

Crop and Related Prices					Oilseeds & Other Prices					22-Sep-17
Commodity	Month	This week	Last week	Year ago	Commodity	Month	This week	Last week	Year ago	
SRW Wheat	Dec	165.16	164.98	148.45	Soybeans	Nov	361.65	355.96	350.91	
HRW Wheat	Dec	165.44	163.88	154.88	Soya Meal	Dec	289.38	282.49	275.14	
HRS Wheat	Dec	233.23	228.36	184.82	Soya Oil	Dec	757.09	767.46	734.39	
CWRS Wheat	Spot	231.73	235.79	214.72	Canola	Nov	494.80	489.10	468.30	
CPS Wheat	Spot	172.04	168.22	161.97	Crude Oil(WTI)	Dec	51.00	50.18	45.05	
Corn	Dec	139.17	139.66	132.47	Dollar Index	Dec	91.93	91.68	95.38	
Ethanol	Dec	38.70	38.75	37.78	DJIA Mini-sized	Dec	22,283	22,215	18,193	
Oats	Dec	160.81	153.03	114.77						

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 winter wheat prices held gains while spring wheat prices were stronger with the expectation that the USDA will lower its 2016 production estimate for this class of wheat next week. Confirmation of a smaller Canadian crop than last year was also supportive. Less than ideal conditions for the finishing of Argentinean and Australian wheat crops were also cited as positive for prices even with abundant global supplies. Corn prices were supported by excellent demand news for soybeans even as harvest pressure was apparent for both these crops and indeed canola.

NEWS: Stats Can September estimate of crop production – for a second year model, as opposed to survey, based generally suggested production mostly above the July estimates but on either side of year ago levels. Changes from the July estimate are the result of improved yields expectation which confirms some anecdotal evidence from early harvest results. The changes from 2016 are mainly the result of adjustments in areas seeded.

Sept 2017 Production Estimates

	M	% of	% of
	tonnes	2016	July
		Final	2017
Spring Wheat	20.1	98	106
Durum	4.3	55	110
Winter Wheat	2.8	78	100
Canola	19.7	107	108
Corn	14.3	108	105
Barley	7.3	83	101
Soybeans	8.3	129	107
Peas	3.9	80	102
Oats	3.8	121	103
Lentils	2.4	75	106
Flaxseed	0.5	87	99

Prairie provincial crop reports indicate harvest has been interrupted by rain but progress is still ahead of average. Killing frost was recorded at many AB locations.

Ag Canada published its September situation and outlook revisions on Friday just ahead of Stats Can's latest revision to production estimates. The former took account of end of season stock estimates and the July estimate of 2017 production published at the end of August. The 2016-17 revisions are still relevant but the 2017-18 are dated.

Adjustments to 2016-17 data, which in addition to stocks included some retrospective Stats Can revisions to 2016 production, added about 6 percent to ending stocks of all crops. Estimates of total supplies were raised about 1.0M tonnes, for exports raised 0.5M tonnes, but domestic use cut by 0.4M tonnes. By crops the change in estimates for increased exports were for durum, barley, peas and lentils, and for lower exports of corn, oats, canola and flax. None appear to be of particular significance.

The September Stats Canada production estimates add about 6M tonnes to 2017-18 supplies. For some crops including durum, wheat and canola these extra supplies will likely be welcomed by exporters. But adding the full 6M tonnes to exports would need record movements which might need suitable winter weather if it is to be come about.

OPINION: The timing of crop estimates is the subject for endless debate. The earlier the estimate the greater its value for planning but the less likely it is to prove to be an accurate indicator. One undeniable advantage of Stats Can's model based September estimate is the reduced time it takes to make. Last year, the first of model estimating, it did a better job – smaller difference between September and final estimate, for wheat, durum, canola, corn and barley than the previous surveyed year but less so for soybeans and oats. The weather between the beginning of September and the conclusion of harvest can throw off any estimate made in advance. It will no doubt take several years of experience against results to assess the accuracy of model as opposed to survey estimates.

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