

Grain comments written for January 13, 2010
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GRAINS: 01/13/10 Sharply lower closes yesterday for Minneapolis, Kansas City and Chicago wheat, corn, oats, rough rice, soybeans, soymeal and soyoil with corn leading the way down. All of the wheat took a bad hit even after the grain reports showed numbers that really weren't terrible this grain. Part of the selloff was due to traders locked in their corn positions selling the wheat trying frantically to protect themselves. Believe it or not the wheat stalled at support areas as shown by the Minneapolis chart below and can actually be bought now even though my buy signals for wheat are gone. Corn traders that were bullish probably went into shock after the grain numbers were released. Most of the months were limit down all the way into 2013. The funny thing is the fundamentals have been bearish all along with the grain elevators bursting with corn and demand slack. However, if you are a technical trader the trend had been higher lately and that's what normally counts the most. These kind of markets are difficult for the funds to handle because of the size of their positions. Sometimes it's better to be small nimble than large and cumbersome especially in times like these when slippage can be a bigger factor than normal. After all I've said I really don't have a signal for corn at the present time. Rice settled sharply lower also giving me SELL SIGNAL after breaking out of its BEAR TRIANGLE shown below. Oats settled 15 cents lower now at a very critical area to hold or I'll get a sell signal. Beans and meal gave me SELL SIGNALS today while oil is close. SELL SIGNALS FOR ROUGH RICE, SOYBEANS AND SOYMEAL. CALL FOR DETAILS!



I am constantly looking for technical tops and bottoms. I will mention them on our website when I see any in place. Also, I offer a free booklet explaining in simple terms, the chart formations mentioned above. Please call me for exact details: (888)281-4158.

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