

Grain and Related Prices					Oilseeds & Other Prices				
Commodity	Month	This week	Last week	Year ago	Commodity	Month	This week	Last week	13-Mar-15 Year ago
SRW Wheat	May	184.45	177.29	252.52	Soybeans	May	357.89	361.93	510.19
HRW Wheat	May	198.14	191.90	276.13	Soya Meal	May	296.64	297.27	402.78
HRS Wheat	May	208.52	204.48	269.70	Soya Oil	May	672.21	689.63	932.37
CWRS Wheat	Spot	217.92	211.18	194.26	Canola	May	459.30	450.70	461.10
CPS Wheat	Spot	193.22	180.70	162.56	Crude Oil(WTI)	May	47.17	51.42	98.560
Corn	May	149.80	151.96	191.33	Dollar Index	Jun	100.66	97.56	97.56
Ethanol	May	38.36	38.75	61.60	DJIA	Jun	17,625	17,860	15,990
Oats	May	180.10	183.50	287.74	<i>New crop Canola</i>	Nov	444.90	444.70	486.70
Data points in red are 12-month highs, in blue are 12-month lows					<i>New crop SRW wheat</i>	Dec	193.27	187.49	260.06
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>	Dec	159.34	161.70	191.82

**COMMENT:** Wheat prices were supported by the USDA's supply and demand projections, as the market was expecting an increase in the US ending stock forecast whereas it was left virtually unchanged. This together with concern over conditions for the US winter wheat crop now emerging from dormancy was more than enough to offset less than favourable export prospects resulting partly from the continued strength of the US dollar. The latter was, of course, positive for Canadian wheat values. US corn prices benefitted from USDA ending stocks forecast coming in below trade expectation but disappointing export data for last week together with the strong dollar weighed on prices later. The US soybean ending stock forecast was at the high end of trade expectations and this together with the strength of the US dollar and disappointing export data pressured prices towards the end of the week.

**NEWS:** The USDA's March revisions to its 2014/15 wheat, corn and soybean supply and demand projections were minor. For US wheat the data was virtually unchanged from February. Adjustments to global prospects were largely offsetting with minor cuts in food consumption offset by increases in feed use leaving ending stocks about unchanged. For US corn, ethanol use was cut by 1.3M tonnes but feed use expectation offset this, while 1.3M tonnes were added to export forecasts. Ending stocks were accordingly reduced by that amount, or 3 percent. Global coarse grain forecasts for output were lowered and for use increased resulting in a 5M tonne, 2 percent cut in ending stocks which is above levels of more than five years. Most of the adjustments were of indirect relevance to North American corn – increased reliance on barley by China and offsetting corn output adjustment in the Southern Hemisphere. As the USDA did not have reason to change US soybean supply and demand forecasts, ending stocks remain at 10.5M tonnes, an 8-year high. Globally the

USDA raised its forecasts for both output and ending stocks of oilseeds up slightly and at record levels.

**OPINION:** Facing an audience of farmers in Saskatoon this week, it was hardly surprising that the Prime Minister was not allowed to escape addressing the issue of grain transportation. What he said was, however, relatively moderate. His most controversial response, picked up by press headlines, was that the railways can't "dictate to the market just what they think is satisfactory," which was politically masterful as everybody could agree to their own interpretation of what he said. If this does not mark the end of the issue, it may mark the beginning of the end.

Canadian Grain Commission data, which almost certainly comes close to the confidential information collected by the federal government for its monitoring, suggests the railways have generally met the mandates when grain was available for shipping. The federal government did apply some penalties on the railways for not meeting the weekly mandates - probably enough to indicate that the orders-in-councils had teeth, but not so large that it was worth the while of the railways to challenge the legislation.

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