

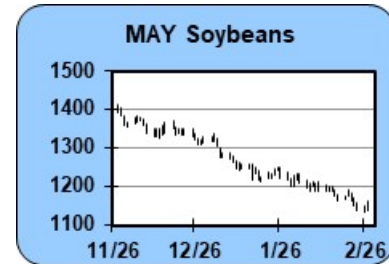


DAILY SOY COMPLEX COMMENTARY
2/28/2024

Bull news needed to offset Brazil harvest

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

OVERNIGHT DEVELOPMENTS: Soybeans (MAY 24) prices overnight are down -1 1/2; Soymeal (MAY 24) up 1.40; and Soyoil (MAY 24) down -0.45. Soybean open interest as of February 27 was down 18,757 contracts, soymeal down 11,147 contracts, and soybean oil down 10,329. Chinese Dalian (MAY 24) Soybeans down 0.51%, Soymeal up 0.56%, Soyoil up 0.80%, Palm oil up 0.82%. Malaysian Palm was down 0.38%. Global equity markets overnight were lower except for the Russian and German markets which traded fractions of a percent higher. Critical economic news released overnight included no change in New Zealand interest rates, a softer Japanese coincident index reading for December, slightly improved Japanese leading economic index readings for December, a vast improvement over the prior month in a Swiss ZEW expectation survey for February, disappointing Italian business confidence, slightly better-than-expected Italian consumer confidence, declines in European economic sentiment, industrial confidence and a services sentiment for February. The North American session will start out with a weekly private survey of mortgage applications followed by fourth quarter US gross domestic product which is expected to hold steady with the previous 3.3% annualized rate. The January US goods trade balance is forecast to have a minimal decrease from December's \$88.5 billion monthly deficit. January US wholesale trade is expected to have a modest downtick from the previous 0.4% reading. Atlanta Fed President Bostic, Boston Fed President Collins and New York Fed President Williams will speak during afternoon US trading hours. Earnings announcements will include Salesforce, Snowflake and Monster Beverage after the Wall Street close.



NEAR-TERM MARKET FUNDAMENTALS: The minor upside momentum seen earlier this week has faded and at this time of the year, before the US spring crop is planted, daily bullish news is needed to offset the ongoing Brazilian harvest as their supply grows daily. Yesterday morning, several sizable soybean call option purchases may have been an attempt by the funds to protect downside profits until the market makes a convincing turn higher. A new sale of 123,000 tonnes of beans to Unknown Tuesday morning was most likely Mexico, rather than China, as Brazilian beans would be much cheaper for the Chinese. Official Brazilian government data showed February soy exports could reach 8.5 million tonnes, compared to 7.3 million in their previous forecast. Argentina's January crush was the highest since May 2023 and confirms ideas that heavy export competition for bean products looms on the horizon. Brazil weather is drying down in the center and north parts of the country, which will be something to watch in March but isn't currently a critical issue. USDA Jan crush will be out on Friday and the estimate is 196.6 million bushels crushed, up 2.8% from January year ago. Soy processing maintenance downtime in the US is expected to expand in April. Soybean open interest fell another 19,000 contracts Tuesday as traders cleaned up March positions. A period of increasing market volatility may be just ahead as early US growing weather comes into focus and Brazil harvest nears 50% done, but rallies will be labored under the current bearish fundamentals. Nearby support on May beans is 1133 and Tuesday's high of 1161 1/2 will now be important resistance.

TODAY'S MARKET IDEAS:

There was no technical confirmation yesterday of Monday's reversal higher, which isn't a big surprise, as ongoing Brazil harvest is a major headwind. The question going forward is whether the managed Money shorts will want to exit their positions before the US growing season starts. Volatility is expected to increase, but for now, Brazil's newly harvested supplies are well discounted to the US and that will remain a limiting factor on rallies. May

futures tested resistance at 1160 and stalled. If prices can move through that level, 1177 would be the next target.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

SOYBEAN COMPLEX TECHNICAL OUTLOOK:

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SOYBEANS (MAY) 02/28/2024: A bearish signal was triggered on a crossover down in the daily stochastics. Daily stochastics are trending lower but have declined into oversold territory. The close below the 9-day moving average is a negative short-term indicator for trend. The daily closing price reversal down puts the market on the defensive. It is a slightly negative indicator that the close was under the swing pivot. The next downside objective is 1122 1/2. With a reading under 30, the 9-day RSI is approaching oversold levels. The next area of resistance is around 1152 1/4 and 1168 1/4, while 1st support hits today at 1129 1/4 and below there at 1122 1/2.

