

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	July	183.81	191.80	170.86	Soybeans	July	308.10	312.51	301.94
HRW Wheat	July	166.17	176.37	154.42	Soya Meal	July	260.81	263.80	266.98
HRS Wheat	July	186.02	189.69	193.55	Soya Oil	July	586.01	585.13	600.12
CWRS Wheat	Spot	241.10	242.28	242.58	Canola	July	472.30	468.80	443.20
CPS Wheat	Spot	206.89	216.75	216.23	Crude Oil(WTI)	July	29.56	26.21	62.86
Corn	July	125.68	125.68	150.88	Dollar Index	Jun	100.46	99.75	96.20
Ethanol	July	28.27	29.83	36.22	S&P 500	cash	2,852	2,918	2,874
Oats	July	202.31	190.96	190.64	Canola, new crop	Nov	478.60	474.90	498.00
Data in red are 12-month highs, blue are 12-month lows, green revised					Wheat SRW, new crop	Dec	188.40	196.12	206.04
For price specs. go to: www.open-i.ca/PriceSpec.htm					Corn, new crop	Dec	130.70	131.39	158.65

COMMENT: Wheat prices were lower this week. While the USDA estimate of winter wheat production was lower than that for 2019, it was above trade expectation. In a similar vein a further reduction in the reported condition of the US winter wheat crop was overshadowed by weather forecasts for valued rain in key growing areas. Tuesday's USDA Supply and Demand Estimates signalled a change for the worse in corn prospects but it seems this was anticipated and had been discounted by the market over the last few months. Favourable conditions for field work in the Corn Belt pressured prices. Both USDA Demand and Supply estimates and export sales reports were supportive of soybean prices but favourable field conditions for planting weighed on prices.

NEWS: Progress with US spring crop planting, as of May 10, for corn, soybeans and wheat stood at 67, 38 and 42 percent complete respectively. This compares with last year's 26, 32 and 38 percent and 5-year averages of 56, 23 and 63 percent. In contrast to last year, when seeding was delayed by difficult field conditions, progress has been close to average this year. Good and excellent ratings for the US winter wheat crop were down a further 2 percent at 53 percent, compared to last year's 64 percent and a 52 percent five-year average. The USDA's first survey based 2020 winter wheat production estimate placed output at 34.1M tonnes, down 4% from 2019 – harvested area down fractionally and yield down 3.5% from last year. Hard red winter output is down 12%, soft red winters are up 24% and white winter wheat down 3%. The hard red winter wheat estimate was slightly below pre-report expectations, soft red winter above expectations, and white winters slightly below expectations. Using prospective planting data and trend yields for spring wheats, the USDA projected all wheat production down three percent. The USDA's initial 2020-21 monthly outlook for US wheat, published May 12, is for smaller supplies, decreased domestic use, lower exports and deuced ending stocks than in 2019-20. An unusually large flour use in the first quarter of 2020 was noted and ending stocks 7 percent lower than a year earlier.

Global wheat supplies are expect to increase by 2 percent over this year, an increase in use slightly larger than the increase in output with ending stocks increasing by about 5 percent to another record level and with China again holding more than half of these stocks.

Both **US corn** output and supplies are expected to reach record levels. While domestic use including ethanol processing and exports are expected to increase by 5 and 20 percent respectively, ending stocks are still expected to rise by 68 percent to the highest level in over 30 years.

The USDA's **global coarse grain** outlook is for record production and use, but with an 8 percent increase in ending stocks which will be just 3 percent below the record 2017 level. The 2020-21 outlook **US soybeans** is for larger production, supplies, domestic and export use but ending stocks 30 percent lower than beginning stocks. The USDA notes "With higher global import demand for 2020/21 led by expected gains for China, US export share is expected to rise to 34 percent from the 2019/20 record low of 30 percent."

Global oilseed outlook is for record production more than offsetting lower beginning stocks than this year. With rising use projected ending stocks are forecast to be slightly lower but 13 percent lower than the record levels of 2019.

OPINION: Global wheat market prospects, as reflected in USDA global stock to use estimates, continue to deteriorate. Those for feed grains and oilseeds appear to have stabilized.



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