



Wednesday 9 March 2011

Commodity	Period	Price	Weekly Movement		
Corn CBOT	May.	7.00 ½	↓	21	cents
Soybeans CBOT	May.	13.55 ¾	↓	38 ½	cents
Wheat CBOT	May.	7.58 ¾	↓	52 ½	cents
Wheat Minn.	May.	9.03 ¾	↓	36 ½	cents
Wheat Kansas	May.	8.53 ½	↓	56 ½	cents
Canadian \$	Jun.	1.0302	↑	38	points

CORN

Corn futures have climbed recently to curb demand and entice farmers to expand plantings this spring to replenish supplies, however an across the board selloff this week did see corn futures touch a seven day low. The possibility of ethanol subsidies being cut or eliminated in 2012 has the trade looking hard at corn values. Farmers are expected to sow significantly more corn than they did last year.

It is expected the USDA Supply & Demand update report due out on Thursday will see few changes from the previous report. The planting intentions report due on March 31 is the one that really matters for corn now and will have the attention of all.

SOYBEANS

Soybean futures fell on Tuesday for a second straight day, pressured by a strong dollar and high oil prices, both of which could crimp demand. Traders were consolidating positions ahead of a USDA report that some expect to lift the US soybean stocks forecast for the first time in 11 months; due a slowdown in domestic usage.

Rains continue to delay harvest in Brazil, it will be interesting to see how the USDA estimates the crop sizes in South America and the world inventory. Petroleum markets will carefully monitor the scheduled "Days of Rage" in Saudi Arabia on March 11th and 20th.

WHEAT

Wheat values continue to soften despite another week of poor US crop ratings and dryness fears. There are concerns that the rise in oil prices driven by the crisis in Libya may stall economic recovery in the US and elsewhere while recent high prices appeared to be starting to curtail demand for wheat. However, some countries continue to make purchases as it was reported that Iraq bought another quantity of US wheat.

The USDA reported wheat export inspections of 21.44 million bushels on Monday, near the low end of forecasts, which the trade viewed as evidence that export demand for US supplies has slowed down after a surge in February. It will be interesting to see if the USDA factors these slower exports into their Supply & Demand update, and increases ending stock projections.



Ontario Grain Market Commentary for March 9, 2011
By Rod Crinklaw, Grain Farmers of Ontario

Current contract prices for March 9, 2011 at the close are as follows:

SWW at \$239.84 per tonne (\$6.53 /bu.), SRW at \$239.84 per tonne (\$6.53 /bu.), HRW at \$257.64 per tonne (\$7.01 /bu.), and HRS at \$306.40 per tonne (\$8.34 /bu.).