



Crop Market Summary

Week ending Dec 16, 2022

Grain Prices, Can or US\$/tonne					Oilseeds & Other Prices, Can or US\$/tonne or index					16-Dec-22
Commodity	Month	This week	Last week	Year ago	Commodity	Month	This week	Last week	Year ago	
SRW Wheat	Mar	276.87	266.12	284.77	Soybeans	Jan	543.81	545.19	472.25	
HRW Wheat	Mar	310.12	306.08	297.63	Soya Meal	Jan	420.01	427.81	344.26	
HRS Wheat	Mar	334.19	331.25	375.52	Soya Oil	Jan	1,396.90	1,323.04	1,187.89	
CWRS Wheat	Spot	438.30	431.09	474.35	Canola	Jan	863.30	872.40	1,014.30	
CPS Wheat	Spot	415.34	404.30	426.25	Crude Oil(WTI)	Jan	74.33	71.85	70.78	
Corn	Mar	257.07	253.53	233.65	Dollar Index	Mar	104.33	104.48	96.57	
Oats	Mar	221.11	216.57	455.35	S&P 500	cash	3,852	3,957	4,647	
					SRW Wheat	Dec	287.52	282.10	284.58	
					Corn	Dec	235.22	233.45	215.15	
					Canola	Nov	814.30	827.90	765.20	

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

COMMENT: US wheat prices were higher this week, for the first time in over a month, supported by lowered estimates for Russian and Argentine crops, continued dry weather in the southern US Great Plains, better than anticipated weekly US export sales and little sign of a resolution of hostilities in the Black Sea region.

US corn prices were higher with US weekly export sales data at the high end of pre-report expectations, a cut in the Ukrainian harvest estimate and dry soil delays in Argentinian seeding suggesting area could shift to soybeans. For oilseeds vegetable oil prices were lower but protein meal higher. Weekly export sales data was supportive but US domestic crush data was disappointing. Although down on the week, canola prices are well above levels of a month ago and at harvest.

NEWS: The Canadian Grain Commission weekly data during the five weeks leading up to the Christmas break indicate farmer deliveries of all crops averaged 1.4 million tonnes per week, almost 60 percent ahead of last year's drought supply reduced pace and only 2 percent below 2020-21, a year of record movements.

Bulk exports of all crops during this period averaged 1.3 million tonnes per week, almost 80 percent above last year and even 3 percent above the previous year. While it is recognized that overseas buyers may be restocking Canadian crops after last years drought, it is probably fortunate as competition from Australia, a competitor in Pacific canola and wheat markets, is expected to increase imminently and significantly. Whether the current pace of crop movement can be expected to continue is questionable. Commercial stocks of crops have declined somewhat when they typically tend to increase.

Ag Canada's December revisions to its **Canadian crop supply and use forecasts**, released Friday afternoon, included adjustments Statistics Canada's November estimates of 2022 production together with some revisionst for crop movements.

A 1.5 percent cut in total production estimate stemmed from a one precent increase in the estimated harvested area offset 2.3 percent cut in yield. This resulted in a 1.5 million tonne cut in the total supply. To balance this domestic use was cut by

almost a million tonnes with exports and ending stocks both cut by about 0.25 million tonnes. The supply situation is still relatively tight with the ending stocks and stocks to use ratios projection, last year apart, the lowest in over ten years.

The USDA reported net **US export sales** of wheat, corn and soybeans of 0.469, 0.959 and 2.943 million tonnes. All three were above pre report expectations. While wheat and soybeans sales and shipments appear on track to meet USDA export forecasts for the crop year, those for corn lag.

OPINION: The year of a drought is usually followed by something of a shadow in terms of market conditions. Any thing less than average moisture conditions is unlikely to replenish fully necessary soil moisture. And even if an average crop is harvested, total supplies will be below average as beginning stocks are likely to be at low levels due to previous year's drought.

The latter is evidently the case this year. Moisture was anything but evenly distributed across the Prairies but in total an acceptable crop was harvest. But total supplies last year aside are the lowest in over ten years b3ecause of minimal beginning stocks.

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