Crop Market Summary

Week ending Jan 07, 2022

Crop and Related Prices, Can or US$/tonne

Commodity	Month	This week	Last week	Year ago
SRW Wheat	Mar	278.70	283.20	234.70
HRW Wheat	Mar	284.77	294.50	218.53
HRS Wheat	Mar	339.42	360.83	223.50
CWRS Wheat	Spot	442.16	n/a	270.44
CPS Wheat	Spot	410.92	n/a	249.24
Corn	Mar	238.87	233.65	195.36
Oats	Mar	433.31	442.87	231.97

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

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

Oilseeds & Other Prices, Can or US$/tonne or index 7-Jan-22

Commodity	Month	This week	Last week	Year ago
Soybeans	Mar	518.18	488.24	505.14
Soya Meal	Mar	385.54	373.47	398.78
Soya Oil	Mar	1,295.92	1,241.25	961.03
Canola	Mar	1,043.20	1,012.80	665.20
Crude Oil(WTI)	Mar	78.55	75.02	52.29
Dollar Index	Mar	95.75	95.62	90.14
S&P 500	cash	4,685	4,781	3,803
Canola	*Nov*	*796.00*	*771.70*	*545.20*
SRW Wheat	*Dec*	*280.72*	*282.93*	*235.80*
Corn	*Dec*	*219.58*	*214.95*	*173.42*

COMMENT: Concern over soil moisture conditions and corn and soybean crop development in southern Brazil and Argentina was supportive of feed grain and oilseed markets. Conditions are forecast to continue hot and dry for awhile, but moisture is in the more distant forecasts. While US winter wheat conditions are of concern, it appears to be too early to be an immediate influence.

New crop canola prices are still at a 20 percent discount to current prices but are closing the gap.

NEWS: The **Canadian Grain Commission's** Grain Statistics Weekly reports on a two-week period over the Christmas Holidays, because no doubt the data is not too meaningful over this period. What is achieved during the two weeks, from Producer Car Shipments to Exports, is not very moree from what is done in a single week at other times of the year. The exception is Domestic Disappearance which seems to continue unabated.

What the Christmas break does not hide is the slow down in cumulative crop movement relative to the record pace of a year ago. For all crops, Producer Deliveries are running 17 percent below a year ago. For specific crops the range is from 50 percent lower for peas to 3 percent higher for barley with most crop in 20 to 30 percent range lower.

Crop and product movement from Primary and Process Elevators and Producer Car Shipments are running about 30 percent below a year ago. Total Primary Elevator Stocks are very close to year ago levels, with wheat slightly larger and most other crops somewhat lower. This suggests that off-farm supplies are not limiting sales.

Total bulk exports are running 37 percent below year ago levels. Corn exports mainly from Eastern Canada are running 12 percent above a year ago, barley only 18 percent below, but peas over 50 percent lower.

The same caution on reading too much into **USDA Foreign Agricultural Service** data on exports and export sales over the holiday period holds. But cumulative crop year data suggests thing have been slower for the three major crops this crop year than last.

Outstanding export sales – sales made but yet to be shipped are running at 75, 92 and 71 percent of a year ago for wheat, corn and soybeans, respectively. Cumulative export shipments are 77, 96 and 79 percent of a year ago. The sum of exports and export sales are 76, 93 and 76 percent of a year ago and USDA's December projections for full crop year export sales at 85, 91 and 91 percent. Crude measurement suggest the USDA December expectation are being met for corn but not for wheat and soybeans. Or alternatively the USDA has room to reduce its January wheat and soybeans export projections.

Kansas, the largest winter wheat producing state and the only one to quantify dormant winter wheat crop conditions rated their crop 33 percent good or excellent, compared to 46 percent last year and a 44 percent 5-year average. This is likely fairly typical of winter wheat conditions in the southern US Great Plains.

On Wednesday January 12 we get USDA estimates of their Dec 31 Grain Stocks, final 2021 crop production, winter wheat area, and January Supply and Demand projections. Ag Canada will be publishing the first of the 2022-23 forecasts on January 21.

OPINION: In almost any other year the statistically slow movement of Canadian crop would be a matter for concern but with supplies at low levels it is inevitable. Back of an envelop estimates suggests there is about 16 million tonnes of crops still to move versus 31 moved last year over the balance of the crop year.

David Walker
Edmonton, AB, CA