



RICK ALEXANDER, MARKET STRATEGIST
ZANER GROUP

11/16/2016

DOLDRUMS FOR THE GRAIN COMPLEX CONTINUES LIVENED UP WITH OCCASIONAL CHOPPY ACTION.

Higher closes for the entire grain complex except rough rice which includes Minneapolis, Kansas City and Chicago wheat along with corn, soybeans, soybean meal and soybean oil. Good stocks remain the issue while grain exports remain decent led mainly by the beans. Since my report last week the grains, excluding the oats which keep moving higher, the grain complex has moved sideways to gradually lower as you can witness by the charts below. Minneapolis continues to look like it's forming a possible large bottom but not KC and Chicago at this time. KC (415 - 445) and Chicago 410 - 445) remain in a trading range albeit this week closer to the lower end of said ranges. Like I've been saying the wheat complex has been in a trading range which really isn't so bad since there aren't any shortages of wheat around the world as far as I know. What I mean is, at least, it hasn't been experiencing any new contract lows for a while now. Oats continue to be in an uptrend culminating in its best high and close since around June 20th. Good support remains below 227 and 190. Rough rice broke down from a bearish looking consolidation pattern making a new CONTRACT LOW AND CLOSE. It should continue to move lower overall. Corn keeps hovering around 350 while having an upside potential around four dollars and support down to the 320's. If corn gets to 400 I wouldn't immediately go short but I will tell you my game plan if and when it gets that high. Right now it has looked topy in the short term but I would only continue to buy breaks and sell rallies while not using any breakout methods at this time. Beans have been drifting lower since late October seemingly trying to bottom overall while the strong dollar and good stocks fight with very good exports for a direction. A close over 1030 is needed in my opinion. Strong looking support remains below. Meal acts like it could be bottoming but it continues to be pulled up by the beans and oil at this time which makes it dangerous to buy on rallies especially. Oil continues correct lower starting to lose some steam but still looks bullish overall. BUY SIGNALS FOR OATS, CORN AND SOYBEAN OIL. SELL SIGNALS FOR MINNEAPOLIS, KANSAS CITY AND CHICAGO WHEAT ALONG WITH ROUGH RICE. For additional charts, quotes, news, commentary & more, sign up for a FREE 30 -day trial to markethead.com.

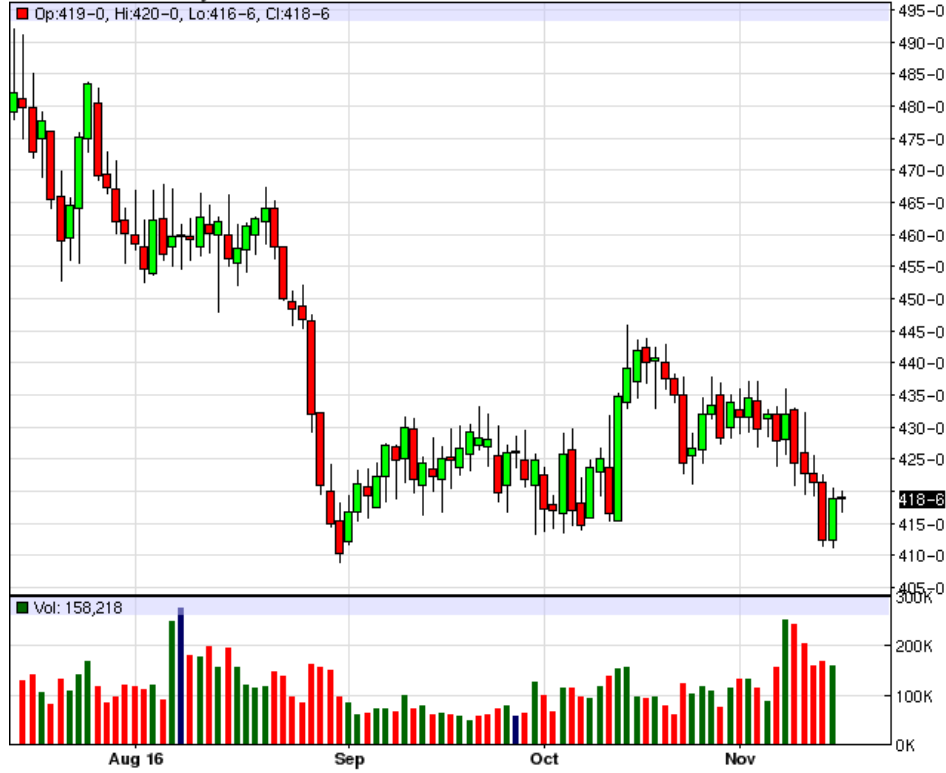
MWH17 - Spring Wheat - Daily Candlestick Chart



