

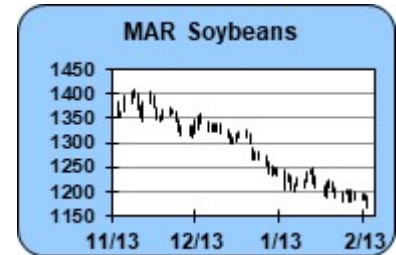


**DAILY SOY COMPLEX COMMENTARY**  
2/15/2024

**Outlook Forum bearish but no surprise**

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

**OVERNIGHT DEVELOPMENTS:** Soybeans (MAY 24) prices overnight are down -1 3/4; Soymeal (MAY 24) up 0.20; and Soyoil (MAY 24) down -0.41. Soybean open interest as of February 14 was up 10,855 contracts, soymeal up 1,204 contracts, and soybean oil down 3,277. Global equity markets overnight were higher except for the Russian market which traded three quarters of 1% lower. Critical economic news released overnight included slower New Zealand visitor arrivals in December, Japanese GDP, steady Australian consumer inflation expectations, a minimal improvement in Australian full-time employment, a 1/10% uptick in the Australian unemployment rate, softer than expected Japanese industrial production, stronger-than-expected GBP industrial production for December, much weaker than expected GBP GDP, stronger than expected GBP industrial production, a larger than expected decline in Swiss producer and import prices for January, steady Spanish CPI and a slight narrowing of the euro zone trade surplus for December. Today will be a busy North American session will start out with January Canadian housing starts which are expected to have a sizable downtick from December's annualized rate. January US retail sales are forecast to have a moderate downtick from December's 0.6% reading. The February Philly Fed manufacturing survey is expected to have a modest uptick from January's -10.6 reading. The New York Fed's February Empire State manufacturing survey is forecast to have a sizable uptick from January's -43.7 reading. A weekly reading on initial jobless claims is expected to have a modest uptick from the previous 218,000 reading. Ongoing jobless claims are forecast to have a minimal weekly increase from the previous 1.871 million reading. January readings for the US import price index and US export price index are expected to have minimal upticks from their December readings. January US industrial production is forecast to have a modest uptick from December's 1.0% reading while January US capacity utilization is expected to have a mild increase from December's 78.6% reading. December US business inventories are forecast to have a moderate uptick from November's -0.1% reading. The February NAHB housing market index is expected to have a modest uptick from January's 44 reading. The December Treasury International Capital (TIC) report will come out during afternoon US trading hours and will show net changes to Chinese and Japanese Treasury holdings. Fed Governor Waller and Atlanta Fed President Bostic will speak during afternoon US trading hours. Earning announcements will include Deere & Company and Southern Company before the Wall Street opening while Applied Materials, DoorDash, The Trade Desk, Ingersoll Rand, and Coinbase Global report after the close.



**NEAR-TERM MARKET FUNDAMENTALS:** Bearish Outlook numbers and anticipated weak weekly export sales gives the edge to the bear camp again today. Prior to last year, USDA typically released their Outlook Forum numbers on Friday. However, last year they released the numbers in the opening presentation and did so again this morning. US 2024/25 soybean acreage was 87.5 million, up from 83.6 in 2023. Ending stocks were 435 million bushels versus 315 in 2023 and production estimated at 4.505 billion bushels, compared to 4.165 billion in 2023. Bean yield was 52.0 bushels per acre versus 50.6 in 2023 and crush was 2.4 billion bushels, up from 2.3 billion in 2023. As expected, the numbers were bearish. This morning's weekly export sales are expected in a range of 300,00 -825,000 tonnes for beans and 250,000-450,000 tonnes for meal. The strong US dollar last week and discounted prices in Brazil may result in lower sales than expected. NOPA January crush will be released at 11 AM Chicago time with an average estimate of 189.7 million bushels crushed and an estimate range of 184.5-196.015. Soybean oil stocks are expected in a range of 1.284-1.500 billion pounds. Our friends at Crushtraders.com estimate crush at 188.235 million and bean oil stocks at 1.500 billion. Outlook numbers were certainly bearish, but that was expected and if prices failed to extend further to the downside today, a short

covering bounce may be featured to end the week. The Outlook numbers make it clear that a significant weather problem in the US growing season will be needed to avoid a major increase in supplies.

