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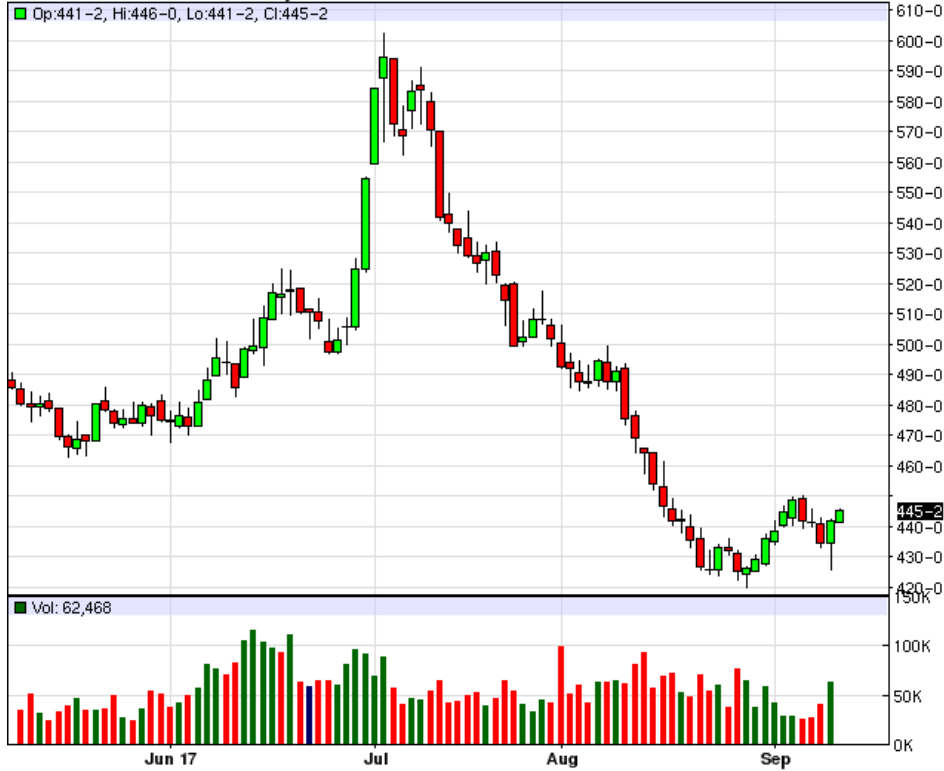
WASDE REPORT: TRADE LOOKS FOR HIGHER YIELDS, WASDE SAYS LOWER YIELDS AND RESULTS ARE,,,,,

Higher closes for Kansas City and Chicago wheat along with rice and soybean oil, unchanged for oats while lower for Minneapolis wheat, corn, soybeans and soybean meal. Not much change in weather except for some freeze scares which almost always surface but with little effect at this time of the year. The trade was looking for lower yields again but were rewarded with higher yields causing a sharp drop early on after the report leading to slowly climbing prices for the rest of the day session. Many stops were obviously wiped out and margin calls also helped bring initially sharply lower prices. HOWEVER. CONTRACT LOWS REMAINED IN TACT ALONG WITH CORN'S KEY REVERSAL ON AUGUST 31ST. Excluding Minneapolis, KC and Chicago wheat even settled higher but, then again, they were initially dragged down by the emotions of the marketplace. I am somewhat miffed at Minneapolis still not able to make some semblance of an attempt to test its highs making me doubt all of the devastating news I've read over its crop situation due to the weather this year. Still, it helps me to remember to follow the action first and what I hear, generally, the least which I suppose I've had to relearn a number of times since 1973 when I entered this business! Even so, I am still not giving a sell signal for Minneapolis wheat and would rather take a long position if I was forced to make a decision based on my feelings. Otherwise, the next support area of any consequence remains around the 570 area. Meanwhile, KC and Chicago continue trending lower overall while retracing higher since my last report with resistance around 465 and 460 respectively. Belatedly missed giving oats a long sell signal which, in retrospect, looks obvious considering its failed bull triangle! Now oats are in a major looking support area. so I will continue to give no. Rice continues to look the best, by far, in the grain complex now making a test if its contract high. It still looks critical to hold the 1222.5 price in my opinion. Until then I will keep my buy signal. Also, rice has been making HIGHER HIGHS AND HIGHER LOWERS since May. The 360 - 400 range is now a formidable looking resistance area that I don't expect to be penetrated all the way any time soon and with the latest yield projections fortifying my opinion, it doesn't make for a very exciting future this winter. The bean complex, excluding oil, was hit pretty hard after the WASDE report but I expect to see a bounce back above the pre report prices. Many farmers around the country continue to disbelieve the WASDE, reports each month but I find it hard to fade the market except for short - term reactions. Oil continues to look decent probably off of oil/meal spreading and I don't feel comfortable selling beans and meal at their present levels no matter what the market looks like. Maybe I'm being a hypocrite in all of this but I can't help it at this time. BUY SIGNALS ROUGH RICE AND SOYBEAN OIL. SELL SIGNALS FOR KANSAS CITY AND CHICAGO WHEAT ALONG WITH CORN, For additional charts, quotes, news, commentary & more, sign up for a FREE 30 -day trial to markethead.com.

