



Crop Market Summary

Week ending Dec 02, 2022

Grain Prices, Can or US\$/tonne					Oilseeds & Other Prices, Can or US\$/tonne or index					2-Dec-22
Commodity	Month	This week	Last week	Year ago	Commodity	Month	This week	Last week	Year ago	
SRW Wheat	Mar	279.62	292.85	295.33	Soybeans	Jan	528.56	527.74	465.64	
HRW Wheat	Mar	319.95	335.11	302.86	Soya Meal	Jan	384.72	368.58	325.31	
HRS Wheat	Mar	338.50	348.88	375.06	Soya Oil	Jan	1,437.91	1,580.99	1,261.53	
CWRS Wheat	Spot	440.00	440.78	476.19	Canola	Jan	849.30	813.30	1,032.90	
CPS Wheat	Spot	417.13	424.10	432.97	Crude Oil(WTI)	Jan	80.17	76.55	66.04	
Corn	Mar	254.42	264.36	229.91	Dollar Index	Mar	104.34	105.56	96.03	
Oats	Mar	231.97	248.83	464.59	S&P 500	cash	4,067	4,026	4,507	

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: Wheat prices were pressured by Black Sea shipping continuing and, Argentina excepted, favourable Southern Hemisphere crop development. US Environmental Protection Agency (EPA) Proposed Volume Targets for various biofuels weighted on both feed grain and oilseed prices. For corn an additional concern is that the pace of exports is falling behind that necessary to meet the USDA current full crop year export forecast. While canola was also hit by the EPA announcement on Thursday, prices recovered fully on Friday with the smaller than expected production estimate.

NEWS: Stats Can November estimate of production, for the 17 field crops reported on, totalled 95.8 million tonnes, about 38 percent above 2021 output and one percent above a (2016-2020) five-year average. With the exception of durum, winter wheat, barley, oats and lentils, these survey based estimates were within 5 percent of the September's model based estimates.

Nov 2022 Canada Production Estimates

	000 tonnes	% of 2021	% of Sept est.
Spring Wheat	25,679	158	99
Durum	5,443	179	89
Winter wheat	2,701	90	107
Canola	18,174	132	95
Corn for Grain	14,539	104	98
Barley	9,987	144	106
Soybeans	6,543	104	101
Dry Field peas	3,423	152	95
Oats	5,226	186	112
Lentils	2,301	143	83
Flaxseed	473	137	102

Data source: Statistics Canada

The estimates were generally below pre-report expectations, particularly for canola. The revisions include adjustment for both yield and harvested area.

The USDA final fall rating of the US winter wheat crop indicated good/excellent percentage rating was up two percentage points at 34 percent, compared to last year's last fall

call of 44. Only once in the last 20 years has the final fall call on winter wheat conditions been lower. The next weekly USDA crop progress report, the first of the spring, will be released on Monday, April 3, 2022.

Some comment on, as opposed to explanation of, the US EPA's announcements on Thursday is probably appropriate as it seemed to move the market. The EPA's Proposed Volumes Targets for 2023, 2024 and 2025 for various biofuels will be subject to public debate before the very necessary political approval is granted. The cost of the soybeans going into a US gallon of diesel is about \$9.00 – one \$14.00 bushel of soybeans yields about 1.5 US gallons of diesel. Through the magic of politics, up to 100 million bushels of US soybeans are processed, retailed and consumed at a retail price of about \$5.00 per gallon.

OPINION: As adverse as the USDA assessment of their winter wheat crop is, past experience suggests this may not be indicative of harvest prospects. Interestingly, the 2013 crop receiving the worst fall ratings yielded better than the 2005 crop with the best final fall rating. Further, crops that yielded best (2016) and worst (2002) at harvest did not have vastly different fall assessments. Spring conditions are critical.

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