

Settlement Prices for Selected Commodities in US or Can.\$ / tonne for week ending Friday:										13-Apr-12
Grains					Oilseeds & Others					
Commodity	Month	This week	Last week	Year ago	Commodity	Month	This week	Last week	Year ago	
SRW Wheat	May	229.92	236.17	273.46	SoyBeans	May	527.91	526.90	489.33	
HRW Wheat	May	236.26	243.24	318.01	Soya Meal	May	436.31	432.01	380.53	
HRS Wheat	May	302.85	310.85	326.65	Soya Oil	May	1,246.10	1,248.74	1,253.15	
CWRS	Oct	266.00	270.00	n/a	Canola	May	625.90	621.60	568.30	
Durum	Oct	277.50	275.00	n/a	Crude Oil	May	102.81	103.11	109.66	
Corn	May	247.73	259.14	292.11	Ethanol	May	58.57	60.34	69.16	
Oats	May	212.52	218.52	248.34	Dollar Index	Jun	80.07	80.31	75.05	
Barley	Oct	186.50	186.50	n/a	DJIA	Jun	12,850	12,986	12,300	

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

COMMENT: Concerns over the Chinese economy and Spanish debt appeared to dominate as price drivers for corn as the week progressed, although Thursday's USDA export sales report for last week was supportive. The fate, or fortune, of record early seeded corn in the light of changing weather forecasts acted at different times on both sides of the market.

Generally favourable weather for winter wheat crop development both in the Great Plains and Europe weighed on prices as did concerns about general economic conditions. A record pace for planting of spring wheat also pressured prices.

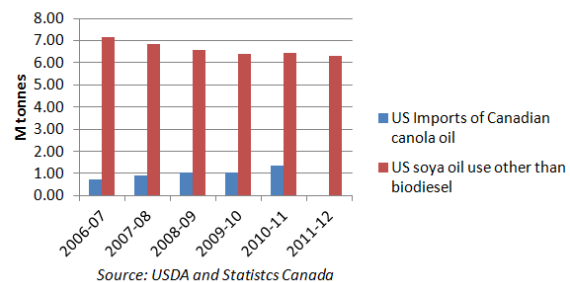
Notwithstanding concerns that oilseed markets are over bought and weak outside markets, oilseed markets held their values supported by a fairly continuous stream of substantial Sino purchases.

NEWS: The most noteworthy feature of last of the USDA's current crop year revisions, before it starts forecasting for 2012-13 and 2011-12 "becomes" last year, was feed use substitution of wheat for corn. Much of this occurs in the third calendar quarter which is new crop for wheat but mainly old crop for corn. This is somewhat confusing. For soybeans the USDA increased domestic and export use projection reducing ending stocks by 10 percent. The export revision reflected combined impact of small South American crops and continued Chinese interest. The higher domestic use forecast results from anticipations for an increase in biodiesel production more than offsetting reduced food and other use - perhaps reflecting the increase in canola oil imports.

.Revisions to the USDA's global S&D's were much as expected, specifically including lowering of ending stocks, in the case of corn and soybeans resulting from further lowering of South American harvest expectations. Increased feed use was the major change for wheat although there was a variety of other largely offsetting supply adjustments.

Widespread rain across the Prairies is delaying field work, but in mid April the moisture is probably welcome almost everywhere. Statistics Canada's seeding intention report, reflecting farmers' plans as of late March, is scheduled for release on Tuesday, April 24.

US Soya Oil and Canadian Canola Oil



OPINION: With another year of record canola oil exports to the US almost certain, the analogy of a mouse sleeping with an elephant no longer seems appropriate when comparing soya and canola oil. In fact it seems that the US industry is doing just the sort of things the Canadian industry has been doing over the last few years.

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