

Crop and Related Prices					Oilseeds & Other Prices				
Commodity	Month	This week	Last week	Year ago	Commodity	Month	This week	Last week	Year ago
SRW Wheat	Jul	168.93	170.95	167.00	Soybeans	Jul	332.35	345.03	405.29
HRW Wheat	Jul	170.58	173.98	155.34	Soya Meal	Jul	266.34	272.96	340.73
HRS Wheat	May	242.97	236.54	190.24	Soya Oil	Jul	696.91	729.76	683.24
CWRS Wheat	Spot	271.65	266.03	219.88	Canola	Jul	509.60	514.10	464.20
CPS Wheat	Spot	195.36	189.46	190.21	Crude Oil(WTI)	Aug	42.98	44.69	47.82
Corn	May	140.84	151.17	151.37	Dollar Index	Sep	96.93	96.86	95.34
Ethanol	Jul	39.39	41.50	42.14	DJIA Mini-sized	Sep	21,352	21,322	17,386
Oats	Jul	165.02	174.75	135.52	Wheat	Dec	181.97	184.73	178.12
					Corn	Dec	147.73	158.26	155.21
					Canola	Nov	475.20	488.20	476.90

Data in red are 12-month highs, in blue are 12-month lows
For price specs. go to: www.open-i.ca/PriceSpec.htm

COMMENT: Improved weather for US crop development resulted in lower prices for pretty well everything except hard red spring wheats, with Minneapolis contracts now at the largest premium over Chicago in over 6 years. Weather reports and forecasts for the US hard red spring wheat growing areas appeared somewhat mixed. Some concern is also beginning to be expressed over European wheat crop prospects. In addition to improved crop prospects, corn markets were pressured by news of Chinese government corn stock auctions and soybean markets by disappointing US export sales data for last week.

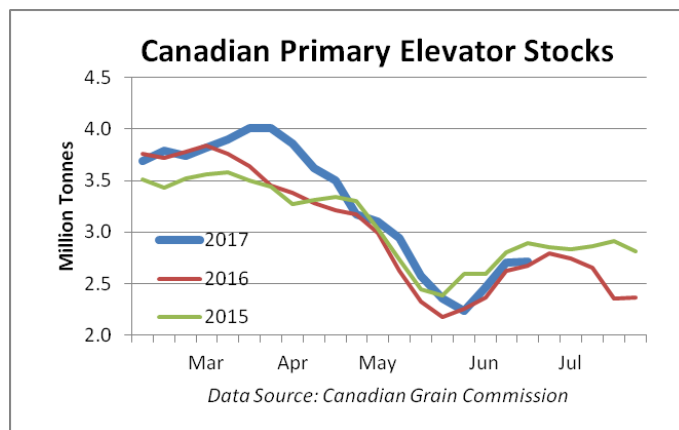
NEWS: The USDA's crop progress report for June 19 indicated winter wheat harvest at 28 percent complete, up from 17 percent the previous week and compared to 23 percent a year ago and a 5-year average of 25 percent. Texas and Oklahoma were over 70 percent done and Kansas 22 percent. Better progress in the two former states probably reflects in part poorer crops. Soybean seeding rose to 89 percent complete from 77 percent a week earlier, compared to a 84 percent five-year average. The condition of corn, soybean and spring wheat crops were rated at 67, 67 and 41 percent good or excellent, compared to five-year averages of 67, 64 and 72.

The US spring wheat crop has now slipped 21 points in three weeks. Past experience suggests the condition of US spring wheat crops can go downhill more quickly than other crops – for instance in three weeks it slipped 17 points in 2003, 18 in 2006 and 12 in 2012. But in all three years the damage occurred as or after the crops had headed and there was little chance of recovery. This year the damage has occurred earlier but it is difficult to imagine that much recovery is possible.

Cumulative crop year crop exports through Canadian Grain Commission licensed facilities continue to run ahead of a year ago. At 37.4M tonnes they are 3 percent above year ago levels and gap appears to be widening.

By crop exports of peas, lentils, oats, soybeans, barley, corn and canola are ahead of year ago levels by, respectively, 41, 35, 22, 18, 17, 11 and 10 percent. Flax, wheat and durum lag by 11, 11 and 3 percent.

On Thursday Stats Canada will be reporting on Canadian 2016 crop areas and on Friday the USDA will be reporting on June 1 stocks of crops and 2016 US crop areas.



OPINION: The level of stocks in Prairie elevators has recovered somewhat from the long decline during the spring field work season in a rather typical fashion. The recovery in these stocks appears to have been the result of an increase in producer deliveries rather than any slackening in shipments and export movement. Farmer deliveries towards the end of the crop year often appear to relate as much to financial considerations as the absolute supply of crops in farmers' bins. And that's too complex to forecast.

David Walker, Edmonton, AB, CA

