



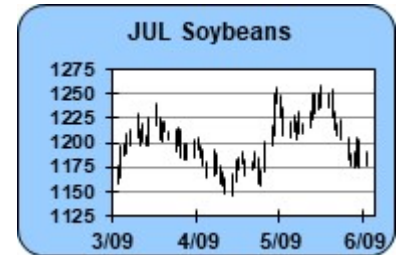
## DAILY GRAINS COMMENTARY Tuesday June 11, 2024

### DAILY SOY COMPLEX COMMENTARY 6/11/2024

#### 1st conditions report shows best start since 2018

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

**OVERNIGHT DEVELOPMENTS:** Soybeans (JUL 24) prices overnight are down -3 3/4; Soymeal (JUL 24) up 0.30; and Soyoil (JUL 24) down -0.23. Soybean open interest as of April 8 was down 7,541 contracts, soymeal down 5,538 contracts, and soybean oil down 6,162. Chinese Dalian (SEP 24) Soybeans down 0.09%, Soymeal down 0.60%, Soyoil down 0.68%, Palm oil down 1.61%. Malaysian Palm was up 0.36%.



**NEAR-TERM MARKET FUNDAMENTALS:** Traders are biding their time waiting for tomorrow morning's USDA supply/demand report for June to offer a fundamental update and potential cut to Brazil bean production. Price action has been choppy since the start of the month and that will likely continue today. The USDA June report typically takes a backseat to the more important quarterly stocks and acreage report at the end of June and major changes are not expected. Reuters pre-report estimates for 2023/24 US ending stocks are 346 million bushels, up from 340 in May and 2024/25 is expected at 448 million bushels up from 445 in May. World ending stocks are expected slightly lower from last month. Brazil beans are expected to be cut to 152 million, down 2 million tonnes from May and Argentina's crop is expected to stay near May's 50 million tonne number. LSEG lowered their Brazil production to 150.1 million tonnes and Argentina 49.4 million. Brazil's Finance Minister said the government would need to make significant cuts in other areas if last week's tax reform package gets voted down by lawmakers. The 1st bean condition report of the season showed good/excellent conditions right on the guesses at 72%, compared to last year's 59% on this date and the best start for the crop since 2018. Planting progress was 87% compared to 89% anticipated and 84% average. The 1-5 day outlook shows rains isolated to northern Iowa, Minnesota and northern Illinois with temperatures rising in the eastern belt to above normal levels in the 6-10 day and spreading west to cover all of the corn belt and the 8-14 day. NOPA's weekend upward revision of their previous April crush number supported meal on Monday. With warmer temps on the way, US crops should stay in very good shape through the end of next week, but conditions may begin to deteriorate somewhat beyond that if above normal temperatures in the 8 to 14 day forecast continue beyond that timeframe. However, no heat dome of doom is in the forecast which means sustaining rallies may be difficult.

Soybean export inspections for the week ending June 6 came in at 231,002 metric tonnes. Cumulative inspections year-to-date are 40,538,570 metric tonnes which is 17.0% below last year. This is 87.6% of the USDA's forecast for the 2023-24 marketing year versus the five year average of 83.6%.

Soybeans planted as of June 09 was up 9% at 87%. This is down 8% versus last year and up 1% versus the 10 year average. The top producing states report Illinois 87%(+6%), Iowa 92%(+8%), Minnesota 87%(+7%), Indiana 89%(+8%), Ohio 88%(+9%).

Soybeans rated good / excellent (G/EX) as of June 09 was 72% and poor / very poor was 4%. Current G/EX is up 3% versus the 10 year average and Poor / Very Poor is down 1% versus the 10 year average.

#### TODAY'S MARKET IDEAS:

As expected, the 1st condition report shows a very highly rated crop, the best start in 6 years. Above normal temperatures are on the way for all the Midwest by late next week but that will likely be ideal for the crop unless it extends into the 2nd half of June, due to the surplus soil moisture in most areas. The range-bound trade of the last week is bounded by 1204 1/2 on the upside and 1174 on the lower boundary on July futures. Technical

indicators are in oversold territory but have not yet given a buy signal.

