

At Market Master

by Shelley Wetmore

April 18, 2008.....

The activity that dominated my eyes today was reviewing the AMA Road Report and viewing the camera images between Edmonton and Calgary. Yes, unfortunately, I'm driving to Calgary on Saturday. For those of you who know a bit of history about me, it's for another 5-pin bowling tournament. If our team wins (possible), then it's off to Toronto. Wish me luck, I just want to get to cowtown safe and sound.

Back to grain marketing. We'll have a wider selection of container loading in the near future—more locations and additional types of grain to load in them. We'll be able to use (as now) canola, heated canola, and flax. Plus, look forward to adding feed rye and both human consumption and feed peas to the container list. Prices will be VERY competitive!

Take note of the feed barley prices. The fall bids are the highest I've ever seen since I've been marketing grain. The one sore spot with me are the prices for milling oats. Even on days when CBOT seemed to climb a bit, the cash prices continued to fall. Fall prices, even, have dropped about 50 cents/bu in about six weeks.

Peas are already going in down south. Good luck seeding!

Watching ICE

Your weekly closing ICE futures \$/MT.

Canola	This Week	Last Week	Diff +/-
May 08	\$637.70	\$637.80	(\$0.10)
Jul 08	\$649.30	\$646.40	\$2.90
Nov 08	\$660.50	\$649.10	\$11.40
Jan 09	\$669.20	\$658.90	\$10.30
Mar 09	\$676.20	\$667.80	\$8.40
May 09	\$679.90	\$675.20	\$4.70
Jul 09	\$687.60	\$677.30	\$10.30
Nov 09	\$663.30	\$648.30	\$15.00
Barley	This Week	Last Week	Diff +/-
May 08	\$245.00	\$243.90	\$1.10
Jul 08	\$251.00	\$251.90	(\$0.90)
Oct 08	\$257.90	\$254.00	\$3.90
Dec 08	\$264.30	\$259.00	\$5.30
Mar 09	\$264.50	\$259.20	\$5.30

Be Grainwise!

A Farmer's Perspective ... by John Stewart, Galahad, Alberta, (780) 583-2453

US Grain

Soy Complex

A solid, weekly bean export total of 477,700 mt (combined old crop and new crop sales) lifted MAY beans 29 cents to \$13.61½/bu. Meal followed suit, rising \$2.20 to \$346.70/t, while oil surged 1.04 cents to 60.98 cents/lb.

In the absence of further fundamental news, beans looked to outside markets for direction where strong crude oil prices underpinned the market. On the other hand, market bears pointed to a cold, wet start to the planting season and ideas that perhaps more bean acres will be planted than originally thought. That sentiment is preventing further gains at this time. Look for this weekend's weather and Monday's forecast to set the early tone next week.

Corn

Weekly corn exports were solid at a robust 922,500 mt, exceeding most traders' expectations and keeping exports on track to meet current USDA yearly projection of 2.5 bln bu.

Corn traders are also watching the weather and, although planting progress has been slow thus far, most realize if the weather improves, a lot of corn can be planted in a short space of time. There's also a school of thought that believes the recent price strength in corn may have bought additional last minute acres.

Wheat

Despite bullish news this week (see Strategies), wheat futures continue to struggle. Technical considerations and expectations for a bountiful global wheat harvest have prices on the defensive.

Hardest hit was MGE wheat with the MAY diving 59½ cents to \$12.32½/bu. CBOT wheat fared slightly better, falling just 26½ cents to \$8.70/bu. KCBT wheat settled 16¾ cents lower at \$9.37/bu.

Combined old crop/new crop weekly sales came in at 308,400 mt. Although yearly sales remain on-pace or better than the current USDA annual sales estimate, the trade was expecting a higher figure. This weighed on the market.

Canadian Grain

Canola

MAY canola struggled to keep pace with US beans and closed much as it started at \$638.00/MT. NOV canola fared better, climbing \$11.40 to \$660.50.

Old crop futures were kept under pressure due to increased farmer selling, and a lack of both export and domestic crusher interest. Ideas that this demand slowdown could increase carryout stocks also weighed on the market.

New crop futures were buoyed by uncertainty as to how many acres of canola western producers are looking to plant—dry conditions and clubroot may cut canola acres more than many think. Monday's StatsCan report should shed further light on that subject. Any figure under 15 mln acres would have to be considered bullish.

Feedgrain

MAY barley trudged another \$1.10 higher to \$245.00/MT, taking its cue from US corn. Uncertainty as to who will be marketing next year's crop have kept new crop bids somewhat conservative and may have discouraged barley acres. Monday's USDA report should be interesting.

MAY wheat closed untraded and unchanged at \$300.00/MT.

