

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

30-Nov-12

## Grains

Commodity	Month	This week	Last week	Year ago
SRW Wheat	Dec	310.39	311.49	229.83
HRW Wheat	Dec	329.77	322.70	250.40
HRS Wheat	Dec	337.49	335.74	310.30
CWRS	Oct	300.60	297.30	n/a
Durum	Oct	312.00	312.00	n/a
Corn	Dec	274.84	273.92	234.34
Oats	Dec	233.92	239.27	204.25
Barley	Dec	245.00	250.00	n/a

## Oilseeds &amp; Others

Commodity	Month	This week	Last week	Year ago
Soybeans	Jan	528.64	521.13	417.31
Soya Meal	Dec	487.68	472.47	317.81
Soya Oil	Dec	1,089.34	1,081.41	1,107.86
Canola	Jan	594.30	575.10	502.30
Crude Oil(WTI)	Jan	88.91	86.92	101.22
Ethanol	Dec	63.61	63.19	58.54
Dollar Index	Dec	80.16	80.24	79.16
DJIA	Dec	13,008	12,961	11,956

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

**COMMENT:** US corn prices moved up earlier in the week with support from advancing wheat values and less favourable South American weather forecasts. But with a change in the latter and disappointing export sales data, the direction reversed.

Poor US winter wheat prospects supported values particularly for the Kansas City, hard red winter wheat, contract. Export sales were disappointing.

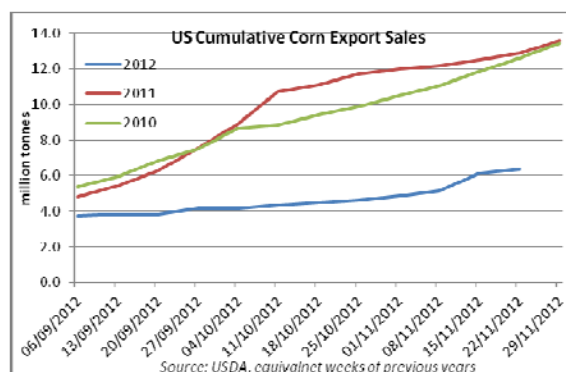
For oilseed South American weather forecasts were mixed but soya oil export sales have been particularly strong in recent weeks suggesting that Chinese bean sales will soon follow.

**NEWS:** The November 25 USDA crop progress report the last April indicated a further decline in good and excellent ratings for the US winter wheat crop now placed at 33 percent, one point below last week's rating and 21 percentage below a five-year average. Crops in soft red and white winter wheat states are looking good, but those in Great Plains hard red winter wheat states poor with no relief in sight in terms of last minute relief from pre dormancy rain.

**OPINION:** Disappointing US export sales data, particularly for corn, continues after only a brief break last week. Cumulative export sales for the crop year to date currently stand at 6.3M tonnes, about 50 percent of the year ago level. Exports for the crop year are projected by the USDA at 29.2M tonnes, 74 percent of year ago levels. While the lag is quite dramatic, there is still three quarters of the crop year in front of us and a couple of months of good export commitments

would close the gap. This is what the trade appears to be expecting after the Christmas break.

It also needs to be born in mind that while US corn exports represent a very substantial part of total world trade, 35 percent last year and often close to 50 percent, US exports were only 11 percent of US corn disposition last year, with ethanol and feed use accounting for 37 and 34 percent last season. Weekly US Renewable Fuels Association ethanol use data suggests current prices have had an impact on corn use, 16 percent compared to 10 percent for the full crop year forecast by the USDA. The first good measure of US domestic feed use will show up in December 1 US grain stocks data, normally published the second week of January. The weekly volatility in export sales data perhaps results in it attracting greater interest than it might merit in the longer term.



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