

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

17-Aug-12

## Grains

| Commodity | Month | This week | Last week | Year ago |
|-----------|-------|-----------|-----------|----------|
| SRW Wheat | Sep   | 321.13    | 325.27    | 268.32   |
| HRW Wheat | Sep   | 324.72    | 328.12    | 300.93   |
| HRS Wheat | Sep   | 325.36    | 343.73    | 347.31   |
| CWRS      | Oct   | 293.00    | 303.80    | n/a      |
| Durum     | Oct   | 299.20    | 309.00    | n/a      |
| Corn      | Sep   | 293.94    | 293.94    | 279.91   |
| Oats      | Sep   | 248.83    | 251.75    | 225.97   |
| Barley    | Oct   | 264.50    | 264.50    | n/a      |

## Oilseeds &amp; Others

| Commodity      | Month | This week | Last week | Year ago |
|----------------|-------|-----------|-----------|----------|
| Soybeans       | Sep   | 614.71    | 614.80    | 499.61   |
| Soya Meal      | Sep   | 575.98    | 574.43    | 390.34   |
| Soya Oil       | Sep   | 1,170.92  | 1,185.69  | 1,226.25 |
| Canola         | Nov   | 607.40    | 617.10    | 550.00   |
| Crude Oil(WTI) | Sep   | 96.08     | 93.32     | 82.26    |
| Ethanol        | Sep   | 68.42     | 68.92     | 74.87    |
| Dollar Index   | Sep   | 82.66     | 82.63     | 74.08    |
| DJIA           | Sep   | 13,242    | 13,133    | 10,850   |

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

**COMMENT:** Corn values were about unchanged over the week with the focus of markets switching to demand issues. Support came from stronger than anticipated ethanol use prospects and that the perception that the impact of higher prices on domestic feeding was already in the market. But export demand was seen as sluggish. Wheat prices were lower over the week with seed bed moisture for the 2013 US winter crop noted as improving. Concern continues over Black Sea region wheat availability later in the season but prospects are mostly favourable for southern hemisphere crops now being seeded..

Soya complex prices generally held over the week. The moisture situation for the US crop has improved in most areas. Also export demand continues to be supportive.

**NEWS:** The StatsCan's satellite imaging based "Normalized Difference Vegetation Index (NDVI)" map for crops for July 30 to August 5, 2012, probably the last period before harvesting starts to affect images, suggests that crop conditions are better or much better than normal over most of the Prairies – dark green areas, but much less so further south in the US Corn Belt. See below and go to

<http://www26.statcan.ca/ccap-peec/index2.jsf>

The current "experimental indicator" for yield for canola for Western Canada based on this index is 34.2 bushels per acre compared to a 33.3 estimate made in the same manner a year ago and a final survey based 2011 estimate of 33.8. By province, the current 2012 NDVI, 2011 NDVI and final survey based 2011 yield estimates are Alberta - 39.5, 37.6 and 39.0; BC – 28.4, 25.0 and 29.1; Manitoba – 34.2, 29.9 and 27.8; and Saskatchewan – 31.9, 31.6 and 32.2 bushels per acre.



The long and steep slide in USDA's ratings for corn and soybean crop conditions has, at least for the moment, been interrupted. The percent of good and excellent ratings were level with the previous week for corn and even a point higher for soybeans. US winter wheat harvest is wrapped up everywhere except the Pacific Northwest and spring wheat harvesting was about two thirds done by last Sunday, well ahead of the five-year average pace.

**OPINION:** StatsCan is understandably cautious, describing its NDVI yield estimates as "experimental indicators" - it makes them for spring wheat, durum, canola and barley by Census Division. But it seems that with 25 years of experience they are producing indicative results. Comparing NDVI derived pre harvest yield indicators with final estimates is probably not a totally fair thing to do as yield can be gained or lost just before and during harvest. But StatsCan publishes its first, July 31, survey based estimates next Wednesday. And that should provide a better comparison for this year's yield data. David Walker, Edmonton, AB, CA