



Ontario Grain Market Commentary for March 14, 2012  
By Ahmed Chilmeran, Grain Farmers of Ontario

**Wednesday March 14, 2012**

Commodity	Period	Price	Weekly Movement - Wednesday to Friday		
Corn CBOT	May	6.6000	↑	12.00	cents
Soybeans CBOT	May	13.5025	↓	0.25	cents
Wheat CBOT	May	6.4375	↓	0.25	cents
Wheat Minn.	May	8.0650	↓	0.50	cents
Wheat Kansas	May	6.8100	↑	0.50	cents
Canadian \$	June	1.0051	↓	56.00	points

Markets were cheery on Wednesday, following a positive outlook of the US economy from the Federal Reserve who seems committed to maintaining a low interest rate till 2014. A seeming calm in Europe's debt crisis following Greece's successful bond swap has also fueled the optimism. Global stock indexes reacted accordingly to the positive news trading at levels not seen since the collapse of the Lehman Brothers in 2008. Statistics Canada in a report indicated the economy is operating around 80% of capacity in the fourth quarter, up half a point from the third quarter – the production capacity indicator is utilized by the central bank to calibrate levels of interest rate and inflation in the economy. According to Rueters, a poll of 250 economists leans towards an optimistic view of the global economy supported through loose monetary policy. This positive signal found metals and other commodities considered as safe haven in tough times lower. As such commodity heavy – exchanges such as the TSX were down, the loonie followed suits trading lower against its US counterpart.

### **CORN**

Corn fell in Chicago after three days of gains on speculation that warmer weather in the US may encourage farmers to speed up spring fieldwork in preparation for an earlier than usual planting season. In addition trade has been softer due to a firmer US dollar.

### **SOYBEANS**

Soybean rose in Chicago for a for a second consecutive session and hit a five and a half month high as drought reduced South American crop production, while port congestion was expected to bolster demand for thinning North American supplies this summer.



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## **WHEAT**

Wheat fell in Chicago pressured by a firmer US dollar and forecasts for warm weather that could boost already ample supplies. Unseasonably warm weather across the Central Plains is boosting winter wheat growth and causing a quick dry down of soils ahead of spring planting.

Contract prices for March 14<sup>th</sup>, 2012 at close, are as follows:

SWW at \$231.68 per tonne (\$6.31/bu.), HRW at \$262.75 per tonne (\$7.15 /bu.),  
HRS at \$276.55 per tonne (\$7.53 /bu.), and SRW at \$238.99 per tonne (\$6.50 /bu.).