

At Market Master

by Shelley Wetmore

May 2, 2008.....

Wow ... did milling oat prices ever have a comeback this week! Last week, the average price at the bin was \$3.05, this week it is \$3.50 for May. For fall, last week, the price was \$3.50 at the bin for November pick-up and this week it is \$3.80. A good increase. What I AM noticing, is that some months are filling up. June is completely booked as is September for the fall. Keep "delivery dates" in mind as you plan for spot and forward pricing. This goes for oats or any other crop, as a matter of fact. For example, if you need cashflow in September or October and plan to use a particular crop to manage that need, ensure there is space available for you.

Again, review the off-board feed wheat prices in the Bid Board. Things to think about include:

- How often have a gotten #1 CWRS with 13.5% protein in the past?
- What is my guaranteed delivery if I go on-board?
- When do I actually receive all my money?

After answering these questions, it may persuade you to consider booking at least a small portion of "feed wheat" off-board, perhaps to help with cashflow or bin space concerns.

Good luck seeding!

Watching ICE

Your weekly closing ICE futures \$/MT.

Canola	This Week	Last Week	Diff +/-
May 08	\$594.30	\$600.40	(\$6.10)
Jul 08	\$603.80	\$612.70	(\$8.90)
Nov 08	\$623.20	\$631.60	(\$8.40)
Jan 09	\$632.80	\$642.10	(\$9.30)
Mar 09	\$639.50	\$651.00	(\$11.50)
May 09	\$648.30	\$659.90	(\$11.60)
Jul 09	\$652.70	\$664.00	(\$11.30)
Nov 09	\$637.80	\$648.00	(\$10.20)
Barley	This Week	Last Week	Diff +/-
May 08	\$235.70	\$241.00	(\$5.30)
Jul 08	\$246.20	\$248.60	(\$2.40)
Oct 08	\$254.10	\$255.50	(\$1.40)
Dec 08	\$261.00	\$255.50	\$5.50
Mar 09	\$262.80	\$261.10	\$1.70
May 09	\$262.80	\$264.50	(\$1.70)

Be Grainwise!

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

US Grain

This week, the US Federal Reserve trimmed interest rates another ¼ point to 2%. However, rather than react negatively, the dollar actually rallied sharply. Last week, I reported we may be seeing the last of US interest rate cuts and, this week, the market agreed—with little prospect of further cuts, the dollar moved higher. The result was pressure on almost all commodities including crude oil and gold which was down especially hard.

Soy Complex

Grains were also pressured, however, beans staged a bit of a comeback Friday when crude oil turned higher again.

The battle over acres with corn continues to be a factor as does worldwide concern over food inflation (see Strategies). However, when word came that China was back in the market for US beans, soyoil climbed.

The on again, off again Argentinean farm strikes is on again (well sort of). It looked earlier in the week that substantial progress was being made but talks fell apart leading farmers to renew their protests. But this time, they'll be simply picketing on the road sides rather than setting up roadblocks.

Despite a strong move Friday, JUL beans still closed 32½ cents lower at \$13.04½/bu. Meal dipped \$7 to \$338/t, and oil slipped 2.39 cents to 57.26/lb.

Corn

Corn remains the driving force in grain markets as concerns over planting delays offer support.

However, a late round of profit-taking ahead of the weekend trimmed gains but still left JUL 22¾ cents higher at \$6.13½/bu.

Weekly exports came in at just 596,000 mt, the lowest total in 3 weeks. Look for next Monday's weather forecast to set the early tone in next week's trade.

Wheat

It may have been a "dead cat" bounce or the perception that wheat has finally dropped far enough, but this week's wheat performance is the best we've seen in sometime.

Concern of a possible frost event for some areas in HRW wheat country lent support but the perception that the world is poised to harvest a huge wheat crop continues to hang over this market. Without some sort of production problem in a major producing area, futures are likely to languish at levels well below the highs we witnessed this winter.

JUL CBOT wheat dipped just 6½ cents to \$8.09/bu while KCBT wheat actually closed in the black, up 9¼ cents to \$8.61¼/bu, while MGE wheat fared best of all, rising 12 cents to \$9.57/bu.

Canadian Grain

Canola

Volatile trade in the canola pit sent JUL \$8.90 lower to \$603.80/MT.

Canola continues to track the soybean/soyil market but perceptions that Western farmers will plant much more acreage to canola than the recent StatsCan report indicated, continues to weigh on prices.

A lack of export interest and only scale-down crusher buying was partially offset by a lack of farmer selling. With seeding just beginning to ramp up on the prairies, farmer selling may be slow for some time to come.

