

Crop and Related Prices					Oilseeds & Other Prices				
Commodity	Month	This week	Last week	Year ago	Commodity	Month	This week	Last week	11-Aug-17 Year ago
SRW Wheat	Sep	161.40	167.09	155.24	Soybeans	Sep	344.93	349.89	367.07
HRW Wheat	Sep	162.13	168.65	152.95	Soya Meal	Sep	271.69	276.95	301.63
HRS Wheat	Sep	247.65	263.18	188.77	Soya Oil	Sep	740.12	742.76	706.17
CWRS Wheat	Spot	267.73	269.37	211.15	Canola	Nov	506.80	500.30	461.40
CPS Wheat	Spot	174.63	173.79	161.84	Crude Oil(WTI)	Sep	48.85	49.46	44.67
Corn	Sep	142.02	144.28	126.17	Dollar Index	Sep	92.91	93.44	95.71
Ethanol	Sep	41.61	41.63	37.38	DJIA Mini-sized	Sep	21,870	22,011	18,526
Oats	Sep	171.18	183.99	108.29	Wheat	Dec	171.59	177.29	161.67
					Corn	Dec	147.53	149.99	131.10

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

**COMMENT:** The USDA reports on Thursday were bearish relative to prior expectations and prices of almost major crop commodities suffered as a result. This was somewhat disguised by weather related market volatility. Wheat prices again lost ground with hard red springs most adversely affected by disappointing USDA reports and more sober assessment of the implication of the short crop.

Recent US corn and soybean crop reports and production estimates suggest that output will not be decimated the way US hard red spring wheat has been.

Canola bucked the downward trend supported by a weaker Canadian dollar and concerns over crop damage sustained in southern SK and AB.

**NEWS:** USDA's first survey based 2017 production estimates reported Thursday for corn and soybeans were, respectively, for 359.5M and 119.2M tonnes, down 7 and up 2 percent from last year.

All wheat production of 47.3M tonnes is down 1% from the July estimate and 25% from 2016. Durum and other spring wheat output estimates were 1.4M and 10.9M tonnes, respectively, down 12 and 5% from the July estimate, and down 51 and 25% from last year. Winter wheat production at 35.0M tonnes was up 1 percent from the July estimate and down 25% from last year. All these estimates were above average trade expectation and in some instances the range of such

The USDA's adjustments to US 2017-18 supply and demand projections reflected these updated harvest prospects.

**US wheat** supply was revised lower by less than one percent and, with food use cut marginally, ending stocks were little changed but still 4 percent below the previous year's level. The salient feature of **global wheat** supply revision was substantial increase in harvest prospect in Russia, the Ukraine and Kazakhstan which offset lower expectations elsewhere including Canada – the USDA reduced its forecast for Canadian wheat production by 7 percent to 26.5M tonnes. With limited expectation for increased use, ending stocks were raised to a record 264.7M tonnes.

Revisions to **US corn** supply and use included a slightly smaller harvest and somewhat reduced feed use and exports, with ending stocks now 4 percent below a year ago. A further downward revision in **global coarse grain** output was partially offset by reduced use projections. The ending stocks forecast was virtually unchanged but 13 percent below a year earlier.

The supply of **US soybeans** for the upcoming crop year were revised upwards with higher production offsetting reduced beginning stocks which resulted in the main from an upward revision of this year's exports. The 2017-18 export forecast was also increased but the ending stocks forecast was still raised by 3 percent.

The forecast for 2017-18 **global oilseed** production was increased slightly mainly as a result of higher US soybean output. Use was cut marginally and ending stocks raised 4 percent and are now above this year's level.

**OPINION:** In absolute terms the USDA's global oilseed ending stocks forecast of 109M tonnes looks large but less so in terms of a stocks use ratio of 22 percent and the tremendous growth in Chinese demand,

David Walker, Edmonton, AB, CA

