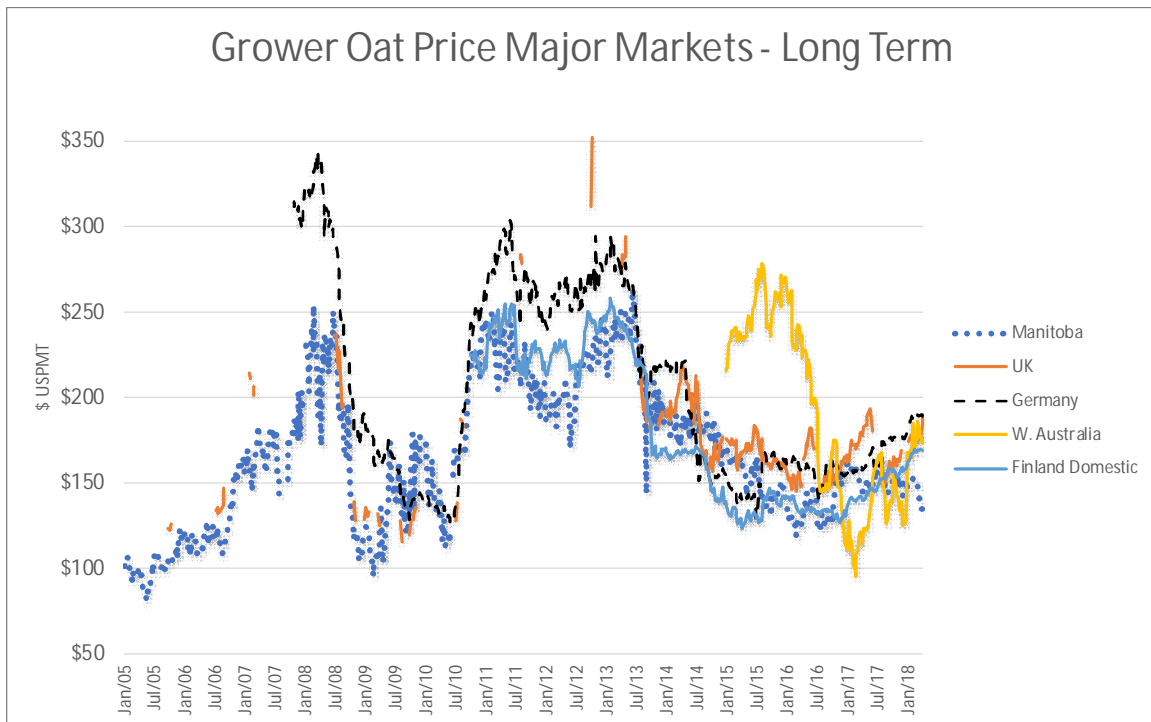
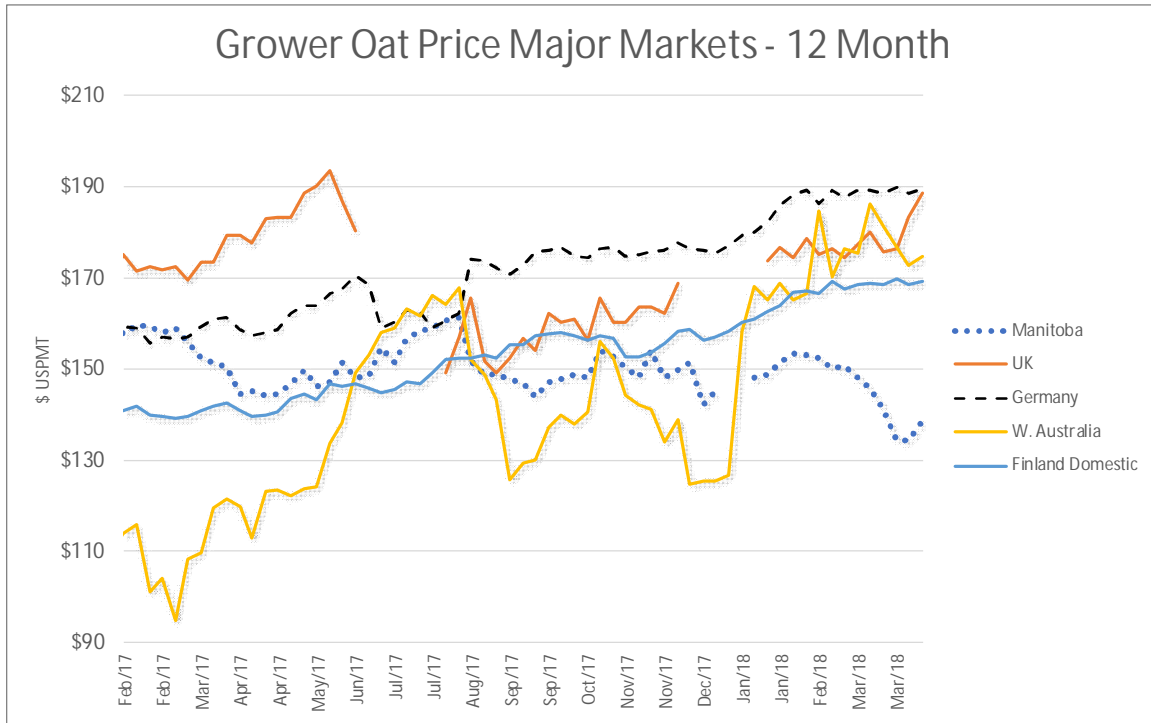


Prices reflect trends rather than absolute traded values





Prices reflect trends rather than absolute traded values



Prices reflect trends rather than absolute traded values  
 Source: Government and Industry

