



<i>Wednesday, March 3, 2016 Closing Prices</i>					
<i>COMMODITY</i>	<i>PERIOD</i>	<i>PRICE</i>	<i>WEEKLY MOVEMENT</i>		
<i>Corn CBOT</i>	<i>May</i>	<i>3.60</i>	↓	<i>14</i>	<i>cents</i>
<i>Soybeans CBOT</i>	<i>May</i>	<i>8.62</i>	↓	<i>10</i>	<i>cents</i>
<i>Wheat CBOT</i>	<i>May</i>	<i>4.43</i>	↓	<i>27</i>	<i>cents</i>
<i>Wheat Minn.</i>	<i>May</i>	<i>4.89</i>	↓	<i>02</i>	<i>cents</i>
<i>Wheat Kansas</i>	<i>May</i>	<i>4.55</i>	↑	<i>02</i>	<i>cents</i>
<i>Chicago Oats</i>	<i>May</i>	<i>1.80</i>	↓	<i>07</i>	<i>cents</i>
<i>Canadian \$</i>	<i>June</i>	<i>.7445</i>	↑	<i>1.35</i>	<i>points</i>

CORN: On the charts: Corn followed the lead of the other grains lower this week as we re-tested the \$3.50 support line on the May contract. The chart still looks heavy, and I feel the other grains may end up dragging the corn lower to test the all-important \$3.20 major support levels before we find a bottom. It would take a significant move by the wheat and beans to achieve such a move on the corn.

The long term trend continues to be down, and this proves how important it is to trade in the direction of the trend. Once we see proof that there is a bottom in place, we will be quick to signal the reversal. Until then, we continue to repeat ourselves with the redundancy of bearish signals and weak prices in Chicago.

Support is seen at \$3.40-\$3.50, and major support again at \$3.20 on the lead month contract. Overhead resistance is seen at \$3.75 and the main trend line cuts across the \$4 level on the weekly charts. The main trend is still down.

SOYBEANS: On the charts: The May soybeans have moved down to the support levels of \$8.40-\$8.50 and are once again testing the May contract support. If we continue to find support from these levels, the prices should bounce back towards the \$9. level. If we fail to find support at the \$8.40 level, we could see a significant drop that could actually flush out some of the short funds and we could see some posturing on the charts leading to a normalized balance of fund positions. Should the May contract continue to find solid support at these levels, the broad base which is being built, could prove to be quite bullish in the coming months. Meanwhile, there is well defined overhead resistance at the \$9-\$9.25 levels as we have seen for the past few months. Our main support continues to hold at the \$8.40-\$8.50 level on the May contract and a close below these levels could spark a selloff which could take the beans below \$8. All indicators are still negative, and the main trend remains down.



Ontario Grain Market Commentary for March 3, 2016

WHEAT: On the charts: This week's action was confined to a fifteen cent range as the wheat contract looks for direction from the other grains. Our May contract is back to the support levels of \$4.40 to \$4.50. We closed today March 2 at \$4.52 on our May contract, which is identical to last Wednesday's close. I need to emphasize caution from trying to bottom pick. If our \$4.40 levels on the May contract fails to withstand the bearish market forces, our next major support is still at \$4.25. Major overhead-resistance now stands at \$4.75- \$5. Both the medium and long term trends remain down.

HARVEST 2016 CROP CASH PRICES AS OF CLOSE ON March 2, 2016

SWW @ \$198.23/MT (\$5.40/bu), HRW @ \$198.23/MT (\$5.40/bu),
HRS @ \$218.23/MT (\$5.94/bu), SRW @ \$193.29/MT (\$5.26/bu).

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