



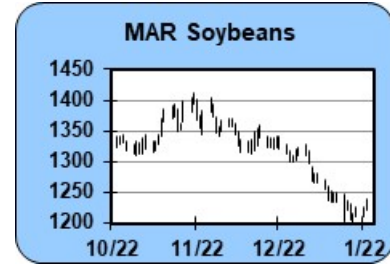
DAILY GRAINS COMMENTARY Wednesday January 24, 2024

DAILY SOY COMPLEX COMMENTARY 1/24/2024

Technicals point higher, Argentine dryness getting attention

**OVERNIGHT CHANGES THROUGH 6:06 AM (CT):
SOY BEANS +0.0, BEAN OIL +0.0, SOYMEAL +0.4**

OVERNIGHT DEVELOPMENTS: Soybeans (MAR 24) prices overnight are up 1; Soymeal (MAR 24) up 3.20; and Soyoil (MAR 24) down -0.1. Soybean open interest as of January 23 was up 7,279 contracts, soymeal up 4,037 contracts, and soybean oil up 5,155. Chinese Dalian (MAY 24) Soybeans up 0.63%, Soymeal up 0.66%, Soyoil up 0.63%, Palm oil up 0.03%. Malaysian Palm was up 1.17%. Global equity markets overnight were higher except for the market in Japan which traded moderately lower. Critical economic news released overnight included as expected New Zealand CPI, stronger than expected Australian Judo Bank Manufacturing PMI readings for January, a sharper than expected decline in Japanese imports, a stronger-than-expected Japanese export tally for December, a disappointing Australian leading index, stronger than expected Jibun Bank Services PMI readings for January, slightly weaker than expected Japanese bank manufacturing PMI readings for January, an increase in New Zealand credit card spending in December, softer than expected HCOB French, German, and euro zone composite PMI readings for January, stronger-than-expected HCOB manufacturing PMI readings in France, Germany, and the euro zone, better than expected GBP S&P Global/CIPS manufacturing, composite, and services PMI readings for January. The North American session will start out with a weekly private survey of mortgage applications followed by the January US "flash" manufacturing PMI which is forecast to hold steady with the previous 47.9 reading. The Bank of Canada is not expected to change Canadian rates or policy at today's meeting. A busy day of earnings announcements will include Abbott Labs, AT&T, General Dynamics, and Freeport-McMoRan before the Wall Street opening while Tesla, IBM, ServiceNow, Lam Research and CSX report after the close.



NEAR-TERM MARKET FUNDAMENTALS: With the weather spotlight now shifted to the dry trend in Argentina this week, the bull camp has a reason to add weather premium. 11 to 15 day forecast models show hints of moisture returning to Argentina but over the next 10 days heat and dryness will be the theme. Brazil conditions overall have stabilized although private crop estimates continued to shrink. China news agency, Xinhua, says China produced a record 20.8 million tonnes of beans in 2023 on larger planted area. Soymeal in animal rations dropped 1.5% in 2023, which is equivalent to a loss of 9 million tonnes of bean usage. China announced they will cut bank's reserve requirements starting February 5th in a bid to stimulate the economy. Heavy rains over the Delta region of the US is relieving chronic dryness and improving River levels. The USDA's annual Outlook Forum is 3 weeks away and typically these long-term crop projections are bearish since weather is not considered and trendline yields are used. However, in the meantime South American weather will be the focus as well as whether last week's better export sales will continue this week. Initial retracement resistance is 12.49 with important 50% retracement of the decline since Christmas at 12.63. Further upside gains appear likely, although limited by ongoing Brazilian harvest.

TODAY'S MARKET IDEAS:

While the technical outlook still points higher, important resistance on March futures at the 50% retracement of the decline from December 28th to last week's low sits at 12.64. The length of the Argentine dry spell will dictate how far prices can run on this correction higher. Weekly export sales Thursday morning will be watched closely to see if exports can continue their improvement of the last couple of weeks.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

SOYBEAN COMPLEX TECHNICAL OUTLOOK:

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SOYBEANS (MAR) 01/24/2024: Daily stochastics are showing positive momentum from oversold levels, which should reinforce a move higher if near term resistance is taken out. The close above the 9-day moving average is a positive short-term indicator for trend. The market has a bullish tilt coming into today's trade with the close above the 2nd swing resistance. The near-term upside objective is at 1254 1/4. The next area of resistance is around 1249 and 1254 1/4, while 1st support hits today at 1230 and below there at 1216 1/4.

SOYBEAN OIL (MAR) 01/24/2024: Positive momentum studies in the neutral zone will tend to reinforce higher price action. A positive signal for trend short-term was given on a close over the 9-bar moving average. It is a mildly bullish indicator that the market closed over the pivot swing number. The near-term upside objective is at 49.02. The next area of resistance is around 48.60 and 49.02, while 1st support hits today at 47.82 and below there at 47.45.

