



# Crop Market Summary

Week ending Jan 12, 2024

Grain Prices, Can or US\$/tonne					Oilseeds & Other Prices, Can or US\$/tonne or index				
Commodity	Month	This week	Last week	Year ago	Commodity	Month	This week	Last week	Year ago
SRW Wheat	Mar	219.09	226.43	273.28	Soybeans	Mar	449.84	461.87	561.36
HRW Wheat	Mar	226.16	236.26	310.03	Soya Meal	Mar	328.48	335.19	432.08
HRS Wheat	Mar	257.02	261.89	333.45	Soya Oil	Mar	1,063.77	1,048.78	1,390.28
CWRS Wheat	Spot	331.29	n/a	432.24	Canola	Mar	627.00	618.90	840.00
CPS Wheat	Spot	289.87	n/a	402.59	Crude Oil(WTI)	Mar	72.77	73.79	80.14
Corn	Mar	175.97	181.88	265.73	Dollar Index	Mar	102.13	102.06	101.95
Oats	Mar	239.10	234.89	236.02	S&P 500	cash	4,779	4,688	3,991
For price specs. go to: <a href="http://www.open-i.ca/PriceSpec.htm">www.open-i.ca/PriceSpec.htm</a>					SRW wheat	Dec	236.82	241.96	286.70
Data in red are 12-month highs, blue 12-month lows, green revised					Corn	Dec	189.66	194.48	265.73
					Canola	Nov	638.30	632.70	819.00

**COMMENT:** Friday’s three USDA survey reports and their monthly outlook update pressured almost all US crop markets. The week’s wheat, corn and soybean price losses were restricted to after report releases on Friday. Expectations for US export sales of the major crops for the week ending January 4, the second holiday limiting week of the Christmas break, were not great but were still disappointing for soybeans and wheat. Canola prices were higher on Friday against the soya complex trend with no very convincing explanation.

**NEWS:** Three USDA crop related survey reports were published on Friday. The **final 2023 production estimates** for corn and soybeans were a record 389.7M and 113.3M tonnes, respectively, up 12 and down 2 percent from 2022, and up almost 1 percent for both from the last 2023 estimates. Corn yields are 2 percent higher than the 2022 level and harvested area is 10 percent higher. Soybean yields were up one percent from 2022 with harvested area down 4 percent.

Both corn and soybean yield estimates are above average pre-report expectations.

**Dec. 1 US stocks** of corn, soybeans and all wheat were placed at 309.1M, 82.2M and 34.8M tonnes, respectively, up 13, down 1 and up 8 percent from a year earlier. All three estimates were above pre-report expectations.

Last fall’s **US winter wheat area** was surveyed at 13.9M hectares, down 4 percent from 2023. The pre-report expectation was for the winter wheat area to be down 2.5.

The market implications of these three reports and other market factors were summarized in USDA’s January revision of its monthly Supply and Use forecasts.

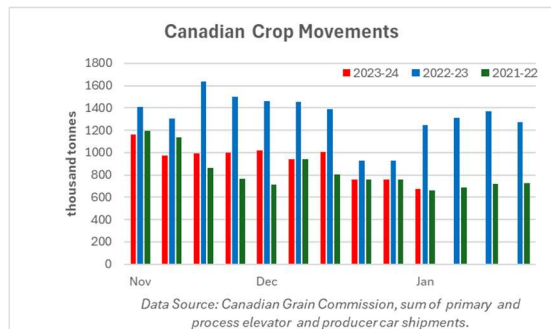
Revisions to the **US wheat** estimates included a reduction in beginning stocks which, with only very small adjustments in use projections, suggested a two percent cut in the ending stock estimate. This now stands 14 percent above beginning stocks. The USDA raised its **global wheat** supplies, use and ending stocks. With a one percent cut in ending stocks, they are now forecast 4 percent below beginning stocks. Both Russian and

Ukrainian output was raised slightly. Although lowered by 4 percent, Chinese stocks are still 50 percent of world totals. Adjustments to **US corn** data included the increase in output, small cuts in most domestic uses, but no revisions in exports with ending stocks raised up by a little more than one percent to a level 59 percent above beginning stocks and the highest level since 2017. An increase in the USDA **global coarse grain** output estimate was partially offset by an increase in use but ending stocks were raised by 3 percent and now stands 6 percent above beginning stocks.

For **US soybeans**, with the upward revision in the production estimate, which was partly offset by a cut in beginning stocks, ending stocks were raised 14 percent, 6 percent above beginning stocks. For **global oilseed**, an increase in Argentinian soybean output somewhat offset a cut in the Brazilian forecast. After other minor adjustments world oilseed output was cut slightly but ending stocks are projected 6 percent above beginning stocks.

**OPINION:** Crop movement naturally depends on available crop to move. Last year supplies were relatively good. The year before following the drought supplies were limited and movement did not pick up after the Christmas break. With limited supplies this year, the same is likely this year. Further some rather brutal Prairie weather is likely to limit movement.

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