MWZ17 - Spring Wheat - Daily Candlestick Chart



KEZ17 - Hard Red Wheat - Daily Candlestick Chart



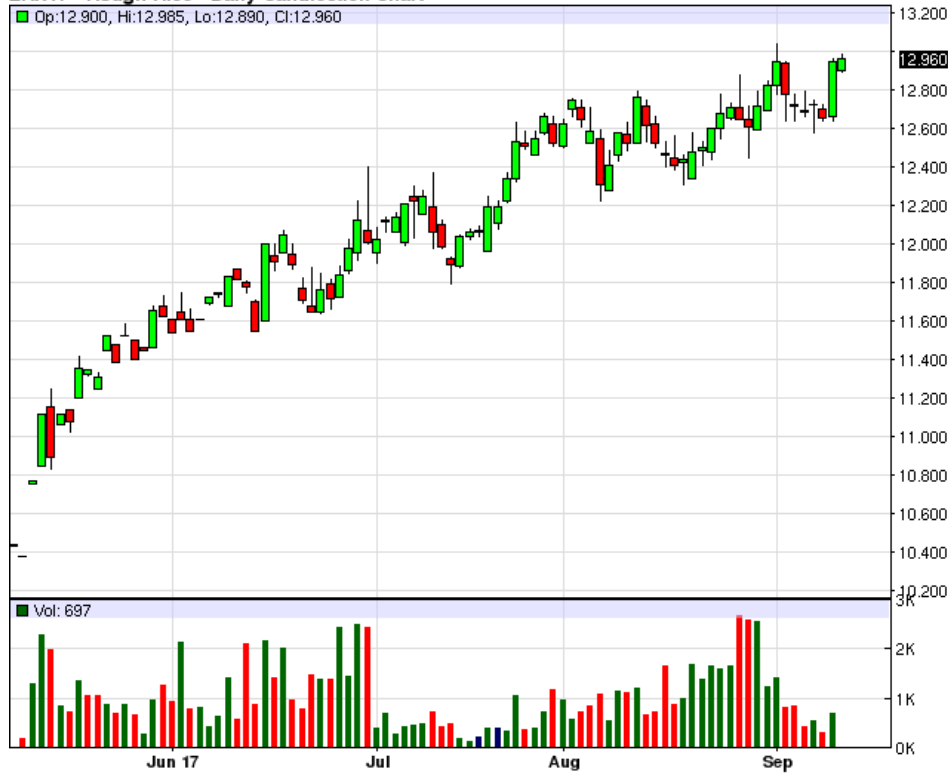
KEZ17 - Hard Red Wheat - Daily Candlestick Chart



