

Grain and Related Prices					Oilseeds & Other Prices				
Commodity	Month	This week	Last week	Year ago	Commodity	Month	This week	Last week	30-Oct-15 Year ago
SRW Wheat	Dec	191.80	180.23	195.66	Soybeans	Nov	324.73	326.86	385.54
HRW Wheat	Dec	181.15	174.72	217.89	Soya Meal	Dec	276.14	276.77	332.65
HRS Wheat	Dec	193.09	186.66	211.00	Soya Oil	Dec	621.73	629.88	772.09
CWRS Wheat	Spot	234.41	229.16	220.5	Canola	Nov	462.70	475.50	439.00
CPS Wheat	Spot	206.29	203.57	167.68	Crude Oil(WTI)	Dec	46.50	44.66	80.53
Corn	Dec	150.48	149.50	148.32	Dollar Index	Dec	96.96	97.16	86.99
Ethanol	Dec	41.61	41.13	45.97	DJIA Mini-sized	Dec	17,657	17,566	17,295
Oats	Dec	147.35	147.68	218.03					

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: Wheat prices made gains this week on persistent supply side concerns including dry conditions in Australia, the Black Sea region, and parts of the US Plains. Last week's US export data was also considered positive. US corn prices appear to lack direction as the US harvest approaches completion, but export sales data for last week exceeded rather modest expectations. Soybean prices continue to act positively to export sales announcement as was the case today but otherwise seem to be drifting lower.

NEWS: The USDA reported net export sales for the week ending October 22 2015, of wheat, corn and soya beans of 0.550M, 0.709M and 2.156M tonnes. The large soybean figure was largely anticipated as there had been several large sales reported on a daily basis. Outstanding sales for wheat, corn and soybeans currently stand at 89, 64 and 69 percent of last year's level. The first USDA winter wheat crop report listed 47 percent of conditions as good to excellent, compared to 59 percent last year and a five-year average of 51 percent.

The International Grains Council in its October market report indicated that it expects much of this year's increase in grain stocks to be in China rather than the major exporters.

OPINION: The USDA's weekly export sales reporting system has been reporting some very impressive soybean sales in recent weeks – 9M tonnes, or about 20 percent of forecasted sales for the full year, in five weeks. But the price support that might be expected to result from this has been

disappointing apparent, particularly in the last two weeks.

Several reasons are evident. This week's report of last week's sales was largely anticipated as much of the 2.1M tonnes for the current crop year had been previously reported on daily basis. There has only been one such daily report this week.

Much of the business has, relative to last year, been of a catch-up nature. Last year overseas buyers were no doubt anxious about the relatively tight US soybean supply situation. This year supplies are more abundant. Illustrative of this, in June outstanding 2015-16 export sales were running at about half of previous year's levels. By September they were at about two thirds of the previous year and currently cumulative exports and outstanding sales are about 80 percent of year ago level. The USDA is forecasting exports for the full crop year at 90 percent of last year's level.

It might seem that with 10 months in the crop year still left the catch-up would be a given. In the new calendar year, however, sales drop off seasonally as buyers shift their attention to South America. Sales have to be sustained until then if improved market prospects are to develop. As it is news of sales seem only to support prices momentarily.

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