
MARKET WATCH

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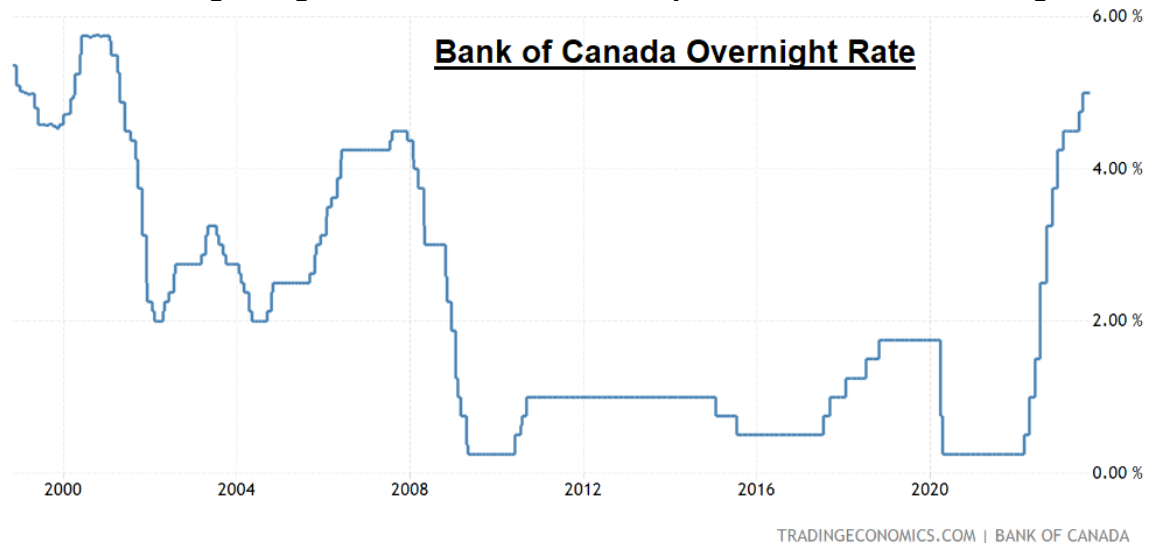
Below are excerpts from my weekly Market Watch radio spots.
Market Watch is broadcast on over two dozen radio stations across Western Canada.

*"In life and business there are two cardinal sins.
The first is to act precipitously without thought,
and the second is to not act at all."*

-Carl Icahn, hedge fund manager

Looking for a 7, 8 or 9% yield on your money? – October 2, 2023

We all know that both the Canadian & US central banks have raised short-term interest rates about 5% since the beginning of 2022. But that doesn't just have to be a bad thing.



And while borrowing costs have gone up, it has also improved interest and dividends on certain variable rate investments that increase their payouts as rates have risen. Investments that were once paying 4, 5 or 6% are now paying 7, 8 or 9%.

The long-term return of the US stock market has averaged around 9% over the past century. So, why not earn 8 or even 9% dividend payments from a basket of investments like big banks, utility companies, large life insurance stocks as well as energy shares, with less volatility than the broad stock market indices?

Bottom line, interest rates can stay elevated for many years so why not benefit from that on your cash and investments? While the fundamentals of any investments can change in a high yield environment, connect with me now at 204-982-0011 or commodity-options.ca to see if these types of investment may be suitable for you.

Falling Crop Prices + Rising Interest Rates = ????? – October 9, 2023

With falling crop prices and rising interest rates, what have farmland values down so far this year?

Farm Credit Canada's recent farmland value report for the first half of 2023 points out that "even if higher interest rates are slowly eroding buyers' purchasing power, limited availability of farmland for sale is generally still pushing prices higher."

Furthermore, they noted that "robust farm income has contributed to higher land values." According to FCC Economics, "farm cash receipts were resilient amid downward pressure on agriculture commodity prices." Their "most recent projections call for farm cash receipts to increase 6.6% in 2023."

So, while major crop like canola, wheat, corn and soybeans prices were down on average 10% in the first half of the year and the Canadian prime rate was near 7%, Manitoba dryland farmland prices were up 6%, Saskatchewan was up 11% and Alberta up 3%.

Average farmland values changes in the first half of 2023 by province

PROVINCES	AVERAGE % CHANGE JAN 2023 - JUNE 2023 (6 MONTHS)	AVERAGE % CHANGE JULY 2022 - JUNE 2023 (12 MONTHS)	AVERAGE % CHANGE JAN 2022 - DEC 2022 (12 MONTHS)
B.C.	0.0	1.8	8.0
Alta.	3.0	6.0	10.0
Sask.	11.4	17.0	14.2
Man.	6.4	12.8	11.2
Ont.	6.9	10.8	19.4
Canada	7.7	12.2	12.8

Source: FCC calculations

[2023 farmland values: Where are we at mid-year? | FCC \(fcc-fac.ca\)](https://www.fcc-fac.ca/2023-farmland-values-where-are-we-at-mid-year/)

