

Crop and Related Prices, Can or US\$/tonne, US\$/l ethanol					Oilseeds & Other Prices, Can or US\$/tonne or index					26-Jun-20
Commodity	Month	This week	Last week	Year ago	Commodity	Month	This week	Last week	Year ago	
SRW Wheat	July	174.07	184.45	193.27	Soybeans	July	317.84	320.13	331.71	
HRW Wheat	July	154.78	164.70	166.27	Soya Meal	July	255.91	262.17	277.23	
HRS Wheat	July	183.17	188.59	196.95	Soya Oil	July	599.68	606.29	627.02	
CWRS Wheat	Spot	242.18	238.36	242.58	Canola	July	470.50	473.90	453.40	
CPS Wheat	Spot	209.55	204.22	214.77	Crude Oil(WTI)	Sep	38.43	36.56	57.50	
Corn	July	124.80	129.91	174.10	Dollar Index	Sep	97.38	97.33	95.73	
Ethanol	July	28.79	31.49	41.61	S&P 500	cash	3,013	3,041	2,954	
Oats	July	213.33	205.55	180.91	Canola, new crop	Nov	468.50	473.00	498.00	
Data in red are 12-month highs, blue are 12-month lows, green revised					Wheat SRW, new crop	Dec	177.75	189.87	206.04	
For price specs. go to: www.open-i.ca/PriceSpec.htm					Corn, new crop	Dec	128.04	135.03	158.65	

COMMENT: US wheat prices were lower with their winter wheat harvest advancing. Last week's export date more than met expectations but prices were lower on Friday. Prairie basis for the wheat have improved significantly over the last months. Corn export sales data was at the lower end of expectations and US weather looks good for crop development. Soybean export demand continues to be a positive influence but good conditions for crop development and concerns over US-China trade relations weighed on values.

NEWS: Prairie provincial crop reports indicated AB crops generally in better shape than SK and MB. For **MB**, as of June 23 – Rain was significant but not widespread. Hence it would be welcome in dry areas. For **SK**, as of June 22 – Rain would be welcome in most areas with crop land topsoil moisture currently rated 69 per cent adequate compared to 81 percent last year at this stage and 64 in 2018. About two thirds of crop development is rated about normal with most of the balance behind normal. For **AB**, as of June 23 – With near normal May and June rain, 79 per cent of crops are now rated in good or excellent condition, above the 5-year average of 70 per cent. Surface soil moisture is rated at 83 percent good or excellent compared to a five-year average of 62 percent.

With no recent crop related Stats Can survey reports – the seeded area report will be published on Monday, Ag Canada's June Outlook for Principal Field Crops were limited to potential revisions arising from ongoing trade data and changed expectations for domestic use. For both the current and the 2020-21 crop years revisions to export data were unchanged and revisions to domestic use were virtually unchanged from a month ago. Ending stocks forecast for next summer at 15.4 million tonnes are up about 8 percent from this year.

OPINION: Evident in recent years has been the relative stability in Canadian crop year aggregate ending stocks of grains, oilseeds and pulses at about 15 million tonnes. This is

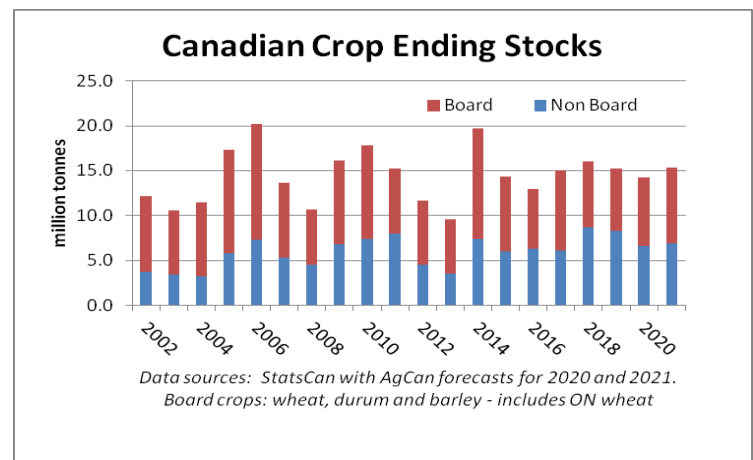
even evident in Ag Can's current forecasts despite rather poor international crop market prospects. The increased diversity of Prairie agriculture over the years has certainly meant that farmers are less dependent on any one crop.

It is also evident that when ending stocks have bulged, it was due to larger stocks of board grains, particularly wheat. This is hardly surprising as the Canadian Wheat Board was charged with maximizing farmer returns and holding for better prices was undoubtedly part of this.

Equalling there now seems to be a general preference for clearing the bins before harvest. Fifteen million tonnes is rather less than two months of export and domestic use and two months is little more than the period between the end of the crop year when most stocks are assessed and the time when new crops supplies start to reach market.



David Walker,
Edmonton, AB, CA



While every reasonable effort is made to ensure this information is accurate, the author is unable to provide any guarantee over accuracy, or to be liable for the consequences of action taken on the basis of any information which proves to be inaccurate.