

MARKET WATCH

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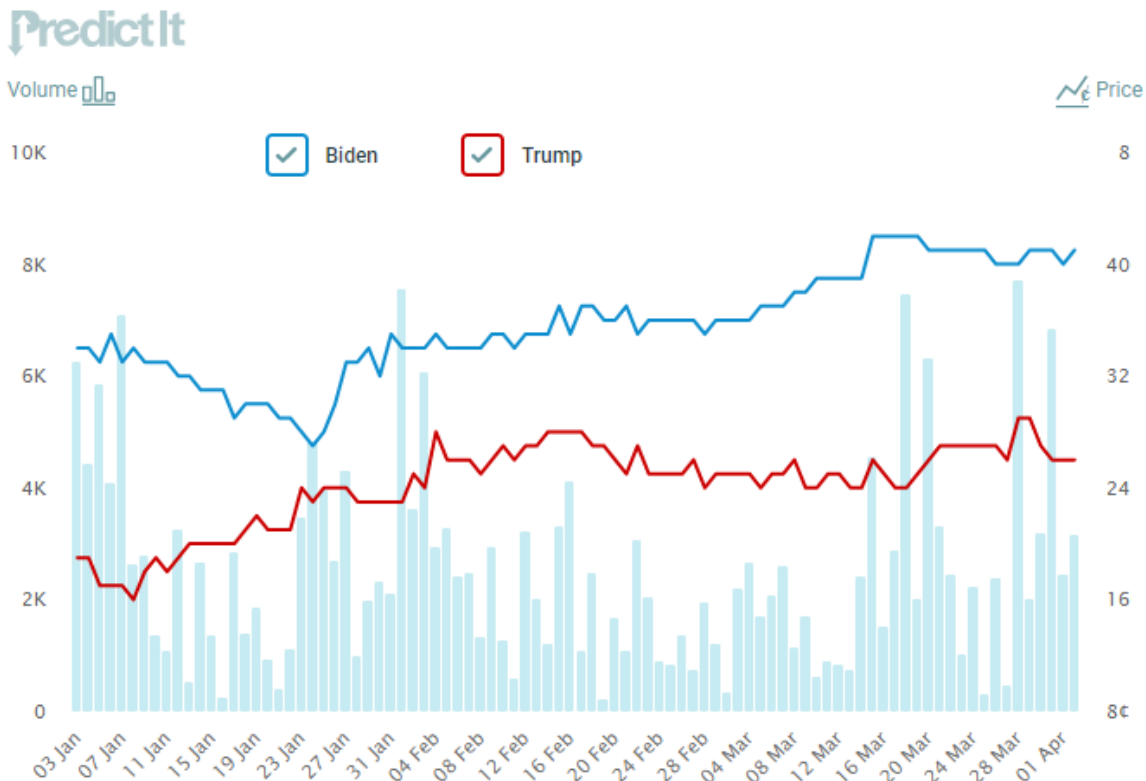
Below are excerpts from my weekly Market Watch radio spots.
Market Watch is broadcast on over two dozen radio stations across Western Canada.

"Many markets are inefficient because that inefficiency is very profitable to those running the market." - from the book Chaos Monkeys

Never say never... - April 3, 2023

When humans are involved, anything can happen. If I told you that the head of a country at the center of numerous tax evasion, election fraud and sex scandals, being accused of inciting a riot at the seat of government after losing an election, now has the opportunity to lead that country once again, it would sound like the storyline behind new political conspiracy series on Netflix.

Yet, it's a show we've all watched unfold for over ten years, or more. Donald Trump is the first former US president to face criminal charges, with more than 30 counts related to business fraud. But political futures betting markets currently show Trump has a 40% chance of becoming the Republican presidential nomination and nearly 30% chance of becoming the next US President.