# Finland Oat Price Trends

## Finnish Grain Prices

€PMT

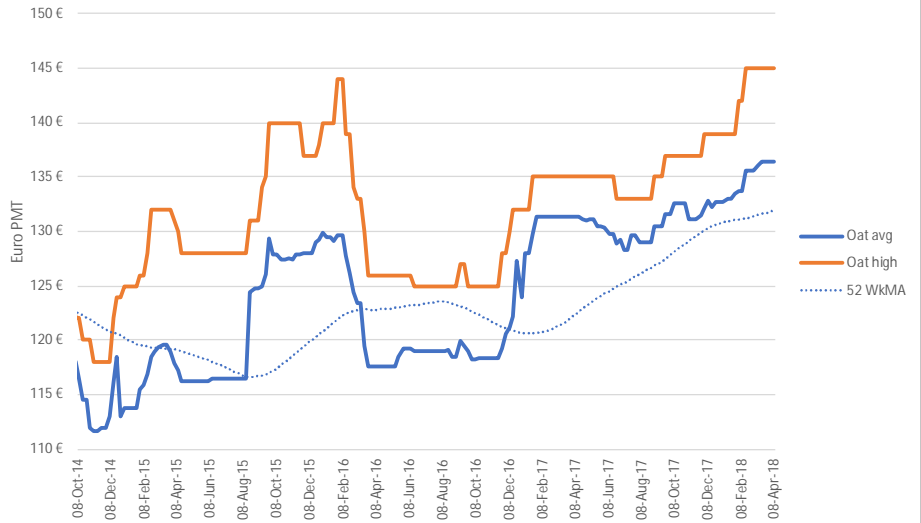
### Grower bids

	Avg	High
Current Week	136.4	145.0
Last week	136.4	145.0
Last year	131.3	135.0

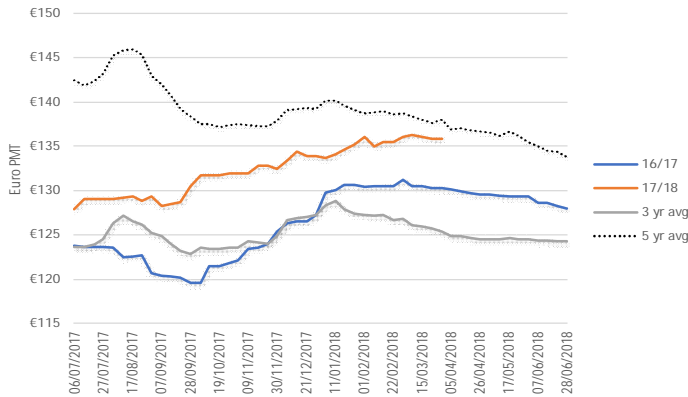
### Commercial Oat Prices

	Factory	Export
Current Week	135.8	135.7
Last week	135.8	135.7
Last year	127.7	135.7

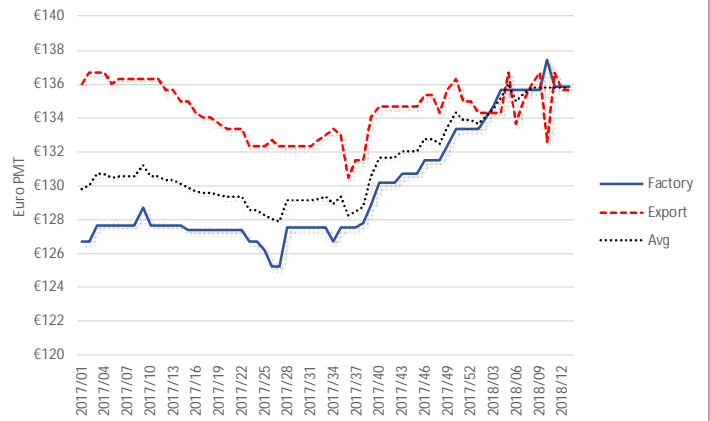
## Finland Country Level Grower Bids



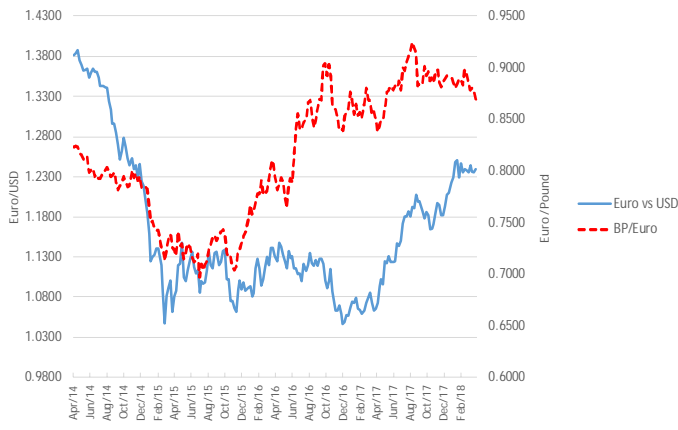
## Finland Feed Oat Processor and Export Price Seasonal Trends



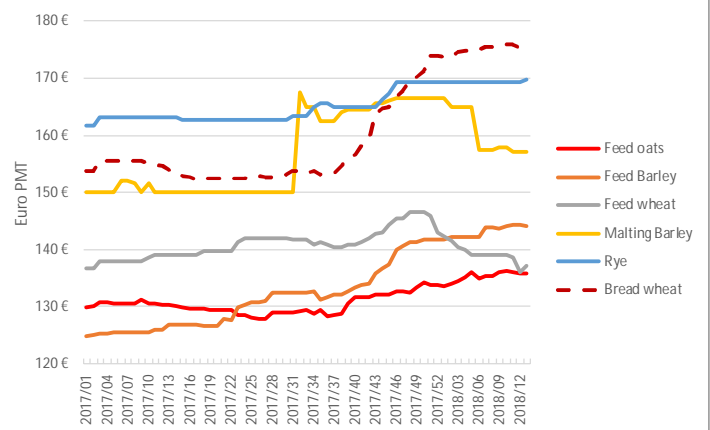
## Finland Feed Oat Processor and Export Prices