SOYBEAN OIL (MAY) 02/28/2024: 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. With the close over the 1st swing resistance number, the market is in a moderately positive position. The next downside target is now at 44.45. The next area of resistance is around 46.07 and 46.64, while 1st support hits today at 44.98 and below there at 44.45.

SOYMEAL (MAY) 02/28/2024: Daily stochastics are trending lower but have declined into oversold territory. The market's short-term trend is negative as the close remains below the 9-day moving average. The outside day down is somewhat negative. The market setup is somewhat negative with the close under the 1st swing support. The next downside objective is now at 316.2. With a reading under 30, the 9-day RSI is approaching oversold levels. The next area of resistance is around 330.2 and 337.3, while 1st support hits today at 319.6 and below there at 316.2.

DAILY CORN COMMENTARY

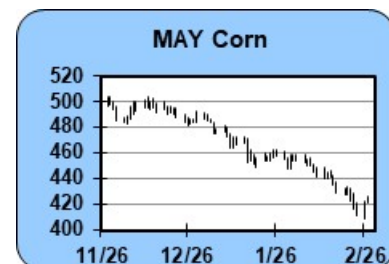
2/28/2024

Further rally anticipated

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):

CORN -0.1

OVERNIGHT DEVELOPMENTS: Corn (MAY 24) prices overnight are unchanged. Corn open interest as of February 27 was down 15,856 contracts. Chinese Dalian (MAY 24) Corn was up 0.20%.



NEAR-TERM MARKET FUNDAMENTALS: The key upside reversal earlier this week looks to be the dominant market force and that gives the edge to the bull camp. Wild weather swings across the Midwest this week are reminding traders odds may be slim for a normal US growing season. While we can't confirm any rumors of China buying US corn this week, they did buy up to 10 cargoes of Ukrainian corn, so the recent price slide did stimulate some demand. Ethanol production today is estimated to be at 1.072 million barrels per day, slightly from 1.04 last week. Ethanol stocks are expected at 25.64 million barrels, compared with 25.50 to last week. Below normal precipitation across the

central Midwest has resulted in Mississippi River levels falling again and vessels transiting through St. Louis are subject to a 10% draft reduction. After the major river problems in 2023, we may be headed for something similar this year. The 6-to-10-day forecast continues to show above normal temperatures for the Eastern corn belt. Center-West Brazil is drying down in Safrinha crop areas, which is not critical at this point, but the trend must be watched. Any threat to the Safrinha crop would place more of a burden on US production and result in US prices building in some weather premium. IMEA says Brazil's ethanol profit margins in Mato Grosso have risen 37% from a year ago, which in general terms means more of Brazil's corn will be heading to ethanol plants and less available for export. Ukraine is the US's main competition currently for global corn exports, and their spring planted area is expected to be down nearly 10%, due to higher wheat acreage and very low corn prices. Ukrainian farmers report in some places they are only receiving \$2.50 a bushel equivalent for their corn. Market volatility is expected to increase as we move into March as Brazil's Safrinha crop weather gains importance and US planting weather comes into focus. Monday's low was important, in our opinion, and prices may be able to build some momentum into the end of the week. May corn nearby support is 416 and technical signals suggest a further rally.

TODAY'S MARKET IDEAS:

The technical picture has improved after Monday's reversal higher and suggesting further gains. US corn exports are expected to stay relatively strong and the record fund shorts have to be on edge after what appears to be a very important reversal on Monday. May futures resistance at 434 will be the 1st major test for the bulls. Short-term speculators can consider buying small breaks.

NEW RECOMMENDATIONS:

BUY MAY Corn at 418. Risk 11 cents. Use an objective of 448.

