



Wednesday, January 18, 2017 Closing Prices					
<i>COMMODITY</i>	<i>PERIOD</i>	<i>PRICE</i>	<i>WEEKLY MOVEMENT</i>		
<i>Corn CBOT</i>	<i>Mar</i>	<i>3.65</i>	↑	<i>07</i>	<i>cents</i>
<i>Soybeans CBOT</i>	<i>Mar</i>	<i>10.75</i>	↑	<i>65</i>	<i>cents</i>
<i>Wheat CBOT</i>	<i>Mar</i>	<i>4.31</i>	↑	<i>12</i>	<i>cents</i>
<i>Wheat Minn.</i>	<i>Mar</i>	<i>5.72</i>	↑	<i>12</i>	<i>cents</i>
<i>Wheat Kansas</i>	<i>Mar</i>	<i>4.52</i>	↑	<i>20</i>	<i>cents</i>
<i>Chicago Oats</i>	<i>Mar</i>	<i>2.57</i>	↑	<i>25</i>	<i>cents</i>
<i>Canadian \$</i>	<i>Mar</i>	<i>.7560</i>	↓	<i>0.35</i>	<i>points</i>

CORN: This week proved to be positive for corn as once again we tested the upper end of our resistance on the March contract and closed above our two month high of \$3.60. From here we may see a small correction, but another attempt and a close above \$3.70 should catapult us towards the \$3.80 level in the coming months or even weeks.

Meanwhile, our overhead resistance remains at \$3.70 while support is seen at \$3.40.

Short term and weekly indicators are still positive, but the main trend is still down.

SOYBEANS: The move continued this week on the March contract as soybeans gained about 60 cents per bushel to hit our \$10.70 resistance level that we spoke of last week. We also received a red buy signal this week on the daily chart as a result of the strength of the move. This momentum could just be getting started as there is very little resistance from this \$10.70 level through the \$11 - \$11.40 levels based on the March contract. Three key factors influencing this rally were the United States Department of Agriculture (USDA) reduction in yields, issues with the South America crop, and short covering by hedge funds. We will find out in the next few trading sessions if we have any more momentum on the upside. Initial support is still at the \$10.25 level on March, and once we close convincingly above \$10.75, our next target is the \$11 - \$11.20 area.

Short and intermediate term indicators have now turned positive but the main trend is still down.

WHEAT: As expected, the wheat markets behaved as forecast. We ascended to within two cents of the \$4.40 level on March and have since stalled. Our red buy signal from two weeks ago is still intact, but a pullback is likely before an attempt at our \$4.40 resistance and hopefully our next target price of \$4.50 - \$4.60.



Before we get too excited, a major trend change takes time and can be slow and painstaking and we haven't seen one for several years; but this is the type of price action necessary before we can even hope for higher prices leading to a major trend change.

The HRS completed our inverted head and shoulders formation on the March contract and has since stalled. Charts suggest a pullback from these levels since we have a nicely formed key reversal on the daily chart. I am looking for support around the \$5.40 - \$5.50 level on the March contract, and either way, I feel we will possibly challenge the \$5.90 level again once our correction is completed.

CBOT March wheat initial support is still seen at the \$4.20 level and again at \$4, while overhead resistance is at the \$4.40 - \$4.50 level.

Both short and intermediate term indicators are still positive but the primary trend is still down.

2016 CROP CASH PRICES as of close on *January 18, 2017*

SWW @ \$183.15 (\$4.98/bu), HRW @ \$190.46/MT (\$5.18/bu),
HRS @ \$230.65/MT (\$6.28/bu), SRW @ \$190.46/MT (\$51.8/bu).

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