



20th August 2013

the technical analyst

AWARDS 2012

FINALIST BEST COMMODITY, ENERGY & POWER
RESEARCH & STRATEGY

Summary

SOY

- + Soy Bean
- + Soy Bean Oil
- + Soy Bean Meal

OTHER

- + Corn
- + Rapeseed



GemCom Markets

Mark Sturdy

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Summary

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SOY

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Stay SQUARE (Sep 2013).
Stay SQUARE (Oct 2013);
Stay SQUARE (Sep 2013).

OTHER

- + Corn
- + Rapeseed

Stay SQUARE(Dec13) ;
Stay **SHORT** (Nov 13). Stops above 370.



Summary

SOY BEANS AND DERIVATIVES: The long-term drama of Soy charts is the break above the succession of Prior highs since the 1970s. Whether or not that break can be sustained may depend on the integrity of the large bull triangle formed 2007-2012.

Last week we preferred to be out of the Soy markets, though we remained most bearish of Oil. The price action since has borne that out. The rallies in the beans and meal were fierce - and convincing, but offered no bull trading opportunity and don't look likely to.

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SOY: Soy Bean



Monthly Chart - Continuation:

The double failure to hold above Prior High 1663 and 1455.75 suggests great underlying weakness.

Some support 1200 (but the market overshot dramatically in 2008)

Look closer.

More



SOY: Soy Bean

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Weekly Chart – Continuation:

Here's the **test and break of the critical support just above 1300.**

The bears are in charge now both the rising diagonal and the trading channel have been broken.



Weekly Chart Sep 13 :

The Sep contract is less compellingly bearish.

We said 'Wait for a break of 1221' We though we had that but there's been hesitation. A confirmed break of 1221 is needed for bear confidence.. (Only a break of 1376 would really get the bulls going.)



SOY: Soy Bean

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Daily Sep 13

We were short-term sellers last week with Stops above 1250 (above the diagonal).

The rally has been impressive – attacking resistances from the Prior Low at 1221, the diagonal at 1250 and the Prior Low at 1274.

Stand back for clarity.



SOY: Soy Bean Oil

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Monthly Chart Continuation:

This long-term chart shows a broken bear channel.

Note too, the break of the critical diagonal bull trendline support.

And the break of the Fibonacci support suggest that **the bears are in charge.**

Look closer.



Weekly Chart – Continuation:

The parallel channel. Has been smashed which should **finally reassure the bears.**

More



SOY: Soy Bean Oil

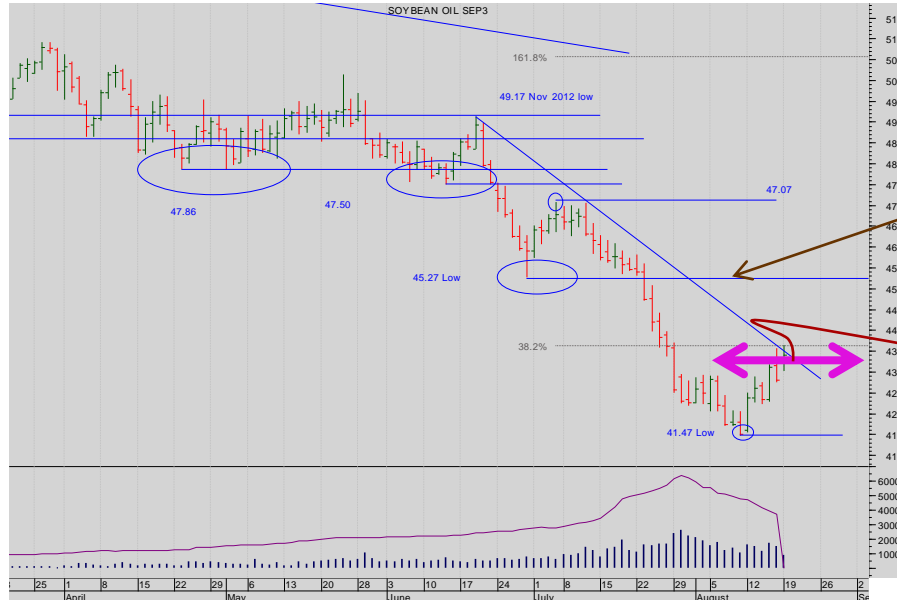
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Daily Chart Sep 03:

This bear market is well under way.

Expect good resistance from Prior Lows on any rally. But that remains far away.

We suggested that bears should have closer stops above 43? (the top of the recent consolidation).

Note though, the pause at the diagonal and Fibonacci coincident level.



Daily Chart Oct 03:

The detail in the October market. The retracement rally is clear and the small resistance at the falling diagonal is breached.

But the only real test of the bulls' intention is the 44.81 level.



SOY: Soy Bean Meal

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Quarterly Chart Continuation:

The descent through the Prior High suggests real underlying weakness



Weekly Chart – continuation:

But this is less bearish.

The return to the support from the Prior High at 385.30 that has been good support in the past.

Look closer.

