

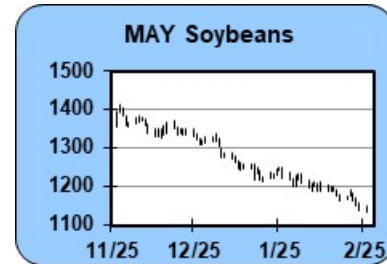


DAILY SOY COMPLEX COMMENTARY
2/27/2024

Heavy liquidation ends

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):
SOY BEANS +0.1, BEAN OIL +0.0, SOYMEAL +0.5

OVERNIGHT DEVELOPMENTS: Soybeans (MAY 24) prices overnight are up 11; Soymeal (MAY 24) up 4.20; and Soyoil (MAY 24) up 0.36. Soybean open interest as of February 26 was down 22,495 contracts, soymeal down 5,879 contracts, and soybean oil down 8,309. Chinese Dalian (MAY 24) Soybeans down 0.37%, Soymeal up 0.80%, Soyoil up 0.36%, Palm oil up 0.74%. Malaysian Palm was up 1.53%. Global equity markets overnight were higher, with the Chinese markets recovering by more than 1%! Critical economic news released overnight included a slight decline in an ongoing hot Japanese national consumer price index reading, a slight moderation in the GBP BRC Shop Price Index January, as expected but very soft German Gfk Consumer Confidence Survey for March, a noted drop-in French Consumer Confidence rate, and a very minimal reduction in euro zone private loans in January versus year ago figures. The North American session will start out with a weekly private survey of same-store sales followed by the highlight for global markets, January US durable goods which are expected to have a sizable downtick from December's unchanged reading. The December Case-Shiller home price index is forecast to have a moderate uptick from November's 5.4% year-over-year rate. The December FHFA house price index is expected to have a minimal downtick from November's 0.3% reading. The Conference Board's February reading on US consumer confidence is forecast to have a minimal uptick from January's 114.8 reading. The Richmond Fed's February manufacturing index is expected to have a sizable increase from January's -15 reading. Fed Vice Chair Barr will speak during morning US trading hours. Earnings announcements will include Lowe's, American Tower, Sempra, AutoZone, and American Electric Power before the Wall Street opening while Republic Services, Agilent Technologies, and Devon Energy report after the close.



NEAR-TERM MARKET FUNDAMENTALS: The bull camp finally has something to cheer about as prices are following through higher after yesterday's probe down into new contract lows on March liquidation. First notice day liquidation has run its course as open interest fell more than 22,000 contracts yesterday in beans and is down nearly 70,000 contracts from the middle of last week. Trader focus may begin to shift to US growing season weather and the Brazilian monsoon. Some US states are seeing temperatures 25 - 40 above normal as spring arrives a couple weeks early. This has grabbed media attention and reminds traders the odds are high summer temperatures will not be normal. In addition, Brazil's National Electric System Operator warns that hydroelectric power problems may be in store for the country due to low reservoir levels if the below normal February-June precipitation forecast is correct. With just a few days left in the month, February crop insurance average as of the end of last week was 1159, compared to 1376 last year. Spot FOB Brazilian beans are \$1.50 cheaper than the US Gulf, which is certainly a limiting factor on how far prices can bounce, but we think the oversold technical situation warrants at least a minor rally. Close in May resistance is 1160 and then 1177.

Soybean export inspections for the week ending February 22 came in at 974,977 metric tonnes. Cumulative inspections year-to-date are 33,049,879 metric tonnes which is 21.6% below last year. This is 70.6% of the USDA's forecast for the 2023-24 marketing year versus the 5-year average of 68.6%.

