

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	189.32	184.73	183.63	Soybeans	Jan	329.59	337.40	323.62
HRW Wheat	Dec	155.79	153.22	169.48	Soya Meal	Jan	272.60	278.59	277.77
HRS Wheat	Dec	181.06	184.73	211.00	Soya Oil	Jan	684.78	670.89	608.50
CWRS Wheat	Spot	219.21	224.31	258.86	Canola	Jan	464.30	462.50	476.10
CPS Wheat	Spot	194.13	194.02	209.03	Crude Oil(WTI)	Jan	63.50	57.64	50.39
Corn	Dec	145.17	146.15	141.33	Dollar Index	Dec	98.17	97.87	96.83
Ethanol	Jan	37.25	37.54	33.71	S&P 500	cash	3,109	3,114	2,632
Oats	Dec	201.98	200.36	185.61					

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

**COMMENT:** US wheat, corn and soybean export sales last week were all at the high end of pre report trade expectations even if the lift from some resolution of US-China trade dispute resolution does not appear close at hand. Wheat prices were mixed with soft red winter wheat maintaining their unusual premium over other classes. Corn prices continued to trend lower instances of improved demand were cited. Soybeans were also trended lower as optimism for prompt resolution of US China trade issues faded. Early weather for South American crop prospects improved.

**NEWS:** The November 20 USDA crop progress report lowered their good/excellent winter wheat crop condition ratings by two percentage points following a cut of 3 points the week before. It now stands at 52 percent, four points above last year's rating at this time and three points below a 5-year average.

Interestingly the rating of this year's crop has been lowered by five points in two weeks, while last year it was raised five points over the same period. Past experience suggests that ratings made in the spring are much more indicative of eventual US winter wheat harvest yields than previous fall ratings.

With no new major reports since its October update, Ag Canada's November Outlook for Principal Field Crops contained only minor revisions resulting from updated trade data. The 2018-19 aggregate crop data was unchanged from a month earlier as was the supply estimate for the 2019-20. Adjustment to 2019-20 use data was also minor. The largest was a 200k tonne increase in the lentil exports forecast with a corresponding 26 percent cut in ending stocks. Both measures are at their most positive for several years. Minor adjustments were made in durum and corn use with ending stock forecasts left unchanged.

The all crop ending stock forecast for 2019-20 was lowered just over one percent but is still 9 percent above beginning stocks and the highest level since 2014.

Next month's Ag Can forecast will include Stats Can's November estimates of production which may result in larger than usual supply revisions as harvest was interrupted by bad

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

weather since the September estimate. On the other side of the ledger, the CN strike may have cut into export opportunities.

**OPINION:** It is now almost 18 months since the 25 percent Chinese tariff on US soybeans was put in place. US soybean prices declined over 20 percent in the weeks following the imposition of the tariff. Since then they have regained over half of what they lost in the summer of 2018, as readjustment in trade patterns helped the cause of US soybean exports and perhaps the end of the tariff was discounted by the market. A recovery of a further 10 percent in price with an end to the tariff, *other things being equal*, might be expected. What has not been equal since the imposition of the tariff has been the Chinese outbreak of African swine fever, and the continued growth in South American soybean production and income related increase in Chinese demand, to mention just three issues.

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