



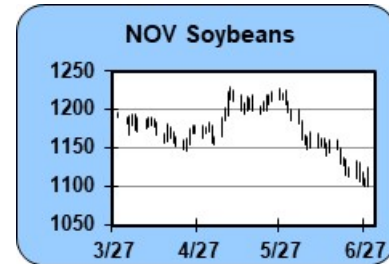
## DAILY GRAINS COMMENTARY Monday July 01, 2024

### DAILY SOY COMPLEX COMMENTARY 7/1/2024

**On farm bean stocks up 44% from year ago**

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

**OVERNIGHT DEVELOPMENTS:** Soybeans (NOV 24) prices overnight are down -1 1/4; Soymeal (DEC 24) down -2.80; and Soyoil (DEC 24) up 0.82. Soybean open interest as of June 28 was up 21,689 contracts, soymeal up 228 contracts, and soybean oil up 4,582. Chinese Dalian (SEP 24) Soybeans up 0.09%, Soymeal down 0.36%, Soyoil up 0.64%, Palm oil up 1.62%. Malaysian Palm was up 1.74%.



**NEAR-TERM MARKET FUNDAMENTALS:** Friday's USDA quarterly stocks and acreage report reinforced the bearish supply situation with quarterly stocks slightly above guesses, while acreage was 410,000 acres below the March intentions and 650,000 below the pre-report estimates. Unfortunately, for the bull camp the acreage cut was not enough to offset the fact that current favorable US Midwest weather is likely to result in a significant jump in ending stocks year-over-year. In addition, on farm bean stocks were up 44% from last year while off farm was up 6%. The USDA did make a special note that there were 12.76 million bean acres left to plant at the time the survey was conducted. The bottom line is despite the slightly lower acreage, a significant weather issue in the US is needed for any sustained rally. The 1 to 5 day forecast has rain chances across northern Missouri, Iowa and Wisconsin and the 6 to 10 day outlook has below normal temperatures for all of the central and western Midwest with precipitation normal. Rains are moving across Nebraska and eastern Kansas this morning. NASS crush will be out at 2 PM central time today and the pre-report estimate is 193.85 million bushels, compared to 189.3 last year. Bean oil stocks are expected to 2.214 billion pounds, down from 2.386 year ago. Commitment of Traders data showed managed Money added 24,000 contracts to their short position, which hit an 8-week high and the largest net short for this date in history. The speculative net short in bean oil hit a 6 year high. The International Grains Council estimated 2024/25 global bean production up 1 million tonnes to 415 million tonnes, up 23 million tonnes from 2023/24. EIA data showed US renewable diesel operable capacity jumped 15% in April to 4.129 million gallons per year. China demand in July is expected to improve due to lower prices and worries Trump may return to office with a tougher stance on China. Friday's post-report bean rally did not hold and the trend remains lower. Technical indicators remain oversold, and a short covering bounce is due, although a bullish spark is lacking. Prices may drift lower today on the favorable US weather outlook. Resistance on November futures is 1118 and 1133. Close in support is 1092.

Soybeans positioning in the Commitments of Traders for the week ending June 25th showed Managed Money traders are net short 129,663 contracts after net selling 23,693 contracts. CIT traders are net long 115,301 contracts after net selling 1,997 contracts. Non-Commercial No CIT traders net sold 25,474 contracts and are now net short 139,294 contracts. Non-Commercial & Non-Reportable traders were net short 147,429 contracts after increasing their already short position by 22,108 contracts.

The Commitments of Traders report for the week ending June 25th showed Soymeal Managed Money traders reduced their net long position by 11,912 contracts to a net long 87,367 contracts. CIT traders net sold 1,344 contracts and are now net long 110,423 contracts. Non-Commercial No CIT traders were net long 55,184 contracts after decreasing their long position by 8,928 contracts. Non-Commercial & Non-Reportable traders net sold 17,160 contracts and are now net long 102,956 contracts.

