



Wednesday, July 26 2017 Closing Prices					
<i>COMMODITY</i>	<i>PERIOD</i>	<i>PRICE</i>	<i>WEEKLY MOVEMENT</i>		
<i>Corn CBOT</i>	<i>Sept</i>	<i>3.73</i>	↓	<i>09</i>	<i>cents</i>
<i>Soybeans CBOT</i>	<i>Nov</i>	<i>10.00</i>	↓	<i>12</i>	<i>cents</i>
<i>Wheat CBOT</i>	<i>Sept</i>	<i>4.78</i>	↓	<i>25</i>	<i>cents</i>
<i>Wheat Minn.</i>	<i>Sept</i>	<i>7.30</i>	↓	<i>45</i>	<i>cents</i>
<i>Wheat Kansas</i>	<i>Sept</i>	<i>4.75</i>	↓	<i>25</i>	<i>cents</i>
<i>Chicago Oats</i>	<i>Sept</i>	<i>2.88</i>	↓	<i>05</i>	<i>cents</i>
<i>Canadian \$</i>	<i>Sept</i>	<i>.8015</i>	↑	<i>.50</i>	<i>points</i>

Corn: The entire grain complex has been under pressure after having the best week in more than a year. As of this writing, we reached our support as outlined last week at the \$3.60 area. The primary down-trend line that cuts above \$4 on the lead month contract was too much on this run to overcome, and thus, the selloff was prompt and decisive after three attempts since June of this year. It seems a given that the last support area of \$3.50 from June 23 on the September contract will be tested for support before we attempt another run at the primary trend line.

Initial support on the September futures is seen at \$3.50 - \$3.60, while overhead resistance is still at \$4, also on the September contract.

Short term indicators are neutral and the primary trend is still down.

SOYBEANS

We are getting the pullback that was suggested in last week's commentary, but I feel we still have more room on the downside. We are forming a bullish flag and if prices stay above the \$9.60 level on the close on the November contract, we can expect another attempt at the all-important \$10.50 trend line. The draw down in open interest from the beginning of July can be contributed in part by a short covering rally which saw prices shoot skyward on good volume. Typically, we now have many of the short funds on the sideline and we will wait to see if there is a genuine bullish move on the horizon.

Initial support is at the \$9.80 level and it is possible that this may hold - in which case, we may not see our \$9.60 target price. Should that be the case, we would likely see a significant change in direction and a challenge to the \$10.80 target high of January 2017. Our red buy signal on the daily chart from July 3 is still intact.

Short term indicators are still positive, but for now the primary trend is still down.



WHEAT:

Minneapolis wheat lost another 50 cents per bushel this week as the corrective stage of the recent rally continues. The main trend indicator is still on the red buy signal, even though it is an obvious corrective phase. There was a lot of short covering by the funds as noted by the drop in open interest as prices soared. Support is seen at \$7 on September futures, while another support level, which may be tested on a larger pullback, would be the \$6.70 mark. This would coincide with a 61.8 per cent Fib retracement of the move and possibly serve as a resting point before we move higher.

Chicago futures didn't fare well as we flashed a red sell signal on our day charts. This signal nullifies the red buy signal of last week and does not turn the market negative but rather neutralizes the last red signal. Our current support line sits at the \$4.50 - \$4.60 area on the September contract while a larger support is seen at the \$4.25 - \$4.35 area. Short term indicators are still neutral but the main trend is still up.

Harvest 2017 prices as of the close, **July 26** are as follows:

SWW @ \$205.27/MT (\$5.59/bu), **HRW** @ \$205.57/MT (\$5.59/bu),

HRS @ \$265.90/MT (\$7.24/bu), **SRW** @ \$202.98/MT (\$5.52/bu),

Marty Hibbs, Grain Farmers of Ontario