



Wednesday, February 7, 2018 Closing Prices					
COMMODITY	PERIOD	PRICE	WEEKLY MOVEMENT		
Corn CBOT	Mar	3.61	↑	05	cents
Soybeans CBOT	Mar	9.96	↑	04	cents
Wheat CBOT	Mar	4.51	↑	18	cents
Wheat Minn.	Mar	6.07	↑	01	cents
Wheat Kansas	Mar	4.67	↑	35	cents
Chicago Oats	Mar	2.65	↓	10	cents
Canadian \$	Mar	.8130	↑	0.23	points

Notice: The commentary for all commodities was written at 10 a.m. on February 8 before the release of the February United States Department of Agriculture (USDA) report.

Corn:

Charts are still looking very constructive. We have now set ourselves up to challenge the major trend line on the weekly charts at the \$3.70 level on the March contract. There is a chance we may have another pull back from this level as it has been strong coming up to the line. The biggest reason for this rally, in my opinion, is the weakness in the U.S. dollar. Markets could get choppy than normal as spring approaches and the dollar volatility continues. Initial support is now at \$3.50 while overhead resistance is at \$3.70 - \$3.80. The primary trend is still down.

Soybeans:

The soybean chart, which has given us two red buy signals, is behaving as expected. The four-year-old down trend line has been negated. The weekly chart shows a clear break of the down-trend line, and the momentum is starting to build as we push through the tough resistance from the main trend line at \$10.75 - \$11. Support is seen on the March charts at the \$9.70 - \$9.80 level while our overhead resistance level is still at the \$10.25 - \$10.75 level.

Short term indicators are positive and a close above \$11 would convince me that we have turned the corner on this bear market. Meanwhile, the primary trend is still neutral and a close above \$11 could turn our final hold-out, the monthly chart, positive for the end of the six-year-old bear market.



Wheat:

Another great week for the March wheat contract, as we are still hovering at the \$4.60 resistance level. The next target for the March wheat contract is at the \$4.80 level. The charts seem to be forming an inverted head which is very bullish and although it may take a several months to complete, it suggests much higher prices coming into late spring.

We will move our support line on the March chart up to \$4.30 for the time being, and once we clear the \$4.60 on a strong close, we are ready for the big test at \$4.80 and higher.

The weekly trend line has not only broken the down-trend, but came back, tested it, and flashed a red buy signal all in the past two weeks.

Indicators are positive. Both daily and weekly indicators are now bullish, and our primary trend has turned neutral from bearish.

Cash Grain prices as of the close, **February 7**, are as follows:

SWW @ \$210.13 (\$5.72/bu), **HRW** @ \$207.82/MT (\$5.66/bu),

HRS @ \$233.89/MT (\$6.37/bu), **SRW** @ \$205.52/MT (\$5.59/bu).

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