



<i>Wednesday, September 28, 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>3.29</i>	↓	<i>11</i>	<i>cents</i>
<i>Soybeans CBOT</i>	<i>Nov</i>	<i>9.45</i>	↓	<i>30</i>	<i>cents</i>
<i>Wheat CBOT</i>	<i>Dec</i>	<i>4.03</i>	↓	<i>05</i>	<i>cents</i>
<i>Wheat Minn.</i>	<i>Dec</i>	<i>5.09</i>	↑	<i>13</i>	<i>cents</i>
<i>Wheat Kansas</i>	<i>Dec</i>	<i>4.21</i>	↓	<i>01</i>	<i>cents</i>
<i>Chicago Oats</i>	<i>Dec</i>	<i>1.74</i>	↓	<i>02</i>	<i>cents</i>
<i>Canadian \$</i>	<i>Dec</i>	<i>.7637</i>	↑	<i>0.31</i>	<i>points</i>

**CORN:** With approximately 15% of harvest complete as of September 28, sellers of corn are reluctant to apply more selling pressure on the current crop, as they want to be comfortable that the this crop can be fully harvested without issues, considering the wetter than usual weather. For the time being, our Labour day low of \$3.01 on the September contract is still this season's low and at this point we are north of that level by some 30 cents per bushel on the December contract. As harvest progresses, we could see another test of that level as the December contract gets closer to expiration or we approach first notice day, at the end of November.

Short term support is seen at \$3.15 - \$3.25 on the December contract, while overhead resistance is seen at the \$3.40 - \$3.60 level on the lead month. The short term indicators are positive for now, but the main trend is still down.

**SOYBEANS:** Soybeans, like corn, are well underway in harvesting a bumper crop. There is a chance we could see some revisions in the United States Department of Agriculture (USDA) numbers in October as we see some actual yields. Although we seem to have found good support in the \$9.25 range for the past two months, I am worried about a red sell signal we received about a week ago. This signal suggests a re-test of the \$8.50 level is very possible during the midst of harvest. These red signals are usually more accurate than my day to day signals, but for the time being, we continue to see support at \$9.25 - \$9.50, and resistance at \$10.50 based on the November contract. The main trend is still down.

**WHEAT:** Agricorp reports that winter wheat yields covered by Production Insurance averaged 96 bushels per acre, a record high. Friday, September 30 the USDA will release its quarterly stocks report.

The biggest hope we have for a decent rally in the wheat prices is currently linked to any surprises in the corn harvest. With wet weather still an issue at harvest, we could see some disease issues with the corn crop which could benefit the feed side of the wheat markets. We have been in tight trading since the labour day lows of \$3.60 on the September contract. Meanwhile, there are a series of overhead resistance points about every 20 cents higher,



## Ontario Grain Market Commentary for September 28, 2016

starting at \$4.20 on the December chart. Although we are showing oversold condition but the main trend is still down.

### **HARVEST 2016 CROP CASH PRICES as of CLOSE on September 28, 2016**

SWW @ \$167.48/MT (\$4.56/bu), HRW @ \$165.07/MT (\$4.49/bu),  
HRS @ \$196.60/MT (\$5.35/bu), SRW @ \$169.89/MT (\$4.62/bu).

Marty Hibbs, Grain Farmers of Ontario