



Ontario Grain Market Commentary for October 24, 2012
By Ahmed Chilmeran, Grain Farmers of Ontario

Wednesday October 24, 2012

Commodity	Period	Price	Weekly Movement - Thursday to Friday		
Corn CBOT	Dec	7.5375	↓	11.00	cents
Soybeans CBOT	Nov	15.7050	↑	34.00	cents
Wheat CBOT	Dec	8.8400	↑	2.25	cents
Wheat Minn.	Dec	9.5500	↑	3.25	cents
Wheat Kansas	Dec	9.2125	↑	16.50	cents
Canadian \$	Dec	1.0040	↓	23.00	points

Bank of Canada governor Mark Carney said on Wednesday, that the bank is less likely to pursue raising its interest rates given the state of global economy, and the case of high household debt in Canada. Meanwhile, the US Federal Reserve restated its commitment to continue with providing economic stimulus to bring back the job market to more normal levels. It also indicated that it will keep interest rates fixed till mid-2015. Although the EU has implemented harsh austerity measures in recent time, debt problems are getting worse. EU's statistics bureau indicated that at the end of Q2, total government debt of the EU-17 countries that use the single currency was worth 90% cent of its combined total GDP for the year. This is by far the highest level since the euro was launched in 1999.

Corn

Corn was up in Chicago finding support from a blip in wheat prices. Corn and wheat track closely because they're both used for animal feed. Cash bids are also gaining momentum since US corn harvest is approaching finish. Farmers will store more corn in favor of selling later down the year, making market fundamentals work towards more favorable prices.

Soybeans

Soybean was up in Chicago to a two week high on signs of improving demand. US exporters sold 105,000 metric tons of soybeans for delivery before August 31 to an unknown destination, according to the USDA. China, the world's biggest buyer, boosted imports by 20% in September from a year earlier with US shipments almost four times higher than a year earlier.

WHEAT

Wheat spiked in Chicago following news of wheat export ban in Ukraine. Ukraine's Agriculture Minister on Wednesday said the country would ban wheat exports beginning November 15, after severe crop weather damage to harvest. This in turn, underpinned international prices with Egypt; the world's largest wheat importer showed concern regarding securing contracted



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supplies, which fueled markets further. However, news from Ukraine assuring it will fulfil contracts helped calm markets down.

Contract prices for October 24th 2012 at 4pm, are as follows:

SWW at \$301.56 per tonne (\$8.21 /bu), HRW at \$308.87 per tonne (\$8.87/bu.),
HRS at \$314.73 per tonne (\$8.57/bu.), and SRW at \$288.75 per tonne (\$7.86 /bu.).