

Crop and Related Prices					Oilseeds & Other Prices					23-Mar-18
Commodity	Month	This week	Last week	Year ago	Commodity	Month	This week	Last week	Year ago	
SRW Wheat	May	169.11	171.87	156.07	Soybeans	May	377.82	385.63	358.53	
HRW Wheat	May	176.10	183.54	157.26	Soya Meal	May	342.81	338.28	288.66	
HRS Wheat	May	221.47	224.78	196.86	Soya Oil	May	692.72	705.06	710.57	
CWRS Wheat	Spot	246.88	246.88	234.1	Canola	May	522.60	523.10	482.50	
CPS Wheat	Spot	205.56	205.56	164.76	Crude Oil(WTI)	May	65.62	62.39	48.01	
Corn	May	148.52	150.68	140.25	Dollar Index	Jun	89.03	89.78	99.48	
Ethanol	May	40.05	40.05	41.74	DJIA Mini-sized	Jun	23,932	24,976	20,566	
Oats	May	146.71	157.08	159.03	SRW Wheat - New Crop	Dec	188.77	192.26	175.18	
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	157.18	158.95	149.40	
Data in red are 12-month highs, in blue are 12-month lows					Canola - New Crop	Nov	515.00	517.90	482.60	

**COMMENT:** US wheat prices were lower following much needed weekend rain in the southern Great Plains but with drier weather and forecasts have held their value. Corn prices were lower early in the week with wheat and soybeans. Improving moisture in the Corn Belt was probably neutral - delaying early seeding but improving yield prospects. The threat of soybeans being targeted in the US-China trade war was been hanging over the market all week. If the treat becomes reality the impact would be significant. Secondary to this was a further decline in Argentinean harvest prospects. Canola, well under the radar of the US-China war, feared better than soybeans.

**NEWS:** This month's revisions by Ag Canada to its crop supply and demand forecasts are minor, reflecting mainly adjustment to imports and exports from earlier expectations rather than the results of any Stats Can surveys. In aggregate on the supply side imports for 2017-18 crop year were raised by 0.14mmt (million tonnes) and exports reduced 0.05mmt with stocks raised by just 0.15mmt as a result. The increase in ending stocks was carried forward to the 2018-19 crop year. In both years feed use was raised slightly. On a commodity basis the only significant 2017-18 adjustments were for lentils with export expectations reduced by a further 200kt and are now about 40 percent of projections in the fall before the imposition of Indian import tariffs with the ending stock forecast doubling. A further increase in expected barley exports this year was only partially offset by a small cut in forecast feed use resulting in small reductions in ending stocks both this year and next. For corn net imports were up with expected feed use up by the same amount but for next year with the increase in feed use carried forward ending stock expectations were cut.

Next Thursday the USDA publishes crop stock data for March 1 and prospective plantings for their 2018 crop. The following Monday we get the first nationwide US crop progress report.

**OPINION:** Ag Canada has since December been projecting total export and domestic use of crops between 93 and 94 mmt

only slightly less than last year's record 94.5 mmt. Meeting these projections will be very dependent on the movement of crops out of the country. Currently, about two thirds of the way through the crop year, movement out of the country – primary elevator, producer car and process elevator shipments, is running about one million tonnes behind last year's year's pace suggesting if supplies are available, projection slightly below a year ago are a reasonable expectations.

Total crop supplies are a record 111mmt this year – the harvest was smaller than in 2013 but beginning stocks were larger with the combined total being about 2 percent larger this year. About 31 percent of the crop has already been moved compared to 27 percent in 2013-14 at this stage. Less than 100 percent of the crop needs to be moved as much is used on farm and locally.

Typically it is in late spring and summer that there is spare rail capacity. Whether is gets utilized will likely dependent on farmers' marketing strategies as farm supplies tighten. Exporting, with some notable exceptions, does not appear to be a limiting factor.

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