

| Crop and Related Prices | | | | | Oilseeds & Other Prices | | | | |
|--|-------|-----------|-----------|----------|-------------------------|-------|-----------|-----------|-----------------------|
| Commodity | Month | This week | Last week | Year ago | Commodity | Month | This week | Last week | 12-May-17 Year ago |
| SRW Wheat | Jul | 159.01 | 162.50 | 174.44 | Soybeans | Jul | 353.84 | 357.52 | 391.32 |
| HRW Wheat | Jul | 161.40 | 165.35 | 167.55 | Soya Meal | Jul | 284.21 | 287.48 | 329.30 |
| HRS Wheat | May | 200.81 | 203.65 | 196.76 | Soya Oil | Jul | 724.02 | 725.35 | 716.53 |
| CWRS Wheat | Spot | n/a | 245.72 | 236.9 | Canola | Jul | 523.90 | 525.80 | 515.80 |
| CPS Wheat | Spot | n/a | 183.42 | 202.52 | Crude Oil(WTI) | Jul | 47.84 | 46.60 | 46.21 |
| Corn | May | 145.96 | 145.96 | 152.94 | Dollar Index | Jun | 99.13 | 98.53 | 94.59 |
| Ethanol | Jul | 40.18 | 39.63 | 40.74 | DJIA Mini-sized | Jun | 20,848 | 20,950 | 17,495 |
| Oats | Jul | 156.27 | 161.20 | 126.60 | Wheat | Dec | 171.32 | 174.99 | 183.44 |
| Data in red are 12-month highs, in blue are 12-month lows | | | | | Corn | Dec | 153.04 | 152.94 | 156.78 |
| For price specs. go to: www.open-i.ca/PriceSpec.htm | | | | | Canola | Nov | 504.20 | 504.80 | 512.90 |

COMMENT: US wheat markets were mixed – Wednesday’s USDA reports were generally viewed as slightly positive, this week’s export data as disappointing, and the uncertain impact of last week’s cold weather supportive of hard red winter wheat.

Corn markets were also supported by the USDA report with planting delays also helpful but larger South American harvest estimates and disappointing export data weighed on values

The USDA’s report was supportive of soybeans as was export data but this was offset by a rise in South American soybean harvest estimates and the chance that delays in US planting might result in a further shift in area from corn to soybeans.

NEWS: The USDA’s first survey based 2017 winter wheat production estimate placed output at 33.9M tonnes, down 25% from 2016 - area is down 15% and yield down 12%. Hard red winter output is down 32%, soft red winters are down 14% and white winter wheats down 13%. With allowance for spring durum and wheat - made using trend yields, total US wheat production would be 49.5M tonnes, down 21%.

The salient feature of the USDA’s initial assessment of US and global 2017-18 supply and demand published Wednesday was the impact of lower yields following last year’s records for the major crops and the prospect of continuing Chinese soybean demand to restrain the an increase in a forecast for ending stocks.

On the supply side for US wheat the cut in output was largely offset by larger beginning stocks. Expectations are for slightly lower exports, domestic use and ending stocks of US wheat. Global wheat supplies are expect to decline fractionally but, with use down slightly, global ending stock will again be at record levels. The caveat on that is that almost half those stocks are believed to be held by China whose data in the past has been subject to major revisions.

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 corn supplies are projected to be lower with a cut in output. A slight increase in domestic use is more than offset by lower exports but ending stocks are also down slightly. Global coarse grain outlook is for lower production, increased use and sharply reduced ending stocks.

For US soybeans a cut in forecast yield more than offsets a higher area, but an increase in beginning stocks more than offset some increase in domestic and export use with a further increase in ending stocks expected. A small cut in global oilseed ending stocks is expect, mainly as a result of the continued growth of Chinese demand.

OPINION: Projected global ending stocks do not suggest as gloomy a picture as they have at this juncture in recent years. While the improvement in the bellwether measure of ending stocks is most noticeable for coarse grains the substitutability of resources between the major crops suggests improved prospects will soon spread.

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