

## Calculating Value in the Corn Market

By Blake Robben (June 13)

The combination of fund selling and perfect growing conditions is causing the corn market to make new swing lows. Now, a few market participants are eyeing a 180 bushel yield on 88 million planted acres, therefore, ending stocks would come in at 1.818 billion bushels, down 364 million bushels from last year's 2.182 billion bushels. That represents a 16.6% decline. Also, December 17 Corn went off the board at \$3.36. If we simply take 16.6% of 3.36, which is 55 cents and add that to 3.36 our final number would be \$3.91.

As I see it we are currently at fair value. Furthermore, the critical pollination period starts in the last week of June through the first two weeks of July, so traders must pay attention to future weather with the potential of yield destruction. Let's take a look at the current technical condition of December Corn futures.

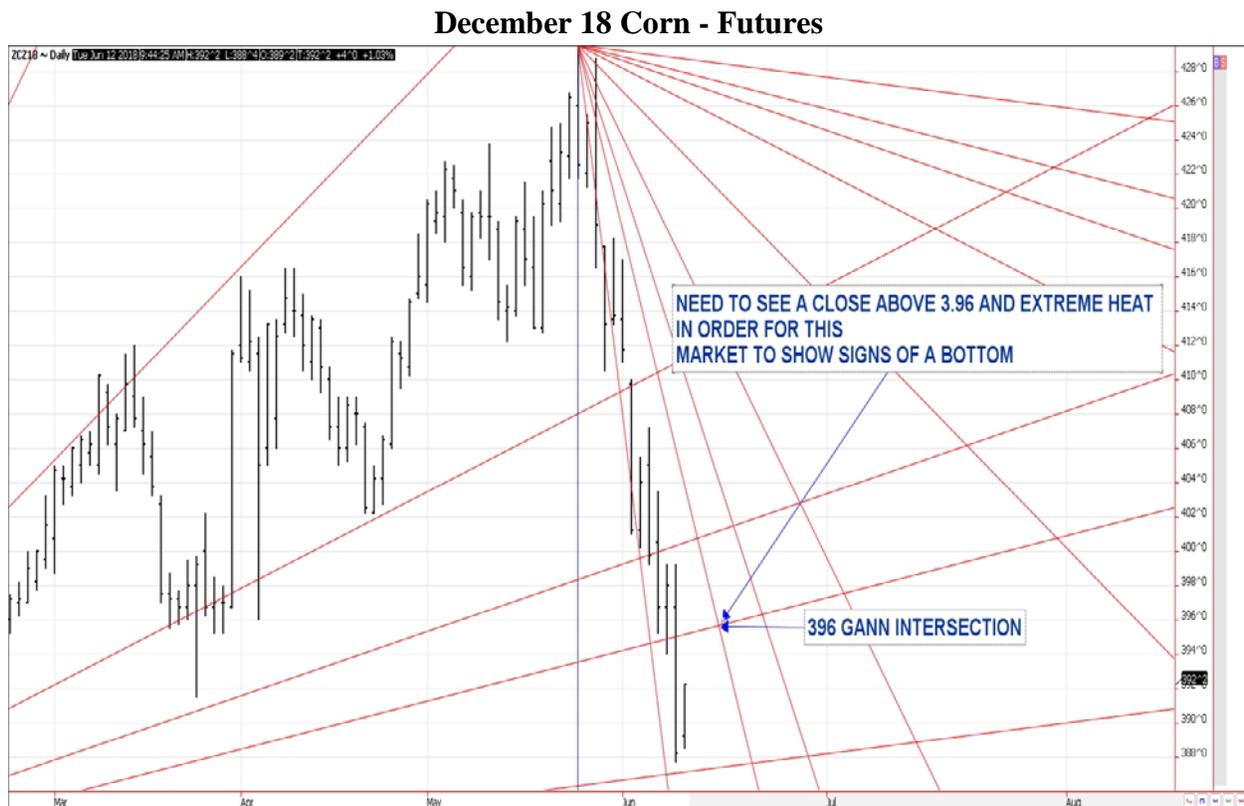


Chart provided by QST

My many years of trading futures markets does make a difference. Feel free to call or email me if you have any questions. I can be reached at 312.242.7990 and at [blake.robber@archerfinancials.com](mailto:blake.robber@archerfinancials.com). Interested in opening and account with me, go to our interactive New Account application at [Open An Account](#). It is fast, saves on postage and it's green.

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