



**Wednesday January 4, 2011**

Commodity	Period	Price	Weekly Movement - Wednesday to Friday		
Corn CBOT	Mar	6.5850	↑	17.25	cents
Soybeans CBOT	Jan	12.2150	↑	24.00	cents
Wheat CBOT	Mar	6.5000	↓	0.25	cents
Wheat Minn.	Mar	8.3900	↓	21.50	cents
Wheat Kansas	Mar	7.1400	↑	14.75	cents
Canadian \$	Mar	0.9862	↑	112.00	points

As The EU plans to take measures against Hungary in the coming weeks for its newly placed and conflicting central banking laws, crude oil continues to enjoy high prices fueled by Iran's threat of disrupting oil supplies. The threat stems from tougher sanctions from the west towards Iran's nuclear program. Meanwhile, the commodity heavy TSX initially benefited from the high notes of the Iran-West quarrel and closed higher on the first trading day of 2012. The TSX dropped slightly on Wednesday following a drop in Oil among other commodities proceeded by a US dismissal of Iran's threat to take action against a US aircraft carrier in the Gulf. Economic data from Germany, China and the US showed healthy signs on Tuesday and saw the loonie up, but later fell on Wednesday amid lower oil prices.

### **CORN**

Corn edged slightly lower in Chicago from a two month high. Dry weather in Argentina, the world's second largest corn exporter has unnerved grain markets at a time of low stocks in the US. Ongoing profit making on the back of South American weather may be nearing its end as weather may show signs of improvement in the coming weeks.

### **SOYBEANS**

Soybean futures edged higher on Wednesday as investors continued to monitor the persistent dry weather conditions in South America. According to Oil World, a German based industry research group, South American soybean production is expected to fall by 2.9% in the 2011-12 marketing season from the previous year to 132.7 million metric tons. Palm oil, a substitute for soybean used in food and energy, rallied to the highest level in more than six weeks amid the ongoing concern in South America. As Chinese demand continues rising, the slack may be picked up by the North American market.



Ontario Grain Market Commentary for January 4, 2012  
By Ahmed Chilmeran, Grain Farmers of Ontario

## **WHEAT**

Wheat futures hovered close to a seven week high in their first trading session of 2012 on Tuesday, as adverse weather conditions in Argentina boosted hopes for an increase in overseas demand for North American supplies. However, lack of snow in South Dakota is causing concerns for winter wheat farmers. On the European front, the EU granted export licences for 136,000 tonnes of soft wheat for Algeria.

Harvest contract prices for January 4, 2012 at close, are as follows:

SWW at \$234.73 per tonne (\$6.39/bu.), HRW at \$266.40 per tonne (\$7.25/bu.),  
HRS at \$297.69 per tonne (\$8.10 /bu.), and SRW at \$245.90 per tonne (\$6.69/bu.).