

Crop and Related Prices, Can or US\$/tonne, US\$/l ethanol					Oilseeds & Other Prices, Can or US\$/tonne or index					21-Feb-20
Commodity	Month	This week	Last week	Year ago	Commodity	Month	This week	Last week	Year ago	
SRW Wheat	Mar	202.46	199.43	178.85	Soybeans	Mar	327.21	328.40	334.46	
HRW Wheat	Mar	172.15	171.04	168.47	Soya Meal	Mar	262.35	264.07	277.36	
HRS Wheat	Mar	192.91	193.09	208.25	Soya Oil	Mar	675.52	673.98	672.65	
CWRS Wheat	Spot	237.07	237.64	254.37	Canola	Jan	458.30	459.50	473.70	
CPS Wheat	Spot	208.97	209.01	201.91	Crude Oil(WTI)	May	53.50	52.60	47.75	
Corn	Mar	148.42	148.61	147.77	Dollar Index	Mar	99.20	99.01	96.74	
Ethanol	Mar	34.66	36.01	35.56	S&P 500	cash	3,330	3,372	2,793	
Oats	Mar	191.93	191.93	175.72	Canola, new crop	Nov	482.90	482.90	498.00	
Data in red are 12-month highs, blue are 12-month lows, green revised					Wheat SRW, new crop	Dec	208.61	200.40	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	151.96	153.04	158.65	

**COMMENT:** US wheat prices were mixed over the week with support from reduced overseas harvest prospects offset later in the week by lower than expected export sales. Corn prices were about unchanged with export sales supporting but daunting new crop forecasts weighing on prices. Soya complex export sales data came in above expectations but USDA forecasts for a tighter supply situation seems to have been discounted. Further increases in the value of the US dollar weighed on US crop values but supported Canadian canola.

**NEWS:** Agriculture Canada's February revisions to its Outlook for Principal Field Crops which took into account of Stats Canada's Dec 31 stocks data amongst other things, reduced aggregate ending stocks by about 0.6M tonnes, or 4 percent, for this crop year and 0.5M tonnes, or 3 percent, for the 2020-21 crop year. For specific crops, only for canola and lentils with higher domestic use and lower ending stock were expectations of much significance.

The general message from the USDA's new crop Grains and Oilseed Outlook prepared for its 2020 Agricultural Outlook Forum released on Friday will be that US supplies and use will be higher – the former as a result of more normal weather than in 2019, the latter with recovery of demand with improved trading conditions with China. With the latter, however, the eventual impact of US-China Phase 1 trade agreement seems only to have been partially factored in.

US 2020-21 wheat supplies are seen 6 percent lower than last year due mainly to yields falling to trend levels. With a small increase in domestic use and exports unchanged from 2019-20 ending stocks will fall by 17 percent to the lowest level since 2015.

Assuming more normal 2020 spring planting conditions the USDA expects area planted to corn and soybeans combined to increase by 8 percent as area in the US "prevented planting" program falls.

US 2020 corn supply is forecast to increase by 9 percent with larger area and yield. Use is forecast to increase by 5 percent and ending stocks by 41 percent to a record 67 million tonnes and a stocks-to-use ratio of 18 percent. Supplies of US soybeans for 2020-21 are forecast less than 4 percent above a year ago with smaller beginning stocks largely offsetting a bigger harvest. With increases expected in both domestic use and exports, ending stocks are forecast to decline by 25 percent to close to the 2017 level.

The COVID-19 outbreak continues to make headlines even though the number of new cases has been on the declined for over two weeks. It is evident that there continues to be some spread within China but not much internationally.

**OPINION:** While some USDA new crop forecasts were for quite marked changes in US new crop supply and demand, market reaction was muted. This is probably because these changes were anticipated.

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