

Crop and Related Prices					Oilseeds & Other Prices				
Commodity	Month	This week	Last week	Year ago	Commodity	Month	This week	Last week	26-May-17 Year ago
SRW Wheat	Jul	161.03	159.93	176.92	Soybeans	Jul	340.43	350.17	399.22
HRW Wheat	Jul	160.76	160.94	168.93	Soya Meal	Jul	273.78	278.50	365.22
HRS Wheat	May	208.98	204.20	194.01	Soya Oil	Jul	696.69	728.43	694.04
CWRS Wheat	Spot	244.79	240.39	238.91	Canola	Jul	516.80	523.20	511.80
CPS Wheat	Spot	175.81	173.44	207.86	Crude Oil(WTI)	Jul	49.75	50.62	48.69
Corn	May	147.33	146.65	162.49	Dollar Index	Jun	97.34	97.02	95.72
Ethanol	Jul	40.60	39.26	43.80	DJIA Mini-sized	Jun	21,063	20,813	17,837
Oats	Jul	158.38	156.76	125.15	Wheat	Dec	173.98	172.60	186.75
Data in red are 12-month highs, in blue are 12-month lows					Corn	Dec	154.52	153.63	162.79
For price specs. go to: www.open-i.ca/PriceSpec.htm					Canola	Nov	489.80	499.90	518.30

COMMENT: US wheat prices were mixed over the week with direction seemingly coming from other crop markets. Corn futures were reported pressured by favourable US crop development and sluggish export sales data but prices rose on Friday over concern about a possible switch in planted area from corn to beans.

Soybean prices were likewise pressured by favourable field conditions for early crop development, but export sales met expectation despite the continued threat from large South American crops. On Friday prices were down on concern about those possible extra soybean acres.

In contrast with soybeans old crop canola prices held above year ago levels but were pressured by a strengthening dollar. Field condition for canola crop development were mixed with new crop prices lower than a year ago even with the prospect for a continuing tight supply situation.

NEWS: Ag Canada's May revisions to its Outlook for Principal Field Crops took account for Stats Canada's recent March 31 stocks report and their 2017 seeding intentions survey - the former resulting in revisions to 2016-17 crop year usage, the latter to 2017-18 supplies. Aggregate 2016-17 ending stocks of all crops were lowered 5 percent to 14.6M tonnes with larger exports and domestic use than earlier anticipated. Export forecasts for corn, canola, soybeans, peas and lentils were raised and were only partially offset by lower expectations for durum and wheat. Feed use of poorer quality wheat and durum was greater than earlier anticipated seemingly substituting for barley and corn. With export movement of canola continuing to exceed expectations, canola stocks this summer are now expected to be as tight as they were in 2013. A similar situation is apparent for peas where ending stocks no longer seem as excessive as forecast until quite recently. At the other end of the spectrum durum stocks are still expected to be at the high of the range of recent years. Barley stocks are forecast at the highest level since

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.

2010 and corn stocks at the highest level in at least 30 years.

The intentions survey indicated that farmers plan to seed a larger aggregate area than in 2016 and earlier forecast for 2017, with the larger anticipated harvest more than offsetting lower beginning stocks. The export forecast was raised enough to leave ending stocks about the same as expected a month ago and slightly below this year's level.

Even with a larger and record area of canola in 2017, as indicated by farmer's intention, the canola supply will continue to be very tight next year if use is any way close to this year's level. Ag Canada forecasts ending stocks of 350,000 tonnes, about 2 percent of total supplies for crop year and less than half the level of current level of supplies in the commercial system.

The intentions to seed lower areas to barley and durum are forecast to result in some reduction in ending stocks for next year. But a further accumulation of ending stocks for corn is anticipated with a larger seeded area intended. A larger area of oats is also expected to result in a recovery in ending stocks.

OPINION: Although there is some variability in new crop prospect, overall the situation appears more favourable than might be expected in view of the rather dismal outlook for the three major crop groups.

David Walker, Edmonton, AB, CA

