



Wednesday, February 21, 2018 Closing Prices					
COMMODITY	PERIOD	PRICE	WEEKLY MOVEMENT		
Corn CBOT	Mar	3.65	↑	01	cents
Soybeans CBOT	Mar	10.33	↑	14	cents
Wheat CBOT	Mar	4.48	↓	06	cents
Wheat Minn.	Mar	6.01	↑	01	cents
Wheat Kansas	Mar	4.66	↓	09	cents
Chicago Oats	Mar	2.59	↓	08	cents
Canadian \$	Mar	.7890	↓	1.03	points

Corn:

We are now banging on the door of the major down trend line on the weekly corn chart. Because of the March contract first notice day, I am now using the May contract for my analysis. The \$3.80 - \$3.85 area on the May contract will offer stiff resistance and a close above the \$3.85 on the May contract will be required before we can say the trend line has been breached. This will not signal a reversal in trend, but a neutralizing of the seven-year-old down trend. Before I am confident enough to admit a reversal of the main trend, I would need to see a close above \$4 on the lead month contract. Meanwhile, a close above \$3.85 on the May contract for at least a week would signal to me that the bear market may be over or at least neutralized.

Initial support is now at \$3.60 on May while overhead resistance is at \$3.80 - \$3.85. The primary trend is still down.

Soybeans:

Like the other grains, we will be using the May contract for my analysis. The May 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 May charts at the \$10 level while our overhead resistance level is still at the \$10.75 - \$11 level.

Short term indicators are positive and the primary trend is neutral. A close above \$11 would be very positive and turn our bear market into a possible bullish pattern for an end of the six-year-old bear market.



Wheat:

Again we are using the May chart for our weekly analysis. With the March options expiring on Friday, February 23, there is a better than average chance that the March contract will stay close to the \$4.50 area until expiration. Meanwhile, the May contract will be pressured a little as March moves to deliverable status as of March 1st. Going forward we are still working off the red buy signal received back on January 2 and we should continue to move higher into the spring.

We will move our support line on the May chart back to the \$4.50 level. Our overhead resistance based on May now stands at the \$5 - \$5.20 level. Once we get through that level we could quickly see a move towards the \$5.60 level on the lead month contract.

The weekly trend line on Chicago wheat has not only broken the down trend, but came back, tested it, and flashed a red buy signal all in the month of February.

Indicators are positive. Both daily and weekly indicators are now bullish, and our primary trend has turned from bearish to neutral after a seven year down trend.

Cash Grain prices as of the close, **February 21**, are as follows:
SWW @ \$205.96 (\$5.61/bu), **HRW** @ \$203.63/MT (\$5.54/bu),
HRS @ \$231.13/MT (\$6.29/bu), **SRW** @ \$201.30/MT (\$5.48/bu).

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