

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	May	204.48	201.82	170.68	Soybeans	May	317.28	313.89	328.95
HRW Wheat	May	180.78	173.43	159.56	Soya Meal	May	265.34	275.09	279.31
HRS Wheat	May	195.66	192.72	195.20	Soya Oil	May	604.31	582.70	638.26
CWRS Wheat	Spot	239.84	242.68	249.78	Canola	May	463.60	461.40	456.30
CPS Wheat	Spot	218.09	211.83	221.59	Crude Oil(WTI)	May	23.47	28.28	63.85
Corn	May	130.60	130.01	142.12	Dollar Index	Jun	99.59	100.69	96.20
Ethanol	May	24.52	23.51	35.13	S&P 500	cash	2,790	2,474	2,907
Oats	May	177.83	176.86	186.26	Canola, new crop	Nov	475.70	478.10	498.00
Data in red are 12-month highs, blue are 12-month lows, green revised					Wheat SRW, new crop	Dec	208.61	202.55	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	138.08	138.08	158.65

**COMMENT:** Crop commodity prices were generally higher over the holiday shortened week. Wheat prices early in the week were pressured by the first survey of US winter wheat conditions coming in better than expected. Later in the week reports of relatively dry conditions in Europe and cool weather in US wheat growing areas offset what was a rather bearish USDA report on Thursday. For corn US export sales data was supportive and offset the impact of the bearish USDA report. Again for soybeans positive export sales data appeared to offset USDA's report which was bearish relative to expectations.

**NEWS:** The USDA's April 6 crop report, the first of the 2020 season, indicated winter wheat conditions as of April 5 at 62 percent good or excellent, slightly better than a year ago and certainly better than a five-year average of 48 percent and the last fall rating of 52 percent. Next week very early indications of corn and spring wheat will be reported.

#### Thursday's USDA April supply and demand forecast

revisions were the last to focus on the 2019-2020 crop year, before the first monthly revisions for 2020-2021 in May.

Adjustments to forecasts for domestic data were largely the result of US March 1 grain stocks data and market attention was also focused on South American crop estimates.

**US wheat** estimates for exports and domestic use were lowered with ending stocks raised 3 percent but still 10 percent below beginning stocks.

The forecast for **global consumption of wheat** was lowered by about 5 million tonnes and ending stocks raised by an equivalent amount. At 293 million tonnes they are now about 2 percent above a year earlier and at a record level.

The big adjustment in **US corn** data was a 7 percent cut in corn use for ethanol production. This reflects expectation for the remaining 5 months of the crop year. On a full year basis it is equivalent to 17 percent. It was only partially offset by a 3 percent increase in feed use. Export prospects were about unchanged with ending stocks raised by 11 percent to a level now only 6 percent below beginning stocks.

Global coarse grain forecasts included a small increase in output but a larger cut in consumption relating to crude oil and ethanol prospects. The ending stock estimate was raised by 2 percent and is now only 4 percent below the year earlier level.

Revision to **US soybean** data included a lower export forecast only partially offset by an increase in domestic use. The ending stock forecast was raised 13 percent but is still 47 percent below beginning stocks. The global oilseed output forecast was lowered by 3 million tonnes reflecting reduced harvest prospect for soybeans in South America and slightly reduced ending stocks, now expected to be 10 percent below year earlier levels.

Prairie provincial crop reports are still several weeks away with Stats Can reporting seeding intentions on April 24.

**OPINION:** More than a month into the COVID pandemic, the USDA demand forecasts might have been expected to have shown more of a reaction to deteriorating demand than they did. The reality is that for wheat only a couple of months, and for corn and soybeans 5 months, are left in the current crop year. Hence, the 7 percent cut in corn use for ethanol is likely to be reflected in 17 percent for the new crop year. The market, with prices below a year ago for corn and soybeans in all probability are currently reflecting the likely reversal in the trends of declining ending stocks which currently seems likely for 2020-21. Perhaps for wheat with prices higher than a year ago the expectation is that things are unlikely to get worse.

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