

| Crop and Related Prices | | | | | Oilseeds & Other Prices | | | | | 6-Apr-18 |
|--|-------|-----------|-----------|----------|-------------------------|-------|-----------|-----------|----------|----------|
| Commodity | Month | This week | Last week | Year ago | Commodity | Month | This week | Last week | Year ago | |
| SRW Wheat | May | 173.52 | 165.72 | 155.79 | Soybeans | May | 379.84 | 383.88 | 346.13 | |
| HRW Wheat | May | 186.20 | 171.69 | 154.97 | Soya Meal | May | 350.43 | 348.35 | 278.86 | |
| HRS Wheat | May | 223.13 | 212.56 | 190.43 | Soya Oil | May | 695.14 | 702.64 | 697.13 | |
| CWRS Wheat | Spot | 241.28 | 236.53 | 232.35 | Canola | May | 531.80 | 522.70 | 489.10 | |
| CPS Wheat | Spot | 201.91 | 187.65 | 163.49 | Crude Oil(WTI) | May | 62.04 | 64.94 | 52.19 | |
| Corn | May | 150.39 | 152.65 | 141.53 | Dollar Index | Jun | 89.79 | 89.81 | 101.14 | |
| Ethanol | May | 37.88 | 38.91 | 43.17 | DJIA Mini-sized | Jun | 23,818 | 24,147 | 20,642 | |
| Oats | May | 151.24 | 145.89 | 143.72 | SRW Wheat - New Crop | Dec | 194.10 | 186.11 | 172.70 | |
| For price specs. go to: www.open-i.ca/PriceSpec.htm | | | | | Corn - New Crop | Dec | 162.39 | 162.00 | 151.37 | |
| Data in red are 12-month highs, in blue are 12-month lows | | | | | Canola - New Crop | Nov | 522.30 | 516.60 | 484.30 | |

COMMENT: US wheat prices were higher this week lead by the Kansas City hard red winter wheat contract early in the week following lower than expected initial crop ratings. Cold weather and news of a potential strike at CP Rail, the main railway serving the hard red spring wheat growing areas of the southern Prairies, was supportive on Friday, particularly for the Minneapolis contract.

Corn prices suffered as a consequence of trade-war sabre rattling by the US and China but were supported by the expectation of what is developing into a late spring which would favour further switching of plantings to soybeans. Soybean prices almost certainly suffered more from the sabre rattling than the prospect of added area. Ongoing demand both domestic and export continues strong.

NEWS: The first nation-wide USDA crop progress report this spring placed the US winter wheat crop as of April 1 at only 32 percent good or excellent, 18 percentage points below last fall's last report, 19 points below last year's first spring report level, 13 points below a previous 5-year average and the lowest start of reporting season since 2002.

This very poor rating was expected as some state reports had indicated conditions deteriorating over the winter. Since 2001 start of season winter wheat good/excellent ratings have only been at or below 35 percent rating three times, with final yields for those years averaging 42.8 bu/acre. For three years ratings have been above 65, with average yields for those years of 44.5 bu/acre. So it seems the relationship between early season ratings and harvest are not strong. Next week the USDA will be reporting on planting progress for corn and spring wheat.

Exports of Canadian crops through licensed facilities for the crop year to April 3 - week 35, totalled 27.9 million tonnes, less than two percent below a year ago. Exports of oilseeds and pulses generally trail last year's pace, while grains are ahead. Domestic disappearance through Grain Commission licenses facilities including processed products for export, at 13.2 million tonnes, is running 20 percent ahead of last year.

Together the two uses are more than four percent ahead of last year.

OPINION: For most of the winter, stocks of crops in primary elevators have been consistently well above recent year levels. This suggests that grain companies have not been able to ship as much as they had hoped and/or expected to be able to. Alternatively it could be that margins were relatively favourable and grain companies were prepared to bear the added costs of hold extra grain on the chance of getting added opportunity.

In any event it suggests that the opportunity to ship more may have been missed. Against this the additional grain in elevators will enable shipments and, therefore, exports to be sustain at a higher level than in recent years during the normally slow road ban/spring field work season. Just as farm storage is used to even out the supply of crops over the year, primary elevator storage can be used to sustain shipments during periods when other on-farm considerations limit farmer deliveries.

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