



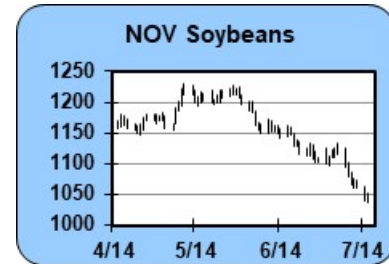
DAILY GRAINS COMMENTARY Wednesday July 17, 2024

DAILY SOY COMPLEX COMMENTARY 7/17/2024

China heavily buying Brazil beans

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

OVERNIGHT DEVELOPMENTS: Soybeans (NOV 24) prices overnight are up 3 3/4; Soymeal (DEC 24) down -0.10; and Soyoil (DEC 24) up 0.12. Soybean open interest as of July 16 was up 2,729 contracts, soymeal up 1,336 contracts, and soybean oil down 284. Chinese Dalian (SEP 24) Soybeans down 0.22%, Soymeal up 1.23%, Soyoil up 0.53%, Palm oil up 1.39%. Malaysian Palm was up 0.25%.



NEAR-TERM MARKET FUNDAMENTALS: Positive price action for the 2nd day in a row, after a string of lower sessions, gives the edge to the bull camp today. US crop weather looks mostly unchanged from yesterday's forecast with 6 to 10 day precipitation below normal for the Western belt and above for the southern and southeastern bean belt. The 8 to 14 day shows a similar pattern and below normal temperatures for the southeast belt. Over the last 24 hours southern Illinois has received some heavy rains with some spots getting 5 - 7 inches. Any extreme heat will remain in the far northwest bean belt. August rains will make or break the bean crop. Traders have been wondering if Trump's chances of winning the presidency have increased due to the assassination attempt and whether China will increase their buying before the election in case of a trade war. An increase in US demand has yet to be seen, however, for the 1st half of July, China has reportedly dramatically increased purchases of Brazilian beans with some sources saying up to 75 cargoes have been bought. Brazil's oilseed group, ABIOVE, increased their 2024 Brazil bean output by 700,000 tonnes to 153.2 million tonnes, compared to USDA last week at 153.0. Meal exports were raised slightly to 21.7 million tonnes from 21.6 last month and ending stocks of beans are now forecast at 4.805 million tonnes up from 4.105 last month. US ag export prices for June were up.6% month over month and year-to-date prices are up.7%. November Bean prices have fallen nearly \$1 a bushel since July 4 and nearly \$2 a bushel since late May and the technical picture is significantly oversold. A short covering bounce may have started yesterday, and 1st retracement resistance is 1074. The market appears to have digested the current weather outlook.

TODAY'S MARKET IDEAS:

Below normal temperatures for the next 2 weeks in most of the Midwest will keep crop stress low, but also may slow maturity. However, the market appears to have digested the current weather and looks ready for a correction rally. Technical indicators for November beans are deeply oversold and we look for 1st retracement resistance at 1074 and support at 1031.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None

SOYBEAN COMPLEX 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.

SOYBEANS (AUG) 07/17/2024: 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. With the close higher than the pivot swing number, the market is in a slightly bullish posture. The next downside target is now at 1069. The next area of resistance is around 1100 1/4 and 1108 1/4, while 1st support hits today at 1080 3/4 and below there at 1069.

SOYBEAN OIL (DEC) 07/17/2024: Momentum studies trending lower at mid-range could accelerate a price break if support levels are broken. The market's short-term trend is negative as the close remains below the 9-day moving average. It is a mildly bullish indicator that the market closed over the pivot swing number. The next downside objective is now at 44.35. The next area of resistance is around 45.28 and 45.71, while 1st support hits today at 44.60 and below there at 44.35.

SOYMEAL (DEC) 07/17/2024: The crossover up in the daily stochastics is a bullish signal. The stochastics indicators are rising from oversold levels, which is bullish and should support higher prices. A negative signal for trend short-term was given on a close under the 9-bar 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 upside objective is 314.1. Some caution in pressing the downside is warranted with the RSI under 30. The next area of resistance is around 312.4 and 314.1, while 1st support hits today at 307.8 and below there at 305.0.

DAILY CORN COMMENTARY

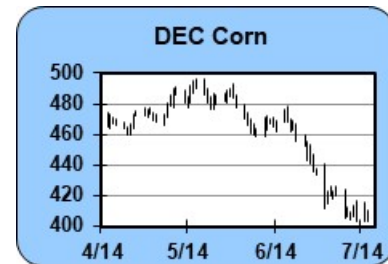
7/17/2024

Bounce expected, fast moving tech indicators turn up

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):

CORN +0.4

OVERNIGHT DEVELOPMENTS: Corn (DEC 24) prices overnight are up 2 3/4. Corn open interest as of July 16 was up 6,485 contracts. Chinese Dalian (SEP 24) Corn was up 0.29%.



