



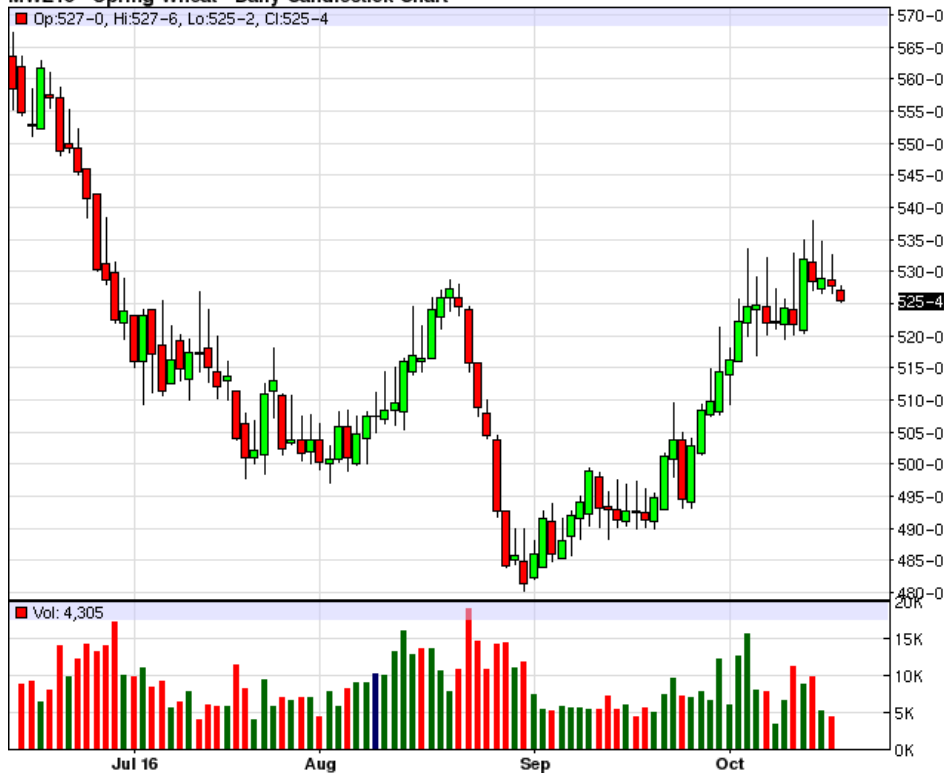
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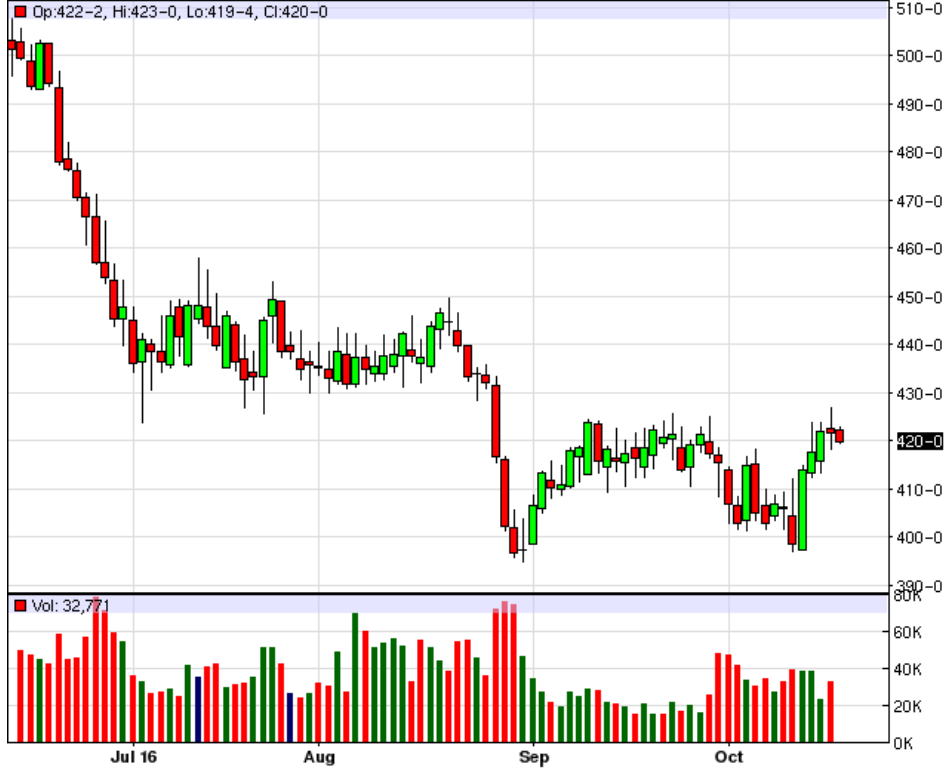
SHORT COVERING RALLY OVER THE LAST WEEK BUT BOTTOMING TYPE ACTION FOR GRAIN COMPLEX

