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# 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.

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***“Farming looks mighty easy when your plow is a pencil and  
you’re a thousand miles from the corn field.”***

**– General Dwight D. Eisenhower**

## **Trade Wars, Trade Opportunities – June 3, 2019**

There's a Chinese saying that in crisis, there's opportunity. I know there is not an immediate end to the current commodity trade wars with China, and it may eventually encourage higher value processing of our commodities. This would be good for our country and its economy in terms of capital investment, employment and making of higher profit margin goods.

I see momentum in this area already in my own back yard.

For instance, there's the building of the new Roquette pea processing plant in Portage la Prairie.

I know of a Manitoba company that uses oil from oilseeds as a base for an eco-friendly epoxies, liquid plastics and resins. If you walk around their show room, you can see some of the high quality and beautiful products they make.

Or take a tour of the Canadian International Grain Institute (CIGI) in downtown Winnipeg and be amazed at the variety of unique products that are being developed with our Canadian grain and specialty crops.

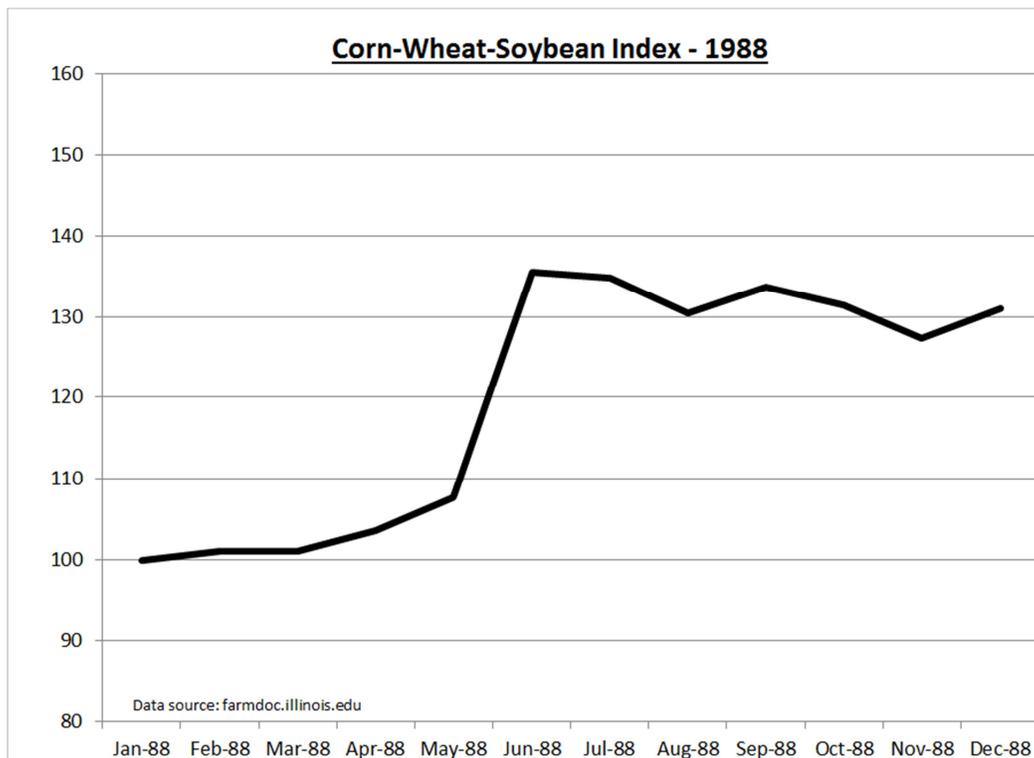
Bottom line, maybe there is also a silver lining to all these trade issues. It will take time, but it could encourage businesses to turn the world class quality commodities Canadian farmers grow into valuable finished goods with world wide appeal.

## **I haven't seen it this bad since... – June 10, 2019**

A lot of conversations with farmers this week have started off with the statement: "I haven't seen it this bad since..."

We've all read the articles and reports that it is very dry across our Prairies and a lot of clients have said "It hasn't been this bad since 1988!"

So as a comparison, from May 1988 to their peak a few months later, corn, wheat and soybeans were up on average 35% in 1988. So far this year, corn, wheat and soybeans combined are up about 20%. We still have plenty of weather and growing to do so this rally could continue.



There are also many factors that could hold prices down including really, really good crops in South America, the ongoing China trade issues as well as lots of grain around the world so price will likely be volatile.

Bottom line, trying to navigate your grain marketing routes without options or futures is like not having power steering in your truck. You just won't have the flexibility to get to where you want to go as easily or as safely without them so connect with me at 844-982-0011 or [commodity-options.ca](http://commodity-options.ca) for all your grain marketing and hedging tools.

### **Grain Market Recap – June 14, 2019**

There been a lot of talk and coverage about the weather driven price rallies both in Canada and the US over the past few weeks. Almost a month ago, I said grain futures price patterns looked like they were at the start of a seasonal grain price rally, which often lasts through to Canada Day and July 4th long weekend.

Since the lows, wheat futures are up about 15%, soybeans and canola are up around 10%, corn has increased 25% and oats are up 15%. Combined, these grain markets are up 15% on average so we'll see how long this strength can last...

Regardless of exactly how high prices go and where they ultimately end up or how they get there, there is going to be a lot of volatility and price fluctuations.

Bottom line, weather driven price rallies often provide good pricing and hedging opportunities. If you take an incremental selling approach like many farmers do in order to diversify your decisions, manage your risks and capture these opportunities, options and futures can play a key role in that process. To find out how, connect with me at 844-982-0011 or [commodity-options.ca](http://commodity-options.ca).

## Summer Weather Forecast: Another Sizzler on Tap? – June 24, 2019

We've already had one weather scare this year so far but according to the Farmer's Almanac time-tested, 202-year-old weather formula, summer 2019 overall should see near-normal, summer temperatures across much of the US.

For the Great Lakes, Ohio Valley & Midwest, they're predicting heat and humidity to build in June and July to be a stormy, warm month. And while they're calling for near-to-below normal precipitation west of the Mississippi, a stormy summer is on tap for this region overall. Some bouts of severe weather may rumble through in late July. Some of the storms, especially for parts of Michigan, are capable of large hail.

The Canadian Prairies will be warm to hot, with the heat occasionally tempered by a shower or gusty thunderstorm.



Bottom line, hot and showery is how the Farmers Almanac sees the summer of 2019. As always, weather will cause bouts of grain price volatility so make sure you have options & futures in your marketing tool box to manage your revenues, capture hedging opportunities and reduce risk. Connect with me at 844-982-0011 or [commodity-options.ca](http://commodity-options.ca) for all your grain marketing options.

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