

## Friday's Settlement Prices for Selected Commodities in US or Can. \$ / tonne, etc:

## Grains &amp; Related

| Commodity | Month | This week | Last week | Year ago |
|-----------|-------|-----------|-----------|----------|
| SRW Wheat | Mar   | 228.73    | 214.49    | 278.05   |
| HRW Wheat | Mar   | 248.02    | 234.97    | 298.26   |
| HRS Wheat | Mar   | 310.30    | 298.08    | 309.38   |
| Corn      | Mar   | 243.89    | 229.52    | 234.83   |
| Oats      | Mar   | 201.50    | 195.34    | 250.61   |
| W. Barley | Mar   | 217.00    | 222.00    | 194.00   |
| Ethanol   | Mar   | 58.41     | 55.87     | 58.88    |

Data points in red are new previous 12-month highs, in blue are new previous 12-month lows

## Oilseeds, Related &amp; Others

| Commodity    | Month | This week | Last week | Year ago |
|--------------|-------|-----------|-----------|----------|
| Soya Beans   | Jan   | 427.32    | 415.20    | 481.52   |
| Soya Meal    | Jan   | 327.40    | 320.01    | 383.40   |
| Soya Oil     | Jan   | 1,123.52  | 1,092.43  | 1,193.40 |
| Canola       | Jan   | 504.83    | 506.30    | 560.50   |
| Crude Oil    | Jan   | 97.22     | 94.07     | 89.38    |
| Dollar Index | Mar   | 80.26     | 80.79     | 80.73    |
| DJIA         | Mar   | 12,100    | 11,780    | 11,430   |

**COMMENT:** Almost all grain and oilseed markets were higher over the week with increasing concerns over crop conditions in South America and markets more generally supported by lessening concern over Euro zone challenges. The latter also resulted in a weaker dollar and stronger dollar-nominated commodity values as safe haven funds returned to from whence they came.

That concern over South American corn and soya bean crops should have emerged as soon as it has is a reminder that the supply situation for both is still relatively tight. The USDA's export sales report was also supportive for both these crops.

Factors supportive of wheat markets were more difficult to identify – Nigeria was reported to have purchased hard red winters, and concern is being expressed over the lack of snow cover in the Eastern Prairies and the potential for winter wheat winter kill but the area implicated is relatively small. Now dormant winter wheat in some of the dryer areas of the southern Great Plains received snow which should benefit crops in the spring.

**NEWS:** The USDA reported export sales for the week ending Dec 15 of 362K, 953K and 728K tonnes for wheat, corn and soya beans. These results were generally regarded as positive with corn well above expectation, wheat right at expectation and soya beans above expectations. All were above the averages needed to meet USDA export forecasts.

With the holiday season upon us there may have been some forward booking to accommodate this, but there are growing indications that trade is beginning to return to normal with improving sales volumes and reports of prices reacting to fundamentals rather than Euro distractions.



**OPINION:** The CWB's announcement of its new chairman two working days after the amending Bill received Royal Assent read in places like a beauty pageant winner acceptance speech - "I would like to recognize and thank the former farmer-elected directors for their dedicated service to the farmers of Western Canada ..."

What is evident is that the not inconsiderable influence of the CWB's "media relations" department will now be working for change rather than against it. In the same vein the board will have at its disposal a wealth of information about wheat and barley supply that will be invaluable to its sales activities as it competes with the trade, even if it does not own any handling facilities.

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