



| <i>Tuesday, June 7, 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>4.28</i> | ↑ | <i>14</i> | <i>cents</i> |
| <i>Soybeans CBOT</i> | <i>July</i> | <i>11.41</i> | ↑ | <i>41</i> | <i>cents</i> |
| <i>Wheat CBOT</i> | <i>July</i> | <i>5.09</i> | ↑ | <i>33</i> | <i>cents</i> |
| <i>Wheat Minn.</i> | <i>July</i> | <i>5.47</i> | ↑ | <i>19</i> | <i>cents</i> |
| <i>Wheat Kansas</i> | <i>July</i> | <i>4.85</i> | ↑ | <i>29</i> | <i>cents</i> |
| <i>Chicago Oats</i> | <i>July</i> | <i>1.96</i> | ↑ | <i>06</i> | <i>cents</i> |
| | | | | | |
| <i>Canadian \$</i> | <i>June</i> | <i>.7828</i> | ↑ | <i>1.73</i> | <i>points</i> |

CORN: Corn has performed very well over the past six weeks and we have reached a pivotal short term point on our charts. The July contract shows a protracted target of \$4.30 has been reached which could suggest a rest and a possible correction. However, our weekly charts have not been satisfied, and this means we could have more upside in the coming days and a test of the \$4.40 highs made back in the summer of 2015. If we manage a close above \$4.40, the next target would be a run towards the \$4.70 - \$4.80 level likely within the next month. Both short and medium indicators are still positive, and this week our long term trend is getting a weak buy signal. This suggests we are at a critical point and another possible reason why we may see a stall in prices before we move higher. Support levels on the July contract are at \$3.85 - \$4 based on Chicago July futures.

SOYBEANS: Soybeans had a positive week again and we are now in the middle of a move that can go in either direction. According to our charts, we have reached our target of \$11.40 but did not hold above there after the initial close on June 3. The chart also closed lower the following day with a hook reversal. Although the hook reversal is not a reliable indicator, it does suggest caution should be used in regards to the long side of the market. The past couple of trading sessions have formed a flag which extends to our \$12 target area. In other words, if we manage to stay above \$11.25 on the July contract before the next commentary, there is a good chance we will see our \$12 target in the coming week but a close below the \$11.25 level could prompt a selloff back below \$11. Support is now seen between \$10.80 and \$11, while overhead resistance remains at \$11.90 - \$12.10 with our next upside target close to the \$12 area on July. The weekly charts show potential for a shot at \$13. If this market continues to perform as it has in the past month. Short and medium term indicators remain bullish, but the long term trend has not yet confirmed a trend reversal.

WHEAT: Wheat finally hit a home run the week of June 6 with a better than 30 cent move and flashed our first red signal on the weekly charts. Before we get too carried away, I feel the continuation of this move depends a lot on the corn and bean activity. All three of the grains



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are now hitting stiff resistance and that includes wheat which is running into a four-year-old down-trend line that cuts across the \$5.15 - \$5.25 levels on the July contract. Wheat has initial support at the \$4.60 level on July with major support still at the \$4.40 - \$4.50 levels. The daily and weekly indicators have now turned bullish but the long term trend for the time being is still down.

HARVEST 2016 CROP CASH PRICES as of CLOSE on June 7, 2016

SWW @ \$215.17/MT (\$5.86/bu), HRW @ \$210.48/MT (\$5.73/bu),
HRS @ \$232.04/MT (\$6.32/bu), SRW @ \$210.48/MT (\$5.73/bu).

Marty Hibbs, Grain Farmers of Ontario