Higher closes for oats and rough rice while lower for corn, soybeans, soybean meal, soybean oil, Kansas City and Chicago wheat. It looks like we've had a short covering rally since last Wednesday since all the new that came out showed little surprise. Also, exports continue to be good. However, the overall action is similar to what we see at tops and bottoms possibly indicating that the grains may be setting up for a decent rally. Minneapolis has been retracing higher since contract lows on Aug. 31st while KC has jumped up over the last week and is now in a resistance area and Chicago also has rallied with its nearest resistance about ten cents away. A close over 530 for Minneapolis on Oct. 13th could loom significant with little resistance nearby. KC has good resistance from 410 to 425 (which it's in now) and 430 to 450 in the way of any possible sustained rally at this time. Chicago, like KC, continues to look pretty bearish but with some encouraging signs lately but not enough to change my outlook. TO REPEAT: Minneapolis has been in an overall downtrend since June, 2011, KS since Feb. 2011 and Chicago July 12, oats March 14, rough rice March 08 (latest being June 14), corn Aug. 12, soybeans Sept. 12, meal, Aug. 12 and soybean oil since Aug. 11. Oat based in September and have been rallying since the beginning of October giving me a BUY SIGNAL and had its best high and close since the middle of July. Now the oats are in a good resistance area and we will need to see how they respond. Rough rice has also been trending higher since the beginning of September now in a small resistance area needing to close over 1050 for me to think about a buy signal. Corn has been now given me a buy signal and, like I said a couple of weeks ago, acted like it was forming a bottom needing a close over 350 which we got since my last report. Strong support is now down to the 320's with corn's next objective being in the four dollar area. Beans continue to hold reversal type action on Sept. 27th now looking like they are trying to base. Still, I need to see the beans close over 1020. The same goes for meal on Sept. 27th but looks worse technically. I really want to see a close over 340 but 320 would help. Oil has broken out of its sideways pattern (from the middle of Aug.) and looks the strongest of the grain complex by far. Little resistance remains overhead but good support underneath. BUY SIGNALS FOR CORN AND SOYBEAN OIL. SELL SIGNALS FOR MINNEAPOLIS, KANSAS CITY AND CHICAGO WHEAT ALONG WITH OATS. ROUGH RICE, SOYBEANS AND SOYBEAN MEAL. For additional charts, quotes, news, commentary & more, sign up for a FREE 30 -day trial to markethead.com.

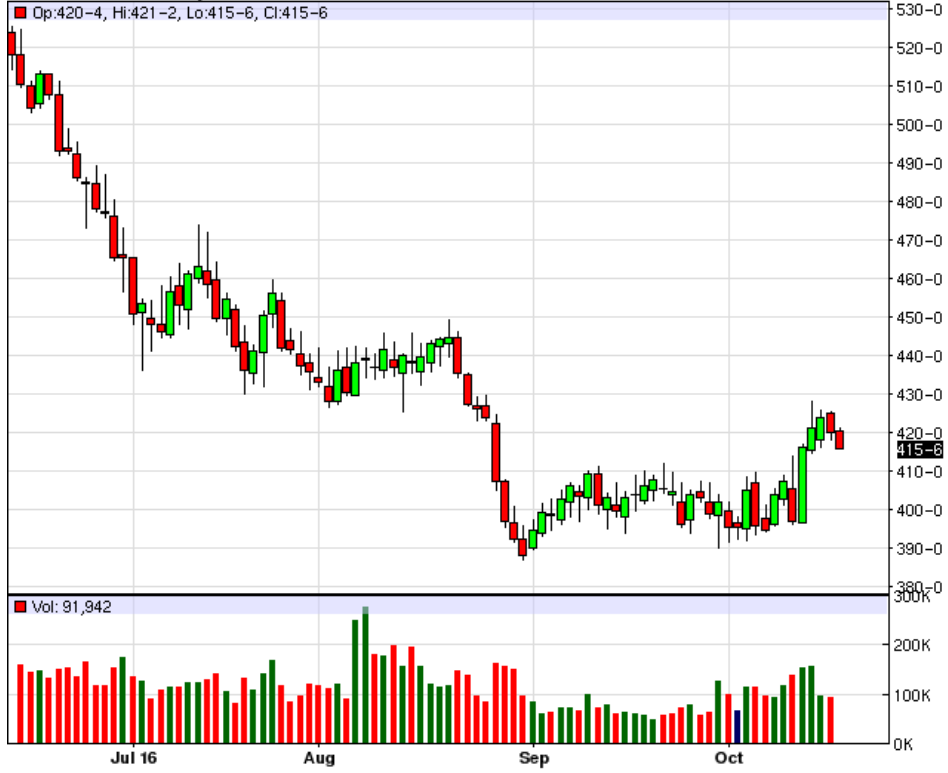
MWZ16 - Spring Wheat - Daily Candlestick Chart