## Euro vs British Pound & USD



## Finland Processor and Export Prices for Cereals



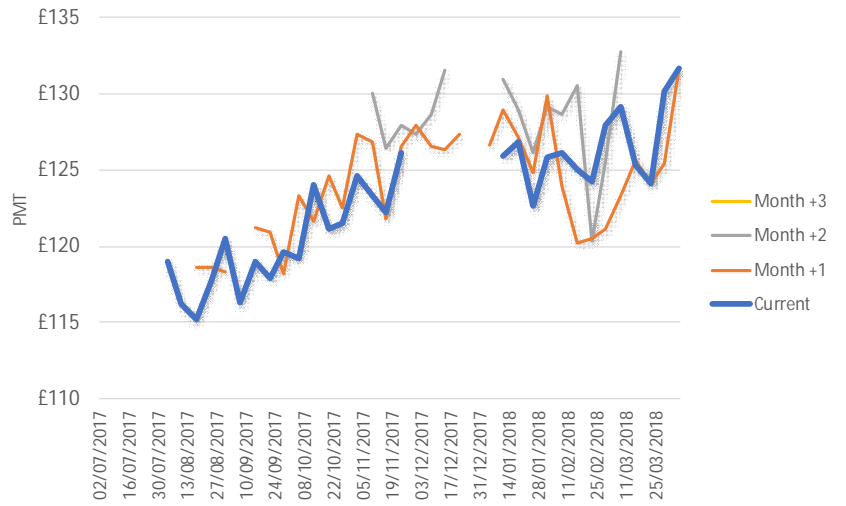
Prices reflect trends rather than absolute traded values  
 Source: Fin Grain, Ministry of Agriculture

# UK Oat Price Trends

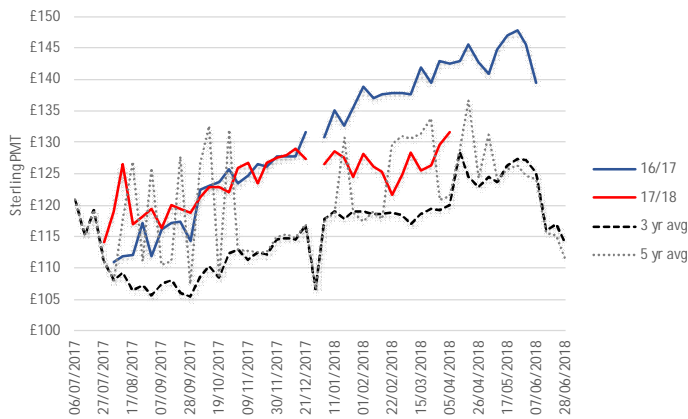
## UK Grower Oat Prices

£PMT	Current	Month +1	Month +2
Current Week	131.6	131.6	0.0
Last week	130.1	125.4	0.0
Last year	0.0	142.9	0.0

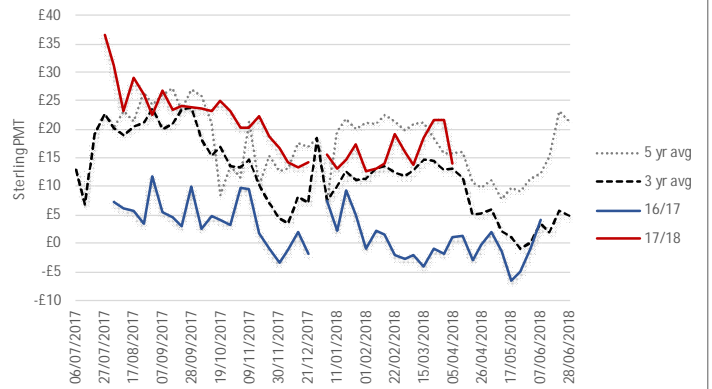
## Continuous Weekly UK Grower Oat Price



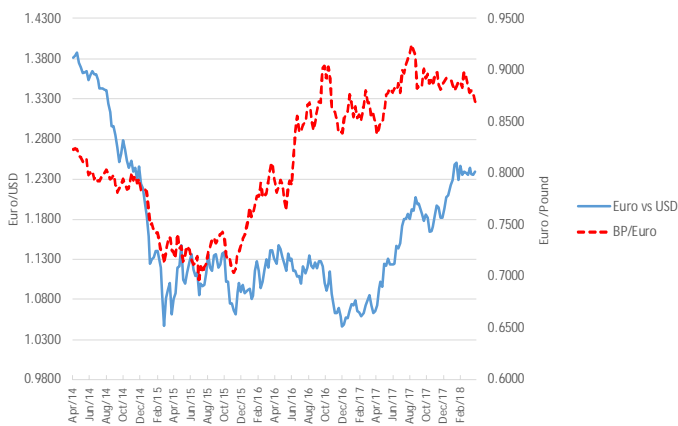
## Weekly UK Grower Seasonal Oat Trends



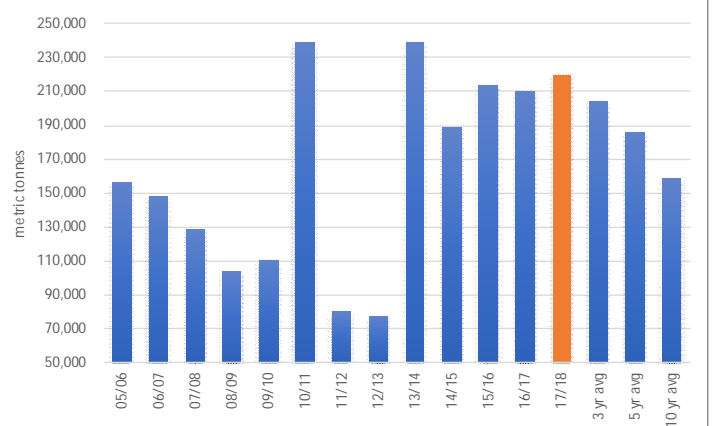
## Weekly UK Grower Seasonal Oat Basis to London Wheat



