



Wednesday, April 11, 2018 Closing Prices					
COMMODITY	PERIOD	PRICE	WEEKLY MOVEMENT		
Corn CBOT	May	3.87	↓	02	cents
Soybeans CBOT	May	10.48	↑	35	cents
Wheat CBOT	May	4.87	↑	32	cents
Wheat Minn.	May	6.29	↑	52	cents
Wheat Kansas	May	5.36	↑	50	cents
Chicago Oats	May	2.44	↑	14	cents
Canadian \$	Mar	.7963	↑	1.25	points

Corn:

I was on holidays last week and missed the excitement. I suggested we could pull back to the \$3.70 support and we did exactly that, making a low of \$3.72 on April 4. We reversed course and by April 5 we closed at \$3.90. Now comes the big test: the need to close above \$4 on the May futures contract. If we were to see this happen in the next week, our new target would be a shot at the \$4.40 level on the May futures before it expires. We may indeed trade sideways to lower in the coming week before such an attempt is made.

Support is still at the \$3.70 level while \$4 is the big roadblock going forward.

Intermediate trend is still up while the primary trend is still down.

Soybeans:

The soybean chart had an amazing technical week while I was on holidays. As we mentioned in my last commentary, we were hitting resistance and needed a pullback to the \$10 level and possibly the \$9.50 level. This was achieved in a short two days, and more importantly the move back to the starting point is a sign that the correction is over and that we should be now looking for higher prices into the summer. The assault on the major resistance at \$10.80 on the May contract is just a matter of time. If we manage to close above the all-important \$11 price level on the May contract, we will have broken the primary trend line and that would turn our primary trend from a six- year-old bear market to a neutral market going forward.

Initial support is seen on the May charts at the \$10 - \$10.20 level, while our overhead resistance level is still at the \$10.80 level.

Indicators are mixed as the short term indicators are now neutral, the intermediate trend is bullish, all while the primary trend is still down.



Wheat:

My belief that we would revisit the \$4.40 level on the May contract from my March 28 commentary came within one cent of being fulfilled on April 4 as we hit a low of \$4.41. We moved higher over the past week and are getting ready for an assault on the \$5.20 resistance and down-trend line. We may see one more correction before this shot is initiated. My best guess would be a move back to the \$4.75 level on May before we continue higher. The weekly chart portrays a long term downtrend line right around the \$5.20 level on the lead month contract. If and when we negate that price and close higher, we will be well into the process of breaking the back of the last remaining grains down-trend based on their weekly charts. Once the last hold-out (wheat) neutralizes the intermediate trend line, it will just be a matter of time before we continue higher and turn the grains from neutral to bullish. When this occurs, I will be looking for a multi-year rally in all of the grains going forward. Daily indicators are now neutral, the intermediate trend is still neutral, but the primary trend is still down. A close above the \$5.25 on the lead month contract could put our bear market at risk of turning positive for the first time in many years.

Harvest 2018 Grain prices as of the close, **April 11**, are as follows:

SWW @ \$228.41 (\$6.22/bu), **HRW** @ \$223.79/MT (\$6.09/bu),
HRS @ \$245.48/MT (\$6.68/bu), **SRW** @ \$221.48/MT (\$6/03/bu).

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