

Crop and Related Prices, Can or US\$/tonne, US\$/l ethanol					Oilseeds & Other Prices, Can or US\$/tonne or index				
Commodity	Month	This week	Last week	Year ago	Commodity	Month	This week	Last week	Year ago
SRW Wheat	Dec	179.13	177.93	187.03	Soybeans	Nov	324.45	324.36	310.67
HRW Wheat	Dec	149.73	149.73	187.85	Soya Meal	Dec	267.70	264.07	280.31
HRS Wheat	Dec	201.08	192.63	210.36	Soya Oil	Dec	633.85	645.54	639.14
CWRS Wheat	Spot	234.41	223.24	250.16	Canola	Nov	445.80	447.40	497.30
CPS Wheat	Spot	187.19	185.75	214.31	Crude Oil(WTI)	Dec	55.71	57.97	73.17
Corn	Dec	146.25	145.96	140.25	Dollar Index	Dec	98.79	97.83	94.75
Ethanol	Dec	36.27	34.10	34.69	S&P 500	cash	2,953	3,003	2,914
Oats	Dec	175.07	178.80	171.67					

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

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

COMMENT: Demand sentiment for corn and soybeans, driven in part by perception over progress with US-China trade negotiations, was mixed. Continued weather challenges with US spring wheat was supportive of spring wheat values. Likewise delays in canola harvest supported prices which were otherwise pressured by lower vegetable oil values.

NEWS: Prairie provincial crop reports indicate rain delays were general but no widespread frost was reported.

For MB, 3rd week of Sept: Harvest has been slowed by wet weather, with 59% complete, below the 3-year average of 70%.

For SK, as of Sept 23: With some warm and relatively dry weather harvest advanced over the week from 23 to 39% complete compared to a 5-year average of 62%. Loss of quality was reported.

For AB, as of Sept 23: With cool damp weather last week, combining advanced only from 23 to 33% complete, level with last year, but short of the 45% 5-year average.

Ag Canada's September revisions to its Outlook for Principal Crops published last Friday materially changed the outlook for several crops. In aggregate ending stocks for the 2018-19 crop and the 2019-20 years were both raised by 12 percent. These revisions reflect Stats. Can's end of crop year crop stocks and trade data. The latter includes movement outside CGC licensed facilities the publication of which is delayed. Further Stats Can made some retrospective revisions.

The total 2019-20 supply of crops was revised upwards 3.3 mmt to a record 114.0 mmt as a result of the increase in Stats Canada September production estimate. Crop use was raised 1.5 mmt and ending stocks by 1.8 mmt. Ending stocks would be the largest since 2014.

Wheat - other than durum, was most affected by the revisions. Cumulative impact of revisions to 2017-18 and 2018-19 crop year data was a 27% upward revision in 2019 stocks. Exports were raised by over half a million tonnes but domestic use was lowered by a similar amount suggesting a much larger than expected movement through other than CGC licensed facilities. The revision in 2019 production was not significant so increases in usage estimates meant that projected ending stock, while revised up from a month ago are only 10% above the revised beginning stock figure.

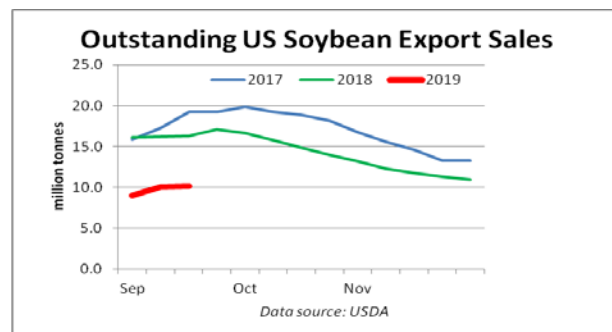
The increase in canola yield anticipated in Stats Can recent canola estimate added almost 20 percent to 2020 ending stocks

raising them to a record level. But the stocks to use ratio, a better measure of prospects, looks less onerous.

The field pea export forecast for this crop year was raised by nearly 10 percent largely offsetting an increase in production. With the lentil crop looking much better than a month ago ending stocks for the 2019-20 crop year were seen 40 percent higher and slightly above upwardly revised beginning stocks.

The USDA's weekly crop report for Sept. 22 indicated a two percentage point increase in the condition of the corn crop but unchanged for soybeans. The corn crop was rated 29% mature compared to last year's 69 and a 5-year average of 57. That puts it about 10 days behind the five-year average. Harvesting of the spring wheat crop stands at 87% complete compared to 99% last year and a 93% 5-year average. Planting of the 2019 winter wheat crop is 22% complete compared to 26% last year and a 24% 5-year average.

OPINION: Care needs to be taken in reading too much into the USDA's outstanding export sales data – something of the order book for US crop sales, if for no other reason than sales are regularly cancelled. Before the Chinese 25 percent tariff on US soybean imports, outstanding export soybean sales typically rose through Sept., to close to 20 million tonnes in 2017. Thereafter they declined as export shipments were not matched by new business. Last year there was no Sept. increase in outstanding sales, and this crop year starts with a low level of commitment. It will take more sustained Chinese business to make a material impact on US soybean prospects.



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