## Euro vs British Pound & USD



## UK Grower Oat Sales Volume YTD



Prices reflect trends rather than absolute traded values

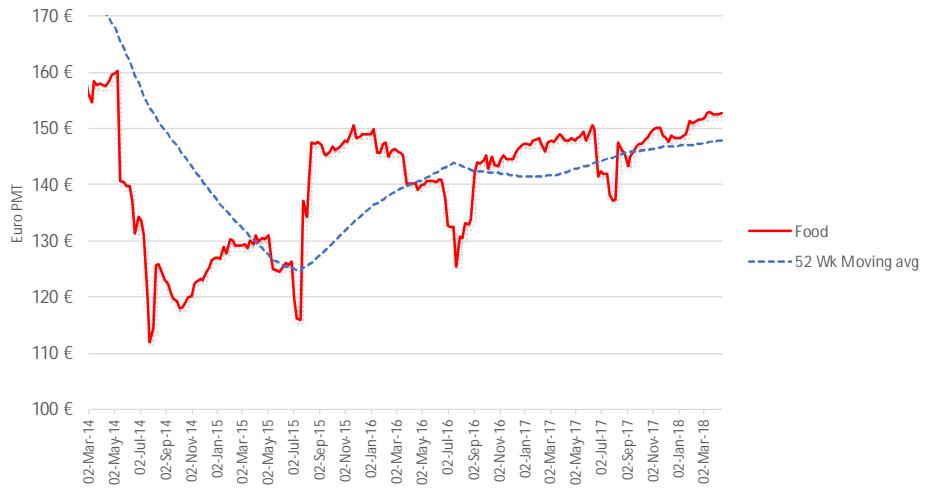
Source: AHDB/HCGA

# German Oat Price Trends

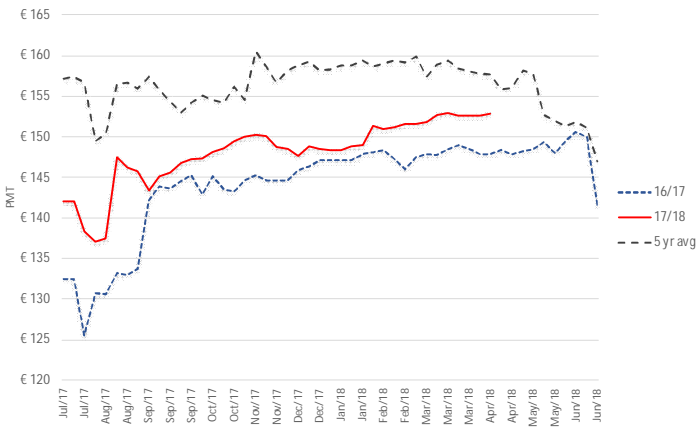
## German Grower Oat Prices

£PMT	Food	Feed
Current Week	152.8	145.8
Last week	152.5	145.5
Last year	147.9	145.7

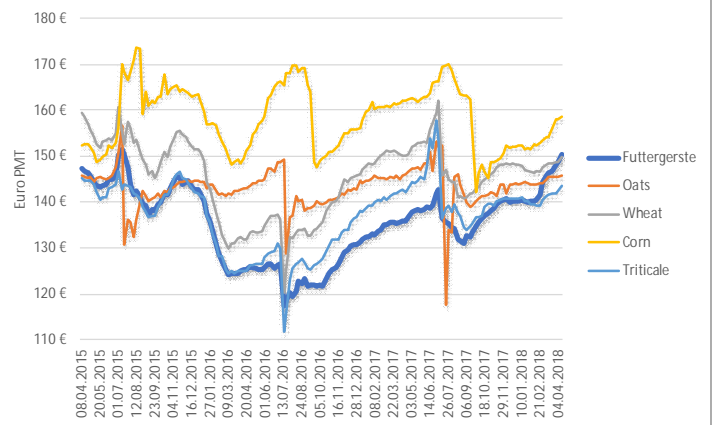
## German Producer Oat Price Country Average



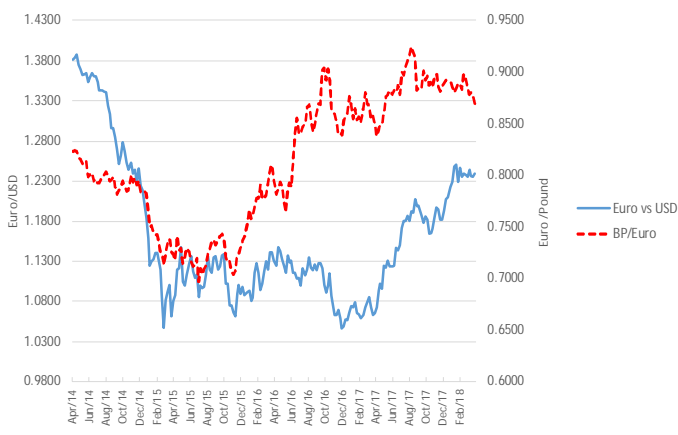
## German Grower Seasonal Oat Price Trends



