

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	421.43	414.75	239.31	Canola	Nov	928.00	905.40	516.60
CPS Wheat	Spot	380.29	370.09	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

Data in red are 12-month highs, blue are 12-month lows, green revised

COMMENT: Tuesday's USDA reports were supportive of wheat prices but pressured feed grain and oilseed prices. Better than expected US export wheat sales, lower than expected global wheat stocks and rain delays for US winter wheat planting were all positives for wheat markets. Higher than expected estimates of US corn yields and ending stocks in Tuesday's reports but reports of daily export sales and harvest rain delays were supportive. Larger than expected increases in US soybean yields and ending stocks for the current crop year in Tuesday's reports pressured prices but solid export demand was supportive later in the week.

NEWS: US corn crop was reported by the USDA to be 94 percent mature as of October 10 compared to 88 percent a year earlier and a 86 percent five-year average. The US Soybean crop was reported 49 percent harvested, compared to 58 percent last year and a five-year average of 40 percent. The US winter wheat crop was reported 60 percent planted compared to 66 percent last year and a 60 percent five-year average. It was reported 31 percent emerged compared to 39 percent last year and a 35 percent five-year average.

The USDA October 2021 production estimates for corn and soybean were 381.5 and 121.1 mmt, up slightly and two percent from the September estimates and up 6 and 6 percent, respectively, from last year. The yield estimates on which these estimates were made were close to but above pre report expectations.

Revisions in the USDA's October US wheat supply and demand projections included reduced supplies only partially offset by lower use and lower ending stocks which are 6 percent below the September's projection and 31 percent beginning stocks. Globally, expectations were similar with reduced wheat supplies, only partially offset by lower use and reduced ending stocks now projected 2 percent below the September forecast and 4 percent below beginning stocks.

With slightly a higher yield estimate 2021 US corn are estimated to be higher, but feed used expected lower ending stocks are projects 7 percent higher than the September estimate and 21 percent higher beginning stocks. The global

coarse grains production forecast was lowered slightly as was use with ending stocks just one percent higher than the previous forecast but 2.5 percent higher than beginning stocks.

For US soybean, with upward revisions in beginning stocks and both 2020 and 2021 harvests only partly offset by larger domestic crush, ending stocks are forecast 73 percent higher than last month's tight supply projection and 25 percent above beginning stocks. For global oilseeds supply estimate was raised slightly use lowered slightly and ending stocks raised 5 percent and 3 percent above beginning stocks. This will be the third year ending stocks of oilseed have increased.

OPINION: Some evidence is emerging of a shift in global grain and oilseed prospects. For wheat not only has there been a useful rise in prices but the fundament of the stock to use ratio has improved. And this is not just limited to the hard spring wheat sector of the markets which has beenfitted by drought reduced harvests. While the oilseed supply situation has eased some what this seems to have been at the expense of a tightening global feed grain supplies.

Two cautions are probably necessary. One relates to how the global economy develops once covid is behind us. The other is the reliability of estimates particularly of Chinese grain stocks.



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