



| <i>Wednesday, August 5, 2015</i> | | | | | |
|----------------------------------|---------------|--------------|------------------------|-------------|---------------|
| <i>COMMODITY</i> | <i>PERIOD</i> | <i>PRICE</i> | <i>WEEKLY MOVEMENT</i> | | |
| <i>Corn CBOT</i> | <i>Sep</i> | <i>3.73</i> | ↑ | <i>5</i> | <i>cents</i> |
| <i>Soybeans CBOT</i> | <i>Sep</i> | <i>9.92</i> | ↑ | <i>11</i> | <i>cents</i> |
| <i>Wheat CBOT</i> | <i>Sep</i> | <i>5.02</i> | ↑ | <i>6</i> | <i>cents</i> |
| <i>Wheat Minn.</i> | <i>Sep</i> | <i>5.15</i> | ↓ | <i>15</i> | <i>cents</i> |
| <i>Wheat Kansas</i> | <i>Sep</i> | <i>4.90</i> | ↓ | <i>5</i> | <i>cents</i> |
| <i>Chicago Oats</i> | <i>Sep</i> | <i>2.35</i> | ↑ | <i>8</i> | <i>cents</i> |
| <i>Canadian \$</i> | <i>Sep</i> | <i>.7586</i> | ↓ | <i>1.50</i> | <i>points</i> |

CORN:

Corn's national condition stayed at 70% good to excellent in Monday's U.S. Department of Agriculture (USDA) update with the excellent rating gaining one point and good slipping one as minor improvements in Indiana and Nebraska were offset by small declines in a number of states including Illinois, Ohio, and Wisconsin.

On the charts: The corn futures have gained and lost 75 cents per bushel in the past 60 days. This is volatility not unlike that of a typical bottoming action. However, before you get excited, this may just be the realization of another bumper crop and the possibility of even lower prices this year. The September chart is showing corn futures in a situation whereby we will either trade down to \$3.50 to test support once again or attempt to fill the gap back at \$3.90 before a test of that \$3.50 support. In either case, I feel we still need a lot of work to turn these markets higher and reverse this three year down-trend. On the downside, support is seen at the \$3.50 level on the September corn contract, with major support at the \$3.20 area.

SOYBEANS:

On the charts: Soybean oil has jumped the gun and is retesting the \$29.30 levels seen back in January. Although indicators are still negative, we could see support in this area which if proven to be solid, could produce a rally into next week. The Chicago soybeans had a \$1.50 per bushel rally beginning in June and have since lost most of it. Even more interesting is that they have been in a \$1.50 range for a full year. Major support is still seen at the \$9 level and major resistance at the \$10.60 based on the lead month. This range has worked well for cash sales. Rallies above \$10 on the lead month soybean contract should still be viewed as selling opportunities. All three indicators are still negative.



WHEAT:

The USDA says in its weekly crop report that winter wheat harvest advanced to 93%, compared with 89% a year ago and the 85% average. Spring wheat's condition slipped one point to 70% good/excellent and the harvest was at eight per cent versus the 11% average.

On the charts: Like corn and soybeans, the September wheat contract had a June rally only to lose it all in the past month. We are currently still trading at the \$5 area (August 5). With harvest upon us we could actually see a re-test of the old lows around \$4.60 if the current levels do not hold. The weekly charts are showing signs of good support levels around the \$4.60. Technically, any rallies should be viewed as selling opportunities.

Short term overhead resistance is seen at the \$5.50 area on the September contract while major resistance is seen at \$6.25 - \$6.75. Support is around \$5 and again at \$4.60. Both short and medium term indicators are neutral but the main trend is still down.

HARVEST 2015 CROP CASH PRICES AS OF CLOSE August 5, 2015

SWW @ \$308.49/MT (\$8.40/bu), HRW @ \$255.22/MT (\$6.95/bu),
HRS @ \$227.61/MT (\$6.19/bu), SRW @ \$235.85/MT (\$6.42/bu).

Marty Hibbs, Grain Farmers of Ontario