



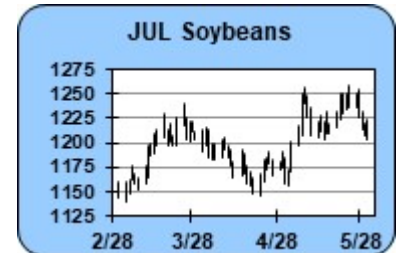
DAILY GRAINS COMMENTARY Monday June 03, 2024

DAILY SOY COMPLEX COMMENTARY 6/3/2024

Delayed La Nina means less threatening US growing season

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

OVERNIGHT DEVELOPMENTS: Soybeans (JUL 24) prices overnight are down -9 3/4; Soymeal (JUL 24) down -2.80; and Soyoil (JUL 24) down -0.55. Soybean open interest as of May 31 was up 4,810 contracts, soymeal up 2,291 contracts, and soybean oil up 127. Chinese Dalian (JUL 24) Soybeans up 0.02%, Soymeal down 0.55%, Soyoil down 1.24%, Palm oil down 0.49%. Malaysian Palm was up 2.08%.



NEAR-TERM MARKET FUNDAMENTALS: Bean prices started off steady overnight but quickly ran into selling and the edge stays with the bear camp. Soybean planting this afternoon should be above 80% complete. Weekend rains were heaviest in Minnesota, eastern Nebraska and Western Kansas and the 1 to 5 day forecast features scattered showers for the Eastern bean belt but only very light rains for the Western belt which should allow planting to move forward toward the finish line this week. Temperatures will be trending below normal for the next 2 weeks for the majority of the Midwest. The Climate Prediction Center says La Nina may be delayed until late July - August, which would be less threatening for the US summer growing season. NASS crush will be released after the close today and is expected at 175.3 million bushels, with oil stocks at 2.225 billion pounds. With a lack of heat/dryness in the Midwest, the path of least resistance is lower until some new bullish news is seen. 1st of month commodity inflows may provide some support this week, but rallies will struggle in the current favorable weather pattern. July beans fell through moving average support overnight and are testing retracement support at 1195. The technical outlook is weakening.

Export Sales Report showed that for the week ending May 23, net soybean sales came in at 329,427 tonnes for the current marketing year and 6,921 for the next marketing year for a total of 336,348. Cumulative soybean sales have reached 93.4% of the USDA forecast for the 2023/2024 marketing year versus a 5 year average of 96.7%. Sales need to average 214,000 tonnes per week to reach the USDA forecast.

Net meal sales came in at 265,544 tonnes for the current marketing year and 20,239 for the next marketing year for a total of 285,783. Cumulative meal sales have reached 84.3% of the USDA forecast for the 2023/2024 marketing year versus a 5 year average of 84.1%. Sales need to average 121,000 tonnes per week to reach the USDA forecast.

Net oil sales came in at 10,249 tonnes for the current marketing year and none for the next marketing year. Cumulative oil sales have reached 70.7% of the USDA forecast for the 2023/2024 marketing year versus a 5 year average of 83.2%. Sales need to average 3,200 tonnes per week to reach the USDA forecast.

TODAY'S MARKET IDEAS:

Moving average support at 1204 gave way overnight and prices continue the pullback. The lack of threatening US weather is making sellers comfortable pressing the market lower and bullish news is hard to find. Small rallies can be sold in the current environment.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None

Commitment of Traders - Futures and Options - 5/21/2024 - 5/28/2024						
Grains	Non-Commercial		Commercial		Non-Reportable	
	Net Position	Weekly Net Change	Net Position	Weekly Net Change	Net Position	Weekly Net Change
Soybeans	-25,559	+14,665	48,408	-10,419	-22,848	-4,245
Soymeal	118,719	+20,910	-145,008	-19,815	26,288	-1,096
Soyoil	-33,005	+7,293	24,821	-8,565	8,183	+1,270

SOYBEAN COMPLEX TECHNICAL OUTLOOK:

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SOYBEANS (JUL) 06/03/2024: Daily stochastics are trending lower but have declined into oversold territory. A negative signal for trend short-term was given on a close under the 9-bar moving average. The outside day down is a negative signal. The market tilt is slightly negative with the close under the pivot. The next downside target is 1188 1/4. The next area of resistance is around 1215 1/2 and 1230, while 1st support hits today at 1194 1/2 and below there at 1188 1/4.

