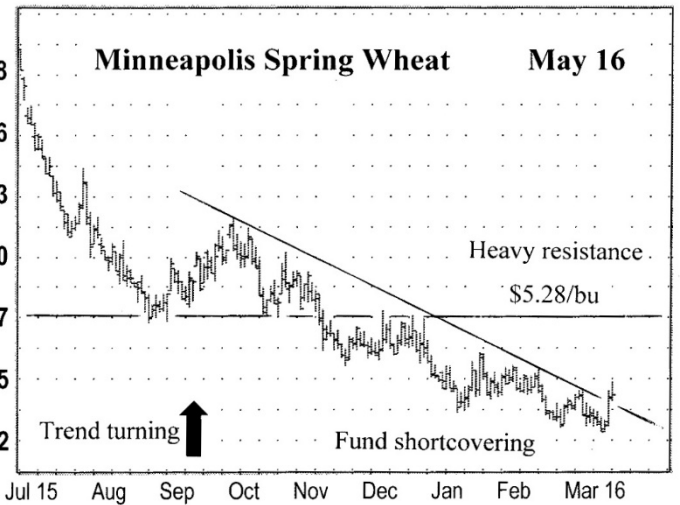
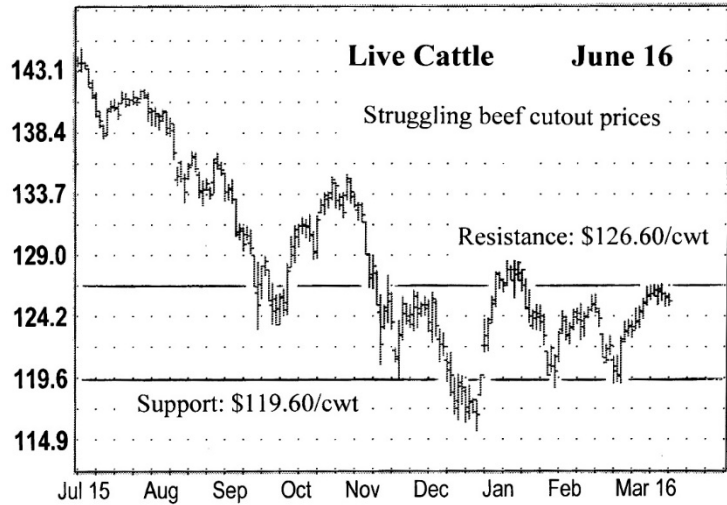


# ProMarket Wire . . . Friday, March 04, 2016

ProMarket Wire provides cash market opinion assisting agri-business (403) 275-5555 **Rebroadcast is Prohibited**

## Cdn Dollar Rumbles Higher . . . . . Rising Cdn Hog Inventory . . . . . Old Crop Lentil Bids Firm

It was a 'green' day on the markets today . . . A string of positive U.S. data released through the week powered the Dow Jones above 17,000 points. Supportive U.S. jobs data with American unemployment holding at 4.9% plus an improvement in 4<sup>th</sup> quarter GDP had investors scurrying toward U.S. equities. **"Great news for the U.S. this week. The only disappointment was the decline in average hourly earnings"** stated a New York trader. And climbing stock markets also supported the cattle board and beef prices in-general. April live cattle surged to a high of \$136.775/cwt mid-day. But despite signs of a strengthening U.S. economy, gold and silver prices continue to flare up. April gold roared above \$1,280 per oz. **"The rally in gold this week suggests international investors are not convinced all is well"** commented a Vancouver broker. May silver smoked higher hitting a high of \$15.84 per oz. And the Cdn dollar bull continues to snort. Our spot loonie broke above 75 cents U.S . . . Canola fired higher early, but faltered late day. May canola ramped above \$457/MT before breaking below \$447/MT late day. **"The strong Cdn dollar tripped up canola gains today"** commented a Winnipeg trader. U.S. wheat futures firmed early on follow-through fund shortcovering. And this strength percolated into soybeans and corn as well. **"Grain traders were certainly watching wheat for price direction. Seasonally, wheat prices often firm up this time of year"** stated a CME trader. **"Next Wednesday is USDA report day. Traders may just square up positions ahead of this report"**.



**Late Day Financials:** Toronto TSX 13,219 +95      Dow Jones 16,956 +12      U.S. \$ 97.36 -.23  
**Energies and Metals:** Euro Jun 109.92 stdy      Crude Oil Apr 35.86 +1.30      Gold Apr 1263.30 +5.10

