



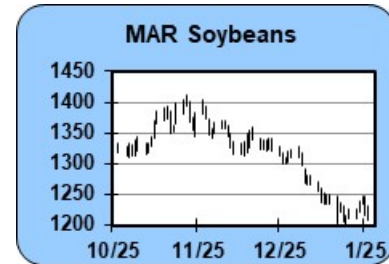
DAILY GRAINS COMMENTARY Monday January 29, 2024

DAILY SOY COMPLEX COMMENTARY 1/29/2024

Return of showers for Argentina next week bearish

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):
SOY BEANS -0.1, BEAN OIL -0.0, SOYMEAL -0.1

OVERNIGHT DEVELOPMENTS: Soybeans (MAR 24) prices overnight are down -8; Soymeal (MAR 24) down -0.60; and Soyoil (MAR 24) down -0.39. Soybean open interest as of January 26 was up 8,901 contracts, soymeal up 3,172 contracts, and soybean oil up 3,041. Chinese Dalian (MAY 24) Soybeans down 0.91%, Soymeal down 2.09%, Soyoil down 1.34%, Palm oil down 0.58%. Malaysian Palm was down 1.72%. Global equity markets overnight were mixed with weakness in China extending into the new trading week. Economic news overnight and a significant jump in the Italian trade with non-EU members for the month of November. The North American session will only have one top-tier data point, the Dallas Fed's January manufacturing business index which is expected to have a sizable downtick from December's -9.3 reading. Earnings announcements will include Nucor, Cleveland-Cliffs and Whirlpool after the Wall Street close.



NEAR-TERM MARKET FUNDAMENTALS: While this week will be hot/dry in Argentina, relief showers are on tap for next week and that gives the edge to the bear camp to start the week. AgRural says Brazil harvest is 11% done compared to 5% last year. Weakness in Brazil soy premiums was a negative factor last week and we hear rumors a US crusher bought Brazil beans due to the advantageous price. Oil world says global veg oil production will be up 3.2 million tonnes this year, but consumption will rise 7.5 million tonnes. Unfortunately for the bulls, Friday morning's sale of 100,000 tonnes of meal to Unknown did not offer any support and meal ended sharply lower on the day, its lowest close since July 7 of last year. It is becoming increasingly clear bean oil must carry the day as strong crush rates generate excess meal. Speculative funds added over 15,000 to their net short position through Tuesday last week. Key support at 12.01 on March was penetrated and the next stop looks to be 11.80.

The Commitments of Traders report for the week ending January 23rd showed Soybeans Managed Money traders added 15,045 contracts to their already short position and are now net short 91,842. CIT traders are net long 115,608 contracts after net selling 3,917 contracts. Non-Commercial No CIT traders added 11,610 contracts to their already short position and are now net short 116,137. Non-Commercial & Non-Reportable traders were net short 122,782 contracts after increasing their already short position by 10,343 contracts.

The Commitments of Traders report for the week ending January 23rd showed Soyoil Managed Money traders net bought 2,306 contracts and are now net short 44,705 contracts. CIT traders net sold 1,351 contracts and are now net long 129,607 contracts. Non-Commercial No CIT traders reduced their net short position by 5,934 contracts to a net short 66,640 contracts. Non-Commercial & non-reportable traders are net short 23,931 contracts after net buying 5,004 contracts.

The January 23rd Commitments of Traders report showed Soymeal Managed Money traders added 14,937 contracts to their already short position and are now net short 19,016. CIT traders were net long 106,530 contracts after increasing their already long position by 2,543 contracts. Non-Commercial No CIT traders added 11,959 contracts to their already short position and are now net short 52,429. Non-Commercial & non-reportable traders went from a net long to a net short position of 6,680 contracts after net selling 14,824 contracts.

