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Crop Market Summary

Week ending Nov 12, 2021

Crop and Related Prices, Can or US$/tonne, US$/l ethanol

Commodity	Month	This week	Last week	Year ago
SRW Wheat	Dec	300.20	281.46	218.08
HRW Wheat	Dec	306.08	286.14	202.83
HRS Wheat	Dec	385.81	372.40	203.84
CWRS Wheat	Spot	457.04	446.14	247.11
CPS Wheat	Spot	412.84	401.49	227.94
Corn	Dec	227.25	217.71	161.61
Ethanol	**Dec n**	58.30	58.30	39.10
Oats	Dec	475.94	481.61	191.61

For price specs. go to: www.open-i.ca/PriceSpec.htm

Oilseeds & Other Prices, Can or US$/tonne or index 12-Nov-21

Commodity	Month	This week	Last week	Year ago
Soybeans	Jan	457.10	442.77	421.82
Soya Meal	Jan	323.49	299.00	351.61
Soya Oil	Jan	1,296.80	1,293.50	814.86
Canola	Jan	1,025.30	973.90	560.50
Crude Oil(WTI)	Dec	80.91	81.50	40.22
Dollar Index	Dec	95.11	94.29	92.74
S&P 500	cash	4,676	4,699	3,537

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

COMMENT: With Tuesday's USDA soybean production estimate being revised down as opposed to up as had been expected, the USDA's report was supportive of prices. Against this reports of a favourable start to early South American soybean crop development have been weighing on prices. Canola prices were supported by the continuing strength of the US dollar. For corn the USDA reports were generally in line with expectations but prices appeared to have been lead by soybeans.
Wheat markets had a good week with the tightening world supply situation being cited as being supportive. The USDA lowering its global wheat ending stocks projection more than anticipated before Tuesday's reports. And US winter wheat crop ratings are below average although on a par with the crop a year ago and likely not very indicative of the 2022 harvest. Wet weather is reported as delaying harvest in Argentina and Australia in a year when wheat quality is at a premium.

NEWS: The USDA reported the condition of the **US winter wheat** crop as of November 7 as 45 percent good/excellent, undhanged from the previous week, on par with last year but 8 percentage points below the 5-year average of 53 percent. The crop is 91 percent planted compared to 92 percent last year and a 91 percent 5-year average. Emergence is placed at 67 percent compared to 77 percent last year and a 78 percent 5-year average.
November USDA 2020 production estimates raised corn by one percent from the October estimate and lowered the soybean estimate by less than one percent. The corn report was slightly above the average pre-report expectations and the soybean estimate below the range of such. Corn production is now estimated at 382.6 million tonnes, up 7 percent from 2020, and soybean production at 120.4 is up 5 percent from last year.
Revisions to the USDA's November **US 2020-2021 wheat** supply and use forecasts were limited to slightly lower imports, marginally higher domestic use, lower exports and marginally higher ending stock, now forecast 33 percent below beginning stocks. For **2021-22 global wheat** the USDA reduced its supply estimate slightly and with use about unchanged ending stocks were lowered slightly. The latter are now forecast to be 4 percent below beginning stocks.

For **2021/22 US corn** the USDA raised the production estimate, increased corn used for ethanol, and marginally lowered ending stocks which are now expected to be 21 percent above the tight beginning stock level. For oats the USDA left its outlook unchanged with imports down 19 percent from last year and ending stocks down 34 percent.
For **world coarse grain** output production was increased, use raised by a lesser amount, and ending stocks raised by under one percent to a level close to 3 percent above beginning stocks.
For **U.S. soybeans** 2021/22 outlook revisions included lower production and exports, and a 6 percent increase in the ending stock projection which is now 33 percent above the very tight beginning stock estimate.
The **global oilseeds** the output estimate was reduced very slightly and use raised slightly and ending stocks, now one percent above beginning stocks, lowered slightly.

OPINION: Welcome as the sixty percent increase in general wheat prices over past 12 months is, they do not seem justified in an overall wheat situation. In a historic context the global wheat supply situation does not seem overly tight. Against this supply of quality hard red spring wheat is. The question then becomes as to how much substitution is possible. It is also evident that while corn and soybeans prices were hitting all time high in the spring, increases in hard red spring wheats appear relatively modest.

David Walker,
Edmonton, AB, CA