



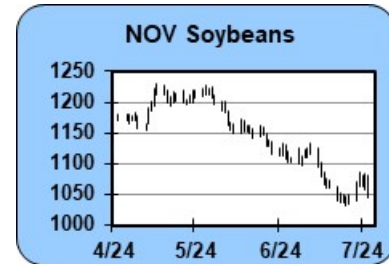
DAILY GRAINS COMMENTARY Thursday August 01, 2024

DAILY SOY COMPLEX COMMENTARY 8/1/2024

Brazil ag machinery sales down 30% in first half 2024

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

OVERNIGHT DEVELOPMENTS: Soybeans (NOV 24) prices overnight are down -3; Soymeal (DEC 24) up 0.70; and Soyoil (DEC 24) down -0.38. Soybean open interest as of July 31 was up 11,516 contracts, soymeal up 1,355 contracts, and soybean oil down 3,991. Chinese Dalian (SEP 24) Soybeans up 0.24%, Soymeal down 0.23%, Soyoil down 0.11%, Palm oil down 0.31%. Malaysian Palm was down 0.95%.



NEAR-TERM MARKET FUNDAMENTALS: The bear camp remains in charge and the market has little bullish news to turn prices higher as favorable pod setting weather is the current trader focus. The 1-5 day forecast has very little precipitation for the Plains but eastern Kansas, Illinois, Southeast Iowa and southern Minnesota all got rain in the last 24 hours. The 6 to 10 and 8 to 14 day forecasts show above normal precipitation moving into the far Western corn belt and normal to below normal temperatures moving into the most of the Midwest, squeezing the heat dome to the far southern corn belt. The bottom line is any crop stress looks to be limited to the Plains. NASS June crush will be out this afternoon with an average guess of 184.8 million bushels, down 3.8% from May but up 5.8% from June of last year. Bean oil stocks are anticipated at 2.081 billion pounds, and if realized would be down 4.8% from May and down 5.5% from June 2023. Our friends at Crushtraders.com are anticipating the crush number to be 184.585 and bean oil stocks at 2.102 billion pounds. NASS also said they will be reviewing their acreage data for grain crops and any update will be included in the August 12th USDA Supply/Demand report. Weekly export sales this morning are expected in a range of 400,000 - 1.2 million tonnes for beans, 250,000 700,000 tonnes for meal and 0-20,000 tonnes for bean oil. Foreshadowing what might be coming for US farmers, low crop prices in Brazil have resulted in Ag machinery sales for the 1st half of 2024 dropping 30% year-over-year. Biodiesel production in May was 143 million gallons, up 9.5 million gallons from April, while renewable diesel production was 198 million gallons and a record for May but well below April's production of 230 million gallons. There were 41 bean deliveries overnight and 15 bean oil. The one bullish item is Ukraine's Grain Association saying their grain and oilseed harvest is likely to be down 2.8 million tonnes 271.8 million and sunflower harvest is expected to drop to 12.8 million tonnes from 14.2 last season. November beans are not showing any sign of a low at this time and market pressure may continue. Look for nearby support on November at 1014 1/2 and then 1006 3/4.

TODAY'S MARKET IDEAS:

Over the last 24 hours, beneficial rains have fallen across the heart of the bean belt and the forecast remains mostly favorable with heat staying in the Plains and cooler temperatures moving into most of the Midwest next week. With a lack of significant threats to the US crop, traders may be raising their yield ideas for the August 12 USDA supply/demand report. Gap resistance on November beans remains at 1045. Look for 1st support at 1014 1/2.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None

SOYBEAN COMPLEX TECHNICAL OUTLOOK:

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SOYBEANS (SEP) 08/01/2024: 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. 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 lower than the pivot swing number. The next downside target is 997 1/2. The next area of resistance is around 1022 3/4 and 1030 1/2, while 1st support hits today at 1006 1/4 and below there at 997 1/2.

SOYBEAN OIL (DEC) 08/01/2024: 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 close below the 9-day moving average is a negative short-term indicator for trend. The market has a slightly positive tilt with the close over the swing pivot. The next upside target is 43.03. The next area of resistance is around 42.71 and 43.03, while 1st support hits today at 41.93 and below there at 41.46.

SOYMEAL (DEC) 08/01/2024: Momentum studies are trending higher from mid-range, which should support a move higher if resistance levels are penetrated. The market back below the 18-day moving average suggests the intermediate-term trend could be turning down. It is a slightly negative indicator that the close was lower than the pivot swing number. The near-term upside target is at 323.9. The next area of resistance is around 319.2 and 323.9, while 1st support hits today at 312.2 and below there at 309.8.

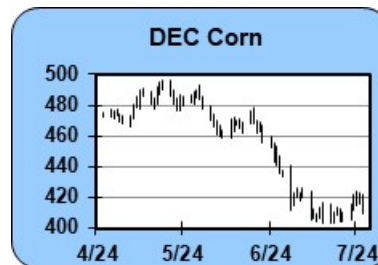
DAILY CORN COMMENTARY

8/1/2024

December corn falls below \$4.00 for 1st time in 4 years

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):
CORN -0.2

OVERNIGHT DEVELOPMENTS: Corn (DEC 24) prices overnight are down -1. Corn open interest as of July 31 was down 3,754 contracts. Chinese Dalian (SEP 24) Corn was up 0.04%.



