



Wednesday April 23, 2014

Commodity	Period	Price	Weekly Movement		
Corn CBOT	May	5.03½	↑	6	cents
Soybeans CBOT	May	14.68 ¾	↓	50	cents
Wheat CBOT	May	6.76½	↑	11½	cent
Wheat Minn.	May	7.24 ½	↓	4	cents
Wheat Kansas	May	7.45 ½	↑	20	cents
Canadian \$	June	.90550	↓	10	points

RAIL DELAYS CREATE MINI SILO BUILDING BOOM:

Canadian farmers and large grain merchants have gleaned a lesson from last year's grain bottleneck. It seems they are of the opinion that investing in storage capacity will ensure that future crops are not put at risk from rail delays, as the 2013 harvest was.

Major grain handlers have committed to a series of storage expansions to increase their capacity in Canada. Among the planned expansions is the CWB's announced construction of a second state-of-the-art Prairie grain elevator in less than three weeks. Viterra Inc. also announced construction of a new elevator and \$100 million in enhancements of its Vancouver port terminal; and Cargill announced the expansion of its elevator in Morris, Man., increasing its capacity by 200 percent.

"There has been a significant increase in the use of ground silo bags, converted machine and implement buildings, and open air piles of oilseeds and grain stores," the US Department of Agriculture bureau in Ottawa said, as small operators look at onsite storage for their crops.

CME ANNOUNCES NEW CONTRACT LIMITS:

The CME announced NEW contract limits for grain contracts. "On May 1, the initial daily limit for corn will drop to 35 cents a bushel from 40 cents. The initial daily limit will rise to \$1.00 from 70 cents for soybeans and drop to 45 cents a bushel from 60 cents for CBOT wheat", the notice said.

CORN:

Planting in the US mid-west continues to be behind schedule but there is still plenty of time to catch up. The five-year average is 14 percent complete; by comparison, the average farmer in Ohio is currently three weeks behind in planting.

Futures prices remain in a three month uptrend and are hovering around the \$5.00 mark.

SOYBEANS:

Soybeans fell for a fourth day in the longest slump since July amid worries of sliding demand in China. There are reports that China will soon auction three million metric tons of state reserves, which equates to roughly one- third of total inventories. The auction "could have negative consequences for future



Ontario Grain Market Commentary for April 23, 2014
By Marty Hibbs, Grain Farmers of Ontario

import demand," said Luke Mathews, Commonwealth Bank of Australia's commodity strategist in Sydney.

WHEAT:

Wheat futures are mixed in a quiet overnight session. Prices have been sideways for the past month and new crop contract is finding initial support between \$6.60 and resistance at \$7.25.

Egypt, the world's biggest wheat importer, estimates its local wheat crop at nine million tonnes, according to a state newspaper that cited a government report, lower than the 9.5 million tonnes the Agriculture Minister had predicted.

2014 harvest prices for April 23, at the market close, are as follows:

SWW at \$265.55 per tonne (\$ 7.23/bu.), SRW at \$253.35 per tonne (\$6.90 /bu.), HRW at \$269.63 per tonne (\$7.34 /bu.), and HRS at \$272.17 per tonne (\$7.41 /bu.)