Ontario Grain Market Commentary for ***June 28***, 2017

Wednesday, June 28 2017 Closing Prices					
COMMODITY	*PERIOD*	*PRICE*	*WEEKLY MOVEMENT*		
Corn CBOT	*Sept*	*3.57*	↓	*11*	*cents*
Soybeans CBOT	*Nov*	*9.21*	↑	*02*	*cents*
Wheat CBOT	*Sept*	*4.73*	↑	*08*	*cents*
Wheat Minn.	*Sept*	*7.10*	↑	*52*	*cents*
Wheat Kansas	*Sept*	*4.80*	↑	*12*	*cents*
Chicago Oats	*Sept*	*2.59*	↑	*06*	*cents*
Canadian $	*Sept*	*.7690*	↑	*1.55*	*points*

Corn: Although we nailed our $4. resistance level ($3.99 on September contract) before prices reversed, we pulled back to our support level of $3.60 faster than expected. Also unexpected was a red sell signal that flashed on June 22. This has changed the dynamics on the charts and it looks like we are once again on the defensive after hitting our $4 multi-year downtrend line and dropping sharply. From the severity of the pullback since June 9, it could take more time than previously thought before we attempt to challenge the $4 trend line again. Since we failed to negate that all-important line, the down-trend is still very much intact.

Initial support on the September futures is seen at $3.50, while overhead resistance is still at $4, also on the September contract.

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

SOYBEANS: As expressed in the last commentary, we are now challenging the $9.10 support area on the new crop November futures. This $9 futures price is important because should we fail to find good support in this area, and close much below the $9 price on November, there is nothing on the charts to prevent a selloff toward the $8.50 bottom of 2015 that we have spoken of so many times since the spring. Overhead resistance is seen at $9.50 and again at $9.80, while support on the September contract continues to be at the $9 mark.

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

WHEAT: It looks like our question was answered as to which we would see first, a pullback to $6 or a rush towards $7.25. We are currently trading at $7.10 as of the close on June 28. Our red buy signal on June 12 possibly marks the end of a six year bear market. Of course, we could be premature and it's likely we could still see a hard break in prices, but this should not disturb the

bullish formation that we are building. Bull markets can last from two to 10 years, and once entrenched, these markets are to be viewed from the long side, which is to say, buy the dips. This is in direct opposition to the bear market we have seen in the Minneapolis wheat since 2011 which dictates to sell the rallies. Resistance is seen at the $7.25 level based on the September contract. For today, we will say that the long or intermediate trend is neutral but with a very positive bias.
Chicago wheat, while not performing as well, is still on track to challenge the $5 level this summer and could even reach the major overhead resistance target of $5.25 before the end of July. Meanwhile, solid support is seen at $4.50 on the September contract, while our overhead resistance is now at the $5 - $5.25 also on the September futures.

Short term indicators are positive, but the primary trend on Chicago is still down.

Harvest 2017 prices as of the close, **June 28** are as follows:
SWW @ $214.18/MT ($5.83/bu), **HRW** @ $211.79/MT ($5.76/bu),
HRS @ $288.75/MT ($7.86/bu), **SRW** @ $211.79/MT ($5.76/bu),

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