NEAR-TERM MARKET FUNDAMENTALS: Yesterday, December corn tested the contract low made back in December of 2020 as US growing conditions continue to be mostly favorable and the heart of the Midwest has seen beneficial precipitation this week. High wind reports across Iowa overnight may have done some damage but that was overshadowed by the benefits of the precipitation. Weekly export sales morning are expected in a range of 750,000 - 1.4 million tonnes. NASS said yesterday they will be reviewing all acreage data and make any necessary updates in the August 12 supply/demand report. Since the planting pace was near normal, we don't expect a major change in acreage. Flooding in Iowa and some possible derecho damage could reduce harvested acres somewhat, but the amount will be tough to pin down until this fall. Daily ethanol production came out at an all-time record of 1.109 million barrels per day, slightly above the previous record of 1.108 back in December 2017. Ethanol stocks hit a 10-week high at 23.97 million barrels, compared to the report guess of 23.764. One thing that could finally turn US corn prices higher is less corn export competition from Ukraine. Ukraine's Grain Association says 2024 corn harvest is expected down 8.2% from last year to 23.4 million tonnes and corn exports for 2024/25 are expected to be only 18.5 million tonnes, down from 26 million in 2023/24. Ukraine corn is in its pollination stage and private weather forecasters say half of Black Sea corn areas will continue to endure crop stress. Further Ukraine crop losses could result in stronger demand for US corn this winter. December prices fell below \$4 for the 1st time in 4 years

yesterday and even though prices held contract low support at 395 1/2, there is no technical sign of a low at this time and the bear camp remains in firm control. Look for nearby resistance at 404 and 409.

Ethanol average daily production for the week ending July 26 averaged 1.109 million barrels. This is a new all-time high daily production. The previous high was 1.108 million barrels per day on December 1, 2017. This was up 1.3% from last week and up 3.9% from last year. The 5-year average for this week is 1.023 million barrels per day. Ethanol production for the week was 7.763 million barrels. Ethanol stocks were 23.973 million barrels. This was the highest since May 17. This was up 1.1% from last week and up 4.9% from last year. The 5-year average stocks for this week is 22.745 million barrels. The amount of corn used for the week is estimated at 110.08 million bushels. Cumulative corn use for the crop year has reached 4.856 billion bushels. Corn use needs to average 115.48 million bushels per week to meet the USDA's marketing year forecast of 5.450 billion bushels.

TODAY'S MARKET IDEAS:

No change to the US weather forecast and that is keeping the bearish pressure on the market. Outside of the Plains, corn pollination weather looks to be ideal and crop size ideas are increasing. Key support for December corn is 395 1/2, the contract low from 2020. Look for resistance at 404 and 409. With Managed Money traders likely record short again, a slow grind lower is expected until prices uncover additional demand or crop size ideas begin to plateau.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

CORN TECHNICAL OUTLOOK:

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CORN (SEP) 08/01/2024: The upside crossover of the 9 and 18 bar moving average is a positive signal. Momentum studies are still bearish but are now at oversold levels and will tend to support reversal action if it occurs. 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 downside target is now at 374 3/4. The next area of resistance is around 387 1/2 and 393 3/4, while 1st support hits today at 378 and below there at 374 3/4.

CORN (DEC) 08/01/2024: 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 swing indicator gave a moderately negative reading with the close below the 1st support number. The next downside target is now at 392 1/4. The next area of resistance is around 404 and 409 1/2, while 1st support hits today at 395 1/2 and below there at 392 1/4.

DAILY WHEAT COMMENTARY

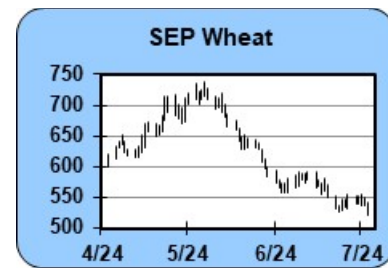
8/1/2024

China stepping up domestic purchases/increasing wheat storage

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):

WHEAT +0.28

OVERNIGHT DEVELOPMENTS: Chicago wheat (SEP 24) prices overnight are up 2 1/2; Kansas City (SEP 24) up 1 1/4; and Minneapolis (SEP 24) up 3. MATIF Milling Wheat(DEC 24) was up 0.7%. Chicago wheat open interest as of July 31 was up 2,035 contracts and Minneapolis wheat was down 164 contracts.



