



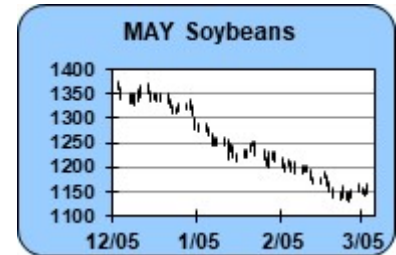
## DAILY GRAINS COMMENTARY Monday March 11, 2024

### DAILY SOY COMPLEX COMMENTARY 3/11/2024

#### Post USDA rally finds sellers

**OVERNIGHT CHANGES THROUGH 6:06 AM (CT):**  
**SOY BEANS -0.1, BEAN OIL +0.0, SOYMEAL -0.3**

**OVERNIGHT DEVELOPMENTS:** Soybeans (MAY 24) prices overnight are down -3 3/4; Soymeal (MAY 24) down -2.40; and Soyoil (MAY 24) up 0.28. Soybean open interest as of March 8 was down 3,928 contracts, soymeal up 3,286 contracts, and soybean oil up 2,056. Chinese Dalian (MAY 24) Soybeans up 0.09%, Soymeal up 1.10%, Soyoil up 0.37%, Palm oil up 0.23%. Malaysian Palm was up 0.95%. Global equity markets overnight were mostly lower except for the markets in China and Russia which posted moderate gains. Critical economic news released overnight included a stronger-than-expected Japanese GDP for the fourth quarter, negative but slightly improved from the prior month Japanese Machine Tool Orders, and an anemic Spanish retail sales reading for January. The North American session will be relatively quiet data-wise and will only have the New York Fed's February reading on 1-year US consumer inflation expectations which are expected to hold steady with January's 3.0% year-over-year rate. Earning announcements will include Oracle after the Wall Street close.



**NEAR-TERM MARKET FUNDAMENTALS:** A battle between improving short-term technical action and long-term bearish fundamentals may result in a choppy pattern this week before US spring planting weather takes over market attention. Despite a higher start to the week overnight, following through from Friday's strong action, selling has been noted this morning after a test of 1190 on May futures. Central Brazil saw some scattered showers over the weekend, and more is expected this week. There were 60 deliveries of beans overnight, 94 meal and 64 bean oil. Typically, the recirculation of deliveries, as we have seen over the last 10 days, is a sign of a weak overall market. Shorts opted to reduce exposure following Friday morning's USDA report, which was mostly neutral as the US balance sheet was left completely unchanged. Brazil production was only lowered 1 million tonnes, which still leaves the USDA on the high end of private analyst projections. CONAB will release their updated production number Tuesday. Overall Brazil soybean harvest is expected to be around 55-60% done. Anticipation of the quarterly stocks and acreage intentions report at the end of March and the US export pace will be the most important factors for market direction over the next couple weeks. Beyond that, US planting weather will take center stage. Commitment of Traders data showed record large bean shorts at 172,000 contracts up 11,000 as of Tuesday of last week. However, without a bullish reason for funds to continue to cover shorts, we expect May resistance at 1199 will be very difficult for the market to move above without a US weather problem. Nearby support is 1167.

Soybeans positioning in the Commitments of Traders for the week ending March 5th showed Soybeans Managed Money traders hit a new extreme short of 171,999 contracts. Managed Money traders were net short 171,999 contracts after increasing their already short position by 11,346 contracts. CIT traders added 9,142 contracts to their already long position and are now net long 116,021. Soybeans Non-Commercial No CIT traders hit a new extreme short of 194,617 contracts. Non-Commercial No CIT traders added 16,116 contracts to their already short position and are now net short 194,617. Soybeans Non-Commercial & Non-Reportable traders hit a new extreme short of 205,494 contracts. Non-Commercial & Non-Reportable traders were net short 205,494 contracts after increasing their already short position by 9,942 contracts.

