



RICK ALEXANDER, MARKET STRATEGIST
ZANER GROUP

1/24/2018

HOT DRY WEATHER CONTINUES IN ARGENTINA. EXPORTS REMAIN SLUGGISH.

Higher closes for oats, rough rice, soybeans, soybean meal and soybean oil while lower for corn, Minneapolis, Kansas City and Chicago wheat. IT SEEMS TO ME THAT ANY BEARISH NEWS THAT COMES OUT HAS BEEN HAVING DIMINISHING EFFECT TOWARDS THE DOWNSIDE. THIS IS GENERALLY NORMAL FOR THIS TIME OF THE YEAR. Minneapolis wheat has fallen seven out of its last eight trading sessions completing culminating in its worst low and close since last June. What else would you like me to say? KC stalled out a couple of weeks ago forming a possible M reversal topping formation falling sharply on the 12th but, basically, consolidating since my last report. Overall, its downtrend still rules. Chicago's chart pattern looks similar to KC's (a close over 450 would help) just more consolidated overall. I wish I had something new and exciting to tell you about the wheat complex but I don't and won't bore you too much with the same old stuff. On the other hand oats have jumped over thirty-five cents this year but are in a decent looking resistance area and profits should be taken by the longs and/or at least lighten up. However, a close over 290 and for certain 300 should be significant. Meanwhile, rough rice remains, like the rest of the grain complex, in a long term downtrend but is in an area which, like the rest of the grain complex, difficult to make a trade in. However, it could be in a reversal type formation at this time meaning a close above 1230 could prove to be significant. Corn continues to hold its own since a contract low and close on Jan. 12th. Beginning with a close over 350, corn could be ready of a retracement rally higher but how far it's too soon to tell. As mentioned last week a close over 375 seems imperative looks more like a pipe dream at this time with the 360 - 400 range remaining a formidable looking resistance area that I don't expect to be completely penetrated any time soon. Look at the soybeans and meal closing higher seven consecutive trading sessions. So what does that mean? It means that beans have been in a 910 - 1040 trading range since last July while meal 300 - 350 since the middle of last April! The bean area approaching a significant looking resistance area while meal is nearing its last high (351.2 - 12.6/17). Oil, on the other hand, looks bearish as the meal/oil spreading continues to give hope to the fading bulls after oil had its worst low and close since June of last year. SELL SIGNALS FOR MINNEAPOLIS, KANSAS CITY AND CHICAGO WHEAT ALONG WITH CORN, SOYBEANS AND SOYBEAN OIL. For additional charts, quotes, news, commentary & more, sign up for a FREE 30 -day trial to markethead.com.