SOYMEAL (MAR) 01/24/2024: The crossover up in the daily stochastics is a bullish signal. Rising from oversold levels, daily momentum studies would support higher prices, especially on a close above resistance. The market's short-term trend is negative as the close remains below the 9-day moving average. A positive setup occurred with the close over the 1st swing resistance. The next upside objective is 366.2. The next area of resistance is around 364.3 and 366.2, while 1st support hits today at 357.9 and below there at 353.3.

DAILY CORN COMMENTARY

1/24/2024

Limited bullish enthusiasm so far this week

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):

CORN +0.3

OVERNIGHT DEVELOPMENTS: Corn (MAR 24) prices overnight are up 2. Corn open interest as of January 23 was up 10,385 contracts. Chinese Dalian (MAY 24) Corn was up 0.64%.



NEAR-TERM MARKET FUNDAMENTALS: Corn's recovery after last week's reversal higher has been anemic so far with small trading ranges this week and a lack of bullish enthusiasm. Open interest continues to rise indicating funds are not covering shorts to any significant degree yet. While Argentina is expected to stay dry through the next 10 days, hints of rain in the 11-15-day forecast may be limiting price gains. Above normal temperatures are moving into all the Midwest, which will melt recent snows and in addition to rains across the Delta, US river levels will improve significantly. Farmer protests restrictive EU farm policies have spread from Germany to France, with farmers blocking roads and saying they may take the protest to the streets of Paris. Dreyfus says India corn supplies are tightening significantly on demand from the poultry and ethanol industries. Today's US ethanol data may feature surprisingly low production after weather slowdowns last week. Current economics and crop profitability would suggest fewer corn acres in the US this spring, although typically farmers prefer planting corn as a bumper yield can dramatically increase profits. The bull camp is looking for a close above 4.50 on March futures to signal the rally can extend further.

TODAY'S MARKET IDEAS:

The downside is limited for the short-term, in our opinion, and speculative traders can consider buying breaks but must be aware rally power is limited until fund short covering is triggered. Initial resistance stands at 4.62.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

CORN TECHNICAL OUTLOOK:

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CORN (MAR) 01/24/2024: Daily stochastics are showing positive momentum from oversold levels, which should reinforce a move higher if near term resistance is taken out. A negative signal for trend short-term was given on a close under the 9-bar moving average. With the close higher than the pivot swing number, the market is in a slightly bullish posture. The near-term upside objective is at 453 1/4. The next area of resistance is around 449 3/4 and 453 1/4, while 1st support hits today at 443 1/4 and below there at 440 1/2.

CORN (JUL) 01/24/2024: Daily momentum studies are on the rise from low levels and should accelerate a move higher on a push through the 1st swing resistance. The market's close below the 9-day moving average is an indication the short-term trend remains negative. The market has a slightly positive tilt with the close over the swing pivot. The next upside target is 471. The 9-day RSI under 30 indicates the market is approaching oversold levels. The next area of resistance is around 468 1/2 and 471, while 1st support hits today at 463 1/2 and below there at 461.

DAILY WHEAT COMMENTARY

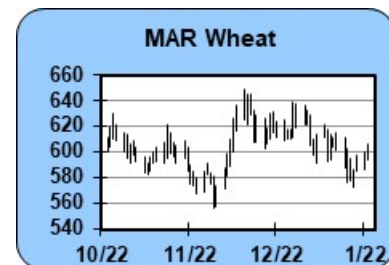
1/24/2024

Lower US wheat acreage estimates support

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):

WHEAT +0.78

OVERNIGHT DEVELOPMENTS: Chicago wheat (MAR 24) prices overnight are up 5 3/4; Kansas City (MAR 24) up 5; and Minneapolis (MAR 24) up 2 1/2. MATIF Milling Wheat(MAR 24) was unchanged. Chicago wheat open interest as of January 23 was down 564 contracts and Minneapolis wheat was up 3,843 contracts.



NEAR-TERM MARKET FUNDAMENTALS: SovEcon updated their Russian crop estimate for 2024 to 92.2 million tonnes, slightly down from 2023's 92.8 million. There is no shortage of geopolitical risk around the globe as a Russian military transport plane with 74 people aboard was shot down overnight, likely by Ukraine, and the US struck Hezbollah targets in Iraq, while Egypt and several other Mideast countries say they are working on a peace plan for the Gaza conflict. Additional support is coming from winter wheat acreage estimates from Farm Futures and S&P Global which were both roughly 2.3 million acres below USDA's number from last Friday's supply/demand report. Some rains have fallen in the south-central US Plains and an active pattern stays in place this week. This week's price rally started with a reversal higher late last week and technical signals suggest support on breaks below 5.85. A close over key moving average resistance on March futures at 6.04 would open the door for a further run to at least 6.15.