KEZ16 - Hard Red Wheat - Daily Candlestick Chart



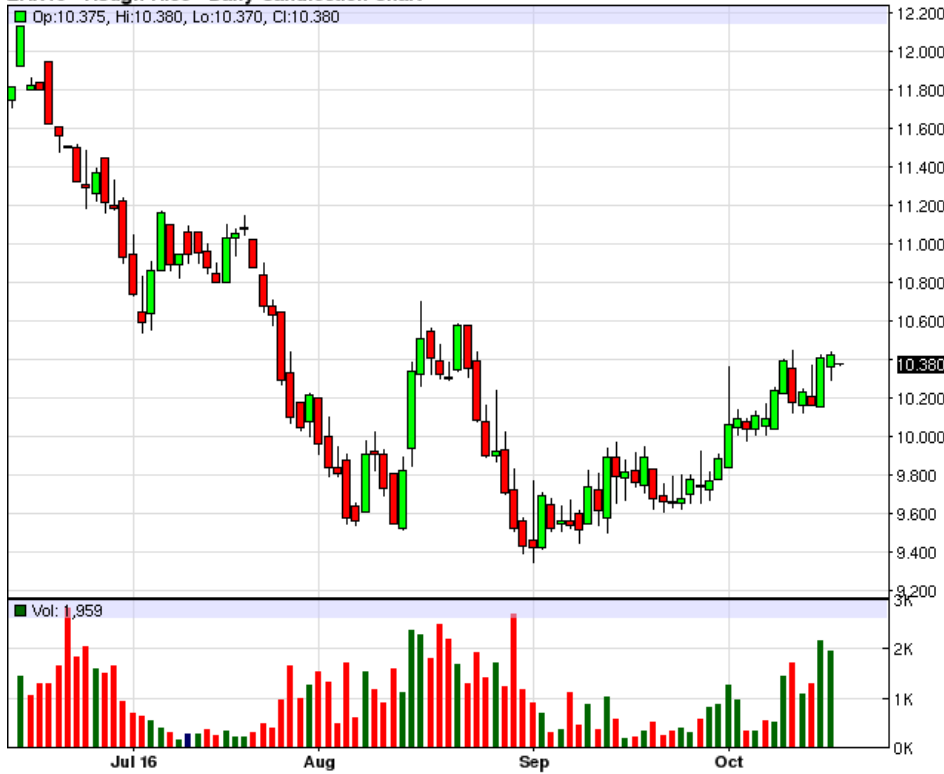
ZWZ16 - Wheat - Daily Candlestick Chart



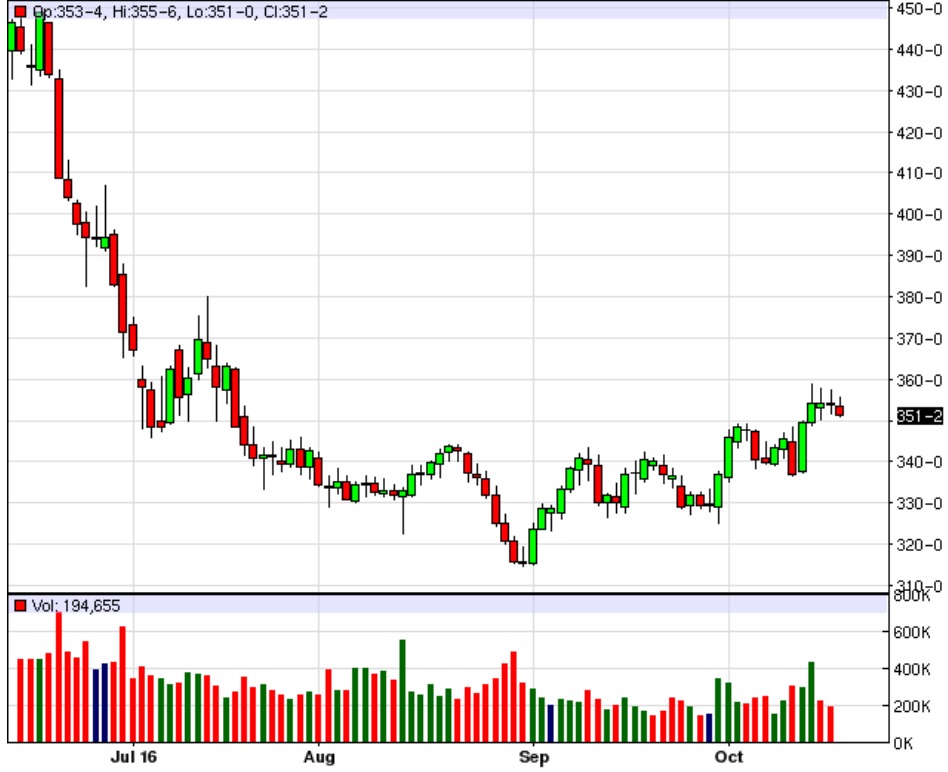
ZOZ16 - Oats - Daily Candlestick Chart



ZRX16 - Rough Rice - Daily Candlestick Chart



