

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

2-Nov-12

Grains

| Commodity | Month | This week | Last week | Year ago |
|-----------|-------|-----------|-----------|----------|
| SRW Wheat | Dec | 318.20 | 317.37 | 233.96 |
| HRW Wheat | Dec | 333.90 | 334.09 | 263.82 |
| HRS Wheat | Dec | 345.48 | 345.39 | 339.41 |
| CWRS | Oct | 308.50 | 308.50 | n/a |
| Durum | Oct | 312.40 | 312.40 | n/a |
| Corn | Dec | 272.08 | 271.07 | 258.16 |
| Oats | Dec | 237.97 | 252.72 | 213.33 |
| Barley | Dec | 250.00 | 250.00 | n/a |

Oilseeds & Others

| Commodity | Month | This week | Last week | Year ago |
|----------------|-------|-----------|-----------|----------|
| Soybeans | Jan | 561.25 | 549.31 | 448.63 |
| Soya Meal | Dec | 524.61 | 532.88 | 350.00 |
| Soya Oil | Dec | 1,086.04 | 1,123.52 | 1,149.31 |
| Canola | Jan | 603.10 | 615.40 | 553.80 |
| Crude Oil(WTI) | Dec | 84.86 | 90.45 | 94.35 |
| Ethanol | Dec | 62.19 | 62.56 | 70.64 |
| Dollar Index | Dec | 80.68 | 80.26 | 77.18 |
| DJIA | Dec | 12,991 | 13,054 | 11,875 |

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

COMMENT: US corn prices were about unchanged over the week. Poor demand prospects for US corn, or more precisely US prices not being competitive internationally continues to be the overriding influence in feed grain markets. This was again highlighted by disappointing sales data for last week. Supportive has been the perception that delays in seeding corn in South America will result seeded area being switched to soybeans.

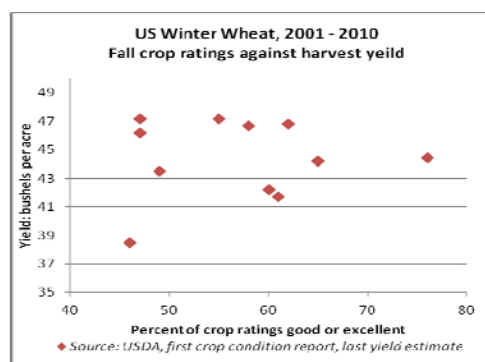
Demand was likewise the major concern in the wheat market with prices about unchanged and supported by deteriorating condition for the recently seeded US hard red winter wheat crop.

NEWS:

The USDA reported net export sales for the week ending October 27 2011, of wheat, corn and soya beans of 0.425M, 0.177M and 0.761M tonnes. Again wheat and corn sales were modest and soybean results very positive.

Only 40 percent of reports in the first USDA 2013 winter wheat crop report listed conditions as good to excellent, compared to 47 percent last year and a five-year average of 58 percent. This year's good and excellent rating was reported as the lowest in 25 years.

OPINION: The first USDA rating of the US winter wheat crop to be harvested next summer placed the rating at 40 percent, reported to be the lowest such rating since 1986. But quite how meaningful that is in terms of eventual crop yields is far from certain. Recent experience suggests that a winter wheat crop that gets off to a good start usually finishes well – no scatter points in the bottom right of the chart below. But some crops that have started poorly have finish well.



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