TODAY'S MARKET IDEAS:

Technical traders will be looking for a close above 6.04, which would point to a further upside extension to 6.15 and possibly 6.30. Pullbacks under 5.85 should find solid support. The recent bullish stochastics crossover and estimates of lower US winter wheat acreage suggest the rally can continue.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

WHEAT TECHNICAL OUTLOOK:

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WHEAT (MAR) 01/24/2024: Stochastics are at mid-range but trending higher, which should reinforce a move higher if resistance levels are taken out. A positive signal for trend short-term was given on a close over the 9-bar moving average. The close over the pivot swing is a somewhat positive setup. The next upside target is 611 1/4. The next area of resistance is around 603 and 611 1/4, while 1st support hits today at 590 and below there at 585 1/2.

KC WHEAT (MAR) 01/24/2024: Positive momentum studies in the neutral zone will tend to reinforce higher price action. The market's close above the 9-day moving average suggests the short-term trend remains positive. Since the close was above the 2nd swing resistance number, the market's posture is bullish and could see more upside follow-through early in the session. The near-term upside objective is at 637. The next area of resistance is around 629 1/4 and 637, while 1st support hits today at 609 1/4 and below there at 596 3/4.

MINN WHEAT (MAR) 01/24/2024: Momentum studies are trending higher from mid-range, which should support a move higher if resistance levels are penetrated. The market's close above the 9-day moving average suggests the short-term trend remains positive. The market could take on a defensive posture with the daily closing price reversal down. The market tilt is slightly negative with the close under the pivot. The near-term upside objective is at 710 1/2. The next area of resistance is around 704 and 710 1/2, while 1st support hits today at 694 and below there at 690 3/4.

RICE (MAR) 01/24/2024: The close below the 40-day moving average is an indication the longer-term trend has turned down. Momentum studies trending lower at mid-range should accelerate a move lower if support levels are taken out. A negative signal for trend short-term was given on a close under the 9-bar moving average. The market setup is somewhat negative with the close under the 1st swing support. The next downside objective is now at 17.323. The next area of resistance is around 17.504 and 17.602, while 1st support hits today at 17.365 and below there at 17.323.

DAILY TECHNICAL STATISTICS

	CLOSE	9 DAY RSI	14 DAY RSI	14 DAY SLOW STOCH D	14 DAY SLOW STOCH K	4 DAY M AVG	9 DAY M AVG	18 DAY M AVG	45 DAY M AVG	60 DAY M AVG
GRAIN COMPLEX										
CNAH24	446 1/2	31.36	32.53	18.51	22.72	445.44	447.97	456.90	471.76	476.23
CNAN24	466	27.47	29.34	14.67	17.86	464.63	468.17	478.33	492.96	496.38
SSAH24	1239 1/2	45.09	39.96	15.49	23.49	1222.63	1224.53	1251.08	1305.54	1318.75
SSAN24	1254 1/4	42.48	37.84	14.45	21.27	1240.13	1243.44	1267.92	1323.31	1336.33
SMAH24	361.1	38.45	36.39	16.57	19.33	358.68	361.46	370.29	392.19	399.45
BOAH24	48.21	50.11	46.85	40.37	45.61	47.72	47.90	48.05	49.67	49.84
WHAH24	596 1/2	46.60	46.75	27.72	34.51	592.94	594.08	604.00	604.94	603.34

WHAN24	612 3/4	43.68	44.67	25.55	30.92	609.56	613.39	623.18	625.47	626.58
RCAH24	17.435	44.21	47.93	39.37	35.44	17.56	17.57	17.55	17.50	17.26
KWAH24	619 1/4	50.48	47.62	28.96	39.01	609.44	609.89	619.79	629.59	635.53
MWAH24	699	46.21	44.40	24.86	35.26	695.75	695.69	704.82	716.83	722.79
OTAH24	370 1/4	49.73	49.42	47.01	50.36	373.81	371.00	371.51	371.15	375.14

Calculations based on previous session. Data collected 01/23/2024
Data sources can & do produce bad ticks. Verify before use.

DAILY SWING STATISTICS

Contract		Support 2	Support 1	Pivot	Resist 1	Resist 2
GRAIN COMPLEX						
CNAH24	Corn	440 1/2	443 1/4	447	449 3/4	453 1/2
CNAH24	Corn	461	463 1/2	466	468 1/2	471
SSAH24	Soybeans	1216 1/4	1230	1235 1/4	1249	1254 1/4
SSAN24	Soybeans	1234 1/4	1246	1250 1/2	1262 1/2	1266 3/4
SMAH24	Soymeal	353.2	357.8	359.7	364.3	366.2
BOAH24	Soybean Oil	47.44	47.81	48.23	48.60	49.02
WHAH24	Wheat	585 1/2	590	598 1/2	603	611 1/2
WHAN24	Wheat	602 1/2	607	614 1/4	618 1/2	626
RCAH24	Rice	17.322	17.365	17.462	17.504	17.602
KWAH24	KC Wheat	596 3/4	609	617	629 1/2	637 1/4
MWAH24	MINN Wheat	690 1/2	694	700 1/2	704	710 1/2
OTAH24	Oats	358	363 1/2	371 1/4	377	384 1/2

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