The Commitments of Traders report for the week ending March 5th showed Soyoil Managed Money traders were net short 62,473 contracts after increasing their already short position by 10,144 contracts. CIT traders added 1,730 contracts to their already long position and are now net long 130,255. Non-Commercial No CIT traders net

sold 9,720 contracts and are now net short 86,636 contracts. Non-Commercial & Non-Reportable traders are net short 52,701 contracts after net selling 13,048 contracts.

The Commitments of Traders report for the week ending March 5th showed Soymeal Managed Money traders added 1,876 contracts to their already short position and are now net short 49,526. CIT traders net bought 1,174 contracts and are now net long 76,896 contracts. Non-Commercial No CIT traders were net short 69,778 contracts after decreasing their short position by 2,982 contracts. Non-Commercial & Non-Reportable traders are net short 44,003 contracts after net buying 5,761 contracts.

**TODAY'S MARKET IDEAS:**

The post USDA report rally has stalled this morning before reaching 1199 resistance on May futures. A pullback to 1167 support may be a short-term buying opportunity early this week after the positive technical action late last week. However, resistance near \$12 on May will likely be very strong and weak exports and Brazil harvest will make it unlikely prices can push through that level until traders see an adverse weather forecast for the US Midwest.

**NEW RECOMMENDATIONS:**

None.

**PREVIOUS RECOMMENDATIONS:**

None.

Commitment of Traders - Futures and Options - 2/27/2024 - 3/5/2024							
	Non-Commercial		Net Position	Commercial		Non-Reportable	
	Net Position	Weekly Net Change		Weekly Net Change	Net Position	Weekly Net Change	
<b>Grains</b>							
Soybeans	-194,765	-12,397	205,495	+9,943	-10,729	+2,455	
Soymeal	-60,369	+2,780	44,003	-5,760	16,366	+2,981	
Soyoil	-53,156	-11,070	52,700	+13,047	455	-1,978	

**SOYBEAN COMPLEX TECHNICAL OUTLOOK:**

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SOYBEANS (MAY) 03/11/2024: Stochastics are at mid-range but trending higher, which should reinforce a move higher if resistance levels are taken out. The market's close above the 9-day moving average suggests the short-term trend remains positive. The market's close above the 2nd swing resistance number is a bullish indication. The next upside objective is 1207 3/4. The next area of resistance is around 1199 1/2 and 1207 3/4, while 1st support hits today at 1168 1/2 and below there at 1145 1/2.

SOYBEAN OIL (MAY) 03/11/2024: 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. The market could take on a defensive posture with the daily closing price reversal down. It is a mildly bullish indicator that the market closed over the pivot swing number. The next upside objective is 47.99. The next area of resistance is around 47.13 and 47.99, while 1st support hits today at 45.21 and below there at 44.15.

SOYMEAL (MAY) 03/11/2024: 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. 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 target is at 350.5. The next area of resistance is around 347.1 and 350.5, while 1st support hits today at 335.7 and below there at 327.6.

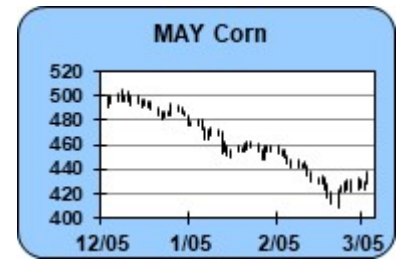
# DAILY CORN COMMENTARY

3/11/2024

## Strong resistance on May futures at 449

**OVERNIGHT CHANGES THROUGH 6:06 AM (CT):**  
CORN -0.4

**OVERNIGHT DEVELOPMENTS:** Corn (MAY 24) prices overnight are down -2 3/4. Corn open interest as of March 8 was up 9,406 contracts. Chinese Dalian (MAY 24) Corn was down 0.82%.



