

At Market Master

by Shelley Wetmore

May 9, 2008.....

Unfortunately, John Stewart is not available this week.

The most surprising event this week was the run on milling oats. Tuesday, our most popular oat mill filled it's requirements for July. Wednesday, it stopped taking orders for August. By Thursday, October was completed.

StatsCan reports "total stocks of oats at the end of March were the highest since the year 2000 ..." and "the total stock estimates for oats was 2.0 million tonnes, an increase of 30.3% from 2007."

I know there are a LOT of old crop oats still in the bin. We'll have to work hard to find another, good market for quality oats if producers need to move before harvest. Otherwise, to book these old crop oats to our favourite mill, it won't be until January 2009. Why?

There are differences between processing oats which have been harvested some time ago and processing oats which are freshly combined. The mill prefers NOT to mix the two types of oats together. That means, you'd have to have substantial bin space at the farm to take advantage of January (or forward) deliveries.

Stay tuned for new oats markets. I hope they're comparable!

Examples of Milling Oat Prices

January 2009—At The Bin!

Lac la Biche	\$3.71
Rochester	\$3.78
St. Albert	\$3.80
Warburg	\$3.75
Smoky Lake	\$3.80
Vegreville	\$3.81
Vermilion	\$3.85
Viking	\$3.83
Wainwright	\$3.83
Killam	\$3.80
High Prairie	\$3.61
Castor	\$3.80
Altario	\$3.80
Oyen	\$3.83
Peace River	\$3.58

For the results talked about in my column, you can see why I often "harp" about sending oat samples in for testing AND about setting target prices. Once, your oats are tested and deemed acceptable for milling, then you can sit back and choose when you want to market the oats. If your grain hasn't even been tested yet, opportunities can slip by.

If you're seeding oats this spring, remember to send in samples as quickly as possible. If you've forward-priced milling oats already, samples need to be tested prior to delivery anyways. If you haven't forward-priced any oats, there will be extra pressure as space is already limited.

Many larger farms in Saskatchewan and Manitoba, every year, seed as much as 3,000 acres or more—just to oats! With wheat diseases prominent there, oats is a profitable crop.

Think About Wheat Options

CWB Grade	CWB April PRO (less \$1.38/bu avg deductions, del elevator)
#1 CWRS, 12.5%	\$8.50
#2 CWRS, 13.5%	\$8.34
#3 CWRS, 13.0%	\$7.93
#1 CPRS	\$7.55
CW Feed	\$5.40
Bid Board	Del Red Deer
58 lb, dry, 12.5%	\$7.71 (Sep-Oct)
58 lb, dry, 12.5%	\$7.84 (Nov-Dec)

What happens if the protein's just not there once harvested? The buyer has two options he will choose from to offer you:

No protein? No contract. Samples are submitted prior to delivery to determine what specs your wheat has.

No protein? Wheat is accepted at spot feed wheat price with no protein. The price is unknown at this time.

Things to think about:

1. Many acres of wheat going in which could result in more feed wheat this year.
2. US wheat futures continue to drop, will the PRO drop again?
3. Maybe a neighbour has feed wheat with higher protein levels?
4. Delivery time specific, get all your money now.

Watching ICE

Your weekly closing ICE futures \$/MT.

Canola	This Week	Last Week	Diff +/-
May 08	\$652.70	\$594.30	\$31.40
Jul 08	\$634.20	\$603.80	\$30.40
Nov 08	\$653.40	\$623.20	\$30.20
Jan 09	\$662.90	\$632.80	\$30.10
Mar 09	\$670.80	\$639.50	\$31.30
May 09	\$676.9	\$648.30	\$28.60
Jul 09	\$679.90	\$652.70	\$27.20
Nov 09	\$652.00	\$637.80	\$14.20
Barley	This Week	Last Week	Diff +/-
May 08	\$238.90	\$235.70	\$3.20
Jul 08	\$249.40	\$246.20	\$3.20
Oct 08	\$258.40	\$254.10	\$4.30
Dec 08	\$263.90	\$261.00	\$2.90
Mar 09	\$266.90	\$262.80	\$3.80
May 09	\$266.60	\$262.80	\$3.80

"Don't forget about freight rates these coming months and into fall. We very well could experience more and more cost in this area. Even Air Canada has imposed a fuel surcharge on all their flights just recently, resulting in ticket prices \$40 to \$150 higher from last week! Check freight rates on our website regularly to review any changes."



"Your grain watchdog."

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

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At The Bin

Prices booked this week (net to the producer).

