

Grain and Related Prices					Oilseeds & Other Prices				
Commodity	Month	This week	Last week	Year ago	Commodity	Month	This week	Last week	10-Jan-14 Year ago
SRW Wheat	Mar	209.07	222.58	277.32	Soybeans	Mar	469.76	467.19	504.57
HRW Wheat	Mar	230.02	236.08	297.07	Soya Meal	Mar	375.20	369.30	445.68
HRS Wheat	Mar	228.00	231.67	310.57	Soya Oil	Mar	842.86	851.01	1,085.59
CWRS Wheat	Spot	153.59	155.86	n/a	Canola	Mar	429.80	442.00	583.10
CPS Wheat	Spot	132.70	132.70	n/a	Crude Oil(WTI)	Mar	92.97	94.25	93.75
Corn	Mar	170.37	166.72	260.42	Dollar Index	Mar	80.71	80.91	79.62
Ethanol	Mar	49.59	47.39	61.08	DJIA	Mar	16,332	16,385	13,420
Oats	Mar	250.61	223.22	224.84					

Data points in red are previous 12-month highs, in blue are previous 12-month lows

For price specs. go to: [www.open-i.ca/PriceSpec.htm](http://www.open-i.ca/PriceSpec.htm)

**COMMENT:** US corn prices were pressured lower by the continued Chinese rejection of US cargoes, disappointing export sales for last week and the expectation of bearish USDA reports. But on Friday with bullish reports and the news of a 180,000 tonne export sale, prices ended up higher over the week. With nothing much to excite wheat prices drifted lower with the USDA reports viewed as being negative on Friday. With news of continued US export business this week prices moved higher. Opinions varied as to the implications of Friday's USDA reports. A weaker Canadian dollar was not enough to support canola prices.

**NEWS:** Dec 1 US stocks of wheat, corn and soybeans were surveyed by the USDA at 39.8M, 264.8M and 58.4M, respectively, down 13, up 30 and up 10 percent from a year ago and slightly higher, somewhat lower and slightly lower than trade expectations.

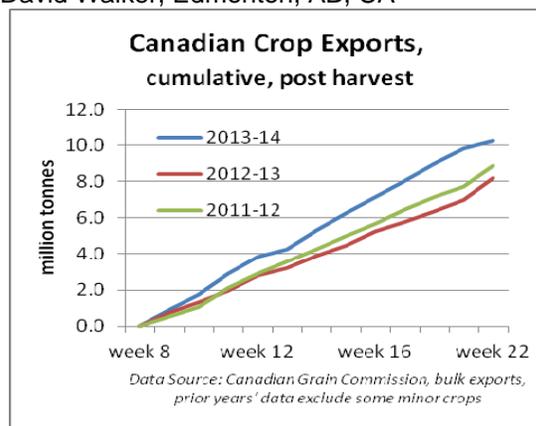
The final 2013 US production estimates for corn and soybeans were 353.7M and 82.1M tonnes, up 29 and 8 percent from 2012 output, and down 1 and up 1 percent from the November estimate. Corn yields and production were somewhat lower than average trade expectations for corn. For soybeans harvested area and output were slightly higher than expected. Last fall's planted area for all wheat was surveyed at 17.0M hectares, 3 percent below last year and well below trade expectations. The area seeded to all three classes of wheat was below expectations. After adjusting for these three reports and other market developments, yearend stocks of wheat, corn and soybeans in the US's monthly Supply and Use forecasts were revised to 16.5M, 41.4M and 4.1M tonnes, respectively, about 85, 199 and 106 percent of year earlier levels. The largest adjustment from

month earlier forecasts was for corn with slightly lower output but higher feed use evidence by Dec 1 stocks. For wheat reduced feed use more than offset an increase in the export forecast.

The USDA's forecasts for global ending stocks for wheat, coarse grains and oilseeds were 185.4M, 193.9M and 79.3M tonnes, respectively, 2.6M above, 3.0M below and 2.3M tonnes above December forecasts. Paradoxically, the largest single revision was an upward revision in the Chinese corn crop but this was more than offset by lower forecast output and increased feed use elsewhere.

**OPINION:** All eyes are on export data or should be as this will provide an indication of when supplies from the abundant 2014 harvest will be moved. The news could be worse even if it seems otherwise from reluctance of grain companies to accept new business. In the 13 weeks, from Sept 29 to Jan 5, exports this year have been about 2 million tonnes above last year. Simple arithmetic suggests that we will still be some way away from a tight supply situation by harvest 2014, but there will be significant progress in that direction.

David Walker, Edmonton, AB, CA



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