



Wednesday October 17, 2012

Commodity	Period	Price	Weekly Movement - Thursday to Friday		
Corn CBOT	Dec	7.4554	↓	9.21	cents
Soybeans CBOT	Nov	15.0925	↓	12.75	cents
Wheat CBOT	Dec	8.5625	↓	4.50	cents
Wheat Minn.	Dec	9.3950	↑	11.50	cents
Wheat Kansas	Dec	9.4000	↑	45.00	cents
Canadian \$	Dec	1.0215	↑	26.00	points

Following China National Offshore Oil Corporation acquirement of Alberta's Nexen Inc., and a \$5.8 billion proposal by Malaysian state oil company Petroliaam Nasional Bhd. to buy Progress Energy Resources Corp., Exxon Mobil Corp, the world's largest publically traded company is looking to raise its presence in Western Canada's promising shale oil and gas regions with a \$2.5 billion deal to acquire Celtic Exploration Ltd. The issue of Canadian housing debt to income ratio is an important factor in gauging the health of the economy, but more importantly is the composition of the debt. The majority of the contribution of growth in household debt since the recession has been from heavy-debt load borrowers. The event of a housing bubble, while unlikely as it requires sudden events of large magnitude, like large growth of interest rates in a short span or a subprime delinquency remains prevalent. Canada's central banker, Mark Carney reassured that while "Canada's public finances are sound" and "monetary policy is clear and credible" policymakers are ready to act in a worst-case scenario. The loonie firmed against the greenback on Wednesday after data supportive of the recovery in the US housing sector.

Corn

Corn futures were up, trading higher at midsession. Trade has been relatively quiet as investors wait for shifting news. Seasonality and weak demand remain bearish factors for the market. China is headed for its second-straight record corn harvest, according to the US Grains Council (USGC), which recently returned from a tour of China's fields. The estimate a 3% increase of last year's crop

Soybeans

Soybean was up in Chicago. Market fundamental support is limited following the USDA's report of an export sale of 110,150 tonnes of soybeans to an unknown destination. Speculation of a large South American soybean crop is hampering upside movement. November soybean futures are trading slightly higher.



Ontario Grain Market Commentary for October 17, 2012
By Ahmed Chilmeran, Grain Farmers of Ontario

WHEAT

Wheat is up in Chicago. Prices are finding support from a weaker dollar. However, lack of market shifting news and stable fundamentals leaves trade sensitive to a sudden change in the dollar exchange. Algeria issued a tender to buy 50,000 tons of wheat, helping support European wheat prices. Dry weather worries continue to loom in several key global crop producing regions including Australia which continues to suffer from very dry wheat conditions.

Contract prices for October 17th 2012 at 3pm, are as follows:

SWW at \$286.43 per tonne (\$7.80 /bu), HRW at \$293.62 per tonne (\$7.99/bu.),
HRS at \$303.79 per tonne (\$8.27/bu.), and SRW at \$273.84 per tonne (\$7.45 /bu.).