

Futures Prices as of close, June 19, 2019			
Commodity	Period	Price	Weekly Movement
Corn CBOT	July	4.41	↑ 11 cents
Soybeans CBOT	July	9.03	↑ 25 cents
Wheat CBOT	July	5.22	↓ 05 cents
Wheat Minn.	Sep	5.48	↓ 25 cents
Wheat Kansas	July	4.57	↓ 05 cents
Oats CBOT	July	2.85	↓ 15 cents
Canadian \$	Sep	0.7530	↑ 0.45 points

Corn:

Corn broke through our target of \$4.40 and I am of the opinion that we have turned the corner on this trend. The downtrend started back in August 2012 when corn topped out at a record \$8.43 per bushel on the September futures contract. Since that date, we have been sliding lower to the recent lows of \$3.01 per bushel in September 2016. Markets tend to trend for several years and once a trend is reversed it will usually run for several years in the new direction. Just to clarify, this does not mean corn will explode to the upside, but rather the hedge funds and professional traders will view corn as a bull market and buy the dips as opposed to selling the rallies as they would in a bear market. Even in a bull market, we need to expect market corrections and sideways movement for prolonged periods.

Initial support is seen at \$4.25 and while major support is now at the \$.385 - \$4 range on the July futures. The primary trend is now neutral to bullish. Once this current correction is complete, I expect a re-test of the recent highs of \$4.64 on the July futures and later this summer a shot towards our next target of \$5 per bushel.

Soybeans:

Soybeans once again rallied to our overhead target zone of \$9.25 and has pulled back. Soybeans are not as resilient as the other grains, however, there could still be surprises during the growing season. July futures show overhead resistance at the \$9.25 to \$9.50 level on the front month contract, while support is seen at the \$8.50 level. The charts are friendly at this point, but we need much higher prices before the technical indicators turn positive as we have seen with both wheat and corn.

Indicators are still mixed and support is seen at the \$8.50 level on the July futures with major resistance at the \$9.25 - \$9.40 level. The primary trend is still down.

Wheat:

Wheat rallied exactly to our \$5.50 resistance level as indicated in our last commentary before reversing. I am very happy with the progress on our technical charts, however, I feel we need to have a good correction before resuming our bullish momentum. My first support is back to the \$5 level on the July futures and possibly we could see a move back to the \$4.80 level. I feel very strongly that the weather issues that were responsible for most of this rally will return at a later date and it will fuel this bullish move along with political uncertainties, possibly for the remainder of the year. The real test will come

when we break through the \$6 level on the futures. At that point we will be in a full-blown bull market which could last for years.

Indicators are positive with a primary trend neutral to bullish.

The solid support is now at \$4.80 on the July futures.

Marty Hibbs, Grain Farmers of Ontario

Harvest 2019 prices as of the close, **June 19, 2019** are as follows:
SWW @ \$259.54/MT (\$7.06/bu), HRW @ \$271.73/MT (\$7.40/bu),
HRS @ \$242.95/MT (\$6.61/bu), SRW @ \$254.66/MT (\$6.93/bu).