

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	Mar	199.43	205.31	185.28	Soybeans	Mar	328.40	324.08	333.45
HRW Wheat	Mar	171.04	173.62	175.09	Soya Meal	Mar	264.07	262.44	278.04
HRS Wheat	Mar	193.09	196.76	210.54	Soya Oil	Mar	673.98	682.80	880.78
CWRS Wheat	Spot	237.04	239.04	256.91	Canola	Jan	459.50	461.30	475.80
CPS Wheat	Spot	209.01	208.57	205.05	Crude Oil(WTI)	Mar	52.02	50.45	55.79
Corn	Mar	148.61	150.98	147.53	Dollar Index	Mar	99.01	98.55	96.74
Ethanol	Mar	36.01	35.08	35.00	S&P 500	cash	3,372	3,327	2,776
Oats	Mar	191.93	196.47	178.80	Canola, new crop	Nov	482.90	483.90	498.00
Data in red are 12-month highs, blue are 12-month lows, green revised					Wheat SRW, new crop	Dec	200.40	209.81	206.04
For price specs. go to: <a href="http://www.open-i.ca/PriceSpec.htm">www.open-i.ca/PriceSpec.htm</a>					Corn, new crop	Dec	153.04	155.11	158.65

**COMMENT:** US wheat and corn prices were generally lower with a stronger US dollar but last week's US export sales data was supportive. Soya complex waits for Chinese buying. Vegetable oil values weighed on both soybean and canola values with a strong US dollar favouring canola.

**NEWS:** Canadian Grain Commission data for the week ending February 9 indicate a slow down in crop and products movement from country positions and a further accumulation of primary elevator stocks. Part if not all of this is likely a result of recently imposed rail speed limits. This situation is likely to be further challenged by the failure of the powers that be to enforce the rule of law on unrelated demonstrations against rail movement.

With no major USDA survey results published this month, its February 2019-20 domestic supply and demand forecast revisions released on Tuesday were limited to changes arising from ongoing export and use data. The USDA perspective on South American crop prospects for corn and soybeans was also a centre of attention. US exports of **wheat** were raised by 0.7M tonnes reflecting the growing competitiveness of US wheat prices. And the US ending stock forecast was lowered by a corresponding amount. Global wheat supply revisions were small and largely offsetting. The forecast for Canadian exports was cut to 23.5M tonnes, about in line with Ag Can's forecast. Forecasts of US **corn** exports were lowered by 1.4M tonnes and ethanol usage raised by about the same amount leaving the forecast for ending stocks unchanged. **Global coarse grain** production was raised by about a million tonnes and use by two resulting in ending stocks being reduced slightly and now 6 percent below beginning stocks. The USDA raised its **US Soybean** exports by 1.4M tonnes and lowered the end stock by the same amount. Ending stocks are now expected to be 47 percent of beginning stocks. The forecast for **global oilseed** production was raised 2.2 million tonne mainly due to a two 2 million tonne increase in the expected Brazilian soybean harvest. But with a 1.4 million

tonne increase in use expected ending stocks will be up 1.5M tonnes, still over 12 percent below beginning stocks.

**OPINION:** Making sense of the economic impact of the Chinese COVID-19, the novel coronavirus, outbreak is probably just as challenging as understanding the medicine.

It is fairly safe to say that sad as the deaths and sickness may be, they are likely to have a minimal economic impact, except is a very worst case scenario. The restriction on gatherings and movement to control the outbreak are beginning to have an impact but this is unlikely to last beyond the outbreak. What seems to be having a major impact is the uncertainty surrounding the outbreak.

Unfortunately the WHO appears to have mishandled the publication of information that might have helped in this respect. The Chinese method of diagnosis was changed this week with seemingly no WHO attempt to relate the data from new method with the old. Much of the media eager for headlines took the increase in new cases diagnosed as an indication that the outbreak was out of control again. The market reaction appeared more measured probably believing that the data reflected the change in the method of diagnosis as much as the state of the outbreak which is hardly newsworthy.

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