



Wednesday June 20, 2011

Commodity	Period	Price	Weekly Movement		
Corn CBOT	Sept	6.88	↑	1 ¼	cents
Soybeans CBOT	Aug	13.78 ¼	↑	4 ½	cents
Wheat CBOT	Sept	6.97	↓	17 ½	cents
Wheat Minn.	Sept	8.52 ¾	↑	32	cents
Wheat Kansas	Sept	7.94	↑	32	cents
Canadian \$	Sept.	1.0542	↑	136	points

CORN

Corn futures have rallied as extreme heat across the U.S. Midwest continues to stress crops. This stress can contribute to yield loss, which would trim harvest prospects during a year when a big crop is considered crucial to replenishing tight grain inventories.

Stress during pollination and silking could result in shorter ears and fewer kernels per ear, which would contribute to a lower yield potential. Since average U.S. yields, along with planted and harvested acreage are closely followed by the grain industry as key components in gauging the size of the corn crop; any information indicating lower production would have a bullish effect on the market.

SOYBEANS

Soybean futures rose in response to U.S crop ratings falling. Soybeans dropped from 66 percent good to excellent last week to 64 percent this week. About 40 percent of the plants were beginning to flower, which is up from 21 percent a week earlier.

Prior to this news, soybeans had been trending downwards on thoughts of poor economic news in the United States. As news of higher temperatures and dryness in the U.S. Midwest were forecasted, the market reversed direction and began to strengthen.

WHEAT

Wheat futures have also climbed higher in response to speculation that U.S. livestock producers will use more wheat as an alternate feed ingredient, especially after the surge in corn prices. Wheat futures are following the corn market.

Harvest has begun in many counties in Ontario. The over-all quality of wheat has been excellent though yields continue to be variable. Many other areas in Ontario are within a week of harvest. The U.S. winter wheat harvest is estimated to be 68 percent complete.

Harvest contract prices for July 20, 2011 at the close of markets are as follows:

SWW at \$246.50 per tonne (\$6.71/bu.), SRW at \$232.56 per tonne (\$6.33/bu.), HRW at \$267.42 per tonne (\$7.28 /bu.), and HRS at \$297.32 per tonne (\$8.09 /bu.).