

Grains & Related					Oilseeds, Related & Others				
Commodity	Month	This week	Last week	Year ago	Commodity	Month	This week	Last week	Year ago
SRW Wheat	May	293.03	279.06	171.13	Soya Beans	May	511.65	510.55	349.89
HRW Wheat	May	342.72	333.44	177.65	Soya Meal	May	393.76	396.85	292.45
HRS Wheat	May	350.25	338.96	184.17	Soya Oil	May	1,317.75	1,293.28	882.76
Corn	May	302.35	289.75	136.12	Canola	May	588.90	590.90	381.10
Oats	May	255.15	243.16	139.41	Crude Oil	May	112.79	108.10	84.90
W. Barley	May N	200.00	200.00	154.00	Dollar Index	Jun	75.18	76.13	81.03
Ethanol	May	72.01	70.19	40.60	DJIA	Jun	12,330	12,311	10,953

Data points in red are new previous 12-month highs, in blue are new previous 12-month lows

Comment: Corn traded at record levels and in a relatively narrow \$6/t range for most of the week in advance the USDA's S&D revisions which forecasted ethanol users outbidding feeders with ending stocks unchanged. This added to concerns over the need for prices to ration use. Wheat traded erratically lower giving up most of Monday's gains but prospects for feed demand was supportive late. Soya beans had their best day on Friday with the USDA's ending stocks prediction at the low end of trade expectations. The rising price of crude oil and declining value of the dollar were also supportive.

News: In the USDA first crop report of the 2011 season, only 37 percent of reports rated winter wheat conditions as good or excellent as of April 3. This compares with 53 percent last year and is marginally below the 38 percent in 2006 but above the 31 percent in 2002. In both these years conditions continued to deteriorate with eventual average yields of 41.7 and 38.5 bushels per acres compared to a ten-year average of 43.9. Crop conditions are generally less favourable in Texas, Oklahoma and Kansas but relatively good elsewhere.

Revisions this month to USDA's US wheat S&D projections were limited to a small increase in seed use. US wheat feeding occurs mainly between the wheat and corn harvests and hence will not show statistically until next month's 2011-12 crop year projections.

It did, however, show in the corn S&D's as its crop year extends through this period. The reduction in corn feeding was offset by an increase in fuel ethanol use, with ending stocks unchanged - perhaps a subliminal message that a further reduction is not feasible.

For soya beans exports and US crush were reduced, but this was offset by a very significant increase in residual use justified by the March 1 stocks report.

On the Canadian Prairies the spring thaw is about two weeks later than last year with below normal temperatures and above normal snow pack. The slow thaw is valued by those subject to flooding but will delay seeding but it is probably too early to be concerned about that.

Opinion: The USDA is talking about cutting its weekly crop reporting program as a budget reduction measure. But those who were vocal critics 18 months ago are now lobbying for its continuance. Crop conditions may not be a perfected predictor of yields, but they are better than nothing at all. Information is critical to the effective functioning of the marketplace. It is strange, therefore, to consider reducing such at a time when the functioning of the market has been subject to criticism.

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