Grain	Price	When	Producer
barley, 47 lb	\$4.65 FOB	May-Jun	Alliance
barley, 48 lb	\$4.75 FOB	Nov-Dec	Westlock
barley, 48 lb	\$4.75 FOB	November	Alliance
barley, 48 lb	\$4.65 FOB	May	Thorsby
barley, 50 lb	\$4.65 FOB	May	Rollyview
barley, 50 lb	\$4.25 FOB	May	High Prairie
barley, 50 lb	\$5.07 FOB	May	Oyen
barley, 52 lb	\$4.75 FOB	May	Holden
canola	\$13.24 FOB	Jan 09	Consort
canola	\$13.28 FOB	May	Beauvallon
canola, heated	\$9.25 del Edmonton	May	Calgary
canola, heated	\$8.11 del Edmonton	May	Onoway
canola, heated	\$8.91 del Edmonton	May	Vegreville
canola, heated	\$9.25 del Edmonton	May	Eaglesham
oats, milling	\$3.71 FOB	October	Vegreville
oats, milling	\$3.35 FOB	July	Atmore
oats, milling	\$3.78 FOB	December	Innisfree
oats, milling	\$3.40 FOB	July	Fort Kent
oats, milling	\$3.52 FOB	July	Bruce
oats, milling	\$3.40 FOB	July	Grassland
oats, milling	\$3.48 FOB	July	Millet
oats, milling	\$3.40 FOB	July	Atmore
oats, milling	\$3.48 FOB	July	St. Albert
oats, milling	\$3.51 FOB	July	Holden
oats, milling	\$3.48 FOB	July	Killam
oats, milling	\$3.46 FOB	July	Bentley
oats, milling	\$3.54 FOB	July	Paradise Valley
oats, milling	\$3.51 FOB	August	Derwent
oats, milling	\$3.53 FOB	August	Vegreville
oats, milling	\$3.40 FOB	July	Boyle
oats, milling	\$3.51 FOB	August	Andrew
oats, milling	\$3.53 FOB	August	Star
oats, milling	\$4.26 FOB	Jan 09	Paradise Hill
oats, milling	\$3.43 FOB	August	Grassland
oats, milling	\$3.83 FOB	December	Elk Point
oats, milling	\$3.60 FOB	November	Atmore
oats, milling	\$3.83 FOB	December	Rochester
oats, milling	\$3.47 FOB	August	Vegreville
oats, milling	\$3.54 FOB	August	Rivercourse
oats, milling	\$3.34 FOB	August	Grassland
oats, milling	\$3.37 FOB	August	Grassland
oats, milling	\$3.45 FOB	August	Wainwright
oats, milling	\$3.71 FOB	October	Edmonton
oats, milling	\$3.75 FOB	November	Beauvallon
oats, milling	\$3.68 FOB	November	Innisfree
oats, organic	\$6.41 FOB	May	Red Deer
wheat, feed	\$7.95 FOB	June	New Norway
wheat, feed	\$7.50 FOB	Nov-Dec	Leduc
wheat, feed	\$8.16 FOB	June	Rollyview
peas, yellow	\$9.75 del Innisfail	Aug-Oct	Castor
peas, yellow	\$9.75 del Innisfail	Aug-Oct	Vermilion

Bid Board

Buyers looking for grain (net prices).

Grain	When	Location
barley	May-Jun	\$4.96 del Eckville
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	\$5.12 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	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	June	\$9.50 del Innisfail
peas, yellow edible	June	\$10.50 del Innisfail
peas, yellow edible	Aug-Oct	\$9.75 del Innisfail
peas, green edible	September	\$9.55 del Innisfail
peas, yellow edible	Dec-Jan 09	\$10.00 del Innisfail
canola	July	\$13.56 del Fort Sask
canola	July	\$12.81 del Lloyd
canola	October	\$12.66 del Lloyd
canola	January 09	\$13.92 del Fort Sask
canola	January 09	\$13.33 del Lloyd
canola	February 09	\$14.26 del Fort Sask
oats, feed	May	\$2.76 del Thorhild
oats, feed	May	\$3.03 del Pincher Creek
oats, milling	November	\$3.97 del Martensville
oats, milling	December	\$4.00 del Martensville
oats, milling	January 09	\$4.09 del Martensville
oats, milling	February 09	\$4.11 del Martensville
oats, milling	March 09	\$4.13 del Martensville

Only 3,000 acres available.
Yellow pea production contract.
\$9.75 delivered Innisfail, August—October.
"Act of God" clause!

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.