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Strategies

A Farmer's Perspective ... by John Stewart, Galahad, Alberta

Watching Wheat

As mentioned previously, wheat futures received some bullish news this week but the market took little notice.

Wheat Fundamentals

- Statements by Ed Shafer, current USDA Secretary of Agriculture, that world wheat stocks are currently at a 30-year low while US stocks are at a 60-year low didn't garner as much as a sideways glance from traders this week.
- Neither did word out of Argentina that further farm strikes in that country could be reinstated as early as the 1st of May if talks with the Argentinean government failed to bear fruit. Currently, both sides remain entrenched with the government unwilling to back down on its sliding scale of export taxes.
- Argentina isn't the only county attempting to keep internal food inflation at bay by discouraging exports of grains. Food inflation in poorer parts of the world where a much larger percentage of the consumer's dollar already goes to food has become a real concern. The recent rise in the price of rice is especially noteworthy in Asian countries where reports of cash rice prices have risen to as high as \$1,000 per ton.
- Although recent rain in some HRW wheat areas of the US allowed the USDA to raise the weekly crop condition from 45% in the good-to-excellent category to 47%, there remain areas of concern, particularly in the dry Western portions of Kansas and Oklahoma. There is also concern about a possible frost event next week should the current forecast come to fruition. Although it isn't expected to be anything along the lines of last year's devastating frost, some damage could occur where the crops are sufficiently advanced to be vulnerable.

Do Prices Reflect Fundamentals?

So why isn't any of this reflected in current wheat prices? Simply put, the trade feels that generally favourable growing conditions globally and improved moisture conditions in major growing areas like Australia will produce a plentiful wheat crop this year. This may or may not happen but it's a rare year where a crop production problem or at the very least a production scare doesn't pop up somewhere during the growing season. We've a long way to go before this year's crop is in the bin. There could be plenty of fireworks yet but, for the time being, the trend in wheat markets is lower.

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Visions 2008

The Alberta Agricultural Economics Association (AAEA) annual conference, *Visions 2008 – Agriculture: Toward a Sustainable Future*, will be in Red Deer, May 1 and 2. This year's conference includes sessions on biotechnology, biofuels, and wind energy; production risk; and sustainability issues around land and water. The keynote speaker is Jerry Bigam of Kinnickinnick Foods, who will discuss the future of the Alberta food processing industry. Full registration is \$190 or \$175 if registration is received by April 25. Student and partial registrations are also available. Full conference information and online registration are available on the AAEA website at:

www.aaea.ab.ca

Funding for VBP Program

Alberta beef producers who choose to become verified in 2008 through the Verified Beef Production (VBP) program, Canada's beef on-farm food safety program, can now access funding that will pay for half of the audit fee.

"We believe the audit funding will not only help producers in Alberta defray the cost of an independent audit, but will also encourage as many producers as possible to become registered VBP operations," says Eileen Leslie, Alberta Beef Quality Starts Here (ABQSH) provincial coordinator.

The audit is conducted by an independent third party trained in audit procedures. The cow/calf audit fee is \$500. The audit fee for a feedlot with medicated feeds is \$1,000. Half of each amount will be covered by ABQSH if undertaken in 2008. All operations that become verified must attend a VBP workshop, implement the program 'must dos' and participate in an on-farm verification audit of food-safety related practices.

"Producers who have an on-farm audit in 2008 could potentially not be subject to another on-farm audit for eight years," says Leslie. "Once an operation is audited, the program is designed with a cycle of record assessments or self-declarations annually over the subsequent seven years."

VBP verification provides immediate and long-term benefits for Alberta beef producers that include:

- proof of responsible actions
- improved awareness of food safety risks
- market readiness should it be required
- improved use of animal health products
- a basis for training staff/family members
- verification can be used as a tool to develop branded products

For more information, contact Leslie at (866) 242-7404 or go to www.beefsafety.ab.ca. Verified Beef Production is a national cattle industry initiative created to help implement and verify good production practices on-farm that minimize food safety risks. This program is similar to food safety programs being implemented in other agriculture commodities, as part of the Canadian On-Farm Food Safety Program.

Canola Producer Car Program

COMING SOON!

At The Bin

Prices booked this week (net to the producer).

