

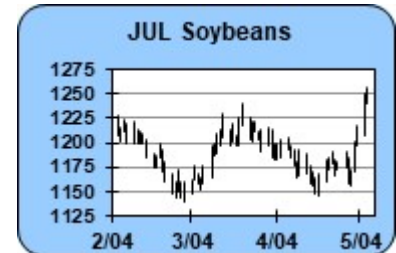


**DAILY SOY COMPLEX COMMENTARY**  
5/8/2024

**Argentine workers strike set for Thursday**

**OVERNIGHT CHANGES THROUGH 6:06 AM (CT):**  
SOY BEANS -0.0, BEAN OIL -0.0, SOYMEAL +0.2

**OVERNIGHT DEVELOPMENTS:** Soybeans (JUL 24) prices overnight are down -1 1/2; Soymeal (JUL 24) up 2.40; and Soyoil (JUL 24) down -0.54. Soybean open interest as of May 7 was down 3,678 contracts, soymeal down 5,296 contracts, and soybean oil down 2,266. Chinese Dalian (JUL 24) Soybeans up 0.32%, Soymeal up 0.87%, Soyoil up 0.18%, Palm oil up 0.35%. Malaysian Palm was down 1.55%. Global equity markets overnight were mixed with markets generally soft in Asia and trading higher in the early European trade. Critical economic news released overnight included a jump in Japanese 10 year bond auction yields, continued weakness in German industrial production for March, and softer than expected Italian retail sales for March. The North American session will start out with a weekly private survey of mortgage applications but will only have one top-tier US or Canadian economic number, a March reading on US wholesale trade which is expected to have a sizable downtick from February's 0.5% reading. Fed Vice Chair Jefferson and Boston Fed President Collins will speak during morning US trading hours while Fed Governor Cook will speak during the afternoon. Earnings announcements include Uber Technologies, Anheuser-Busch InBev, Shopify, and Emerson Electric before the Wall Street opening while Airbnb, The Trade Desk and Nutrien report after the close.



**NEAR-TERM MARKET FUNDAMENTALS:** The bull camp remains in charge, although prices may see a pullback before Friday's USDA supply/demand report. Argentine workers unions will hold a nationwide strike tomorrow, which will be joined by the oilseed union, to protest proposed labor reforms. At this time, the strike is only expected to last one day but if it is extended, it could have at least a minor bullish effect on soybean meal and beans. The Rio Grande port facility in Brazil is operating normally, according to the Port Administration, despite the floods. However, transportation logistics in the region are challenging due to blocked highways, collapsed bridges and damaged railways. ANEC says trucks must travel an additional 400 kilometers through alternate routes to reach the port. Brazil President Lula after touring the flooded areas said Brazil could import rice and beans if crop losses justify the need. Argentina says they will eliminate the import tariff on fertilizer to encourage farmers to use more to achieve better yield results. The Western US bean belt will have an open planting window through the next 5 days. There is more chatter from the biofuel industry asking the US government to investigate the possibly tainted cheap used cooking oil (UCO) imports from China. Last year, similar concerns were raised in the EU, resulting in a crackdown on tainted UCO imports and it looks like the US biofuel is looking for a similar outcome here in the US. Stats Canada bean stocks were 2.046 million tonnes, compared to 2.064 million last season. The USDA May supply/demand report Friday morning could encourage some profit taking today and tomorrow after the sharp rally. 50% retracement resistance on July at 1280 is the next upside target. But for the short term, a pullback may be in order. The length of the Argentine strike will be an important factor. July beans hit their highest level since Jan 25th on Tuesday.

**TODAY'S MARKET IDEAS:**

Some long liquidation can be expected before Friday morning's USDA report, but intermediate term technical signals are still pointing higher. Funds have certainly reduced their net short position over the past week, which will be reflected in Friday afternoon's CFTC data. Eventually, prices may test the 50% retracement at 1280 on July beans. Pullback support should be strong in the 1200-1210 range.