**NEW RECOMMENDATIONS:**

None.

**PREVIOUS RECOMMENDATIONS:**

None

**SOYBEAN COMPLEX TECHNICAL OUTLOOK:**

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SOYBEANS (JUL) 06/11/2024: Momentum studies are declining, but have fallen to oversold levels. The market's close below the 9-day moving average is an indication the short-term trend remains negative. With the close higher than the pivot swing number, the market is in a slightly bullish posture. The next downside target is 1170 1/2. The next area of resistance is around 1195 3/4 and 1200 3/4, while 1st support hits today at 1180 3/4 and below there at 1170 1/2.

SOYBEAN OIL (JUL) 06/11/2024: 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 daily closing price reversal up is a positive indicator that could support higher prices. It is a slightly negative indicator that the close was under the swing pivot. The next downside objective is now at 42.79. The next area of resistance is around 44.06 and 44.38, while 1st support hits today at 43.26 and below there at 42.79.

SOYMEAL (JUL) 06/11/2024: The cross over and close above the 40-day moving average is an indication the longer-term trend has turned positive. 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 positive signal for trend short-term was given on a close over the 9-bar moving average. The market setup is supportive for early gains with the close over the 1st swing resistance. The near-term upside target is at 375.4. Short-term indicators suggest buying pullbacks today. The next area of resistance is around 372.5 and 375.4, while 1st support hits today at 363.5 and below there at 357.3.

**DAILY CORN COMMENTARY**

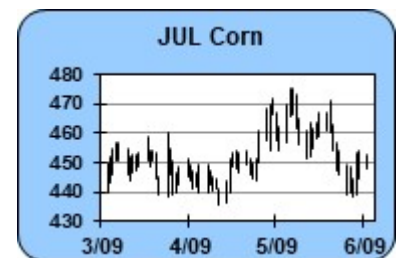
6/11/2024

**Temps rising across Midwest over the next 2 weeks**

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

**CORN** +0.2

**OVERNIGHT DEVELOPMENTS:** Corn (JUL 24) prices overnight are up 1. Corn open interest as of April 8 was down 20,174 contracts. Chinese Dalian (SEP 24) Corn was up 0.24%.



**NEAR-TERM MARKET FUNDAMENTALS:** Tomorrow's USDA supply/demand report for June is not expected to be a major market mover but we could see increases in US ethanol and exports and expectations are for slightly lower old and new crop carryouts. Reuters average pre-report guess for 2023/24 ending stocks is 2.009 billion bushels, down from 2.022 in May and 2024/25 is expected 2.079 billion, down from 2.102 billion last month. World ending stocks are expected to increase slightly. The leafhopper issues in Argentina have traders thinking USDA will cut the Argentine crop to 51 million tonnes from 53 in May and Brazil corn is also expected to be cut 1 million tonnes from May to 121 million due to late season safrinha dryness. Corn conditions were expected to be around

74% good/excellent and came in at 74%, down 1% from last week. Planting progress was 95%, compared to 96% estimates. Weekly export inspections were once again at the very top of the range of guesses and just slightly below last week's strong number, highlighting the recent strong shipment pace. AgRural says Brazil's safrinha harvest is 10.4% complete, the fastest pace for this point of the year since 2014. Interestingly, despite the speedy pace, Brazil interior basis bids have rallied lately. Brazil farmers appear to have shut the bin door after the announcement of the new tax structure last week. APK -Inform lowered Ukraine's estimated corn production 4.2 million tonnes to 26.77 million, very close to the USDA's 27 million. Over the next week, US Midwest precipitation looks limited to northern Illinois, Minnesota and northern Iowa. Temperatures in the Eastern corn belt will be moving to above normal levels in the 6 to 10 day and cover the entire Midwest and the 8 to 14 day timeframe. Crops have surplus moisture in most areas and should be able to deal with a drier pattern and some heat unless it extends beyond upcoming 2-week period. July prices are hovering right near the 100 and 200-day moving averages and should find support from a turn up in technical indicators from oversold levels late last week. We look for prices to test resistance at 462 and possibly 478 on July if tomorrow's USDA report holds any bullish surprise.

