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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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***"It is difficult to make predictions, especially about the future." - Yogi Berra***

## **Reducing your borrowing costs – November 6, 2023**

For the first time in many years, interest rates are having an even bigger influence on marketing decisions. Whether its money sitting in a money market fund and investments at 5, 6 or 7 %, or operating lines of credit at 7, 8 or 9%, interest rates matter and any advantage you can get directly impacts your bottom line.

For instance, Dave Gallant Director of Finance & Operations with the CANADIAN CANOLA GROWERS ASSOCIATION, or CCGA, notes that "with \$350,000 interest free in the cash advance and prime at 7.2%, the savings available for farmers this year are substantially higher than prior years using the program at CCGA, making it even more valuable. A farmer using \$500k under the program would save over \$26,000 vs a loan at prime, a \$1 million advance would save over \$30,000."



### [CCGA Cash Advance](#)

To find out how interest rates, delivery decisions and option strategies all work together to finetune your grain marketing, join me for a hands-on marketing & hedging workshop November 20 & 21 in Brandon, MB or November 27 & 28 in Niverville, MB hosted by Leftfield Commodity Research.

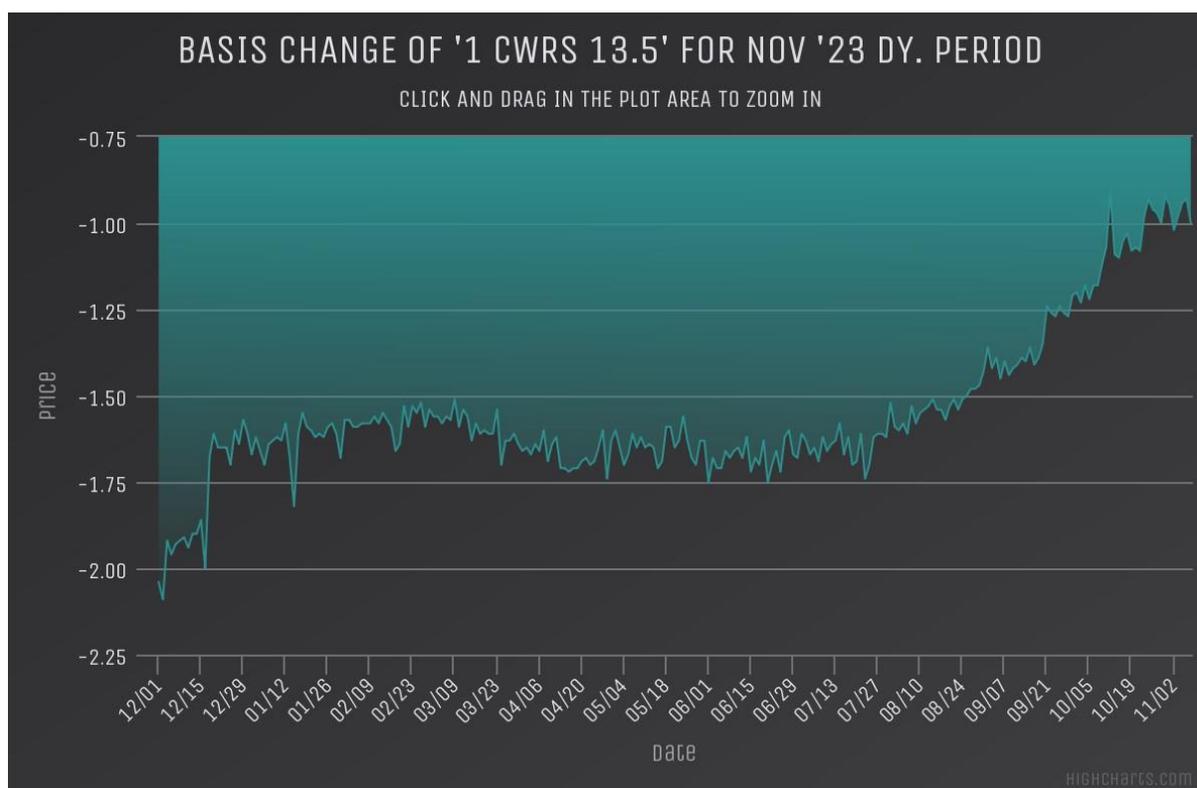
To take your farm marketing to the next level, connect with me now at 204-982-0011 or [commodity-options.ca](http://commodity-options.ca).

## It's all relative – November 13, 2023

Basis levels for crops like wheat, canola, soybeans & corn are important and can fluctuate a lot.

Basis is just the difference between your local cash bids and futures prices. When basis levels are good, local demand is relatively strong. Likewise, when basis is poor, local demand is relatively weak. Canadian dollar fluctuations also factor into the basis equation. So, with the loonie falling from 76 cents US to 72 cents, that has helped improve domestic prices and their basis levels.

For example, CWRS and CPS wheat basis levels have improved around \$0.75-\$1.00/bu over the past few months. This has partially offset the \$2 drop in hard red spring and nearly \$3 fall in hard red winter futures prices since their summertime highs.