Grain	Price	When	Producer
barley, 48 lb	\$5.11 del Edmonton	August	Pickardville
barley, 50 lb	\$4.25 FOB	April	High Prairie
barley, 52 lb	\$4.83 FOB	July	Camrose
barley, 48 lb	\$5.18 del Olds	July	Ponoka
barley, 48 lb	\$4.85 FOB	July	Millet
barley, 48 lb	\$4.91 FOB	July	Delburne
barley, 48 lb	\$5.17 del Olds	July	Wetaskiwin
barley, 50 lb	\$4.85 FOB	August	Millet
barley, 48 lb	\$4.94 FOB	August	Three Hills
barley, 46 lb	\$4.70 FOB	April	Calmar
barley, 58 lb	\$4.35 FOB	April	Ashmont
barley, 50 lb	\$5.00 del Ferintosh	Jun-Jul	Tofield
barley, 50 lb	\$5.00 del Ferintosh	Jun-Aug	Ferintosh
barley, 50 lb	\$5.00 del Vegreville	April	Mannville
barley, 48 lb	\$4.54 FOB	April	Millet
canola, heated	\$8.11 FOB	April-May	Vegreville
canola, heated	\$8.70 FOB	April	Heisler
canola	22 under JUL	May	Gwynne
oats, milling	\$3.31 FOB	July	Plamondon
oats, milling	\$3.58 FOB	September	Three Hills
oats, milling	\$3.11 FOB	June	Grande Prairie
oats, milling	\$3.28 FOB	June	Millet
oats, milling	\$3.62 FOB	December	Millet
oats, milling	\$3.28 FOB	June	Castor
oats, feed	\$2.56 FOB	April	Donalda
oats, feed	\$2.60 FOB	April	Halkirk
wheat, 14% prt	\$8.29 FOB	May	Vegreville
rye, feed	\$9.95 FOB	April-May	Hanna
peas, green	\$9.70 FOB	April-May	Leduc

Classifieds

Heavy Harrow: Looking to purchase a heavy harrow, 50' to 70', 9/16" teeth preferred. Call Norm Olsen (780) 385-0536.

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

1995 GMC SLE Suburban: Loaded, 234,000 km, premium shape, AB SK safety done, \$6,500 OBO. Phone John in Lloydminster at (780) 875-8115.

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.

Heated Canola Prices!

max 20%	\$9.02 delivered Edmonton
max 25%	\$8.68 delivered Edmonton
max 40%	\$8.11 delivered Edmonton
Max 60%	\$7.32 delivered Edmonton

Bid Board

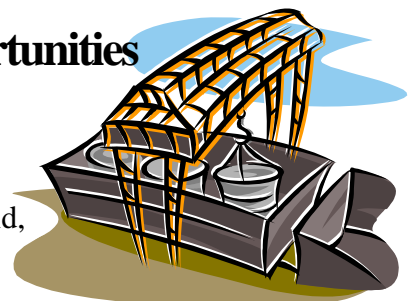
Buyers looking for grain (net prices).

Grain	When	Location
barley	May	\$4.74 del Consort
barley	May	\$4.74 del Czar
barley	May	\$4.85 del Eckville
barley	June	\$4.96 del Calgary
barley	August	\$5.00 del Ferintosh
barley	Sep-Oct	\$5.05 del Brooks
barley	Sep-Oct	\$5.13 del Calgary
barley	Sep-Oct	\$5.22 del Lethbridge
barley	Sep-Oct	\$4.13 del Carseland
barley	Nov-Dec	\$5.22 del Calgary
barley	Nov-Dec	\$5.31 del Lethbridge
barley	Jan-Mar	\$5.31 del Calgary
barley	Jan-Mar	\$5.39 del Lethbridge
wheat, feed 13.0% prt	May-June	\$8.66 del Red Deer
wheat, feed 12.5% prt	Sep-Oct	\$7.50 del Red Deer
wheat, feed 12.5% prt	Nov-Dec	\$7.60 del Red Deer
peas, feed	May	\$7.57 del Edmonton
peas, green edible	May	\$9.75 del Innisfail
peas, yellow edible	May	\$10.00 del Innisfail
peas, yellow edible	Sep-Oct	\$9.75 del Innisfail
peas, yellow edible	Dec-Jan	\$10.00 del Innisfail
rye, milling	Sep-Oct	\$6.50 del Lethbridge
canola	July	\$13.88 del Fort Sask
canola	July	\$14.20 del Lloyd
canola	October	\$13.57 del Lloyd
canola	January	\$14.04 del Fort Sask
canola	January	\$13.22 del Lloyd
canola	February	\$14.38 del Fort Sask
oats, feed	April	\$2.70 del Thorhild
oats, feed	April-May	\$2.57 del Wainwright
oats, feed	April-May	\$3.03 del Pincher Creek
oats, milling	April	\$3.30 del Martensville
oats, milling	May	\$3.32 del Martensville
oats, milling	June	\$3.41 del Martensville
oats, milling	July	\$3.44 del Martensville
oats, milling	August	\$3.48 del Martensville
oats, milling	Sep-Oct	\$3.73 del Martensville
oats, milling	November	\$3.79 del Martensville
oats, milling	December	\$3.84 del Martensville

Container Opportunities

COMING SOON!

- Edmonton, Crossfield, Innisfail, Stettler
- canola, heated canola, flax, rye, peas



Starting June/July and for fall!