



<i>Wednesday, January 27, 2016 Closing Prices</i>					
<i>COMMODITY</i>	<i>PERIOD</i>	<i>PRICE</i>	<i>WEEKLY MOVEMENT</i>		
<i>Corn CBOT</i>	<i>Mar</i>	<i>3.69</i>	↑	<i>1</i>	<i>cents</i>
<i>Soybeans CBOT</i>	<i>Mar</i>	<i>8.80</i>	↑	<i>05</i>	<i>cents</i>
<i>Wheat CBOT</i>	<i>Mar</i>	<i>4.74</i>	↑	<i>03</i>	<i>cents</i>
<i>Wheat Minn.</i>	<i>Mar</i>	<i>4.96</i>	↑	<i>01</i>	<i>cents</i>
<i>Wheat Kansas</i>	<i>Mar</i>	<i>4.66</i>	↓	<i>01</i>	<i>cents</i>
<i>Chicago Oats</i>	<i>Mar</i>	<i>2.01</i>	↓	<i>04</i>	<i>cents</i>
<i>Canadian \$</i>	<i>Mar</i>	<i>.7112</i>	↑	<i>1.25</i>	<i>points</i>

CORN: On the charts: We had a constructive week on the corn futures with the \$3.45 support holding as expected. We have now witnessed the first buy signal on our daily charts and if we can penetrate and close above the \$3.70 and \$3.80 levels on the March contract, we could be cleared for the major hurdle and resistance at \$4. Meanwhile, support continues to be at the \$3.45-\$3.50 level, and if that should fail, we have major support once again at the \$3.20 levels based on the lead month contract. Daily indicators are flashing positive signals; however, the main trend is still down.

SOYBEANS: On the charts: The March bean contract continues to track sideways for the last week with no clear direction. We are experiencing good short term support at \$8.70, but major resistance at the \$9 level as we have for the past few months. A close above \$9 could incite a descent rally but there are many pockets of resistance as we move higher. The most glaring example is around the \$9.25-\$9.50 area.

For now we must continue to look at the big picture and continue to suggest that any outbursts to the upside should be viewed as selling opportunities.

Meanwhile, we will view the short term bullish signals as just that, short term.

Weekly and monthly charts suggest a lot of work to turn this market positive, and if prices were to challenge the recent bottom of \$8.50 and fail, we could see another dollar on the downside before we hit serious support. That would be around \$7.50 per bushel on the lead month Chicago contract.

Our main support continues to hold at the \$8.40-\$8.50 level on the March contract, while our overhead headwinds are \$9, and again at \$9.25 -\$9.50. The trend is still down.



Ontario Grain Market Commentary for January 27, 2016

WHEAT: On the charts: So far this season, the wheat continues to show more strength than most other grains. Although prices were flat in Chicago for the week, we are building great support on the technical side. Our predicted \$4.50 support on March has proven to be iron clad. We have now started once again to challenge our first goal of breaching the \$5 level and readying ourselves to take on the main trend-line which cuts a path through the \$5.25 - \$5.50 level on the lead month contract. I need to repeat that the down-trend has been intact since at least 2011 and it will take time to turn the corner but the charts tell us that we are currently comfortable in this range and we could be mounting an attack to the upside for a spring rally. Only time will tell. Meanwhile, we can watch the trading ranges and see how prices behave going forward. Solid support is seen at the \$4.40-\$4.50 level on March charts, while overhead resistance is at \$5 and major resistance is \$5.25- \$5.50 on the lead month. Both the medium and long term trends remain down.

Grain Farmers of Ontario is offering another series of marketing seminars across Ontario. This time we have been focusing on "Options" on Futures. We have completed many of the seminars in January and the remaining dates for western Ontario are now completely full. We would like to thank all of those who attended and hope you enjoyed the event.

HARVEST 2016 CROP CASH PRICES AS OF 10: AM ON January 28, 2016

SWW @ \$221.20/MT (\$6.02/bu), HRW @ \$221.20/MT (\$6.02/bu),
HRS @ \$236.12/MT (\$6.43/bu), SRW @ \$216.05/MT (\$5.88/bu).

Marty Hibbs, Grain Farmers of Ontario