



Ontario Grain Market Commentary for April 16, 2014
By Marty Hibbs, Grain Farmers of Ontario

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Commodity	Period	Price	Weekly Movement		
Corn CBOT	July	5.19	↑	10	cents
Soybeans CBOT	July	15.12	↑	42	cents
Wheat CBOT	July	7.22	↑	41	cents
Wheat Minn.	July	7.67	↑	28	cents
Wheat Kansas	July	8.13	↑	42¼	cents
Canadian \$	June	0.9121	↑	68	points

Average cash bids for Canada Western Red Spring wheat moved higher, breaking back above \$200 per tonne, during the week ended Monday, April 28th.

Improving basis levels and spillover support from the gains seen in Minneapolis spring wheat futures helped to lift prices.

Continued concerns about drought in the U.S. Plains damaging winter wheat crops, uncertainty surrounding the political situation in Ukraine, and worries about delayed spring wheat seeding in the U.S. were also bullish for U.S. futures.

CORN:

The US appears set for more of the cold and wet weather which hampered US crops, leaving farmers behind in corn plantings. According to the USDA, US growers had sown 19 percent of corn as of Sunday, less than the 21percent than investors had expected. It was also well behind the average of 28 percent by now, a lag equivalent in area to more than 8 million acres. It is, however, better than the 5percent completion rate achieved a year ago, during a particularly slow planting season.

There are expectations of further poor weather too come, with "heavy rainfall" spreading into major Corn Belt producing states such as Illinois and Indiana. The conditions are expected to "offer support to corn prices", according to Benson Quinn Commodities.

Likewise, the weather in Ontario has not allowed much field work to get accomplished, resulting in slow planting of this year's corn crop.

SOYBEANS:

USDA shows the U.S. soybean crop is 3 percent planted, which is in line with the five-year average of 4 percent planted for late April.

Recent Statistics Canada numbers suggests a large soybean crop to be planted this year. Prices for soybeans have remained strong relative to other field crops, and if the weather in Ontario continues to be cool and wet there is potential for some corn acres to switch to soybeans.



WHEAT:

RJ O'Brien has termed the recent data "mildly supportive" for prices, a description applied to wheat futures, after the USDA revealed a further drop, by 1 point to 34 percent, in the proportion of US winter wheat seedlings rated "good to excellent". Wheat futures continued to move higher on worries that cold and drought conditions in the southern U.S. Plains would reduce yields for the hard red winter wheat crop.

In spring wheat, US sowings were, at 30% finished, 12 points behind the average -- also hurt by the poor conditions in Minnesota.

Locally, winter kill looks to be more significant than the usual 2 or 3 percent of the crop, as farmers continue to report damage to Agricorp.