

Grain and Related Prices					Oilseeds & Other Prices				
Commodity	Month	This week	Last week	Year ago	Commodity	Month	This week	Last week	12-Jun-15 Year ago
SRW Wheat	Jul	185.10	189.97	215.32	Soybeans	Jul	345.03	344.57	523.88
HRW Wheat	Jul	193.27	196.67	262.08	Soya Meal	Jul	288.02	276.59	424.46
HRS Wheat	Jul	206.23	209.99	251.42	Soya Oil	Jul	730.64	766.79	875.05
CWRS Wheat	Spot	218.89	221.53	188.14	Canola	Jul	485.20	497.00	463.50
CPS Wheat	Spot	184.84	188.18	156.25	Crude Oil(WTI)	Jul	59.99	59.13	106.850
Corn	Jul	138.97	141.92	175.97	Dollar Index	Sep	95.24	96.70	80.75
Ethanol	Jul	38.86	40.89	56.96	DJIA Mini-sized	Sep	17,871	17,847	16,690
Oats	Jul	165.67	167.78	225.16	<i>New crop Canola</i>	Nov	483.20	495.50	460.60
Data points in red are 12-month highs, in blue are 12-month lows					<i>New crop SRW wheat</i>	Dec	192.81	195.85	226.71
For price specs. go to: www.open-i.ca/PriceSpec.htm					<i>New crop corn</i>	Dec	145.46	148.81	176.17

COMMENT: Wheat prices were higher earlier in the week with concern over excessively wet conditions for the ripening of US hard red winter wheat. But the USDA's US and global ending wheat stock projections were larger than expected and prices ended up down on the week. The USDA's supply and demand projections were also negative for corn prices as supplies were projected as being larger than anticipated. A two-week upward trend in soybean prices was also broken by the USDA report. While US soybean stocks were below expectations, 2016 global ending stocks were above expectation and at record levels for a second year. Canola prices which had been up by as much as 12 percent over the last month, as less than satisfactory soil conditions have developed over much of the Prairies, but backed off with reports of and forecasts for generally broken weather.

NEWS: US winter wheat production was estimated by the USDA, as of June 1, at 41.8Mt, 2 percent higher than the May forecast, and 9 percent above 2014. Hard reds were up 4 percent and soft reds down less than 1 percent from last month.

The USDA's June revisions to its domestic 2015-16 wheat supply and use projections incorporated the larger output estimate and recognized the potential quality challenge resulting from excess rainfall in the Great Plains – feed use was raised 8 percent. Ending stocks forecast, revised upwards by less than 1 percent, are at the highest level since 2011.

Projected US corn ethanol use for the current crop year was reduced by 0.6M tonnes which resulted in a corresponding increase in US corn ending stocks for both 2015 and 2016. Other 2015-16 corn supply and disposition items were left unchanged.

Projected US soybean crush for both 2014-15 and 2015-16 was raised slightly resulting in a 0.6M tonne cut in the 2016 ending stock forecast which is nevertheless the largest since 2008.

Global wheat supply is forecast to increase by 2.1M tonnes mainly resulting from improved Ukrainian and Russian prospects which was more than balanced by increased use, mainly feed. Ending stocks were reduced by almost 1M tonnes but are still projected to be the largest since 2010.

Global coarse grain supply projections were increased by 2.8M tonnes mostly reflecting larger current year Brazilian corn output and ending stocks. Adjustments to use forecasts were largely offsetting so ending stocks increased with the increase in supply.

An increase in global oilseed output forecast is more than offset by lower opening stocks, and an increased in soybean crush is expected to result in lower ending stocks but these will still at record level for a second successive year.

OPINION: With a couple of weeks of Prairie farmer crop deliveries of over 1.1M tonnes, it is evident that the spring slow down in farmer marketing has passed. Primary elevator stocks have started to build again and it would seem that exports were not unduly restricted by the level of supplies in the system, even if the railways appear to have had spare capacity in recent weeks.

David Walker, Edmonton, AB, CA

