Grainwise

At Market Master

by Shelley Wetmore

May 16, 2008……

Seeding is the time of year when we graciously appreciate help from Neil Blue, Marketing Specialist, Alberta Agriculture. Neil's in the Vermilion area and provides us his marketing thoughts when John Stewart is out in the field. Thank you, Neil!

An update on milling oats … there are a LOT of oats still in the bin and the challenge will be to find competitive prices for that old crop. Many major buyers for good quality milling oats have totally filled their requirements through into new crop. And, for new crop, I suspect many mills will have forward-priced enough oats right through until the end of December by the end of May. So, again, if you need to move oats in the fall, you'll need to act quickly. Prices are still fairly good but continue to decline at a steady pace. Please call the office soon.

Barley prices (now and new crop) continue to be at the highest levels ever. Spot feed wheat (especially for higher protein quality) are still profitable although it's difficult yet to obtain new crop bids for basic feed wheat. Peas also remain at higher levels.

Watching ICE

Your weekly closing ICE futures $/MT.

Canola	This Week	Last Week	Diff +/-
Jul 08	$608.90	$634.20	($25.30)
Nov 08	$631.50	$653.40	($21.90)
Jan 09	$642.20	$662.90	($20.70)
Mar 09	$652.10	$670.80	($18.70)
May 09	$661.70	$676.9	($15.20)
Jul 09	$667.30	$679.90	($12.60)
Nov 09	$637.90	$652.00	($14.10)
Jan 10	$642.60	$656.70	($14.10)
Barley	**This Week**	**Last Week**	**Diff +/-**
Jul 08	$244.20	$249.40	($5.20)
Oct 08	$255.00	$258.40	($3.40)
Dec 08	$260.10	$263.90	($3.80)
Mar 09	$262.80	$266.90	($3.80)
May 09	$262.80	$266.60	($3.80)
Jul 09	$262.80	$266.60	($3.80)

Be Grainwise!

By Guest Columnist … Neil Blue, Marketing Specialist, Alberta Agriculture (780) 853-8239

US Grain

Corn

Corn prices were pressured down as less rain fell in major growing areas than was expected, enabling rapid planting progress. US corn planting is expected to be about 80% completed by Monday, although emergence is still well behind average, due to cool, wet conditions. With fall prices still strongly in favour of corn over soybeans, it's likely corn acreage will exceed the 86 million contained in the March 31 Prospective Planting report. This week's export sales report showed better than expected corn exports. Unless the sales pace slows, USDA could revise upward the projected corn sales in their June 10 Supply/ Demand report.

DEC corn dropped 33 cents to $6.17. DEC futures have chart support from the current price down to major support at $5.92. Last Friday's contract and all-time high of $6.55 is the price resistance level and that won't be exceeded until another threat to the crop develops.

Considering the current USDA forecast of much tighter corn supplies next crop year, it would be surprising if new highs are **not** made between now and harvest.

Soy Complex

Soybean price action was choppy with several factors exchanging dominant roles. Rapid US planting was negative for beans in one sense but, to the extent it could mean higher corn acres at the expense of soybeans, was also positive.

The Argentina farmers' delivery strike in protest of soybean export taxes was in the news. As of Friday, the strike was extended to May 21. It implies higher US soybean exports and is price supportive.

New crop bean futures continued to benefit from last week's lower than expected USDA estimate of next year's US soybean carryover. Soyoil prices were supported by record high crude oil prices.

JUL beans gained 20 cents to $13.78. NOV gained 45 cents to $13.49. JUL oil lost 15 points to 61.85 cents and JUL meal gained $11.50/t.

Wheat

Wheat prices eroded again. Despite some US wheat crops in poor condition, the market is expecting record world production with no major crop problem areas apparent right now. US hard red winter wheat harvest has begun in southern regions.

Near-term, US wheat markets could be pushed lower yet and price rallies limited. JUL Chicago wheat lost 29 cents, JUL Kansas City wheat lost 24 cents, while new crop DEC Minneapolis wheat lost 30 cents to close at $8.70/bushel. That's the lowest close for DEC Minneapolis wheat since January 2.

Canadian Grain

Canola

Canola futures prices registered a choppy week, starting out strong after last Friday's rally, and finishing meekly.

Canola export news is lacking and seeding is progressing rapidly across the prairies. Also, the Canadian dollar seems to have an upward bias, closing near par with the US. Crushers are still doing well, based upon crush margin estimates and are likely to be offering the better basis levels in most areas. Until a crop problem develops or export business occurs, canola prices are likely to struggle. On the other hand, downside is limited this early in the growing season.

JUL canola lost $25.00/MT to close at $608.90. Important support for JUL futures is at $584. NOV canola closed at $631.50, down $22. Chart support on the November is at $603.

Feedgrain

Lethbridge cash barley prices were steady, although elevator bids were noticeably lower. JUL barley futures lost $5.20/MT to $244.20, while OCT futures lost $3.40 to close at $255.

Elevator oat and edible pea prices had a downward bias but feed wheat prices were mostly higher.

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At The Bin

Prices booked this week (net to the producer).

