

Grain and Related Prices					Oilseeds & Other Prices				
Commodity	Month	This week	Last week	Year ago	Commodity	Month	This week	Last week	Year ago
SRW Wheat	Mar	193.64	184.73	212.20	Soybeans	Mar	357.70	353.11	481.39
HRW Wheat	Mar	206.41	198.51	238.56	Soya Meal	Mar	298.91	299.27	405.04
HRS Wheat	Mar	212.01	204.57	234.89	Soya Oil	Mar	701.54	661.41	850.13
CWRS Wheat	Spot	214.48	201.95	165.16	Canola	Mar	459.60	453.40	425.60
CPS Wheat	Spot	186.84	174.31	136.01	Crude Oil(WTI)	Mar	51.75	47.42	99.980
Corn	Mar	151.86	145.66	174.89	Dollar Index	Mar	94.88	95.01	80.77
Ethanol	Mar	37.99	36.64	51.78	DJIA	Mar	17,825	17,260	15,708
Oats	Mar	183.83	178.64	283.04	<i>New crop Canola</i>	<i>Nov</i>	<i>440.90</i>	<i>435.20</i>	<i>460.20</i>
Data in red are 12-month highs, in blue are 12-month lows					<i>New crop SRW wheat</i>	<i>Dec</i>	<i>202.37</i>	<i>195.75</i>	<i>222.21</i>
For price specs. go to: <a href="http://www.open-i.ca/PriceSpec.htm">www.open-i.ca/PriceSpec.htm</a>					<i>New crop corn</i>	<i>Dec</i>	<i>164.07</i>	<i>157.77</i>	<i>181.09</i>

**COMMENT:** US Wheat prices were higher this week for the first time in seven weeks. Southern Great Plains winter wheat conditions were reported in less favourable condition than expected but last week's export sales were disappointing. There seems, however, to be a perception that US wheat prices have fallen to a level where they are again competitive internationally. The US dollar index was only marginally lower over the week.

Corn prices held gains made on Tuesday with a rebound of crude oil prices with the implied implications for ethanol demand. Farmers are also seen as reluctant sellers at current prices. But last week's US export data was disappointing.

The salient feature for the oilseeds complex was a decision by Indonesia to raise subsidies for biodiesel production which reverberated through palm oil prices and was particularly supportive of canola values. The current harvesting of large South American soybean crops is seen as limiting the potential for higher prices.

**NEWS:** StatsCan's survey of December 31 Canadian crop stocks indicates the Prairie supply situation is rapidly returning to normal after the record 2013 crop. Stocks of the nine major Prairie crops, 5 months into the crop year and three months post harvest, totalled 46.8M tonnes, 85 percent of year earlier levels and 103 percent of the five-year average.

Supplies of flax, wheat, canola and oats at 119, 114, 113 and 101 percent of the five year average were in better supply, whereas durum, barley, peas and lentils were at 90, 88, 74 and 56 percent of the five-year average.

The Canadian Grain Commission reported cumulative bulk exports for the week 26, ending

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February 1 and half way through the current crop year, of all crops of 20.9M tonnes 14 percent above year earlier levels. Exports of lentils, barley, peas, durum, flax, canola, oats and wheat are running at respectively 187, 150, 150, 120, 112, 111, 107 and 106 percent of year ago levels. Much of these increases is the result of better supply situations, early in the crop year and before the new crop was available, than a year earlier.

**OPINION:** Statistics Canada December 31 crop stocks report, beyond indicating that supplies of almost all crops are lower than a year ago, confirms the continued dominance of wheat, in volume if not value terms. Wheat and durum together are still over 50 percent of crop supplies. The other trend that is confirmed is the replacement of barley with canola as the alternative to wheat. Barley supplies are at a recent era low which is having implications in the international barley and malt markets as domestic feed demand consumes an increasing proportion of the total supply at the expense of exports.

David Walker, Edmonton, AB, CA