Feedgrain

Winnipeg barley continues to hold up well due to ideas that planted acreage on the prairies will be down substantially this year. Firm corn values also provided support. JUL dipped just \$2.40 to \$246.20/MT. Cash bids remain firm with new crop bids even stronger.

JUL feed wheat was untraded and unchanged at \$300.00/MT.



"Your grain watchdog."

8543 - 75 Avenue
Edmonton, AB T6C 0G9
www.grainwatchdog.com
(800) 440-8390

This publication may not be reproduced without permission by **Market Master Ltd.**

Strategies

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

Corn Acres versus Bean Acres

Corn has taken over the leadership role in grains and oilseeds lately and this week's action did nothing to alter that trend.

Just 10% of the US corn crop has been planted according to Monday's crop progress report. The five year average is 35%. Cold, wet weather persisted again in the Midwest making it unlikely that we'll see a huge jump in seeded acres come Monday. With only 86 mln acres are slated to be planted this year, supplies look tight—even if we end up cutting back on corn destined for ethanol production as many politicians and media commentators are now calling for. It appears ethanol has become the whipping boy for all food production/distribution ills. It remains to be seen, however, if the campaign against ethanol is something that has "legs" or it's an issue that will die down after the US election. (In fairness, ethanol has become worldwide issue and not just an American one.)

For the time being, traders are concerned that possible corn acres may begin to shift to soybeans which was partly responsible for soybean's relatively poor showing this week. If history is any guide, though, farmers don't tend to switch acres until around the 20th of May. Producers have already bought their seed, fertilized their fields, and are reluctant to change—particularly when supplies of quality bean seed are limited. What DOES change as the planting season drags out is potential yield. There's an old saying in the corn belt that says "you lose a bushel a day, after the 1st of May." Others refute that line of thinking by pointing out modern genetics have allowed later planted crops to maintain yield potential. However, the last really poor corn yield was back in 2003 and that was due largely to a late seeded crop.

There's another factor concerning soybean acreage that may or may not yet come into play. A significant number of bean acres are traditionally sown on winter wheat land which is harvested in late spring in many areas of the US. This year, the wheat crop is lagging due to excessive moisture and late seeding last fall. Some farmers are expressing concern that, by the time, this year's wheat harvest is over and it may be too late to plant beans on that land. Time will tell.

Crop Cover Protection

Eligible producers who were unable to plant commercial crops in 2007 due to spring flooding should note an extension has been announced for the Cover Crop Protection Program (CCPP). The applicant deadline for the 2007 CCPP has been extended to June 30, 2008. Additionally, farmers who filed late applications for CCPP assistance in 2007 will not need to re-submit a declaration. This program will provide eligible farmers with financial assistance to help them restore and protect their flood-damaged cropland. Farmers enrolled in production insurance programs will be sent a declaration form by registered mail, along with additional details about program eligibility. Applicants can also call the Agriculture Canada toll-free line at 1-800-667-8567 to determine eligibility.

Bid Board

Buyers looking for grain (net prices).

Grain	When	Location
barley	May	\$5.00 Olds
barley	May	\$4.85 del Eckville
barley	May	\$5.00 del Consort
barley	June	\$5.18 del Nobleford
barley	Sep-Oct	\$5.04 del Brooks
barley	Sep-Oct	\$5.13 del Calgary
barley	Sep-Oct	\$5.22 del Lethbridge
barley	Sep-Oct	\$5.13 del Carseland
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 13.0% prt	May-June	\$8.52 del Red Deer
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	May	\$9.75 del Innisfail
peas, yellow edible	May	\$10.00 del Innisfail
peas, green edible	September	\$9.55 del Innisfail
peas, yellow edible	Sep-Nov	\$9.75 del Innisfail
peas, yellow edible	Dec-Jan 09	\$10.00 del Innisfail
canola	July	\$12.87 del Fort Sask
canola	July	\$13.01 del Lloyd
canola	October	\$12.72 del Lloyd
canola	January 09	\$13.21 del Fort Sask
canola	January 09	\$13.39 del Lloyd
canola	February 09	\$13.55 del Fort Sask
oats, feed	May	\$2.76 del Thorhild
oats, feed	May	\$3.82 del Martensville
oats, feed	May	\$3.03 del Pincher Creek
oats, milling	July	\$3.81 del Martensville
oats, milling	August	\$3.84 del Martensville
oats, milling	October	\$4.04 del Martensville
oats, milling	November	\$4.09 del Martensville
oats, milling	December	\$4.15 del Martensville

Good luck seeding!

Heated Canola Prices!

max 15%	\$9.25 delivered Edmonton
max 20%	\$8.91 delivered Edmonton
max 25%	\$8.68 delivered Edmonton
max 35%	\$8.11 delivered Edmonton
max 40%	\$7.66 delivered Edmonton
max 60%	\$6.75 delivered Edmonton
max 70%	\$5.85 delivered Edmonton
max 90%	\$4.49 delivered Edmonton
Southern Alberta ... deduct 18 cents for Crossfield deliveries	

At The Bin

Prices booked this week (net to the producer).

