

Crop and Related Prices, Can or US\$/tonne					Oilseeds & Other Prices, Can or US\$/tonne or index					25-Feb-22
Commodity	Month	This week	Last week	Year ago	Commodity	Month	This week	Last week	Year ago	
SRW Wheat	May	315.63	295.42	240.67	Soybeans	May	582.21	589.19	516.35	
HRW Wheat	May	327.39	308.65	229.56	Soya Meal	May	401.60	404.32	383.91	
HRS Wheat	May	352.83	353.20	231.49	Soya Oil	May	1,519.70	1,490.60	1,131.89	
CWRS Wheat	Spot	451.48	446.05	295.70	Canola	May	1,001.20	1,012.10	764.00	
CPS Wheat	Spot	445.07	416.40	279.93	Crude Oil(WTI)	May	90.32	91.39	61.48	
Corn	May	258.16	257.57	218.69	Dollar Index	Jun	96.60	95.95	90.88	
Oats	May	398.45	444.98	243.81	S&P 500	cash	4,380	4,347	3,831	
					Canola	Nov	767.90	850.70	596.80	
					SRW Wheat	Dec	306.90	296.43	238.84	
					Corn	Dec	228.24	235.32	185.32	

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

**COMMENT:** News of the Russian invasion of the Ukraine completely eclipsed the 98<sup>th</sup> USDA Annual Agricultural Outlook Forum. Attempting to attribute much of the extreme market volatility to agricultural factors would be almost certainly futile. In the initial instance, particularly on Thursday, there was probably the fear that more than the Ukraine might be involved. By Friday it seemed that this was not the case. That the Russians had not obtained their military objectives swiftly suggested that they were unlikely to be totally successful. Independent live-time reporting of developments may make propaganda counter-productive.

**NEWS:** The USDA's first 2022-23 crop specific Grains and Oilseed Outlook, prepared for its 2022 Agricultural Outlook Forum released on Friday anticipates increased supplies of their three major crops wheat, corn and soybeans and a decline in prices from current levels.

The first specific projection for the 2022-23 made for this conference are, of course, mainly based on economic considerations. Starting with seeding, wheat, corn and soybeans seeded areas are expected to be about 103, 99 and 101 percent of 2021. These projections are higher for wheat and slightly higher for soybeans than those made last fall in the USDA's Baseline projections.

Prices and probably market prospects for all three crops are, of course, higher than they were in the fall. Noted restraints on increased seeding beyond the land base are increased costs particularly fertilizer and fuel, and for spring seeded crop favourable market prospects for cotton and other minor crops which would include oats, barley, pulses and canola - all of significance to Canada.

What may have influenced the latter somewhat is the USDA survey of fall seeded crops in including canola. The 30,000 acres of winter canola seeded in Oklahoma and Kansas was over 50 percent above the previous year. As the USDA area projections are based on trend yields, the challenge of possible poor soil moisture conditions in spring wheat production area both sides of the border may yet discourage the planting of small-seeded crops.

For wheat US prospects are for increased supplies, slightly larger total use, and higher ending stocks. The fearless

season-average farm price forecast is 7 percent below this crop year but 35 percent above last year.

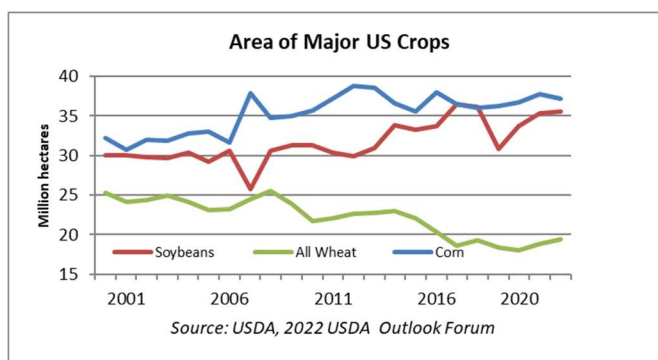
For US corn moderately larger production, greater domestic use and lower exports will result in higher ending stocks. The season-average farm price is placed at 8 percent below this year but 10 percent above last year.

For US soybeans the outlook is for increased supplies, exports and domestic crush with lower ending stocks. The season-average farm price is place at 2 percent below this year and 18 percent above last year.

**OPINION:** Within the outlook for soybeans "increasing demand for biofuel feedstocks" ... "with planned expansion of renewable diesel capacity to meet federal and state biofuel mandates" was noted. The elephant in the room on this one is the continued failure of the US administration to approve Environmental Protection Agency recommendations for 2020 and 2021 even before 2022. The decision for President Biden is undoubtedly more tricky than it was for President Bush for ethanol in 2005. Then farm income, rural development, environmental, conservation and energy security considerations were all on the side of fuel ethanol mandates. Now it seems to be a balance of inflation and higher cost of energy against environmental benefits.



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