

Crop and Related Prices					Oilseeds & Other Prices				
Commodity	Month	This week	Last week	Year ago	Commodity	Month	This week	Last week	24-Mar-17 Year ago
SRW Wheat	May	156.07	160.30	170.12	Soybeans	May	358.53	367.44	334.46
HRW Wheat	May	157.26	166.63	173.34	Soya Meal	May	288.66	298.36	249.74
HRS Wheat	May	196.86	201.72	188.86	Soya Oil	May	710.57	712.12	731.52
CWRS Wheat	Spot	234.10	235.17	231.05	Canola	May	482.50	503.70	470.90
CPS Wheat	Spot	164.76	170.57	209.95	Crude Oil(WTI)	May	48.01	49.41	39.46
Corn	May	140.25	144.68	145.66	Dollar Index	Jun	99.48	100.07	96.17
Ethanol	May	41.74	41.16	38.30	DJIA Mini-sized	Jun	20,566	20,919	17,439
Oats	May	159.03	162.11	121.25	<i>Wheat</i>	<i>Dec</i>	<i>175.18</i>	<i>178.39</i>	<i>181.97</i>
Data in red are 12-month highs, in blue are 12-month lows					<i>Corn</i>	<i>Dec</i>	<i>149.40</i>	<i>153.44</i>	<i>152.45</i>
For price specs. go to: www.open-i.ca/PriceSpec.htm					<i>Canola</i>	<i>Nov</i>	<i>482.60</i>	<i>489.80</i>	<i>476.70</i>

COMMENT: Wheat prices were lower as US winter wheat crops in the southern Great Plains were seen to be benefitting from timely rain and crops in Europe were reported as developing normally. Corn prices were lower pressured by improved harvest prospects in Brazil and lower crops prices elsewhere. Soybean prices were also lower with South American crop prospects dominating demand side factors. Canola prices were impacted by rumours that several cargoes of canola might be subject to dispute.

NEWS: This month's revisions by Ag Canada to its crop supply and demand forecasts are minor, reflecting mainly adjustment to imports and exports from earlier expectations rather than the results of any Stats Can surveys.

In aggregate on the supply side imports for 2016-17 crop year were raised by 0.16M tonnes and exports by a lesser amount with stocks raised by just 0.11M tonnes as a result. The increase in ending stocks were carried forward to the 2017-18 crop year with similar adjustments to imports and exports to those made to this year's data. The ending stock forecast was raised by 0.16M tonnes to 13.8M tonnes. This compares with the previous five-year average of 14.3M tonnes and is not burdensome in that context.

On a commodity basis the only significant 2016-17 adjustments were for a cut in barley export expectations and an increase in the corn import forecast.

Next Friday the USDA publishes crop stock data for March 1 and prospective plantings for their 2017 crop. The following Monday we get the first nationwide US crop progress report.

OPINION: It probably goes without saying that grain companies do not buy grain unless they are fairly certain of a margin on its sales/movement, even if a sale has not already been made. Hence, primary elevator stocks almost certainly reflect the fairly immediate sales needs under normal conditions.

The probable exception to this is in the very early spring when there is a tendency for grain companies to build up reserves as it becomes more difficult to attract farm sellers subsequently due to road bans and seeding priorities. The spring decline in country elevator stocks is certainly a very firm seasonal trend.

This year has seen a larger than usual build in primary elevator stocks. This may be because farmers are having to sell more grain at lower prices to cover spring seeding cost, or there is distressed movement of the overwintered harvest, or the farm supply of grain is larger than other less precise statistics suggest, or a combination of these and other factors. But the recent widening of posted basis suggests that it is a supply side factor.

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