

Futures Market Recap

Review: March 14th, 2010 - March 19th, 2010

Grains End Week Mixed on Stronger US Dollar

The grains markets were mixed last week, with US Dollar strength continuing to limit any major price advances. Corn and Soybeans traded higher despite the stronger dollar, while Wheat prices failed to notch any gains. Weekly export sales released by the USDA on March 18th were as follows: Corn (747,600 tonnes), Soybeans (214,100 tonnes), and Wheat (325,300 tonnes). Market participants should also be aware the USDA Planting Intentions report is due out on March 31st. Although a record soybean harvest was recently announced in Brazil, concerns over slow Soybean shipments from the region continue to be a supportive factor for the grains markets. Higher oil prices and increased discussion over a possible late planting season in the Midwest due to increased moisture also continued to add a positive tilt last week. Although some price advances were made in the grains markets last week, the longer term trend remains to the downside.



Corn (CBT C2-057)

Week Range: 365^0 – 373^0

% Change: 2.1917%

Trend: Bearish

Divergence: None

Level	Resistance	Support
1	382^0	362^4
2	391^6	347^2
3	405^0	327^4

Daily Chart

The daily corn chart remains in a bearish technical set up. A downward sloping resistance trend line is still intact and will remain an area of heavy short positioning. A hanging man candlestick formed after the Thursday session which has bearish implications but will need to be confirmed by a lower close next week. Initial resistance is found near 382^0, followed by 391^6 (top of bearish engulfing candlestick on 03.22.10 – also 61.8% Fibonacci retracement). Further resistance is found near 405^0. Initial support is found at 362^4 (low of doji reversal candlestick on 03.11.10), followed by 347^2 (low of hammer candlestick on 02.05.10). Further support is found at 327^4. RSI is in slightly bearish set up, failing again just above the 50 level and will need to find support at 40 or aggressive selling is a possibility. Moving Averages are also in slightly bearish set up, with the 9SMA well below the 45EMA, while price is located between the MA's. The path of least resistance remains to the downside.



Charts Provided by Trade Navigator



Soybeans (CBT S2 -057)

Week Range: 926^0 – 962^0

% Change: 3.8876%

Trend: Bearish

Divergence: None

Level	Resistance	Support
1	971^8	922^4
2	985^2	898^6
3	1016^2	879^6

Daily Chart

The daily soybeans chart remains in a bearish technical set up. A downward sloping resistance trend line remains in place and will continue to be an area of heavy short positioning. Initial resistance is found at 971^8, followed by 985^2 (aggressive selling on 02.23.10). Further resistance is found near 1016^2 (38.2% Fibonacci retracement). Initial support is found at 922^4 (swing low on 03.27.10), followed by 898^6 (hammer candlestick on 02.04.10). Further support is located at 879^6 (swing low on 10.05.09). RSI is in slightly bearish set up, recently holding support near the 40 level but failing to make any run towards 60. If the bulls can push RSI up through the 60 level we could see accelerated buying. However, look for aggressive short positioning in this area which will most likely limit any further advances. Moving averages are in bearish set up, with the 9SMA below the 45EMA, while price is located below both MA's. The path of least resistance remains to the downside.



Charts Provided by Trade Navigator



Wheat (CBT W2 - 057)

Week Range: 484^6 – 483^4

% Change: -0.2476%

Trend: Bearish

Divergence: None

Level	Resistance	Support
1	490^6	471^6
2	504^4	453^6
3	520^0	438^4

Daily Chart

The daily wheat chart remains in a bearish technical set up. A downward sloping trend line which formed from the high price of the previous rising wedge break in early January is still in place and will continue to be an area of heavy short positioning. Initial resistance is found at 490^6, followed by 504^4. Further resistance is found at 520^0 (aggressive selling on 03.01.10). Initial support found at 471^6 (aggressive buying on 02.04.10), followed by 453^6. Further support is located at 438^4 (0% Fibonacci support). RSI is in slightly bearish mode, recently holding at the 40 level but will need to make a firm run towards the 60 area to make any major progress. Look for aggressive short positioning if RSI breaks below the 40 level. Moving averages remains in bearish set up, with the 9SMA below the 45EMA, while price is located below both MA's. The path of least resistance remains to the downside.



Charts Provided by Trade Navigator



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