

Futures Prices as of close, July 3, 2019			
Commodity	Period	Price	Weekly Movement
Corn CBOT	Sep	4.36	↓ 08 cents
Soybeans CBOT	Sep	8.96	↓ 11 cents
Wheat CBOT	Sep	5.14	↓ 28 cents
Wheat Minn.	Sep	5.40	↓ 20 cents
Wheat Kansas	Sep	4.44	↓ 35 cents
Oats CBOT	Sep	2.85	↑ 05 cents
<b>Canadian \$</b>	<b>Sep</b>	<b>0.7660</b>	<b>↑ 0.25 points</b>

#### Corn:

Corn had a very healthy pull-back this week as we probed the down-side to the to the \$4.13 level on the futures before finding support. This is about a 50 cent pullback from the \$4.69 highs of June 17. Going into the long July 4 weekend we are finding renewed strength as the September crop is back to the mid \$4.30 range. The chart pattern suggests this is a short covering rally as the long weekend is not a time to be short this market. The momentum however, suggests we will see more downside before we challenge our recent multi year highs of \$4.69 on the current September futures contract.

I am still confident that we have turned the corner on the bear market in corn, but this will take time to play out as we closely monitor both the political and environmental reports. The trend change suggests prices will continue to advance into future months but like most commodities, it will be two steps forward and one step back. Charts suggest a new bull market could see higher prices for the next several years as more weather and political issues come to light. The key word to describe the movement in the coming months would have to be volatility.

Initial support is seen at \$4 on the September 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 \$4.69 on the September futures and later this summer a shot towards our next target of \$5 per bushel.

We are now using the September futures for analysis purposes.

#### Soybeans:

September soybeans once again rallied to our overhead target zone of \$9.35 (\$9.25 on July) and have failed to penetrate the trend line. We received a mild sell signal on the charts this week, but in spite of that, we managed to close about 10 cents higher at \$9.08 on the September futures. The charts suggest more downward pressure and consolidation barring any unforeseen weather or political issues.

Overhead resistance is still pegged at the \$9.35 to \$9.50 level on the front month contract, while support is seen at the \$8.50 level.

Indicators are still mixed, and the primary trend is still down.

Wheat:

After failing at the \$5.58 highs on the July contract, we moved quickly back to our target of \$5. As indicated in our last report, this created an outside day, which is a negative for the short-term outlook. Despite this sell signal we managed to gain 10 cents to close at \$5.13 on the September futures. Again, I believe this is short covering in advance of the upcoming July 4 weekend.

I am expecting more down side in the coming weeks providing there are no surprises in the news. We have a United States Department of Agriculture (USDA) report due on July 11 which could also impact prices.

Indicators are positive with a primary trend neutral to bullish. Solid support is now at \$4.70 on the September futures while overhead resistance remains at the recent highs of \$5.50 - \$5.60 also on September.

Marty Hibbs, Grain Farmers of Ontario

**Harvest 2019 prices** as of the close, **July 3, 2019** are as follows:  
**SWW @ \$256.06/MT (\$6.97/bu), HRW @ \$265.65/MT (\$7.23/bu),**  
**HRS @ \$239.75/MT (\$6.53/bu), SRW @ \$251.26/MT (\$6.84/bu).**