

Crop and Related Prices					Oilseeds & Other Prices					7-Dec-18
Commodity	Month	This week	Last week	Year ago	Commodity	Month	This week	Last week	Year ago	
SRW Wheat	Mar	195.20	189.51	153.96	Soybeans	Jan	336.85	328.77	363.67	
HRW Wheat	Mar	188.13	180.87	153.59	Soya Meal	Jan	282.31	281.67	300.90	
HRS Wheat	Mar	213.67	211.55	224.51	Soya Oil	Jan	633.63	618.64	741.22	
CWRS Wheat	Spot	262.60	259.10	247.34	Canola	Jan	485.50	479.40	505.10	
CPS Wheat	Spot	224.00	216.15	183.86	Crude Oil(WTI)	Jan	52.42	50.81	57.33	
Corn	Mar	151.57	148.71	138.87	Dollar Index	Mar	96.01	96.66	93.51	
Ethanol	Mar	34.47	33.52	36.19	DJIA Mini-sized	Mar	24,446	25,565	24,290	
Oats	Mar	186.74	189.50	156.92						

For price specs. go to: [www.open-i.ca/PriceSpec.htm](http://www.open-i.ca/PriceSpec.htm)

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

**COMMENT:** With positive rhetoric from the Trump-Xi Saturday meeting early in the week and better than expected US export sales data late in the week, most crop prices were higher. For wheat last week's export sales beat trade expectation by a wide margin with an extra sale of 224,000 tonnes announced on Friday. US corn prices benefitted from positive export sales data. Oilseed prospect are beginning to suffer from the approach of a seasonal shift from a market focus on the northern hemisphere to the southern hemisphere.

**NEWS:** The Stats Can November estimate of production of field crops surveyed totalled 92.4 million tonnes (mmt) down slightly from the Sept. estimate of 93.2 mmt and the 2017 estimate of 93.0 mmt. Higher estimates for wheat, oats and barley were generally offset by lower estimates for other crops. The report contained no major surprises.

**StatsCan November Estimates of Major Crop Production**

	2018/2017	Nov/Sep
000 tonnes	% of	% of
Spring Wheat	23,511	106
Durum	5,745	116
Winter wheat	2,514	88
Canola	20,343	95
Corn for Grain	13,885	99
Barley	8,380	106
Soybeans	7,267	94
Dry Field peas	3,581	87
Oats	3,436	92
Lentils	2,092	82
Flaxseed	493	89

**OPINION:** The reliability of the relatively new Stats Canada model basis for their September crop estimates is naturally retrospectively of some interest. This year it did a good job.

It would be too much to expect it, as a mid harvest estimate, to anticipate accurately the in-the-bin November estimates. But to be of value it needs to get the direction of revisions to the standing crop July

estimates correct which it did for the major Prairie crops. That the September estimate overshot the market on the canola production estimate may reflect the fact that much of the crop was still in the field at the time of the September estimate and subject to some atypically adverse harvesting weather. The durum crop was mostly harvested.

The challenge that the USDA faces with next week's December World Agricultural Supply and Demand Estimates are political rather than weather related and probably less certain. In its July report it cautioned:

*"Consistent with established practices, this report only considers those trade actions which are in place or have formal announcement of effective dates as of the time of publication."*

This was possibly in recognition that there was probably a general expectation that those trade actions were temporary in nature.

But this month expectations have been raised by the USDA's supreme commander that at least some of the trade actions will be reversed, but without any formal announcements. It will be interesting to see how the USDA responds to the twittering.

David Walker, Edmonton, AB 