KEH17 - Hard Red Wheat - Daily Candlestick Chart



ZWH17 - Wheat - Daily Candlestick Chart



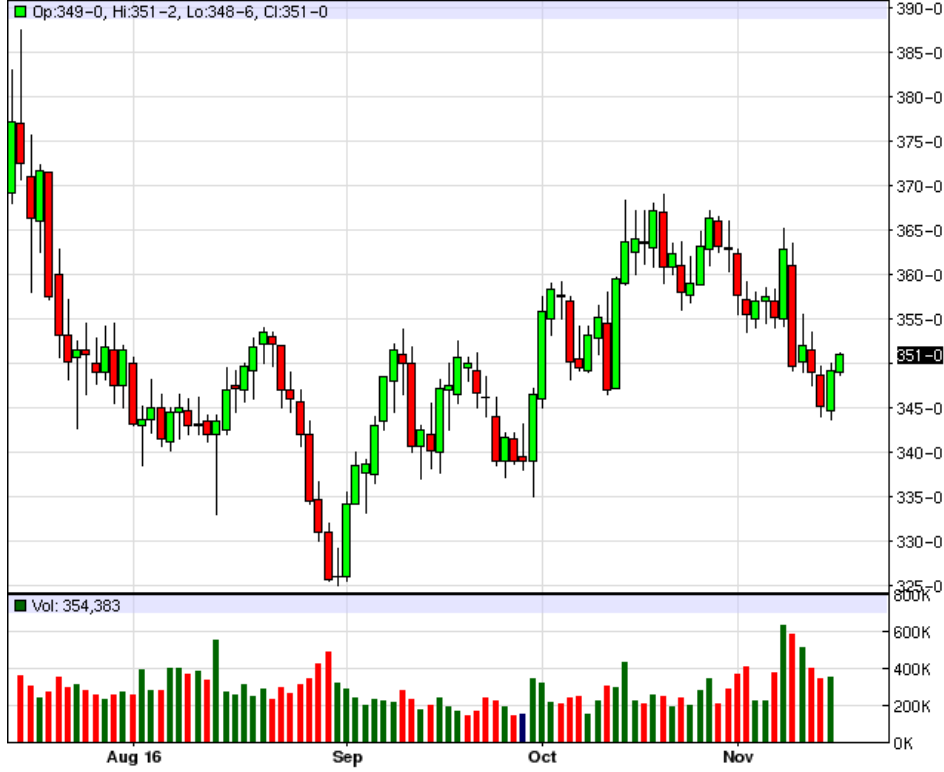
ZOH17 - Oats - Daily Candlestick Chart



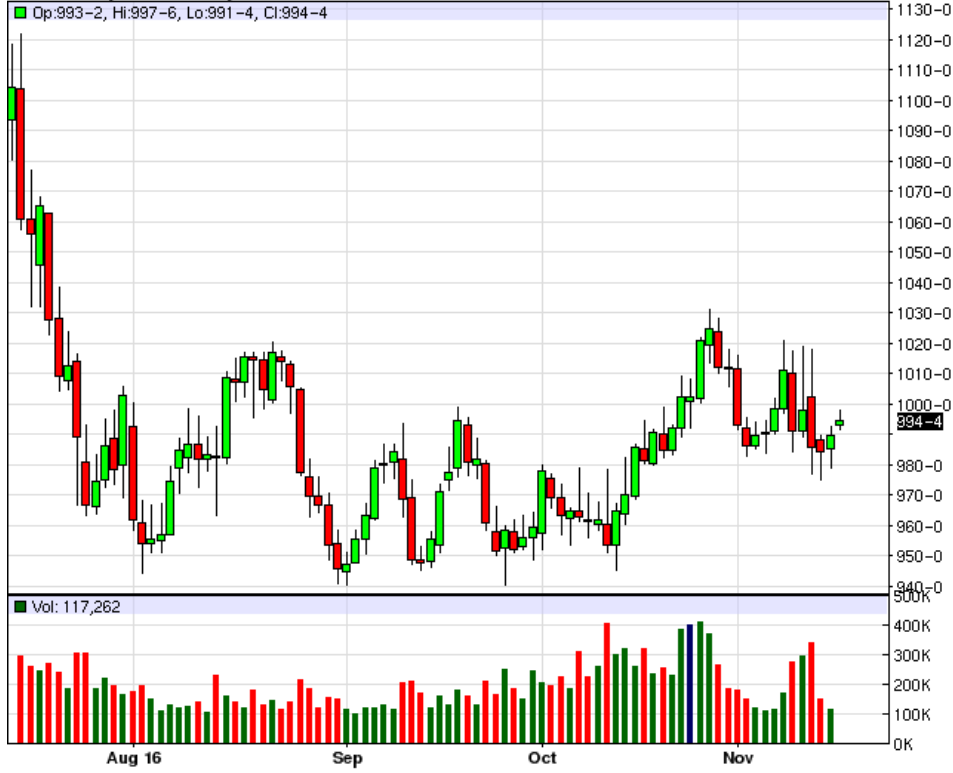
ZRF17 - Rough Rice - Daily Candlestick Chart



