

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

Grains & Related

Commodity	Month	This week	Last week	Year ago
SRW Wheat	Mar	236.07	228.73	291.83
HRW Wheat	Mar	263.45	248.02	312.68
HRS Wheat	Mar	312.13	310.30	323.89
Corn	Mar	254.52	243.89	247.63
Oats	Mar	201.66	201.50	255.48
W. Barley	MarN	217.00	217.00	194.00
Ethanol	Mar	59.39	58.41	61.29

Oilseeds, Related & Others

Commodity	Month	This week	Last week	Year ago
Soya Beans	Jan	442.02	427.32	512.11
Soya Meal	Jan	342.28	327.40	408.20
Soya Oil	Jan	1,148.65	1,123.52	1,272.99
Canola	Jan	525.80	504.83	583.80
Crude Oil	Mar	99.10	100.00	92.55
Dollar Index	Mar	80.69	80.26	79.32
DJIA	Mar	12,161	12,100	11,516

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

COMMENT: Hot and dry conditions in South America, and particularly for Argentinean corn which is silking were, in the absence of much other news, supportive of all grains and oilseeds which were higher for a second week.

Export sales for corn for the week preceding Christmas were described as disappointing but did not appear to weigh on process unduly.

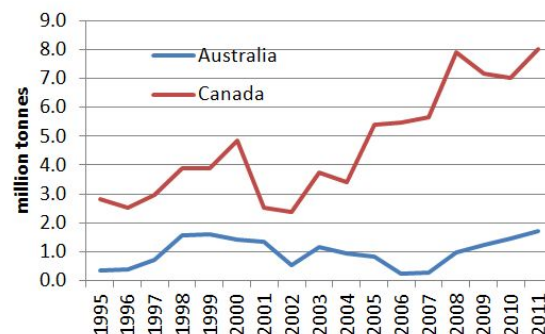
The premium on hard red spring wheat narrowed somewhat but is still wide in an historic context. Last week's wheat export sales exceeded expectations with the possible exception of hard red springs. South American soya bean crops are probably not suffering, as much as corn crop are reported to be, as they are later developing. Soya bean sales last week were "stronger than expected."

NEWS: Statistics Canada reported exports of canola, canola oil and canola seed for the first three months of the 2011-11 crop year at 2.10M, 0.65M and 0.79M tonnes, respective up 25, 7 and 19 percent from the same period in 2010. All three are moving at a record pace.

While these early season exports largely reflect the pre-harvest supply situation, they auger well for the movement of the record 2011 harvest. Challenges with the revised US Food and Drug Administration regulations on canola meal shipments and Chinese concerns with Black Leg appear to have been met. And Europe does not feature much except when it is scrambling for feed stock for biodiesel production.

Crop Year Canola Exports

Australia Nov-Oct, Canada Aug-Jul



Source: ABS/ABARE, StatsCan/AAFC

OPINION: In the past competition from Australian canola in important Asia Pacific markets was an issue for Canada. For the last ten years or so Australia has been seriously handicapped by adverse weather and delayed adoption of advanced plant breeding techniques. Australian exports are now returning to levels of ten years ago with record exports projected for this year. But Canada has developed a dominant position in the seed market, not to mention oil and meal, where there is a winter Olympics' threat of competition from down under.

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