



Ontario Grain Market Commentary for September 21, 2012
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Commodity	Period	Price	Weekly Movement - Wednesday to Friday		
Corn CBOT	Dec	7.2400	↓	26.75	cents
Soybeans CBOT	Nov	15.7225	↓	50.50	cents
Wheat CBOT	Dec	8.6925	↓	27.25	cents
Wheat Minn.	Dec	9.2950	↓	27.50	cents
Wheat Kansas	Dec	8.9300	↓	16.50	cents
Canadian \$	Dec	1.0132	↓	102.00	points

European markets dipped following protests Spain and Greece against the austerity measures. The protests turned violent with the authorities forced to use tear gas and stun grenades to control the tens of thousands of protestors. Spain's riots may be the quite before the storm when the government is set to announce its cutbacks tomorrow after the Spanish central bank warned that severe measures can cause social unrest in a country where 1 in 4 is unemployed. Markets were tamer in North America; the ripples hit financial markets and stock exchanges as well after oil and other commodities like gold fell. The loonie lost ground against the US greenback as commodity prices fell and investor sentiment turned negative as the EU fiasco played into global news.

Corn

Corn fell in Chicago pressured by an increase in supplies from US harvest. Price seasonality is showing after record highs in August. Prices seem to be coming down as farmers harvest their crops, with yields in some cases surpassing the expectations formed following that persistent drought that punished crops for months.

Soybeans

Soybeans fell in Chicago, as harvest in the US progress at a record pace. Global financial markets are putting pressure on prices with Europe's woes continuing and China's economy slowing down. China makes up the largest consumer and importer of soybeans, with about 28% of global consumption and 64% of world trade in the 2011-12 crop year. Demand for commodities like soybean are tightly linked to financial health of national markets, globalization meant more and more countries are becoming co-dependants on each other.



WHEAT

Wheat fell in Chicago following other commodities like corn and soy as harvest progresses in the US at a record pace. Stronger US dollar is also keeping pressure on markets, as Europe continues to struggle with its debt crisis. European wheat on the other hand was mostly firm supported by Egypt purchase of 300,000 tonnes of wheat. Egypt the world largest wheat importer, secured French and Romanian wheat for December FOB as confirmed by Egypt's own General Authority for Supply Commodities.

Contract prices for September 26th, 2012 at 3:30pm, are as follows:

SWW at \$297.11 per tonne (\$8.09/bu), HRW at \$304.36 per tonne (\$8.28 /bu.),
HRS at \$306.27 per tonne (\$8.34/bu.), and SRW at \$284.41 per tonne (\$7.74 /bu.).