Wednesday, January 21, 2014					
COMMODITY	*PERIOD*	*PRICE*	*WEEKLY MOVEMENT*		
Corn CBOT	*Mar*	*3.88*	↑	*2*	*cents*
Soybeans CBOT	*Mar*	*9.83*	↓	*28*	*cents*
Wheat CBOT	*Mar*	*5.36*	↓	*2*	*cents*
Wheat Minn.	*Mar*	*5.81*	↓	*1*	*cents*
Wheat Kansas	*Mar*	*5.71*	↓	*3*	*cents*
Canadian $	*Mar*	*.8088*	↓	*247*	*points*

CORN:

Brazil's sowings of safrinha corn, the main source of its exports of the grain, will fall by about 10%, depressed by weather setbacks as well as pressure on prices, according to leading crop analyst Dr. Michael Cordonnier.

On the charts: We have mixed signals on the corn charts. Daily and monthly signals are negative, while the weekly signals are still positive. Overhead resistance appears to be at the $3.95-$4.05 level based on the March chart. At the present time, we are in need of a close above the $4.15 level to reignite the bulls interest. On the downside, technical support is found at the $3.55-$3.65 based on the March contract.

We now have sell signals on the daily chart while the weekly struggles to stay positive. The monthly charts are still entrenched in a downward trend.

SOYBEANS:

The United States Department of Agriculture (USDA) announced that China cancelled purchases of 285,000 tonnes of American soybeans in the second week of January and another 174,000 tonnes of soybeans for 2014-2015 delivery were cancelled on January 20. This second cancelation, brings the total to 459,000 tonnes in just one week.

On the charts: As mentioned in my past weekly commentaries, soybeans need to continue to close above the $9.75 level on the March contract to avoid a technical sell signal which would likely see a retest of the $9.00 level. So far, we have flirted with the level but failed to close below there. If we were to fail to find good support at the $9.00 level we could see a break to challenge the $8.00 level, not seen since harvest of 2008. All indicators at this time are still bearish confirming the downtrend that has been in place since June of 2014.

WHEAT:

On the charts: Like the other grains, the wheat chart seems to be deteriorating by the day. The $5.25 level seems to be providing temporary support on the March contract. We had a technical intraday hook reversal on January 20, and if it holds we could see some upside during the couple of weeks. For the time being, we need to stay above the $5.23 on close to achieve a bounce to the $5.50 level on the March contract. If we can accomplish that, the overhead resistance levels are at $5.75 and then $6.00. Short term signals are negative, while the medium term indicators are still flirting with the support line. A close below $5.25 on the March contract could see a retest of the $5.00 and possibly $4.80 levels based on the lead month contract. The long term trend remains down.

2014 HARVEST CASH PRICES AS OF CLOSE January 21, 2015

SWW @ $270.96/mt ($7.37/bu), SRW @ $241.41/mt ($6.57/bu),
HRW @ $255.05/mt ($6.94/bu), HRS @ $241.41/mt ($6.57/bu).

Marty Hibbs, Grain Farmers of Ontario