TODAY'S MARKET IDEAS:

First notice day liquidation is nearly behind us and prices are expected to recover as focus shifts to spring weather and record high temperatures across the Midwest. Brazil's discount to the US and increasing harvest supplies will limit the scope of a US rally but the extreme oversold technical situation will likely take precedence

for the near-term. Look for May futures resistance at 1160 and 1177.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

SOYBEAN COMPLEX TECHNICAL OUTLOOK:

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SOYBEANS (MAY) 02/27/2024: The daily stochastics gave a bullish indicator with a crossover up. Daily momentum studies are on the rise from low levels and should accelerate a move higher on a push through the 1st swing resistance. A negative signal for trend short-term was given on a close under the 9-bar moving average. The upside daily closing price reversal gives the market a bullish tilt. It is a mildly bullish indicator that the market closed over the pivot swing number. The next upside objective is 1161 1/4. The 9-day RSI under 30 indicates the market is approaching oversold levels. The next area of resistance is around 1154 and 1161 1/4, while 1st support hits today at 1136 1/2 and below there at 1126 1/4.

SOYBEAN OIL (MAY) 02/27/2024: Daily stochastics are trending lower but have declined into oversold territory. The market's close below the 9-day moving average is an indication the short-term trend remains negative. The close over the pivot swing is a somewhat positive setup. The next downside target is now at 43.91. The next area of resistance is around 45.51 and 45.86, while 1st support hits today at 44.53 and below there at 43.91.

SOYMEAL (MAY) 02/27/2024: 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 target is now at 323.0. With a reading under 30, the 9-day RSI is approaching oversold levels. The next area of resistance is around 331.3 and 333.9, while 1st support hits today at 325.9 and below there at 323.0.

DAILY CORN COMMENTARY

2/27/2024

Strong upside reversal suggests possible key low

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):

CORN +0.2

OVERNIGHT DEVELOPMENTS: Corn (MAY 24) prices overnight are up 3/4. Corn open interest as of February 26 was down 57,424 contracts. Chinese Dalian (MAY 24) Corn was down 0.49%.



NEAR-TERM MARKET FUNDAMENTALS: A technical turn higher yesterday after massive liquidation should be enough to begin the long-awaited upside correction. Corn open interest fell over 57,000 contracts yesterday and 1st notice day liquidation looks to have ended with a key reversal higher on the highest trading volume since June of last year. Extremely warm February temperatures across the Midwest are allowing farmers to get early fieldwork accomplished but it is also a reminder that summer growing season weather could be very erratic. The Outlook Forum estimated corn yields at a new record high of 181 bushels per acre, above the previous record of 177.3. Growing season weather will have to be near ideal to reach 181 BPA and that seems like a stretch. With a few days left in the month, the

February crop insurance average as of the end of last week was 466, compared to 591 last year. US corn prices remain competitive, and we estimate exports will continue to be fairly strong moving through spring. Brazil's exports will be focused on beans, leaving the US as the main global corn exporter over the next several months. The technical turn higher yesterday from extreme oversold conditions and coming on very strong volume is a sign we may have seen a key low.

Corn export inspections for the week ending February 22 came in at 1,241,692 metric tonnes. Cumulative inspections year-to-date are 19,494,397 metric tonnes which is 35.5% above last year. This is 36.5% of the USDA's forecast for the 2023-24 marketing year versus the 5-year average of 35.7%.

TODAY'S MARKET IDEAS:

The long-awaited rebound has finally begun after yesterday's high volume key reversal to the upside. While we have seen key reversals over the past few months that have not resulted in much of a rally, Monday's reversal coming on the highest volume in 8 months and on heavy open interest liquidation, gives it more credence in our opinion. May futures resistance at 434 will be the 1st test for the bulls. Short-term speculators can buy breaks and look for a strong close to confirm Monday's reversal.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

CORN TECHNICAL OUTLOOK:

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CORN (MAY) 02/27/2024: A bullish signal was given with an upside crossover of the daily stochastics. The stochastics indicators are rising from oversold levels, which is bullish and should support higher prices. 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 setup is supportive for early gains with the close over the 1st swing resistance. The near-term upside objective is at 432 1/4. The next area of resistance is around 428 1/4 and 432 1/4, while 1st support hits today at 414 3/4 and below there at 405.