Grain	Price	When	Producer
barley, 48 lb	\$4.90 FOB	Jan 09	Rollyview
barley, 48 lb	\$4.80 FOB	Sep-Oct	Clive
barley, 48 lb	\$4.80 FOB	May	Oyen
barley, 48 lb	\$4.80 FOB	Nov-Dec	Galahad
barley, 48 lb	\$4.65 FOB	September	Altario
barley, 48 lb	\$4.80 FOB	Nov-Dec	New Sarepta
barley, 48 lb	\$5.00 FOB	Nov-Dec	Three Hills
barley, 48 lb	\$4.74 FOB	May	Delburne
barley, 48 lb	\$5.00 del Ferintosh	August	Nisku
barley, 48 lb	\$4.80 FOB	May	Wainwright
barley, 48 lb	\$4.83 FOB	May	Donalda
barley, 48 lb	\$5.00 FOB	June	Claresholm
barley, 48 lb	\$5.00 FOB	June	Mossleigh
barley, 48 lb	\$4.65 FOB	May	Radway
barley, 48 lb	\$4.65 FOB	May	Camrose
barley, 49 lb	\$5.00 del Ferintosh	May	Calmar
barley, 50 lb	\$5.00 FOB	May	Vulcan
barley, 50 lb	\$4.66 FOB	May	Oyen
barley, 50 lb	\$4.75 FOB	May	Kirriemuir
barley, 50 lb	\$4.76 FOB	May	Ohaton
barley, 50 lb	\$4.87 FOB	June	Bentley
canola	\$13.04 del Fort Sask	May	Tofield
canola	\$12.52 FOB	May	Consort
canola, heated	\$8.68 FOB	May	McLennan
canola, heated	\$9.25 del Edmonton	May	Nisku
canola, heated	\$7.82 FOB	May	Innisfree
oats, feed	\$2.70 FOB	May	Cereal
oats, feed	\$2.77 FOB	Apr-May	Hanna
wheat, feed	\$8.09 FOB	May-Jun	Lamont
wheat, feed	\$7.90 FOB	May-Jun	Acadia Valley
wheat, feed	\$7.95 FOB	June	New Norway
wheat, feed	\$7.50 FOB	Nov-Dec	Wargurg
peas, yellow	\$10.00 del Innisfail	December	Vulcan
peas, green	\$9.55 del Innisfail	September	Wetaskiwin
peas, green	\$9.40 FOB	May	Leduc
peas, green	\$12.00 del Innisfail	May	Viking

At The Bin

Prices booked this week (net to the producer).

Grain	Price	When	Producer
oats, milling	\$3.09 FOB	May	Atmore
oats, milling	\$3.23 FOB	May	Elk Point
oats, milling	\$3.43 FOB	September	Spedden
oats, milling	\$3.44 FOB	May	Smoky Lake
oats, milling	\$3.44 FOB	May	St. Albert
oats, milling	\$3.43 FOB	July	Altario
oats, milling	\$3.42 FOB	July	St. Paul
oats, milling	\$3.73 FOB	December	St. Paul
oats, milling	\$3.46 FOB	May	Vegreville
oats, milling	\$3.46 FOB	May	Paradise Hill
oats, milling	\$3.43 FOB	July	Andrew
oats, milling	\$3.44 FOB	May	Andrew
oats, milling	\$3.37 FOB	May	Athabasca
oats, milling	\$3.49 FOB	May	Vermilion
oats, milling	\$3.45 FOB	May	Camrose
oats, milling	\$3.48 FOB	August	Castor
oats, milling	\$3.37 FOB	May	Spruce View
oats, milling	\$3.45 FOB	May	Smoky Lake
oats, milling	\$3.45 FOB	May	Castor
oats, milling	\$3.57 FOB	May	Bruce
oats, milling	\$3.59 FOB	May	Vermilion
oats, milling	\$3.54 FOB	July	Star
oats, milling	\$3.54 FOB	May	Millet
oats, milling	\$3.87 FOB	December	Millet
oats, milling	\$3.47 FOB	August	Goodridge
oats, milling	\$3.46 FOB	May	Athabasca

Container Opportunities

COMING SOON!



Edmonton, Crossfield, Innisfail, Stettler

canola, heated canola, flax, rye, peas

Starting June/July and for fall!

Classifieds

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.

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.

Grain Pricing Orders (GPOs)

Easily set price targets! Call the office to set your price, set your terms. Especially convenient during seeding when you're too busy to watch markets!