

Crop and Related Prices, Can or US\$/tonne					Oilseeds & Other Prices, Can or US\$/tonne or index					14-Jan-22
Commodity	Month	This week	Last week	Year ago	Commodity	Month	This week	Last week	Year ago	
SRW Wheat	Mar	273.19	278.70	248.21	Soybeans	Mar	502.29	518.18	520.57	
HRW Wheat	Mar	274.94	284.77	236.26	Soya Meal	Mar	366.67	385.54	420.24	
HRS Wheat	Mar	326.38	339.42	235.62	Soya Oil	Mar	1,286.44	1,295.92	922.67	
CWRS Wheat	Spot	419.03	442.16	283.39	Canola	Mar	982.90	1,043.20	687.80	
CPS Wheat	Spot	399.60	410.92	262.74	Crude Oil(WTI)	Mar	83.35	78.55	52.35	
Corn	Mar	233.45	238.87	209.24	Dollar Index	Mar	95.19	95.75	90.73	
Oats	Mar	394.24	433.31	237.32	S&P 500	cash	4,639	4,685	3,779	
					Canola	Nov	800.30	796.00	554.10	
					SRW Wheat	Dec	268.41	280.72	243.34	
					Corn	Dec	219.77	219.58	181.09	

Data in red are 12-month highs, blue 12-month lows, green revised
For price specs. go to: www.open-i.ca/PriceSpec.htm

COMMENT: With most of Wednesday's USDA data close to pre report expectations, South American crop developments were the main focus for crop markets. Hot dry weather has reduced corn and soybean harvest expectations, rain this weekend could prevent further damage. Prairie wheat prices were lower, but posted basis continues to improve. The discount on new crop canola continues to narrow.

NEWS: Three USDA survey reports were published on Wednesday. The **final 2021 production estimates** for corn and soybeans were 360.2M and 112.5M tonnes, up 7 and 5 percent from 2020 estimates but up less than one percent for both crops from 2021. Both corn and soybean estimates were slightly above average pre report expectations.

Dec. 1 US stocks of corn, soybeans and all wheat were placed at 295.9M, 85.7M and 37.8M tonnes, respectively, about 103, 107 and 82 percent of year earlier levels. The corn estimate was slightly above, the soybean estimate one percent above, and wheat two percent below pre report expectations.

Last fall's **US winter wheat area** was surveyed at 13.9M hectares, up 2 percent from 2020. The area was slightly above average pre report expectations.

The market implications of these three reports and other market factors were summarized in USDA's January revision of its monthly Supply and Use forecasts.

Revisions to the **US wheat** data included reduced imports, exports and domestic feed with a 5 percent increase in ending stocks which are still 26 percent below beginning stocks and the lowest level since 2014.

For **world wheat**, a small adjustment to beginning stocks and output estimates were largely offsetting, but reduced feed use of wheat on price considerations is expected to result in a slight increase in the ending stock forecast, three percent below beginning stocks, and the lowest since 2017. China is still expected to hold 50 percent of world ending wheat stocks.

For **US corn**, the increase in the production estimate was largely off set by an increase use for ethanol production but with the export forecast lowered ending stocks were raised three percent, now 25 percent above beginning stocks.

The USDA **global coarse grain** output estimate was lowered with reduced expectations for early South American corn

crops largely offset by upward revisions of the Ukraine corn harvest. Ending coarse grain stocks are placed one percent lower than a month ago and two percent higher than beginning stocks. China is estimated to be sitting on 74 percent of the world's ending coarse grain stocks.

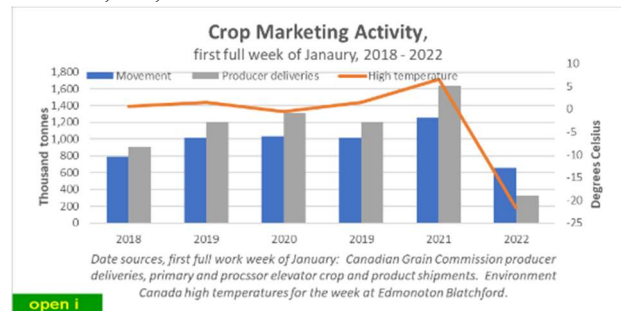
For **US soybeans** production was raised slightly, and with other elements of the balance sheet unchanged, ending stocks were revised higher by three percent. The forecast was 36 percent above beginning stocks.

Adjustments to **global oilseed** data were somewhat similar to those for corn with lower South American soybean harvest expectations dominating. This was offset slightly by reduced use but ending stock forecast was lowered by 6 percent and now stands at about the same amount below beginning stocks.

Canadian Grain Commission data for the week ending Sunday January 9 indicated that grain movement was restricted during the first full work week of the new year, most probably the result of some rather brutally cold weather. Farmer deliveries of 327,000 tonnes were 20 percent of the previous year and 40 percent of a five-year average. Crop movements of 658,000 tonnes were 50 percent of last year and 90 percent of a five-year average.

OPINION: The abrupt decline in crop marketing activity might be blamed solely on the weather. But other factors are probably at play including diminishing farm stocks and any haste to market them. The coming weeks will tell.

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