

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	221.38	229.46	284.12
HRW Wheat	Mar	246.18	249.85	315.99
HRS Wheat	Mar	294.40	294.31	327.11
Corn	Mar	236.01	253.34	255.40
Oats	Mar	183.18	186.26	254.18
W. Barley	Mar	213.00	217.00	194.00
Ethanol	Mar	56.43	59.25	62.05

Oilseeds, Related & Others

Commodity	Month	This week	Last week	Year ago
Soya Beans	Mar	425.49	439.63	522.67
Soya Meal	Mar	332.14	344.37	427.82
Soya Oil	Mar	1,108.74	1,127.04	1,262.63
Canola	Mar	511.90	523.40	592.70
Crude Oil	Mar	99.05	101.75	92.65
Dollar Index	Mar	81.80	81.60	79.28
DJIA	Mar	12,325	12,319	11,722

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

ago levels. The total was above the average of trade expectations.

COMMENT: As late as Thursday, it seemed that the good news for the week would be that there was no bad news from Europe. But further concerns about the global economic implications of a Euro zone melt down re-emerged weighing on just about everything.

This followed a series of USDA reports on Thursday which were construed negatively particularly for feed grains. Supply forecasts were raised slightly against trade expectations for the converse. Only spring wheats, not directly implicated by a larger than anticipated US fall seeded area held their value. Rainfall in South America was such as to relieve some concern over developing soybean crops and weighed on oilseed prices.

NEWS: The USDA released four major grain and oilseed market related reports on Thursday, which in aggregate were price negative. The final 2011 production estimates for maize and soybeans were 313.1M and 83.2M tonnes, 1 and 8 percent below 2010 output, both slightly above the November estimate and average trade expectations.

December 1 wheat, maize and soybean stocks were surveyed at 45.1M, 244.9M and 64.4M tonnes, respectively 96, 92 and 104 percent of year ago levels. Wheat was slightly below but corn and soybeans above, trade expectation, with all three in the range of the same.

Estimates for last fall's planted area of hard red, soft red, white and total winter wheat were 12.2M, 3.4M, 1.4M and 17.0M hectares, respectively 106, 98, 97 and 103 percent of year

After adjustments for these reports US ending stocks of wheat, maize and soybeans were forecast at 23.7M, 21.5M and 3.8M tonnes, respectively, about 99, 100 and 120 of year earlier levels. Minor adjusts for wheat usage were largely offsetting. For corn the increase in output was offset by improved export prospects. With soybeans output was up and usage down.

The USDA forecasts for global ending stocks for wheat, corn and soybeans were 210.0M, 128.1M and 63.4M tonnes, respectively, 1.5M above, 0.8M above and 1.1M tonnes below December forecasts. The wheat and corn projection were above the range of trade expectations and were probably the principal cause of the negative price reaction to the USDA reports.

OPINION: The Intercontinental Exchange (ICE) has been less than vocal about its plans for Canadian futures markets for grains formerly traded mainly over the CWB's single desk.

Information is the life blood of any market and something which has been missing from CWB regulated markets for many years. The opportunity to generate such information would be enhanced by access to previously confidential CWB sales information. Will a key to the vaults of the CWB be provided by Ottawa, or has a request even been made?

The market information currently available through the ICE website is meagre.

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