

Grain and Related Prices					Oilseeds & Other Prices				
Commodity	Month	This week	Last week	Year ago	Commodity	Month	This week	Last week	10-Jun-16 Year ago
SRW Wheat	Jul	181.88	182.71	185.10	Soybeans	Jul	432.94	415.94	345.03
HRW Wheat	Jul	172.15	174.17	193.27	Soya Meal	Jul	375.74	375.83	288.02
HRS Wheat	Jul	197.87	198.03	206.23	Soya Oil	Jul	722.26	711.24	730.64
CWRS Wheat	Spot	243.41	241.96	218.89	Canola	Jul	523.50	514.10	485.20
CPS Wheat	Spot	212.22	208.03	184.84	Crude Oil(WTI)	Jul	49.06	48.48	59.99
Corn	Jul	166.53	164.66	138.97	Dollar Index	Sep	94.67	94.05	95.24
Ethanol	Jul	43.77	44.12	38.86	DJIA Mini-sized	Sep	17,828	17,779	17,871
Oats	Jul	130.82	121.90	165.67	Canola	Nov	525.50	520.40	483.20
For price specs. go to: www.open-i.ca/PriceSpec.htm					Wheat	Dec	192.81	192.17	192.81
Data in red are 12-month highs, in blue are 12-month lows					Corn	Dec	169.58	165.247	145.46

COMMENT: Wheat prices lost ground with disappointing US export sales data and a larger than expected estimate of US winter wheat production. US corn prices were buoyed by better than expected export sales data and forecasts of less than ideal weather for crop development despite the current favourable condition of the crop. Demand seemed to be the major component for the continued advance in soybean prices which was reflected in Friday's USDA supply and demand forecasts.

NEWS: US winter wheat production was estimated by the USDA, as of June 1, at 41.0Mt, 6 percent higher than the May estimate, and 10 percent above 2015. Hard reds were up 9 percent and soft reds down less than 1 percent from last month. Average yield were estimated at a record 50.5 bu/ac, 3.4 tonnes/hectare. Revisions to both the USDA's domestic and global 2016-17 **wheat** supply and use projections were dominated by the June adjustment to the US production estimate. The increase in domestic supply was somewhat offset by upward revisions in domestic use and exports, but ending stocks were raised to the highest level in 29 years. Globally EU and Russian output forecasts were also raised but were largely offset by lower output elsewhere and increased use, leaving record ending stocks fractionally higher. The USDA did not revise its 2016 **corn** output but lowered its beginning stocks forecasts which together with an increase in its forecasts for corn exports for next year will result in a 7 percent cut in ending stocks which are still high by recent standards. The USDA did, however, raise its global **coarse grain** output which was about matched by increase use, but lower beginning stocks were reflected in a forecast for lower ending stocks which remains slightly below levels of the last two years.

As with corn, 2016 US **soybean** production was not revised but a cut in beginning stocks resulted in a downward revision in supplies for the 2016/17 crop

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year. And with a small increase in the exports projection ending stocks were reduced 15 percent, 30 percent below this year's ending stocks estimate.

Revisions to next year's global oilseed situation included lower carry in stocks, output and use with ending stocks revised slightly lower and now 9 percent below this year.

North American crops continue to develop with favourable weather. Prairie crop seeding was completed slightly ahead of average and US crop ratings are highest in several years.

OPINION: A year ago all three of the major crop commodity groups looked equally depressing, with nearby futures prices for US wheat, corn and soybeans prices about 15, 10 and 35 percent below year earlier levels. Prospects for the three are now divergent. US wheat prices are generally a few percentage points below a year ago with record global supplies and ending stocks. US corn prices are about 20 percent higher than a year ago with global ending stocks now expected below year earlier levels. US soybean prices are about 25 percent above year ago levels. The USDA's projection for global ending stocks a year ago turned out to be unduly pessimistic and their forecast for next year is lower still.

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