ZCZ16 - Corn - Daily Candlestick Chart



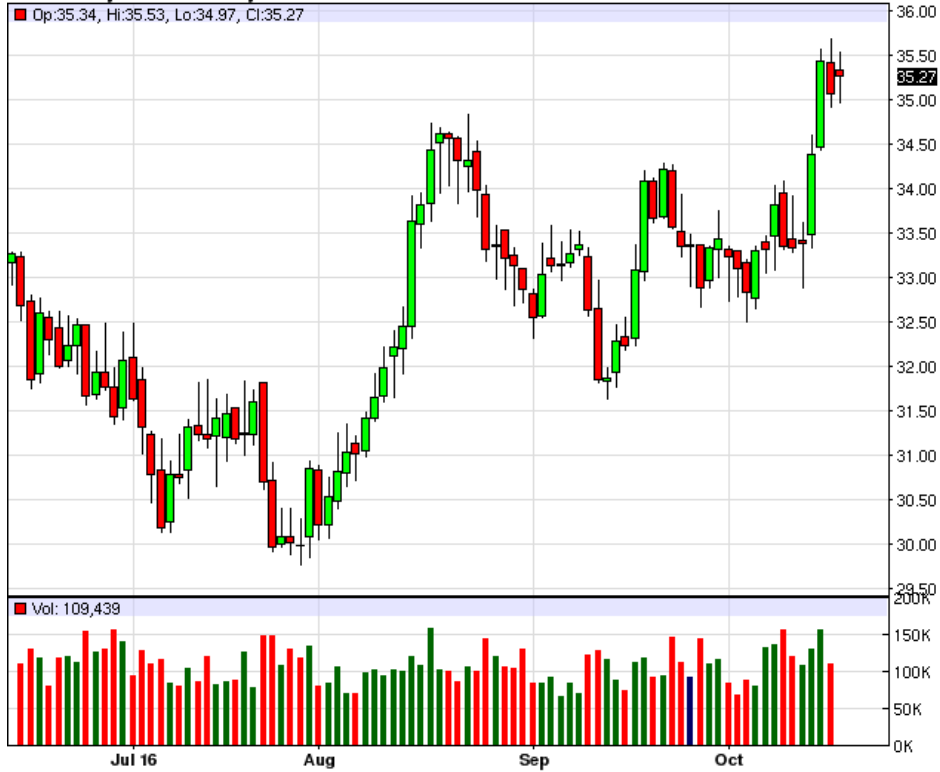
ZSX16 - Soybeans - Daily Candlestick Chart



ZM216 - Soybean Meal - Daily Candlestick Chart



ZLZ16 - Soybean Oil - Daily Candlestick Chart



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