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Grain and Oilseed Markets

For the week ending Friday, 28-Jun-13

Settlement Prices for Selected Commodities in US or Can.$ / tonne for week ending Friday: **28-Jun-13**

Grains

Commodity	Month	This week	Last week	Year ago
SRW Wheat	Jul	238.28	256.47	278.24
SRW Wheat	Dec	246.70	263.45	n/a
HRW Wheat	Jul	248.48	270.62	277.78
HRS Wheat	Jul	288.44	299.10	310.30
Corn	Jul	267.41	260.52	230.93
Corn	Dec	201.17	218.98	n/a
Ethanol	Jul	65.12	65.12	58.62
Oats	Jul	260.18	256.45	219.17

Oilseeds & Others

Commodity	Month	This week	Last week	Year ago
Soybeans	Jul	574.85	548.67	532.87
Soya Meal	Jul	540.48	493.52	467.40
Soya Oil	Jul	1,023.42	1,058.70	1,159.45
Canola	Jul	618.40	605.70	596.70
Canola	Nov	533.00	555.90	n/a
Crude Oil(WTI)	Aug	96.65	93.88	85.18
Dollar Index	Sep	83.44	82.49	81.79
DJIA	Sep	14,930	14,695	12,825

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

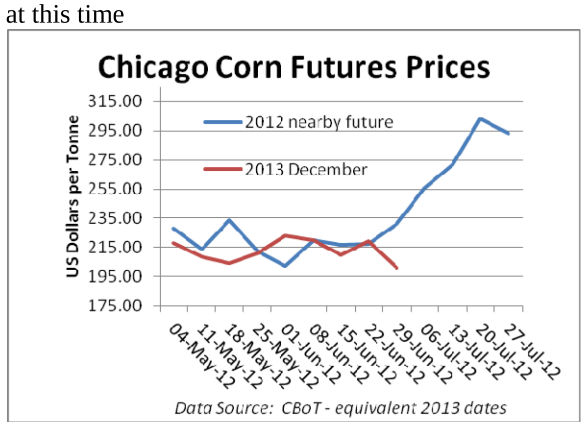
COMMENT: The premium on old crop US corn/discount for new crop widened this week with generally favourable weather and a larger than expected 2013 crop area report depressing new crop values. Demand for ethanol processing and a mildly positive stocks report kept old crop prices moving up. Wheat markets drifted lower all week with reports of better than expect yields and Friday's area report indicating more spring wheat than anticipated. Last week's wheat export sales were more favourable than expected with Pacific markets dominating.

As with corn, old soybean crop prices were higher with continued good domestic crush demand and new crop prices pressured by generally favourable weather for the 2013 crop.

NEWS: The StatsCan June 1 seeded area report indicated farmers plan to seed 28.9M hct. to the major grains, oilseeds and pulses, less than one percent more than last year. Relative to a year ago oats, flax, spring wheat, soybeans, durum, corn and peas areas are up 18, 16, 13, 11, 4, 3 and 1 percent. Sumerfallow, canola, winter wheat, barley and lentils are down 22, 8, 7, 3 and 2 percent. June crop areas were quite close to the March plans/intentions suggesting field conditions did not create too many challenges for farmers this spring. The biggest changes were for spring seeded wheats, down 3 percent from intentions and to canola up 2 percent - possibly reflecting generally favourable seed bed moisture conditions.
June 1 US stocks of wheat, corn and soybeans were reported at 19.5M, 70.20M and 11.8M tonnes, respectively down 3, 2 and 35 percent from a year ago. The wheat stocks were at the bottom end of trade expectations. Corn stocks were below average, but within a narrow range of, trade anticipations. Soybean stocks were below average, but well within the range of, expectations.

US area seeded to corn and soybeans were reported by the USDA at 39.4M and 31.5M hectares, respectively, up slightly and up 1 percent from 2012. The corn area was above the range of trade expectation. The soybean area was slightly below trade expectations. Area lost to wet/late planting conditions in the north may have been picked up from cotton in the south.
Spring wheat and durum areas were surveyed at 4.9M and 0.6M hectares, up slightly and down 28 percent from last year. The durum area is the lowest in over 25 years, apart from 2011 when wet conditions also restricted seeding in the US northern tier states.

OPINION: Last year US corn prices rose by almost 50 percent during June and July as the US corn crop deteriorated. A repeat this year does not seem likely at this time



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