

## Settlement Prices for Selected Commodities in US or Can.\$ / tonne for week ending Friday:

27-Apr-12

## Grains

Commodity	Month	This week	Last week	Year ago
SRW Wheat	May	235.98	226.25	294.40
HRW Wheat	May	237.54	230.01	331.42
HRS Wheat	May	284.39	290.64	348.32
CWRS	Oct	252.00	257.00	n/a
Durum	Oct	277.50	277.50	n/a
Corn	May	239.93	225.05	297.82
Oats	May	217.71	209.28	228.57
Barley	Oct	183.00	186.50	n/a

## Oilseeds &amp; Others

Commodity	Month	This week	Last week	Year ago
Soybeans	May	549.95	531.58	512.20
Soya Meal	May	471.14	432.12	400.81
Soya Oil	May	1,216.55	1,223.61	1,291.51
Canola	May	647.30	622.20	567.40
Crude Oil	Jul	105.27	103.05	113.70
Ethanol	May	58.04	56.74	70.06
Dollar Index	Jun	78.77	79.32	73.22
DJIA	Jun	13,191	12,979	12,756

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

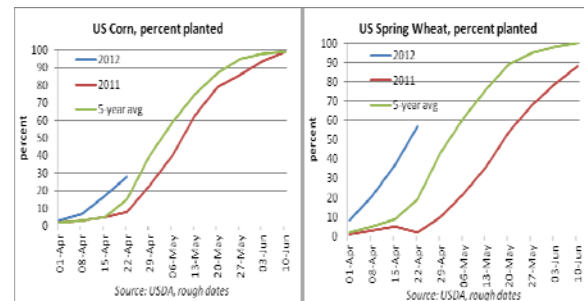
**COMMENT:** Reports of substantial export sales of US corn continued all week with USDA's confirmation of the largest one day sale of corn since 1991 on Friday. This together with tight cash markets was enough to offset the bearish impact of excellent planting progress and slower ethanol usage. Wheat values were supported by corn with the early seeding of the spring crop and still favourable ratings for the winter crop suggesting a good harvest. Very positive soybean export sales reports, both large individual sales this week and in summary for last week, together with continued downward revisions in South American harvests supported values. Canadian canola seeding intentions were below the expectations of many observers and supportive.

**NEWS:** Canadian farmers intend to increase seeding of almost all crops as indicated in Statistics Canada's Seeding Intentions report, surveyed in late march and published on Tuesday. With weather enforced following in 2011 and continue price positive outlook for 2012 this was to be expected. In order of increment plans are seeding to increase flaxseed 49%, dry peas 42%, durum 27%, barley 23%, winter wheat 21%, grain corn 18%, oats 9%, spring wheat 9%, canola 8%, soybeans 4% and lentils alone negative 4% and fallow negative 68%.

Most people probably expected more of the recovered fallow area to go to canola and less to the grains. With two months between the survey and last minute seeding decisions, that may yet be the final outcome. Generally wet conditions prevailing across much of the Prairies in recent weeks have delayed seeding, but improved soil moisture conditions. Both are likely to favour canola area.

The USDA's weekly crop progress report continues to place spring seeding well ahead of any previous year. As of April 22 28 percent of the corn crop was

planted compared to 8 percent last year and a 15 percent average. For spring wheat 57 percent was in the ground compared to 6 percent last year and a 19 percent 5-year average. The condition of the winter wheat crop was rated 63 percent good or excellent, down one percentage point from last week but above last year's 35 percent and a 5-year average of 50 percent.



**OPINION:** The new Canadian grain futures remained virtually dormant during April. With one business day left in the month, durum has not traded, barley traded on one day and milling wheat on 7 days but with open interest falling over the month. Bid-offer spreads remain stubbornly wide and offers have not been consistently quoted. The bid-offer spread on the October barley contract is narrowing suggesting significant trade might soon be possible. One wonders whether the relative weakness in the US hard red spring contract reflects the weight of pricing the Canadian new crop.

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