



Ontario Grain Market Commentary for **October 10, 2018**

Wednesday, October 10, 2018 Closing Prices					
COMMODITY	PERIOD	PRICE	WEEKLY MOVEMENT		
Corn CBOT	Dec	3.59	↓	06	cents
Soybeans CBOT	Nov	8.51	↓	11	cents
Wheat CBOT	Dec	5.10	↓	05	cents
Wheat Minn.	Dec	5.92	↑	02	cents
Wheat Kansas	Dec	5.17	↓	02	cents
Chicago Oats	Dec	2.84	↑	12	cents
Canadian \$	Dec	.7673	↑	1.15	points

Corn:

Our charts are looking more constructive as the long-term charts have been neutralized since March of this year. This means that the interim trend has gone from bearish to a neutral reading. This bearish trend is at least four years old. This does not mean we are in a bull market in the long-term trend, but it does indicate that the possibility of starting a new bullish trend has been improved and the chance of the bottom being in place has also increased.

We received a red buy signal on the daily chart back on October 1. This is a positive short-term signal.

Initial support is still seen at the \$3.40 level on December. Indicators are neutral, but the primary trend is still down. We would need a close above the \$4.40 level on the lead month contract to get excited about a major trend reversal.

Soybeans:

Soybeans are on pace to continue pushing higher towards the \$9 level on the November futures. A close below the \$8 level on November futures would signal more downside, but for now we have re-tested the support levels and we are now looking at good support in that area. We also received a short-term red buy signal of the November soybean contract on October 2 and it is still intact. This is a short-term signal only. I feel we need to close above the \$9.20 level before I'm convinced that our bearish flag formation is negated.

Our weekly and primary indicators are still negative with a green light on the short-term indicators. Major overhead resistance is now at the \$9.20 level, while initial support is seen at the \$8 level based on the November futures. The primary trend remains down.



Wheat:

The drop in the stock market seen on October 10 could possibly rattle most futures markets as margin calls filter through most markets and cause them to sell off, especially if the rout continues into this weekend.

The wheat charts look quite constructive with a large double bottom near the \$5 level on the December futures. We have red buy signals still on the weekly charts and the daily charts. Our next challenge on the December futures contract is an attempt to reach the \$5.50 price level and possibly higher before the December contract expires.

The HRS wheat looks even more bullish than the SRW. Charts suggest a price of \$6-\$6.20 in the coming weeks.

Good support is still seen at the \$4.80 - \$5 area on December futures while overhead resistance is now back at \$5.50.

All indicators are positive, and the primary trend is still mildly bullish. Wheat is still the leading grain of the three in the race for a major trend reversal.

Harvest 2018 Grain prices as of the close, **October 10, 2018** are as follows:

SWW @ \$226.32/MT (\$6.16/bu), HRW @ \$233.39/MT (\$6.35/bu),

HRS @ \$235.28/MT (\$6.40/bu), SRW @ \$226.32/MT (\$6.16/bu).

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