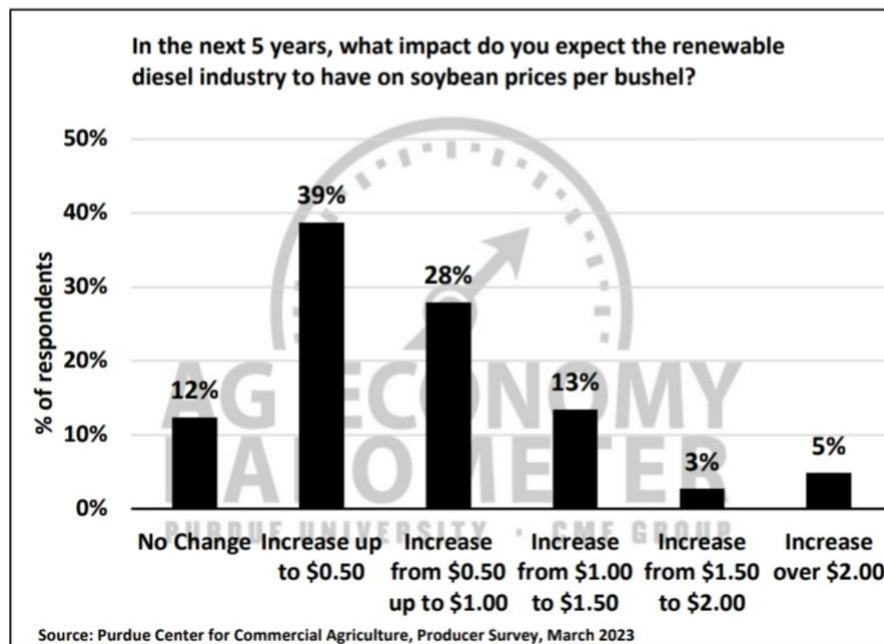
Bottom line, you can never tell how this story will evolve and no amount of political analysis or expert commentary will help. This is why I like to track actual market behaviour, price data patterns and trading activity, not just the stories behind them. For objective market analysis and straightforward hedging strategies, connect with me at 844-982-0011 or commodity-options.ca.

Expect the Unexpected - April 10, 2023

A recent Purdue University & CME Group report showed that around 90% of farmers surveyed expect soybean prices to be higher in the next five years thanks to the renewable diesel industry.



**AG ECONOMY
BAROMETER**
PURDUE UNIVERSITY • CME GROUP



While renewable fuel usage will likely continue to grow over time, that doesn't mean it will have a one-way direct impact on soybean or canola prices. There are so many other factors globally that will affect oilseed supply and demand like government energy & environmental policy, competing fuel sources and global economic growth.

As a percentage of total US vegetable oil consumption for biofuels, canola oil is currently 16%, corn oil is 20% and soybean oil is 64%. Interestingly, however, soybean oil's share of all vegetable oil usage has dropped from 72% to 64% in the past year.

Bottom line, instead of oilseed prices necessarily staying at these high levels over the next few years, expect the unexpected and keep in mind that it's possible prices drift lower instead. For objective market analysis and straightforward revenue hedging strategies, connect with me at 844-982-0011 or commodity-options.ca.

Chinese Futures Markets - April 17, 2023

When it comes to the book on soybeans, China is often the main character in the plot. They are the number one destination worldwide for soybeans, accounting for about 60% of global imports.

So as usual in the soybean trade, China has been getting a lot of attention lately. Will they or won't they increase their purchases? But looking at the domestic situation, there is a consistent story across the Chinese soy futures markets.

When you look at their beans, meal or oil futures, the chapters all read the same. They have been trending lower for the past two months and are down around 10% from this year's highs. Furthermore, all three commodities have broken through their long-term chart price support levels.



Source: www.barchart.com

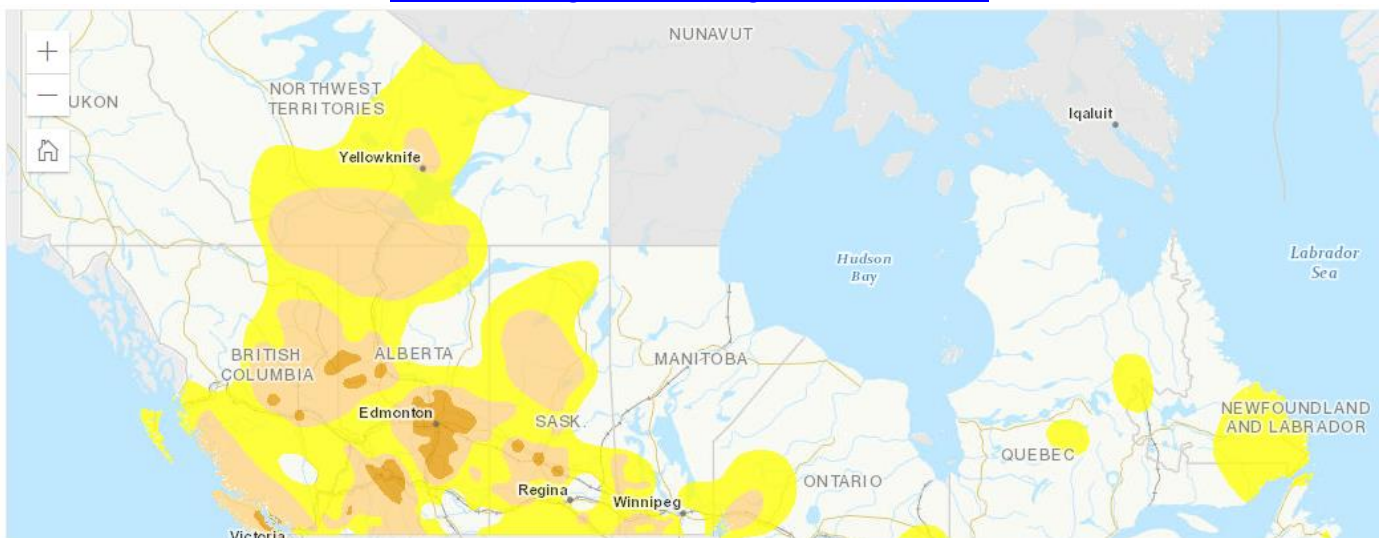
Bottom line, with China having such a big influence on global grain prices, it pays to keep an eye on Chinese commodity futures markets. For a global economic perspective, objective market analysis and straightforward revenue hedging strategies, connect with me at 844-982-0011 or commodity-options.ca.