SOYBEAN OIL (JUL) 06/03/2024: Daily stochastics have risen into overbought territory which will tend to support reversal action if it occurs. The market's short-term trend is negative as the close remains below the 9-day moving average. The daily closing price reversal down puts the market on the defensive. The market's close below the pivot swing number is a mildly negative setup. The next upside objective is 46.95. The next area of resistance is around 46.14 and 46.95, while 1st support hits today at 44.90 and below there at 44.48.

SOYMEAL (JUL) 06/03/2024: The upside crossover (9 above 18) of the moving averages suggests a developing short-term uptrend. 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. It is a slightly negative indicator that the close was under the swing pivot. The next downside target is now at 357.7. The next area of resistance is around 368.6 and 373.2, while 1st support hits today at 360.8 and below there at 357.7.

DAILY CORN COMMENTARY

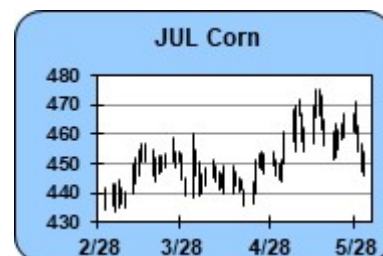
6/3/2024

Condition report should reflect strong start to growing season

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):

CORN -0.1

OVERNIGHT DEVELOPMENTS: Corn (JUL 24) prices overnight are down -1. Corn open interest as of May 31 was up 18,916 contracts. Chinese Dalian (JUL 24) Corn was up 0.12%.



NEAR-TERM MARKET FUNDAMENTALS: Corn prices are slightly higher this morning after falling for the previous 4 days in a row and tested the low for the month of May overnight. Today's US planting report is expected to be around 90% complete. Also, the 1st corn condition report will be released this afternoon and is expected to show the crop is off to a very strong start, which was part of the pressure on prices late last week. Some scattered showers over the next couple days in the central corn belt are forecast but Western belt areas will see limited precipitation. Temperatures will be trending below normal across the Midwest for the next 2 weeks.

Some of the pressure on corn may be coming from the climate prediction Center forecast that La Nina may be delayed until late July - August, which means potentially less threatening US summer weather. Weekly export sales Friday were in the middle of the range of guesses and are expected to stay strong as Ukraine prices have come up to nearly the same price as the US. US weather threats are lacking for the next couple weeks and that will likely keep overhead selling in place on rallies. Look for uncertain global production due to the Argentine leafhopper issues, Brazil's safrinha dryness and Black Sea crop stress to keep support under the market once the expected bearish crop conditions are seen this afternoon. Next key support for July futures is the April low at 435 3/4.

The Export Sales Report showed that for the week ending May 23, net corn sales came in at 810,148 tonnes for the current marketing year and 187,763 for the next marketing year for a total of 997,911. Cumulative sales have reached 91.7% of the USDA forecast for the 2023/2024 marketing year versus a 5 year average of 92.5%. Sales need to average 317,000 tonnes per week to reach the USDA forecast.

TODAY'S MARKET IDEAS:

July prices are testing key trendline support at 445 and a close below that level would suggest a break to the April low of 435 3/4. Today's first corn condition report should come in very strong and we may see prices bounce once the report is digested this afternoon. However, the current US weather picture suggests rallies will be hard to sustain.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

Commitment of Traders - Futures and Options - 5/21/2024 - 5/28/2024						
	Non-Commercial			Commercial		Non-Reportable
	Net Position	Weekly Net Change	Net Position	Weekly Net Change	Net Position	Weekly Net Change
Grains						
Corn	-68,090	-12,789	113,638	+16,278	-45,548	-3,489

CORN TECHNICAL OUTLOOK:

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CORN (JUL) 06/03/2024: 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 market's close below the pivot swing number is a mildly negative setup. The next downside objective is 439 3/4. The next area of resistance is around 450 1/4 and 456, while 1st support hits today at 442 1/4 and below there at 439 3/4.

