



# Crop Market Summary

Week ending Nov 11, 2022

Grain Prices, Can or US\$/tonne					Oilseeds & Other Prices, Can or US\$/tonne or index					11-Nov-22
Commodity	Month	This week	Last week	Year ago	Commodity	Month	This week	Last week	Year ago	
SRW Wheat	Dec	299.00	311.50	300.20	Soybeans	Jan	532.79	544.64	457.10	
HRW Wheat	Dec	346.68	350.26	306.08	Soya Meal	Jan	369.57	374.47	323.49	
HRS Wheat	Dec	347.51	350.63	385.81	Soya Oil	Jan	1,696.96	1,650.22	1,296.80	
CWRS Wheat	Spot	431.15	441.63	457.04	Canola	Jan	883.20	911.00	1,025.30	
CPS Wheat	Spot	413.96	426.08	412.84	Crude Oil(WTI)	Dec	88.99	92.18	80.91	
Corn	Dec	259.04	268.10	227.25	Dollar Index	Dec	106.20	111.08	95.11	
Oats	Dec	250.94	253.37	475.94	S&P 500	cash	3,945	3,740	4,676	

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:** Most crop futures' prices were lower this week, with the exception of soya oil. But with the weakening of the US dollar, canola prices did not benefit as much as they might have done otherwise from relative strength in vegetable oil prices. Improving prospects for shipping in Black Sea appear to have been the main cause for lower wheat and corn prices rather than conventional supply and demand factors.

**NEWS:** The USDA reported the condition of the US winter wheat crop as of November 6 as 30 percent good/excellent, 15 points below last year, but 20 percentage points, or 62 percent, below the 5-year average of 52 percent. While crop condition increased by 2 percentage points over the preceding week, it still needs more favourable than usual weather to reach even average prospects. The crop is 92 percent planted compared to 90 percent last year and a 90 percent 5-year average. Emergence is placed at 73 percent compared to 73 percent last year and a 74 percent 5-year average.

Wednesday's November USDA 2020 production estimates raised corn by less than one percent from the October estimate and soybean estimate by about one percent. Both estimates were above the average, but within the range of pre report expectations. Corn production is now estimated at 353.8 million tonnes, down 8 percent from 2021, and soybean production at 118.3 million tonnes is down 3 percent from last year.

Revisions to the USDA's November US 2022-2023 wheat supply and use forecasts were limited to slightly higher milling use with ending stocks forecast about one percent lower than a month ago and about 15 percent below beginning stocks. For 2022-23 global wheat the USDA reduced its supply, consumption, trade, and ending stocks projections. The latter are now marginally below the October forecast and 3 percent below beginning stocks. An increase in production estimates for Australia, Kazakhstan, and the UK were largely offset by declines for Argentina and the EU. The USDA projects that China will hold about 46 percent of world stocks which compares with their 18 percent of global use.

For 2022/23 US corn the USDA raised its production, domestic feed and residual use, and ending stocks estimates from those of last month. Crop year ending stocks are now projected one percent higher than they were a month ago but 14 percent below beginning stocks. With only marginal adjustments in aggregate world coarse grain output and use,

projections for global ending stocks were slight. The ending stocks projection is less than one percent above the beginning stock estimate. The USDA projects that China will hold about 37 percent of world stocks which compares with their 22 percent of global use.

For U.S. soybeans 2022/23 outlook revisions included small increases in production, crush, and ending stocks. The ending stock projection was raised 10 percent from a very low level but is still 20 percent below beginning stocks. The global oilseeds output estimate was raised slightly, use raised by a smaller amount, with the ending stock projection up by less than two percent with ending stocks now projected seven percent above beginning stocks.

**OPINION:** From a farm gate perspective, headlines over the increase in the cost of bakery products in the spring was over done. Almost certainly the increase in the cost of energy from farm diesel to the kitchen toaster was a bigger factor in higher cost of loaf of bread than the wheat. Wheat prices topped out at a little over US\$14.00 per bushel compared to the previous peak of over \$25.00 in 2008.

More critical for farmers is the range into which prices settle rather than the peaks. An \$8 to \$10 range appears to be emerging compared to \$6 to \$9 before this year's peak and \$3 to \$5 before the 2008 peak.

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