

Crop and Related Prices					Oilseeds & Other Prices					12-Oct-18
Commodity	Month	This week	Last week	Year ago	Commodity	Month	This week	Last week	Year ago	
SRW Wheat	Dec	190.06	191.44	161.49	Soybeans	Nov	318.75	319.58	371.21	
HRW Wheat	Dec	192.63	192.63	160.30	Soya Meal	Dec	287.48	289.93	298.23	
HRS Wheat	Dec	218.99	217.16	225.98	Soya Oil	Dec	647.96	648.40	742.76	
CWRS Wheat	Spot	256.00	252.62	238.08	Canola	Nov	494.70	501.30	499.00	
CPS Wheat	Spot	214.77	217.07	176.76	Crude Oil(WTI)	Nov	71.42	74.40	51.72	
Corn	Dec	147.14	144.97	138.87	Dollar Index	Dec	94.92	95.34	92.94	
Ethanol	Dec	35.13	33.52	37.46	DJIA Mini-sized	Dec	25,107	26,434	22,827	
Oats	Dec	186.74	186.10	172.97						

For price specs. go to: www.open-i.ca/PriceSpec.htm

Data in red are 12-month highs, in blue are 12-month lows

COMMENT: US wheat futures were mixed with elements of Wednesday's USDA reports market neutral or previously discounted. US corn prices were higher with enhanced US government support for use of fuel ethanol and bullish USDA reports on Wednesday. Ongoing trade disputes between the US and China continue to weigh on US soybean prices but harvest rain delays were supportive. Improved harvest weather forecasts weigh on canola prices.

NEWS: Prairie provincial crop reports indicated wet and cool weather continued to slow harvest.

For MB, as of Oct. 9: Some harvest progress last week, as weather permitted.

For SK, as of Oct 9: Combining progress advanced to 78% complete compared to 73% last week and an 84% 5-year average, as many producers were able to return to the field.

For AB, as of Oct 10: With wet conditions and low temperatures harvest progress has been slow - about 47% complete up from 38% last week, and a 82% 5-year average.

The USDA reported, as of Oct 7, **US corn and soybean** harvests were 34 and 32 percent complete compared to 5-year averages of 26 and 36. And crop condition reports for corn was lowered one percentage point and soybeans unchanged. Both are still well above last year's ratings.

The USDA October estimates of corn and soybean production were 375.4 and 127.6 mmt, both respectively slightly below the September estimates and up one and 6 percent from last year. The yield estimates on which these estimates were made were both below the range of trade expectations.

Revisions in the USDA's October **US wheat** supply and demand projections included larger supplies, unchanged export and higher ending stocks - up 2 percent, but still the lowest in since 2015. **Globally**, downward revisions in Russian and Australian wheat harvests together with only fractionally lower consumption resulted in a 1.1 mmt cut in the ending stocks forecast which now stands 5 percent below last year's record level.

For **US corn** expectations for a slightly smaller harvest is more than offset by increased beginning stocks, and with exports unchanged and reduced domestic use the ending stock

projection is slightly higher but still 13 percent below a year earlier. For **global coarse grain** with lower production only partially offset by reduced use ending stocks are projected slightly higher but still 19 percent below a year earlier.

For **US soybean** with output about unchanged but beginning stocks raised, supplies are a record level and with no adjustment to use, ending stocks are forecast 5 percent higher than forecast last month ago and twice levels of the 2017-18 crop year. It should be noted that the USDA had to make this rather ugly outlook on the basis of the current equally ugly trade situation continuing indefinitely. For **global oilseeds** a small decrease in output is offset by higher stocks and with use about unchanged the ending stocks projection was raised about percent to a level about 12 percent above a year earlier.

OPINION: That the USDA's October 2018 corn production estimate came in below pre-report expectations may reflect the challenge of assessing a very early maturing crop prior to harvest. As implied several weeks ago, on any specific date an early maturing crop has less time to add yield before maturing than a late maturing crop. On September 30, about the time of the USDA's October production estimate 86 percent of the crop was assessed as mature compared to a 71 percent five-year average, indicating that the corn crop was about a week earlier maturing than the average. Last year at 66 percent, it was slightly later than average. The implication is that subsequent production estimates, more dependent on harvest yield, will be lower.

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