Crop and Related Prices					Oilseeds & Other Prices				9-Nov-18
Commodity	**Month**	**This week**	**Last week**	**Year ago**	**Commodity**	**Month**	**This week**	**Last week**	**Year ago**
SRW Wheat	Dec	184.45	186.94	158.55	Soybeans	Jan	325.83	326.19	362.66
HRW Wheat	Dec	179.13	185.28	159.19	Soya Meal	Jan	278.86	283.67	287.20
HRS Wheat	Dec	210.63	213.30	237.92	Soya Oil	Jan	612.91	626.58	770.76
CWRS Wheat	Spot	259.35	256.43	261.51	Canola	Jan	482.40	485.30	515.10
CPS Wheat	Spot	216.94	217.92	184.83	Crude Oil(WTI)	Dec	60.19	63.21	56.77
Corn	Dec	145.56	146.15	135.23	Dollar Index	Dec	96.73	96.32	94.31
Ethanol	Dec	33.36	33.52	38.46	DJIA Mini-sized	Dec	25,973	25,191	23,385
Oats	Dec	184.80	184.31	176.37					
For price specs. go to: www.open-i.ca/PriceSpec.htm					Data in red are 12-month highs, in blue are 12-month lows				

COMMENT: Most crop commodity prices were lower with what were generally construed as a negative USDA World Agricultural Supply and Demand forecasts and November corn and soybean production estimates.

NEWS: The USDA lowered its November production estimate for corn by one percent and soybeans by two percent from their October estimates. The corn yield estimate was toward the bottom of the range of trade pre-report expectations while that for the soybean estimate was below the range of expectations. Corn production is now estimated at 371.5 million tonnes, up less than one percent from the 2017, and soybean production at 125.2 mmt is up 4 percent from last year.

Revision to USDA's November **US 2018-2019 wheat** supply and use forecasts included unchanged supply and only small changes in use and ending stocks.
The outlook for **US corn** is for lower production, feed use, exports and ending stocks, the forecast for which was reduced by four percent.
The USDA forecasts **US soybean** production was raised, exports lowered and ending stocks raised to 26.0 mmt, up 8 from the October forecast, 118 percent from last year and 216 percent from 2017. It should be noted that these forecasts are based on assumption of an indefinite continuation of the 25 percent Chinese import tariff on US soybeans, a reality that is probably discounted by the market.

Revisions by the Chinese National Board of Statistics to Chinese production for a range of crops and particularly for corn dominate the revisions of the USDA's global forecasts. These revisions are not unprecedented but are major and are back dated for several years. They make the impact of revision next to impossible to assess.
Adjustments to **global wheat** supplies included several years of cumulated Chinese ending stocks resulting from upward revisions in output not offset by increased use. Ending stock projections were raised by over 6 mmt but are still below the upwardly revised 2018 ending stocks.
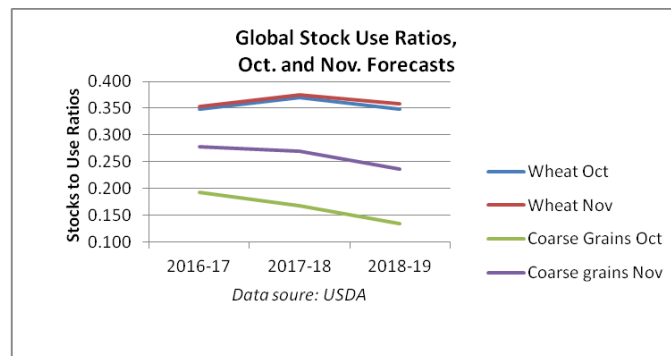
A massive increase in **global coarse grain** supplies has been made in the context of the Chinese revisions is partially offset by a large increase in use, but ending stocks are again much higher although still below last year's upwardly revised ending stock estimate.

The USDA assessed planting of the US winter wheat crop 84 percent complete as of Nov4 compared to 98 last year and a 90 percent 5-year average. The good-excellent rating of the crop has dropped two percentage points to 51 percent compared to last year 55 percent and a 5-year average of 58.

OPINION: In assessing the implication of the upward revision of Chinese output of a range of crops, it is necessary to offset to some degree the likely increase in Chinese use of grains. This is complicated the absence of Chinese use data and government stocks of crops being a state secret. As always stocks use rate data should be the most reliable indicator but only as reliable as the data.
For wheat the revisions do not appear significant. But for coarse grains stock use ratios have been raised materially but the direction is unchanged. An added caution is that the extra stocks are held by the Chinese government whose motivations are uncertain

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Global Stock Use Ratios, Oct. and Nov. Forecasts

Data soure: USDA