



**Wednesday October 12, 11**

Commodity	Period	Price	Weekly Movement		
Corn CBOT	Dec.	6.4075	↑	10.00	cents
Soybeans CBOT	Nov.	12.3950	↑	16.00	cents
Wheat CBOT	Dec.	6.2675	↓	12.00	cents
Wheat Minn.	Dec.	9.0375	↑	42.50	cents
Wheat Kansas	Dec.	7.1100	↓	15.75	cents
Canadian \$	Dec.	0.9832	↑	142.00	points

Commodity markets fared better after Jose Manuel Barroso, the president of the EU commission indicated that he would put forward a proposal on Wednesday in front of lawmakers in the European Parliament designed to strengthen weak banks and tackle Greece's debt burden. The plan will focus on greater economic integration and support for the European financial stability facility (EFSF), EU's temporary bailout fund. The news spill over left the Canadian dollar up over its American counterpart by over a cent to \$0.984 US.

### **CORN**

Corn futures rose after Russia said it could reintroduce a grain export limit. The news came just three months after Russia lifted an earlier export ban. On the other hand, the USDA's monthly crop report estimates point to a smaller corn crop but bigger 2012 supplies. US forecasts were slashed for the third straight month, but still increased their supply outlook because of carryover from last year's harvest. According to the USDA, farmers will produce 12.433 billion bushels of corn this year, down from the 12.497 billion bushels the government predicted a month ago. The harvest will still be large by historical standards but down slightly from last year.

### **SOYBEANS**

USDA's estimates for soybean production are forecast at 3.06 billion bushels, down 1% from September and down 7.3% from last year. Yields are expected to average 41.5 bushels per acre, down 0.3 bushel from last month and down 2 bushels from last year. The yield forecast is for the second-lowest yield since 2003. Morgan Stanley expects soybeans to average \$14.25 a bushel in the 12 months ending August 31, 21% more than yesterday's closing price of \$11.775.



Ontario Grain Market Commentary for October 12, 2011  
By Ahmed Chilmeran, Grain Farmers of Ontario

**WHEAT**

Wheat prices initially rose by more than 8% on Tuesday after Russia announced it could reintroduce a cap on grain exports. However, wheat tumbled on Wednesday after the USDA's estimates boosted global stockpiles, indicating more supplies for food makers, animal feed and ethanol. US wheat futures fell 5% on Wednesday amid speculation that wheat world supplies may total 202.37 million metric tons before next year's harvest. According to the USDA, this is more than analysts anticipated and the most since 2002.

Harvest contract prices for October 12, 2011 at close, are as follows:

SWW at \$213.68 per tonne (\$5.82 /bu.), SRW at \$213.68 per tonne (\$5.82 /bu.), HRW at \$245.44 per tonne (\$6.68 /bu.), and HRS at \$323.73 per tonne (\$8.81 /bu.).