Corn export inspections for the week ending June 6 came in at 1,339,849 metric tonnes. Cumulative inspections year-to-date are 39,123,347 metric tonnes which is 25.8% above last year. This is 71.6% of the USDA's forecast for the 2023-24 marketing year versus the five year average of 71.6%.

Corn planted as of June 09 was up 4% at 95%. This is down 3% versus last year. The top producing states report Iowa 98%(+5%), Illinois 93%(+4%), Nebraska 98%(+2%), Minnesota 96%(+3%), Indiana 94%(+7%).

Corn rated good / excellent (G/EX) as of June 09 was down 1% at 74% and poor / very poor was up 1% at 5%. Current G/EX is up 4% versus the 10 year average and Poor / Very Poor is down 1% versus the 10 year average. Of the 18 reported states 6 reported better, 10 worse, and 2 unchanged G/EX ratings. The good / excellent ratings for the top producing states were: Iowa 73%(0%), Illinois 74%(+2%), Nebraska 84%(+4%), Minnesota 74%(-4%), Indiana 71%(0%).

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

Another sharp open interest drop of 19,000 contracts in corn yesterday and combined with Friday's drop of 23,000 contracts is a clear indication that shorts are exiting as heat is expected to move into the Midwest over the next 2 weeks. Barring a bearish surprise in tomorrow's USDA report, prices may build on the short-term technical buy signal given late last week and we give the edge to the bull camp heading into tomorrow's report. Pullbacks continue to look like a buying opportunity.

#### **NEW RECOMMENDATIONS:**

None.

#### **PREVIOUS RECOMMENDATIONS:**

None.

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

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CORN (JUL) 06/11/2024: 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. The market has a slightly positive tilt with the close over the swing pivot. The near-term upside objective is at 456. The next area of resistance is around 454 1/4 and 456, while 1st support hits today at 449 1/4 and below there at 446.

CORN (DEC) 06/11/2024: Daily stochastics are showing positive momentum from oversold levels, which should reinforce a move higher if near term resistance is taken out. The close above the 9-day moving average is a positive short-term indicator for trend. It is a mildly bullish indicator that the market closed over the pivot swing number. The near-term upside target is at 472. The next area of resistance is around 470 and 472, while 1st

support hits today at 466 1/2 and below there at 464 3/4.

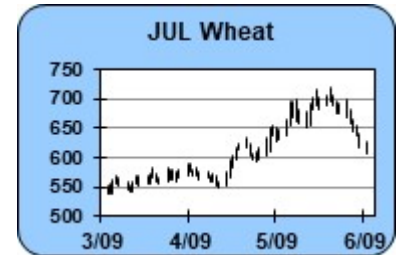
## DAILY WHEAT COMMENTARY

6/11/2024

### US harvest reports finding better yields than expected

**OVERNIGHT CHANGES THROUGH 6:06 AM (CT):**  
**WHEAT** +0.15

**OVERNIGHT DEVELOPMENTS:** Chicago wheat (JUL 24) prices overnight are down -1/2; Kansas City (JUL 24) down -4; and Minneapolis (JUL 24) up 1 3/4. MATIF Milling Wheat(SEP 24) was up 0.3%. Chicago wheat open interest as of April 8 was down 5,377 contracts and Minneapolis wheat was down 4,244 contracts.