TODAY'S MARKET IDEAS:

Expectations of relief showers for Argentina next week has pressured March futures below 12.01 support, which suggests further downside to next support at 11.80. With Brazil harvest 11% done, extending rallies may be tough as harvest pressure will be an increasing headwind over the next few weeks.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

SOYBEAN COMPLEX TECHNICAL OUTLOOK:

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SOYBEANS (MAR) 01/29/2024: Rising from oversold levels, daily momentum studies would support higher prices, especially on a close above resistance. A negative signal for trend short-term was given on a close under the 9-bar moving average. It is a slightly negative indicator that the close was lower than the pivot swing number. The near-term upside objective is at 1236 1/2. The next area of resistance is around 1220 1/4 and 1236 1/2, while 1st support hits today at 1198 1/4 and below there at 1192 1/4.

SOYBEAN OIL (MAR) 01/29/2024: Momentum studies are still bearish but are now at oversold levels and will tend to support reversal action if it occurs. A negative signal for trend short-term was given on a close under the 9-bar moving average. The daily closing price reversal up is a positive indicator that could support higher prices. The market has a slightly positive tilt with the close over the swing pivot. The next downside objective is 45.76. The next area of resistance is around 47.42 and 47.75, while 1st support hits today at 46.43 and below there at 45.76.

SOYMEAL (MAR) 01/29/2024: A crossover down in the daily stochastics is a bearish signal. Daily stochastics are trending lower but have declined into oversold territory. A negative signal for trend short-term was given on a close under the 9-bar moving average. The defensive setup, with the close under the 2nd swing support, could cause some early weakness. The next downside target is now at 340.2. The 9-day RSI under 30 indicates the market is approaching oversold levels. The next area of resistance is around 354.7 and 363.1, while 1st support hits today at 343.3 and below there at 340.2.

DAILY CORN COMMENTARY

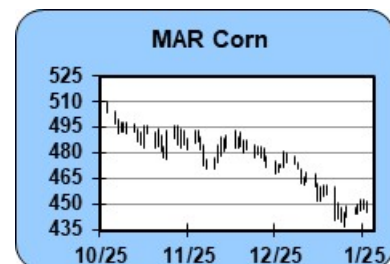
1/29/2024

Argentine relief rain next week favors bears

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):

CORN -0.5

OVERNIGHT DEVELOPMENTS: Corn (MAR 24) prices overnight are down -4 1/4. Corn open interest as of January 26 was up 4,548 contracts. Chinese Dalian (MAY 24) Corn was up 1.02%.



NEAR-TERM MARKET FUNDAMENTALS: The return of moisture for Argentina next week, after this week's expected hot/dry conditions, may come just in time to avoid any significant crop losses and that gives the edge to the bear camp. Brazil's Safrinha crop is 11% planted and 1st crop corn is 15.3% harvested, compared to 12.1% a year ago. Brazil's weather is expected to be largely favorable over the next 2 weeks. Last week, a mere 9 1/4 cent March trading range for the

week was the smallest since early 2020. Speculative funds added 4,700 contracts to their net short position through Tuesday of last week, which now stands at 265,285 contracts short. The Biden Administration is expected to approve year-round sales of E-15 ethanol sales, which may offer the market some minor support, but overall, the only bullish story is the major net short by the funds and whether they can be triggered to begin short covering. It will likely take a move above nearby resistance at 4.62 on March to make the funds nervous. We think a test of support at 4.36 3/4 could be seen this week.

The Commitments of Traders report for the week ending January 23rd showed Corn Managed Money traders were net short 265,285 contracts after increasing their already short position by 4,743 contracts. CIT traders reduced their net long position by 1,383 contracts to a net long 250,376 contracts. Non-Commercial No CIT traders added 5,281 contracts to their already short position and are now net short 271,081. Non-Commercial & Non-Reportable traders net bought 1,117 contracts and are now net short 262,937 contracts.

TODAY'S MARKET IDEAS:

The latest models show better chances for Argentine relief rains next week and that is keeping the pressure on prices. Market moving news over the weekend was limited and the technical picture is mixed after the anemic rally last week. 436 3/4 is the key contract low support on March and with a lack of bullish enthusiasm, we may see a test of support this week.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

CORN TECHNICAL OUTLOOK:

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CORN (MAR) 01/29/2024: Stochastics are at mid-range but trending higher, which should reinforce a move higher if resistance levels are taken out. The close below the 9-day moving average is a negative short-term indicator for trend. The swing indicator gave a moderately negative reading with the close below the 1st support number. The next upside objective is 453 1/2. The next area of resistance is around 449 1/4 and 453 1/2, while 1st support hits today at 443 1/4 and below there at 441 1/4.

