

Grain and Related Prices					Oilseeds & Other Prices				
Commodity	Month	This week	Last week	Year ago	Commodity	Month	This week	Last week	9-Oct-15 Year ago
SRW Wheat	Dec	187.12	188.59	182.99	Soybeans	Nov	325.46	321.23	338.96
HRW Wheat	Dec	183.81	183.90	212.01	Soya Meal	Dec	279.22	273.23	282.12
HRS Wheat	Dec	194.47	193.73	203.29	Soya Oil	Dec	624.81	618.64	715.20
CWRS Wheat	Spot	240.09	240.09	209.12	Canola	Nov	469.50	471.90	398.90
CPS Wheat	Spot	212.99	212.99	160.69	Crude Oil(WTI)	Dec	50.15	45.54	85.76
Corn	Dec	150.68	153.24	135.43	Dollar Index	Dec	94.92	95.97	86.04
Ethanol	Dec	40.31	40.68	41.26	DJIA Mini-sized	Dec	16,948	16,377	16,625
Oats	Dec	147.35	137.63	222.25					

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

COMMENT: US markets seemed to be in something of a limbo in advance of Friday's USDA reports. It seems that bullish elements of the reports were largely anticipated and discounted. A four-week uptrend in wheat prices may have been broken. The same hold for corn as well. Soybean prices appear to be moving rather erratically sideways. Canola prices were reported as being supported by further harvest delays in the western prairies and with farmer selling and a strengthening Canadian dollar weighing on values.

NEWS: The USDA October estimates of corn and soybean production were 344.3M and 105.8M tonnes, both about one percent below last month's estimate and 7 and 1 percent below recently revised 2014 estimates. Revisions from last month included small reductions in corn area being more than offset by higher yields. For soybeans the cut in area was more significant the increase in yield smaller resulting in a rather larger cut in output.

USDA October revised its wheat supply and demand balance sheets by cutting its estimate for 2015-16 US wheat supply more than it lowered export expectations resulting in a small reduction in US ending stocks. But ending stocks are still projected at the highest level in recent years.

With US corn use projection are unchanged but a small cut in the supply estimate result in slightly lower ending stocks forecast. Revision to US soybean supplies resulting from a cut in both the beginning stocks and output estimates were only partially offset by lower expectations for exports.

While every reasonable effort is made to ensure this information is accurate, the author is unable to provide any guarantee over accuracy, or to be liable for the consequences of action taken on the basis of any information which proves to be inaccurate.

US ending soybean stocks, however, are expected to be larger than they have been for several years.

Global wheat supply was raised by 2M tonnes as a result of increases in production estimates for Canada, Australia and the EU. With no expectation for increased use, the ending stock forecast was also raised by 2M tonnes. The USDA's global coarse grain supply projection was reduced by 7M tonnes mainly as a result of lower output estimates from a number of regions. This was partially offset by a cut in the use projection but ending stocks forecasts were lowered by about 2M tones. The global oilseed supply was raised by almost 3M tones with an increase in output partially offsetting a higher beginning stocks estimate. Both use and ending stocks projections were raised.

OPINION: Usually the basis component of country prices widens after harvest as new crop supplies come forward but for wheat this does not seem to have been very immediate this year or last. While it may be a bit early to come to any solid conclusions concerns about the quality of a rain delayed harvest may be a factor this year.

David Walker, Boston, Lincs, England

