



<i>Wednesday, August 24, 2016 Closing Prices</i>					
<i>COMMODITY</i>	<i>PERIOD</i>	<i>PRICE</i>	<i>WEEKLY MOVEMENT</i>		
<i>Corn CBOT</i>	<i>Dec</i>	<i>3.36</i>	↓	<i>05</i>	<i>cents</i>
<i>Soybeans CBOT</i>	<i>Nov</i>	<i>10.05</i>	↑	<i>01</i>	<i>cents</i>
<i>Wheat CBOT</i>	<i>Dec</i>	<i>4.26</i>	↓	<i>19</i>	<i>cents</i>
<i>Wheat Minn.</i>	<i>Dec</i>	<i>5.09</i>	↓	<i>15</i>	<i>cents</i>
<i>Wheat Kansas</i>	<i>Dec</i>	<i>4.34</i>	↓	<i>11</i>	<i>cents</i>
<i>Chicago Oats</i>	<i>Dec</i>	<i>1.85</i>	↑	<i>01</i>	<i>cents</i>
<i>Canadian \$</i>	<i>Sep</i>	<i>.7737</i>	↓	<i>0.43</i>	<i>points</i>

CORN: Our hook reversal on the corn chart from August 12 is still intact as the U.S. crop continues to indicate an excellent rating from the United States Department of Agriculture (USDA) weekly reports. Although the August 23 weekly corn condition report came in at 75% good to excellent, we still have not seen the final yield numbers. There is still a chance, as we mentioned several weeks ago, that they may fall short of the USDA's forecast which could be positive for prices at least in the short term. Daily indicators are slightly bullish but there is still a good chance we may see more harvest pressure into September. Meanwhile, our interim bottom of August 12 is in place and if the yields are less than expected, there is a chance that this our August 12 bottom will hold.

Short term support is seen at \$3.30 and again at \$3.20 on the December contract.

Indicators are still negative, and the main trend is still down.

SOYBEANS: Soybeans continue yet again to find good support at the \$9.75 level and equal resistance at the \$10.25 overhead based on the November contract. The indicators are still mixed and the updated yields will play a big part in the short term direction. Until these numbers are finalized, I feel we will trade on both sides of the \$10 per bushel mark based on the November contract as we are now approaching the first notice day for the September futures. Using our November contract for analysis, we see support at \$9.50 and resistance at the \$10.50 price points. Signals are still mixed, but if the yields are adjusted downward in September, we could still see a decent rally.

WHEAT: The December Chicago wheat broke the \$4.25 low of August 12 and we traded down to \$4.23 on that contract. The September contract, which is the lead month, did not make a new low; but it is currently trading within a couple of pennies of the \$4 low. Our signal which we had hoped would produce some upside in prices managed only about a 30 cent rally before stalling. This, of course, corresponded with nothing but positive news on both the quality and quantity of the current wheat harvest. There is not much positive to look forward to in the sense of a technical pattern that would suggest better prices in the coming weeks. Our overhead resistance now stands at \$4.30 - \$4.40 on our December contract. Meanwhile, our support level is still at the \$4 mark for September and once that contract expires, the support



Ontario Grain Market Commentary for August 24, 2016

should remain the same for the December contract (currently trading near the \$4.25 level). The indicators are negative, and the main trend is still down.

HARVEST 2016 CROP CASH PRICES as of **CLOSE** on **August 10, 2016**

SWW @ \$165.87/MT (\$4.51/bu), HRW @ \$161.12/MT (\$4.39/bu),
HRS @ \$192.01/MT (\$5.23/bu), SRW @ \$173.00/MT (\$4.71/bu).

Marty Hibbs, Grain Farmers of Ontario