

Grain and Related Prices					Oilseeds & Other Prices					14-Nov-14
Commodity	Month	This week	Last week	Year ago	Commodity	Month	This week	Last week	Year ago	
SRW Wheat	Dec	205.95	189.05	236.82	Soybeans	Jan	375.71	380.94	470.31	
HRW Wheat	Dec	222.48	209.17	256.56	Soya Meal	Jan	331.11	337.19	368.03	
HRS Wheat	Dec	216.51	200.62	256.01	Soya Oil	Jan	713.00	714.32	898.19	
CWRS Wheat	Spot	224.97	217.92	215.23	Canola	Jan	427.80	435.10	488.90	
CPS Wheat	Spot	171.94	163.00	178.41	Crude Oil(WTI)	Dec	76.02	78.69	93.730	
Corn	Dec	150.29	144.68	166.13	Dollar Index	Dec	87.56	87.73	80.90	
Ethanol	Dec	53.39	49.40	43.98	DJIA	Dec	17,577	17,520	15,900	
Oats	Dec	220.14	219.65	222.41						

Data points in red are/were 12-month highs, in blue are 12-month lows For price specs. go to: www.open-i.ca/PriceSpec.htm

COMMENT: Wheat prices made good gains on reports of cold weather threatening US hard red winter wheat prospects, even though US prices are not seen as being very competitive internationally. CWRS prices now appear to be above year ago levels with narrowing basis and some protein premiums. US corn prices were bolstered by a small but unexpected reduction in the USDA's November production estimate. Upward revisions in USDA's soybean production estimate and ending stock forecasts weighed on prices. Demand indicators still remain strong but US transportation issues were also cited as a market influence causing meal sales cancellations.

NEWS: Monday's USDA November production estimates cut corn slightly and increased soybeans by less than 1 percent from their October estimates. The increase in soybean production was expected. That for corn was not. Corn production is now estimated at a record 366.0Mt, up 3% from 2013, and soybean production at a record 107.7Mt, up 18% from last year.

Revision to USDA monthly **wheat** supply and use forecasts were limited to results of a resurvey of late harvested spring wheat production which resulted in a 0.3Mt cut in output and year end stocks.

Almost all the slight reduction in US **corn** output and supply was deducted from the year's ending stock forecast. For **soybeans** the 0.5M upward revision in output allowed for increases in domestic and export use with ending stocks unchanged.

The USDA's **world wheat** supply forecast was reduced mainly as a result of a 1.0Mt cut in Australian output expectation but this was offset by forecasts for lowered Egyptian consumption.

Several offsetting adjustments were made in the global **coarse grain** output forecast but an increase in EU output was the major cause of the overall increase. Even with a cut in usage forecast ending stocks were only raised 3Mt, less than 3 percent.

For global oilseeds, an increase in the consumption projection more than offset increased output, resulting in

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a small cut in ending stocks which are still projected at record levels

OPINION: USDA forecasts for global ending stocks for the three major crop groups – wheat, coarse grains and oilseeds, provide somewhat contrasting situations. For wheat the 2015 forecast is for stocks to be within the range of levels seen in recent years. And in a relative, stocks to use, context ending stocks are towards the bottom of the range for this period suggesting relatively firm medium term price prospects. For coarse grains ending stocks are projected to be above the range of recent years indicating the prospect of lower prices. This in turn suggests that the upward trend in prices over the last month will not see a full recovery of value lost during the summer. For oilseeds the ending stock forecast is also above the range of recent experience. But much of that forecast is dependent on expectations for yet to be harvested southern hemisphere crops suggesting some risk premium in the market together with the continuing prospect of seemingly insatiable Chinese demand.



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