**NEAR-TERM MARKET FUNDAMENTALS:** Price action remains very weak after the 9th consecutive lower close yesterday and as US harvest moves north from Oklahoma into Kansas, most are reporting very good test weights and average to better-than-expected yields. Southern tier counties in south-central Kansas are 20% harvested. Tomorrow's USDA supply/demand report is expected to show unchanged old crop wheat ending stocks and 2024/25 carryout is expected to be raised to 778 million bushels, up from 766 last month. All wheat production is expected to rise to 1.880 billion bushels, up from 1.858 last month. Winter wheat conditions came in at 47% good/excellent, compared to expectations of 49%. Harvest was 12% done, compared to 13% expected and 6% average. Weekly export inspections were in the lower half of the range of guesses and below last week. Showers are expected to ease Ukraine's dryness over the next 10 days and one third of Russia's crop area will remain under stress. IKAR says Russian wheat export prices are \$242 a tonne down \$6 from last week. SovEcon says Russian spring wheat planting is 10.4 million hectares, compared to 13.3 million at this time last year and lowered their expected June Russian wheat exports to 3.8 million tonnes, down from 4.4 million in May. Egypt's GASC tendering for wheat and Ukraine prices are expected to be the cheapest. US harvest pressure and better-than-expected yields continue to favor the bear camp. However, prices are moving well into oversold territory and Chicago July is so far holding 100-day moving average support at 604. A breach of that level could push the market down to next major support at 589. Prices need a technical turn higher to offset the harvest bearishness.

Wheat export inspections for the week ending June 6 came in at 352,202 metric tonnes. Cumulative inspections year-to-date are 296,616 metric tonnes which is 6.9% below last year. This is 1.4% of the USDA's forecast for the 2024-25 marketing year versus the five year average of 0.8%.

Winter Wheat harvested as of June 09 was up 6% at 12%. This is up 5% versus last year and up 4% versus the 10 year average. The top producing states report Kansas 5%(+5%), Washington 0%(0%), Montana 0%(0%), Illinois 6%(+6%), Idaho 0%(0%).

Winter Wheat rated good / excellent (G/EX) as of June 09 was down 2% at 47% and poor / very poor was up 1% at 19%. Current G/EX is up 1% versus the 10 year average and Poor / Very Poor is down 5% versus the 10 year average. Of the 18 reported states 8 reported better, 8 worse, and 2 unchanged G/EX ratings. The good / excellent ratings for the top producing states were: Kansas 32%(-2%), Washington 46%(-2%), Montana 43%(-6%), Illinois 77%(+4%), Idaho 73%(+5%).

Spring Wheat planted as of June 09 was up 4% at 98%. This is up 2% versus last year. The top producing states report North Dakota 97%(+6%), Minnesota 99%(+1%), Montana 97%(+3%), South Dakota 100%(0%), Idaho 100%(0%).

Spring Wheat rated good / excellent (G/EX) as of June 09 was down 2% at 72% and poor / very poor was up 1% at 3%. Current G/EX is up 6% versus the 10 year average and Poor / Very Poor is down 4% versus the 10 year average. Of the 6 reported states 3 reported better, 3 worse, and 0 unchanged G/EX ratings. The good / excellent ratings for the top producing states were: North Dakota 79%(-3%), Minnesota 74%(-6%), Montana 61%(+8%), South Dakota 68%(-18%), Idaho 77%(+5%).

**TODAY'S MARKET IDEAS:**

Strong test weights and yields as US harvest moves north into Kansas is a major headwind for prices. In addition, some expected showers in the Black Sea areas have pushed Russian export prices back down after the recent rally. While July Chicago has held the 100-day moving average at 604 so far, we can't rule out a move down to next major support at 589 if prices break support. Technical indicators are oversold but have yet to turn higher. The edge remains with the bear camp.

**NEW RECOMMENDATIONS:**

None.

**PREVIOUS RECOMMENDATIONS:**

None.

**WHEAT TECHNICAL OUTLOOK:**

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WHEAT (JUL) 06/11/2024: The close under the 60-day moving average indicates the longer-term trend could be turning down. 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 swing indicator gave a moderately negative reading with the close below the 1st support number. The next downside objective is now at 591 1/2. The market is approaching oversold levels on an RSI reading under 30. The next area of resistance is around 617 3/4 and 632 3/4, while 1st support hits today at 597 1/4 and below there at 591 1/2.

