



<i>Wednesday July 30, 2014</i>					
<i>COMMODITY</i>	<i>PERIOD</i>	<i>PRICE</i>	<i>WEEKLY MOVEMENT</i>		
<i>Corn CBOT</i>	<i>Sep</i>	<i>3.62</i>	<i>-</i>	<i>0</i>	<i>cents</i>
<i>Soybeans CBOT</i>	<i>Aug</i>	<i>12.20</i>	<i>↑</i>	<i>19</i>	<i>cents</i>
<i>Wheat CBOT</i>	<i>Sep</i>	<i>5.27</i>	<i>↓</i>	<i>3</i>	<i>cents</i>
<i>Wheat Minn.</i>	<i>Sep</i>	<i>6.13</i>	<i>↓</i>	<i>9</i>	<i>cents</i>
<i>Wheat Kansas</i>	<i>Sep</i>	<i>6.17</i>	<i>↓</i>	<i>6</i>	<i>cents</i>
<i>Canadian \$</i>	<i>Sept</i>	<i>0.9171</i>	<i>↓</i>	<i>135</i>	<i>points</i>

CORN:

According to Oil World, U.S. corn supplies will be even bigger next year if China keeps import curbs on a genetically modified variety of the grain.

China's Import Inspection Authority has requested that U.S. exports DDGS, be certified free of the genetically modified MIR 162 corn variety, the Hamburg-based researcher said in an e-mailed report. China rejected several cargoes of the grain from the U.S. this year after reporting finding the unapproved variety in shipments.

The USDA predicts 128 million tons of corn will be used to make ethanol in the U.S. in 2014-15, meaning DDGS production will be about 35 million tons.

September Corn prices on the Chicago Board of Trade, the global benchmark, have tumbled almost 40 percent since their June 2013 high of \$5.85 per bushel as U.S. farmers are projected to harvest the second-biggest crop on record. Inventories in the U.S., the top producer and consumer, may be 45.76 million metric tons at the end of 2014-15, the largest in nine years, according to the U.S. Department of Agriculture.

SOYBEANS:

Technically speaking, the August Soybean chart is showing a bottoming action heading into the expiry of the August contract. With an inverted market pressure still intact, we could see a possible rally to the 12.90 to \$13.00 level as the expiration of August approaches. If this were to materialize, it could pull the September contract up to the gap left at the \$11.60 price on the September chart which coincides with a 38% retracement of the June 27th high and recent lows. A \$13.00 price on the August contract would also mark a 38% rebound on the weekly chart.



Both the daily and weekly charts formations are still indicating a downtrend and rallies should be viewed as selling opportunities until a bottom or trend change is confirmed.

WHEAT:

The return of dry weather is crucial to the outcome of a German wheat harvest which has become increasingly important for Europe, in offering a source of high quality grain to offset rain-hit crops in the likes of France.

A dry period in mid-July, which allowed ideal harvest conditions, gave way last week to frequent rains, which in turn caused lodging, the flattening of crops, making them difficult to harvest. This also caused the moisture of cereal grains to increase to where they required cost intensive drying to allow safe storage and limit quality damage.

The slower progress has meant that the weather in coming days is crucial for the remainder of the winter wheat crop, which comprises the great majority of German wheat production.

The German wheat crop, which includes large quantities of higher protein wheat, is required as a primary source to blend with and improve lower quality production elsewhere.

Rain has slowed wheat harvest in many areas of Ontario as well. The wheat that has been harvested to date has been generally of good quality though yields have been variable.

Short term support on the September contract is seen around \$5.15 with the next major support between \$4.75 and \$5.00.

2014 harvest prices as of the close of July 30 are as follows:

SWW at \$207.24/mt (\$5.64/bu), **HRW** at \$213.25/mt (\$5.80/bu),

HRS at \$215.45/mt (\$5.86/bu), **SRW** at \$189.21/mt (\$5.15/bu).