

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

4-May-12

Grains

Commodity	Month	This week	Last week	Year ago
SRW Wheat	Jul	223.95	238.83	279.06
HRW Wheat	Jul	230.38	242.14	321.13
HRS Wheat	Jul	273.37	286.14	332.07
CWRS	Oct	248.00	252.00	n/a
Durum	Oct	276.10	277.50	n/a
Corn	Jul	227.90	239.93	270.17
Oats	Jul	220.46	217.71	219.81
Barley	Oct	184.00	183.00	n/a

Oilseeds & Others

Commodity	Month	This week	Last week	Year ago
Soybeans	Jul	543.15	548.76	487.21
Soya Meal	Jul	476.88	472.25	385.27
Soya Oil	Jul	1,182.82	1,223.61	1,227.80
Canola	Jul	621.80	638.80	560.80
Crude Oil(WTI)	Jul	98.89	105.27	97.78
Ethanol	Jul	58.65	58.46	66.41
Dollar Index	Jun	79.60	78.77	75.10
DJIA	Jun	12,886	13,191	12,569

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

COMMENT: US old crop supplies appeared to continue to tighten with another week of export sales exceeding expectations, and again the largest since 1991. Although the bulk of these sales were for new crop, the record pace of planting together with forecasts for rain beneficial for the crop in the ground has raised expectations for great yields. Prices fell in the face of weak outside markets on Wednesday but held against similar conditions on Friday.

Wheat likewise suffered from improving crop prospects both in the US and Europe and a couple of down days in outside markets.

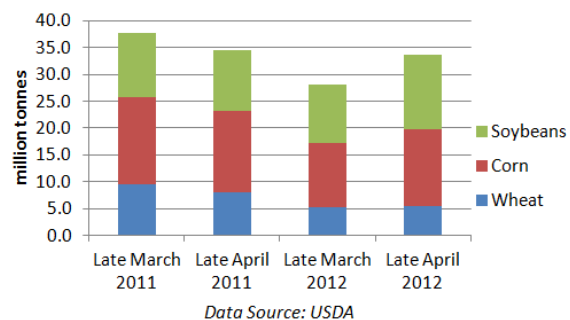
Again with soybeans the supportive influence of larger than expected export sales was more than offset by weak outside markets and improving crop prospects.

NEWS: The US winter wheat crop conditions were rated by the USDA as high as they have been in any of the last ten years, 2010 aside. As of April 29, 64 percent of reports were good and excellent, compared to 34 percent last year and a 50 percent 5-year average. At 54 percent headed the crop is earlier than usual. The 5-year average is 24 percent with last year's progress at 29 percent.

At 74 percent complete US spring wheat planting was a full two weeks ahead of normal and nearly four weeks ahead of last

year. Corn seeding, now 53 percent complete continues as a record pace. Most of the Prairies received beneficial rains over the last week which delayed seeding. Only in eastern Manitoba has much seeding progress been possible and probably most farmers are now looking for dryer weather to get the crop in.

US Outstanding Export Sales



OPINION: Several weeks of good US export sales have result in an increase in outstanding sales, sales less export movements. This compares with a declining trend last year. Outstanding sales normally increases when supply prospect decline. What is unusual at this time is that buyers are taking increased forward coverage on new crop even though crop prospect appear favourable both in the US and Europe. Last year at this time buyers were working off forward coverage on wheat which had increased in the summer of 2010 when European crops were suffering.

David Walker, Edmonton, AB, CA