

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

1-Jun-12

Grains					Oilseeds & Others				
Commodity	Month	This week	Last week	Year ago	Commodity	Month	This week	Last week	Year ago
SRW Wheat	Jul	224.96	249.85	284.58	Soybeans	Jul	493.92	507.79	519.18
HRW Wheat	Jul	234.05	257.20	335.37	Soya Meal	Jul	434.88	451.19	406.44
HRS Wheat	Jul	271.53	286.60	394.53	Soya Oil	Jul	1,071.26	1,105.00	1,294.82
CWRS	Oct	257.70	262.70	n/a	Canola	Jul	609.70	612.20	599.80
Durum	Oct	275.60	275.60	n/a	Crude Oil(WTI)	Jul	83.17	90.87	100.22
Corn	Jul	202.64	212.56	296.84	Ethanol	Jul	52.17	55.37	70.03
Oats	Jul	184.80	198.42	245.10	Dollar Index	Sep	83.37	82.96	74.18
Barley	Oct	180.00	182.00	n/a	DJIA	Sep	12,390	12,358	12,169

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

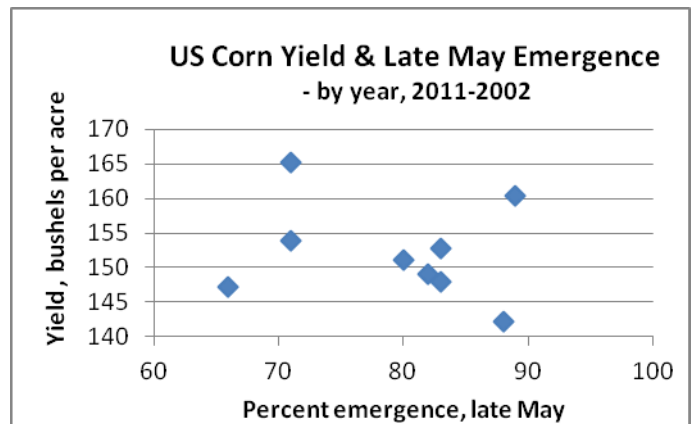
COMMENT: While concern over US crop developments were supportive all week on the supply side, this was largely offset by demand factors, as euro developments – political and financial, suggested that solutions were not close at hand. In particular the US dollar index ended the week at its highest level in almost two years as funds sought what is seen as a safe haven. Last week’s export sales were disappointing for wheat, corn and soybeans, and if that was not enough the economic news from China was not encouraging.

NEWS: USDA reported crop emergence to May 27 at 92, 61 and 96 percent, for corn, soybeans and spring wheat, compared respectively to 59, 22 and 36 percent last year and 69,30 and 68 percent five-year averages. The US winter wheat crop was reported 85 percent headed and 9 percent harvested compared to 5-year averages of 71 and 1 percent, respectively, for these to measures of progress. All crops seem to be early this year. Crop conditions, however, slipped last week – good and excellent reports for winter wheat at 54 (58) percent, spring wheat 74 (79) and corn 72 (77), with figures in brackets being last week’s ratings.

These cuts in crop conditions are by historic standards rather abrupt and have occurred before the crops have entered their weather sensitive summer development

OPINION: Earlier in the spring the supposition was that the early seeding of the US corn crop would favour heavy yields. With the rather

abrupt cut in US corn crop ratings in the last two weeks, the question is probably causing the earlier assumption to be questioned.



Over the last ten years there does not appear to have been much of a relationship between the percent of crop emergence in late May and final crop yield. This is perhaps because the reason for early seeding is often dry conditions limiting later development. Or alternatively in a late season, wet conditions have provided crop with better access to moisture which it seems is quite as important as extra time in the ground.

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