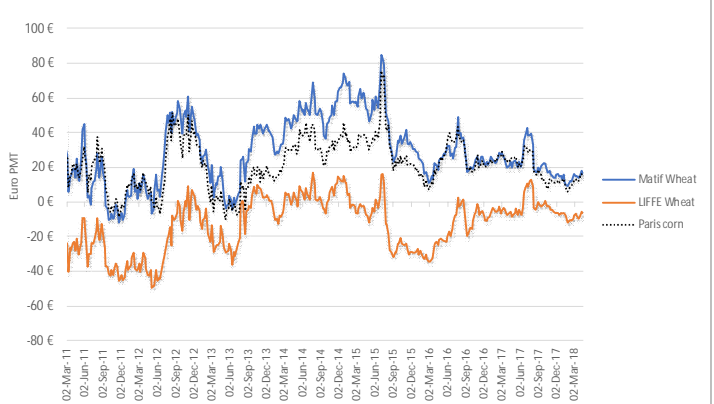
## German Grower Feed Grain Prices



## Euro vs British Pound & USD



## German Producer Oat Prices Basis to EU/UK Wheat Futures Country Average



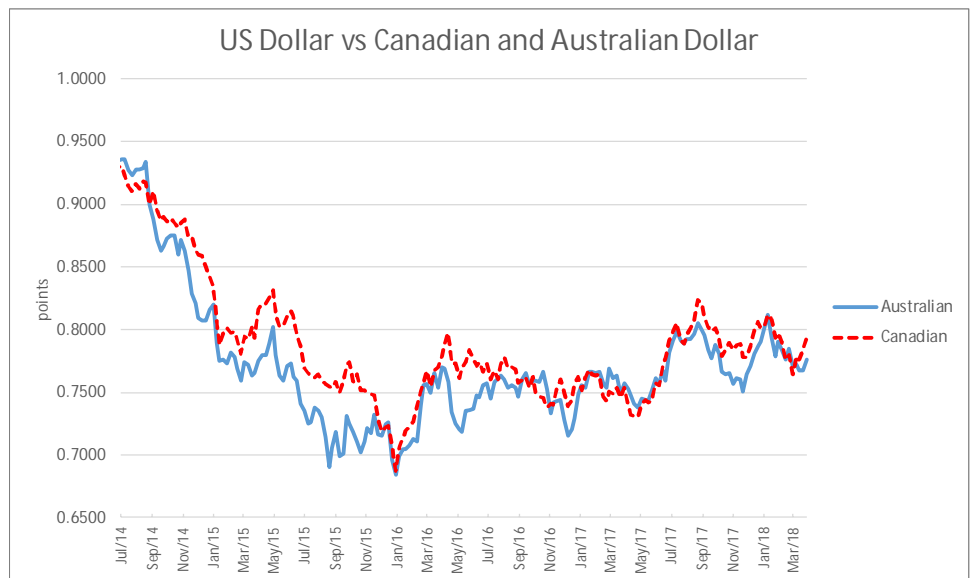
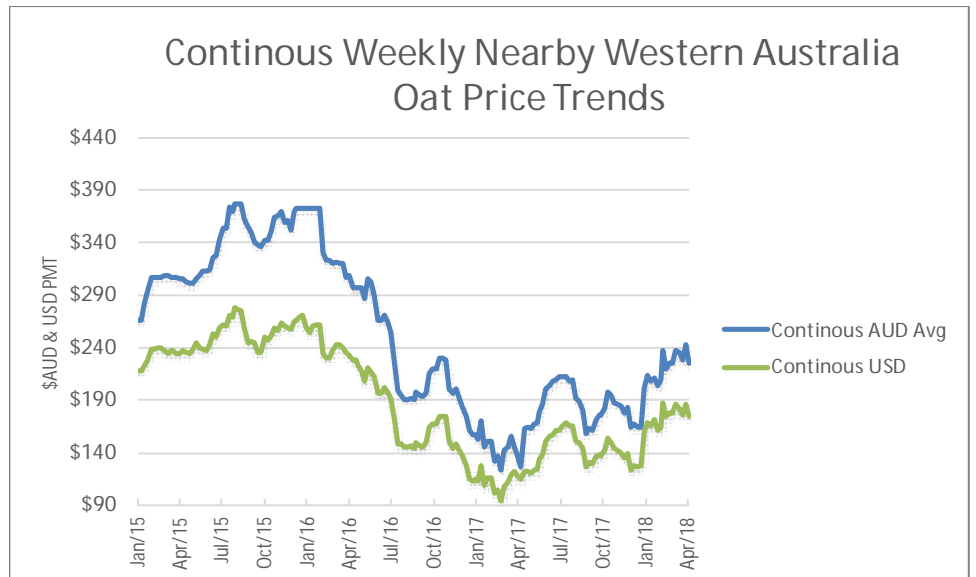
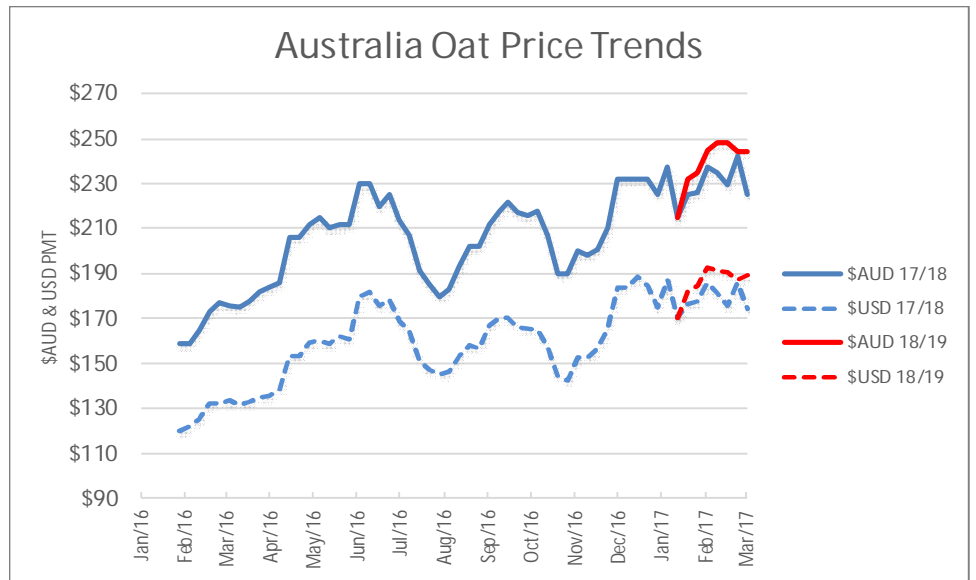
Prices reflect trends rather than absolute traded values  
 Source: AMI

