

Crop and Related Prices, Can or US\$/tonne					Oilseeds & Other Prices, Can or US\$/tonne or index					11-Feb-22
Commodity	Month	This week	Last week	Year ago	Commodity	Month	This week	Last week	Year ago	
SRW Wheat	Mar	293.13	280.45	233.97	Soybeans	Mar	581.66	570.82	504.13	
HRW Wheat	Mar	302.86	288.72	226.62	Soya Meal	Mar	414.34	402.69	387.54	
HRS Wheat	Mar	351.55	335.11	226.34	Soya Oil	Mar	1,448.93	1,440.99	1,015.04	
CWRS Wheat	Spot	441.58	427.34	284.48	Canola	Mar	1,013.50	1,018.30	730.40	
CPS Wheat	Spot	410.22	397.07	264.81	Crude Oil(WTI)	Mar	93.13	92.46	59.60	
Corn	Mar	256.29	244.28	212.10	Dollar Index	Mar	95.44	95.44	90.45	
Oats	Mar	486.15	474.00	227.43	S&P 500	cash	4,429	4,517	3,935	
					Canola	Nov	848.30	834.70	567.10	
					SRW Wheat	Dec	294.41	282.01	233.60	
					Corn	Dec	234.14	225.87	176.66	

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: Worsening South American corn and soybean crop conditions, confirmed in the USDA’s monthly outlook update on Wednesday, supported prices most of the week. At this time the impact in terms of reduced harvest expectations and US export sales has been greater for soybeans than corn. Wheat prices seem to have benefitted from the uncertainly caused between the tension between Russia and the Ukraine.

NEWS: Statistics Canada’s Dec 31 crop stocks’ survey placed total stocks for 11 major crops at 45.6M tonnes, 69 percent of the revised year earlier level, and 68 percent of a 5-year average. For crops grown mainly on the Prairies the levels were lower.

	2021 M tonnes	2021, % of 5-yr avg	2021, % of 2020
Wheat	13.5	67	66
Canola	7.6	52	57
Barley	3.1	55	56
Durum	2.1	43	44
Oats	1.7	62	61
Peas	1.6	60	57
Lentils	1.2	57	64
Corn	11.5	102	104
Soybeans	3.3	82	94
Flax	0.3	63	69

Data source: Stats Can

As no major USDA survey results were published this month, its February 2021-22 domestic supply and demand forecast revisions released on Wednesday were limited.

US wheat data included minor reduction in domestic use and export forecasts resulting in a three percent increase in ending stocks which are now seen 23 percent below beginning stocks

Global wheat outlook revisions for supply and use were minor with ending stocks reduced slightly to a level less than one percent below beginning stocks and six percent below record levels of two years ago.

US corn data was unrevised. The major adjustment to the **global coarse grain** outlook was a reduction in South American corn harvest expectations largely offset by use with a slight cut in ending stocks forecasts which now stand less than two percent lower than beginning stocks.

The USDA raised its 2021-22 **US Soybean** domestic crush forecast and without other adjustments the ending stock forecast was lowered 7 percent and is now 26 above the very tight beginning stocks level. The salient feature of the USDA’s adjustment to the **global oilseed** outlook was an 8.7

million tonnes cut in drought impacted South American soybean harvest prospects. This was partly offset by reduced use expectations by an over two percent cut in the ending stock forecast which is now 8 percent below beginning stocks.

OPINION: Stats Can’s mid season on-farm crop stock estimates not only indicate how much crop there is left to sell but less directly how much has been sold and a demand indicator. This sort of information is particularly import in a year of short supplies such as 2021-22. This year 55 percent of farm crop supplies had been moved by December 31 compared to 45 a percent five-year average suggesting further price rationing will be necessary.

Use varies between crops. For canola almost all the crop is delivered to CGC facilities for crushing or export. Thus, the bars on the chart below are mainly blue. For durum the main market is for milling rather than feeding but in years of challenging harvest condition off grade durum is fed. Hence some orange or Other for durum on the chart. For other wheat some classes of wheat are grown for feeding. Hence the greater amount of orange. Much of the barley and oats markets are for local feeding. Hence the greater amount of Other. The implication of the increased proportion of barley deliveries this year has meant lower barley supplies for feeding and a very significant increase in US corn imports. On farm wheat stocks were lower than expected suggesting that wheat is also being used to fill the gap in barley supplies even though crop quality consideration would suggest less wheat would be fed.



David Walker
Edmonton, AB, CA

