



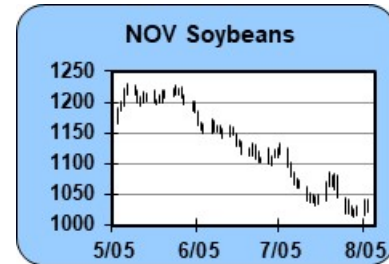
## DAILY GRAINS COMMENTARY Thursday August 08, 2024

### DAILY SOY COMPLEX COMMENTARY 8/8/2024

#### Argentine oilseed workers strike continues

**OVERNIGHT CHANGES THROUGH 6:06 AM (CT):**  
SOY BEANS +0.0, BEAN OIL +0.0, SOYMEAL +0.2

**OVERNIGHT DEVELOPMENTS:** Soybeans (NOV 24) prices overnight are down -1 1/4; Soymeal (DEC 24) up 1.30; and Soyoil (DEC 24) down -0.24. Soybean open interest as of August 7 was up 2,705 contracts, soymeal down 3,350 contracts, and soybean oil down 182. Chinese Dalian (SEP 24) Soybeans up 0.02%, Soymeal down 0.23%, Soyoil up 1.08%, Palm oil up 0.45%. Malaysian Palm was up 0.14%.



**NEAR-TERM MARKET FUNDAMENTALS:** Macro markets are steady this morning and beans are taking a breather after a volatile week in the financial markets. The bull camp has been discouraged this week that USDA has not confirmed the rumored China purchases of up to 6 to 8 cargoes. Maybe we see it today, but the less than enthusiastic price action yesterday and overnight does not indicate China is bidding aggressively if they are looking for more supplies. The Argentine oilseed workers strike continues today and may offer some support to meal. Through the weekend rain chances will be mainly in the Plains with generally dry conditions in the central and eastern Midwest. The 6 to 14 day maps shows the warmest temperatures stay in the southern Plains with normal to slightly above normal elsewhere. The upper Plains will see above normal precipitation chances. Brazil's exports to China in July were 8.921 million tonnes, up 31.4% from July of last year. Januar-July exports to China are up 10%. There were 17 deliveries of bean oil overnight. Bunge and Argentine molecular farming company, Moolec Science, say they will jointly edit safflower plant genes to optimize their use for biofuels. Bean oil prices were strong yesterday after the EPA said they will be auditing at least 2 large renewable fuel producers to see if they are using fraudulent feedstock, like Palm oil, to gain US government subsidies. GASC purchased 36,000 tonnes of sunoil in their international tender yesterday. Weekly export sales this morning are expected in a range of 100,000-300,000 tonnes for old crop beans and 400,000-900,000 tonnes for new crop. Old crop meal is expected to be 0-300,000 tons and new crop 100,000-350,000 tons. Bean oil is anticipated 0-10,000 tonnes. The trend for November beans still points lower with key support at last week's low of 1013. A move below that level would open the door for a test of \$10 and likely below. The market may have a better chance to rally after next Monday's USDA August supply/demand report.

#### TODAY'S MARKET IDEAS:

Fresh market moving news is absent today and prices are hovering just above the 4-year low set last week in the November contract. Weekly export sales this morning will be interesting to see whether the drop in the US Dollar last week resulted in additional demand. The bear camp may try to press the market down below the psychological \$10 level on a hunt for sell stops. The July 29th gap lower at 1045 is pivot point resistance on the upside.

#### NEW RECOMMENDATIONS:

None.

#### PREVIOUS RECOMMENDATIONS:

None

## SOYBEAN COMPLEX TECHNICAL OUTLOOK:

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**SOYBEANS (SEP) 08/08/2024:** 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. It is a slightly negative indicator that the close was under the swing pivot. The next downside target is 991 3/4. The next area of resistance is around 1012 3/4 and 1021 1/2, while 1st support hits today at 997 3/4 and below there at 991 3/4.

**SOYBEAN OIL (DEC) 08/08/2024:** The daily stochastics have crossed over up which is a bullish indication. Rising from oversold levels, daily momentum studies would support higher prices, especially on a close above resistance. A negative signal for trend short-term was given on a close under the 9-bar moving average. With the close over the 1st swing resistance number, the market is in a moderately positive position. The near-term upside objective is at 42.03. The next area of resistance is around 41.61 and 42.03, while 1st support hits today at 40.15 and below there at 39.12.

**SOYMEAL (DEC) 08/08/2024:** A crossover down in the daily stochastics is a bearish signal. Stochastics trending lower at midrange will tend to reinforce a move lower especially if support levels are taken out. The intermediate trend has turned down with the cross over back below the 18-day moving average. The close below the 2nd swing support number puts the market on the defensive. The next downside objective is 311.2. The next area of resistance is around 322.9 and 329.5, while 1st support hits today at 313.7 and below there at 311.2.

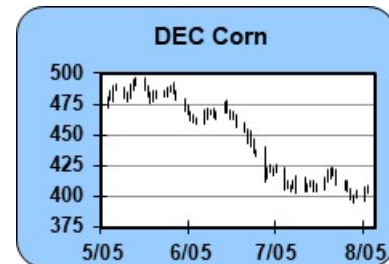
## DAILY CORN COMMENTARY

8/8/2024

**Weekly exports expected strong after US Dollar break last week**

**OVERNIGHT CHANGES THROUGH 6:06 AM (CT):**  
**CORN -0.1**

**OVERNIGHT DEVELOPMENTS:** Corn (DEC 24) prices overnight are down -3/4. Corn open interest as of August 7 was down 10,207 contracts. Chinese Dalian (SEP 24) Corn was up 0.93%.