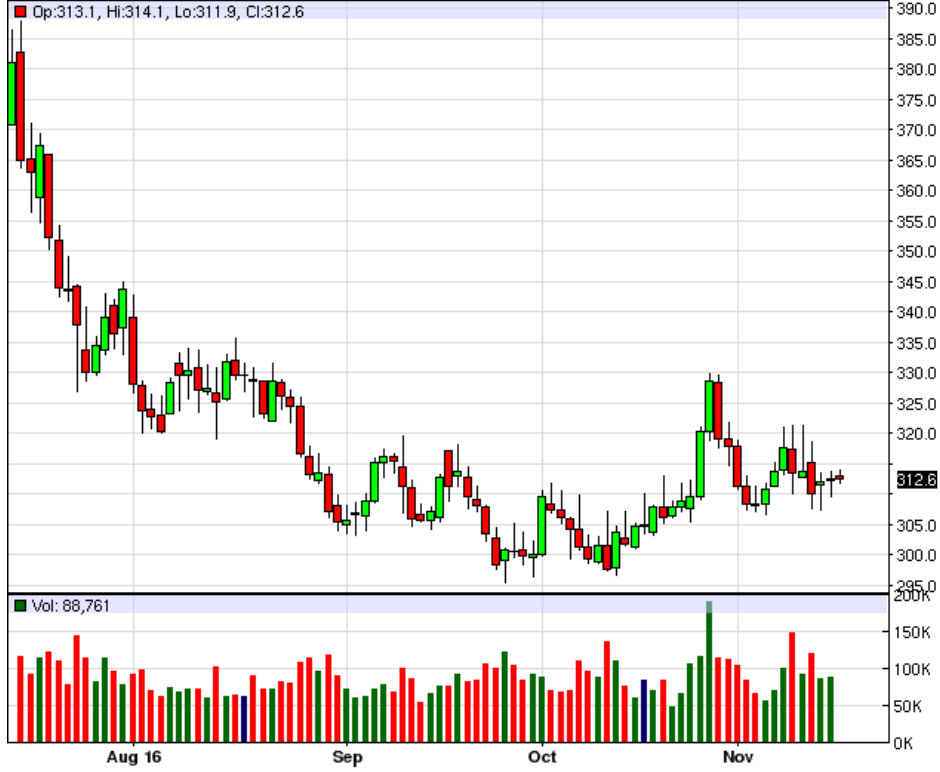
ZCH17 - Corn - Daily Candlestick Chart



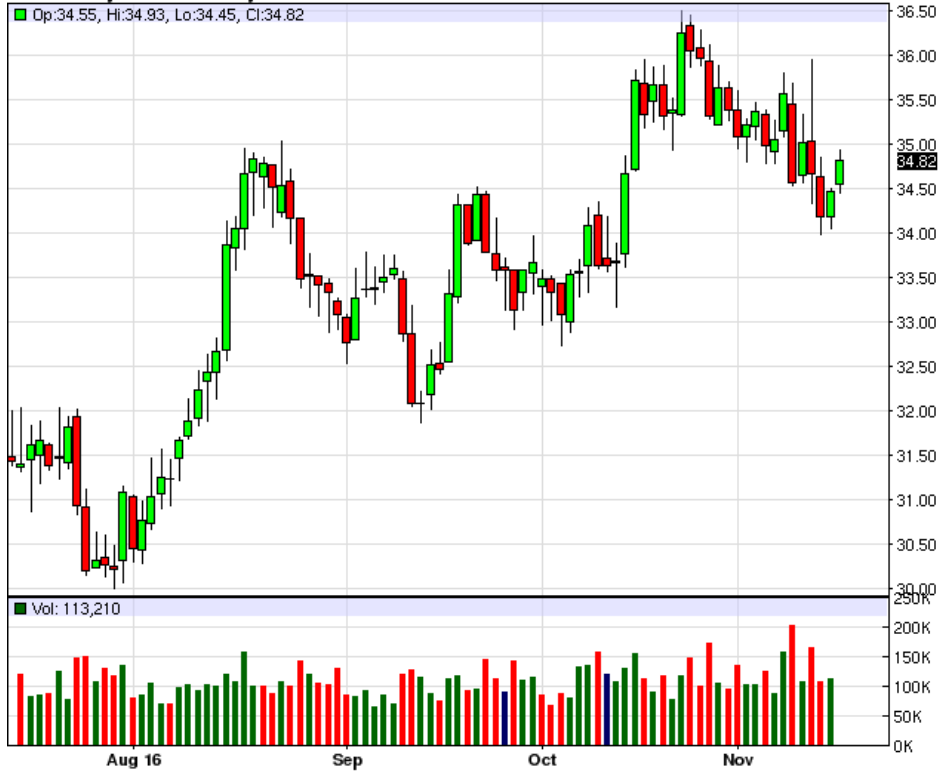
ZSF17 - Soybeans - Daily Candlestick Chart



ZMF17 - Soybean Meal - Daily Candlestick Chart



ZLF17 - 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.