



# Crop Market Summary

Week ending Jan 20, 2023

Grain Prices, Can or US\$/tonne					Oilseeds & Other Prices, Can or US\$/tonne or index					20-Jan-23
Commodity	Month	This week	Last week	Year ago	Commodity	Month	This week	Last week	Year ago	
SRW Wheat	Mar	272.46	273.28	286.60	Soybeans	Mar	553.55	561.36	519.65	
HRW Wheat	Mar	311.59	310.03	291.47	Soya Meal	Mar	420.65	432.08	356.24	
HRS Wheat	Mar	335.33	333.45	343.92	Soya Oil	Mar	1,366.25	1,390.28	1,388.96	
CWRS Wheat	Spot	428.16	432.24	430.94	Canola	Mar	812.90	840.00	1,022.30	
CPS Wheat	Spot	400.09	402.59	407.53	Crude Oil(WTI)	Mar	81.65	80.14	85.03	
Corn	Mar	266.23	265.73	242.61	Dollar Index	Mar	101.76	101.95	95.63	
Oats	Mar	240.56	236.02	403.97	S&P 500	cash	3,952	3,991	4,433	
					SRW Wheat	Dec	284.77	286.70	286.51	
					Corn	Dec	234.53	235.62	222.53	
					Canola	Nov	796.90	819.00	827.40	

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

**COMMENT:** Crop markets were mixed this week. Generally good gains were made on Tuesday after the US Martin Luther King holiday, but values slipped thereafter. Oilseed markets generally ended up with loses with canola prices further suffering from the relative strength of the Canadian dollar.

Soybean and corn markets have for several weeks been influenced by prospects from South America, where favourable crop development conditions in Brazil have been offset by challenging conditions in Argentina. Weather forecasts have, of course, been part of this. Forecasts for an imminent, and, therefore, increasingly certain break in Argentinian weather conditions promising cooler and wetter conditions favourable for crop development are now being cited. Still uncertain is the damage already sustained - likely greater for corn than soybeans and therefore the impact on overall south American harvest potential.

**NEWS:** Ag Canada’s January Outlook for Field Crops which includes a first tentative look at 2023-24 prospects indicates a further recovery in crop supplies. Even though crop year ending stocks 18 months hence are forecast to increase, in the context of pre 2022 drought levels, they are not large.

For the current, 2022-23, crop year both export and domestic use were raised slightly from last month with the ending stocks forecast as a result lowered by 2.5 percent, now 21 percent above the drought reduced beginning stocks. To put this into perspective stocks will be at the lowest level since 2013, last years drought reduced level aside.

For the next, 2023-24, crop year Ag Can forecasts, using trend yields, some assumptions as to how farmers will adjust their seeding patterns and such, production of about 95 million tonnes. This is down about one million tonnes from this year but up about four percent from a five-year average which includes the drought year. On the demand side small increases in domestic use and exports have been penciled in to figure ending stocks of 12.3 million tonnes.

The **USDA reported export sales** of 0.47M, 1.13M and 0.99M tonnes of wheat, corn and soybeans, respectively, for the week ending January 12. For wheat and corn this was above the range of pre-report trade expectations. For soybeans it was towards the middle of the range of expectations. The period was the first of two full trading weeks after the western Christmas holiday break and before the Chinese Lunar new year holiday. Perhaps some of the business was catchup from the Christmas break or “desk clearing” before the Lunar New Year holiday.

**OPINION:** Grain continues to move through the Black Sea although some doubt may exist in the context of propaganda as to the accuracy of reports on remaining supplies within the Ukraine and Russia. The shipping agreement appears likely to survive as long as both countries have grain to export, but probably not long after.

David Walker, Edmonton, AB, CA

