



Wednesday, May 23, 2018 Closing Prices					
COMMODITY	PERIOD	PRICE	WEEKLY MOVEMENT		
<i>Corn CBOT</i>	<i>July</i>	<i>4.08</i>	↑	<i>08</i>	<i>cents</i>
<i>Soybeans CBOT</i>	<i>July</i>	<i>10.39</i>	↑	<i>39</i>	<i>cents</i>
<i>Wheat CBOT</i>	<i>July</i>	<i>5.32</i>	↑	<i>37</i>	<i>cents</i>
<i>Wheat Minn.</i>	<i>July</i>	<i>6.43</i>	↑	<i>31</i>	<i>cents</i>
<i>Wheat Kansas</i>	<i>July</i>	<i>5.52</i>	↑	<i>37</i>	<i>cents</i>
<i>Chicago Oats</i>	<i>July</i>	<i>2.52</i>	↑	<i>11</i>	<i>cents</i>
<i>Canadian \$</i>	<i>June</i>	<i>.7789</i>	↓	<i>0.15</i>	<i>points</i>

Corn:

Corn prices continue to track higher in the bullish scenario of the intermediate trend. However, this bullish outlook may soon hit heavy resistance as we need a definitive close above the \$4.40 - \$4.50 level based on the July futures before I will call this a true bull market.

I received a red buy signal on my monthly chart while I was away which confirms the bullish tone of the intermediate trend up to the \$4.50 level on the July contract. This should be challenged in the coming weeks.

Both our short term and intermediate trend is still bullish while the primary trend or long-term trend is still down. A definitive close above \$4.50 will confirm the primary trend moving from neutral to bullish mode. This is the first time in six years we have seen a bull market in corn.

Current overhead resistance is seen at the \$4.10 - \$4.15 level on July while support is seen at the \$3.90 - \$4 level.

Soybeans:

Soybeans continue to slosh between the \$10 level and the all-important \$10.80 level on the July futures contract as they have done since the first day of May. The markets are coiling and I am expecting we will see a break to the upside to challenge the \$10.80 level on the July futures in the coming weeks.

The primary down-trend line is still at the \$10.80 level. Short-term indicators are neutral but the intermediate trend, as indicated on the weekly chart, is bullish as we await the challenge of the \$10.80 level before confirming a trend reversal on our final holdout, the primary trend. Until we have a convincing close above that level, the primary trend remains down.



Wheat:

Wheat behaved as expected on May 15 as it pulled back to the support area of \$4.90 and found solid support. The volatility is indicative of an excited market. The daily chart shows larger swings running stops on both sides of the daily range.

Again, this is a good sign as it indicates uncertainty in the price action and direction.

From this level we are now ready for our next target of \$5.75 area based on the July futures. If this target coincides with the last of June or early part of July, I would expect that we will either see a significant pullback in prices going into the harvest for the remainder of the summer months, or a complete breakout in prices and the confirmation of a full blown bull market. Either way, \$5.75 futures prices are better than \$4.

Solid support is seen at the \$4.80 - \$5 on the July contract and our resistance is the May 3 high at the \$5.40 level. Once we clear that hurdle, we are set to challenge our \$5.75 target. Indicators are positive and the main primary trend is bullish.

Harvest 2018 Grain prices as of the close, **May 23, 2018** are as follows:

SWW @ \$246.15/MT (\$6.70/bu), **HRW** @ \$243.78/MT (\$6.63/bu),

HRS @ \$254.18/MT (\$6.92/bu), **SRW** @ \$241.42/MT (\$6.57/bu).

Marty Hibbs, Grain Farmers of Ontario