



<b>Wednesday, May 3, 2017 Closing Prices</b>					
COMMODITY	PERIOD	PRICE	WEEKLY MOVEMENT		
Corn CBOT	July	3.75	↑	08	cents
Soybeans CBOT	July	9.75	↑	19	cents
Wheat CBOT	July	4.54	↑	27	cents
Wheat Minn.	July	5.61	↑	11	cents
Wheat Kansas	July	4.63	↑	36	cents
Chicago Oats	July	2.38	↑	18	cents
Canadian \$	June	.7293	↓	0.55	points

**CORN:** Looks like the rain across the Midwest is becoming more of an issue as the bounce in the futures sent many hedge funds to the sidelines as the short covering rally we spoke of last week is now a reality, catapulting corn futures 10 to 15 cents higher since our last report. Going forward the weather will be front and centre as the race to complete planting is becoming the main focus for the Midwest Corn Belt. Support on the July contract is seen at \$3.60 while overhead resistance is still at \$3.80 - \$4.00. Short term indicators are now neutral but the main trend is still down.

**SOYBEANS:** The recent weather in major growing areas proved to be more of a hindrance for the new soybean crop as any real delays in the corn planting may be pushed to plant soybeans and thereby add to the bulging supply chain. The July contract has support at the \$9.40 level for the time being. Failure to hold this support line on a close would suggest a re-test of the \$9 level once again and possibly \$8.50, which is the 2016 low. Immediate overhead resistance is seen at the \$10 mark on both the July and November contracts. The \$11 number is where you need to see the futures contract before you even start to see a chance for any significant reversal in the five-year-old bearish trend.

Short term indicators are all negative and the main trend is still down.

**WHEAT:** Confirming our positive reversal signal from April 25, we did indeed receive the expected pop in prices this week. Going forward, the next few days could see more work in the \$4.30 - \$4.40 levels on the July contract before attempting higher prices. The expanding wave count on the July contract suggests higher prices into June of this year. Remembering that this is technical analysis, there are no guarantees with this prediction. Meanwhile, this move has given us another "red signal" to add to our collection. This is now three short-term bullish signals for the July contract. We will be looking for other signals in the coming weeks for more clues of a possible confirmation of a bottom. Support on the July contract is seen at \$4.15 and



## Ontario Grain Market Commentary for **May 3**, 2017

again closer to the \$4 mark. Our overhead resistance is now \$4.60 - \$4.80 also on the July contract while our major overhead trend line runs across the daily chart around \$5.20.

Meanwhile, short term indicators are now positive but the primary trend is still down.

**Harvest 2017** prices as of the close, **May 3** are as follows:

**SWW** @ \$213.45/MT (\$5.81/bu), **HRW** @ \$213.45/MT (\$5.81/bu),

**HRS** @ \$231.58/MT (\$6.30/bu), **SRW** @ \$213.45/MT (\$5.81/bu),

Marty Hibbs, Grain Farmers of Ontario