NEAR-TERM MARKET FUNDAMENTALS: Chicago December prices are testing the top of this week's trading range on worries over crop losses in Western Europe, Russia and Ukraine. If you have been watching the Olympics, you may have noticed France has been very wet and that is not what the crop needs at harvest time. In addition, Iran is expected to retaliate against Israel and that may be adding a measure of support under the market as well. Wheat is a staple food of many Middle East countries. Ukraine's wheat harvest is now forecast at 19.8 million tonnes, down from 22 million last year. Wheat exports for Ukraine are expected at only 13 million tonnes for 2024/25, down from 16 million in 23/24. China says they are stepping up purchases of domestic wheat and increasing wheat storage facilities. Weekly export sales this morning are expected in a range of 275,000-600,000 tonnes. India says July rains were 9% above average and they expect August and September precipitation to stay near average or above as well. US SRW is competitive, however, so far, we have seen some global wheat tenders this week but no word on any large US purchases. NASS said today they will be reviewing their acreage data for grain crops and any update will be included in the August 12th USDA Supply/Demand report. Short-term technical indicators and Middle East worries point to a further rally to finish off the week. Chicago December moving average resistance is 570. Look for support at 543 1/4.

TODAY'S MARKET IDEAS:

Global weather concerns in Western Europe and the Black Sea, combined with fears Iran is set to retaliate against Israel, further deepening the conflict in the region, are supportive factors for the market today. December Chicago support is 543 1/4 and 533 1/2. Watch for resistance at 570. A minor rally is expected into the weekend, but the burdensome US balance sheet remains a long-term headwind.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

WHEAT TECHNICAL OUTLOOK:

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WHEAT (SEP) 08/01/2024: 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 daily closing price reversal up on the daily chart is somewhat positive. With the close higher than the pivot swing number, the market is in a slightly bullish posture. The next downside objective is 507 1/2. The next area of resistance is around 536 1/2 and 544 1/2, while 1st support hits today at 518 and below there at 507 1/2.

KC WHEAT (SEP) 08/01/2024: 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. The daily closing price reversal down puts the market on the defensive. It is a mildly bullish indicator that the market closed over the pivot swing number. The next downside objective is now at 529 3/4. The next area of resistance is around 557 1/2 and 567, while 1st support hits today at 539 and below there at 529 3/4.

MINN WHEAT (SEP) 08/01/2024: 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. It is a slightly negative indicator that the close was under the swing pivot. The next downside target is now at 569. The next area of resistance is around 588 1/4 and 596, while 1st support hits today at 574 3/4 and below there at 569.

RICE (SEP) 08/01/2024: 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. The upside daily closing price reversal gives the market a bullish tilt. The market has a slightly positive tilt with the close over the swing pivot. The near-term upside target is at 15.478. The next area of resistance is around 15.382 and 15.478, while 1st support hits today at 15.118 and below there at 14.949.

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	382 3/4	30.29	32.16	29.57	19.94	390.56	396.14	395.89	423.69	435.93
CNAZ24	399 3/4	32.54	33.73	34.75	24.87	406.75	411.42	410.08	436.98	449.15
SSAU24	1014 1/2	30.78	31.92	22.84	18.25	1024.38	1045.06	1050.90	1105.44	1132.46
SSAX24	1022 1/2	31.52	32.53	24.70	19.66	1032.94	1050.61	1055.68	1108.41	1134.16
SMAZ24	315.7	41.00	40.04	51.50	51.98	320.48	319.74	316.99	335.77	344.98
BOAZ24	42.32	34.83	38.18	17.06	18.72	42.01	43.36	44.46	44.70	44.90
WHAU24	527 1/4	36.77	36.28	20.09	19.72	526.44	536.00	543.76	593.48	617.50
WHAZ24	552	36.22	35.75	20.26	19.81	551.19	560.78	568.24	617.61	641.41
RCAU24	15.250	67.31	59.28	74.52	89.05	15.23	14.92	14.74	15.17	15.25
KWAU24	548 1/4	35.53	36.13	27.80	26.96	549.56	559.53	563.18	611.48	632.55
MWAU24	581 1/2	34.03	35.51	36.53	26.43	586.50	600.94	601.08	643.63	666.64
OTAZ24	319 3/4	48.55	46.83	48.92	42.51	316.06	323.33	318.75	333.93	344.97

Calculations based on previous session. Data collected 07/31/2024

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						
CNAU24	Corn	374 3/4	378	384 1/4	387 1/2	393 3/4
CNAZ24	Corn	392 1/4	395 1/2	401	404	409 3/4
SSAU24	Soybeans	997 1/2	1006 1/4	1014	1022 3/4	1030 1/2
SSAX24	Soybeans	1006 3/4	1014 1/2	1022 3/4	1030 1/2	1038 3/4
SMAZ24	Soymeal	309.7	312.1	316.8	319.2	323.9
BOAZ24	Soybean Oil	41.45	41.92	42.24	42.71	43.03
WHAU24	Wheat	507 1/2	518	526	536 1/2	544 1/2
WHAZ24	Wheat	533 1/2	543 1/4	551	560 3/4	568 1/2
RCAU24	Rice	14.948	15.117	15.213	15.382	15.478
KWAU24	KC Wheat	529 1/2	539	548 1/4	557 1/2	567
MWAU24	MINN Wheat	569	574 3/4	582 1/2	588 1/4	596
OTAZ24	Oats	314	317	319 3/4	322 1/2	325 1/2

Calculations based on previous session. Data collected 07/31/2024

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