



Ontario Grain Market Commentary for November 21, 2012
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Wednesday November 21, 2012

| Commodity | Period | Price | Weekly Movement - Wednesday to Friday | | |
|---------------|--------|---------|--|-------|--------|
| Corn CBOT | Dec | 7.4000 | ↑ | 15.80 | cents |
| Soybeans CBOT | Nov | 14.0800 | ↑ | 21.50 | cents |
| Wheat CBOT | Dec | 8.4525 | ↑ | 7.75 | cents |
| Wheat Minn. | Dec | 9.1400 | ↑ | 3.40 | cents |
| Wheat Kansas | Dec | 8.7625 | ↑ | 0.25 | cents |
| | | | | | |
| Canadian \$ | Dec | 0.9975 | ↑ | 0.00 | points |

France, the European giant is starting to feel the ground shake underneath its feet. Moody's and S&P two of the biggest credit rating agencies have demoted France's AAA rating. For years, the world's fifth largest economy and sixth biggest exporter has been losing competitiveness to neighboring Germany, especially in the labour market. Without the option to devalue its currency, the French government has resorted to spending beyond its means growing its debt to compensate for the weakening job market. Unemployment in the country is nearly 10%, with youth unemployment particularly high at an estimated 25%. Government spending is estimated at 57% of GDP and debt at more than 90% of GDP. The TSX, Canada's main stock index rose on Wednesday, led by gold even as investors cautiously withdrew ahead of the upcoming the US Thanksgiving holiday. Sudbury city council approved the city's first major public-private partnership to build and operate a new biosolids plant. Following the massive E.Coli spread in Alberta, the House of Commons passed legislation (Bill S-11) to modernize, consolidate Canada's food inspection system.

Corn

Corn was up in Chicago on tighter financial markets with fewer farmers selling and technical trade. Meanwhile, the governors of eight US states and almost 200 members of Congress who lobbied to get the US Environmental Protection Agency (EPA) to forgo the ethanol production mandate for use in gasoline was rejected by the EPA sighting no cause of harm that would warrant a suspension of the current mandate.

Soybeans

Soybean was up in Chicago on short covering and cuts to South American crop forecasts. China, the world's largest soybean consumer, will kick start stockpiling of the commodity according to China's own State Administration of Grain (SAG), this may usher prospect for North American trade. Argentine authorities are meeting with major gasoline producers to revise soybean biodiesel regulation according to sources. Argentina is the world's largest exporter of soybean biodiesel with a 7% biodiesel mandate mix with regular diesel.



WHEAT

Wheat was mostly lower in Chicago. Weakness was tied to strength in the dollar and investors responding to concerns about the euro-zone debt crisis. However wheat trade and prices firmed at midday finding support from soybean and corn.

Wheat Contract prices for November 21^s 2012 at 3:30 pm, are as follows:

SWW at \$287.69 per tonne (\$7.83 /bu), HRW at \$295.02 per tonne (\$8.03 /bu.),
HRS at \$300.06 per tonne (\$8.17/bu.), and SRW at \$274.87 per tonne (\$7.48 /bu.).