More



SOY: Soy Bean Meal

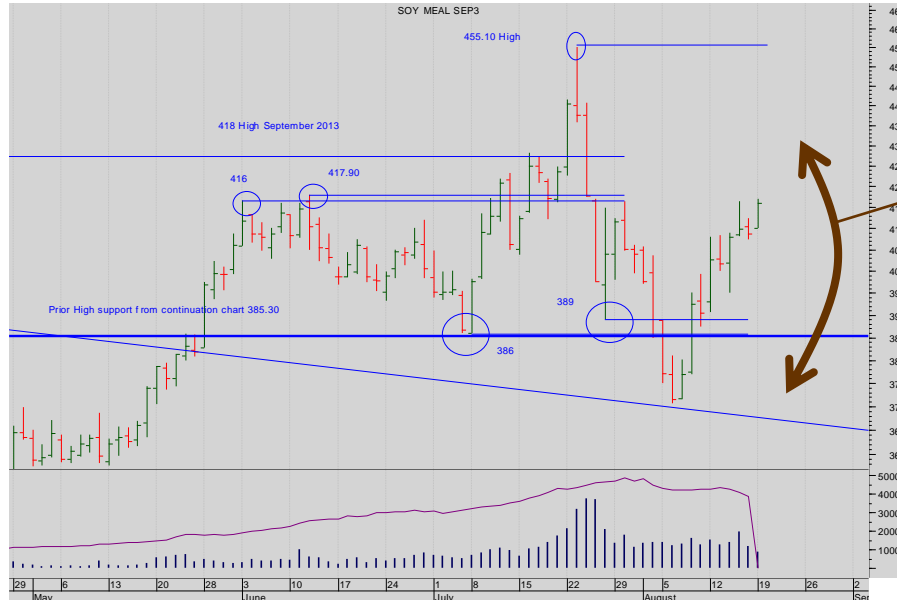
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Sep 13 daily Chart :

And this is very unclear.

The rally up through 386 and 389 suggest a return to a trading range.



Summary

CORN and RAPESEED: The big picture of these markets is still very bearish. Bears will have been frustrated but should not have been surprised at the rallies after such a long period of selling. In neither market have the bulls breached important resistance levels. The stops we suggested last week were more to protect profits than representing levels of major reversal. We watch and wait for the retracements to peter out and reverse as the major resistances above make themselves felt before looking to sell again in line with the clearly bearish long and medium-term structures.

Summary

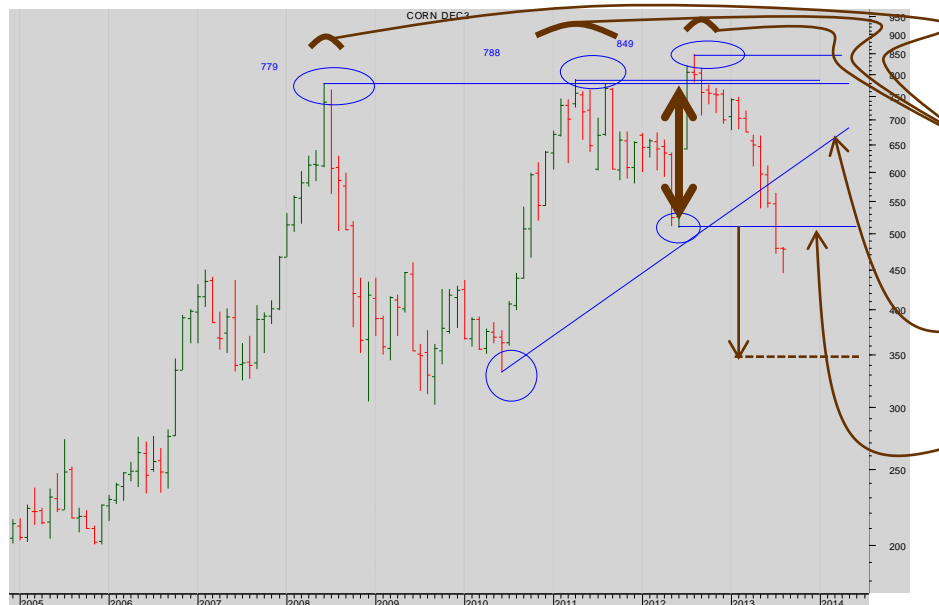
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OTHER : Corn



Monthly Cont. Chart

The triple failure at the 800 level (having tested above it and been unable to sustain that break) has been ominous for the bulls.

The break of the diagonal was important...

And the push beneath this 510 low has completed a long-term Double Top encouraging fresh selling...

The minimum move for the Double Top? **About 300**

More



OTHER : Corn

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Weekly cont. Chart

The triple failure in greater detail.

Note the support from the rising diagonal (about 650) has been broken.

Note the failure of the Prior Low.

Look closer.



Daily bar chart Dec 13 contract

The major break has happened through the 510 level.

But after 5 weeks sell-off, the rally has breached the first resistance from the low at 471.25.

Expect powerful and growing resistance at 490 and above.



OTHER: Rapeseed

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Monthly Chart Continuation:

The third failure above 500 looks bearish for the market.

The move down through the Prior Lows and the Prior Highs is important as it creates good resistance for any rally.

This suggests a move back as far as 250 or so.



Weekly Nov 13 Chart :

The detail shows great resistance above the market between 390 - 392 and then 419.

Now study the retracement.

More



OTHER: Rapeseed

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Daily Nov 13 Chart :

The short-term consolidation?
Possibly a Double Bottom.

If so, the minimum move has
already been achieved.

Note the small resistance at the
diagonal, and then nothing until
the 390 level.

Volume on the rally has not been
especially impressive.



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