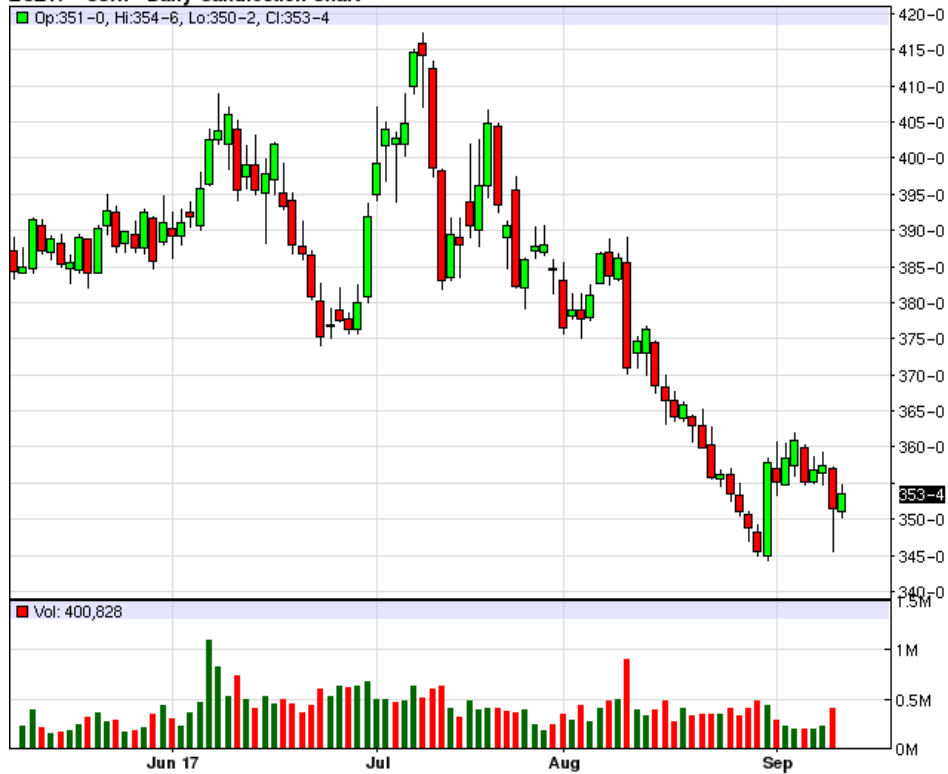
ZOZ17 - Oats - Daily Candlestick Chart



ZRX17 - Rough Rice - Daily Candlestick Chart



ZCZ17 - Corn - Daily Candlestick Chart



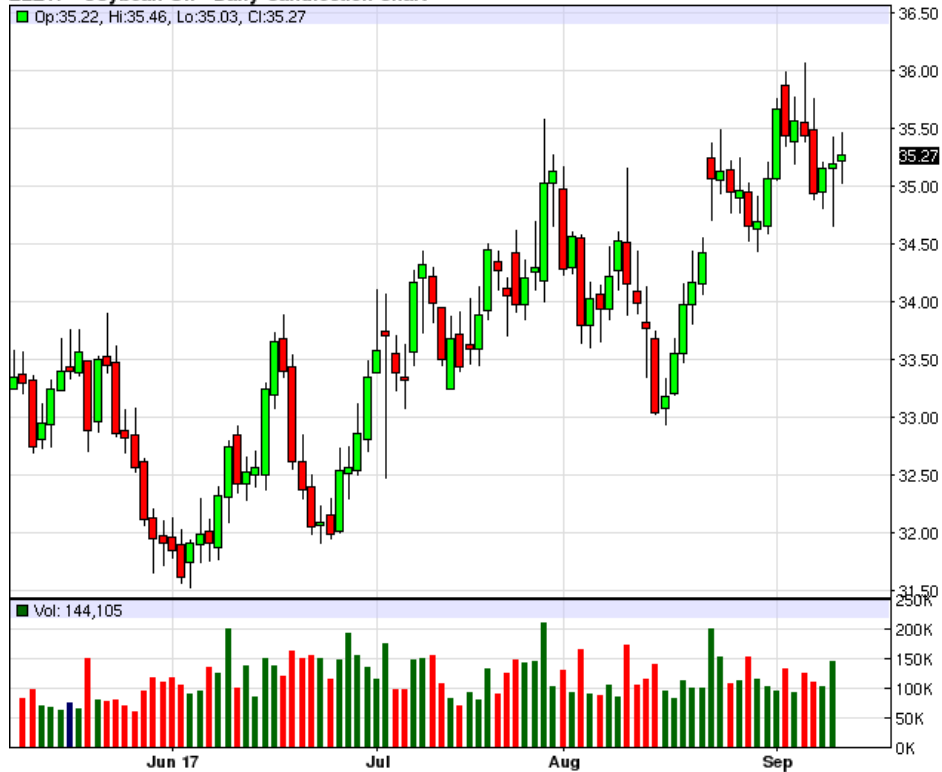
ZSX17 - Soybeans - Daily Candlestick Chart



ZMZ17 - Soybean Meal - Daily Candlestick Chart



ZLZ17 - Soybean Oil - Daily Candlestick Chart



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