



Wednesday November 14, 2012

Commodity	Period	Price	Weekly Movement - Wednesday to Friday		
Corn CBOT	Dec	7.2550	↓	17.00	cents
Soybeans CBOT	Nov	14.3250	↓	104.50	cents
Wheat CBOT	Dec	8.5000	↓	21.00	cents
Wheat Minn.	Dec	9.2525	↓	23.75	cents
Wheat Kansas	Dec	8.9200	↓	19.00	cents
Canadian \$	Dec	0.9962	↓	65.00	points

Finance Minister Jim Flaherty delivered Canada's update on the fall economic statement in New Brunswick yesterday amidst risks in the US and EU. The minister indicated that while Canada's finances are relatively sound, they're expecting a delay in balancing the budget given their forecast is short \$36 billion in revenue over the next five years. Lower natural resource prices combined with a stronger Canadian dollar is putting pressure on revenue generating capacity. The US is of particular risk, given a 'fiscal-cliff' is in the horizon. If congress does nothing before year end, things can get significantly worst for the US and global economy. TransUnion, a credit reporting agency indicated that Canadian debt has grown significantly over the past two years. Average consumer non-mortgage debt jumped 4.6% year-over-year in the third quarter to an average of \$26,768. The TSX fell heavily over national and global news as investor's feared a lack of US government intervention in due time may rekindle another recession. The loonie was also trading lower on Wednesday over budget delays.

Corn

Corn futures were higher in Chicago following a sharp decline over the recent USDA's Crop Production report. Cash bids are firm giving support to the futures market. Drought conditions in Europe, particularly in Ukraine and Russia may affect availability of wheat for feedstock; this in turn could play favourably for corn as a substitute. Dry weather conditions in Latin America should help facilitate planting progress.

Soybeans

Soybean futures rose the most in nearly three weeks finding support from increased demand for feedstock and cooking oil. US processors usage is up 8.8% from a year ago, while feedstock exports doubled from a year earlier according to the National Oilseed Processors Association. The USDA indicated 120,000 tons shipment to China and 40,000 tons of soybean oil to unknown destination.



WHEAT

Global wheat trade this month is projected to increase by 2.7 million tons to 138.8 million. Increased import projections from China, EU-27 and Egypt are helping maintain prices amid the global economic slowdown. The Weekly Winter Wheat Conditions report indicated that 36% of the crop was rated good/excellent compared to 39% last week and 50% last year. The 10 year average is 58%.

Contract prices for November 14th 2012 at 3pm, are as follows:

SWW at \$291.38 per tonne (\$7.93 /bu), HRW at \$298.76 per tonne (\$8.13/bu.),
HRS at \$306.22 per tonne (\$8.33/bu.), and SRW at \$278.47 per tonne (\$7.58 /bu.).