



Crop Market Summary

Week ending Dec 15, 2023

Grain Prices, Can or US\$/tonne					Oilseeds & Other Prices, Can or US\$/tonne or index					15-Dec-23
Commodity	Month	This week	Last week	Year ago	Commodity	Month	This week	Last week	Year ago	
SRW Wheat	Mar	231.21	232.13	276.87	Soybeans	Jan	483.46	479.14	543.81	
HRW Wheat	Mar	236.21	236.26	310.12	Soya Meal	Jan	368.08	367.12	420.01	
HRS Wheat	Mar	268.41	268.05	334.19	Soya Oil	Jan	1,102.13	1,106.76	1,396.90	
CWRS Wheat	Spot	334.94	345.34	438.30	Canola	Jan	645.20	661.00	863.30	
CPS Wheat	Spot	287.60	298.21	415.34	Crude Oil(WTI)	Jan	71.52	71.23	74.33	
Corn	Mar	190.15	191.13	257.07	Dollar Index	Mar	102.24	103.61	104.33	
Oats	Mar	243.48	230.45	221.11	S&P 500	cash	4,713	4,603	3,852	

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 very volatile this week after last week’s gains, seemingly prompted by a surge in Chinese soft red winter wheat purchases. Although there no further sales were announced this week, wheat prices held onto most of last week’s gains. The South American weather saga is beginning to favour less crop prospect damage this week with fairly immediate rain forecast for dry regions of Brazil. US weekly export sales of corn were larger than anticipated but those for soybeans toward the lower end of the range of expectations. Corn prices were slightly lower over the week and soybeans prices slightly higher. Canola prices were lower with the relative strength of the Canadian dollar with heavier than usual futures trading all week. Prairie wheat prices show one year lows as prices are surveyed on Thursday before the increase in prices on Friday.

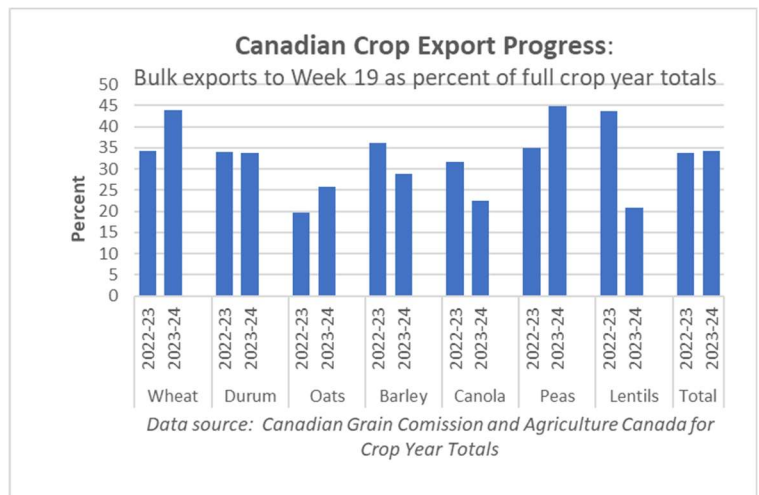
NEWS: The **Canadian Grain Commission** weekly data to week 19, December 10, of this crop year indicate that the pace of exports relative to last year are marching those needed to meet Agriculture Canada forecast for this crop year. For wheat, oats and peas the pace exceeds that needed. For barley, canola and lentils, it lags. It is likely, however, that for almost all crops the pace of exports will be limited as the year progresses. The limitation of supplies in most cases are reflected in Agriculture Canada’s export projections. These may be revised marginally next week to reflect the somewhat larger supply situation resulting from the upward revision of Statistics Canada’s production estimates.

US Treasury Department issues guidelines around a new **tax credit for sustainable aviation fuel** today. This appears to be supported by the renewable industry but opposed by environmental interests. Their provision is part of the US Inflation Reduction Act. The market did not

react to the announcement so the tax credits may not be inflationary at least initially. The biofuel sector currently uses about 30 percent of US corn supplies and about 25 percent of soybean supplies.

OPINION: The implications of the reduced limits on shipping through the Panama Canal caused by drought induced low water levels in the lake feeding the locks need to be watched. The Panama Canal provides arbitrage between Atlantic and Pacific grain and oilseed markets. More expensive options are the Suez Canal and Cape Horn. On the positive side Prairie crops with the exception of durum tend to benefit mainly from dependence on Pacific markets. Against this premium crop prices at US Pacific North West over Gulf of Mexico positions may result in competition for rail equipment that tends to operate on a North American basis. And, therefore, this may have implications for Canadian rail service.

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