

Grain and Related Prices					Oilseeds & Other Prices					26-Dec-14
Commodity	Month	This week	Last week	Year ago	Commodity	Month	This week	Last week	Year ago	
SRW Wheat	Mar	224.41	232.31	223.77	Soybeans	Jan	384.89	378.65	489.23	
HRW Wheat	Mar	236.72	244.72	236.72	Soya Meal	Jan	344.45	329.75	404.32	
HRS Wheat	Mar	232.04	236.45	233.23	Soya Oil	Jan	715.65	704.84	860.27	
CWRS Wheat	Spot	n/a	233.28	n/a	Canola	Jan	451.60	442.40	427.50	
CPS Wheat	Spot	n/a	193.31	n/a	Crude Oil(WTI)	Mar	55.16	57.48	100.320	
Corn	Mar	163.28	161.61	167.81	Dollar Index	Mar	90.33	89.84	80.49	
Ethanol	Mar	41.48	41.45	46.73	DJIA	Dec	18,050	17,761	16,404	
Oats	Mar	198.42	201.33	226.14	<i>Wednesday for Canadian canola prices</i>					

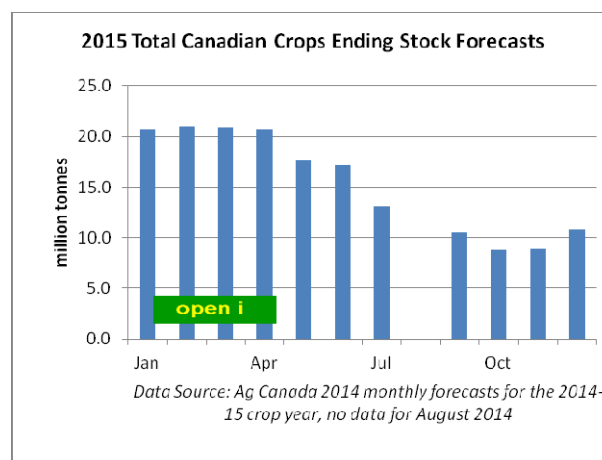
Data points in red are/were 12-month highs, in blue are 12-month lows For price specs. go to: www.open-i.ca/PriceSpec.htm

COMMENT: The strength of the US dollar/weakness of the rest and falling crude oil prices continued to be two significant external influences on grain markets during the holiday shortened trading week. The reality is that very little real business was likely consummated under such circumstances. Wheat prices were up and down with the ebb and flow of rumours about Russian restriction on wheat exports. It akmist seems as though there is an element of purposeful indecision. Solid demand was cited as the main factor keeping an upward trend in US corn prices intact. Prices have risen by over 20 percent in three months. Against this South American crop conditions are good, there is a big US crop to move and with weaker energy markets ethanol use demand may be fragile. Soybean prices continue to be relatively volatile moving in a narrowing sideways band.

NEWS: Canadian Ag Canada’s December revisions to its crop supply and disposition forecasts included Stats Can’s November estimates of production which added 3.6M tonnes or 5 percent to output. Ag Canada added 1.3M, 0.6M and 2.0M tonnes, respectively, to its exports, domestic use and ending stocks forecasts for the current crop year. Ending stocks of wheat were raised by 0.8M tonnes, exports by 0.2M and domestic use by 0.4M to balance the 1.4M tonne increase in output. The 04M tonne increase in durum output is expected to result in increased exports and ending stocks in about equal amounts. The 1.5M tonne upward revision in canola production is expected to result in 0.6M tonne increase in exports with only 0.4 being added to ending stocks.

OPINION: The year 2014 will likely to be remembered as the year when initial concerns over farmers’ access to marketing channel following an exceptional large crop in 2014 proved to unfounded as a result of equally exceptional movements of those crops. Concerns for crop handlers may even have shifted after harvest to the reluctance of farmers to market crops. Over the winter months forecasts for ending stocks for the current crop year were over 20M tonnes which would have been the largest ending stock level in over twenty years. By this fall ending stock forecasts were well under 10M tonnes which would be the smallest ending stock level in those same 20 years. The recent increase in ending stock forecasts results from revisions in Stats Can’s production forecast and perhaps the reluctance of farmers to market grain promptly.

David Walker, Edmonton, AB, CA



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