

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

Grains & Related

| Commodity | Month | This week | Last week | Year ago |
|-----------|-------|-----------|-----------|----------|
| SRW Wheat | Jul | 247.01 | 278.33 | 169.66 |
| HRW Wheat | Jul | 295.60 | 321.32 | 182.71 |
| HRS Wheat | Jul | 329.68 | 347.22 | 197.95 |
| Corn | Jul | 275.68 | 309.63 | 142.02 |
| Oats | Jul | 227.92 | 258.07 | 170.53 |
| W. Barley | Jul N | 205.00 | 205.00 | 155.00 |
| Ethanol | Jul | 69.77 | 73.36 | 42.90 |

Oilseeds, Related & Others

| Commodity | Month | This week | Last week | Year ago |
|--------------|-------|-----------|-----------|----------|
| Soya Beans | Jul | 489.97 | 507.61 | 353.10 |
| Soya Meal | Jul | 384.72 | 410.18 | 319.02 |
| Soya Oil | Jul | 1,232.87 | 1,247.86 | 836.02 |
| Canola | Jul | 581.10 | 590.20 | 420.00 |
| Crude Oil | Jul | 93.01 | 99.29 | 77.18 |
| Dollar Index | Sep | 74.60 | 75.26 | 85.91 |
| DJIA | Sep | 12,047 | 11,905 | 10,373 |

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

COMMENT: It was very much of a down week for grains and oilseeds with improving crop prospects on the supply side and concerns about the future of the Euro, the economic climate more generally and a strengthening of the US dollar on dollar nominated values. Generally old crop values slid more than new crop suggesting that loss of demand was a bigger concern than increased supply.

For corn this meant an 11 percent slide from last week's record value for old crop. Harvest pressures were an added pressure on the wheat market at least for the winter wheat contracts. Early indications are that the crop will be of excellent quality at least as far as protein which may help the likely shortage of spring wheats. Oilseeds and products held their values better than the grains possibly as a result of their still being some doubt about soya bean and canola acreage.

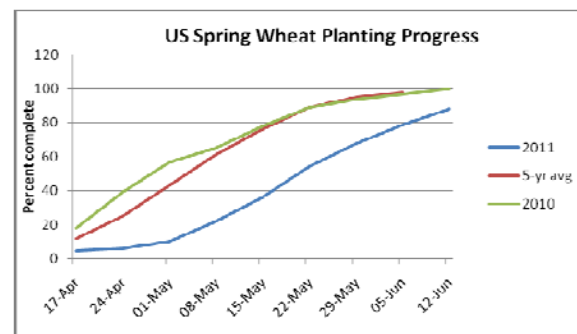
NEWS: The USDA crop progress report for June 12 placed corn soya bean and spring wheat seeding 99, 87 and 85 percent completed compared to five-year averages of 100, 90 and 100 percent. For corn and soya beans with generally good soil moisture we are now in a short relatively quiet period before concern over corn silking conditions emerge in July. For spring wheat there seems to be little real experience on which to gauge loss of yield potential. Condition reports for corn, soya bean and spring wheat were 67, 67 and 68 percent good or excellent, respectively, compared to 5-year averages of 73, 66 and 75 percent.

Winter wheat harvesting is progressing relatively quickly under good conditions and with relatively light yield one would suppose in view of the low crop rating in the early crop areas. Harvest was reported as being largely completed in Oklahoma, as of June 12, but only getting underway in Kansas.

While every reasonable effort is made to ensure this information is accurate, the author is unable to provide any guarantee over accuracy, or to be liable for the consequences of action taken on the basis of any information which proves to be inaccurate.

US-wide it was placed at 22 percent complete compared to 10 percent last year and a 12 percent 5-year average.

On June 13 the CWB estimated overall seeding progress at 86 percent, above 78 percent last year, but below a normal 96 percent. It noted crops which were able to be planted somewhat early are emerging and developing reasonably well. It is generally expected that the area left unseeded, in south west MB and south east SK, will be smaller than last year but never the less much larger than usual.



OPINION: The weather has again ignored the 49th parallel with spring wheat seeding delayed on both sides and by about three weeks in the US. And while we do not have similar data for the Prairies, south of the Trans Canada progress has probably been similarly held up. Potential harvest losses will be greatest for wheat partly because many farmers will have switched to earlier maturing crops. For wheat farmers are probably already hoping for late first frosts

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