PREVIOUS RECOMMENDATIONS:

None.

CORN TECHNICAL OUTLOOK:

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CORN (MAY) 02/28/2024: 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. It is a mildly bullish indicator that the market closed over the pivot swing number. The next upside target is 429. The next area of resistance is around 426 1/4 and 429, while 1st support hits today at 420 3/4 and below there at 418 1/4.

CORN (JUL) 02/28/2024: Rising from oversold levels, daily momentum studies would support higher prices, especially on a close above resistance. The close below the 9-day moving average is a negative short-term indicator for trend. The close over the pivot swing is a somewhat positive setup. The next upside objective is 442. The next area of resistance is around 439 and 442, while 1st support hits today at 433 and below there at 430 1/4.

DAILY WHEAT COMMENTARY

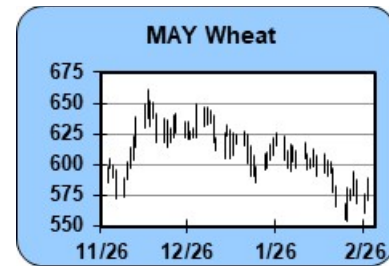
2/28/2024

Wild weather puts focus on HRW conditions

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):

WHEAT -0.58

OVERNIGHT DEVELOPMENTS: Chicago wheat (MAY 24) prices overnight are down -5; Kansas City (MAY 24) down -7 1/4; and Minneapolis (MAY 24) down -3 1/2. MATIF Milling Wheat(MAY 24) was down -1.4%. Chicago wheat open interest as of February 27 was down 5,785 contracts and Minneapolis wheat was up 1,121 contracts.



NEAR-TERM MARKET FUNDAMENTALS: Wildfires, strong winds and dramatic weather swings across the US Plains have increased the focus on the US HRW crop and we give the slight edge to the bull camp today. The Texas governor declared a fire disaster in 60 counties as over 400 square miles were burned in the Panhandle. There is some precipitation potential in the 11-to-15-day models in the southern Plains, but no soaking rain is forecast, and the wildfire threat will remain high this weekend and next week as temperatures rebound again to above normal levels. Although current erratic weather may begin a condition decline and result in increased risk of a late frost/freeze, USDA won't be updating state conditions again until late March. The ongoing issue for US prices is Russian and French wheat are both sitting near multiyear lows at \$215 per tonne, while the US is far above that level. Until EU and Black Sea prices can rally, US futures are unlikely to be able to make a significant advance, however some weather premiums may need to be built into prices if US Plains weather conditions remain erratic. In the near-term, resistance on May Chicago wheat stands at 594 1/4. Important moving average resistance stands at 607.

TODAY'S MARKET IDEAS:

Wild weather swings across the US Plains are a concern for the HRW crop, but good/excellent conditions through last week were significantly elevated from last year, giving prices some cushion for a minor weather problem. Spring rains will be the most important determiner of yield. Black Sea prices remain weak which limits major rally potential. Key resistance stands at 594 1/4 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) 02/28/2024: Momentum studies are trending higher from mid-range, which should support a move higher if resistance levels are penetrated. The close above the 9-day moving average is a positive short-term indicator for trend. With the close over the 1st swing resistance number, the market is in a moderately positive position. The near-term upside objective is at 600 1/4. The next area of resistance is around 593 1/4 and 600 1/4, while 1st support hits today at 575 1/4 and below there at 564 1/2.

KC WHEAT (MAY) 02/28/2024: Daily stochastics are showing positive momentum from oversold levels, which should reinforce a move higher if near term resistance is taken out. The market's close above the 9-day moving average suggests the short-term trend remains positive. With the close higher than the pivot swing number, the market is in a slightly bullish posture. The next upside target is 600. The next area of resistance is around 593 and 600, while 1st support hits today at 577 1/2 and below there at 568 3/4.

MINN WHEAT (MAY) 02/28/2024: 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 short-term trend is positive on the close above the 9-day moving average. A positive setup occurred with the close over the 1st swing resistance. The next upside objective is 675. Short-term indicators suggest buying dips today. The next area of resistance is around 669 1/2 and 675, while 1st support hits today at 655 and below there at 646.

