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Crop Market Summary

For the week ending Friday, 30-Jun-'17

Crop and Related Prices					Oilseeds & Other Prices				30-Jun-17
Commodity	**Month**	**This week**	**Last week**	**Year ago**	**Commodity**	**Month**	**This week**	**Last week**	**Year ago**
SRW Wheat	Jul	187.76	168.93	158.92	Soybeans	Jul	346.22	332.35	422.10
HRW Wheat	Jul	187.85	170.58	151.20	Soya Meal	Jul	276.14	266.34	363.77
HRS Wheat	May	285.32	242.97	183.72	Soya Oil	Jul	726.01	696.91	687.43
CWRS Wheat	Spot	305.83	271.65	221.36	Canola	Jul	551.30	509.60	495.70
CPS Wheat	Spot	197.42	195.36	181.28	Crude Oil(WTI)	Aug	46.08	42.98	49.01
Corn	May	145.86	140.84	141.72	Dollar Index	Sep	95.47	96.93	95.34
Ethanol	Jul	39.89	39.39	43.03	DJIA Mini-sized	Sep	21,326	21,352	17,832
Oats	Jul	188.04	165.02	124.01	*Wheat*	*Dec*	*200.25*	*181.97*	*168.10*
Data in red are 12-month highs, in blue are 12-month lows					*Corn*	*Dec*	*154.32*	*147.73*	*144.48*
For price specs. go to: www.open-i.ca/PriceSpec.htm					*Canola*	*Nov*	*498.00*	*475.20*	*0.00*

COMMENT: All markets seemed to be focused on worsening spring wheat conditions in the northern Great Plains, with a weakening US dollars also adding support. Friday's USDA reports were only supportive in the context of trade expectations. Stocks of all three major crops were significantly larger than a year ago.

NEWS: The **Stats Can June crop area estimates** suggest that spring weather had an impact on farmers' seeding intentions with a larger area of summer fallow and likely market related adjustments including increases in canola, pea and soybean area. Area seeded to the 17 crops surveyed was 30.7M hectares, up 2 percent from 2016. Total area surveyed including summer fallow was up slightly more. These increases resulted from data stemming from the 2016 Census of Agriculture.

The headline statistic was canola area exceeding all wheat for the first time. In view of challenges with the US spring wheat crop area, a 5 percent cut in spring, mainly hard red, wheat from intentions, only partially offset by more durum, was of interest. Against 2016 area, however, spring wheat area is up 2 percent, but was offset by a large, in percentage terms, cut in winter wheat area which was likely caused by challenging field conditions last fall.

US stocks of wheat, corn and soybeans were reported on Friday at 32.2M, 132.7M and 26.2M tonnes, respectively up 21, 11 and 11 percent from a year earlier. Wheat and soybean stocks were above trade expectations, corn below.

US areas seeded to corn and soybeans were reported at 36.8M and 36.2M hectares, down 3 and up 7 percent from 2016. US spring wheat area was surveyed at 4.4M hectares down 6 percent from last year and slightly above trade expectations. And the durum area estimated at 0.78M hectares, down 20 percent from last year.

Prairie provincial crop reports show nothing alarming yet.

For **MB** as of June 26 – No major issues are apparent.

For **SK** as of June 26 – Despite the cool and dry conditions, most crops are in good to excellent condition. Fall cereals, spring cereals, oilseeds and pulses are, respectively, about 87, 62, 55 and 67 percent at or ahead of their normal development.

For **AB**, as of June 27 – Crop condition rating declined 4 percentage points from last week to 78% rated good or excellent compared to the 5-year average of 73% and the long term average of 71%. Crops are a little late in northern areas.

OPINION: There is no doubt that the US spring wheat crop is in trouble and a weaker US dollar has been supportive of US crop prices. But the US spring wheat crop estimated last year at 14.5M tonnes is just two percent of global wheat production and 0.6 percent of global grain production. And as yet there does not seem to be any serious droughts emerging elsewhere. Even just across the 49th parallel the Prairie spring wheat crop looks to have gotten off to a reasonable start even if there appears to be a large area in south central SK that looks as though it could do with a rain, with nothing much in the forecast. Surely quality/high protein wheat will be in short supply and hard red spring wheat will command a premium relative to other types. But the general surge in grain prices has the appearance of the dog being wagged by its tail.

David Walker, Edmonton, AB, CA

Stats Can June Area Estimates

	M hct	% of 2016	% of Intentions
Total wheat	22,361	96	96
Durum	5,205	85	101
Spring Wheat	15,791	102	95
Winter wheat	1,365	84	99
Barley	5,771	90	98
Canola	22,837	112	102
Corn for Grain	3,576	107	95
Dry Peas	4,093	97	103
Flaxseed	1040	100	93
Lentils	4,405	75	100
Oats	3,220	114	94
Soybeans	7,282	133	105
Summerfallow	2,170	109	123