Crop Market Summary

Week ending Nov 24, 2023

Grain Prices, Can or US$/tonne

Commodity	Month	This week	Last week	Year ago
SRW Wheat	Dec	201.63	202.37	284.95
HRW Wheat	Dec	221.20	236.26	338.78
HRS Wheat	Dec	256.01	262.90	351.73
CWRS Wheat	Spot	344.48	350.90	440.78
CPS Wheat	Spot	287.65	293.58	424.10
Corn	Dec	182.37	183.85	262.98
Oats	Dec	241.86	223.70	248.83

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

Oilseeds & Other Prices,Can or US$/tonne or index 24-Nov-23

Commodity	Month	This week	Last week	Year ago
Soybeans	Jan	488.97	492.46	527.74
Soya Meal	Jan	393.80	395.97	368.58
Soya Oil	Jan	1,108.74	1,129.03	1,580.99
Canola	Jan	695.30	697.20	813.30
Crude Oil(WTI)	Jan	75.18	75.86	76.55
Dollar Index	Dec	103.34	103.80	105.96
S&P 500	cash	4,559	4,515	4,026

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

COMMENT: Most crop markets were lower over the US Thanksgiving holiday interrupted trading week. Wheat markets were lower with US hard and soft red winter wheat markets making new 12-month lows. Weekly wheat export data was at the lower end of pre-report expectations with little geopolitically, or of southern hemisphere crops, to support prices.
Corn and soybean markets continue to be driven by South American weather forecasts with promises of better weather for crop development seeming to keep crop prospects on hold. The report of US weekly corn export sales was at the higher end of the range of expectation, while that for soybeans was disappointing.

NEWS: With no new major reports since its October update, Ag Canada's November Outlook for Principal Field Crops were virtually unchanged, revisions of several crop prices apart. Aggregate 2023-24 ending stocks were unchanged. They are 17 percent below beginning stocks, 26 percent below a five-year average and the lowest in at least 30 years. Of the 10 crops comprising the aggregate, only for corn grown mainly in Eastern Canada and, therefore, not impacted by poor growing conditions, are supplies seen as improving.
The barley situation is quite volatile. In the past exports have generally reflected production and supply with reduced exports generally mirrored by lower carry over stocks. In recent years barley carryover stocks have been bid down to levels not seen before with barley exported being replaced by US corn imports in Prairie feed rations in a way not seen before. This almost certainly reflects the reality that barley is worth more on international markets than corn, probably because of its use for malting.
As for many crops Chinese demand is central to developments. And Canada has undoubtedly benefitted in recent years from punitive import tariffs placed on Chinese imports of Australian barely. These have recently been eliminated which might not auger well for Canadian barley exports. But dry conditions have reduced pre-harvest prospects for Australian production and hence their exportable supplies. Thus, limiting their opportunities in the reopened Chinese market.
With the prospect for relatively short Canadian and Australian barley crops, the outlook for barley exports looks positive.

Producer deliveries and exports of Canadian barley are both running ahead of a year ago levels. Exports for the year as a whole are likely to match the level if not exceed the last year's and the supply situation to remain tight.

Next month's Ag Can forecasts will include Stats Can's November estimates of production to be published on December 4. These estimates will be the first survey-based estimates following two model-based estimates, one pre harvest and one during harvest.

OPINION: After two decades of rapid growth canola production has stabilized somewhat, with about 20 million acres typically being seeded annually over the last ten years. This has resulted in fairly stable supply, the impact of growing conditions apart. Parallel with this growth in production has been an increase in the capacity of the canola crushing industry, with an increasing proportion of output being exported as canola oil and meal. This has also resulted in a degree of stability as the domestic industry has been taking about 10 million tonnes of seed annual with export markets absorbing supplies above this level.

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