

Futures Prices as of close, June 5, 2019			
Commodity	Period	Price	Weekly Movement
Corn CBOT	July	4.15	↓ 05 cents
Soybeans CBOT	July	8.69	↓ 03 cents
Wheat CBOT	July	4.91	↓ 01 cents
Wheat Minn.	July	5.56	↓ 01 cents
Wheat Kansas	July	4.46	↓ 07 cents
Oats CBOT	July	2.92	↓ 23 cents
Canadian \$	Jun	0.7452	↑ 0.55 points

Corn:

We hit our upside target to the penny. \$4.40 has long been predicted by this newsletter as the ceiling for the bear market reversal. We need to pull back, as was suggested last week, but this market is quite volatile and could explode through our \$4.40 level in the very near future. On the other hand, we may see more settling and backtrack to our new support level at the \$3.60 - \$3.80 support on the lead month futures before attempting the top again. Either way, I believe we are setting up for a major reversal in all of the grains. My reasoning is a combination of technical and fundamentals as I have always felt that we will be blindsided by events that will unfold in the coming months around weather, political issues and possibly food disruptions. Once the \$4.40 level is convincingly negated on a close, we are embarking a new bull-run that could last for years.

Initial support is seen at \$4 and again at \$3.80, and our overhead resistance is now \$4.40 on the July futures. All indicators are now positive with both short and intermediate trends seeing red buy signals. The primary trend is now neutral. A close above the \$4.50 level would break the back of this seven-year-old bear and turn this market bullish.

Soybeans:

Soybeans had a quiet week, but the chart was firm in its development of a flag that is separated by a gap from last week's trading. Add to that a red buy signal from May, and we have a strong looking market for the next week or two. The flag extends to the all-important \$9.40 level on the July futures. This move could ignite more fund buying since the main trend line will be neutralized. The first time since 2012 this trend line has been penetrated and lead to much higher prices in the coming months. Soybeans still look the weaker of the three grains, but any decisions by the U.S. and China or continued weather-related issues could nullify the impact we've witnessed this year.

Indicators are mixed and at a critical level for direction coming into July. The primary trend is still down.

Wheat:

Wheat ended up the week unchanged after having the run necessary to hit our overhead resistance at the \$5.30 level on July. This area poses stiff resistance and will need more work before it is behind us. I expect more sideways action next week before another attempt at this important level. The next target will be the even more important level of \$6 on the July futures, as it will mark the turning point from neutral to full blown bullish once it has been negated. The timing may be off, and it may take a few

weeks to materialize; but then again it could happen earlier. There is a lot of issues to cause this to happen this year and I feel it is only a matter of time before we see a full-blown bull market in the grains.

Indicators are positive with a primary trend neutral to bullish.

The solid support is now at \$4.40 on the July futures.

Marty Hibbs, Grain Farmers of Ontario

Harvest 2019 prices as of the close, **June 5, 2019** are as follows:
SWW @ \$247.10/MT (\$6.72/bu), HRW @ \$259.43/MT (\$7.06/bu),
HRS @ \$250.06/MT (\$6.81/bu), SRW @ \$242.17/MT (\$6.59/bu).