To find out about how basis levels, currency hedging and option strategies can all work together to finetune your grain marketing, join me for a hands-on marketing & hedging workshop November 20 & 21 in Brandon, MB or November 27 & 28 in Niverville, MB hosted by Leftfield Commodity Research. To register and take your farm marketing to the next level, connect with me now at 204-982-0011 or [commodity-options.ca](http://commodity-options.ca).

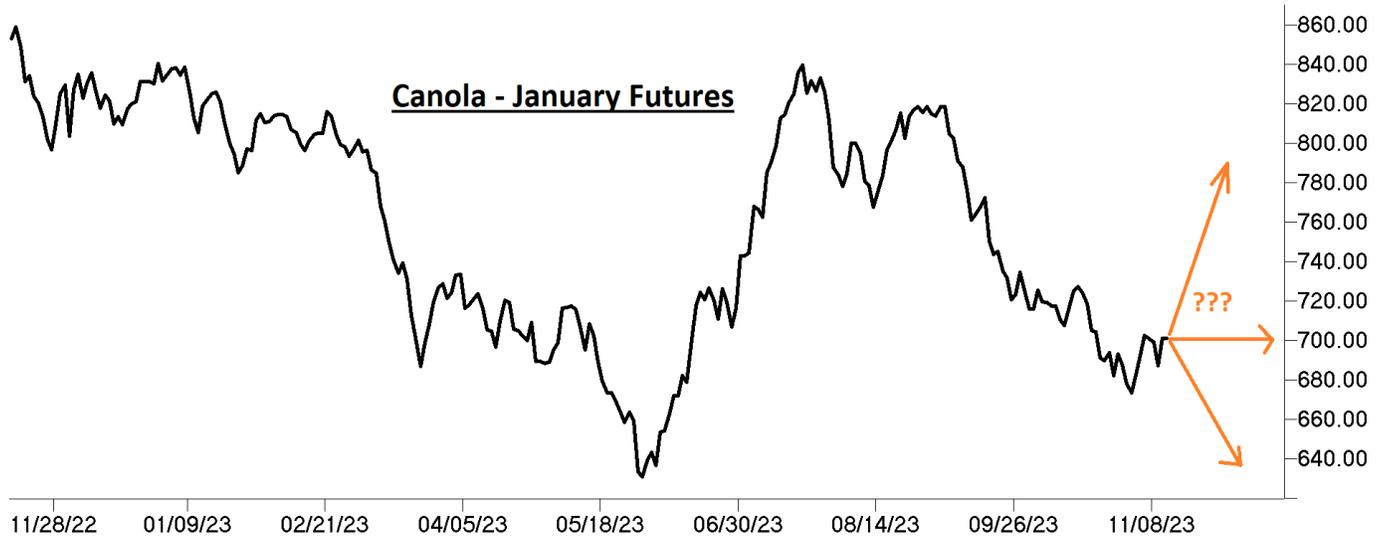
## Up, down or sideways... – November 20, 2023

Are markets going to go up, down or sideways? No one knows for sure, but straightforward technical chart analysis can help improve your farm marketing decisions.

A commodity, currency or stock price reflects the combined fear and greed of all the hedgers, traders and investors participating in that market.

While supply & demand are the key fundamentals variables that go into the price of a commodity, actual historical price patterns can provide an additional wealth of knowledge. Trading activity already reveals not just what buyers and sellers have been doing, but more importantly, where prices might be going.

No forecasting method is perfect, but an objective look at raw historical charts can be a powerful analysis tool for uncovering higher probability price patterns & trends.



To find out about how price analysis, physical sales and option strategies all work together to finetune your grain marketing, join me for a hands-on marketing & hedging workshop November 27 & 28 in Niverville, MB, hosted by Leftfield Commodity Research. To register and take your farm marketing to the next level, connect with me now at 204-982-0011 or [commodity-options.ca](http://commodity-options.ca).

### **Financial Innovation – November 27, 2023**

Recently, the chief economist of Farm Credit Canada pointed out that "Canadian agriculture productivity is growing, but the rate of growth is slowing." What could this mean for your farm?

With agriculture productivity slowing, Farm Credit Canada tied this decline to slowdowns in capital and land productivity. Also, a high interest rate environment can contribute to reduced investment in innovation and at the same time, it's hard to make gains when productivity is already high.

It was mentioned that innovation is needed if the ag sector wants to reverse the current trend and will have to embrace advances like artificial intelligence in machinery if it wants to keep pace.

Another key area for improvement, many farmers will admit, is commodity marketing. Selling your grain or livestock with all the marketing tools available including basis contracts, options and futures can help you better capture price opportunities, navigate market fluctuations and manage delivery risks.

When you're dealing with top line, one hundred cents dollars, it makes sense to use all the hedging tools available to maximize revenues and help improve your bottom line. For market insights and farm financial strategies, connect with me now at 204-982-0011 or [commodity-options.ca](http://commodity-options.ca).

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