



<i>Wednesday, August 3, 2016 Closing Prices</i>					
<i>COMMODITY</i>	<i>PERIOD</i>	<i>PRICE</i>	<i>WEEKLY MOVEMENT</i>		
<i>Corn CBOT</i>	<i>Sep</i>	<i>3.25</i>	↓	<i>11</i>	<i>cents</i>
<i>Soybeans CBOT</i>	<i>Aug</i>	<i>9.90</i>	↓	<i>20</i>	<i>cents</i>
<i>Wheat CBOT</i>	<i>Sep</i>	<i>4.10</i>	↓	<i>05</i>	<i>cents</i>
<i>Wheat Minn.</i>	<i>Sep</i>	<i>4.93</i>	↑	<i>4</i>	<i>cents</i>
<i>Wheat Kansas</i>	<i>Sep</i>	<i>4.12</i>	↑	<i>1</i>	<i>cents</i>
<i>Chicago Oats</i>	<i>Sep</i>	<i>1.96</i>	↓	<i>1</i>	<i>cents</i>
<i>Canadian \$</i>	<i>Sep</i>	<i>.7642</i>	↑	<i>.75</i>	<i>points</i>

CORN: We did get to our support price of \$3.20 on the September corn contract, but barely. After touching \$3.19 on August 2, we closed out the day at \$3.25. This doesn't mean much except that we are getting into serious support between \$3 and our current levels on the September contract. We are now trading at or near 10 year lows and there are several pivot points below these levels that could be hiding a rash of stop orders. I am still looking for a reversal day of significance which could be a clue that we are bottoming out. As soon as I see one, I will alert our readers and hope I am correct. It is anticipated that this year's crop will be another record yield, but if we get a hotter than expected August in the mid-west, that may not come to pass. Meanwhile, this is a multi-year bear market and it must be respected as such. All indicators are still negative and the main trend is still down.

SOYBEANS: Soybeans have been quiet as the September contract has traded sideways in our support zone of 25 cents per bushel on either side of the \$10. The month of August should be supportive for soybeans and until we are deeper into the month, prices should be some-what firm until we have passed the threat of heat related damage. It seems many are counting this crop as done but until August is in the books, like the corn crop, the yields may not prove to be as good as expected. While support is seen at \$9.80-\$10, our overhead resistance is around the \$10.50-\$10.75 with more trouble at the \$11 area based on the September contract. With the recent drop in prices, our indicators are now oversold. Signals are still mixed but the main trend is still down.

WHEAT: As suggested last week, we did indeed challenge and take out the \$4 mark on the September contract since our last commentary. The September futures continue to make new lows, but at a much slower pace. With the current crop in the can, we are now somewhat dependent on the other grains to give some support to the wheat crop. Since violating the \$4 price on the September contract, we had a 10 cent per bushel bounce back to the \$4.10 level. Good support is still seen at \$4 on close based on the September contract, however, the trend is still down and we could actually see a hard break as stops are hit and the change of power is moved from net short to neutral or long positions in the coming weeks. The indicators remain negative but oversold. The main trend continues to be down.



Ontario Grain Market Commentary for August 3, 2016

HARVEST 2016 CROP CASH PRICES as of **CLOSE** on **August 3, 2016**

SWW @ \$170.67/MT (\$4.64/bu), HRW @ \$165.86/MT (\$4.51/bu),
HRS @ \$203.36/MT (\$5.53/bu), SRW @ \$170.67/MT (\$4.64/bu).

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