**NEW RECOMMENDATIONS:**

None.

## PREVIOUS RECOMMENDATIONS:

None.

## SOYBEAN COMPLEX TECHNICAL OUTLOOK:

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SOYBEANS (JUL) 05/08/2024: Daily stochastics have risen into overbought territory which will tend to support reversal action if it occurs. The close above the 9-day moving average is a positive short-term indicator for trend. The daily closing price reversal down is a negative indicator for prices. It is a mildly bullish indicator that the market closed over the pivot swing number. The next upside target is 1263 1/2. With a reading over 70, the 9-day RSI is approaching overbought levels. The next area of resistance is around 1254 1/2 and 1263 1/2, while 1st support hits today at 1238 1/2 and below there at 1231 1/4.

SOYBEAN OIL (JUL) 05/08/2024: Rising from oversold levels, daily momentum studies would support higher prices, especially on a close above resistance. 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 next upside target is 45.41. Short-term indicators suggest buying pullbacks today. The next area of resistance is around 45.02 and 45.41, while 1st support hits today at 43.98 and below there at 43.33.

SOYMEAL (JUL) 05/08/2024: Rising stochastics at overbought levels warrant some caution for bulls. The close above the 9-day moving average is a positive short-term indicator for trend. The daily closing price reversal down puts the market on the defensive. The market has a slightly positive tilt with the close over the swing pivot. The next upside objective is 392.5. The market is approaching overbought levels with an RSI over 70. The next area of resistance is around 387.1 and 392.5, while 1st support hits today at 379.3 and below there at 376.8.

## DAILY CORN COMMENTARY

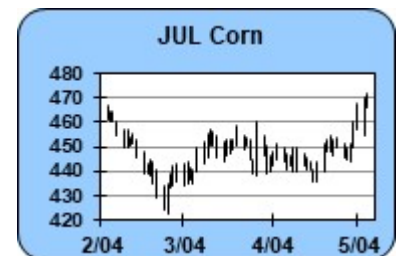
5/8/2024

Midwest mostly dry through early next week

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

CORN -0.2

**OVERNIGHT DEVELOPMENTS:** Corn (JUL 24) prices overnight are down -1/2. Corn open interest as of May 7 was up 5,871 contracts. Chinese Dalian (JUL 24) Corn was up 0.62%.



**NEAR-TERM MARKET FUNDAMENTALS:** Open planting weather in the Western corn belt through this weekend may give a slight edge to the bear camp for the short-term, but this week's rally has turned the technical outlook more positive. Over the last 24 hours some rain has moved across northern Illinois and southern Indiana and a dry trend for the Midwest looks to last until early next week. Typically, planting progress reaches 50% complete by mid-May. The drier weather trend may have come just in time for that to still be achievable, although some areas will lag. Brazil's safrinha crop areas remain mostly dry. Today's ethanol production is expected to be around 988,000 barrels per day, compared to 987,000 last week. Stocks are expected at 25.311 million barrels, compared to last week at 25.488. China approved 1 more GMO corn variety. There were 58 May deliveries overnight. Dr Cordonnier lowered his Argentine corn crop estimate by 2 million tonnes to 47 million and left the Brazil crop unchanged at 112 million. USDA stands at 55 million tonnes for Argentina and 124 million for Brazil. The average guess for Argentine corn on Friday's USDA report is 52.14 million tonnes, down from 55 million last month and Brazil corn is expected at 122.4 million tonnes, down from 124 last month. July corn has initial pullback support at 460 and a breakout objective on the upside at 484. Friday's USDA supply/demand report will turn the

focus from weather back to supply, at least for the short-term, and we could see some long liquidation today or tomorrow in front of the report.

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

This week's action is supportive of an approved technical picture and suggests a move toward upside targets of 484 and 487 on July corn. However, in the short term, we may see a minor pullback as we get closer to Friday morning's USDA supply/demand report. Speculators may consider buying a pullback to 460 or below, anticipating an eventual move to the upside targets.