NEAR-TERM MARKET FUNDAMENTALS: The corn market is showing some strength this morning after the minor rally yesterday and we give the edge to the bull camp today. Numerous reports of crop damage yesterday from high winds gave a reason for weather bulls to finally buy the break. In addition, heat in the Black Sea corn areas peaks late this week and crops have been under significant stress with Ukrainian authorities saying yields may be down 30% or more due to the weather issues. Ukrainian corn is a key export competitor their export prices have been rising. Any significant reduction to their crop means more demand for South American and US corn. Southern Illinois saw very heavy rains over the last 24 hours and most areas the Midwest will be drying out except for the southeast US, which is favored for rains over the next 10 days. Pollination weather looks to be favorable in most of the Midwest. Temperatures will remain below normal. Ethanol production released later this morning is expected at 1.065 million barrels per day, up from 1.054 last week. Ethanol stocks are expected at 23.712 million barrels, compared to 23.603 last week. A correction rally may have started yesterday and if December can move above last week's highs of 416, a rally to moving average resistance at 426 could be in the cards, especially in light of the fact that Managed Money is so heavily short.

TODAY'S MARKET IDEAS:

Prices are due a correction rally and short-term technical indicators have given a buy signal on December. Although the market seems to have digested the current favorable pollination weather outlook, rally power is likely be limited with crop size ideas still increasing. Nonetheless, with funds holding an all-time record short position, a move above 416 on December futures would point to a short covering rally to moving average resistance at 426 and possibly retracement resistance at 431 1/2.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

CORN TECHNICAL OUTLOOK:

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CORN (SEP) 07/17/2024: The daily stochastics have crossed over up which is a bullish indication. The stochastics indicators are rising from oversold levels, which is bullish and should support higher prices. The market's close below the 9-day moving average is an indication the short-term trend remains negative. The market has a slightly positive tilt with the close over the swing pivot. The next upside objective is 402 3/4. The next area of resistance is around 399 3/4 and 402 3/4, while 1st support hits today at 391 3/4 and below there at 387.

CORN (DEC) 07/17/2024: A bullish signal was given with an upside crossover of the daily stochastics. Daily stochastics are showing positive momentum from oversold levels, which should reinforce a move higher if near term resistance is taken out. The market's short-term trend is negative as the close remains below the 9-day moving average. With the close higher than the pivot swing number, the market is in a slightly bullish posture. The next upside objective is 415 1/2. The next area of resistance is around 412 1/2 and 415 1/2, while 1st support hits today at 405 and below there at 400 1/4.

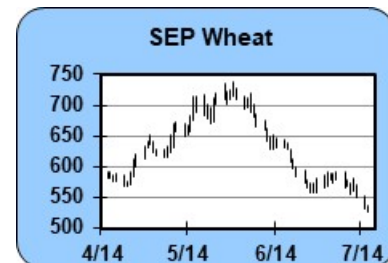
DAILY WHEAT COMMENTARY

7/17/2024

Global tenders indicate better demand as prices fall

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):
WHEAT +0.6

OVERNIGHT DEVELOPMENTS: Chicago wheat (SEP 24) prices overnight are up 2 1/4; Kansas City (SEP 24) up 5; and Minneapolis (SEP 24) up 5 1/2. MATIF Milling Wheat(SEP 24) was up 0.1%. Chicago wheat open interest as of July 16 was up 2,609 contracts and Minneapolis wheat was down 644 contracts.



NEAR-TERM MARKET FUNDAMENTALS: KC and Chicago prices made new contract lows yesterday but have started off today stronger on good global demand seen on the latest price break. Asian buyers have been stepping up to purchase wheat and Egypt bought a significant 770,000 tonnes of mostly Russian wheat in their tender, their largest buy in over 2 years. The tender purchase price was nearly the same as their previous purchase in early July. Egypt also said they will be expanding grain storage from the current 3.4 million tonne capacity to 5 million. EU SRW exports for 2024/25 since July 1st were 788,201 tonnes, compared to 1.50 million tonnes in July year ago, mainly due to Black Sea competition. Russian producers are reporting yields down as much as 38% in the Rostov region where a heatwave has been ongoing. German agriculture cooperative estimates their 2024 crop at 20.20 million tonnes, down 6.2% from last season. The southern Plains are favored for rains over the next 10 days and although harvest has moved onto the northern Plains, the replenishment of moisture is welcome before fall wheat planting. Chicago December technical indicators have not yet turned up yet but may do so on a strong close today. We look for 1st resistance at 579 and expect a rally now that the intense bearish pressure has run its course in corn and beans.