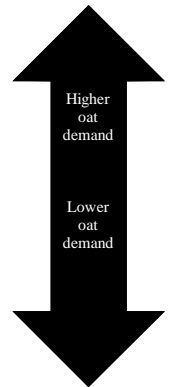
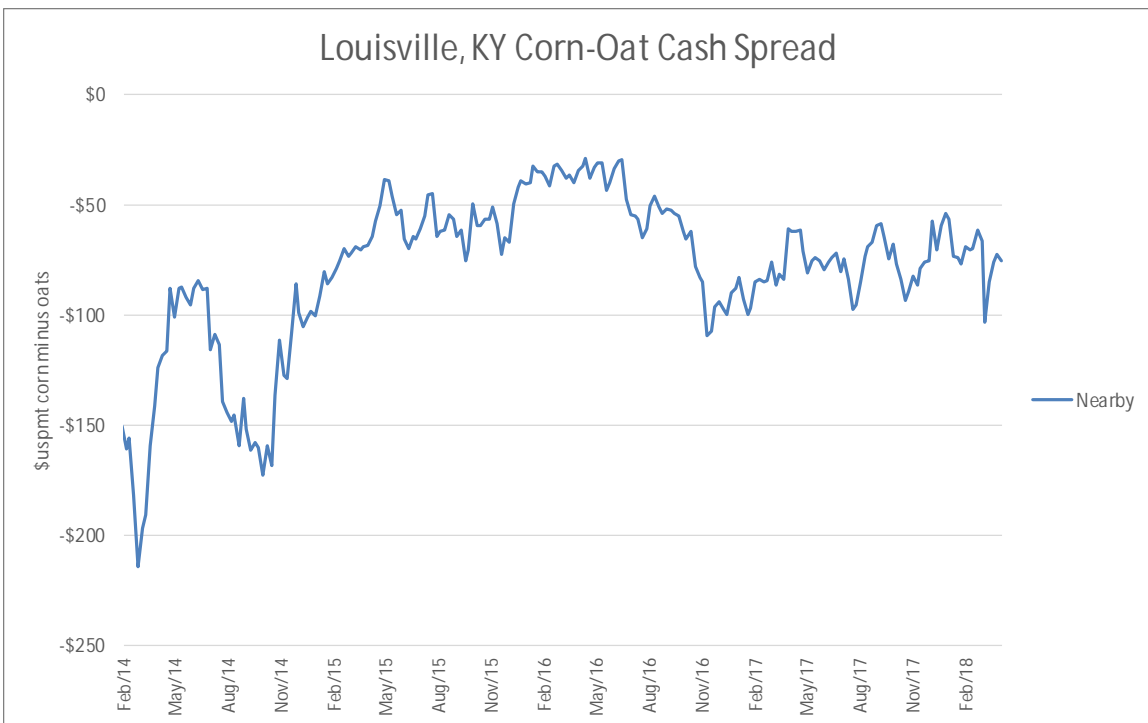
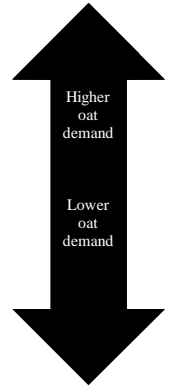
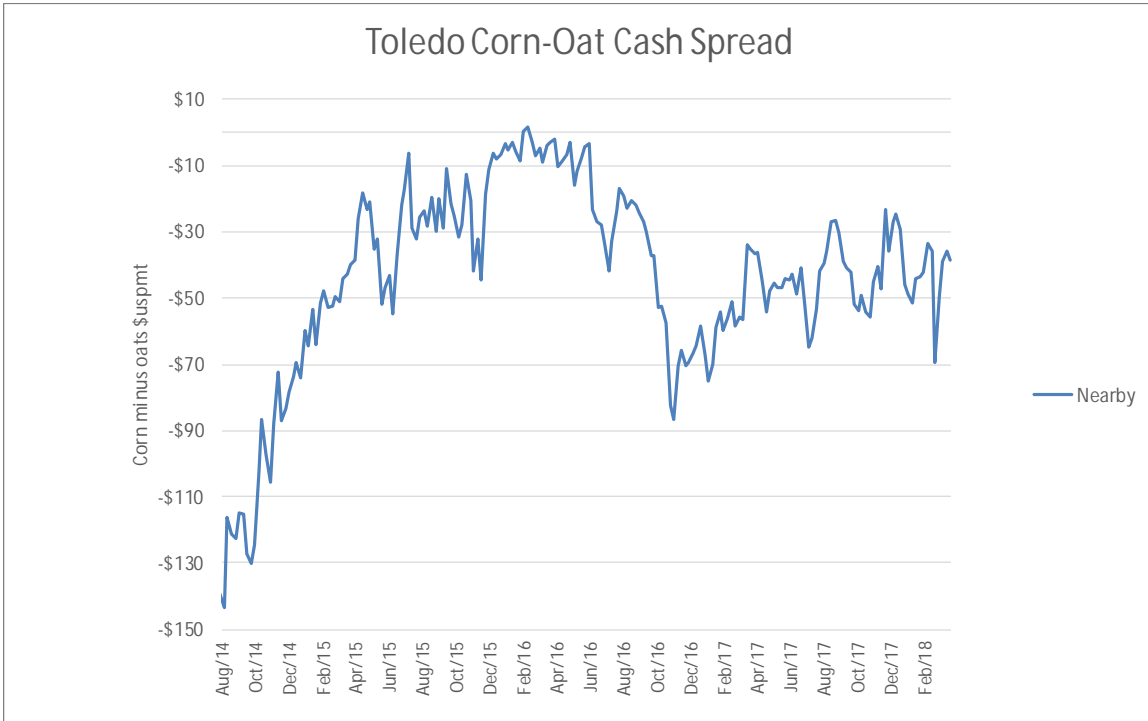
# Australia Oat Price Trends

## Australia Grower Bids

PMT	2017/18		2018/19	
	\$AUD	\$USD	\$AUD	\$USD
Current Week	225	175	244	189
Last week	242	186	244	187
Last year	176	133		

Prices reflect trends rather than absolute traded values  
 Source: Daily Grain Prices