The Commitments of Traders report for the week ending June 25th showed Soyoil Managed Money traders

added 23,510 contracts to their already short position and are now net short 108,483. CIT traders were net long 120,921 contracts after decreasing their long position by 3,082 contracts. Soyoil Non-Commercial No CIT traders hit a new extreme short of 113,829 contracts. Non-Commercial No CIT traders net sold 21,622 contracts and are now net short 113,829 contracts. Soyoil Non-Commercial & Non-Reportable traders hit a new extreme short of 83,273 contracts. Non-Commercial & Non-Reportable traders were net short 83,273 contracts after increasing their already short position by 28,654 contracts.

**TODAY'S MARKET IDEAS:**

The initial post-report rally on the lower acreage number was quickly rejected once the stocks number came out slightly above expectations and prices ended Friday closing at the lower end of the daily range. Technicals are showing no sign of a low yet, although indicators are oversold. US weather looks mostly favorable with no extreme heat in the major growing states over the next 10 days. November prices are likely to remain under pressure today. Look for support on November futures at 1092. Nearby resistance 1118 and 1133.

**NEW RECOMMENDATIONS:**

None.

**PREVIOUS RECOMMENDATIONS:**

None

Commitment of Traders - Futures and Options - 6/18/2024 - 6/25/2024						
	Non-Commercial		Net Position	Commercial		Non-Reportable
	Net Position	Weekly Net Change		Weekly Net Change	Net Position	
<b>Grains</b>						
Soybeans	-135,949	-29,015	147,430	+22,108	-11,480	+6,907
Soymeal	90,361	-10,254	-102,957	+17,160	12,595	-6,906
Soyoil	-84,638	-23,242	83,273	+28,654	1,365	-5,412

**SOYBEAN COMPLEX TECHNICAL OUTLOOK:**

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SOYBEANS (AUG) 07/01/2024: Daily stochastics declining into oversold territory suggest the selling may be drying up soon. The close below the 9-day moving average is a negative short-term indicator for trend. The outside day down is somewhat negative. The market tilt is slightly negative with the close under the pivot. The next downside objective is 1113 1/4. The next area of resistance is around 1146 and 1163 1/4, while 1st support hits today at 1121 and below there at 1113 1/4.

SOYBEAN OIL (DEC) 07/01/2024: Stochastics are at mid-range but trending higher, which should reinforce a move higher if resistance levels are taken out. A negative signal for trend short-term was given on a close under the 9-bar moving average. The market has a slightly positive tilt with the close over the swing pivot. The near-term upside target is at 44.50. The next area of resistance is around 44.15 and 44.50, while 1st support hits today at 43.43 and below there at 43.05.

SOYMEAL (DEC) 07/01/2024: 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. A negative signal was given by the outside day down. The market setup is somewhat negative with the close under the 1st swing support. The next downside objective is 330.0. The market is approaching oversold levels on an RSI reading under 30. The next area of resistance is around 339.0 and 344.4, while 1st support hits today at 331.9 and below there at 330.0.

# DAILY CORN COMMENTARY

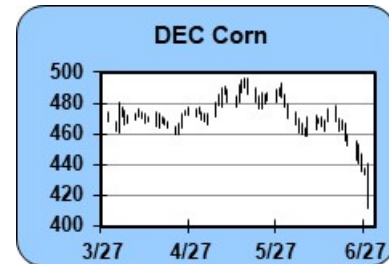
7/1/2024

## Managed Money net shorts highest for this date in history

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

CORN -0.2

**OVERNIGHT DEVELOPMENTS:** Corn (DEC 24) prices overnight are down -1 3/4. Corn open interest as of June 28 was down 1,191 contracts. Chinese Dalian (SEP 24) Corn was down 0.76%.



**NEAR-TERM MARKET FUNDAMENTALS:** Friday's USDA report did not offer anything for the bull camp and prices accelerated lower.