KC WHEAT (JUL) 06/11/2024: The market back below the 40-day moving average suggests the longer-term trend could be turning down. The moving average crossover down (9 below 18) indicates a possible developing short-term downtrend. Momentum studies are declining, but have fallen to oversold levels. The market's short-term trend is negative as the close remains below the 9-day moving average. The market is in a bearish position with the close below the 2nd swing support number. The next downside target is now at 625 1/2. The market is approaching oversold levels on an RSI reading under 30. The next area of resistance is around 654 3/4 and 671 1/2, while 1st support hits today at 631 3/4 and below there at 625 1/2.

MINN WHEAT (JUL) 06/11/2024: The market back below the 60-day moving average suggests the longer-term trend could be turning down. Momentum studies are declining, but have fallen to oversold levels. The close below the 9-day moving average is a negative short-term indicator for trend. The market is in a bearish position with the close below the 2nd swing support number. The next downside target is 658 1/2. Some caution in pressing the downside is warranted with the RSI under 30. The next area of resistance is around 685 3/4 and 700 3/4, while 1st support hits today at 664 3/4 and below there at 658 1/2.

RICE (JUL) 06/11/2024: The close under the 60-day moving average indicates the longer-term trend could be turning down. 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 market setup is somewhat negative with the close under the 1st swing support. The next upside target is 18.487. The next area of resistance is around 18.044 and 18.487, while 1st support hits today at 17.395 and below there at 17.188.

**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	451 3/4	49.60	48.85	24.03	30.19	447.94	447.56	453.94	452.94	451.84
CNAZ24	468 1/4	43.11	44.04	18.67	22.41	466.00	467.28	475.63	475.54	474.73
SSAN24	1188 1/4	42.37	44.41	16.55	14.04	1186.19	1193.00	1213.44	1199.62	1201.17

SSAX24	1158 3/4	34.04	38.08	14.88	12.90	1158.50	1169.44	1190.13	1185.28	1185.90
SMAN24	368.0	52.98	52.65	19.19	22.67	362.75	362.56	368.64	359.67	354.74
BOAN24	43.66	41.58	43.43	33.00	23.45	43.69	44.41	44.81	44.97	45.98
WHAN24	607 1/2	22.08	33.89	23.38	9.54	630.31	656.06	669.97	631.03	614.76
WHAZ24	659	22.96	35.10	24.77	10.04	679.69	703.14	714.81	674.58	657.08
RCAN24	17.720	41.34	42.88	19.31	25.14	17.89	17.78	18.23	18.41	18.10
KWAN24	643 1/4	28.72	39.40	33.40	17.12	665.94	687.67	692.22	651.07	631.68
MWAN24	675 1/4	21.53	32.26	25.41	9.80	697.25	720.00	728.22	702.34	690.60
OTAN24	333 1/2	25.42	32.17	13.91	8.04	348.25	365.67	369.78	367.78	363.18

Calculations based on previous session. Data collected 06/10/2024  
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	446	449 1/4	451	454 1/4	456
CNAZ24	Corn	464 3/4	466 1/2	468 1/2	470	472 1/4
SSAN24	Soybeans	1170 1/2	1180 1/2	1185 3/4	1196	1201
SSAX24	Soybeans	1147 1/2	1153 1/2	1158 1/4	1164	1169
SMAN24	Soymeal	357.2	363.4	366.3	372.5	375.4
BOAN24	Soybean Oil	42.78	43.26	43.58	44.06	44.38
WHAN24	Wheat	591 1/4	597	612	618	632 3/4
WHAZ24	Wheat	645	650 1/4	662 1/2	667 3/4	680
RCAN24	Rice	17.187	17.394	17.837	18.044	18.487
KWAN24	KC Wheat	625 1/2	631 3/4	648 1/2	654 3/4	671 1/2
MWAN24	MINN Wheat	658 1/2	664 1/2	679 3/4	686	701
OTAN24	Oats	321	325 1/4	337 1/2	341 3/4	354

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