



<i>Thursday, February 9, 2017 Closing Prices</i>					
<i>COMMODITY</i>	<i>PERIOD</i>	<i>PRICE</i>	<i>WEEKLY MOVEMENT</i>		
<i>Corn CBOT</i>	<i>Mar</i>	<i>3.69</i>	↑	<i>01</i>	<i>cents</i>
<i>Soybeans CBOT</i>	<i>Mar</i>	<i>10.50</i>	↑	<i>13</i>	<i>cents</i>
<i>Wheat CBOT</i>	<i>Mar</i>	<i>4.43</i>	↑	<i>09</i>	<i>cents</i>
<i>Wheat Minn.</i>	<i>Mar</i>	<i>5.68</i>	↑	<i>13</i>	<i>cents</i>
<i>Wheat Kansas</i>	<i>Mar</i>	<i>4.51</i>	↑	<i>11</i>	<i>cents</i>
<i>Chicago Oats</i>	<i>Mar</i>	<i>2.54</i>	↑	<i>04</i>	<i>cents</i>
<i>Canadian \$</i>	<i>Mar</i>	<i>.7612</i>	↓	<i>0.50</i>	<i>points</i>

**CORN:** This month's United States Department of Agriculture (USDA) report highlighted a 4 MMT increase in Chinese demand coupled with a 1.5 MMT increase in Mexican output. As for the charts, we are still stuck at our \$3.70 resistance, but if and when we manage to clear this resistance convincingly and close above here, we are cleared for our next task which is an attempt at the \$3.80 - \$4 corn. Our main downtrend line runs just north of \$4 on the lead month contract. Short term and weekly indicators are still positive, but the main trend is still down.

**SOYBEANS:** Highlights of the USDA report showed Argentina's soybean crop being cut 1.5 million metric tonnes but the cut was less than expected and the beans softened after the report.

The trading range is getting smaller each passing week and soybeans are heading into a narrow vertex on the weekly chart, which should resolve itself before the end of May. Currently, the range is between \$10 and \$11. Initial support is still at the \$10. 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 are still positive but the main trend is still down.

**WHEAT:** Wheat behaved as expected and had a nice rally after the USDA report. Our target of \$4.40 was finally met and from this level we could expect another pullback to work on our inverted head and shoulders formation before heading high to our next target of \$4.50 and a challenge to our intermediate trend line. According to the charts we may see this attempt in the coming weeks. The completion of our inverted pattern suggests we may see the lead month contract price as high as \$4.80 which would not only complete the pattern, but challenge our intermediate downtrend. Our red buy signal from Christmas is still intact.



## Ontario Grain Market Commentary for **February 8**, 2017

CBOT March wheat initial support is still seen at the \$4.20 level while overhead resistance is still at the \$4.40 - \$4.45 level.

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

### CROP **CASH PRICES** as of **close** on **February 9**, 2017

SWW @ \$194.70 (\$5.30/bu), HRW @ \$194.70/MT (\$5.30/bu),  
HRS @ \$224.61/MT (\$6.11/bu), SRW @ \$194.70/MT (\$5.30/bu).

Marty Hibbs, Grain Farmers of Ontario