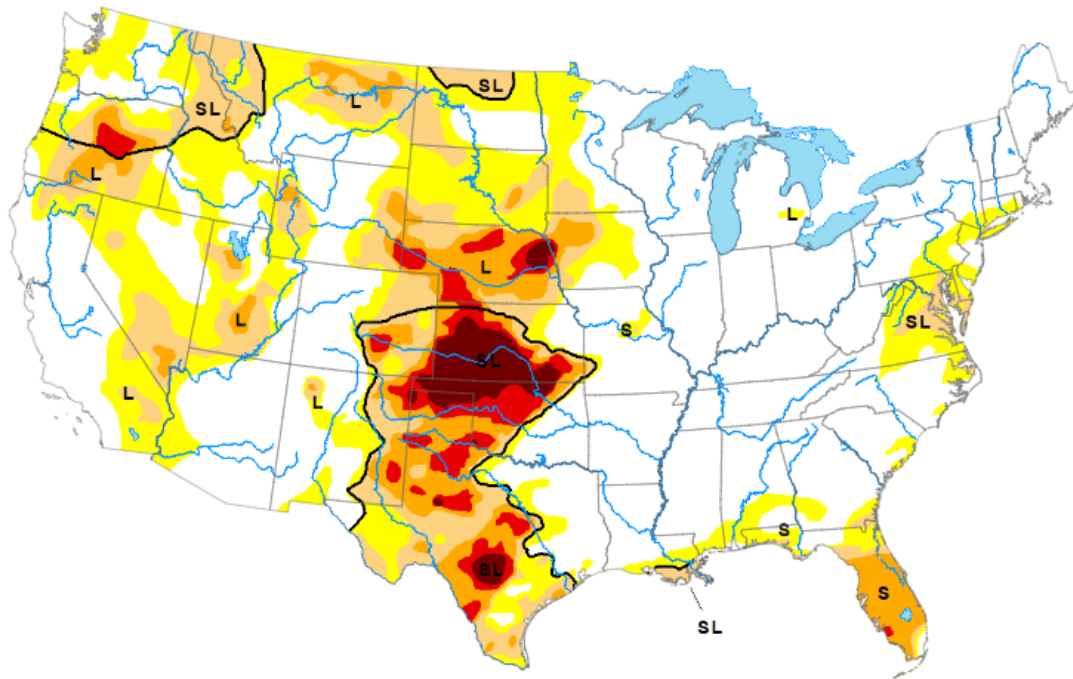
Mother Nature Part 1 - April 24, 2023

As seeding looks to be delayed in many regions across the Prairies, let's take a closer look at weather conditions.

At this time of year, weather gets a lot of attention as we head into the new growing season. But with snow and cold temperatures lingering, and drought conditions persisting in a lot of areas, weather will be important as ever this year. Quite a few farmers have told me they'll be delayed getting in to the fields anywhere from 7 to 10 days compared to usual.

Canadian Drought Monitor - agriculture.canada.ca





[Current Map | U.S. Drought Monitor \(unl.edu\)](#)

Then, when seeds are finally in the ground, Agriculture Canada is showing moderate or severe drought throughout most Alberta growing regions, big pockets in the middle of Saskatchewan and some in southern Manitoba. At the same time, the US Drought Monitor has drought conditions in Montana, North Dakota and South Dakota.

Bottom line, weather can change either for better or worse in a hurry. Use options & futures hedging strategies to plant enough flexibility into your marketing plan so you can deal with whatever Mother Nature brings your way. To enhance your grain marketing plan, connect with me at 844-982-0011 or commodity-options.ca.

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