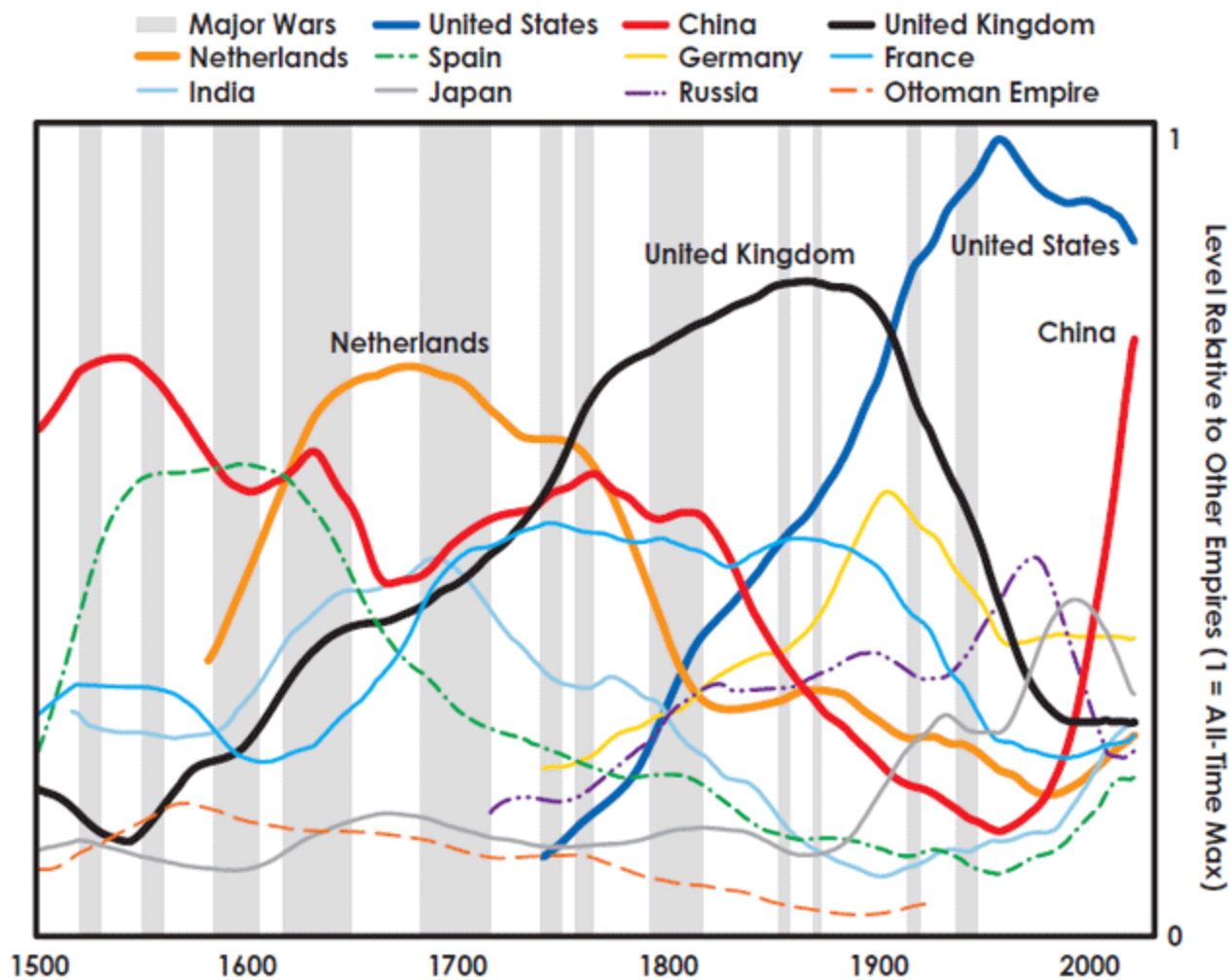
Bottom line, history suggests interest rates could still stay near these higher levels for 3, 4 or 5 years, or more. So, the ultimate effect on farmland value remains to be seen. For market insights and farm financial strategies, connect with me now at 204-982-0011 or commodity-options.ca.

The Cleanest Dirty Shirt – October 16, 2023

The world of foreign exchange is a relative game, and every country has its own social, political and economic challenges to muddy the waters. So which country's currency is the cleanest dirty shirt?

Over the centuries, empires come and go based on many factors including economic, military and education. And it's not unusual to see a country maintain dominance for a hundred years or more, along with its currency as a global financial reserve. Based on these historical precedents, the USA and its dollar could remain dominant for a few more decades to come.

RELATIVE STANDING OF GREAT EMPIRES



Even today, we continue to see signs of US dollar dominance. It's up 20% against a basket of major currencies since the post-COVID lows three years ago and has risen 30% in the past decade, and is still pointing higher.

