



Ontario Grain Market Commentary for June 22, 2012  
By Ahmed Chilmeran, Grain Farmers of Ontario

Wednesday June 27. 2012

Commodity	Period	Price	Weekly Movement - Wednesday to Friday		
Corn CBOT	Sep	6.2750	↑	31.50	cents
Soybeans CBOT	Aug	14.5600	↓	2.00	cents
Wheat CBOT	Sep	7.5125	↑	68.75	cents
Wheat Minn.	Sep	8.3525	↑	44.75	cents
Wheat Kansas	Sep	7.6000	↑	61.25	cents
Canadian \$	Sep	0.9735	↑	12.00	points

Energy stocks rose tracking US crude prices and fertilizer shares also rose over concerns of new-crop weather damage in the Corn Belt. The TSX was higher on Wednesday following energy price dynamics in the US while investors position themselves ahead of the EU summit on Thursday and Friday. The loonie fell back Wednesday morning as its US counterpart got a boost from positive economic data. Canada's auto sector is looking to swing back from a \$1.5 billion in losses in 2009 to an expected profit of \$1.5 billion this year according to the Conference Board of Canada. This level of profitability hasn't been seen since a 62 cents exchange rate in 2002. The main driver for the spike has been attributed to an unexpected increase in consumer confidence amid a weaker job market, moderating prices for raw materials and a lower Canadian dollar exchange since soaring over parity in 2007.

### **CORN**

Corn rose in Chicago heading for the largest three day gain since late 2008. Midwest crop fears persist despite some rain in forecast. Corn soared to a nine-month high on Wednesday over concerns of severe drought and triple digit temperatures in the crops most vulnerable phase of pollination.

### **SOYBEANS**

Soybean rose in Chicago over concerns from weather damage initially indicated by the USDA. The upcoming USDA report on Friday will likely see an update in stock and productions numbers. Hot weather will move across the southern Midwest through the weekend, taking a toll on crops according to various meteorologists.



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## **WHEAT**

Wheat rose in Chicago amid weather concerns in the US Midwest. While drought is not a new issue for producers, but a lack of rain and hot weather has raised concerns for many farmers. The USDA crop progress report that recently came out on June 17, showed 3% of the crop rated as excellent, 62% rated as good, 25% rated in the fair category and 10% in the poor category and very poor category. European wheat futures also rose amid nervous trade supported by weather-driven concerns in the US.

Contract prices for June 27<sup>th</sup> 2012 at 4pm, are as follows:

SWW at \$285.10 per tonne (\$7.76/bu.), HRW at \$300.18 per tonne (\$8.17 /bu.),  
HRS at \$288.49 per tonne (\$7.85 /bu.), and SRW at \$270.02 per tonne (\$7.35 /bu.).