CORN (JUL) 02/27/2024: The crossover up in the daily stochastics is a bullish signal. The stochastics indicators are rising from oversold levels, which is bullish and should support higher prices. The close below the 9-day moving average is a negative short-term indicator for trend. The daily closing price reversal up is a positive indicator that could support higher prices. With the close over the 1st swing resistance number, the market is in a moderately positive position. The near-term upside target is at 443 1/2. The next area of resistance is around 440 and 443 1/2, while 1st support hits today at 427 1/2 and below there at 418 3/4.

DAILY WHEAT COMMENTARY

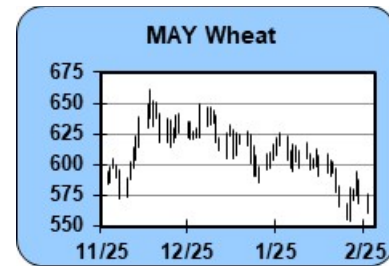
2/27/2024

March liquidation ends

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):

WHEAT -0.03

OVERNIGHT DEVELOPMENTS: Chicago wheat (MAY 24) prices overnight are up 3/4; Kansas City (MAY 24) up 4 1/4; and Minneapolis (MAY 24) up 9. MATIF Milling Wheat(MAY 24) was up 0.3%. Chicago wheat open interest as of February 26 was down 8,019 contracts and Minneapolis wheat was up 1,840 contracts.



NEAR-TERM MARKET FUNDAMENTALS: Wheat prices may be ready to see a boost from record high temperatures across Texas and most of the southern Plains with very high winds and spillover strength from beans and corn, now that March liquidation has run its course. Traders may begin to worry about crop damage potential if the wheat comes out of dormancy on the warm temperatures and then a significant cold spell arrives, as was seen in 2007. State wheat reports showed good conditions so far with Kansas good/excellent at 57%, compared to 19% last year, Oklahoma 58%, compared to 36% last year and Texas 46%, compared to 19% last year. Zelensky said overnight that US military aid is needed to keep the grain corridor open as the aid package remains hung up in Congress. HRW and SRW prices remain well above world values and that will remain an ongoing issue. But in our opinion, prices appear ready for a bounce with May Chicago futures resistance coming in at 589.

Wheat export inspections for the week ending February 22 came in at 481,999 metric tonnes. Cumulative inspections year-to-date are 12,612,337 metric tonnes which is 17.6% below last year. This is 63.9% of the USDA's forecast for the 2023-24 marketing year versus the 5-year average of 70.0%.

TODAY'S MARKET IDEAS:

Very warm/windy weather in the US Plains raised worries that the crop will come out of dormancy and be more vulnerable to a frost threat down the road. With the extreme bearish pressure ending on corn and beans, wheat prices should also be supported. May Chicago resistance stands at 589 and a close above that level would spark a larger short covering rally. Contract low support stands at 553 1/2.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

WHEAT TECHNICAL OUTLOOK:

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WHEAT (MAY) 02/27/2024: Stochastics are at mid-range but trending higher, which should reinforce a move higher if resistance levels are taken out. The market's short-term trend is negative as the close remains below the 9-day moving average. The daily closing price reversal up is a positive indicator that could support higher prices. The close over the pivot swing is a somewhat positive setup. The near-term upside target is at 587 1/2. The next area of resistance is around 582 3/4 and 587 1/2, while 1st support hits today at 566 3/4 and below there at 555 1/4.

KC WHEAT (MAY) 02/27/2024: A bullish signal was given with an upside crossover of the daily stochastics. Rising from oversold levels, daily momentum studies would support higher prices, especially on a close above resistance. The market's close above the 9-day moving average suggests the short-term trend remains positive. A positive signal was given by the outside day up. The market setup is supportive for early gains with the close over the 1st swing resistance. The near-term upside target is at 591 1/2. Consider buying pull-backs since daily studies

are bullish. The next area of resistance is around 586 1/2 and 591 1/2, while 1st support hits today at 567 and below there at 552 3/4.

