

Crop and Related Prices					Oilseeds & Other Prices				
Commodity	Month	This week	Last week	Year ago	Commodity	Month	This week	Last week	2-Feb-18 Year ago
SRW Wheat	Mar	164.15	162.04	158.09	Soybeans	Mar	359.63	362.11	377.36
HRW Wheat	Mar	170.22	162.78	161.86	Soya Meal	Mar	300.63	304.53	300.90
HRS Wheat	Mar	221.84	225.98	205.12	Soya Oil	Mar	716.75	722.92	746.51
CWRS Wheat	Spot	235.69	238.00	234.46	Canola	Mar	493.40	493.70	513.30
CPS Wheat	Spot	194.42	187.92	169.44	Crude Oil(WTI)	Mar	65.36	66.09	53.81
Corn	Mar	142.32	140.35	143.79	Dollar Index	Mar	89.00	88.91	99.86
Ethanol	Mar	37.86	36.46	40.42	DJIA Mini-sized	Mar	25,639	26,493	19,986
Oats	Mar	173.45	172.48	167.78	SRW Wheat - New Crop	Dec	186.02	183.26	179.49
For price specs. go to: <a href="http://www.open-i.ca/PriceSpec.htm">www.open-i.ca/PriceSpec.htm</a>					Corn - New Crop	Dec	154.52	153.34	154.62
Data in red are 12-month highs, in blue are 12-month lows					Canola - New Crop	Nov	496.80	502.00	501.80

**COMMENT:** Dry conditions in the southern US Great Plains appear to be the dominant influence on wheat prices at this time. There was disappointment that the favourable tone to last week's export sales report was not repeated this week. The premium on hard red spring wheat prices over other classes continues to be eroded with prospects of an increase in US seeded area this spring.

Corn prices were supported by better than expected US export sales for last week but improved weather for crop development in Argentina weighed late in the week. With the weakening of the US dollar US corn looks competitively priced internationally.

With improved forecasts for rain in dry area of Argentina, soybean prices turned lower mid week. Disappointing export sales for last week also pressured values. Canola prices were likewise under pressure with weaker soya oil prices.

**NEWS:** At the end of week 26, January 28, and half way through the crop year, farmer deliveries to CGC licensed facilities trailed last year pace by about 4 percent. Exports were one percent ahead of a year earlier and domestic disappearance was difficult to assess. Shipments from country positions and process elevators including crops and crop products trail last year's pace by about one percent.

The reality is that the year does not split into equal halves. Shipments during the 6 weeks or so before harvest depend on supplies from the previous harvest. For the three month from harvest to the onset of winter and the end of the lake season, the transportation system works at capacity. What moves over the winter months depends very much on the weather. Spring shipments during the seeding season are somewhat dependent on

the grain companies' ability to build stocks before farmers priorities shift to field work. Rather less than two months at the end of the crop year are left to clear bins which may be hastened or deferred depending on yield prospects at the time. The bottom line is that there is too much dependency to make anything in the way of forecasts for crop year movements.

**OPINION:** With plans for spring seeding beginning to be formulated, the focus on new crop prices begins to sharpen. They do provide an indication of post harvest prices, even if advantage is not taken of the opportunity to hedge. Recognizing but not allowing for the fact that on average May futures can be expected to be at a premium to November by the cost of holding canola over winter, in three of the last five years new crop prices have anticipated the direction but not fully accounted for the change in new crop prices relative to old crop.

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