

Grain and Related Prices					Oilseeds & Other Prices				
Commodity	Month	This week	Last week	Year ago	Commodity	Month	This week	Last week	14-Oct-16 Year ago
SRW Wheat	Dec	154.69	145.05	180.87	Soybeans	Nov	353.66	351.55	330.05
HRW Wheat	Dec	153.50	148.08	177.66	Soya Meal	Dec	272.83	272.37	283.03
HRS Wheat	Dec	194.19	191.80	189.14	Soya Oil	Dec	757.98	734.39	630.54
CWRS Wheat	Spot	228.39	227.71	231.17	Canola	Nov	487.50	469.80	472.60
CPS Wheat	Spot	162.51	163.14	199.14	Crude Oil(WTI)	Dec	50.74	50.49	47.74
Corn	Dec	139.46	133.75	148.32	Dollar Index	Dec	97.90	96.71	94.53
Ethanol	Dec	41.00	38.60	39.73	DJIA Mini-sized	Dec	18,104	18,185	17,040
Oats	Dec	128.87	123.69	149.62					

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

COMMENT: Wheat prices moved above a range in which they had been trading for the last six months. US wheat is now perceived to be competitively priced and crop quality issues elsewhere have improved the demand for US wheat. US corn prices have been supported by positive perception over demand and stronger crude oil prices. For soybeans, continued strong export demand and prospects for a very large harvest appear to continue offset each other and keep prices in a relatively narrow range. Quality and quantity issues stemming from delays in the Prairie harvest together with higher vegetable oil prices have support canola prices. The volume of canola futures trading has been unusual heavy of late.

NEWS: The completion of the Prairie harvest has been stalled by wet weather.

For MB: no report available but harvest of major crops is believed to be all but complete.

For SK, as of Oct 10: Heavy rain and snow over the past several days has stalled harvest at 81% combined, compared to a 5-year average of 93%.

For AB, as of Oct 11: Harvest has come to a halt for the moment due to snow, at 72% complete compared to a 90% 5-year average.

The USDA reported, as of Oct 7, **US corn and soybean** harvests 35 and 44 percent complete compared to 5-year averages of 38 and 47. Good crops take longer to combine than poor ones. And crop condition reports continue about unchanged and well above average. The USDA October estimates of corn and soybean production were 382.5M and 116.2M tonnes, respectively down slightly and up 2 percent from their September estimates and up 11 and 9 percent from last year. Yield estimates were close to average trade expectations for both crops.

Revisions to the USDA's October **wheat** supply and demand projections were minor. Harvested area was reduced slightly, feed use lowered by 1.9M tonnes, exports raised by 0.7M tonnes, resulting in a 4 percent

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increase in the ending stock forecast. Revisions to world forecasts were also minor. Adjustments to various country outputs were largely offsetting. There was a small cut in feed use and ending stocks were lowered slightly but are still at a record level.

For **US corn** the lower production estimate was partially offset by increased beginning stocks. But an increase in the export forecast was enough to cut ending stocks. For **global coarse grain** a small cut in the output estimate was reflected in slightly lower ending stocks with use about unchanged.

With the increase in **US soybean** production and supplies exports and ending stocks were raised. The global oilseed supply was raised by about 6.3M tonnes mainly due an increase in output. As use was not revised, ending stocks were increased by over six percent to above last year's.

OPINION: Of interest in a Canadian context was the USDA's reference to Statistics Canada's recent "model-based principal field crop estimates" for canola as an "analysis." While I cannot claim that at this distance to have heard the rush of air created by a collective sniff on Tunney's Pasture, the USDA, it seems, is not impressed by the estimate. Nor likely is Stats Can with the USDA.

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