**NEAR-TERM MARKET FUNDAMENTALS:** The corn rally over the last 2 weeks has been a slow steady grind higher gaining 31 1/4 cents, but Commitment of Traders data did not show significant fund short covering over that period. It appears it will take a move above 449 resistance on May to trigger more aggressive buying. However, the current fundamental situation does not bode well for a sustained move above 450 at this point. CONAB will release their latest Brazil production update Tuesday. USDA decided to leave the 2023/24 US balance sheet completely unchanged from last month and trader focus now shifts to the end of March quarterly stocks in acreage intentions report and Brazil and US weather. Safrinha planting in Mato Grosso is essentially complete at 98% done. Commitment of Traders data as of Tuesday of last week showed managed Money short 297,000 contracts, a record for early March and up 1500 from last week. Technicals suggest the next major resistance for May corn is 449, the 50-day moving average which the market has not closed above since mid-December. A further short covering rally early this week could push prices into that area, but we don't expect a sustained move above 450 until a significant weather issue is seen in Brazil or the US Midwest.

The March 5th Commitments of Traders report showed Corn Managed Money traders are net short 296,795 contracts after net selling 1,537 contracts. CIT traders added 8,158 contracts to their already long position and are now net long 279,909. Non-Commercial No CIT traders net sold 8,465 contracts and are now net short 305,418 contracts. Non-Commercial & Non-Reportable traders were net short 260,969 contracts after decreasing their short position by 8,969 contracts.

### TODAY'S MARKET IDEAS:

CFTC data indicates funds are still holding a record short position for early March and resistance at 449 on May could be the key level that triggers more aggressive buying if prices can take that out. For now, we suggest longs consider exiting in the 446-449 area and wait for a pullback. A move down to 425 or below will be the next buying opportunity.

### NEW RECOMMENDATIONS:

None.

### PREVIOUS RECOMMENDATIONS:

None.

Commitment of Traders - Futures and Options - 2/27/2024 - 3/5/2024						
	Non-Commercial			Commercial		Non-Reportable
	Net Position	Weekly Net Change	Net Position	Weekly Net Change	Net Position	Weekly Net Change
Grains						
Corn	-252,438	-4,322	260,969	-8,969	-8,531	+13,291

### CORN TECHNICAL OUTLOOK:

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elsewhere in this report. Data sources can and do produce bad ticks that can cause computation errors. Please verify before use.

**CORN (MAY) 03/11/2024:** The upside crossover (9 above 18) of the moving averages suggests a developing short-term uptrend. Rising stochastics at overbought levels warrant some caution for bulls. The market's close above the 9-day moving average suggests the short-term trend remains positive. The close over the pivot swing is a somewhat positive setup. The near-term upside target is at 446 1/4. The next area of resistance is around 444 and 446 1/4, while 1st support hits today at 435 1/2 and below there at 429 1/4.

**CORN (JUL) 03/11/2024:** A positive indicator was given with the upside crossover of the 9 and 18 bar moving average. Rising stochastics at overbought levels warrant some caution for bulls. 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 next upside target is 458 1/2. The next area of resistance is around 456 1/4 and 458 1/2, while 1st support hits today at 447 1/4 and below there at 440 3/4.

## DAILY WHEAT COMMENTARY

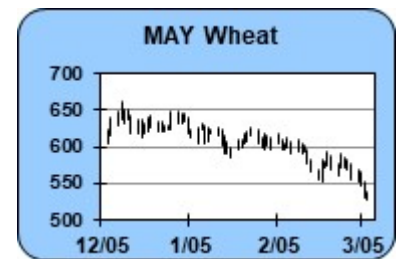
3/11/2024

### Lack of weather threats bearish

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

WHEAT -0.15

**OVERNIGHT DEVELOPMENTS:** Chicago wheat (MAY 24) prices overnight are up 1/4; Kansas City (MAY 24) down -3; and Minneapolis (MAY 24) down -2. MATIF Milling Wheat(MAY 24) was down -0.3%. Chicago wheat open interest as of March 8 was down 2,843 contracts and Minneapolis wheat was up 3,369 contracts.



