

| Grain and Related Prices | | | | | Oilseeds & Other Prices | | | | |
|--------------------------|-------|-----------|-----------|----------|-------------------------|-------|-----------|-----------|-------------------|
| Commodity | Month | This week | Last week | Year ago | Commodity | Month | This week | Last week | 6-Dec-13 Year ago |
| SRW Wheat | Mar | 239.20 | 245.27 | 316.36 | Soybeans | Jan | 487.03 | 484.18 | 540.95 |
| HRW Wheat | Mar | 255.55 | 260.61 | 334.27 | Soya Meal | Jan | 387.72 | 397.79 | 487.46 |
| HRS Wheat | Mar | 250.23 | 259.96 | 343.18 | Soya Oil | Jan | 892.68 | 892.02 | 1,127.26 |
| CWRS Wheat | Spot | 200.77 | 212.62 | n/a | Canola | Jan | 471.00 | 490.50 | 598.60 |
| CPS Wheat | Spot | 173.00 | 179.25 | n/a | Crude Oil(WTI) | Mar | 97.88 | 93.24 | 85.97 |
| Corn | Mar | 170.96 | 167.12 | 270.89 | Dollar Index | Mar | 80.49 | 80.83 | 80.60 |
| Ethanol | Mar | 45.83 | 41.84 | 62.74 | DJIA | Mar | 16,015 | 16,002 | 13,061 |
| Oats | Mar | 212.68 | 215.92 | 253.69 | | | | | |

Data points in red are previous 12-month highs, in blue are previous 12-month lows
 For price specs. go to: www.open-i.ca/PriceSpec.htm

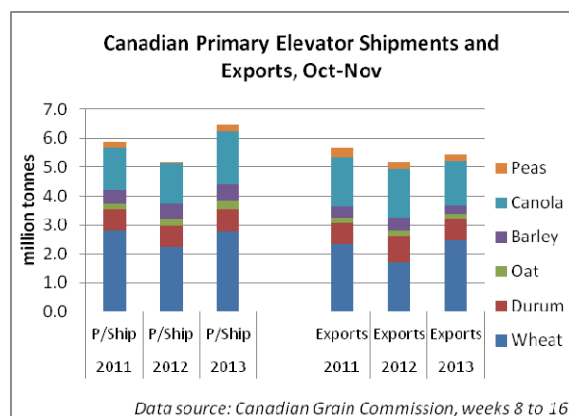
COMMENT: US corn futures were higher even though export sales last week were disappointing and a Chinese decision on rejecting US corn cargoes on GM ground is still outstanding. On the positive side a sizable Mexican sales was reported on Wednesday. Wheat prices were lower over the week particularly for spring wheats as the revision to Canadian output estimates exceeded expectations by a wide margin. Chinese demand for US soybeans continues to dominate oilseed market news with orders still exceeding cancellations and weekly sales for last week about meeting expectations. Meanwhile South American crops continue to develop under favourable conditions.

NEWS: Statistics Canada further increased its production estimates for all major crops in its November, final, report. The July, September and November estimates for all major grains and oilseeds were, respectively 80.4M, 85.3M and 95.4M tonnes. These compare with 73.3M tonnes last year and a 71.2M tonne five-year average. Production of wheat, canola, corn and soybeans are estimated at record levels. Further, yields of oats and barley are also records.

| Canadian Production – Nov. estimate | | | |
|-------------------------------------|---------------|------------|------------|
| ,000 tonnes | Nov-13 | Nov/Sept | 2013/2012 |
| All wheat | 37,530 | 114 | 139 |
| Spring Wheat | 27,239 | 114 | 146 |
| Durum | 6,505 | 117 | 141 |
| Winter wheat | 3,786 | 105 | 102 |
| Canola | 17,960 | 113 | 136 |
| Corn for Grain | 14,194 | 110 | 110 |
| Barley | 10,237 | 111 | 131 |
| Soybeans | 5,198 | 108 | 107 |
| Dry Field peas | 3,849 | 102 | 136 |
| Oats | 3,888 | 123 | 150 |
| Lentils | 1,881 | 110 | 128 |
| Flaxseed | 712 | 107 | 146 |
| Total | 95,449 | 112 | 130 |

OPINION: With about 9 Mt added to the estimated supply of Prairie crops this year as a result of the Statistics Canada report this week, the Canadian

transportation and handling system is going to be under intense scrutiny. For ending stocks to be kept at pipeline levels, the bulk of those extra supplies would need to be exported. This is most unlikely to happen and the widening of basis reflects this. Which crops will bear the brunt of added ending stocks will be determined by the market, – farmers’ willingness to discount prices to move crops promptly and buyers’ preferences for Canadian supplies. How much in total is left on farm prior to the 2014 harvest will depend on the performance of transportation and handling system which again may be weather dependent. During the 8 weeks since harvest a good job seems to have been done on movement out of the country, but not so good on exports, the ultimate test. This situation will change. Japan, the prime market for Canada, is reported to have adjusted its wheat tendering process “to guard against shipping delays from Canada”. Others will no doubt also be getting their orders in early.



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While every reasonable effort is made to ensure this information is accurate, the author is unable to provide any guarantee over accuracy, or to be liable for the consequences of action taken on the basis of any information which proves to be inaccurate.