CORN (DEC) 06/03/2024: 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 market's close below the pivot swing number is a mildly negative setup. The next downside target is 460 1/4. The next area of resistance is around 471 1/4 and 477 1/4, while 1st support hits today at 462 3/4 and below there at 460 1/4.

DAILY WHEAT COMMENTARY

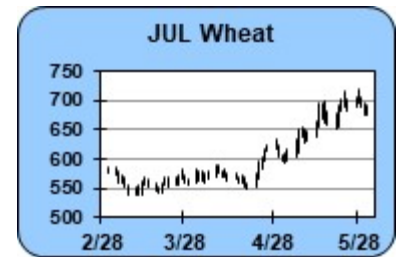
6/3/2024

Black Sea crop stress continues

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):

WHEAT +0.98

OVERNIGHT DEVELOPMENTS: Chicago wheat (JUL 24) prices overnight are up 8 1/2; Kansas City (JUL 24) up 9 1/4; and Minneapolis (JUL 24) up 8 1/2. MATIF Milling Wheat(SEP 24) was up 1.1%. Chicago wheat open interest as of May 31 was up 1,908 contracts and Minneapolis wheat was up 2,209 contracts.



NEAR-TERM MARKET FUNDAMENTALS: Wheat is bucking the weaker trend in corn and beans and is starting the week stronger on Black Sea weather stress. While some rains have been seen in northern Ukraine, at least half of Black Sea wheat areas remain too dry. In addition, Interfax is reporting the Russian Ag Minister says a nationwide emergency may be announced due to the frost damage. An Egyptian company says they have sent a proposal to Russia to build a hub in Egypt for Russian grain imports. Over the weekend, some rains fell in Western Kansas and the Oklahoma Panhandle but the benefit to the current crop is debatable as harvest is close at hand.

Friday's weekly export sales featured a cancellation for old crop but new crop was toward the high-end of guesses. The new marketing year starts this week. Rabobank says the 2024/25 Australian wheat crop may grow to 27.4 million tonnes, up 5.7% from their previous forecast if rains materialize over the next few weeks. Today's winter wheat crop conditions are expected to be unchanged at 48%. July Chicago prices have remained inside last Thursday's trading range and Black Sea weather is providing support on breaks. Some pockets of excess rain in the southern Plains may be seen over the next 10 days but minimal crop damage is expected. A move above 701 on July Chicago could spark a resumption of the recent rally. On the other hand, if prices fall below 673, the technical picture would point to a further pullback.

The Export Sales Report showed that for the week ending May 23, net wheat sales came in at -60,870 tonnes (cancelations) for the current marketing year and 381,695 for the next marketing year for a total of 320,825. Cumulative sales have reached 89.5% of the USDA forecast for the 2023/2024 marketing year versus a 5 year average of 95.6%. Sales need to average 155,000 tonnes per week to reach the USDA forecast.

TODAY'S MARKET IDEAS:

Black Sea crop stress is boosting prices to start the week and key resistance stands at 701 on July Chicago. If prices fail to hold last week's low of 673, the technical outlook would turn bearish and point to the potential for a test of the 50% pullback of the May rally at 657 on July. A close above 701 could restart the recent rally.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

Commitment of Traders - Futures and Options - 5/21/2024 - 5/28/2024

Grains	Non-Commercial		Commercial	Non-Reportable		
	Net Position	Weekly Net Change			Net Position	Weekly Net Change
KC Wheat	-2,935	+6,226	11,506	-4,886	-8,572	-1,340
Wheat	-17,268	+2,264	25,420	-3,321	-8,152	+1,058

WHEAT TECHNICAL OUTLOOK:

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WHEAT (JUL) 06/03/2024: Stochastics trending lower at midrange will tend to reinforce a move lower especially if

support levels are taken out. The market's close below the 9-day moving average is an indication the short-term trend remains negative. The market's close below the pivot swing number is a mildly negative setup. The next downside objective is now at 663. The next area of resistance is around 687 1/4 and 698 1/4, while 1st support hits today at 669 3/4 and below there at 663.

