



Crop Market Summary

Week ending Mar 11, 2022

Crop and Related Prices, Can or US\$/tonne					Oilseeds & Other Prices, Can or US\$/tonne or index					11-Mar-22
Commodity	Month	This week	Last week	Year ago	Commodity	Month	This week	Last week	Year ago	
SRW Wheat	May	406.57	444.23	233.97	Soybeans	May	615.83	610.13	504.13	
HRW Wheat	May	390.22	446.26	226.62	Soya Meal	May	432.80	417.74	387.54	
HRS Wheat	May	400.23	416.68	226.34	Soya Oil	May	1,676.23	1,605.02	1,015.04	
CWRS Wheat	Spot	474.40	485.71	284.48	Canola	May	1,131.20	1,082.70	730.40	
CPS Wheat	Spot	439.24	458.49	264.81	Crude Oil(WTI)	May	101.27	111.81	59.60	
Corn	May	300.18	296.93	212.10	Dollar Index	Jun	99.15	98.51	90.45	
Oats	May	429.25	431.33	227.43	S&P 500	cash	4,236	4,307	3,935	
					Canola	Nov	920.00	895.00	567.10	
					SRW Wheat	Dec	372.58	360.09	233.60	
					Corn	Dec	257.96	247.62	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: The USDA’s outlook report on Wednesday was bearish particularly as world ending stocks were above the range of pre report expectations. Further there has not seemed to be progress with the Ukraine/Russia negotiations. Weekly export data did not meet expectations. Old crop wheat prices were lower, new crop seemed to hold their value. Forecasts for US corn in Wednesday’s USDA report were well within the range of expectations. Thursday’s export sales data was above expectation and demand was cited as good.

NEWS: Interest in the USDA’s March Supply and Use forecast update, published Wednesday, would normally be limited to South American spring crop output estimates. By this time of year outlook for the current crop if not set in stone is largely cast and interest has switched to the new crop. With Russia at war with Ukraine, most people are probably seeking early signs of the implications. Current year outlook does not shine much light on this. Corn prices were higher.

Wednesday report data for soybeans was also close to average pre report expectations. Thursday weekly export sales were the highest in 20 weeks presumed to be a result of declining South American export availability. Canola prices were also at record level with new crop prices also higher.

For **US wheat**, with exports trailing earlier expectations slightly, ending stocks were about unchanged and are forecast eight percent lower than beginning stocks. The **global wheat** supply forecast was raised again with higher estimates for Australian crops. Reduced trade from Black Sea ports was partially offset by increased Australian and Indian exports. Total use is only expected to be slightly lower with the ending stocks forecast up one percent and down three percent from record beginning stocks.

For **US corn** a faster pace of use for ethanol production and exports resulted in an increase in forecasts for these components of use and a 6 percent reduction in the ending stock expectation which now stands 17 percent above beginning stocks. Unexpectedly, **global coarse grain** output was raised modestly. Increases in India and Russia corn output more than offset declines for Argentina and South Africa. With consumption raised slightly, ending stocks were lowered marginally and are now a little more than one percent above beginning stocks.

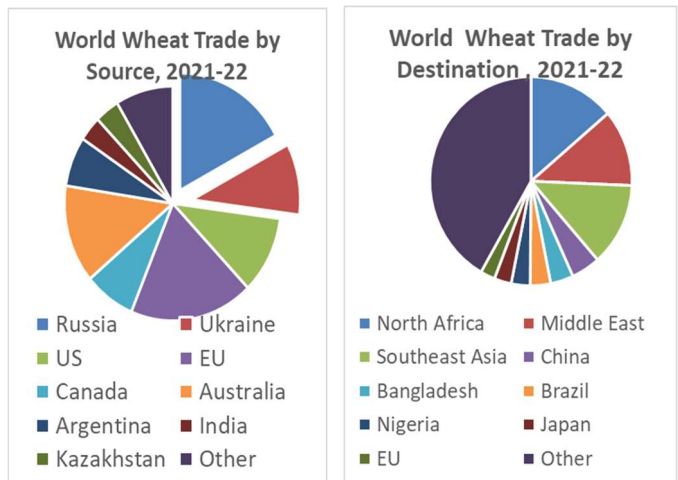
For **US soybeans**, with a faster pace of export sales and shipments than earlier anticipated, ending stocks were lowered

12 percent and are now only 11 percent above the very tight beginning stocks level. As expected USDA’s estimates for **global oilseed** production was cut as a result of lower output expectation for South America. Combined South American production was lowered by 9.5 million tonnes. Largely offsetting this was a cut in consumption with Chinese soybean and Ukrainian sunflower crush expected lower. Ending stocks are now forecast about unchanged from last month and 10 percent below beginning stocks.

OPINION: In its March Supply and Use forecast preamble on Wednesday the USDA noted, “Russia’s recent military action in Ukraine significantly increased the uncertainty of agricultural supply and demand conditions ...” In September 1939 the USDA noted “The prospective demand for wheat and availability of transportation facilities are not sufficiently clear at this time to indicate probable world movement of wheat.” And it made comparisons with 1914. Unfortunately, there are some parallels between 1939 and 2022, but not really any between those two years. More fortunately for the USDA forecasters, there are only three months left in the current US crop year for wheat with not much room for outlook adjustments. This leaves them two months before the first of regular monthly 2022-23 crop year forecasts to unravel the implications of current global politics.



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