USDA's June survey indicated farmers planted 1.5 million more corn acres than the March intentions report suggested, and quarterly stocks were higher than the estimates as well, giving the market dual bearish numbers to contend with and unsurprisingly, prices broke sharply. Friday's trading volume was the highest since February 2022. In further bearish news, USDA reported on farm corn stocks up 37% from a year ago to 3.03 billion bushels, the highest in 25 years. USDA did make a note that at the time of the survey there were 3.356 million acres left to plant. Iowa, Minnesota and Nebraska small saw 250,000 - 300,000 acre gains and Kansas was up 600,000 acres. Rains are moving across Nebraska and eastern Kansas morning and the 1 - 5 day forecast has additional chances for northern Missouri, Iowa and Wisconsin. Temperatures in the 6 - 10 day timeframe are expected to be below normal for nearly all the Midwest except for the far eastern belt. Precipitation is expected normal. Commitment of Traders data showed Managed Money significantly increased their net shorts by over 86,000 contracts to 277,666 net shorts, a 10-week high and the largest speculative short for this date in history. The bear camp seems unconcerned with the unusually large speculative short due to the generally favorable US weather outlook. Monsoon rains in Mexico are beginning to ease the drought there. The upper Mississippi has reached the flood stage in some areas but the lack of a major export program at the US Gulf reduces the concerns. December corn plummeted through support on Friday on heavy volume and hit its lowest point since May 26 of 2021. A final low in corn will likely come on a capitulation break that results in significant liquidation of long positions. However, open interest only dropped 1191 contracts Friday, which is a bit of a surprise and may mean prices need to go lower still to flush out additional long speculative positions. Look for next support at 405 on December and resistance will be seen on a rally to 429.

The June 25th Commitments of Traders report showed Corn Managed Money traders added 86,204 contracts to their already short position and are now net short 277,666. CIT traders are net long 249,121 contracts after net selling 17,343 contracts. Non-Commercial No CIT traders were net short 239,254 contracts after increasing their already short position by 76,621 contracts. Non-Commercial & Non-Reportable traders are net short 239,000 contracts after net selling 80,704 contracts.

### TODAY'S MARKET IDEAS:

A favorable US weather outlook and a bearish USDA report Friday means the market is likely to stay under pressure to start this holiday week. Technicals are very weak and extremely oversold but there isn't any reason for the bear camp to be nervous about their short positions without a US weather threat. Look for resistance on December futures at 429 with close-in support at 405 and 399.

### NEW RECOMMENDATIONS:

None.

### PREVIOUS RECOMMENDATIONS:

None.

Commitment of Traders - Futures and Options - 6/18/2024 - 6/25/2024							
	Non-Commercial		Net Position	Commercial		Non-Reportable	
	Net Position	Weekly Net Change		Weekly Net Change	Net Position	Weekly Net Change	
Grains							
Corn	-198,781	-85,821	239,000	+80,704	-40,219	+5,117	

## CORN TECHNICAL OUTLOOK:

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CORN (SEP) 07/01/2024: 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. The outside day down is somewhat negative. The defensive setup, with the close under the 2nd swing support, could cause some early weakness. The next downside objective is now at 381 1/2. With a reading under 20, the 9-day RSI indicates the market is extremely oversold. The next area of resistance is around 422 1/4 and 440 1/4, while 1st support hits today at 392 3/4 and below there at 381 1/2.

CORN (DEC) 07/01/2024: 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 and close below the previous day's low is a negative signal. The close below the 2nd swing support number puts the market on the defensive. The next downside objective is 394 3/4. Selling may soon dry up since the RSI is under 20 indicating the market is extremely oversold. The next area of resistance is around 435 1/4 and 452 1/2, while 1st support hits today at 406 1/4 and below there at 394 3/4.

