



| Wednesday, August 2 2017 Closing Prices | | | | | |
|--|--------|-------|-----------------|-----|--------|
| COMMODITY | PERIOD | PRICE | WEEKLY MOVEMENT | | |
| Corn CBOT | Sept | 3.65 | ↓ | 08 | cents |
| Soybeans CBOT | Nov | 9.77 | ↓ | 23 | cents |
| Wheat CBOT | Sept | 4.60 | ↓ | 18 | cents |
| Wheat Minn. | Sept | 7.22 | ↓ | 08 | cents |
| Wheat Kansas | Sept | 4.64 | ↓ | 11 | cents |
| Chicago Oats | Sept | 2.89 | ↓ | 01 | cents |
| | | | | | |
| Canadian \$ | Sept | .7961 | ↓ | .55 | points |

Corn: Corn prices are on-track to test the \$3.50 - \$3.60 support level that I spoke of last week. September corn closed on August 2 at \$3.64. The entire grain complex has been under pressure after having the best week in more than a year. We should see solid good at this \$3.50 level, but failing to do so on a close could suggest lower prices into the harvest. The primary down-trend line sits at the \$4 level on the lead month contract. I feel we will eventually attempt another run at the primary trend line but not in the near term.

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 currently sitting at \$9.75 on the November soybean contract just 10 cents from our targeted \$9.60 support area. From the support level of \$9.60, I expect to see at least a rally of 50 cents per bushel on the Chicago futures even if we don't challenge the \$10.50 trend line again in the coming weeks. Weather continues to dominate the headlines as eyes are on the estimated yields in the coming weeks.

Initial support is at the \$9.60 level, in which case, we may not see our \$9 target price. Our red buy signal on the daily chart from July 3 is still intact and until we neutralize this signal with a red sell signal, we continue to be hopeful for a decent rally towards the \$10 level once again.

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



WHEAT:

Minneapolis wheat slowed a bit this week as we lost about five cents per bushel in total on the September contract. Our support target was \$7 on September, but we held slightly higher than that in the \$7.10 area. From here we could get a pop but I still feel we could see September trade between the \$6.50 - \$7 range before we turn back higher. I feel this correction was overdue. Eventually we could trade higher, but for now, the pressure is on the downside and the weather is still an issue with the spring crop. Any sizeable rallies in the near term could be viewed as a selling opportunity.

Unfortunately Chicago futures didn't fare well after receiving the red sell signal last week. Futures tumbled 35 cents a bushel since we saw the sell signal on July 25. Meanwhile, our best support area we see is now at the \$4.25 - \$4.35 area on September as mentioned last week. Short term indicators are negative, and our main trend has turned back to neutral according to our weekly charts.

Harvest 2017 prices as of the close, **August 2** are as follows:

SWW @ \$198.91/MT (\$5.41/bu), **HRW** @ \$198.91/MT (\$5.41/bu),

HRS @ \$263.98/MT (\$7.18/bu), **SRW** @ \$196.60/MT (\$5.35/bu),

Marty Hibbs, Grain Farmers of Ontario