## Cash Market Snapshot: Spot Cdn \$ 75.06 up.45      Jun \$ 75.04 up.43      Sep \$ 75.07 up.43

**Firm Red Lentil Bids:** Buyers of old crop red lentils appear willing to pay up 1 to 2 cents/lb to secure supplies for immediate movement. #1 red bids have been heard as high as 46 cents/lb delivered this week. These improved bids are clean-up bids to fill remaining sales. But once these sales are covered, bids may begin to fall back. **ONCE LATE WINTER OLD CROP LENTIL SALES ARE COVERED, BIDS MAY BEGIN TO FALL BACK.** Growers note . . . India's harvest is now underway and it may be just a matter of time for demand for Cdn pulse supplies cool off. **INDIA'S DEMAND FOR CDN PULSE SUPPLIES MAY BEGIN TO COOL OFF SOON IE: LENTILS / EDIBLE PEAS.** Old crop green lentil bids remain very strong, but new crop green bids now appear hard to come by. **NEW CROP GREEN LENTIL BIDS ARE NOW HARD TO COME BY.** Growers note: Given slowing demand, new crop red and green lentil bids may gradually decline into early spring. **Rising Cdn Hog Inventory:** According to Stats Can, Canada's hog numbers are now the highest in eight (8) years. Canada's hog population is now pegged at 13.25 million hogs, up about 1% year over year. Canada exported 5.8 million hogs in 2015, up more than 15% from 2014. Currently, western Cdn hog bids remain firmly bid ranging \$1.62 to \$1.68/kg (73 ½ - 76 cents/lb). **Dressed Cattle Bids Slip:** Thanks to the strengthening Cdn dollar, Cdn dressed cattle bids lost 4 to 5 cents/lb this week. Next week . . . U.S. cash cattle prices remain firmly supported, but it will take a drop in the Cdn dollar to support prices here. **CDN DOLLAR MUST FALL BACK FOR CND FED CATTLE PRICES TO RECOVER INTO EARLY SPRING.** Texas, Kansas, Nebraska cash bids should remain firmly bid **between \$134 to \$138/cwt heading into last half of March.** **Whoa Cdn Dollar:** The June Cdn dollar has now broke above key chart resistance seen at 74.60 cents U.S. Today, our loonie surged above 75 cents U.S. Next resistance on the June chart is now seen at 75.80 cents U.S. Strong gains across the precious metal complex plus a gradual improvement in crude oil continues to push our dollar higher. **NEXT HEAVY RESISTANCE FOR THE JUNE CDN DOLLAR IS NOW SEEN AT 75.80 CENTS U.S.** Errol

	Close	Change		Close	Change		Close	Change
May Canola	\$ 452.30	\$ 0.00	May Corn	\$ 3.582	+\$ 0.016	May Chic Wheat	\$ 4.606	+\$ 0.010
Jul Canola	\$ 457.50	+\$ 1.70	Jul Corn	\$ 3.634	+\$ 0.022	Jul Chic Wheat	\$ 4.666	+\$ 0.010
Nov Canola	\$ 466.20	+\$ 3.20	Dec Corn	\$ 3.780	+\$ 0.024	Sep Chic Wheat	\$ 4.762	+\$ 0.006
Jan Canola	\$ 471.00	+\$ 3.20	Mar Corn	\$ 3.866	+\$ 0.024	Dec Chic Wheat	\$ 4.912	+\$ 0.012
Mar Canola	\$ 473.50	+\$ 2.70						
			May Oats	\$ 1.816	-\$ 0.046	May Minn Wht	\$ 4.976	-\$ 0.002
May Beanoil	\$ 0.3096	+\$ .0035	Jul Oats	\$ 1.922	-\$ 0.036	Jul Minn Wht	\$ 5.054	+\$ 0.002
Jul Beanoil	\$ 0.3119	+\$ .0034	Dec Oats	\$ 2.084	-\$ 0.014	Sep Minn Wht	\$ 5.146	+\$ 0.002
Dec Beanoil	\$ 0.3156	+\$ .0033				Dec Minn Wht	\$ 5.304	+\$ 0.006
			Apr Live Cattle	\$ 136.350	+\$ 0.900			
May Soybeans	\$ 8.784	+\$ 0.146	Jun Live Cattle	\$ 126.475	+\$ 0.850	May KC Wheat	\$ 4.686	+\$ 0.026
Jul Soybeans	\$ 8.844	+\$ 0.142	Aug Live Cattle	\$ 121.925	+\$ 0.750	Jul KC Wheat	\$ 4.780	+\$ 0.022
Nov Soybeans	\$ 8.910	+\$ 0.130	Oct Live Cattle	\$ 122.075	+\$ 0.825	Sep KC Wheat	\$ 4.914	+\$ 0.024
			Dec Live Cattle	\$ 121.525	+\$ 0.625	Dec KC Wheat	\$ 5.106	+\$ 0.022
May Soymeal	\$ 270.90	+\$ 6.00						
Jul Soymeal	\$ 273.20	+\$ 5.80	Apr Fdr Cattle	\$ 158.225	+\$ 1.300	May Nat Gas	\$ 1.784	+\$ 0.017
Dec Soymeal	\$ 277.90	+\$ 5.50	May Fdr Cattle	\$ 157.175	+\$ 1.275	Apr Lean Hogs	\$ 70.800	+\$ 0.450

The author(s) of this newsletter are employed by R.J O'Brien Canada Inc. a Canadian regulated FCM. The content and opinions expressed are solely those of the authors and not necessarily shared by RJO Canada. RJO Canada is not responsible or liable for any actions taken from the use of content, expressed opinions, accuracy, forecasted projections expressed within this newsletter. Responsibility for all content remains solely with ProMarket Communications Inc. (403) 275-5555. Rebroadcast is prohibited.