

Futures Prices as of close, May 15, 2019			
Commodity	Period	Price	Weekly Movement
Corn CBOT	July	3.69	↑ 05 cents
Soybeans CBOT	July	8.35	↑ 07 cents
Wheat CBOT	July	4.48	↑ 11 cents
Wheat Minn.	July	5.15	↓ 05 cents
Wheat Kansas	July	4.02	↓ 01 cents
Oats CBOT	July	2.88	↑ 10 cents
Canadian \$	Jun	0.7450	↑ 0.25 points

Corn:

The May futures expired on May 14 and this allowed the pressure cooker to be released. Prices quickly bounced on the July contract hitting the intermediate downtrend line at the \$3.80 level. Much of this was fund covering, which basically means profit taking and short covering. From here, we should track sideways for the next few weeks between the \$3.40 lows and \$3.80 resistance level. The markets did gap higher on May 15 and we should visit that gap of \$3.57 - \$3.60 in the coming days. Support was tested and passed with flying colours. Last week, we suggested we would see significant volatility this week, and the markets did not disappoint.

Good support is now seen at \$3.40 and our overhead resistance is now pegged at \$3.80 - \$4 on the July futures. I expect a confined range in the coming week.

All indicators are still negative, and the primary trend is still down.

Soybeans:

Soybeans challenged the all-important \$8 level again on the July futures, and with the May contract expiring quickly, bounced off the support. As mentioned in our last commentary, we were expecting a rebound in prices once the support was proven. This should mark the bottom for the next few weeks as we will now probe the upside with obvious resistance at the \$9 ledge from where we fell. This resistance should prove to be significant and unless we get convincingly through the \$9 level on a close, the chances of us visiting the \$8 level once again is compelling.

Support is still at the \$8 level on July while the overhead struggle will be at the \$8.80 - \$9 level heading into June. I expect sideways movement in the next week.

A break below the lows of May could still propel this market much lower, but I feel that would happen into the late summer if it transpires.

All indicators are still negative and the primary trend is still down.

Wheat:

Wheat behaved well through the May 13 report. We tested the \$4.20 level on the July futures once again and once the May futures expired the wheat like the other grains had a nice bounce. For the short term, the downside pressure has been tempered and I expect sideways movement for the next week or two.

Good support is still seen at the \$4.20 level on the July futures and our overhead challenge is now pegged at the \$4.80 level on the July futures. Failure to clear the \$4.80 level in the coming weeks will suggest another test of the support at \$4.20. Indicators are mixed with a primary trend being neutral.

Marty Hibbs, Grain Farmers of Ontario

Cash Grain prices as of the close, **May 15, 2019** are as follows:
SWW @ \$221.50/MT (\$6.03/bu), HRW @ \$223.97/MT (\$6.10/bu),
HRS @ \$215.93/MT (\$5.97/bu), SRW @ \$216.57/MT (\$5.89/bu).