CORN (JUL) 01/29/2024: The stochastics indicators are rising from oversold levels, which is bullish and should support higher prices. The market's close below the 9-day moving average is an indication the short-term trend remains negative. The close below the 1st swing support could weigh on the market. The near-term upside objective is at 471. The next area of resistance is around 466 1/2 and 471, while 1st support hits today at 460 1/2 and below there at 458 3/4.

DAILY WHEAT COMMENTARY

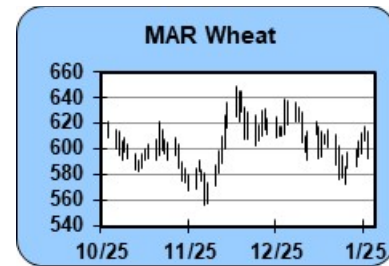
1/29/2024

Pullback to start the week

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):

WHEAT -1.05

OVERNIGHT DEVELOPMENTS: Chicago wheat (MAR 24) prices overnight are down -8 1/2; Kansas City (MAR 24) down -10 3/4; and Minneapolis (MAR 24) down -7 3/4. MATIF Milling Wheat(MAR 24) was down -0.2%. Chicago wheat open interest as of January 26 was up 6,684 contracts and Minneapolis wheat was up 767 contracts.



NEAR-TERM MARKET FUNDAMENTALS: Rains in the southern HRW belt and stagnant world prices has the bear camp at the wheel to start the week. The far southern Plains saw good rains across Oklahoma and northern Texas over the weekend, as did the SRW areas in Illinois, Indiana, Ohio and Kentucky. Friday's announcement that China has approved Argentine wheat for import for the first time was a negative factor after a \$0.44 rally off the lows on March Chicago. The bull camp is still hoping for a short-term opportunity for US exports off the Pacific Northwest Coast as grain shipments through the Suez canal are down to 2.4 million tonnes for January compared to 6.4 million at this time last year. Recently, Egypt had said they were working on a hedge program for their frequent wheat purchases, but over the weekend announced the recent price drop has put their hedge ideas on hold. Geopolitical risks in the Red Sea, Black Sea and Middle East would seem to lean bullish, however, the market's reaction would say otherwise. Buyers have so far not stepped up on this pullback. March Chicago support is 5.90 and resistance now stands at last week's high of 6.17 1/4.

Wheat positioning in the Commitments of Traders for the week ending January 23rd showed Managed Money traders are net short 64,541 contracts after net buying 4,034 contracts. CIT traders were net long 81,944 contracts after decreasing their long position by 2,010 contracts. Non-Commercial No CIT traders reduced their net short position by 4,781 contracts to a net short 67,166 contracts. Non-Commercial & Non-Reportable traders were net short 52,812 contracts after decreasing their short position by 3,491 contracts.

The January 23rd Commitments of Traders report showed KC Wheat Managed Money traders are net short 38,340 contracts after net buying 312 contracts. CIT traders net sold 360 contracts and are now net long 58,635 contracts. Non-Commercial No CIT traders are net short 42,666 contracts after net buying 2,620 contracts. Non-Commercial & Non-Reportable traders reduced their net short position by 3,199 contracts to a net short 29,285 contracts.

TODAY'S MARKET IDEAS:

Stagnant world values and moisture in southern HRW areas are bearish factors to start the week and although the January 18th reversal low is still intact on March Chicago, Russian and EU wheat prices are acting like an anchor keeping prices from extending the rally. Close-in retracement support sits at 5.90 and resistance 6.17 1/4.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

WHEAT TECHNICAL OUTLOOK:

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WHEAT (MAR) 01/29/2024: The close below the 60-day moving average is an indication the longer-term trend has turned down. Stochastics are at mid-range but trending higher, which should reinforce a move higher if resistance levels are taken out. The intermediate trend has turned down with the cross over back below the 18-day moving average. The close below the 2nd swing support number puts the market on the defensive. The next

upside target is 623 1/4. The next area of resistance is around 611 and 623 1/4, while 1st support hits today at 589 1/2 and below there at 580.