**NEAR-TERM MARKET FUNDAMENTALS:** While wheat had a minor bounce after Friday's USDA report, the bearish overriding themes of weak world values and lack of a US crop threat are still in place. Russia's Grain Union says only 4% of winter grains are in bad condition. Stats Canada will release their update later this morning with all wheat acres expected at 26.7 million, compared to 27.028 million last year. Spring acreage is expected at 19.3 million acres, slightly down from 19.475 last year. Minimal rains are expected in the southern Plains this week. A 15-million-bushel reduction in US exports was the only change in the US balance sheet for 2023/24, which pushed up ending stocks 15 million bushels to 673 million, compared to pre-report estimates of 658 million. Now that the report is behind us, traders will be focusing on US wheat weather, which is entering a crucial stage in the 2nd half of March and 1st half of April when the crop is coming out of dormancy and more vulnerable to dryness and potential frosts and freezes. This is why shorts in KC were more aggressive exiting positions last week. Commitment of Traders data showed managed Money short 66,000 contracts of Chicago wheat and 41,000 in KC. Turkey sold 150,000 tonnes of durum wheat, which is another indication of adequate global supplies. The port of Odessa was targeted again overnight with drone attacks by Russia, but traders have grown tired of reacting to Black Sea events. Further Chinese purchase cancellations of US SRW may be seen early this week, limiting Chicago's potential for a rally. However, the cancellations Friday morning did not seem to result in aggressive selling. The longer-term fundamental picture is bearish without a major weather problem in US HRW, but it may be too early for prices to fall much further until we get past the more volatile weather timeframe over the next 30 days. Look for rallies on May Chicago wheat to stall above 550 on very weak world values unless weather forecasts show increased risks to the US crop.

The Commitments of Traders report for the week ending March 5th showed Wheat Managed Money traders are net short 65,539 contracts after net selling 9,213 contracts. CIT traders were net long 110,660 contracts after increasing their already long position by 3,052 contracts. Non-Commercial No CIT traders are net short 88,375 contracts after net selling 14,497 contracts. Non-Commercial & Non-Reportable traders were net short 48,651 contracts after increasing their already short position by 8,526 contracts.

The Commitments of Traders report for the week ending March 5th showed KC Wheat Managed Money traders net bought 1,236 contracts and are now net short 40,886 contracts. CIT traders added 3,865 contracts to their already long position and are now net long 64,907. Non-Commercial No CIT traders reduced their net short

position by 1,133 contracts to a net short 50,687 contracts. Non-Commercial & Non-Reportable traders are net short 31,626 contracts after net buying 812 contracts.

**TODAY'S MARKET IDEAS:**

Russian and US wheat crop conditions are generally favorable and that, along with the poor US export pace, limits US rally potential. While fundamentals are bearish, wheat may find spillover support if corn and beans can continue their gains this week. Heavy resistance will be seen at 550 on May Chicago unless a weather threat emerges.

**NEW RECOMMENDATIONS:**

None.

**PREVIOUS RECOMMENDATIONS:**

None.

Commitment of Traders - Futures and Options - 2/27/2024 - 3/5/2024						
	Non-Commercial			Commercial		Non-Reportable
	Net Position	Weekly Net Change	Net Position	Weekly Net Change	Net Position	Weekly Net Change
<b>Grains</b>						
KC Wheat	-29,297	+1,835	31,628	-810	-2,329	-1,023
Wheat	-46,951	-10,358	48,651	+8,525	-1,700	+1,832

**WHEAT TECHNICAL OUTLOOK:**

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WHEAT (MAY) 03/11/2024: Momentum studies are still bearish but are now at oversold levels and will tend to support reversal action if it occurs. The market's close below the 9-day moving average is an indication the short-term trend remains negative. The upside daily closing price reversal gives the market a bullish tilt. The market setup is supportive for early gains with the close over the 1st swing resistance. The next downside target is 519 1/2. The next area of resistance is around 546 and 552 3/4, while 1st support hits today at 529 1/2 and below there at 519 1/2.

