



<i>Wednesday, May 17, 2017 Closing Prices</i>					
<i>COMMODITY</i>	<i>PERIOD</i>	<i>PRICE</i>	<i>WEEKLY MOVEMENT</i>		
<i>Corn CBOT</i>	<i>July</i>	<i>3.71</i>	↓	<i>03</i>	<i>cents</i>
<i>Soybeans CBOT</i>	<i>July</i>	<i>9.76</i>	↑	<i>05</i>	<i>cents</i>
<i>Wheat CBOT</i>	<i>July</i>	<i>4.27</i>	↓	<i>05</i>	<i>cents</i>
<i>Wheat Minn.</i>	<i>July</i>	<i>5.41</i>	↓	<i>04</i>	<i>cents</i>
<i>Wheat Kansas</i>	<i>July</i>	<i>4.26</i>	↓	<i>13</i>	<i>cents</i>
<i>Chicago Oats</i>	<i>July</i>	<i>2.35</i>	↓	<i>09</i>	<i>cents</i>
<i>Canadian \$</i>	<i>June</i>	<i>.7340</i>	↑	<i>0.15</i>	<i>points</i>

Corn: Looking outside of the technicals this week, most markets are in turmoil with the geopolitical events and a weakening U.S. dollar. This could impact the grain market with a positive spin if the dollar weakness continues. The weakening dollar could strengthen the prices for grains and that works doubly for Canadian farmers if the Canadian dollar also continues to soften. The charts are showing some resilience with the July futures prices attempting to work higher towards the \$3.80 resistance level. If we manage to close above there, I feel we could get a shot at the all-important \$4 trend line. But first let's get through the \$3.80 mark.

Support on the July contract is seen at \$3.50 while overhead resistance is still at \$3.80 with major resistance at the \$4 mark.

Short term indicators are neutral but the main trend is still down.

**SOYBEANS:** Soybeans continue to trade in the \$9.25 - \$10 range and there is little fresh news. The indicators are still negative but the prices have been firming somewhat on a weaker U.S. dollar since April of this year. The July contract has support at the \$9.25 - \$9.40 level. Overhead resistance is seen at the \$10 mark on both the July and November contracts. We are seeing some positive divergence in some indicators suggesting that we could see some upside price movement in the near term and a couple of indicators are suggesting oversold conditions in the near term.

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

**WHEAT:** The wet weather may have passed for the time being, however, there could be issues going forward with concerns of disease from the moisture.

Wheat has weakened over the past two weeks but the reversal pattern that was forming is still valid and it shows that the wheat could challenge the \$4.10 lows on the July contract and still be intact. This formation, if it stays above the \$4 price on the lead month contract, could see



## Ontario Grain Market Commentary for **May 17**, 2017

wheat much higher in the next two months. This is an intermediate technical formation and cannot be used to accurately predict prices; however, it suggests the scope of a possible rally target. Support on the July contract is seen at \$4.15 and again closer to the \$4 mark. Our overhead resistance is at \$4.40 - \$4.60 also on the July contract while our major overhead trend line runs across the monthly chart around \$5.

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

**Harvest 2017** prices as of the close, **May 17** are as follows:

**SWW** @ \$198.52/MT (\$5.40/bu), **HRW** @ \$198.52/MT (\$5.40/bu),

**HRS** @ \$221.52/MT (\$6.03/bu), **SRW** @ \$198.52/MT (\$5.40/bu),

Marty Hibbs, Grain Farmers of Ontario