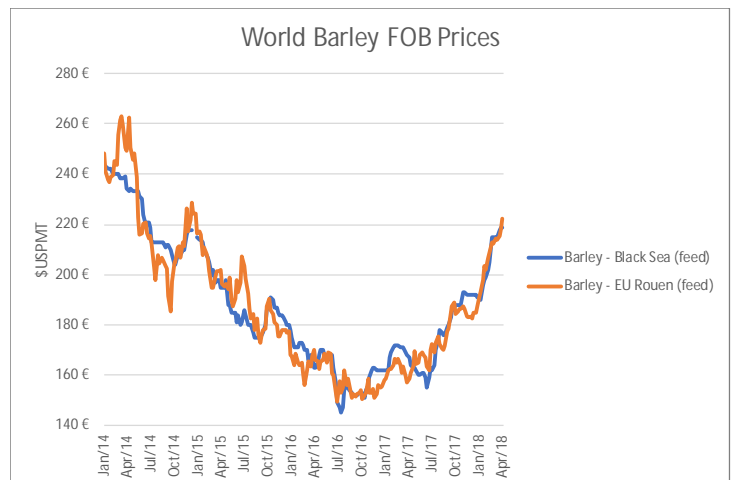
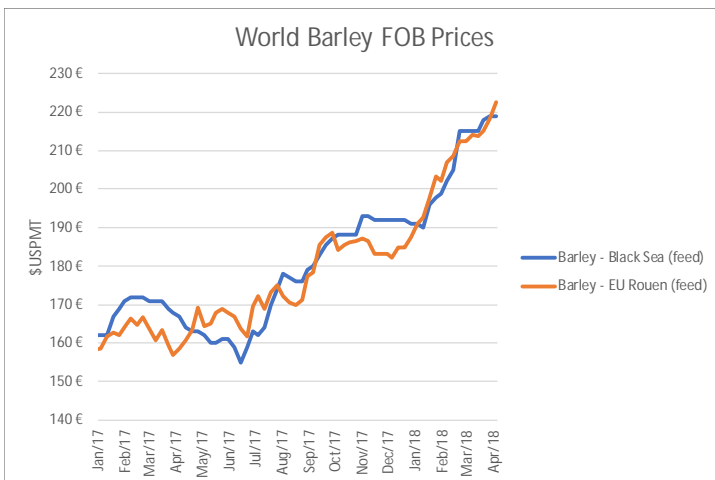
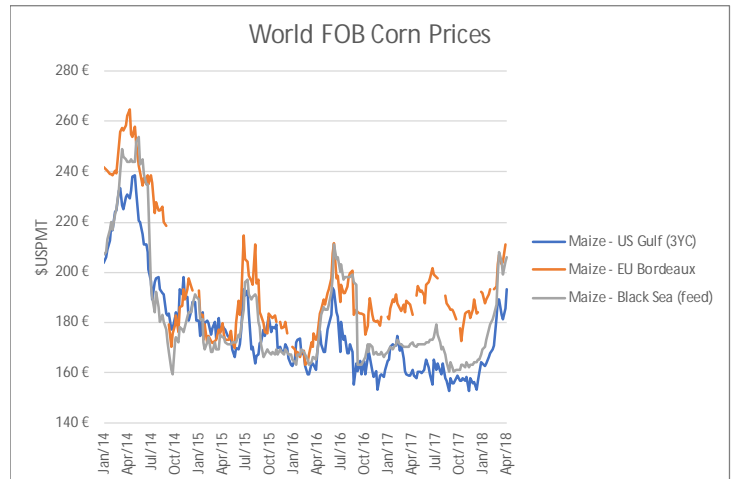
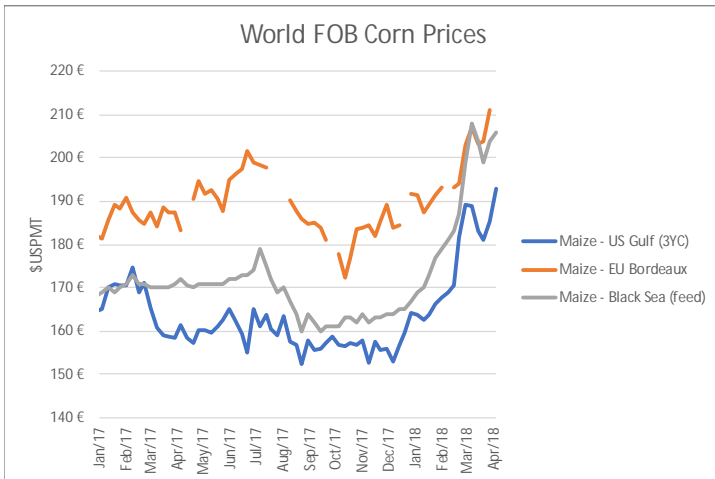
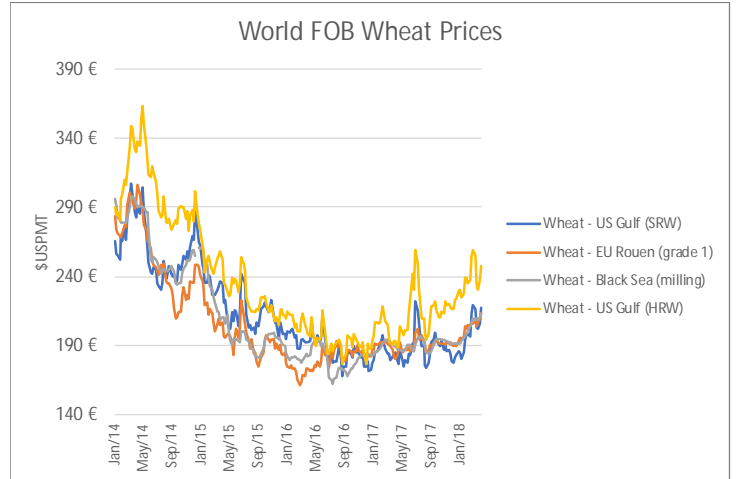
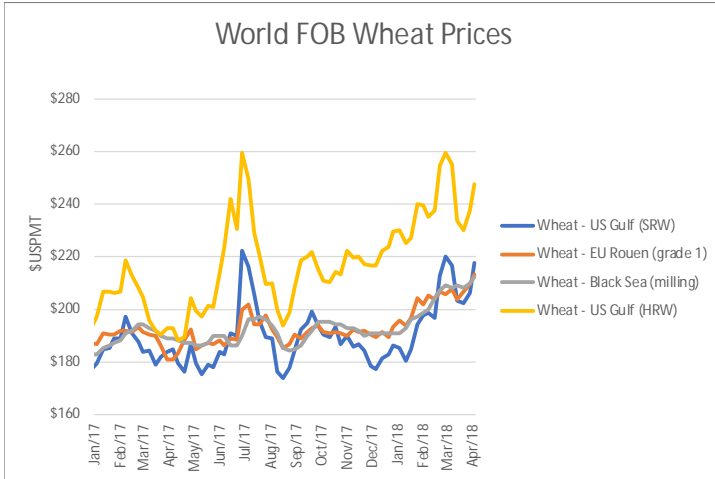