KC WHEAT (MAY) 03/11/2024: A positive indicator was given with the upside crossover of the 9 and 18 bar moving average. Positive momentum studies in the neutral zone will tend to reinforce higher price action. The market now above the 18-day moving average suggests the intermediate-term trend has turned up. A positive setup occurred with the close over the 1st swing resistance. The next upside target is 603 1/2. The next area of resistance is around 598 1/2 and 603 1/2, while 1st support hits today at 580 and below there at 566 1/4.

MINN WHEAT (MAY) 03/11/2024: Positive momentum studies in the neutral zone will tend to reinforce higher price action. The intermediate trend could be turning up with the close back above the 18-day moving average. The close over the pivot swing is a somewhat positive setup. The near-term upside objective is at 675 1/4. The next area of resistance is around 670 1/2 and 675 1/4, while 1st support hits today at 655 and below there at 644 1/4.

RICE (MAY) 03/11/2024: 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 upside closing price reversal on the daily chart is somewhat bullish. With the close higher than the pivot swing number, the market is in a slightly bullish posture. The next downside target is now at 17.652. The next area of resistance is around 17.997 and 18.121, while 1st support hits today at 17.763 and below there at 17.652.

**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>										
CNAK24	439 3/4	60.79	52.71	59.60	76.86	433.19	429.89	428.83	446.26	456.55
CNAN24	451 3/4	62.06	53.92	60.51	78.03	444.69	441.53	440.18	456.21	466.43
SSAK24	1184	62.68	52.58	36.61	53.87	1161.88	1153.39	1159.93	1200.37	1231.57
SSAN24	1195 1/2	63.74	53.40	36.38	54.89	1172.31	1163.81	1169.74	1209.38	1239.78
SMAK24	341.4	60.93	51.66	36.83	51.86	334.03	331.50	333.21	348.15	358.42
BOAK24	46.17	56.70	50.41	36.94	50.72	45.72	45.46	45.68	46.81	47.54
WHAK24	537 3/4	32.94	34.58	16.63	12.15	537.06	556.14	566.21	591.72	601.21
WHAN24	550 1/4	36.40	36.77	18.60	15.39	547.13	562.33	569.99	596.68	606.55
RCAK24	17.880	34.96	40.24	13.03	7.69	17.93	18.19	18.45	18.28	18.13
KWAK24	589 1/4	54.73	50.73	42.78	56.67	572.25	576.42	575.81	600.87	610.30
MWAK24	662 3/4	51.54	47.02	32.10	40.92	654.56	655.42	657.31	684.33	695.79
OTAK24	362 3/4	47.64	47.60	51.38	49.31	360.00	365.08	364.57	366.18	367.48

Calculations based on previous session. Data collected 03/08/2024  
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>						
CNAK24	Corn	429 1/4	435 1/2	437 3/4	444	446 1/4
CNAN24	Corn	440 1/2	447 1/4	449 1/2	456 1/4	458 1/2
SSAK24	Soybeans	1145 1/2	1168 1/2	1176 3/4	1199 1/2	1208
SSAN24	Soybeans	1156 1/2	1179 3/4	1188	1211 1/4	1219 1/2
SMAK24	Soymeal	327.5	335.6	339.0	347.1	350.5
BOAK24	Soybean Oil	44.15	45.21	46.07	47.13	47.99
WHAK24	Wheat	519 1/4	529 1/2	536	546	552 3/4
WHAN24	Wheat	531 3/4	542	548	558 1/2	564 1/4
RCAK24	Rice	17.651	17.762	17.886	17.997	18.121
KWAK24	KC Wheat	566	580	584 3/4	598 1/2	603 1/2
MWAK24	MINN Wheat	644 1/4	655	659 3/4	670 1/2	675 1/4
OTAK24	Oats	355	359	362 1/2	366 1/2	370

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