



Wednesday June 1, 2011

Commodity	Period	Price	Weekly Movement		
Corn CBOT	July	7.58 ½	↑	16 ¼	cents
Soybeans CBOT	July	13.86 ¼	↑	9 ¼	cents
Wheat CBOT	July	7.59 ¼	↓	37 ¼	cents
Wheat Minn.	July	10.05 ½	↓	14 ½	cents
Wheat Kansas	July	8.91 ½	↓	36 ¼	cents
Canadian \$	Jun.	1.0258	↑	37	points

CORN

Corn planting and emergence continue to lag the five-year average by 9 and 12 percentage points, respectively, according to the USDA Crop Progress report for the week ended May 29. This planting progress indicates that there are still nearly 13 million acres unplanted.

Corn condition was reported for the first time this week at 6 percent poor to very poor, 31 percent fair, 53 percent good and 10 percent excellent. These numbers are less favourable than the corresponding numbers from last year.

With news that Russia may lift their export ban on grains, global demand for U.S. corn exports may decline as some countries buy wheat from Russia to feed livestock.

SOYBEANS

Soybean planting is 20 percentage points behind average at 51 percent. Soybean emergence is 12 percentage points behind average. The planting report was considered neutral to bullish, as the percent planted also tallied in below the pre-report estimate of 59 percent complete.

Weekly export inspections for soybeans have dropped below the level needed to reach the USDA projection of 1.55 billion bushels for the year ending on August 31. Inspections for the four weeks ended May 26 averaged 8 million bushels per week, compared to the 11.5 million average needed to reach the USDA projection. The domestic soybean crush pace continues to be slow with the reported April crush at the lowest level for the month since 2004.

WHEAT

Wheat prices are hit hard after Russia indicated it will begin exporting wheat again, nearly a year after a drought decimated more than one-third of its crop. Russia says it will lift the export ban effective July 1. Russia's winter wheat harvest is good and spring planting is up 10 percent. The significance of this move is the possibility that the Russia could export an additional 15 to 20 million metric tonnes of grain. Wheat exports would make up the majority of that total.



Ontario Grain Market Commentary for June 1, 2011
By Todd Austin, Grain Farmers of Ontario

Grain users remain concerned about poor weather reducing global output. Drought has reduced wheat output in the U.S. Southern Plains and Western Europe, while the U.S. Northern Plains are too wet to plant wheat.

Harvest contract prices for June 1, 2011 at the close of the markets are as follows:

SWW at \$258.60 per tonne (\$7.04/bu.), SRW at \$253.20 per tonne (\$6.89 /bu.), HRW at \$283.76 per tonne (\$7.72 /bu.), and HRS at \$329.07 per tonne (\$8.96 /bu.).