Grain and Oilseed Markets

For the week ending Friday, 22-May-'15

Grain and Related Prices					Oilseeds & Other Prices				22-May-15
Commodity	Month	This week	Last week	Year ago	Commodity	Month	This week	Last week	Year ago
SRW Wheat	Jul	189.32	187.76	239.75	Soybeans	Jul	339.61	350.26	556.86
HRW Wheat	Jul	200.81	199.06	273.74	Soya Meal	Jul	275.96	275.14	456.07
HRS Wheat	Jul	208.98	206.59	266.58	Soya Oil	Jul	697.57	729.09	888.49
CWRS Wheat	Spot	218.66	202.57	206.17	Canola	Jul	463.20	455.30	487.50
CPS Wheat	Spot	190.93	175.68	162.04	Crude Oil(WTI)	Jun	59.71	59.71	104.250
Corn	Jul	141.72	143.89	188.18	Dollar Index	Jun	96.27	93.27	80.42
Ethanol	Jul	41.08	44.28	58.86	DJIA Mini-sized	Jun	18,240	18,210	16,565
Oats	Jul	157.24	161.13	224.03	*New crop Canola*	*Nov*	*454.90*	*449.20*	*485.80*
Data points in red are 12-month highs, in blue are 12-month lows					*New crop SRW wheat*	*Dec*	*197.32*	*195.48*	*250.69*
For price specs. go to: www.open-i.ca/PriceSpec.htm					*New crop corn*	*Dec*	*148.71*	*150.68*	*187.10*

COMMENT: Wheat prices more than held last week's gains with concerns about overly wet condition in the US southern Great Plains supportive. Pressure on corn prices from favourable early season growing conditions was partially offset by positive export sales news. Canola prices, with a weak Canadian dollar, increasing expectation of a tight Canadian supply situation and emerging concerns about Prairie soil moisture, rose even though soybean prices slid for a second week.

NEWS: The Ag Canada published revised Canadian supply and disposition forecasts yesterday to reflect Stats Can's seeding intentions and March 31 stocks reports, revisions to earlier reports, and other market developments.

Ending stocks for total **principal field crops** for the current crop year were raised 2 percent from last month's forecast due to an increase in beginning stocks and output only partially offset by an increase in domestic consumption.

Ending stocks for total crops for the 2015-16 crop year were raised by less than one percent with revisions in output and exports offsetting the increase in carry over.

The current year **canola** feed, waste and dockage projection was raised rather abruptly to 4 percent of use, the highest such level since 2005-06, a year when harvest was late and quality was a challenge. Some other reason must be evident this year. Further for the 2015-16 crop year with reduced seeding intentions an ending stock figure of 500,000 tonnes is forecast, equivalent to less than a month of domestic use to cover demand for the period between July 31 and harvest. A very tight Canadian canola supply situation is indicated even if the opposite is apparent for global oilseeds.

For **barley** March 31 stocks suggested less feed use and in turned increase ending stocks for both this and next year which were previously projected at very low levels. Other adjustments appear of less significance.

Prairie provincial crop reports indicate

For MB, as of May 19: Seeding 72% complete with very variable moisture conditions and slow crop emergence due to cool air and soil temperatures.

For SK, as of May 18: With mostly dry weather this past week, 64% of the crop is now seeded compared to a 5-year average of 24%. Cropland topsoil moisture is 10% surplus, 68% adequate, 20% short and two% very short. Cool dry weather has delayed germination and crop development in many areas.

For AB, as of May 19: With mainly dry and windy conditions seeding is 77% done compared to a 5-year average of 59%. Surface soil moisture is rated 55% good to excellent, down 3% from last week.

OPINION: While there is spring work to do, crop marketing takes a back seat. Rather than fight this, the grain companies appear to stock up early in the spring anticipating a run down in stocks. Primary elevators stocks have been above average this year and last but with the seasonal decline until June. Car spotting data suggests that this may be limiting sales. CN has for several weeks been able to fill all car orders and actual demand for cars appears to be running at about 80 percent of potential supply.

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