

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

22-Jun-12

Grains

Commodity	Month	This week	Last week	Year ago
SRW Wheat	Jul	247.28	223.95	233.59
HRW Wheat	Jul	252.06	231.48	275.02
HRS Wheat	Jul	315.72	290.55	303.50
CWRS	Oct	265.00	252.70	n/a
Durum	Oct	275.50	275.50	n/a
Corn	Jul	217.15	217.06	263.77
Oats	Jul	213.33	199.55	217.54
Barley	Oct	183.00	183.00	n/a

Oilseeds & Others

Commodity	Month	This week	Last week	Year ago
Soybeans	Jul	530.02	506.32	485.10
Soya Meal	Jul	467.73	452.07	374.91
Soya Oil	Jul	1,096.62	1,067.96	1,217.66
Canola	Jul	617.70	601.90	579.80
Crude Oil(WTI)	Jul	81.80	84.27	93.40
Ethanol	Jul	54.68	53.55	69.56
Dollar Index	Sep	82.43	81.61	76.22
DJIA	Sep	12,583	12,673	11,872

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

COMMENT: Varying weather forecasts and at best uncertain outside market conditions resulted in volatile prices. New crop corn was however up about \$8 per tonne at the end of the week. A disappointing export sales report weighed on old crop contracts. For wheat the interest was in European crop development with the situation in the Black Sea region of concern. Thursday's export sales report was also supportive for prices. External market developments were more of an issue for soybeans than for corn. Thursday's export sales data was disappointing but concern about crop development dominated.

NEWS: Prairie provincial crop reports indicate:

For **Manitoba**, as of June 18, the majority of crops were either at or ahead of their normal stages of development as a result of an earlier than normal start to seeding. Continuing wet and cool weather was, however, starting to have an impact. But spring and fall cereals are still rated in good condition. The weather has also hampered spraying.

For **Saskatchewan** as of June 18, due to excessive moisture and lack of warm weather, crop development ranges from normal to behind normal, depending on the area. Most crops that have emerged are in good to fair condition. Topsoil moisture on cropland is rated as 48 per cent surplus and 52 per cent adequate. Excess moisture is delaying in-crop pest control applications for most producers. And

For **Alberta** as of June 12 about 85 to 90 per cent of major crops were rated as being in good

to excellent condition. Crop development in the northern portion of the province is somewhat delayed by cool weather and excessive moisture. Weed spraying was about 31 percent complete.

The USDA reported the US winter wheat harvest 48 percent completed, as of June 17, compared with a 5-year average of 16, and 25 percent last year. Harvesting is reaching the wrap up stage in the southern Great Plains, well advanced in the Mid West, but still several weeks away in the Pacific North West.

The corn crop was placed at 63 percent good or excellent last week, having dropped 14 points in four weeks and is at the second lowest level in the last ten years. Soybeans were reported at 56 percent good or excellent down 4 points on the week and like corn at the second lowest level in the last ten years.

OPINION: With the coming week the last of the Canadian Wheat Board's single desk there is a degree of uncertainty as to what happens after harvest, if not on Monday July 2. Trade in the ICE wheat and durum futures markets, which were expected by many to play a central role in price discovery, has been next to non-existent this spring. Barley trade has been meagre although probably improved on its predecessor Western Barley. In retrospect it was unfortunate that the ICE did not institute a post single desk, pre harvest contract. It might just be that there is reluctance to trade gain in the ground or while there is fear that a judge will be found somewhere who can be persuaded to put a legal spoke in the wheel at the eleventh hour.

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