KC WHEAT (JUL) 06/03/2024: Momentum studies trending lower at mid-range could accelerate a price break if support levels are broken. The close over the pivot swing is a somewhat positive setup. The next downside objective is 693 1/4. The next area of resistance is around 720 1/2 and 731 1/2, while 1st support hits today at 701 1/2 and below there at 693 1/4.

MINN WHEAT (JUL) 06/03/2024: Momentum studies trending lower at mid-range could accelerate a price break if support levels are broken. The close below the 9-day moving average is a negative short-term indicator for trend. The downside closing price reversal on the daily chart is somewhat negative. The market tilt is slightly negative with the close under the pivot. The next downside objective is 725. The next area of resistance is around 748 1/4 and 759, while 1st support hits today at 731 1/4 and below there at 725.

RICE (JUL) 06/03/2024: Momentum studies are still bearish but are now at oversold levels and will tend to support reversal action if it occurs. The close below the 9-day moving average is a negative short-term indicator for trend. The outside day down and close below the previous day's low is a negative signal. The swing indicator gave a moderately negative reading with the close below the 1st support number. The next downside objective is 17.459. Some caution in pressing the downside is warranted with the RSI under 30. The next area of resistance is around 17.807 and 18.008, while 1st support hits today at 17.533 and below there at 17.459.

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										
CNAN24	446 1/4	34.17	40.85	32.28	17.74	453.19	457.92	460.28	453.08	452.35
CNAZ24	467	30.95	38.33	32.15	16.12	475.50	480.81	483.24	476.63	475.37
SSAN24	1205	40.28	45.91	47.42	28.42	1214.56	1230.67	1226.08	1201.14	1202.56
SSAX24	1184 1/2	35.35	42.84	43.13	23.96	1195.44	1207.25	1207.39	1188.51	1187.68
SMAN24	364.7	43.48	48.50	38.88	23.32	368.50	373.53	373.13	356.37	352.76
BOAN24	45.52	53.77	51.90	70.81	71.29	45.66	45.64	44.89	45.66	46.39
WHAN24	678 1/2	53.99	58.75	71.18	61.46	688.13	691.89	674.69	621.78	605.85
WHAZ24	723 1/2	55.68	60.46	72.88	63.85	731.88	734.50	718.13	664.18	646.62
RCAN24	17.670	29.24	37.40	13.73	5.53	17.86	18.27	18.56	18.24	18.13
KWAN24	711	59.64	61.67	75.47	68.70	717.31	711.00	690.54	637.33	621.80
MWAN24	739 3/4	55.75	59.08	73.98	66.85	747.81	744.72	732.15	694.51	686.51
OTAN24	387 1/2	57.61	56.36	25.81	29.64	383.69	374.89	387.83	366.08	363.65

Calculations based on previous session. Data collected 05/31/2024
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						
CNAN24	Corn	439 3/4	442	448	450 1/2	456 1/4
CNAZ24	Corn	460 1/4	462 3/4	468 3/4	471 1/4	477 1/4
SSAN24	Soybeans	1188	1194 1/2	1209	1215 1/2	1230
SSAX24	Soybeans	1169 1/4	1175	1188 1/4	1194	1207 1/4
SMAN24	Soymeal	357.6	360.8	365.4	368.6	373.2
BOAN24	Soybean Oil	44.47	44.90	45.71	46.14	46.95
WHAN24	Wheat	662 3/4	669 1/2	680 1/2	687 1/2	698 1/4
WHAZ24	Wheat	709	715 1/4	725 1/2	731 3/4	742
RCAN24	Rice	17.458	17.532	17.733	17.807	18.008
KWAN24	KC Wheat	693	701 1/2	712 1/4	720 1/2	731 1/2
MWAN24	MINN Wheat	725	731 1/4	742	748 1/4	759
OTAN24	Oats	379	384	385 3/4	391	392 1/2

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