Prices reflect trends rather than absolute traded values

Short-term

Long-term





# World Oat Prices

Delivery	Origin	Location	Grade	Delivery	Bid/ask	Bid	This week Basis	Last week			
								Bid	Basis		
<b>Canada</b>											
<b>Export</b>	Thunder Bay in \$USBU per 34 lbs. bu.- Vancouver in \$USPMT							13-Apr-18	06-Apr-18		
FOB Vessel *	Sask/Alberta	Vancouver, B.C.*	96sd,40lb, 2dam	Forward	Bid	\$232		\$232			
FOB Vessel *	Sask/Alberta	Vancouver, B.C.*	96sd,40lb, 2dam	Forward	Ask	\$233		\$234			
FOB Vessel	Sask/Man	Thunder Bay, Ont.	96sd,40lb, 2dam	Nearby	Bid	\$2.75	0.65	\$2.75	0.63		
FOB Vessel *	Sask/Man	Thunder Bay, Ont.	96sd,40lb, 2dam	Nearby	Ask	\$3.00	0.71	\$3.00	0.68		
<b>Canada Grower values - Based on Mpls Milling Track Bids and Offers</b>						Bid	Ask	Bid	Ask		
Del'v'd truck	Provincial avg	Manitoba	96sd,40lb, 2dam	Nearby							
Del'v'd truck	Provincial avg	Manitoba	96sd,40lb, 2dam	Forward							
Del'v'd truck	Provincial avg	Manitoba	96sd,40lb, 2dam	Deferred							
Del'v'd truck	Provincial avg	Saskatchewan	96sd,40lb, 2dam	Nearby							
Del'v'd truck	Provincial avg	Saskatchewan	96sd,40lb, 2dam	Forward							
Del'v'd truck	Provincial avg	Saskatchewan	96sd,40lb, 2dam	Deferred							
Del'v'd truck	Provincial avg	Alberta	96sd,40lb, 2dam	Nearby							
Del'v'd truck	Provincial avg	Alberta	96sd,40lb, 2dam	Forward							
Del'v'd truck	Provincial avg	Alberta	96sd,40lb, 2dam	Deferred							
<b>U.S.A.</b>											
	prices in \$USD per 32 lbs. bu.						Flat price	Basis level	Flat price	Basis level	
Rail	Canadian	Minneapolis	96sd,40lb, 2dam	Nearby	Bid				0.63		
Rail	Canadian	Minneapolis	96sd,40lb, 2dam	Nearby	Ask				0.67		
Rail	Canadian	Minneapolis	96sd,40lb, 2dam	Forward	Bid				0.63		
Rail	Canadian	Minneapolis	96sd,40lb, 2dam	Forward	Ask				0.67		
Rail	Canadian	Minneapolis	96sd,40lb, 2dam	Deferred	Bid				0.42		
Rail	Canadian	Minneapolis	96sd,40lb, 2dam	Deferred	Ask				0.67		
Rail	Canadian	Superior, WI	96sd,40lb, 2dam	Nearby	Bid				0.63		
Rail	Canadian	Superior, WI	96sd,40lb, 2dam	Nearby	Ask				0.68		
Rail	Canadian	Superior, WI	96sd,40lb, 2dam	Deferred	Bid				0.42		
Rail	Canadian	Superior, WI	96sd,40lb, 2dam	Deferred	Ask				0.67		
<b>Mexico</b>											
	prices in \$USPMT										
Rail	Canadian	Eagles Pass, TX	96sd,40lb, 2dam	Nearby	Ask	\$244		\$245			
<b>Australia</b>											
	prices in \$AUD and \$USD per mt						Origin Currency	\$USD	Origin Currency	\$USD	
FIS	Australian	FIS Kiwana	#1 Oat	2017/18	Quote	\$225	\$175	\$242	\$186		
FIS	Australian	FIS Kiwana	#1 Oat	2018/19	Quote	\$244	\$189	\$244	\$187		
<b>Europe</b>											
	prices in origin currency, \$USD, £Pound and €Euro PMT						Origin Currency	\$USD	Euro PMT Currency	\$USD	Euro PMT
Ex Farm	Germany ctry avg	Avg Producer Bid	Feed Quality	Nearby	Quote	\$146	\$181	£146	\$181		
Ex Farm	Germany ctry avg	Avg Producer Bid	Milling Quality	Nearby	Quote	\$153	\$189	£153	\$190		
FOB Vessel	Finland	Feed Factory	Feed Quality	Nearby	Traded	\$136	\$169	£136	\$169		
FOB Vessel	Finland	Export	Feed Quality	Nearby	Traded	\$136	\$169	£136	\$169		
Del'v'd truck	Finland	Producer Bid	Feed Quality	Nearby	Avg Bid	\$136	\$169	£136	\$169		
Del'v'd truck	Finland	Producer Bid	Feed Quality	Nearby	High Bid	\$145	\$180	£145	\$180		
FOB Vessel	Sweden	Exporters	Feed Quality		Ask						
FOB Vessel	Sweden	Exporters	Feed Quality		Ask						
Del'v'd Mill	Great Britain	Producer Bid	Milling Quality	Nearby	Traded	£132	\$188	\$151	£130	\$184	\$148
Del'v'd Mill	Great Britain	Producer Bid	Milling Quality	+1 Month	Traded	£132	\$188	\$151	£125	\$177	\$143
Australian prices courtesy of Daily Grain - German prices courtesy of AgraMarket Information's											
Finland domestic courtesy of FinGrain & Ministry of Agriculture											
Cdn prices are in \$Cdn per 34 lbs. bu - except FOB vessel Vancouver which is in \$uspmt, FOB Tbay in \$USBU (32/lbs.)											