#### **NEW RECOMMENDATIONS:**

None.

#### **PREVIOUS RECOMMENDATIONS:**

None.

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

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CORN (JUL) 05/08/2024: Daily stochastics have risen into overbought territory which will tend to support reversal action if it occurs. 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. With the close higher than the pivot swing number, the market is in a slightly bullish posture. The next upside target is 474. The 9-day RSI over 70 indicates the market is approaching overbought levels. The next area of resistance is around 470 and 474, while 1st support hits today at 464 and below there at 462.

CORN (DEC) 05/08/2024: Momentum studies are trending higher but have entered overbought levels. The close above the 9-day moving average is a positive short-term indicator for trend. With the close higher than the pivot swing number, the market is in a slightly bullish posture. The next upside target is 493 3/4. The market is approaching overbought levels with an RSI over 70. The next area of resistance is around 491 and 493 3/4, while 1st support hits today at 486 and below there at 483 1/2.

#### **DAILY WHEAT COMMENTARY**

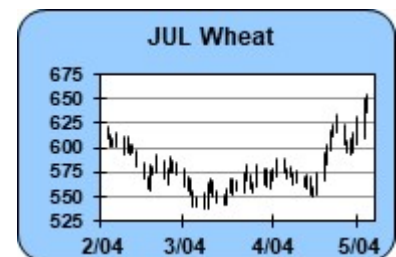
5/8/2024

#### **Rain potential in OK and TX panhandles next week pressures**

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

WHEAT -0.6

**OVERNIGHT DEVELOPMENTS:** Chicago wheat (JUL 24) prices overnight are down -3 1/4; Kansas City (JUL 24) down -7; and Minneapolis (JUL 24) down -4. MATIF Milling Wheat(SEP 24) was up 0.2%. Chicago wheat open interest as of May 7 was up 2,293 contracts and Minneapolis wheat was up 851 contracts.



**NEAR-TERM MARKET FUNDAMENTALS:** Forecast models added some potential showers for the Oklahoma and Texas panhandles next week and that is putting some pressure on the market today, especially the Kansas City contract. Profit-taking can be expected before Friday's USDA report, but Black Sea dryness remains supportive. Chilly temperatures in Russia are reducing the moisture needs for the crop but no soaking rain is in the forecast for the next 2 weeks. Egypt is tendering for wheat and Russia was the lowest offer at \$255 per tonne. Russian bombarded Ukraine with a heavy missile attack overnight. Stats Canada total wheat stocks were bullish coming in at 11.8 million tonnes, compared to expectations of 12.2 million and down 15.4% from last season. Durum stocks were 1.7 million tonnes, compared to expectations of 1.6 million. Overnight, China approved the

safety of gene-edited wheat seed. This is different than GMO seed which replaces some of the wheat genes, while gene-editing rearranges the existing genes. Either way it is a sign China continues to press for better crop yields. July Chicago wheat is due a pullback after rising a little over \$1 per bushel since the low April 18. With the technical picture much improved, initial pullback support is 624 and then 618. Friday morning's USDA supply/demand report will encourage some additional profit-taking.

**TODAY'S MARKET IDEAS:**

July Chicago has 1st pullback support at the 200-day moving average at 624. The technical outlook points to an eventual move to 50% retracement resistance at 667. But for the short-term, a pullback may be seen before Friday morning's USDA report and in anticipation of some shower chances for the OK and TX panhandles early next week, which adds some short-term bearish pressure.

**NEW RECOMMENDATIONS:**

None.

**PREVIOUS RECOMMENDATIONS:**

None.

**WHEAT TECHNICAL OUTLOOK:**

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WHEAT (JUL) 05/08/2024: Daily stochastics have risen into overbought territory which will tend to support reversal action if it occurs. The close above the 9-day moving average is a positive short-term indicator for trend. The daily closing price reversal down is a negative indicator for prices. It is a mildly bullish indicator that the market closed over the pivot swing number. The near-term upside target is at 661 1/2. The market is approaching overbought levels with an RSI over 70. The next area of resistance is around 651 1/2 and 661 1/2, while 1st support hits today at 634 and below there at 626 1/4.

