

**Friday's Settlement Prices for Selected Commodities in US or Can.\$ / tonne:**

| Grains & Related |       |           |           |          | Oilseeds, Related & Others |       |           |           |          |
|------------------|-------|-----------|-----------|----------|----------------------------|-------|-----------|-----------|----------|
| Commodity        | Month | This week | Last week | Year ago | Commodity                  | Month | This week | Last week | Year ago |
| SRW Wheat        | Jul   | 294.40    | 306.71    | 184.82   | Soya Beans                 | Jul   | 512.20    | 510.64    | 366.88   |
| HRW Wheat        | Jul   | 331.42    | 346.49    | 188.03   | Soya Meal                  | Jul   | 400.81    | 400.48    | 322.44   |
| HRS Wheat        | Jul   | 348.32    | 353.01    | 196.39   | Soya Oil                   | Jul   | 1,291.51  | 1,298.79  | 856.31   |
| Corn             | Jul   | 297.82    | 292.98    | 146.94   | Canola                     | Jul   | 567.40    | 588.20    | 389.90   |
| Oats             | Jul   | 228.57    | 257.42    | 137.79   | Crude Oil                  | Jul   | 113.70    | 112.75    | 88.35    |
| W. Barley        | Jul N | 205.00    | 205.00    | 145.50   | Dollar Index               | Jun   | 73.22     | 74.28     | 82.02    |
| Ethanol          | Jul   | 70.06     | 68.74     | 43.17    | DJIA                       | Jun   | 12,756    | 12,432    | 10,920   |

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

**Comment:** It was an up and down week for prices, with improved moisture conditions for winter seeded crops in Europe and the southern US Great Plains at the same time, mid week, as prospects for improved seeding conditions emerged at more northerly latitudes in North America.

Prices did recover some on Friday possibly as a result of the rainmaker's event at old Westminster not being as agriculturally productive as originally hoped, the realization that the US winter wheat crop is probably beyond major redemption in drier areas which are not much more than a month from harvest and revised less favourable forecast for the Corn Belt forecast.

**News:** Statistics Canada's Seeding Intentions report, published on Tuesday and relating to farmers' plans as of late March were generally in-line with expectations in terms of directions but probably exceeded the magnitude of change anticipated. In general terms, summer fallow, pulses and special crop area suffered at the expense of conventional grains and oilseeds.

With favourable prospects for almost all crops, the aversion to some of the risks associated with minor crops was to be expected. Another record canola acreage and some recovery in wheat seeding were the natural consequence but this will be dependent on reduced summer fallow. And with that the hope is that generally

favourable soil moisture conditions will not prove to be excessive as they eventually became last year.

The USDA's weekly crop progress reported their corn crop 9 percent planted well behind last year's early pace, about a week behind the five-year average and about in line with 2008, the last late season when yields ended up not suffering from a delayed start.

More ominous is the above average rate of heading of the US winter wheat crop, reminiscent of 2006, a poor year for yields.

**Opinion:** Record canola seeding of 7.78M hectares this spring as indicated by the intention's report would for a second year make this crop number choice for Prairie farmers ahead of spring wheat.

Equally notable would be a summer fallow area as indicated by the intention's report of only 2.06M hectares, just one third of the area left uncultivated as recently as the 1990's.

There is, of course, no secret about the connection between those two trends - minimum till moisture conserving air seeding facilitated by glyphosate weed control in genetically engineered canola varieties.

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