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Grain and Oilseed Markets

For the week ending Friday, 26-Apr-13

Settlement Prices for Selected Commodities in US or Can.$ / tonne for week ending Friday: **26-Apr-13**

Grains& Product

Commodity	Month	This week	Last week	Year ago
SRW Wheat	May	253.07	260.51	235.98
SRW Wheat	Dec	262.99	268.78	n/a
HRW Wheat	May	277.96	274.10	237.54
HRS Wheat	May	298.08	303.31	284.39
Corn	May	253.53	256.78	257.08
Corn	Dec	206.29	216.13	n/a
Ethanol	May	64.80	65.62	58.04
Oats	May	253.37	254.18	217.71

Oilseeds & Others

Commodity	Month	This week	Last week	Year ago
Soybeans	May	523.04	524.88	549.95
Soya Meal	May	460.67	454.61	471.14
Soya Oil	May	1,094.63	1,083.83	1,216.55
Canola	May	634.10	640.00	647.30
Canola	Nov	550.20	562.50	n/a
Crude Oil(WTI)	May	88.76	88.01	105.27
Dollar Index	Jun	82.56	82.84	78.77
DJIA	Jun	14,658	14,410	13,191

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

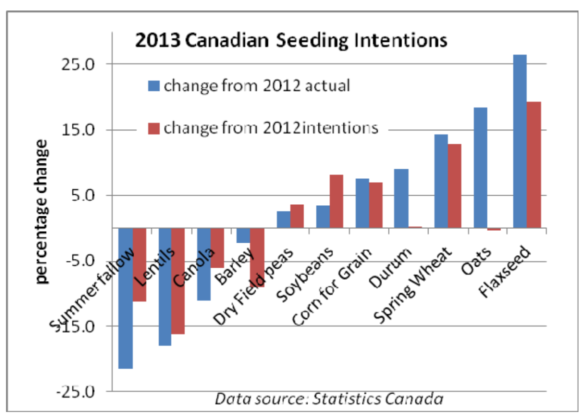
COMMENT: It was a mixed week for US corn prices with neither export sales on ethanol production reports providing much direction. Further changeable weather forecasts for the Corn Belt provided variable direction to new crop prices. Flooding of the Red River may be visually spectacular but not of great significance in the larger scale of things.

More freeze events in hard red winter wheat areas, although yet to be assessed, can hardly have added to prospects for a drought weakened crop. Meanwhile US soft red winter and white winter crops are in very satisfactory condition. Canadian wheat seeding intention came in above market expectations.
For the soya complex record cancellation of current crop sales and potential US imports of soybeans and /or meal weighed on old crop values. For new crop the potential for the late season resulting in switching of seeding from corn to soybean weigh on prices.

NEWS: Canadian farmers intended, as of March 31, to increase seeding of most crops, above both last year's intentions and last year's actual seeding. Change from last year's area in order of planned increase, with change from 2012 intentions in brackets, are flaxseed 26(19)%, oats 18(-0), spring wheat 14(13)%, durum 9(0)%, corn 8(7)%, soybeans 3(8)%, field peas 3(4)%, barley -2(-9)%, canola -6(-7) %, lentils -18(-16)% and fallow -21(-11)%. Generally farmers at the time of the survey were less inclined to adjust plans from a year earlier than to adjust from what they actually seeded last year.

The USDA's weekly crop progress report placed spring seeding well behind last year record pace and behind a five-year average. As of April 21 4 percent of the corn crop was planted compared to 26 percent last year and a 16 percent 5-year average. For spring wheat 7 percent was in the ground compared to 52 percent last year and a 24 percent 5-year average. The condition of the winter wheat crop was rated 35 percent good or excellent, down one percentage point from last week but well below last year's 63 percent and a 5-year average of 52 percent.

OPINION: Assessing the implication of the Seeding Intentions survey is more challenge than it might seem particularly in year such as this one with seeding delayed by a late spring. At time of the survey, the lateness of the season does not appear to have figured prominently in plans as a record low summer fallow area was implicated. With a late season, adjustments will surely be necessary and certainly more so than last year. Canola is likely to be the favourite for most farmers with wheat in areas where canola is not favoured.



Where crops are being grown to extend the canola rotation, they are more liely to be sacrificed to fallow which serves the same purpose as growing crop in this context.

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