#### **TODAY'S MARKET IDEAS:**

Now that the bearish Outlook numbers are behind us, trader focus can shift to today's NOPA January crush and South American weather, which lacks any major threat at the current time. Over the next couple weeks, US spring planting weather will become a major influence on prices. Next major support for March is 1145 but aggressive short-term speculators may consider buying a break today anticipating a higher close on short covering.

#### **NEW RECOMMENDATIONS:**

None.

#### **PREVIOUS RECOMMENDATIONS:**

None.

#### **SOYBEAN COMPLEX TECHNICAL OUTLOOK:**

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SOYBEANS (MAR) 02/15/2024: 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. There could be some early pressure today given the market's negative setup with the close below the 2nd swing support. The next downside target is 1153 1/4. The next area of resistance is around 1181 1/4 and 1196 1/2, while 1st support hits today at 1159 3/4 and below there at 1153 1/4.

SOYBEAN OIL (MAR) 02/15/2024: 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 market's close below the 1st swing support number suggests a moderately negative setup for today. The next upside objective is 48.01. The next area of resistance is around 47.06 and 48.01, while 1st support hits today at 45.64 and below there at 45.17.

SOYMEAL (MAR) 02/15/2024: Daily stochastics declining into oversold territory suggest the selling may be drying up soon. A negative signal for trend short-term was given on a close under the 9-bar moving average. The market's close below the pivot swing number is a mildly negative setup. The next downside objective is now at 338.2. The next area of resistance is around 346.4 and 350.5, while 1st support hits today at 340.2 and below there at 338.2.

#### **DAILY CORN COMMENTARY**

**2/15/2024**

**Outlook numbers bearish overall**

**OVERNIGHT CHANGES THROUGH 6:06 AM (CT):**

**CORN -0.2**

**OVERNIGHT DEVELOPMENTS:** Corn (MAY 24) prices overnight are down -1 1/2. Corn open interest as of February 14 was down 8,044 contracts. Chinese Dalian (MAY 24) Corn was unchanged.



**NEAR-TERM MARKET FUNDAMENTALS:** Bearish Outlook numbers were released and extremely heavy negative market sentiment this week may have pushed prices down far enough to finally get a short covering

bounce, now that the numbers are behind us. Similar to last year, USDA broke with tradition again and released the Outlook Forum numbers in the opening presentation this morning rather than Friday, as they had done prior to last year. US 2024/25 corn acres were estimated at 91.0 million, down from 94.6 in 2023 and slightly below the average estimate of 91.6. Ending stocks are estimated at 2.532 billion bushels, well above 2.172 in 2023 and yield was estimated at 181 bushels per acre. The total crop was estimated at 15.040 billion bushels compared to 15.342 in 2023 and exports were raised 50 million bushels and ethanol was raised 25 million bushels from 2023. Weekly export sales this morning are expected in a range of 500,000-1,500,000 million tonnes. Unlike beans, US corn is competitive, and we expect a solid sales number today. Estimated fund short positions are likely at or nearing a record and with the expected bearish Outlook numbers behind us, prices may be able to muster a short covering bounce into the weekend. There is little other market moving news today but as we move closer to March, US spring planting weather will become an increasing influence on prices along with Brazil's Safrinha growing weather.

Ethanol average daily production for the week ending February 9 averaged 1.083 million barrels. This is a new high daily production for this week of the year. The previous high was 1.040 million barrels per day in 2017. This was up 4.8% from last week and up 6.8% from last year. The 5-year average for this week is 1.004 million barrels per day. Ethanol production for the week was 7.581 million barrels. Ethanol stocks were 25.810 million barrels. This was a new high stocks level for this week of the year. The previous high was 25.483 million barrels in 2022. This was up 4.2% from last week and up 1.9% from last year. The 5-year average stocks for this week is 24.488 million barrels. The amount of corn used for the week is estimated at 107.50 million bushels. Cumulative corn use for the crop year has reached 2.368 billion bushels. Corn use needs to average 103.19 million bushels per week to meet the USDA's marketing year forecast of 5.375 billion bushels.

