

Settlement Prices for Selected Commodities in US or Can.\$ / tonne for week ending Friday:					17-May-13				
Grains					Oilseeds & Others				
Commodity	Month	This week	Last week	Year ago	Commodity	Month	This week	Last week	Year ago
SRW Wheat	Jul	251.05	258.77	255.46	Soybeans	Jul	532.22	514.04	516.24
SRW Wheat	Dec	259.96	268.23	n/a	Soya Meal	Jul	468.61	448.44	460.67
HRW Wheat	Jul	270.90	278.80	259.04	Soya Oil	Jul	1,091.77	1,085.37	1,153.50
HRS Wheat	Jul	295.15	297.17	291.01	Canola	Jul	636.80	618.50	613.21
Corn	Jul	256.97	250.58	233.50	Canola	Nov	551.30	535.60	n/a
Corn	Dec	204.52	208.45	n/a	Crude Oil(WTI)	Jul	96.37	96.06	91.78
Ethanol	Jul	67.15	65.91	58.75	Dollar Index	Jun	84.39	83.24	81.82
Oats	Jul	243.48	245.43	220.46	DJIA	Jun	15,266	15,068	12,371

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

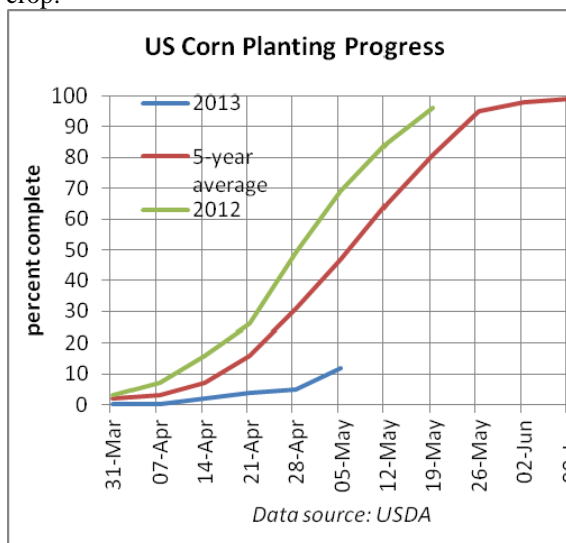
COMMENT: US corn prices, particularly new crop were lower over most of the week but old crop prices reversed this trend on Friday with strong processing demand. Wheat prices drifted lower over the week seemingly under the influence of improving crop conditions in Europe, Black Sea region and Australia. The soya complex was higher over the week. The US weekly domestic crush data was disappointing but the labour situation at Brazilian ports emerged again as an issue and several large export sales were announced by the USDA on Friday.

Canola prices benefitted from the relative weakness of the Canadian dollar.

NEWS: US planting progress to May 12 was reported at 28, 6 and 43 percent complete, for corn, soybeans and spring wheat, compared respectively to 65, 24 and 63 percent five-year averages. Planting progress for all three crops is lagging those of a typical spring but for corn the situation is of most concern where the delay appears to be over two weeks. Last week progress advanced 16 percent, whereas over 20 percent would appear normal. For winter wheat 32 percent of reports were of good or excellent crop condition, unchanged from last week, but down 28 points on last year and 18 points on a five-year average. Crops are late maturing everywhere except in the Pacific Northwest. Only 29 percent of the crop was reported as headed compared to 73 percent last year and a 51 percent 5-year average.

On the Canadian Prairies seeding progress is also slower than usual. As of May 13, SK was 8 percent seeded compared to a 16 percent 5-year average and 22 percent last year. As of May 6, 3 percent of AB was seeded but soil moisture conditions were reported to be favourable and with dry conditions

most crops will have gotten off to a good start. The MB government has yet to start reporting on the 2013 crop.



OPINION: The year 1984 is reported to be the last time US corn planting was as slow as it has been this year. Yields, however, were not that poor that year - 106.7 bushels per acre compared to 1982-86, 5-year average of 107.7. It seems that after a cool wet start, July was not unduly hot or dry and the fall was a warm one - a late crop avoided poor pollinating conditions and a killer first. Thus a late planted US corn crop does not necessarily mean poor yields, just as early seeding does not mean good yields - witness last year's lightning corn planting pace. But the odds are not favourable for getting conditions which will result in a 1984 style recovery.

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