

Wheat: Daily Update: Retracement Support uncovered @ 690?



Grain markets continue to boast bullish fundamentals with regards to supply, ie, inventories. Nonetheless, corrections within bull markets are routine. Note the recent correction in July Wheat:

- Values have come down again to 690 Support, 4th time since the Summer.
- Values have retraced to the 62% level of the \$4.10 rally from 540 (last June) to 950 (last month). Coincidentally the 62% level = approx 690!
- 'Stochs' have turned up again.
- Finally, RSI values were oversold last week @ 22½! – even lower than last June's contract low when RSI reached down to 27½. Perhaps this dire reading represents an over-sold low for the correction?