



Wednesday October 5, 2011

Commodity	Period	Price	Weekly Movement		
Corn CBOT	Dec.	6.0550	↓	25.25	cents
Soybeans CBOT	Nov.	11.6375	↓	59.75	cents
Wheat CBOT	Dec.	6.2525	↓	13.50	cents
Wheat Minn.	Dec.	8.7650	↑	15.25	cents
Wheat Kansas	Dec.	6.9975	↓	27.00	cents
Canadian \$	Dec.	0.9570	↓	120.00	points

The growing prospect of a default by Greece in the coming months has evoked fears of a major banking crisis in Europe that would aggravate the global economic slowdown. The International Monetary Fund urged Europe to pump as much as 200 billion euros into its banks and warned of a freeze in lending and an ensuing recession if the region's leaders failed to do more to reassure investors. All 27 European finance ministers agreed to safeguard their banks amid doubts over a second Greece bailout with more banks being shut out of the market and relied on the European Central Bank for liquidity. The decision came after eurozone ministers postponed a vital aid payment to Greece until mid-November. All these dynamics favoured the US dollar, which continues to gain ground in international markets while the loonie tumbles amid economic gloom closing at 0.94 cents US.

CORN

US stockpiles were 17% above forecast according to the USDA's latest report, however corn managed to advance for the first time in four days on speculation that a 26% slump from this year's high to yesterday's close may attract importers seeking to rebuild stockpiles. China, the world's second-largest user, may import between 5 and 10 million metric tons before the end of 2012 to replenish corn inventories as mentioned recently in the U.S. Grains Council. In the mean time, some of those higher consumer prices should begin to ease in the months to come.

SOYBEANS

Soybeans futures tumbled to their lowest price in almost a year on speculation of a faltering global economy and an accelerating US harvest boosting supplies. Soybean futures for November delivery, the most actively traded month dropped 1.5% to settle at \$11.60/bu on the Chicago Board of Trade. The price touched \$11.52, the lowest contract since October, 2010 while oilseeds are down 17% this year. Warm, dry weather has helped Minnesota farmers make rapid progress on the soybean harvest. According to USDA's weekly crop weather report for Minnesota, the soybean harvest rose to 35% complete as of Sunday. That's ahead of last year's pace of 26% complete and the five-year average of 29%.



Ontario Grain Market Commentary for October 5, 2011
By Ahmed Chilmeran, Grain Farmers of Ontario

WHEAT

Wheat prices plummeted following the most recent USDA's report over estimates larger than anticipated. Wheat stockpiles were 6% larger than expected. Wheat futures for December delivery declined 2.5% percent, to \$6.04/bu in Chicago. Warm, dry weather this week in the US Midwest may speed up the harvest, while rain forecast for the southern Great Plains could boost winter-wheat planting. The General Authority for Supply Commodities of Egypt (GASC), the world's largest buyer of grains with an estimated 5 million tonnes of bread wheat will continue receiving supplies of wheat in 2011-2012 from Ukraine following a previous year-over-year decline of 24.2%.

Harvest contract prices for October 5, 2011 at closing, are as follows:

SWW at \$220.86 per tonne (\$6.01 /bu.), SRW at \$220.86 per tonne (\$6.01 /bu.), HRW at \$253.49 per tonne (\$6.90 /bu.), and HRS at \$332.68 per tonne (\$9.05 /bu.).