



<b>Wednesday, October 25, 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>3.51</i>	↑	<i>03</i>	<i>cents</i>
<i>Soybeans CBOT</i>	<i>Nov</i>	<i>9.75</i>	↓	<i>12</i>	<i>cents</i>
<i>Wheat CBOT</i>	<i>Dec</i>	<i>4.35</i>	↑	<i>05</i>	<i>cents</i>
<i>Wheat Minn.</i>	<i>Dec</i>	<i>6.22</i>	↑	<i>12</i>	<i>cents</i>
<i>Wheat Kansas</i>	<i>Dec</i>	<i>4.32</i>	↑	<i>04</i>	<i>cents</i>
<i>Chicago Oats</i>	<i>Dec</i>	<i>2.76</i>	↑	<i>08</i>	<i>cents</i>
<i>Canadian \$</i>	<i>Dec</i>	<i>.7811</i>	↓	<i>2.10</i>	<i>points</i>

### **Corn:**

The December Corn contract made a double bottom this week on our charts. This is somewhat supportive as we tested last week's lows of \$3.40 which was also the December contract lows. This support should allow some upside in the short term and possibly challenge the \$3.60 mark on the December futures. This would open the possibility of a larger rally into the month of November. The big issue I see with any sizeable rally is the red sell signal we received near the end of August and the fundamentals of a sizeable harvest.

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:**

As expected, we got our pullback in prices on the November contract this week after flirting with our \$10 resistance area. The 25 cent correction allows us to gain some momentum for another shot at the big round \$10 number. This week we were encouraged as we were given a red buy signal last week on our weekly charts. Our double bottom formation on our January chart allows us the potential to challenge the \$10.50 level sometime in November. We will be switching to the January futures in soybeans for our next report.

We are still expecting much higher prices in 2018, but we will need to close above \$10.50 on the lead month contract to negate a three year old trend line and begin the ascent.

Support is seen at \$9.40 and our overhead resistance is at the \$10 mark on the November contract.

Both short and medium term indicators are positive, but the primary trend is still down.



### **Wheat:**

We mentioned in our last commentary that the recent lows in the December wheat contract would soon be tested, and it came to pass this week as we successfully tested \$4.23 on October 23. It is too early to tell if this bottom will hold, but for now, we are trading at \$4.35 on the December contract. The only concern I have is that we missed running the stops below the market by less than one penny. On the positive side, the day that the low was challenged was an outside day suggesting that we should see higher prices in the short term.

For now, the \$4 bottom on the weekly chart from September 1 is still lurking and only time will tell if this major support will need to prove itself before we get a true price reversal.

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

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

**Cash Grain** prices as of the close, **October 25**, are as follows:

**SWW @ \$190.74/MT (\$5.19/bu), HRW @ \$200.14/MT (\$5.45/bu),**

**HRS @ \$249.99/MT (\$6.80/bu), SRW @ \$195.43/MT (\$5.32/bu).**

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