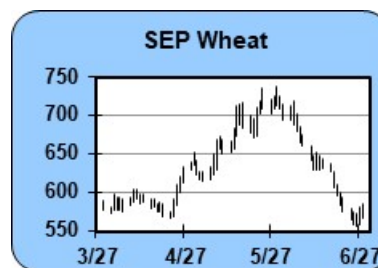
## DAILY WHEAT COMMENTARY

7/1/2024

**US harvest is expected to pass halfway mark**

**OVERNIGHT CHANGES THROUGH 6:06 AM (CT):**  
**WHEAT +0.0**

**OVERNIGHT DEVELOPMENTS:** Chicago wheat (SEP 24) prices overnight are up 1/2; Kansas City (SEP 24) down -1 3/4; and Minneapolis (SEP 24) up 3 1/2. MATIF Milling Wheat(SEP 24) was up 0.9%. Chicago wheat open interest as of June 28 was up 3,108 contracts and Minneapolis wheat was up 2,819 contracts.



**NEAR-TERM MARKET FUNDAMENTALS:** Friday's USDA report was a mixed bag with lower than expected all wheat acreage but higher quarterly stocks than anticipated. Quarterly stocks number was the highest since 2021 and on farm stocks at 139 million bushels were significantly higher than last year's 124 million while off farm stocks were up significantly as well at 563 million bushels, compared to 456 million a year ago. CFTC data showed funds increased their net short position to 70,487 contracts, a 9-week high and the 2nd most bearish in the last 8 years for this date. Saudi Arabia tendered for 595,000 tonnes of wheat late last week, but ended up buying only 235,000 tonnes. French wheat conditions were down 2% last week to 60% good/excellent. SovEcon updated their expected Russian exports to 46.1 million tonnes, compared to 47.8 last month. Overall Russian grain harvest was lowered to 127.4 million tonnes, compared to 144.9 last month. Today's winter wheat harvest progress is expected to pass 50% complete. There were 577 deliveries of Chicago wheat over the weekend. Prior to the report, we had mentioned wheat looked undervalued in our opinion after the significant break since late May. We still hold the same view and expect December Chicago prices will find support on any break back down toward last week's low at 579. The break over the last month has not had any reasonable upside correction.

The Commitments of Traders report for the week ending June 25th showed Wheat Managed Money traders are net short 70,487 contracts after net selling 17,755 contracts. CIT traders reduced their net long position by 1,922 contracts to a net long 83,966 contracts. Non-Commercial No CIT traders added 11,028 contracts to their already short position and are now net short 83,235. Non-Commercial & Non-Reportable traders were net short 53,321 contracts after increasing their already short position by 6,645 contracts.

The Commitments of Traders report for the week ending June 25th showed KC Wheat Managed Money traders were net short 37,072 contracts after increasing their already short position by 8,028 contracts. CIT traders are net long 61,086 contracts after net selling 6,476 contracts. Non-Commercial No CIT traders are net short 46,574 contracts after net buying 1,005 contracts. Non-Commercial & Non-Reportable traders added 10,828 contracts to their already short position and are now net short 39,993.

**TODAY'S MARKET IDEAS:**

Wheat had a relatively tame reaction to Friday's bullish acreage and bearish stocks numbers and now that US harvest is passing the 50%-mark, harvest hedge pressure should begin to fade and wheat is likely to react better to bullish news. Technical indicators were extremely oversold last week and finally turned higher, suggesting a corrective rebound has started. Look for buying support today on any breaks below 585 on December Chicago.

**NEW RECOMMENDATIONS:**

None.

**PREVIOUS RECOMMENDATIONS:**

None.

Commitment of Traders - Futures and Options - 6/18/2024 - 6/25/2024						
	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	-32,582	-6,973	39,993	+10,827	-7,411	-3,855
Wheat	-52,309	-10,684	53,322	+6,646	-1,012	+4,039

**WHEAT TECHNICAL OUTLOOK:**

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WHEAT (SEP) 07/01/2024: 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 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 upside target is 595. Some caution in pressing the downside is warranted with the RSI under 30. The next area of resistance is around 583 1/2 and 595, while 1st support hits today at 563 1/2 and below there at 554 3/4.

