



<b>Wednesday, November 15, 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>3.38</i>	↓	<i>10</i>	<i>cents</i>
<i>Soybeans CBOT</i>	<i>Jan</i>	<i>9.75</i>	↓	<i>15</i>	<i>cents</i>
<i>Wheat CBOT</i>	<i>Dec</i>	<i>4.20</i>	↑	<i>02</i>	<i>cents</i>
<i>Wheat Minn.</i>	<i>Dec</i>	<i>6.25</i>	↑	<i>11</i>	<i>cents</i>
<i>Wheat Kansas</i>	<i>Dec</i>	<i>4.18</i>	↑	<i>02</i>	<i>cents</i>
<i>Chicago Oats</i>	<i>Dec</i>	<i>2.69</i>	↓	<i>02</i>	<i>cents</i>
<i>Canadian \$</i>	<i>Dec</i>	<i>.7835</i>	↑	<i>.60</i>	<i>points</i>

### **Corn:**

Another sideways to down week as the December corn futures contract closed below our support level of \$3.40 and is ready to challenge the next support level of \$3.30. This \$3 support is more significant as it is the last line of defense between \$3.30 and the big number support of \$3, the low of 2016. We have the first notice day in about two weeks, and if the December futures fail to stay above the \$3.30 level on any close, there is a very good chance we could see the December sell off into the first part of December. That would lead to a new contract low before it expires later in December.

Initial support is still seen at the \$3.30 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:**

Soybeans came under pressure again this week after failing once again to close above our main resistance in the \$10.25 level on the January contract. We lost almost forty cents per bushel this week on the January contract and we also received a red sell signal on the daily contract. This is not a good signal in the short term as we have several indicators working against us. The failure to close above the \$10.25 level, the main trend line running across the same area, and finally the red sell signal we received this past week. It is difficult to predict how much lower prices will go, but usually a blow-off in the form of large sales is associated during harvest time if there is a chance the markets are ready to reverse. It is my experience that a multi-year bear market does not go away quietly. The good news is that if we get the big selloff into the harvest, there is a good chance the downside will be limited going forward into the spring of 2018.



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

### **Wheat:**

Wheat had a surprisingly good week when compared to the other grains. Week over week we actually gained two cents per bushel since our last week's commentary. It seems like our downside can be plotted as we move forward into the soybean and corn harvest as both are pressured by overwhelming carry-outs and yields and are thereby succumbing to downward pressure on prices. Two lines of support that are seen on the futures contracts exist at the \$4.15 level on the December futures and the \$4 level which is sitting on the weekly chart trend line going back to September 2016. My past experience has taught me that the turning of any long term trend usually comes with a lot of drama. In the case of grains, this could be viewed as a final washout that would take prices to scary places on the downside before the bear trend is neutralized. But technical analysis usually gives a good signal when this actually has been completed. This is what we have yet to see. I am watching closely and will be alerting our readers when this signal shows up. Meanwhile, as we have repeated for the past 3.5 years that I have been writing these commentaries, we are in a bear market and should consider it so until the trend actually turns.

Solid support is seen at \$4 on the December chart, while overhead resistance is viewed at \$4.40.

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

**Cash Grain** prices as of the close, **November 15**, are as follows:  
**SWW** @ \$182.95/MT (\$4.98/bu), **HRW** @ \$192.33/MT (\$5.23/bu),  
**HRS** @ \$251.44/MT (\$6.84/bu), **SRW** @ \$187.64/MT (\$5.11/bu).

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