



<i>Wednesday, June 1, 2016 Closing Prices</i>					
<i>COMMODITY</i>	<i>PERIOD</i>	<i>PRICE</i>	<i>WEEKLY MOVEMENT</i>		
<i>Corn CBOT</i>	<i>July</i>	<i>4.14</i>	↑	<i>09</i>	<i>cents</i>
<i>Soybeans CBOT</i>	<i>July</i>	<i>11.00</i>	↑	<i>15</i>	<i>cents</i>
<i>Wheat CBOT</i>	<i>July</i>	<i>4.74</i>	↑	<i>07</i>	<i>cents</i>
<i>Wheat Minn.</i>	<i>July</i>	<i>5.28</i>	↑	<i>06</i>	<i>cents</i>
<i>Wheat Kansas</i>	<i>July</i>	<i>4.56</i>	↑	<i>05</i>	<i>cents</i>
<i>Chicago Oats</i>	<i>July</i>	<i>1.90</i>	↓	<i>0</i>	<i>cents</i>
<i>Canadian \$</i>	<i>June</i>	<i>.7650</i>	↓	<i>.02</i>	<i>points</i>

CORN: We managed to close through our resistance at the \$4.07 level on the July contract, violating the four-year-old trend-line as prices are looking quite positive in the technical department. The May long weekend in the U.S. proved to be constructive for the price action and our red signals on both the daily and weekly charts has proven to be valid for the time being. Our next target is around \$4.20 and again at the \$4.40 - \$4.50 levels on the July contract. Both short and medium indicators are still positive but the long term trend is still waiting for a trend reversal confirmation. Support levels on the July contract are at \$3.70 - \$3.80 based on Chicago futures.

SOYBEANS: The beans did violate the \$11 level as expected and are now facing the \$11.25 resistance level. As I mentioned last week, a close above the \$11.40 could set us up for a run towards the \$12 level on the July contract rather quickly as the charts are showing very little resistance. Both short and medium term indicators have been red since April and a move towards \$12 could possibly turn the long term indicators and trend to the upside. For the time being, we are still experiencing a bear market rally, and even though it was anticipated several months ago, we still need to remember that the main trend has not yet turned up. Support is now seen at \$10, while overhead resistance remains at \$11.40-\$11.50. Short term indicators remain bullish, but the long term trend is still negative.

WHEAT: Wheat continues to be the weaker of the grains and this week has not seen the follow-through in prices that the other grains experienced. With that being said, there is a good chance that that could change if we continue to see strength in the corn. For the week, wheat has gained just six cents per bushel, compared to corn experiencing new highs for the year and beans approaching multi year levels.

Wheat sees major support at the \$4.50 on July with resistance between the \$4.85 and \$5.20 area on the July contract. Unlike the corn and beans, the signals on wheat are mixed and we have not yet received any red confirmation signals to indicate higher prices or a possible reversal even in the short term trend. The long term trend for the time being is still down.



Ontario Grain Market Commentary for June 1, 2016

HARVEST 2016 CROP CASH PRICES as of **CLOSE** on **June 1, 2016**

SWW @ \$203.70/MT (\$5.54/bu), HRW @ \$198.90/MT (\$5.41/bu),
HRS @ \$228.68/MT (\$6.22/bu), SRW @ \$198.90/MT (\$5.41/bu).

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