



# Crop Market Summary

Week ending Oct 20, 2023

Grain Prices, Can or US\$/tonne					Oilseeds & Other Prices, Can or US\$/tonne or index					20-Oct-23
Commodity	Month	This week	Last week	Year ago	Commodity	Month	This week	Last week	Year ago	
SRW Wheat	Dec	215.32	213.02	315.91	Soybeans	Nov	478.50	470.42	508.45	
HRW Wheat	Dec	246.18	245.82	348.42	Soya Meal	Dec	384.54	353.79	372.93	
HRS Wheat	Dec	268.51	265.02	350.54	Soya Oil	Dec	1,177.09	1,198.92	1,439.67	
CWRS Wheat	Spot	350.44	343.50	439.56	Canola	Nov	694.40	720.80	860.50	
CPS Wheat	Spot	305.22	306.37	418.82	Crude Oil(WTI)	Dec	88.22	86.47	84.66	
Corn	Dec	187.19	194.18	271.54	Dollar Index	Dec	105.99	106.44	113.21	
Oats	Dec	248.02	248.51	257.91	S&P 500	cash	4,223	4,332	3,591	

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:** Wheat prices were stronger again this week with favourable US export sales and geopolitical considerations supportive. The International Grains Council raised its global wheat production estimate by just two million tonnes. A slightly stronger US dollar put a cap on Prairie price advances.

US corn traded above US\$5.00 per bushel on Thursday but losses on Friday eliminated the previous day's gains. It was not clear what caused the price movements on either day. Earlier in the week ethanol production was reported the highest in six weeks and ethanol stocks tightened. Soybean prices were higher with sharp increases in soya meal prices adding to bean values. The USDA have reported back-to-back weekly soya meal export sales of over 400,000 tonnes for the first time since last October. Soya oil prices were lower possibly as a result of the prospect of the crush needed to meet these meal export sales. Canola prices were lower as it seems they did not benefit from the stronger US meal market but suffered from lower soya oil values and a stronger Canadian dollar.

**NEWS:** With the grain handling system recharged with the 2023 crop, crop movement from country and processed elevators has averaged over 1.3 million tonnes a week over the last five weeks. This is about 30 percent above the level that was mandated in 2014 by "order-in-council". Movement out of Canadian Grain Commission licensed facilities for export and domestic consumption was prior to harvest running above last year's – 2021 drought reduced supply, pace, but also above the pace during the pre-drought supply level the previous year.

Movement will likely continue to outpace that of the 2021-22 crop year. But it may only match that of last year as supplies will ultimately most certainly be limiting.

**OPINION:** Geopolitical considerations have arisen from a different quarter over the last two week. Higher grain prices have been cited as resulting from this. As the Arab world, unlike the Black Sea region, is already a major importer of grain and an insignificant producer, it seems that a very substantial widening and escalation of hostilities would be required to have much impact on the international grain market.

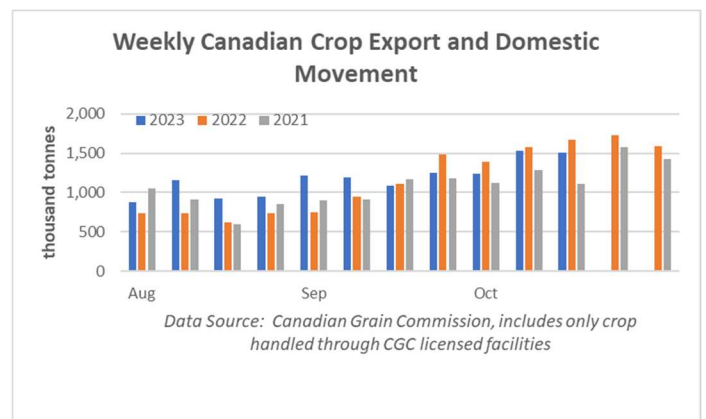
The Black Sea belligerents could, of course, use the cover of the attention being given to the Middle East to up their ante.

More probably a tightening of the world wheat situation is the cause of the more positive tone to the market, together with the ending of Northern Hemisphere seasonal harvest marketing pressures and increasing concerns of Southern Hemisphere wheat crop development.

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