MWH18 - Spring Wheat - Daily Candlestick Chart



KEH18 - Hard Red Wheat - Daily Candlestick Chart



ZWH18 - Wheat - Daily Candlestick Chart



ZOH18 - Oats - Daily Candlestick Chart



ZRH18 - Rough Rice - Daily Candlestick Chart



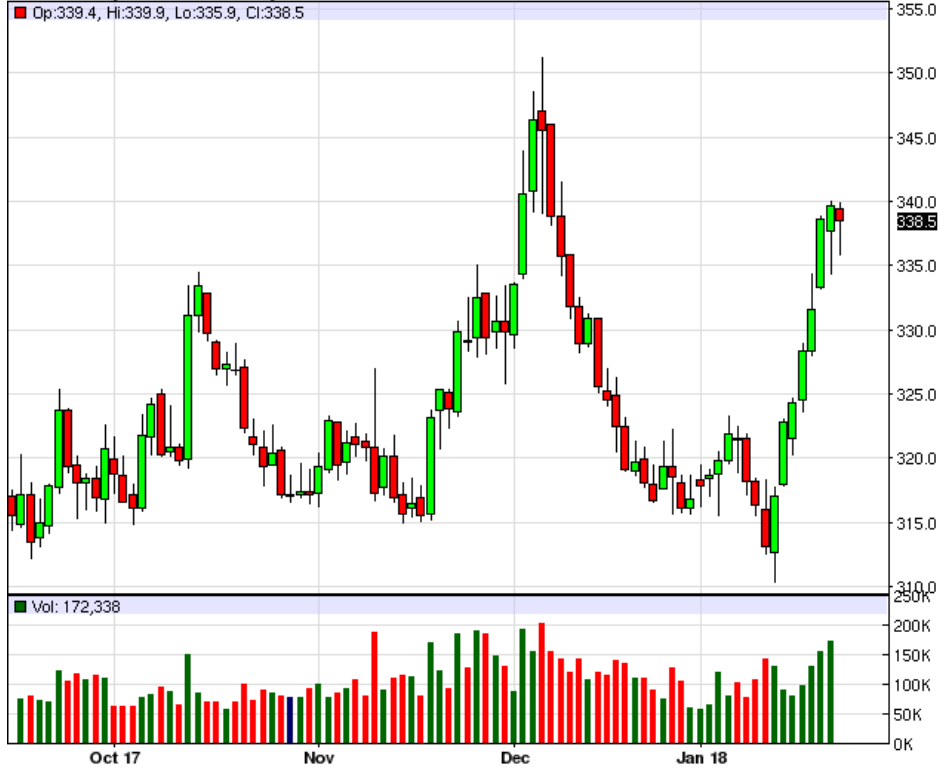
ZCH18 - Corn - Daily Candlestick Chart



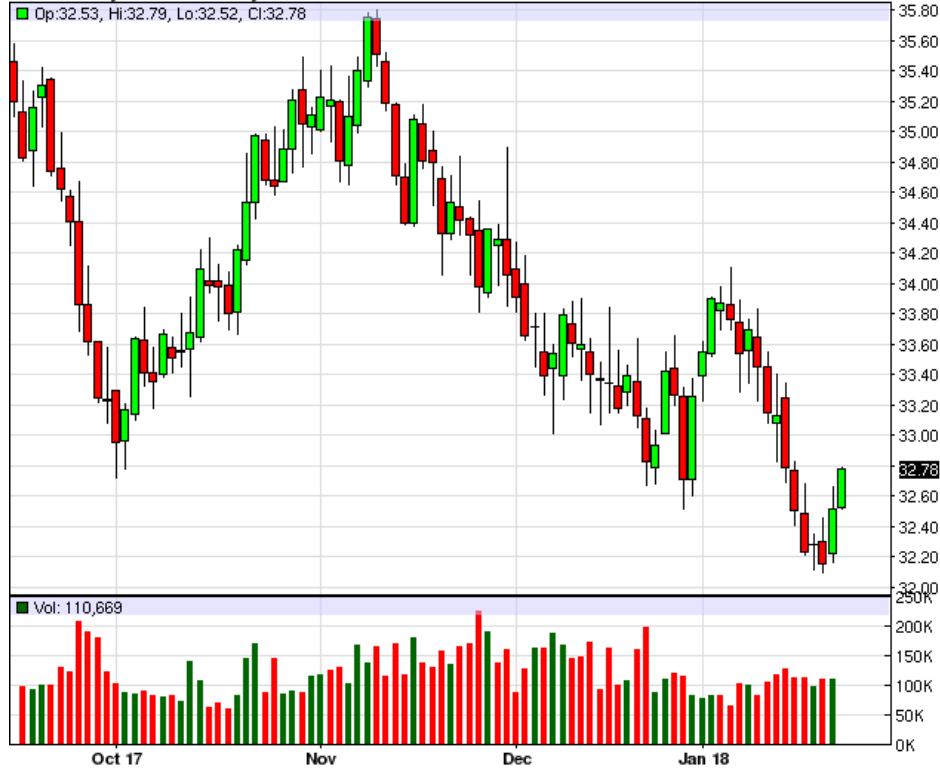
ZSH18 - Soybeans - Daily Candlestick Chart



ZMH18 - Soybean Meal - Daily Candlestick Chart



ZLH18 - Soybean Oil - Daily Candlestick Chart



To read more economic research reports like this one or subscribe to the mailing list, visit www.zaner.com.

THIS MATERIAL IS CONVEYED AS A SOLICITATION FOR ENTERING INTO A DERIVATIVES TRANSACTION.

THIS MATERIAL HAS BEEN PREPARED BY A ZANER BROKER WHO PROVIDES RESEARCH MARKET COMMENTARY AND TRADE RECOMMENDATIONS AS PART OF HIS OR HER SOLICITATION FOR ACCOUNTS AND SOLICITATION FOR TRADES; HOWEVER, ZANER DOES NOT MAINTAIN A RESEARCH DEPARTMENT AS DEFINED IN CFTC RULE 1.71. ZANER, ITS PRINCIPALS, BROKERS AND EMPLOYEES MAY TRADE IN DERIVATIVES FOR THEIR OWN ACCOUNTS OR FOR THE ACCOUNTS OF OTHERS. DUE TO VARIOUS FACTORS (SUCH AS RISK TOLERANCE, MARGIN REQUIREMENTS, TRADING OBJECTIVES, SHORT TERM VS. LONG TERM STRATEGIES, TECHNICAL VS. FUNDAMENTAL MARKET ANALYSIS, AND OTHER FACTORS) SUCH TRADING MAY RESULT IN THE INITIATION OR LIQUIDATION OF POSITIONS THAT ARE DIFFERENT FROM OR CONTRARY TO THE OPINIONS AND RECOMMENDATIONS CONTAINED THEREIN.

THE RISK OF LOSS IN TRADING FUTURES CONTRACTS OR COMMODITY OPTIONS CAN BE SUBSTANTIAL, AND THEREFORE INVESTORS SHOULD UNDERSTAND THE RISKS INVOLVED IN TAKING LEVERAGED POSITIONS AND MUST ASSUME RESPONSIBILITY FOR THE RISKS ASSOCIATED WITH SUCH INVESTMENTS AND FOR THEIR RESULTS. PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE PERFORMANCE.

150 S Wacker Dr, Suite 2350 · Chicago, IL 60606 · Direct: 312-277-0050 Fax: 312-277-0150 · info@zaner.com

Copyright © 2010 Zaner Group LLC. All Rights Reserved.