



RICK ALEXANDER, MARKET STRATEGIST
ZANER GROUP

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FOCUSING ON ACREAGE AND YIELDS WITH THE WASDE REPORT DUE ON MONDAY

Higher close soybean meal but lower for oats, rough rice, corn, Minneapolis, Kansas City and Chicago wheat along with soybeans and soybean oil... LOOKING AT THE OVERALL GRAIN SITUATION, THE COMPLEX SEEMS TO HAVE REACHED ITS FIRST PEAK IN JUNE AND NOW ALL EYES ARE FOCUSED ON THE ACREAGE AND YIELDS OFF OF MONDAY'S WASDE REPORT. The minor 1/4 rate reduction has come with little effect on the grain complex so far although we've seen the dollar retrace over 150 so far. It seems our hedge department is feeling the beans are looking more and more friendly but I remain bearish the wheat and bean complex which should drag down the corn or at least keep it range bound until harvest. My expectation that the China - US situation will be resolved relatively soon seem to be fading according to reports but both countries need an end to this situation which should help end it sooner than expected. The wheat complex continues to look bearish with KC and Chicago in possible BEAR PENNANTS at this time. Also, Minneapolis is now in its last support area as far as I can tell making it difficult to take a position in either direction at this time especially with the WASDE report coming Monday. KC has been falling since the beginning of June with its closest resistance above 448. Also it had its lowest low since the middle of May last Thursday. Chicago also had its worst low since the middle of May on Thursday looking bearish since last November with its closest resistance above 500. Oats have retraced higher since my last report but still look weak overall. Then again very good support remains below 265. Rough rice has fallen around 80 cents since July 29th now needing to hold 1140 to hold on to its weakening uptrend. Corn has been trading between 470 and 420 since late May until last week which now turns that range into a strong looking resistance area. Due to improved weather conditions and larger stocks that expected, corn has fallen around 70 cents from the middle of June catching many by surprise. Experienced traders should have been prepared especially with the ongoing tariff situation. I got a SELL SIGNAL on July 31st but is too dangerous to take at corn's present level due to the large drop and the WASDE report coming up. Also, the gap at 377 1/2 remains and it now within shouting distance muddying up the situation. I still looks like we'll have to wait for harvest to instill some fresh news to propel the corn and beans one way or the other at their present levels. The beans possible bull triangle failed leading to a 40 cent drop so far but its 858 gap was filled on Monday. Meal has its worst low in Monday since May 14th and I can't see the beans going far with the meal looking as weak as it does. Oil continues to hold its trading range (2925 - 2775) since late May. It has been holding up for quite a while but I believe off of spread trading more than fundamentals. Otherwise, I prefer looking elsewhere at this time for decent trades. I rarely trust a bullish bean market with oil leading the way but it can and has happened from time to time. Still, I do feel the bean complex with be lower by the end of year. BUY SIGNALS FOR SOYBEANS AND ROUGH RICE, SELL SIGNALS FOR MINNEAPOLIS, KANSAS CITY AND CHICAGO WHEAT ALONG WITH OATS, CORN AND SOYBEAN MEAL. For additional charts, quotes, news, commentary & more, sign up for a FREE 30 day trial to markethead.com.

MWZ19 - Spring Wheat - Daily Candlestick Chart



KEZ19 - Hard Red Wheat - Daily Candlestick Chart



ZWZ19 - Wheat - Daily Candlestick Chart



ZOZ19 - Oats - Daily Candlestick Chart



ZRX19 - Rough Rice - Daily Candlestick Chart



ZCZ19 - Corn - Daily Candlestick Chart



ZSX19 - Soybean - Daily Candlestick Chart



ZMZ19 - Soybean Meal - Daily Candlestick Chart



ZLZ19 - Soybean Oil - Daily Candlestick Chart

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

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