

Crop and Related Prices					Oilseeds & Other Prices				
Commodity	Month	This week	Last week	Year ago	Commodity	Month	This week	Last week	04-Aug-17 Year ago
SRW Wheat	Sep	167.09	176.74	152.86	Soybeans	Sep	349.89	369.64	363.03
HRW Wheat	Sep	168.65	176.74	151.29	Soya Meal	Sep	276.95	293.28	303.35
HRS Wheat	Sep	263.18	272.04	181.88	Soya Oil	Sep	742.76	765.25	675.08
CWRS Wheat	Spot	269.37	273.45	209.59	Canola	Nov	500.30	510.30	449.80
CPS Wheat	Spot	173.79	188.32	162.23	Crude Oil(WTI)	Sep	49.46	49.59	41.80
Corn	Sep	144.28	147.33	127.65	Dollar Index	Sep	93.44	93.22	96.23
Ethanol	Sep	41.63	41.11	37.33	DJIA Mini-sized	Sep	22,011	21,748	18,477
Oats	Sep	183.99	188.20	115.91	Wheat	Dec	177.29	185.92	160.94
					Corn	Dec	149.99	152.75	131.59

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

COMMENT: US wheat prices, now about 20 percent below their early July peak, were lower again this week. Disappointing export sales data together with some rain in the worst drought affected areas and news of a large Russian harvest weighed on values.

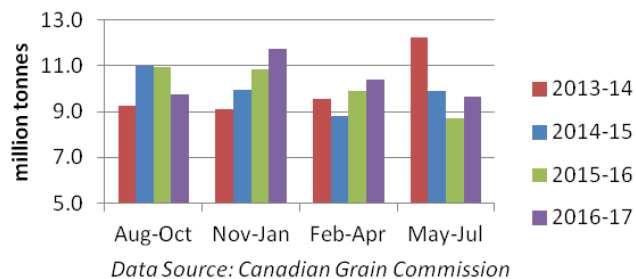
Although dry conditions are still a concern for the US corn crops, news of rain together with lower export sales data had a bigger market impact, as did reports of the Chinese government auctioning off some of its substantial reserve stocks.

US soybeans price took a double hit this week from USDA crop assessment which was better than expected and export sales data that was less so. Further, weather for crop development seems to be improving. For canola stronger vegetable oil prices have gone some way to offset pressure from a stronger dollar and more moderate Prairie weather.

NEWS: Preliminary data for Canadian bulk crop exports – those shipped through Canadian Grain Commission licensed facilities, indicate 2016-17 crop year exports at 41.5Mtonnes, almost 3 percent above last year's record for this measure of exports.

Oats, barley, canola, soybeans, peas and lentils were all contributors to the increase. Exports during the first quarter of the year lagged a year ago, possibly due to the late harvest, but since have outpaced a year ago. The heavy 2014 fourth quarter shipments followed the exceptionally large 2013 harvest and supplies. [There was a major error a year ago in the graphic below, with much of first quarter exports attributed to the second quarter.]

Canadian Bulk Crop Exports



US spring seeded crop conditions reported by USDA for July 30 indicated divergent trends in ratings. Good and excellent ratings for corn slip one percentage points and at 61% are one point above a five-year average but 13 points below a year ago. Eighty-five percent of the crop has now reached the silking phase but its condition has slipped 7 points over the last four weeks.

Against expectations the soybean crop improved 2 points to 59 percent, one point below a 5-average but 13 points below year ago ratings. Crop progress is about normal with 48% of the crop now in the pod setting phase.

The spring wheat rating slip a further two points to 31 percent and lower than at any time for at least 15 years. Thankfully the US spring wheat harvest has started so there will not be much chance for things to get worse. The Prairie crop situation has not changed materially from last week.

OPINION: Forecasting the weather is one thing. But judging those forecasts before the fact for accuracy is quite another. Best to expect normal weather and implement contingency plans when things turn out differently.

David Walker, Edmonton, AB, CA

