

Settlement Prices for Selected Commodities in US or Can.\$ / tonne for week ending Friday:					14-Jun-13				
Grains					Oilseeds & Others				
Commodity	Month	This week	Last week	Year ago	Commodity	Month	This week	Last week	Year ago
SRW Wheat	Jul	250.13	255.83	223.95	Soybeans	Jul	557.21	561.53	506.32
SRW Wheat	Dec	257.67	264.28	n/a	Soya Meal	Jul	496.83	498.81	452.07
HRW Wheat	Jul	261.43	270.07	231.48	Soya Oil	Jul	1,068.84	1,069.94	1,067.96
HRS Wheat	Jul	295.42	301.21	290.55	Canola	Jul	598.60	617.40	601.90
Corn	Jul	257.86	262.29	217.06	Canola	Nov	548.50	559.00	n/a
Corn	Dec	209.83	219.87	n/a	Crude Oil(WTI)	Jul	96.64	96.13	84.27
Ethanol	Jul	65.83	66.15	53.55	Dollar Index	Sep	80.86	81.92	81.61
Oats	Jul	259.04	264.23	199.55	DJIA	Sep	15,025	15,175	12,673

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

**COMMENT:** Wednesday's USDA production estimate for corn was considered bearish for new crop as the cut in yield was less than the trade expected. Domestic and nearby, but not deferred, export demand limited old crop losses. Forecasts have yet to suggest weather that would compromise US corn yields further but the critical development period for corn is still a few weeks away.

The USDA 2013 winter wheat estimate was larger than anticipated as was the cut in global ending stocks. This together with generally favourable north hemisphere crop developments weighed on prices. Both hard and soft red winter wheat harvests are in full swing and a little less than a week behind average progress.

New crop soybean prices were pressured by both the USDA not revising yield estimates down to reflect late seeding and disappointing export sales. For old crop soya meal sales appear to be supporting domestic crush demand and prices.

**NEWS:** US winter wheat production was forecast, as of June 1, at 45.8Mt, 2 percent higher than the May forecast, but 8 percent below 2012. An increase in yield estimates for hard red, soft red and white winter wheat was the cause for the revision.

The USDA's June revisions to its domestic 2013-14 supply and use projections included the above increase in output and an increase in beginning stocks resulting in lower than expected exports at the end of the previous crop year. These were more than offset by an increase in forecast exports with a 2 percent cut in the ending stocks forecast.

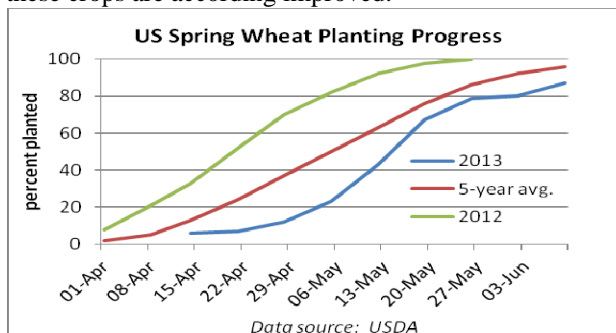
Corn revisions included a cut in 2014 yields largely offset by lower feed use and exports. Ending stocks were reduced slightly but are still 2.53 times 2012-13 ending stocks. Soybean projections for 2013-14 were left unchanged. Ending stocks are still forecast to be 2.1 times current year's level.

Projections for global wheat supply were cut by 6.5M tonnes with a cut in beginning stocks and a slightly lower output. These adjustments were reflected in lower ending stocks which are still slightly higher than those of this year.

Global coarse grain output projections were also cut but ending stocks will still be larger than those of 2012-13 crop year. Revision in global oilseed projections were modest – lower supplies are expected to result in lower ending stocks but these will still be above the 2012-13 level.

On the Prairies as much seeding as will be undertaken has been finished and crops are emerging in generally good conditions with only localized areas of concern.

**OPINION:** While one excellent week of planting progress was enough to bring the corn crop within range of normal development, spring wheat planting has not been able to make up in the same way. The reality is the single state of North Dakota(ND) is seriously implicated. The delays show up in spring wheat including durum more than other crops as ND is more dominant in these spring seeded crops. And, of course, other spring seeded crops will be implicated particularly those that are lower on farmers spring priorities. Canadian prospects for these crops are according improved.



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