RICE (MAY) 02/28/2024: The downside crossover (9 below 18) of the moving averages suggests a developing short-term downtrend. Declining momentum studies in the neutral zone will tend to reinforce lower price action. The market's short-term trend is negative as the close remains below the 9-day moving average. The swing indicator gave a moderately negative reading with the close below the 1st support number. The next downside target is now at 17.997. The next area of resistance is around 18.547 and 18.766, while 1st support hits today at 18.163 and below there at 17.997.

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 | 423 1/2 | 34.64 | 32.20 | 12.98 | 20.61 | 419.25 | 425.58 | 436.92 | 455.86 | 465.42 |
| CNAN24 | 436 | 36.50 | 33.56 | 13.74 | 21.43 | 431.69 | 437.00 | 447.17 | 465.50 | 474.93 |
| SSAK24 | 1140 3/4 | 26.20 | 28.46 | 9.75 | 9.64 | 1145.06 | 1160.81 | 1180.50 | 1227.98 | 1257.52 |
| SSAN24 | 1151 1/2 | 26.55 | 28.53 | 9.44 | 9.64 | 1154.69 | 1170.11 | 1190.00 | 1236.09 | 1265.21 |
| SMAK24 | 324.9 | 25.67 | 28.57 | 10.24 | 8.16 | 328.23 | 333.34 | 340.75 | 357.70 | 367.21 |
| BOAK24 | 45.53 | 42.51 | 41.82 | 22.53 | 20.64 | 44.99 | 45.65 | 46.27 | 47.44 | 48.25 |
| WHAK24 | 584 1/4 | 48.89 | 46.19 | 32.08 | 38.67 | 576.81 | 574.86 | 588.36 | 605.59 | 611.87 |
| WHAN24 | 586 1/4 | 48.63 | 45.48 | 29.11 | 36.56 | 578.31 | 576.36 | 590.54 | 610.59 | 617.32 |
| RCAK24 | 18.355 | 42.43 | 47.38 | 44.36 | 35.40 | 18.69 | 18.67 | 18.70 | 18.21 | 18.04 |
| KWAK24 | 585 1/4 | 48.55 | 44.85 | 22.17 | 28.70 | 574.81 | 574.47 | 591.39 | 611.63 | 621.27 |
| MWAK24 | 662 1/4 | 42.20 | 38.90 | 14.95 | 21.15 | 654.31 | 658.03 | 673.85 | 697.53 | 707.21 |
| OTAK24 | 366 | 51.65 | 49.79 | 36.40 | 40.62 | 358.50 | 363.14 | 366.93 | 367.28 | 368.91 |

Calculations based on previous session. Data collected 02/27/2024

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 | 418 | 420 3/4 | 423 1/2 | 426 1/4 | 429 |
| CNAN24 | Corn | 430 | 433 | 436 | 439 | 442 |
| SSAK24 | Soybeans | 1122 1/2 | 1129 1/4 | 1145 1/2 | 1152 1/4 | 1168 1/2 |
| SSAN24 | Soybeans | 1134 | 1140 1/2 | 1156 | 1162 1/2 | 1178 |
| SMAK24 | Soymeal | 316.1 | 319.5 | 326.7 | 330.2 | 337.3 |
| BOAK24 | Soybean Oil | 44.45 | 44.98 | 45.55 | 46.07 | 46.64 |
| WHAK24 | Wheat | 564 1/2 | 575 1/4 | 582 1/2 | 593 1/4 | 600 1/2 |
| WHAN24 | Wheat | 567 1/4 | 577 1/2 | 584 1/2 | 595 | 601 3/4 |
| RCAK24 | Rice | 17.996 | 18.162 | 18.381 | 18.547 | 18.766 |
| KWAK24 | KC Wheat | 568 1/2 | 577 1/2 | 584 1/4 | 593 | 600 |
| MWAK24 | MINN Wheat | 646 | 655 | 660 1/2 | 669 1/2 | 675 |
| OTAK24 | Oats | 358 | 362 | 366 | 370 | 374 |

Calculations based on previous session. Data collected 02/27/2024

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