TODAY'S MARKET IDEAS:

Global demand has picked up as prices have fallen and a corrective bounce may be finally ready to begin. The bearish fundamental stats from the USDA late last week may limit the extent of a rally but 1st resistance for December Chicago is 579 with moving average resistance at 592. Volume and open interest do not indicate any capitulation by the longs on this latest break, so a long-term low is unlikely to be in yet.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

WHEAT TECHNICAL OUTLOOK:

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WHEAT (SEP) 07/17/2024: 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. The market tilt is slightly negative with the close under the pivot. The next downside target is 519. Some caution in pressing the downside is warranted with the RSI under 30. The next area of resistance is around 536 3/4 and 543 1/4, while 1st support hits today at 524 3/4 and below there at 519.

KC WHEAT (SEP) 07/17/2024: Daily stochastics declining into oversold territory suggest the selling may be drying up soon. 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 now at 536 1/2. The 9-day RSI under 30 indicates the market is approaching oversold levels. The next area of resistance is around 556 1/4 and 565 3/4, while 1st support hits today at 541 3/4 and below there at 536 1/2.

MINN WHEAT (SEP) 07/17/2024: Momentum studies are declining, but have fallen to oversold levels. 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 now at 567 3/4. The 9-day RSI under 30 indicates the market is approaching oversold levels. The next area of resistance is around 581 and 588 1/2, while 1st support hits today at 570 1/2 and below there at 567 3/4.

RICE (SEP) 07/17/2024: The daily stochastics gave a bearish indicator with a crossover down. 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 market's close below the 1st swing support number suggests a moderately negative setup for today. The next downside target is 14.115. With a reading under 30, the 9-day RSI is approaching oversold levels. The next area of resistance is around 14.595 and 14.875, while 1st support hits today at 14.215 and below there at 14.115.

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										
CNAU24	395 3/4	33.39	32.13	10.86	11.16	397.13	398.61	411.92	442.49	447.66
CNAZ24	408 3/4	32.64	31.25	10.41	10.71	409.63	411.72	424.61	455.36	460.71
SSAQ24	1090 1/2	30.67	32.94	15.55	11.32	1097.63	1123.11	1133.83	1174.69	1180.08
SSAX24	1043 1/4	20.46	24.10	9.75	6.38	1054.06	1079.33	1096.25	1147.75	1157.21
SMAZ24	310.1	20.16	23.79	5.29	5.68	312.00	318.47	328.38	348.60	351.66
BOAZ24	44.94	43.97	46.97	55.46	45.04	45.40	46.48	45.40	45.27	45.21
WHAU24	530 3/4	26.97	29.93	16.64	11.27	546.31	561.53	568.43	633.48	633.51

WHAZ24	555 1/2	26.60	29.41	17.62	11.85	570.69	585.47	591.92	657.09	657.42
RCAU24	14.405	27.47	30.65	9.27	7.39	14.60	14.65	15.04	15.35	15.31
KWAU24	549	29.99	31.90	16.58	14.06	564.31	573.36	581.88	646.78	647.52
MWAU24	575 3/4	23.47	26.35	18.13	9.97	593.19	608.31	612.90	678.29	684.78
OTAZ24	307	36.54	36.57	30.69	30.28	314.31	313.81	316.07	347.71	351.98

Calculations based on previous session. Data collected 07/16/2024
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DAILY SWING STATISTICS

Contract		Support 2	Support 1	Pivot	Resist 1	Resist 2
GRAIN COMPLEX						
CNAU24	Corn	387	391 3/4	395	399 3/4	403
CNAZ24	Corn	400 1/4	405	408	412 1/2	415 3/4
SSAQ24	Soybeans	1068 3/4	1080 1/2	1088 1/2	1100 1/2	1108 1/4
SSAX24	Soybeans	1029 1/4	1036	1044	1050 1/2	1058 3/4
SMAZ24	Soymeal	304.9	307.8	309.5	312.4	314.1
BOAZ24	Soybean Oil	44.35	44.60	45.03	45.28	45.71
WHAU24	Wheat	518 3/4	524 1/2	531	537	543 1/4
WHAZ24	Wheat	544 1/4	549 3/4	555 3/4	561 1/4	567 1/4
RCAU24	Rice	14.115	14.215	14.495	14.595	14.875
KWAU24	KC Wheat	536 1/4	541 1/2	551	556 1/2	565 3/4
MWAU24	MINN Wheat	567 1/2	570 1/2	578	581	588 1/2
OTAZ24	Oats	299 1/2	302	309 1/4	312	319

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