Bottom line, currencies fluctuate and so does the relative strength of nations. But despite all their debt, internal social challenges and political issues, the US dollar, comparatively speaking, is still the cleanest dirty shirt, for now. For market insights and financial strategies for farm and family finances, connect with me now at 204-982-0011 or commodity-options.ca.

Your Grain Marketing Swiss Army Knife – October 23, 2023

Now that harvest is mostly done and field work underway, focus can be geared toward marketing.

The past few years have seen grain prices experience a lot of volatility. For many crops, prices are very high from a longer-term historical perspective, but also far below the peaks of recent memory. Farm businesses need all the tools that other industries have been using for years to manage market risks & capture opportunities.

When and where is it best to use futures & basis contracts? Puts & calls? Option spreads & replacement strategies?

These are all tools that can help improve your commodity marketing and finetune your overall farm revenue management.

And, if you are listening in the Manitoba area, join me for a hands-on marketing & hedging workshops November 20 & 21 in Brandon or November 27 & 28 in Niverville, hosted by Leftfield Commodity Research.

Bottom line, whether you're...

- a beginner needing to learn more,
- at the intermediate level wanting additional tools in your marketing toolbox, or
- a seasoned veteran that uses options & futures regularly

...there's always room to learn more. Connect with me now to take your farm marketing to the next level at 204-982-0011 or commodity-options.ca.

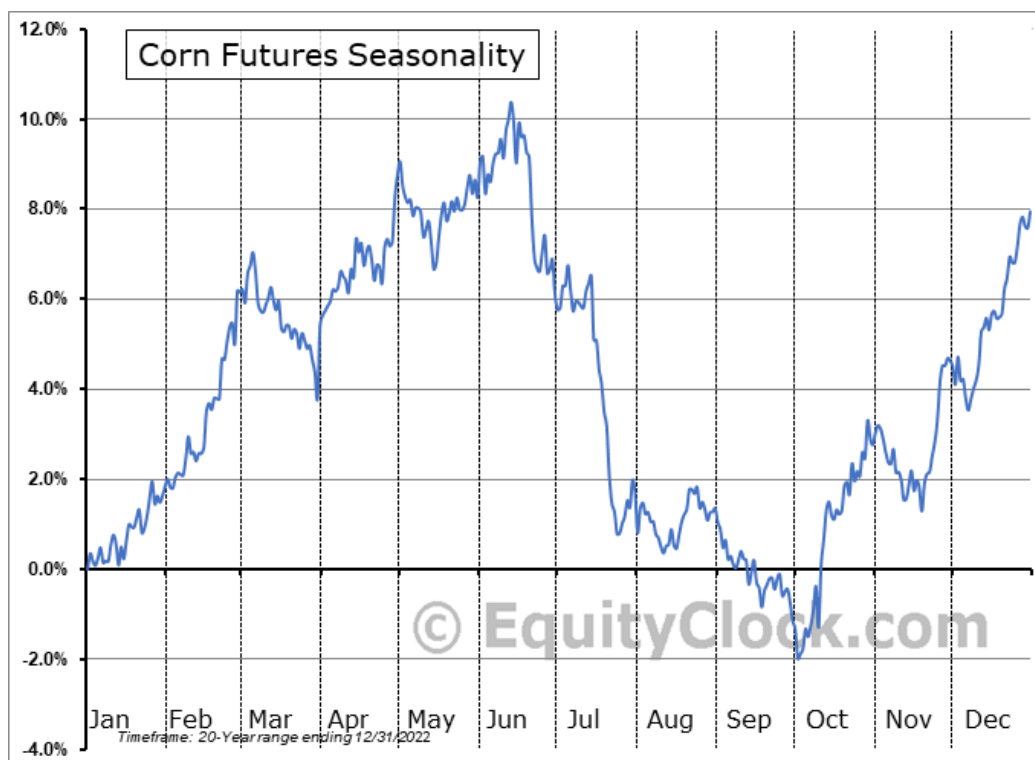
'Tis the season – October 23, 2023

Are harvest pricing pressures coming near to their end?

Since their summertime highs, wheat and corn futures are down about 25% while canola has dropped 20% and soybeans 10%. But where do they go from here?

Historically, October often marks the seasonal lows for the major grain markets of corn and soybeans.

So are harvest pricing pressures coming to an end? Not necessarily because you should never say never when it comes to markets, and history is just a guide, not a guarantee. But as Mark Twain is credited with saying: "History doesn't repeat itself, but it often rhymes."



So, what is the best approach to manage this potential seasonal price increase? Find out how flexible option strategies can create a better risk-adjusted way to benefit from seasonal grain price tendencies.

And, if you are listening in the Manitoba area, join me for a hands-on marketing & hedging workshop November 20 & 21 in Brandon or November 27 & 28 in Niverville, hosted by Leftfield Commodity Research to learn about seasonal patterns, options and more. To register and take your farm marketing to the next level, connect with me now at 204-982-0011 or commodity-options.ca.

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