



Wednesday August 10, 2011

Commodity	Period	Price	Weekly Movement		
Corn CBOT	Sept	6.78	↓	28	cents
Soybeans CBOT	Sept	12.95 ½	↓	65	cents
Wheat CBOT	Sept	6.85	↓	25 ½	cents
Wheat Minn.	Sept	8.37 ¼	↓	7 ½	cents
Wheat Kansas	Sept	7.85	↓	23	cents
Canadian \$	Sept.	1.0045	↓	332	points

CORN

According to the CME group, corn futures will be allowed to rise or fall by 40 cents per bushel in daily trading on the Chicago Board of Trade. This represents an increase over the current 30 cent daily limit. Beginning August 22, the initial price limit will increase to 40 cents per bushel, and expandable to 60 cents when at least two contracts in a calendar year close at limit offer or limit bid on the previous trading day.

All eyes will be focused on tomorrow's USDA report as the trade focus moves to the upcoming crop report and supply / demand report to be released on August 11. Last month, the USDA pegged corn yield at 158.7 bushels per acre. Most estimates since then are estimating closer to 155.

SOYBEANS

The USDA is expected to lower projections for the upcoming soybean crop, while projecting comfortable inventories ahead of the fall harvest. The consensus of industry analysts is that the USDA will trim the yield and production outlook for the soybean crop from its July forecast.

A Dow Jones Newswire survey projects the U.S. soybean crop at 3.174 billion bushels with a yield of 42.8 bushels per acre. July data showed the crop at 3.225 billion bushels with 43.4 bushels per acre.

Soybean stockpiles in the U.S., Argentina and Brazil should rise 21 percent, according to Oil World. The Hamburg based researcher reports that inventories will total 57.8 million tonnes on Sept.1, the second highest level ever for that date, and up from 47.9 million tonnes a year ago.

WHEAT

World stock markets were sent tumbling on fears of a slide back into recession for the United States, reinforced by a downgrade of the U.S. credit rating, as well as the Euro debt crisis. The grain and oilseed markets fell in sympathy with the selloff in global stocks and commodities.

This past week, Egypt bought Russian wheat for the sixth straight tender. This should be viewed as bearish news for North American exporters. According to a recent report, U.S. wheat



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By Todd Austin, Grain Farmers of Ontario

offers were about \$4 per tonne lower than those from Russia, after being closer to \$40 to \$50 more expensive, earlier this year.

Winter wheat harvest continues in Ontario, with an estimated 80% complete. Spring wheat harvest has begun in some areas. Quality remains good overall.

Harvest contract prices for August 10, 2011 at the close of the market, are as follows:

SWW at \$245.08 per tonne (\$6.67 /bu.), SRW at \$235.93 per tonne (\$6.42 /bu.), HRW at \$272.51 per tonne (\$7.42 /bu.), and HRS at \$300.77 per tonne (\$8.19 /bu.).