#### **TODAY'S MARKET IDEAS:**

Fund shorts have been consistently pressing the market lower for some time and the question today is whether the expected bearish Outlook numbers do not take prices lower, will that trigger funds into taking profits on their short positions. Outlook numbers oftentimes mark the high in anticipated crop size for the year. Bear trends end when anticipated supply peaks and we may be getting very close. Nearby resistance is at 449 and close-in support is 424.

#### **NEW RECOMMENDATIONS:**

None.

#### **PREVIOUS RECOMMENDATIONS:**

None.

#### **CORN TECHNICAL OUTLOOK:**

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CORN (MAR) 02/15/2024: Daily stochastics declining into oversold territory suggest the selling may be drying up soon. A negative signal for trend short-term was given on a close under the 9-bar moving average. The close below the 2nd swing support number puts the market on the defensive. The next downside objective is now at 416 3/4. Some caution in pressing the downside is warranted with the RSI under 30. The next area of resistance is around 428 1/2 and 434, while 1st support hits today at 420 and below there at 416 3/4.

CORN (JUL) 02/15/2024: Momentum studies are declining, but have fallen to oversold levels. The market's close below the 9-day moving average is an indication the short-term trend remains negative. The close below the 2nd swing support number puts the market on the defensive. The next downside objective is now at 440 1/2. The market is approaching oversold levels on an RSI reading under 30. The next area of resistance is around 451 and 455 3/4, while 1st support hits today at 443 1/2 and below there at 440 1/2.

## DAILY WHEAT COMMENTARY

2/15/2024

### Outlook ending stocks bearish

#### OVERNIGHT CHANGES THROUGH 6:06 AM (CT):

WHEAT -0.78

**OVERNIGHT DEVELOPMENTS:** Chicago wheat (MAY 24) prices overnight are down -5; Kansas City (MAY 24) down -6; and Minneapolis (MAY 24) down -2 1/4. MATIF Milling Wheat(MAY 24) was unchanged. Chicago wheat open interest as of February 14 was up 2,984 contracts and Minneapolis wheat was down 3,423 contracts.



**NEAR-TERM MARKET FUNDAMENTALS:** USDA released the Outlook Forum numbers this morning, like what they did last year with the opening presentation, rather than on Friday. 2024/25 All Wheat acreage was estimated at 47.0 million, down from 49.6 in 2023 and ending stocks were 769 million, compared to 658 in 2023, wheat production was estimated at 1.900 billion bushels, up from 1.812 billion in 2023. Exports were raised 50 million from 2023 and yields were increased .9 bushels per acre. Weekly export sales this morning are expected in a range of 330,000 - 550,000 tonnes. Ukraine sank a Russian landing ship with naval drones. SovEcon's Russian crop increase from 92.2 million tonnes to 93.6 million, was a major bearish headline Wednesday as weak Russian prices have been an anchor for US futures and that doesn't look to be changing anytime soon. Until EU and Russian prices rally, headwinds for US wheat will remain very strong. Wheat prices have not seen the extreme pressure heading into the latter part of this week like corn and beans have had, and that may make a short covering rally less likely today now that the Outlook numbers are out. However, if corn and beans can muster a bounce, wheat would likely follow along to some degree, although bearish fundamentals certainly remain in place.

#### TODAY'S MARKET IDEAS:

The technical and fundamental picture was weak heading into the Forum meeting and USDA's ending stocks number was bearish as expected. The major increase in ending stocks for 2024/25 is a major ongoing headwind unless the HRW crop is threatened. Minor support on March Chicago sits at 573 and major contract low support at 556.

#### NEW RECOMMENDATIONS:

None.

#### PREVIOUS RECOMMENDATIONS:

None.

#### WHEAT TECHNICAL OUTLOOK:

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WHEAT (MAR) 02/15/2024: Declining momentum studies in the neutral zone will tend to reinforce lower price action. The market's close below the 9-day moving average is an indication the short-term trend remains negative. The market is in a bearish position with the close below the 2nd swing support number. The next downside objective is 566 1/2. The next area of resistance is around 595 1/2 and 606 3/4, while 1st support hits today at 575 1/2 and below there at 566 1/2.

