



Ontario Grain Market Commentary for November 16, 2011
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Commodity	Period	Price	Weekly Movement - Wednesday to Friday		
Corn CBOT	Dec.	6.428	↑	0.75	cents
Soybeans CBOT	Nov.	11.720	↑	6.00	cents
Wheat CBOT	Dec.	6.168	↑	3.75	cents
Wheat Minn.	Mar	8.900	↑	16.00	cents
Wheat Kansas	Dec.	6.870	↓	4.00	cents
Canadian \$	Dec.	0.980	↓	63.00	points

Mario Monti, Italy's new prime minister, unveiled his cabinet on Wednesday and named himself as finance minister. Meanwhile France and Germany, Europe's economic powerhouse, clashed on the role of the European Central Bank (ECB). With the French seeing investors charging a risk premium to hold French debt rather than the safe haven 10 year German bonds is unfair and pleaded for more ECB intervention to buffer markets. In the German's point of view such intervention would be against EU rules. TSX market was performing slightly higher on energy stocks as crude oil surged past the US \$100 mark for the first time in four months, while the Canadian dollar slipped on euro zone contagion fears.

CORN

Corn prices dropped under pressure after Japan confirmed earlier that it made its biggest purchase of European grain in at least a decade, seeking a cheaper alternative to US corn supplies. Japan, the world largest corn importer, purchased 800,000 MT of corn from Ukraine, after it removed export tax last month. According to the president of Continental Rice Corp in Japan the purchases were at prices approximately \$20 US a ton cheaper than US corn.

SOYBEANS

Soybean futures rallied earlier this week on speculation that China would be purchasing US soybeans. This later took place with China purchasing six cargoes, equivalent to around 500,000 MT of US soybeans. The purchase is partly to replenish China's depleted reserves and also due to attractive prices of commodities on the international market amid concerns over a potential global economic downturn.



WHEAT

Wheat dropped in Chicago as harvests in Australia and Argentina may add to global supply and as rains boost yield prospects in parts of the US. According to the Grain Industry Association of Western Australia, wheat production may increase to 9.24 million MT, more than the 9.12 million tons expected last month. Rains in Argentina may also help farmers accelerate planting, easing the global shortage and pushing prices lower.

Harvest contract prices for November 16, 2011 at close, are as follows:

SWW at \$231.26 per tonne (\$6.29/bu.), SRW at \$231.26 per tonne (\$6.29/bu.),
HRW at \$263.14 per tonne (\$7.16 /bu.), and HRS at \$352.47 per tonne (\$9.59 /bu.).