



<b>Wednesday, October 12, 2017 Closing Prices</b>					
<i>COMMODITY</i>	<i>PERIOD</i>	<i>PRICE</i>	<i>WEEKLY MOVEMENT</i>		
<i>Corn CBOT</i>	<i>Dec</i>	<i>3.49</i>	↑	<i>06</i>	<i>cents</i>
<i>Soybeans CBOT</i>	<i>Nov</i>	<i>9.92</i>	↑	<i>34</i>	<i>cents</i>
<i>Wheat CBOT</i>	<i>Dec</i>	<i>4.30</i>	↓	<i>12</i>	<i>cents</i>
<i>Wheat Minn.</i>	<i>Dec</i>	<i>6.12</i>	↑	<i>02</i>	<i>cents</i>
<i>Wheat Kansas</i>	<i>Dec</i>	<i>4.26</i>	↓	<i>10</i>	<i>cents</i>
<i>Chicago Oats</i>	<i>Dec</i>	<i>2.62</i>	↑	<i>16</i>	<i>cents</i>
<i>Canadian \$</i>	<i>Dec</i>	<i>.8030</i>	↑	<i>0.15</i>	<i>points</i>

### **Corn:**

The United States Department of Agriculture (USDA) report was released at noon on October 12 and the corn yield came in at 171.8 bushels per acre compared to an average guess of 1.70. The only positive number was the world carryout of 201 million tonnes, down from September's carryout of 202.47 million tonnes. The December contract rallied on the report but not before notching a new low in the December futures at 3.42 1/2. This was a new December contract low, but it did not stick and the corn settled up on the day by three cents per bushel. Although the \$3.40 support level that we identified on the December futures contract has been negated, the market looks like it merely ran the stops at this point and we have now tested this area four times.

Now that the corn harvest is well underway in the U.S., there is a good possibility that we can start to see some relief from the downward pressure on cash prices in the coming months unless we have a surprise in next month's report. Support is still seen at the \$3.40 level on the December contract, while overhead resistance is seen at \$3.60.

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

### **Soybeans:**

We had a positive reaction to the October USDA report as the November new crop soybeans had a good rally, closing up 28 cents per bushel at \$9.93 on the November contract.

Although the 2017 production numbers were unchanged from September, both the yields and carryouts locally and globally were reduced.

Looking at our charts, there now seems to be a definitive bullish pattern emerging. This pattern is a longer term formation that suggests much higher prices into next year. Of course this is my



analysis and everybody has their opinion. Support is seen at \$9.40 with major support now at \$9. Overhead resistance is at \$10.

The indicators are mixed, but the primary trend is still down.

### **Wheat:**

The only new numbers for wheat in the October USDA report were both carry out numbers for the U.S and globally. Both of these numbers showed a bit of an increase and pressured wheat in the futures markets after the release of the report. The December contract managed to limit its losses for the session but there is still a red sell signal and a recent bottom that will likely be challenged in the coming week before we see some upside movement on that contract.

For now the \$4 bottom from September 1 could be the required test for support. Once that bottom has been proven, we should see some downside price relief.

Initial support still sits at \$4.20 with solid support at \$4 on the December chart, while overhead resistance is viewed at \$4.60 - \$4.80.

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

**Harvest 2017** prices as of the close, **October 12**, are as follows:  
**SWW** @ \$183.52/MT (\$4.99/bu), **HRW** @ \$192.67/MT (\$5.24/bu),  
**HRS** @ \$238.89/MT (\$6.50/bu), **SRW** @ \$188.09/MT (\$5.12/bu).

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