

E-Settlement Prices for Selected Commodities in US or Can.\$ / tonne for week ending Friday:

31-Aug-12

Grains

Commodity	Month	This week	Last week	Year ago
SRW Wheat	Dec	326.83	326.46	284.94
HRW Wheat	Dec	332.89	331.15	323.34
HRS Wheat	Dec	348.42	341.71	346.40
CWRS	Oct	298.60	294.20	n/a
Durum	Oct	300.60	301.10	n/a
Corn	Dec	293.85	297.07	299.20
Oats	Dec	257.747	253.86	239.27
Barley	Oct	264.50	264.50	n/a

Oilseeds & Others

Commodity	Month	This week	Last week	Year ago
Soybeans	Nov	645.39	637.31	531.21
Soya Meal	Dec	587.99	576.31	424.40
Soya Oil	Dec	1,258.44	1,254.47	1,276.08
Canola	Nov	637.60	633.60	575.90
Crude Oil(WTI)	Oct	96.45	96.13	87.13
Ethanol	Oct	67.60	68.29	72.70
Dollar Index	Dec	81.53	81.89	75.07
DJIA	Dec	12,994	13,074	11,145

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

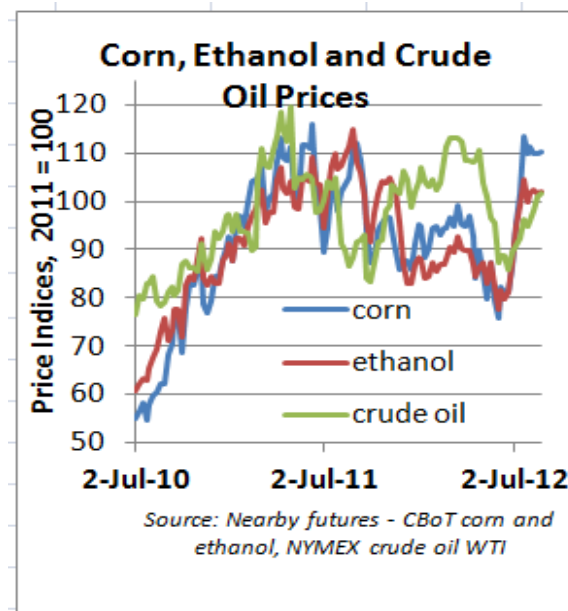
COMMENT: The news of the week was a Friday meeting of Russian agricultural officials which on Wednesday was expected to result in some export restrictions. This sent prices, particularly for wheat, sharply higher, but when the meeting did not result in export bans, or such, much of Wednesday's gains were lost. Likewise the pronouncements of US Federal Reserve chairman were less than supportive to outside markets. Last week's US export sales of wheat and soybeans were in line with trade expectation but corn sales were disappointing. Heavy rains from Hurricane Isaac were less of an issue than another spell of high temperatures in the western Corn Belt which is expected to cut further crop ratings.

NEWS: Prairie provincial crop reports suggest harvest is most advanced in the east.

Manitoba, as of August 27: Spring cereal harvest ranges from 65% complete in the Southwest to 100% complete in the Eastern Region. Canola harvest ranges from 25% complete in the Southwest to 95% in the Interlake. Corn, sunflowers and soybeans would still benefit from rain.

Saskatchewan, as of August 27: Province-wide 21% of the crop is combined and 27% is swathed, or ready to straight combine. The five-year averages for this time of year are 17% and 24%, respectively. Progress varies from 49% combined in the southwest to 4% in the northwest. Topsoil moisture on cropland is rated as 7% surplus, 67% adequate, 21% short and 5% very short.

Alberta, as of August 21: Combining, mainly winter wheat and field peas, is about 6% complete, with a further 12%, mainly canola, swathed. Warmer, drier weather has reduced yield projections but they are still above average in all regions.



OPINION: The relationship between feed grain, ethanol and food prices is an issue of current political interest. With livestock feed costs probably at record levels, there is some question as to why the USDA is not projecting much higher food prices. Perhaps energy is a bigger proportion of food "delivery" costs than doubters realize and energy costs are lower.

David Walker, Edmonton, AB, CA