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## Canadian crop development behind normal but recent rains should improve outlook, US oat crop ratings below normal in Dakota's, little weekend rain for dry Aussie oat areas

### CBOT oat futures summary

CBOT oat futures closed lower Monday on average volume trade. Losses in corn, wheat and soybeans tied to the ongoing China/US trade issues weighed on oat prices. Volatility remains high with oat prices moving down to major support today. Technicals are pointing neutral/negative at the moment. Expect further declines if the China/US trade issues remain unresolved.

Dry Australian oat areas, west and east, saw very limited moisture over the weekend. Western Australia (WA) oat regions have however received decent moisture over the past week, enough in some regions to advance oat

plantings. Interior oat regions in WA need rain to advance seeding and germinate crops. SA, NSW and QL remain very dry. WA will get rain today into Wed with the main crop areas getting 0.10 to 0.50 inch while coastal areas and a few areas in the far north get much greater amounts.

Very little moisture this past weekend for dry Swedish oat regions. Dry oat areas in Poland saw light moisture while German rains were light and scattered in major oat areas. Western and Central Europe will be wet this week.

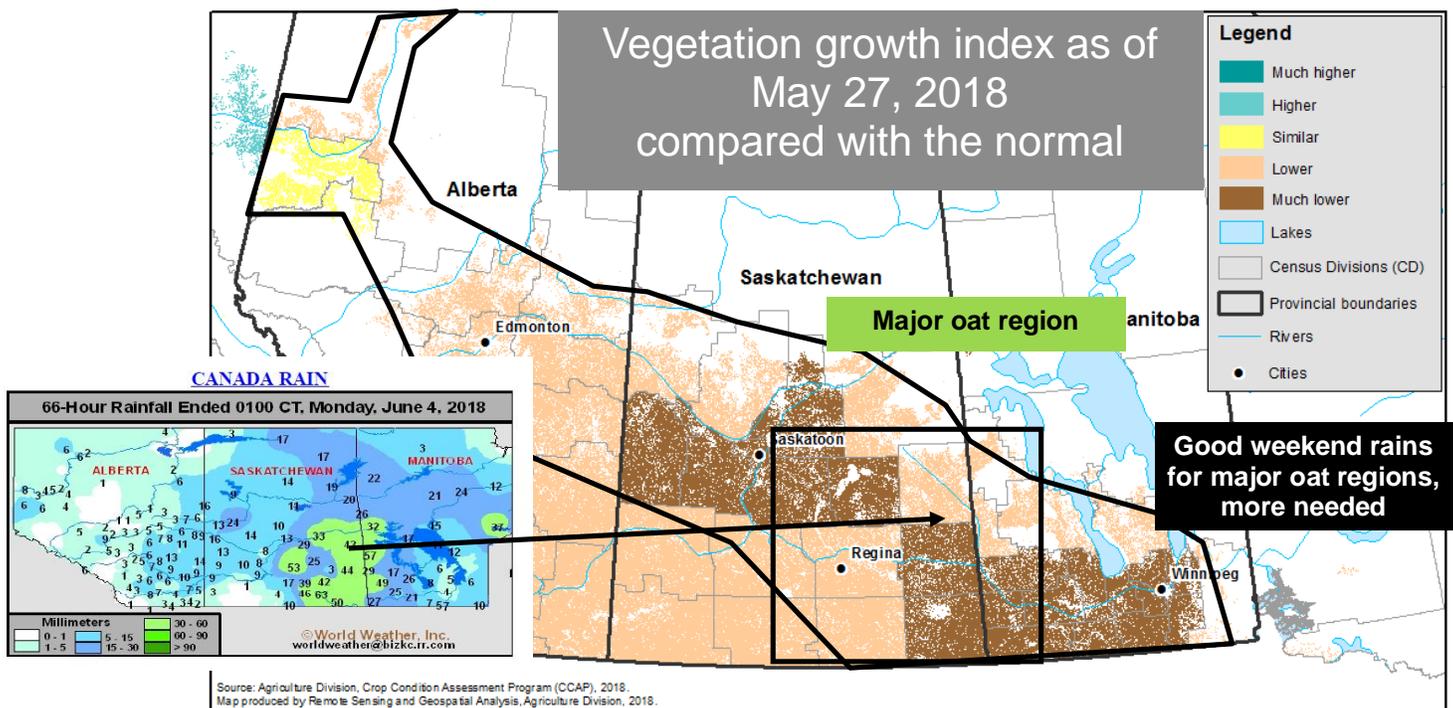
### World grain futures

EU/UK/NA cereal futures closed lower with Chi wheat and soybeans leading declines. Little if no progress was made on settling trade issues between China and the US.

### Oat market news & analysis

#### Dry Canadian oat regions receive good moisture relief

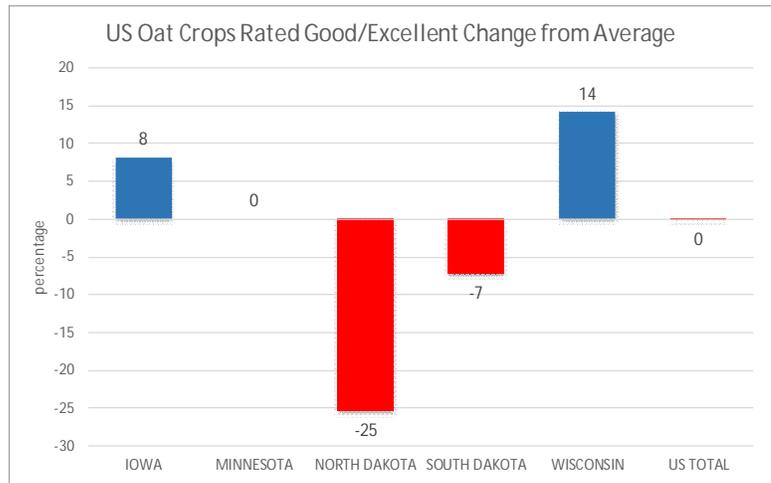
Rainfall amounts up to 57 MM fell across major commercial oat production regions in Western Canada over the weekend (see maps below). This should improve  
*(continued on page 2)*



oat crop germination. As of May 27, crop development was lower to much lower than the normal for most parts of Canada, according to the Crop Condition Assessment Program (see map pg. 1). Cool conditions in the early spring delayed crop growth and limited planting operations across Canada.

Seeding advanced rapidly with the onset of dry, warm weather, particularly in the Prairies. However, a lack of soil moisture across the Prairies remains a concern. Crop development was much lower than normal for most of Manitoba as well as southeastern and central Saskatchewan (major oat regions). **Oat crop development is variable in many eastern prairie regions.**

All other regions of the Prairies were below normal, with the exception of the Peace River oat region in northern Alberta and BC, where conditions ranged from below normal to higher than normal. **Notably, crop development across the Prairies was lower to much lower than conditions recorded during the drought years of 1988, 1989, 2001,**



**and 2002.**

Crop conditions ranged from below normal to much below normal across Ontario and Quebec oat regions (see map below).

**US oat crop ratings below normal in Dakotas, above in other states**

US oat crop rating in the nine major US oat production states are slightly below normal. Offsetting above normal ratings in Iowa and Minnesota is below normal ratings in

North and South Dakota, two major commercial oat production states (see above).

Dryness in the Dakota and parts of Minnesota remain the major concerns. Rainfall however, over the weekend, up to .75 inches in some regions, should help ease some of the crop stress. More rain is forecast this week further aiding oat crop development.

