

Crop and Related Prices, Can or US\$/tonne, US\$/l ethanol					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	Dec	270.44	277.51	210.73	Soybeans	Nov	457.10	458.01	375.62
HRW Wheat	Dec	271.45	279.07	187.21	Soya Meal	Dec	289.29	294.82	319.59
HRS Wheat	Dec	347.23	341.99	195.66	Soya Oil	Dec	1,360.08	1,292.17	698.45
CWRS Wheat	Spot	n/a	402.91	239.31	Canola	Nov	928.00	905.40	516.60
CPS Wheat	Spot	n/a	365.13	225.64	Crude Oil(WTI)	Dec	78.70	75.57	39.32
Corn	Dec	209.04	213.18	149.80	Dollar Index	Dec	94.09	94.03	93.90
Ethanol	Dec n	58.30	58.30	36.06	S&P 500	cash	4,400	4,356	3,362
Oats	Dec	420.18	383.22	184.80					

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 are 12-month lows, green revised

**COMMENT:** The salient issue this week was Malaysian palm oil prices which were stronger all week as new crop supplies were restricted by the availability of harvesting labour. This supported canola values and to a lesser extent soybeans. The post harvest supply implications of the drought on the Prairies and northern US Great Plains states were supportive of hard red spring wheat, oats and canola. Corn and soybean prices continued lower with seasonal harvest cited as pressuring values.

Canola prices advanced for a fourth week supported by higher vegetable oil values and probably post harvest easing of farmer marketing.

**NEWS: Prairie provincial crop reports** indicate that with generally fine weather harvest is about wrapped up, but poor soil moisture levels are again emerging as a concern.

**Canadian Grain Commission data** indicates that post harvest farmers' deliveries are dropping off earlier than usual partly perhaps due to the early harvest but also because of reduced new crop supplies. Exports are certainly running below last year's rate.

Cumulative crop year farmer deliveries for all crops to October 3 are running 20 percent below a year ago with only barley above last year's pace. Primary, producer and processor shipments of all crops and products are running 20 percent below last year's pace. Cumulative exports are 35 percent below a year ago with only durum ahead of last year.

The **USDA crop progress report**, as of Oct 3 placed US corn at 88 percent mature compared to a five-year average of 77 percent. The soybean harvest was 34 percent complete compared to 5-year averages of 16. Excellent and good crop condition ratings were unchanged.

The winter wheat crop was reported to be 47 percent planted compared to the 5-year average of 46. It is probably a couple of weeks before the USDA starts reporting winter wheat crop condition but widespread and much needed rain has been reported for the southern Great Plains suggesting improved prospects.

The USDA reported **US export sales** for the week ending September 30 of 0.33, 1.26 and 1.04 million tonnes of wheat, corn and soybeans, respectively. Cumulative crop year exports of the three crops are 122, 147 and 328 percent of last year's level after one month for corn and soybeans. Outstanding export sales – sales made but yet to be shipped, are 138, 92 and 149 percent of a year ago.

The USDA currently forecasts US current crop year exports of wheat, corn and soybeans of 88, 90 and 97 percent of a year ago. One might expect current year export forecasts to be raised in the October update next week. But the US government is about to discuss their trade relations with the Chinese which is likely include performance under the continuing Phase One commitments.

**OPINION:** It seems that whenever crop price increase to catch up with the continuing impact of inflation, there is some supplier at the ready to take advantage of the situation. The responsible party this time around is the fertilizer industry, with urea prices on a charge internationally. The justification for this is the rise in the cost of the natural gas used. Some plants have even closed down.

The good news on the Prairies is that urea is produced locally with local supplies of natural gas, the price of which does not seem very closely related to international developments. So there lies a cost advantage.

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