



Ontario Grain Market Commentary for December 6, 2012
By Ahmed Chilmeran, Grain Farmers of Ontario

Thursday December 6, 2012

Commodity	Period	Price	Weekly Movement - Thursday to Friday		
Corn CBOT	Mar	7.5225	↑	9.50	cents
Soybeans CBOT	Jan	14.9125	↑	61.75	cents
Wheat CBOT	Mar	8.6200	↑	13.25	cents
Wheat Minn.	Mar	9.3525	↑	16.50	cents
Wheat Kansas	Mar	9.1200	↓	5.25	cents
Canadian \$	Dec	1.0084	↑	24.00	points

Loblaw Companies Ltd. plans to leverage a significant portion of its assets to form one of the largest real estate investment trusts (REIT) in Canada, estimated at more than \$7 billion. TD Bank Financial Group is buying Epoch investment, a US investment management business for US\$668 million in cash, following profitable Q4 earning of \$1.6 billion. Canadian Pacific (CP) Railway, Canada's second largest rail carrier intends to slash 4,500 jobs by 2016. The University of Guelph recently issued The Food Price Index, an annual report that forecasts food prices. The report estimates that beef and pork prices will increase by 4.5% and 6.5% respectively due to the recent rally in grain prices. Eggs will go up by 3.5% to 5%, due to animal welfare-based technology. Grain prices will likely rise by 1.4% to 2.7%.

Corn

Corn was slightly higher on stronger ethanol production and higher soybean prices. Futures were steady to slightly lower as investors await improvement on the demand side. Analysts are expecting US crop to achieve 147 bu/acre next year. However concerns over a lack of Midwestern soil moisture remains prevalent as a typically dry winter is anticipated.

Soybeans

Soybean prices were up over production concerns from unfavorable weather in Argentina delaying planting, and rumors that China secured purchases of US soybeans. Traders remain cautious over record tight US supplies despite plentiful South American supply.

WHEAT

The drought continues to find its way through various central states even as winter sets in, impacting not only the crop but also transportation as waterway become shallower. US farmers could abandon a quarter of the new winter crop experts say due to the ongoing weather conditions. The upcoming spring however will reveal more about the health of the crop.

Contract prices for December 6th 2012 at 3:30pm, are as follows:



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SWW at \$292.24 per tonne (\$7.95 /bu), HRW at \$295.88 per tonne (\$8.05/bu.),
HRS at \$306.18 per tonne (\$8.33/bu.), and SRW at \$279.48 per tonne (\$7.61/bu.).