MINN WHEAT (MAY) 02/27/2024: The daily stochastics gave a bullish indicator with a crossover up. The stochastics indicators are rising from oversold levels, which is bullish and should support higher prices. The close below the 9-day moving average is a negative short-term indicator for trend. The daily closing price reversal up is a positive indicator that could support higher prices. With the close higher than the pivot swing number, the market is in a slightly bullish posture. The next upside objective is 664 1/4. The next area of resistance is around 659 3/4 and 664 1/4, while 1st support hits today at 645 3/4 and below there at 636 1/2.

RICE (MAY) 02/27/2024: The daily stochastics gave a bearish indicator with a crossover down. Momentum studies trending lower at mid-range could accelerate a price break if support levels are broken. The close below the 18-day moving average is an indication the intermediate-term trend has turned down. It is a slightly negative indicator that the close was lower than the pivot swing number. The next downside objective is 18.328. The next area of resistance is around 18.829 and 19.067, while 1st support hits today at 18.460 and below there at 18.328.

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										
CNAK24	421 1/2	30.95	29.60	9.17	13.36	419.44	427.78	438.86	457.17	466.50
CNAN24	433 3/4	32.19	30.53	9.90	13.97	431.63	438.83	448.86	466.76	475.97
SSAK24	1145 1/4	27.68	29.44	9.81	9.85	1151.13	1166.47	1185.61	1232.12	1261.48
SSAN24	1155 1/4	27.82	29.37	9.33	9.42	1160.31	1175.67	1195.01	1240.12	1269.08
SMAK24	328.6	28.96	30.76	11.28	9.77	331.18	334.92	342.93	359.05	368.63
BOAK24	45.02	35.03	37.38	23.48	16.33	44.96	45.90	46.32	47.56	48.36
WHAK24	574 3/4	40.92	41.07	28.78	32.03	575.25	576.28	589.53	606.42	612.15
WHAN24	577	40.70	40.27	25.38	29.40	576.25	577.64	591.88	611.52	617.77
RCAK24	18.645	50.55	53.22	48.84	46.30	18.73	18.70	18.69	18.20	18.03
KWAK24	576 3/4	40.98	39.75	18.91	21.35	572.00	575.19	593.31	612.61	622.16
MWAK24	652 3/4	30.51	31.11	11.85	13.11	654.13	659.19	675.83	698.97	708.42
OTAK24	363	47.78	47.42	34.29	31.10	356.31	364.06	367.46	367.51	368.93

Calculations based on previous session. Data collected 02/26/2024

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						
CNAK24	Corn	404 3/4	414 1/2	418 1/2	428 1/2	432 1/4
CNAN24	Corn	418 1/2	427 1/2	431	440	443 1/2
SSAK24	Soybeans	1126 1/4	1136 1/2	1143 3/4	1154	1161 1/4
SSAN24	Soybeans	1137	1147	1153 1/2	1163 1/2	1170
SMAK24	Soymeal	322.9	325.8	328.4	331.3	333.9
BOAK24	Soybean Oil	43.90	44.53	44.88	45.51	45.86
WHAK24	Wheat	555 1/4	566 1/2	571 1/2	583	587 3/4
WHAN24	Wheat	557 1/4	569	573 1/2	585	589 3/4
RCAK24	Rice	18.327	18.459	18.697	18.829	19.067
KWAK24	KC Wheat	552 1/2	567	572	586 1/2	591 1/2
MWAK24	MINN Wheat	636 1/2	645 3/4	650 1/2	659 3/4	664 1/2
OTAK24	Oats	346 1/2	355 1/2	361 1/2	370 1/2	376 1/2

Calculations based on previous session. Data collected 02/26/2024

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