KC WHEAT (MAR) 02/15/2024: Momentum studies are declining, but have fallen to oversold levels. 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 target is now at 571 1/4. Some caution in pressing the downside is warranted with the RSI under 30. The next area of resistance is around 595 1/4 and 603 1/2, while 1st support hits today at 579 1/4 and below there at 571 1/4.

MINN WHEAT (MAR) 02/15/2024: Daily stochastics declining into oversold territory suggest the selling may be drying up soon. The close below the 9-day moving average is a negative short-term indicator for trend. The market setup is somewhat negative with the close under the 1st swing support. The next downside objective is now at 652 3/4. Some caution in pressing the downside is warranted with the RSI under 30. The next area of resistance is around 668 1/4 and 675 3/4, while 1st support hits today at 656 3/4 and below there at 652 3/4.

RICE (MAR) 02/15/2024: Momentum studies trending lower at mid-range should accelerate a move lower if support levels are taken out. A positive signal for trend short-term was given on a close over the 9-bar moving average. Market positioning is positive with the close over the 1st swing resistance. The next downside target is 18.143. The next area of resistance is around 18.834 and 19.002, while 1st support hits today at 18.405 and below there at 18.143.

## 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
<b>GRAIN COMPLEX</b>										
CNAH24	424 1/4	20.79	25.49	14.89	10.24	428.63	434.03	440.68	455.96	462.93
CNAN24	447 1/4	21.98	25.84	16.24	11.90	450.69	455.25	460.58	477.02	483.86
SSAH24	1170 1/2	31.29	32.82	16.20	11.54	1183.31	1188.89	1204.15	1251.59	1276.42
SSAN24	1186 1/4	28.71	30.61	13.49	8.63	1198.75	1205.72	1221.01	1268.64	1294.04
SMAH24	343.3	32.29	34.60	25.46	17.34	345.95	350.98	355.19	370.89	381.52
BOAH24	46.35	45.67	45.13	52.80	56.56	46.95	46.50	46.60	47.95	48.79
WHAH24	585 1/2	40.05	43.14	40.25	34.26	594.31	594.75	598.04	605.42	603.55
WHAN24	584 1/4	29.18	35.00	22.18	14.85	595.81	601.44	608.97	620.91	621.21
RCAH24	18.620	59.51	60.01	76.30	65.98	18.63	18.55	18.22	17.80	17.72
KWAH24	587 1/4	28.67	35.36	27.28	16.61	595.63	606.58	614.61	621.82	625.57
MWAH24	662 1/2	23.80	30.25	20.81	9.93	675.25	685.00	692.38	703.96	709.67
OTAH24	382	57.45	54.80	74.37	79.74	379.31	377.31	374.86	371.44	372.19

Calculations based on previous session. Data collected 02/14/2024

Data sources can & do produce bad ticks. Verify before use.

## DAILY SWING STATISTICS

Contract		Support 2	Support 1	Pivot	Resist 1	Resist 2
<b>GRAIN COMPLEX</b>						
CNAH24	Corn	416 3/4	420	425 1/2	428 1/2	434 1/4
CNAN24	Corn	440 1/2	443 1/2	448 1/4	451	456
SSAH24	Soybeans	1153	1159 1/2	1174 3/4	1181 1/2	1196 1/2
SSAN24	Soybeans	1171 1/4	1177	1190	1195 1/2	1208 3/4
SMAH24	Soymeal	338.1	340.2	344.3	346.4	350.5
BOAH24	Soybean Oil	45.17	45.64	46.59	47.06	48.01
WHAH24	Wheat	566 1/4	575 1/2	586 1/2	595 1/2	606 3/4
WHAN24	Wheat	568 1/2	575 1/4	586 1/2	593 1/4	604 1/2
RCAH24	Rice	18.142	18.404	18.572	18.834	19.002
KWAH24	KC Wheat	571	579	587 1/4	595 1/2	603 1/2
MWAH24	MINN Wheat	652 3/4	656 3/4	664 1/4	668 1/4	675 3/4
OTAH24	Oats	371 1/2	377 1/2	380 1/2	386 1/2	389 1/2

Calculations based on previous session. Data collected 02/14/2024

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