



Wednesday June 29, 2011

Commodity	Period	Price	Weekly Movement		
Corn CBOT	July	6.98	↑	20 ¾	cents
Soybeans CBOT	July	13.34 ¼	↑	4	cents
Wheat CBOT	July	6.41 ¼	↑	3	cents
Wheat Minn.	July	8.76	↓	26 ¾	cents
Wheat Kansas	July	7.45	↓	58 ½	cents
Canadian \$	Jun.	1.0284	↑	17	points

CORN

Corn Futures continued to recover after falling sharply from all-time highs set at the beginning of this month. Analysts said a renewed focus on the current tight supplies and challenges facing the new U.S. crop are fuelling the price strength.

Traders are positioning themselves ahead of the much anticipated USDA report on June 30th. This report is expected to reaffirm that supplies are tight and that new crop will be smaller than originally expected after wet weather prevented farmers from planting all their land. However, the Acreage report shows corn plantings at 92.3 million acres, this represents an increase of 5 percent from last year, and is the second highest planted acreage in the United States since 1944.

SOYBEANS

Exports and crushing have slowed in recent months, as a result of poor crushing margins along with decreased exports which can be attributed to increased demand from South America. Demand for Soy meal also slowed on sluggish demand by U.S. livestock producers as they are taking advantage of cheaper alternatives.

The soybean market is being supported by short-covering ahead of the June 30 Acreage and Stocks reports; weakness in the dollar and strength in crude oil are also supportive factors. The decline in crop condition ratings last week and uncertainty about acreage are bullish market factors. Soybean acres came in at 75.2 million acres; this represents a decline of 3 percent from last year and was below trade expectations.

WHEAT

Prevented spring wheat planting in parts of the northern Plains are expected to cut wheat acreage estimates. Trade estimates in a Dow Jones survey show wheat plantings at 56.6 million acres, down from the USDA's 57.7 million acre estimate from earlier this month. Spring wheat acres did come in at 13.6 million acres, but all wheat acres were down slightly from trade estimates.

July wheat futures contract calculation will not trigger VSR (variable storage rate) in this roll to September futures. This is the first time since the VSR storage rates began last year that they



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By Todd Austin, Grain Farmers of Ontario

will not trigger an additional storage cost. Information regarding VSR can be found on the CME website www.cmegroup.com.

Harvest contract prices for June 29, 2011 at the close of markets are as follows:

SWW at \$230.19 per tonne (\$6.26/bu.), SRW at \$223.04 per tonne (\$6.07/bu.), HRW at \$255.20 per tonne (\$6.95 /bu.), and HRS at \$289.23 per tonne (\$7.87 /bu.).