KC WHEAT (SEP) 07/01/2024: 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 negative as the close remains below the 9-day moving average. The daily closing price reversal down is a negative indicator for prices. The market's close below the 1st swing support number suggests a moderately negative setup for today. The near-term upside objective is at 611 1/4. With a reading under 30, the 9-day RSI is approaching oversold levels. The next area of resistance is around 598 3/4 and 611 1/4, while 1st support hits today at 575 3/4 and below there at 565.

MINN WHEAT (SEP) 07/01/2024: Rising from oversold levels, daily momentum studies would support higher prices, especially on a close above resistance. The market's close below the 9-day moving average is an indication the short-term trend remains negative. The market could take on a defensive posture with the daily closing price reversal down. The market's close below the pivot swing number is a mildly negative setup. The near-term upside objective is at 631 1/2. With a reading under 30, the 9-day RSI is approaching oversold levels. The next area of resistance is around 621 1/2 and 631 1/2, while 1st support hits today at 604 1/2 and below there at 597 1/4.

RICE (SEP) 07/01/2024: 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. It is a slightly

negative indicator that the close was lower than the pivot swing number. The next downside objective is 15.275. The next area of resistance is around 15.455 and 15.535, while 1st support hits today at 15.325 and below there at 15.275.

## 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>										
CNAU24	407 1/2	16.43	23.18	12.74	9.36	421.81	435.31	445.08	458.42	457.40
CNAZ24	420 3/4	16.00	22.53	12.24	9.68	433.50	447.39	457.38	471.32	470.87
SSAQ24	1133 1/2	33.00	35.74	9.82	7.88	1139.38	1145.19	1160.92	1193.05	1189.13
SSAX24	1104	26.38	29.84	8.89	7.65	1106.81	1117.42	1136.42	1173.63	1172.86
SMAZ24	335.5	28.58	32.82	12.74	8.83	338.78	341.54	348.23	359.48	355.60
BOAZ24	43.79	45.03	44.24	27.70	34.64	43.46	43.86	44.01	44.86	45.38
WHAU24	573 1/2	29.39	31.51	7.00	10.94	568.50	579.31	614.06	652.12	637.05
WHAZ24	597	28.58	30.63	6.71	10.92	591.06	602.47	638.31	676.09	660.94
RCAU24	15.390	40.45	45.27	47.69	35.75	15.45	15.55	15.51	15.48	15.31
KWAU24	587 1/4	26.26	30.28	7.07	9.05	587.25	594.11	631.46	667.17	649.98
MWAU24	613	23.54	25.62	4.31	6.81	609.63	620.22	658.43	703.12	693.50
OTAZ24	323 1/4	36.42	35.80	13.45	18.40	317.94	320.17	339.78	360.69	356.85

Calculations based on previous session. Data collected 06/28/2024

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>						
CNAU24	Corn	381 1/2	392 3/4	411	422 1/4	440 1/2
CNAZ24	Corn	394 1/2	406 1/4	423 1/2	435 1/4	452 1/2
SSAQ24	Soybeans	1113 1/4	1121	1138 1/4	1146	1163 1/4
SSAX24	Soybeans	1083 1/4	1091 1/2	1108 1/4	1116 1/2	1133 1/4
SMAZ24	Soymeal	330.0	331.9	337.2	339.0	344.4
BOAZ24	Soybean Oil	43.04	43.42	43.77	44.15	44.50
WHAU24	Wheat	554 1/2	563 1/2	574 3/4	583 1/2	595
WHAZ24	Wheat	578 1/4	587 1/2	597 1/2	606 1/2	616 3/4
RCAU24	Rice	15.275	15.325	15.405	15.455	15.535
KWAU24	KC Wheat	565	575 1/2	588 1/4	599	611 1/2
MWAU24	MINN Wheat	597	604 1/2	614 1/4	621 1/2	631 1/2
OTAZ24	Oats	309 1/2	316 1/2	323 1/4	330	337

Calculations based on previous session. Data collected 06/28/2024

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