

Grain and Related Prices					Oilseeds & Other Prices					29-Aug-14
Commodity	Month	This week	Last week	Year ago	Commodity	Month	This week	Last week	Year ago	
SRW Wheat	Sep	202.18	202.83	236.36	Soybeans	Sep	400.14	428.44	523.22	
HRW Wheat	Sep	230.11	232.68	257.48	Soya Meal	Sep	398.69	393.07	424.77	
HRS Wheat	Sep	225.98	230.66	264.65	Soya Oil	Sep	706.39	711.24	967.64	
CWRS Wheat	Spot	195.17	191.03	249.64	Canola	Nov	419.80	418.30	521.50	
CPS Wheat	Spot	160.69	146.19	227.3	Crude Oil(WTI)	Oct	95.88	93.58	107.61	
Corn	Sep	141.33	143.89	194.87	Dollar Index	Sep	82.76	82.30	82.14	
Ethanol	Sep	58.12	57.06	63.01	DJIA	Sep	17,064	16,980	14,798	
Oats	Sep	234.89	248.99	253.86	SRW Wheat	Dec	207.05	206.59	240.31	
Data points in red are/were 12-month highs, in blue are 12-month lows					Corn	Dec	143.59	146.25	189.75	
For price specs. go to: <a href="http://www.open-i.ca/PriceSpec.htm">www.open-i.ca/PriceSpec.htm</a>										

**COMMENT:** Favourable weather for US corn crop development continues to weigh on feed grain values. International wheat prices continue to hold possibly supported by the expectation that hostilities in the Black Sea region will eventually disrupt supply. Rain delays for the US spring wheat harvest and quality implication may also have been supportive. Prairie wheat prices were higher with a continued narrowing of basis.

With the old crop supply of soybeans tight the expiring Sept contracts for beans and particularly meal have been very volatile. Soy oil prices, however, continue to slide even a new crop values have been more stable. Canola prices were, however, higher on concerns about the impact of some areas of poor yield prospects on the overall supply situation.

**NEWS:** The USDA's August 24 US crop progress report indicated good/excellent ratings for corn, soybeans and partially harvested spring wheat up 1, down 1 and down 2 points, respectively, at 73, 70 and 66 percent. The spring wheat harvest was 27 percent complete compared to a 49 percent 5-year average and 39 percent last year. Progress with the spring wheat harvest has separately been reported as being delayed by wet weather.

Both corn and soybean crop years end at the end of August. Hence, export sales reports can be a little erratic at this time as books are being squared. New crop soybean export sales are keeping up with last year's record pace, but corn sales lag somewhat. A second year of good corn supplies possibly reduces the urgency for buyers to tie up supplies early.

Next Friday Statistics Canada will be publishing its end of season crop stocks survey report which will be instructive in terms of last year's usage and a pointer for the same for this year.

**OPINION:** With the US corn crop having passed through the critical July pollinating phase of development and the soybean crop through its critical August pod filling without any significant loss of condition, record yields appear most probable if not certain. The last year of record yields was 2009 when not surprisingly crop conditions were also very favourable. This year's ratings have held above those of 2009 and the current crop has five years of added technology on its side. Against this, and the perception of global warming, is the possibility of an early frost. Five-year average ratings are, of course, influenced by the very poor ratings in 2012.

In retrospect the large crops in 2009 were welcome as demand for corn was being boosted by the expansion in fuel ethanol production and the Chinese economy was in full flight in terms of growth. This year prospects on the demand side seem less certain. Having noted that, however, new crop US export sales for soybeans appear promising even if this has come with some erosion in prices.

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