



Wednesday, August 31, 2016 Closing Prices					
<i>COMMODITY</i>	<i>PERIOD</i>	<i>PRICE</i>	<i>WEEKLY MOVEMENT</i>		
<i>Corn CBOT</i>	<i>Dec</i>	<i>3.15</i>	↓	<i>15</i>	<i>cents</i>
<i>Soybeans CBOT</i>	<i>Nov</i>	<i>9.45</i>	↓	<i>60</i>	<i>cents</i>
<i>Wheat CBOT</i>	<i>Dec</i>	<i>3.88</i>	↓	<i>37</i>	<i>cents</i>
<i>Wheat Minn.</i>	<i>Dec</i>	<i>4.81</i>	↓	<i>28</i>	<i>cents</i>
<i>Wheat Kansas</i>	<i>Dec</i>	<i>3.98</i>	↓	<i>36</i>	<i>cents</i>
<i>Chicago Oats</i>	<i>Dec</i>	<i>1.76</i>	↓	<i>09</i>	<i>cents</i>
<i>Canadian \$</i>	<i>Sep</i>	<i>.7224</i>	↓	<i>1.03</i>	<i>points</i>

CORN: With first notice day upon us as of August 31, the pressure is on as the latest numbers show a record 15 billion bushels of corn due to be harvested in the U.S. Technically the charts look negative, and at this point there is no reason to try and guess a bottom price. The only indication that I will look for is a “throw your hands up” type of washout followed by a quick rally back to unchanged or better in the same trading session. This is a classic formation that usually spells the end of an extended price move. Until we see this type of action, our prediction for future pricing is more of a guess than a science.

On a more positive note, we have a long weekend in the U.S. as well as in Canada and these weekends have been known to be associated with price reversals. As for the charts, the only indications for support is the 10 year low of \$2.90 on the monthly chart going back to 2006. If we get a close below this area, we will be in price territory that has not been seen for more than 10 years.

Short term support is seen at \$3.- \$3.15 on the December contract. Indicators are still negative but are getting very oversold in all timeframes. The main trend is still down.

SOYBEANS: Soybeans have broken support at the \$9.50 level but continue to look stronger technically than both corn and wheat. The next major report by the United States Department of Agriculture (USDA) is scheduled for September 12 and until we get a more accurate yield count, there is no reason to expect the downward pressure to subside. The indicators are negative 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. August 31 was the first notice day for the September futures and could alleviate some selling pressure by the specs. Using our November contract for analysis, we see minor support at \$9.25 and major support at the \$8.50 price based on the lead contract. Signals are negative, but if the yields are adjusted downward in September, we could still see a decent rally.



WHEAT: The December Chicago wheat broke the \$4 support level that was as suggested last week and continues to be under pressure. The September contract entered first notice day today which basically eliminates speculator positions and any remaining traders are at risk for delivery. This should produce fair market value for the current cash price for wheat. With the first notice day and a long weekend in both the U.S and Canada, coupled with 10 year lows, we could see a reason to hope for a bounce in prices going into the September 12 USDA report. Our overhead resistance now stands at \$4 - \$4.30 on our December contract. Meanwhile, our support level has moved down to \$3.50 - \$3.75. The indicators are negative, and the main trend is still down.

HARVEST 2016 CROP CASH PRICES as of **CLOSE** on **August 31, 2016**

SWW @ \$160.63/MT (\$4.37/bu), HRW @ \$158.22/MT (\$4.31/bu),
HRS @ \$183.88/MT (\$5.00/bu), SRW @ \$163.04/MT (\$4.44/bu).

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