

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

7-Dec-12

Grains

Commodity	Month	This week	Last week	Year ago
SRW Wheat	Mar	316.36	317.28	218.99
HRW Wheat	Mar	334.27	335.56	243.06
HRS Wheat	Mar	343.18	344.19	303.96
CWRS	Oct	301.70	308.60	n/a
Durum	Oct	316.00	316.00	n/a
Corn	Mar	270.89	276.58	234.05
Oats	Mar	253.69	245.59	195.82
Barley	Mar	248.00	248.00	n/a

Oilseeds & Others

Commodity	Month	This week	Last week	Year ago
Soybeans	Jan	540.95	528.64	406.75
Soya Meal	Jan	487.46	479.41	305.24
Soya Oil	Jan	1,127.26	1,096.62	1,093.53
Canola	Jan	598.60	594.30	499.50
Crude Oil(WTI)	Jan	85.97	88.91	99.46
Ethanol	Jan	62.74	63.45	55.87
Dollar Index	Mar	80.60	80.36	79.17
DJIA	Mar	13,061	12,933	12,114

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

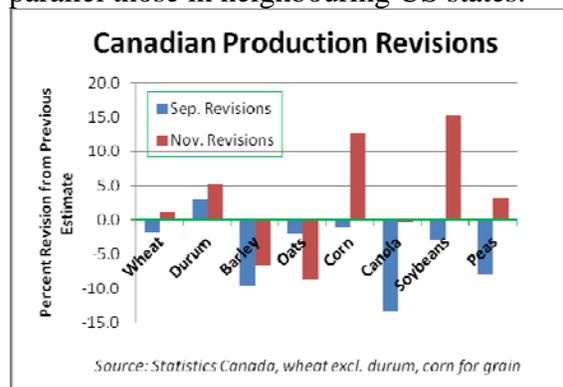
COMMENT: US corn markets lost traction late in the week with continuing poor export demand and some improvement in planting and crop prospects in Argentina. But an ethanol usage report earlier in the week was regarded as “slightly bullish”. Corn prices are, however, still about mid point in a range which stretches back to before harvest.

The wheat market features a trade off between disappointing export demand and the very poor condition of, and prospects for, the hard red winter wheat crop over much of the US Great Plains.

In contrast to the grains demand in the oilseeds complex is being described positively as “explosive” with seemingly no end to Chinese business. South American crop prospects appear to have improved but not enough to put a dent in prices, yet.

NEWS: Statistics Canada further reduced its estimates for canola, barley and oat production in its November, final, principal field crop report. Wheat (excluding durum), durum, corn, soybean and pea estimates were raised by 1, 5, 13, 15 and 3 percent, respectively. Barley and oats estimates were lowered by 7 and 9 percent. There was some recovery on the spring wheat estimate but it is still below the July forecast.

OPINION: The most significant of the Statistics Canada production revisions was probably the 9 percent cut in oats output estimate which is likely to result in US miller s having to draw Canadian supplies further from the west than they are used to, with positive price implications. The largest percentage changes were the 15 and 13 percent increases in the corn and soybean estimates but these will have minimal impact on the overall North American supply situation and were probably expected as they parallel those in neighbouring US states.



Note, StatsCan revisions in the main reflect changes in farmers’ expectations of their crops. Generally, the July estimates are made from standing crops. At the time of the September estimate at least some of the Prairie crops have been harvested. For the later maturing corn and soybean crops most harvesting is done between the time of the September and November estimates. Hence, the more substantial revisions for these crops in this time frame.

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