



<i>Wednesday, March 4, 2015</i>					
<i>COMMODITY</i>	<i>PERIOD</i>	<i>PRICE</i>	<i>WEEKLY MOVEMENT</i>		
<i>Corn CBOT</i>	<i>May</i>	<i>3.89</i>	↑	<i>5</i>	<i>cents</i>
<i>Soybeans CBOT</i>	<i>May</i>	<i>9.94</i>	↓	<i>15</i>	<i>cents</i>
<i>Wheat CBOT</i>	<i>May</i>	<i>4.96</i>	↓	<i>1</i>	<i>cents</i>
<i>Wheat Minn.</i>	<i>May</i>	<i>5.66</i>	↑	<i>9</i>	<i>cents</i>
<i>Wheat Kansas</i>	<i>May</i>	<i>5.27</i>	↓	<i>4</i>	<i>cents</i>
<i>Canadian \$</i>	<i>June</i>	<i>.8039</i>	↑	<i>.001</i>	<i>points</i>

CORN:

The market was nervous and settled lower March 3rd and 4th on rumors of an Argentine farmers' strike and projected reduction in Brazilian corn production. A lack of producer selling seems to be providing support.

On the charts: This week we saw more of the same -- a restricted trading range. Corn for all accounts has been in a \$3.75-\$4.00 range since last October. To make matters worse, there are no indicators that are in agreement. We have a short term neutral trend coupled with a mid-term uptrend complimented with a long term downtrend. I guess the bottom line is to go with the long term trend until we have reasons to believe otherwise. The March 31st USDA report is expected to give us a clear direction, once the dust settles after the report is digested.

SOYBEANS:

Corn and soybean futures will tend to feed off each other as the US spring sowing period approaches, given that both crops are key competitors for acres, and relative pricing will determine to a large extent how much of each is planted.

On the charts: The soybean chart has been in a sideways pattern since August of 2014. The downtrend line cuts across at the \$10.35-10.50 price, on the lead month contract. This resistance was tested and failed on March 2nd causing prices to tumble. Our short term indicators are almost as volatile as the actual markets, flashing false signals almost daily. To get a rally started I feel we would have to clear the \$10.50-10.75 price barrier based on the lead month contract. But I don't believe we will see that move with the USDA report due out on March 31. Indicators are neutral on the day and weekly chart but the main trend is still down.



WHEAT:

Fundamentally speaking, US wheat is unable to compete internationally at prices above \$5 in light of the directional strength of the US dollar recently. Given today's markets there is little upside potential for US wheat, however, we all know that the obvious is never as simple as that and some other surprise could likely prove that theory wrong.

On the charts: Looking at the 10 year chart, we see a very well defined trend line that suggests a major support area between \$4.70 - \$5.00 based on the lead month contract. This also coincides with a weekly double bottom in the same range. Add to that the oversold indicators and the likelihood of March 31st report to cause some volatility, we could be looking at this area as a possible bottom for the year. Remember that this is technical analysis and that nothing is a guarantee. For the time being, all three indicators are still negative thus confirming that this downtrend still remains intact.

2014 CROP CASH PRICES AS OF CLOSE March 4, 2015

SWW @ \$258.38/mt (\$7.03/bu), SRW @ \$224.14/mt (\$6.10/bu),
HRW @ \$242.40/mt (\$6.60/bu), HRS @ \$240.12/mt (\$6.54/bu).

Marty Hibbs, Grain Farmers of Ontario