KC WHEAT (MAR) 01/29/2024: The major trend has turned down with the cross over back below the 60-day moving average. Momentum studies are trending higher from mid-range, which should support a move higher if resistance levels are penetrated. A positive signal for trend short-term was given on a close over the 9-bar moving average. The daily closing price reversal down puts the market on the defensive. The swing indicator gave a moderately negative reading with the close below the 1st support number. The near-term upside objective is at 650 1/4. The next area of resistance is around 637 3/4 and 650 1/4, while 1st support hits today at 616 1/4 and below there at 607.

MINN WHEAT (MAR) 01/29/2024: Momentum studies are rising from mid-range, which could accelerate a move higher if resistance levels are penetrated. The market's short-term trend is positive on the close above the 9-day moving average. The swing indicator gave a moderately negative reading with the close below the 1st support number. The near-term upside target is at 717 1/4. The next area of resistance is around 710 1/4 and 717 1/4, while 1st support hits today at 696 3/4 and below there at 690 1/4.

RICE (MAR) 01/29/2024: Rising stochastics at overbought levels warrant some caution for bulls. The market's short-term trend is positive on the close above the 9-day moving average. The close over the pivot swing is a somewhat positive setup. The next upside target is 18.108. The next area of resistance is around 18.057 and 18.108, while 1st support hits today at 17.913 and below there at 17.819.

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 1/4	35.87	35.59	30.19	36.38	449.19	446.42	452.92	469.18	474.04
CNAN24	463 1/2	30.30	31.17	22.91	26.07	467.38	465.39	473.64	490.33	494.37
SSAH24	1209 1/4	31.04	31.85	24.87	26.48	1228.00	1221.78	1236.75	1295.71	1313.81
SSAN24	1224	28.12	29.46	21.01	20.58	1242.13	1238.86	1253.54	1313.38	1331.03
SMAH24	349.0	28.43	30.23	20.75	18.92	357.90	359.44	364.73	387.36	396.96
BOAH24	46.93	40.07	40.58	34.28	28.39	47.25	47.40	47.82	49.39	49.64
WHAH24	600 1/4	48.26	48.21	47.91	59.12	604.94	595.50	600.71	607.08	603.68
WHAN24	616 1/4	46.43	46.64	44.03	54.11	620.69	612.83	619.68	626.67	626.12
RCAH24	17.985	65.28	61.11	56.42	70.52	17.79	17.68	17.62	17.53	17.33
KWAH24	627	53.09	50.40	53.87	68.14	626.25	613.42	617.94	629.67	634.03
MWAH24	703 1/2	50.05	47.40	44.73	57.70	704.00	696.78	701.83	715.07	721.12
OTAH24	363 3/4	45.23	46.60	42.81	38.49	366.06	366.14	368.61	371.17	372.39

Calculations based on previous session. Data collected 01/26/2024

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	441 1/4	443	447 1/2	449 1/2	453 3/4
CNAN24	Corn	458 1/2	460 1/2	464 3/4	466 1/2	471
SSAH24	Soybeans	1192 1/4	1198	1214 1/2	1220 1/2	1236 3/4
SSAN24	Soybeans	1207 1/2	1213 1/4	1229	1234 3/4	1250 1/2
SMAH24	Soymeal	340.1	343.2	351.6	354.7	363.1
BOAH24	Soybean Oil	45.75	46.42	46.75	47.42	47.75
WHAH24	Wheat	580	589 1/2	601 3/4	611	623 1/2
WHAN24	Wheat	598 1/4	606 1/2	618	626	637 3/4
RCAH24	Rice	17.818	17.912	17.963	18.057	18.108
KWAH24	KC Wheat	606 3/4	616	628 1/2	638	650 1/4
MWAH24	MINN Wheat	690 1/4	696 3/4	703 3/4	710 1/4	717 1/4
OTAH24	Oats	356 1/4	360	364	367 1/2	371 3/4

Calculations based on previous session. Data collected 01/26/2024

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