Grain	Price	When	Producer
barley, 48 lb	$4.75 FOB	Nov-Dec	Westlock
barley, 48 lb	$4.90 FOB	November	Wetaskiwin
barley, 48 lb	$4.60 FOB	May-Jun	Boyle
barley, 48 lb	$4.90 FOB	November	Wetaskiwin
barley, 48 lb	$4.80 FOB	November	New Sarepta
barley, 48 lb	$4.75 FOB	May-Jun	Stony Plain
barley, 48 lb	$4.75 FOB	May-Jun	Thorsby
barley, 48 lb	$4.75 FOB	May-Jun	Calmar
barley, 48 lb	$4.75 FOB	June	Edberg
barley, 48 lb	$4.95 FOB	Jun-Jul	Vegreville
barley, 48 lb	$5.00 del Lacombe	June	Donalda
barley, 50 lb	$4.75 FOB	May-Jun	Bruderheim
barley, 50 lb	$4.75 FOB	May-Jun	Millet
barley, 50 lb	$5.00 del Lacombe	June	Kingman
barley, 50 lb	$4.75 FOB	May-Jun	Leduc
barley, 52 lb	$4.75 FOB	May-Jun	St. Albert
oats, milling	$4.05 FOB	Jan 09	Paradise Hill
oats, milling	$3.56 FOB	November	Grassland
oats, milling	$3.65 FOB	November	New Sarepta
oats, milling	$3.63 FOB	November	Elk Point
oats, milling	$3.57 FOB	November	Athabasca
oats, milling	$3.68 FOB	November	Bruce
oats, milling	$3.71 FOB	Feb 09	Paradise Valley
oats, milling	$3.66 FOB	November	Viking
oats, milling	$3.62 FOB	November	Alliance
oats, milling	$3.47 FOB	November	Cereal
oats, feed	$262 FOB	May-Jun	Fort Kent
wheat, feed	$7.30 FOB	Nov-Dec	Westlock
wheat, feed	$8.20 FOB	June	New Norway

Classifieds

Common Oat Seed: $6.00/bu, bulk, in Fort Saskatchewan, call Galloway Seeds at (780) 998-3036.

Certified Seed: Superb wheat @ $11.00/bu, AC Metcalfe and CDC Copeland @ $9.00/bu. Phone Todd Clark, Edmonton area at (780) 499-5060.

Registered AC Morgan: oat seed available (cleaned) plus common varieties. Call Doug Livingstone, Vermilion at (780) 763-2385.

1998 Chev Suburban LT: 4x4, loaded with leather, one owner, well-maintained, excellent condition, 400,000 km. Phone Fred in Innisfail (403) 357-4408.

For Sale April 26: JD 3970 forage harvester, XP 2 Silopress 8' silage bagger, Jiffy high dump wagon, Jiffy feed wagon. Phone Jamie in St. Albert at (780) 914-6027.

Only 3,000 acres available.
Yellow pea production contract.
$9.85 delivered Innisfail, August—October.
"Act of God" clause!

Bid Board

Buyers looking for grain (net prices).

Grain	When	Location
barley	May-Jun	$4.96 del Czar
barley	May-Jun	$4.75 FOB Edmonton
barley	May-Jun	$4.96 del Eckville
barley	June	$5.00 del Lacombe
barley	June	$5.18 del Nobleford
barley	July	$4.96 del Czar
barley	Sep-Oct	$5.04 del Brooks
barley	Sep-Oct	$5.13 del Calgary
barley	Sep-Oct	$5.22 del Lethbridge
barley	Nov-Dec	$5.13 del Brooks
barley	Nov-Dec	$5.22 del Calgary
barley	Nov-Dec	$5.31 del Lethbridge
barley	Jan-Mar 09	$5.22 del Brooks
barley	Jan-Mar 09	$5.39 del Lethbridge
barley	Jan-Mar 09	$5.31 del Calgary
wheat, feed	June	$7.43 del Edmonton
wheat, feed 13.0% prt	June	$8.52 del Red Deer
Wheat, feed	July	$7.43 del Edmonton
wheat, feed 12.5% prt	Sep-Oct	$7.71 del Red Deer
wheat, feed 12.5% prt	Nov-Dec	$7.84 del Red Deer
peas, green edible	June	$9.50 del Innisfail
peas, yellow edible	June	$10.50 del Innisfail
peas, yellow edible	Aug-Oct	$9.85 del Innisfail
peas, green edible	September	$9.55 del Innisfail
peas, yellow edible	Nov-Jan 09	$10.00 del Innisfail
canola	July	$12.99 del Fort Sask
canola	July	$13.07 del Lloyd
canola	October	$12.91 del Lloyd
canola	January 09	$13.49 del Fort Sask
canola	January 09	$13.61 del Lloyd
canola	February 09	$13.83 del Fort Sask
oats, feed	May	$3.34 del Coaldale
oats, feed	May	$2.76 del Vermilion
oats, feed	May-Jun	$3.03 del Granum
oats, feed	May	$2.76 del Thorhild
oats, feed	May	$3.03 del Pincher Creek
oats, milling	November	$3.72 del Martensville
oats, milling	December	$3.75 del Martensville
oats, milling	January 09	$3.77 del Martensville
oats, milling	February 09	$3.79 del Martensville
oats, milling	March 09	$3.81 del Martensville

By the Number	This Week	Last Week	Diff
CME Live Cattle (JUN)	93.900	94.525	(0.625)
CME Live Hogs (JUN)	76.500	80.225	(3.725)
CDN Dollar (JUn)	0.999	0.993	0.006
Minneapolis Wheat (JUL)	7.75	7.88	(0.130)
Kansas City Wheat (JUL)	8.24	8.81	(0.570)
Chicago Oats (JUL)	3.91	4.05	(0.001)