KC WHEAT (JUL) 05/08/2024: Daily stochastics have risen into overbought territory which will tend to support reversal action if it occurs. The market's short-term trend is positive on the close above the 9-day moving average. It is a slightly negative indicator that the close was under the swing pivot. The near-term upside target is at 689 1/2. The next area of resistance is around 676 1/4 and 689 1/2, while 1st support hits today at 652 1/4 and below there at 641 1/2.

MINN WHEAT (JUL) 05/08/2024: The daily stochastics gave a bearish indicator with a crossover down. Daily stochastics turning lower from overbought levels is bearish and will tend to reinforce a downside break especially if near term support is penetrated. The close above the 9-day moving average is a positive short-term indicator for trend. It is a slightly negative indicator that the close was under the swing pivot. The next downside target is 702 1/2. The 9-day RSI over 70 indicates the market is approaching overbought levels. The next area of resistance is around 727 1/4 and 735 1/4, while 1st support hits today at 710 3/4 and below there at 702 1/2.

RICE (JUL) 05/08/2024: Momentum studies trending lower at mid-range could accelerate a price break if support levels are broken. 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 under the swing pivot. The next downside objective is 18.119. The next area of resistance is around 18.557 and 18.788, while 1st support hits today at 18.223 and below there at 18.119.

**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>										
CNAN24	467	70.54	64.95	81.69	86.59	464.00	456.08	450.56	448.90	446.62

CNAZ24	488 1/2	72.23	65.73	83.44	89.65	484.81	478.22	473.53	471.83	469.00
SSAN24	1246 1/2	75.22	68.39	78.14	89.50	1227.31	1197.94	1184.40	1192.18	1187.03
SSAX24	1228	77.11	70.32	79.70	91.72	1209.13	1187.69	1176.83	1178.72	1170.05
SMAN24	383.2	76.69	72.98	84.38	89.52	376.98	361.71	352.02	344.43	342.45
BOAN24	44.50	46.43	43.03	20.84	29.34	43.67	44.03	44.79	46.91	46.72
WHAN24	642 3/4	72.40	68.89	79.33	85.72	629.56	619.11	597.24	576.61	576.98
WHAZ24	689	75.67	72.29	82.58	88.68	675.31	664.31	640.08	615.78	611.78
RCAN24	18.390	45.07	49.32	64.89	47.87	18.54	18.92	18.84	17.97	18.14
KWAN24	664 1/4	67.63	66.20	81.96	85.29	656.50	647.94	619.79	592.14	586.50
MWAN24	719	74.40	70.81	90.84	90.61	717.06	709.36	682.14	667.47	666.55
OTAN24	399 1/2	88.26	80.05	91.34	95.63	392.56	377.42	361.88	354.25	356.08

Calculations based on previous session. Data collected 05/07/2024

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>						
CNAN24	Corn	462	464	468	470	474
CNAZ24	Corn	483 1/4	486	488 1/2	491	493 3/4
SSAN24	Soybeans	1231 1/4	1238 1/2	1247 1/2	1254 1/2	1263 3/4
SSAX24	Soybeans	1207	1219	1224 3/4	1237	1242 1/2
SMAN24	Soymeal	376.7	379.2	384.6	387.1	392.5
BOAN24	Soybean Oil	43.33	43.98	44.37	45.02	45.41
WHAN24	Wheat	626	634	643 3/4	651 1/2	661 1/2
WHAZ24	Wheat	673	681	689	697	705
RCAN24	Rice	18.118	18.222	18.453	18.557	18.788
KWAN24	KC Wheat	641 1/2	652 1/4	665 1/2	676 1/4	689 1/2
MWAN24	MINN Wheat	702 1/2	710 3/4	719	727 1/4	735 1/2
OTAN24	Oats	386	394	397	405	408

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