**NEAR-TERM MARKET FUNDAMENTALS:** December corn had a less than 6 cent daily trading range yesterday and a 3 1/4 cent range overnight, which tells us the market has found some equilibrium between buyers and sellers in front of USDA's August supply/demand report on Monday. Increasing private analysts US yield estimates are bearish but traders are eager to see what USDA has to say about the crop. Cuts to the EU crop continue to roll in with Strategie Grains the latest, now estimating EU corn production at 60 million tonnes, down from 62 million last month and 62.8 last year. Interfax says Ukraine's corn crop is likely to be down 10 to 15% due to dryness. Rains are moving across Kansas today and the Plains will be favored for precipitation through the weekend. The rest of the Midwest looks mostly dry and the 6 to 10 day forecast shows above normal precipitation for the upper Plains and normal to slightly above normal temperatures for the Midwest after a cooldown slated for this weekend. Yesterday's ethanol production was 4% lower than the prior week's record high. Weekly export sales this morning are expected in a range of 100,000 400,000 tonnes for old crop and 475,000 tonnes to 1 million tonnes for new crop. The US dollar was down sharply last week and today's weekly exports may outperform. Brazil's corn exports for August are expected to reach 6.29 million tonnes, well down from 9.25 year ago, according to ANEC. A weak La Nina is now expected in the September-November timeframe, too late for any effect on this season's US crops but in time to affect Brazil's new crop that will be planted this fall. Between 2001 and 2021, Ag cropland in 8 states across the Midwest was down 1.6 million acres, 55% of which was from urban development. December corn this week has traded within a narrow range and that may continue through tomorrow's close. Monday's USDA supply/demand report will put the focus back on how big this crop can be and is demand large enough to keep supplies from

becoming burdensome. For now, the bear camp remains in control, although important long-term monthly support is 15-20 cents below the current level.

Ethanol average daily production for the week ending August 2 averaged 1.067 million barrels. This was down 3.8% from last week and up 4.3% from last year. The 5-year average for this week is 1.006 million barrels per day. Ethanol production for the week was 7.469 million barrels. Ethanol stocks were 23.767 million barrels. This was a new high stocks level for this week of the year. The previous high was 23.256 million barrels in 2022. This was down 0.9% from last week and up 3.9% from last year. The 5-year average stocks for this week is 22.450 million barrels. The amount of corn used for the week is estimated at 105.91 million bushels. Cumulative corn use for the crop year has reached 4.962 billion bushels. Corn use needs to average 117.79 million bushels per week to meet the USDA's marketing year forecast of 5.450 billion bushels.

**TODAY'S MARKET IDEAS:**

December corn has been unable to get above 20-day moving average resistance this week, which stands at 409. The technical outlook remains sideways/lower and with USDA's supply/demand report coming Monday morning, price action may remain subdued through tomorrow's close. Support remains at the contract low of 395. If December can move above 409, next resistance would be 420.

**NEW RECOMMENDATIONS:**

None.

**PREVIOUS RECOMMENDATIONS:**

None.

**CORN TECHNICAL OUTLOOK:**

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CORN (SEP) 08/08/2024: The daily stochastics gave a bearish indicator with a crossover down. Daily stochastics declining into oversold territory suggest the selling may be drying up soon. 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 378. The next area of resistance is around 386 1/4 and 390 1/4, while 1st support hits today at 380 1/4 and below there at 378.

CORN (DEC) 08/08/2024: The daily stochastics have crossed over down which is a bearish indication. Daily stochastics declining into oversold territory suggest the selling may be drying up soon. 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 1st swing support number suggests a moderately negative setup for today. The next downside objective is 395 3/4. The next area of resistance is around 403 1/2 and 407, while 1st support hits today at 398 and below there at 395 3/4.

**DAILY WHEAT COMMENTARY**

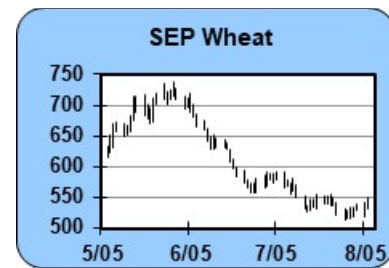
**8/8/2024**

## EU/Black Sea crops cuts may bring some demand back to the US

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

WHEAT +0.28

**OVERNIGHT DEVELOPMENTS:** Chicago wheat (SEP 24) prices overnight are up 1 3/4; Kansas City (SEP 24) up 2 1/2; and Minneapolis (SEP 24) up 2 1/4. MATIF Milling Wheat(DEC 24) was down -0.1%. Chicago wheat open interest as of August 7 was down 8,653 contracts and Minneapolis wheat was down 2,166 contracts.



**NEAR-TERM MARKET FUNDAMENTALS:** The lack of news on the massive Egyptian tender has dampened buying enthusiasm, even though December Chicago prices closed above 20-day moving average resistance this week for the 1st time since early June. Yesterday's daily trading volume in Chicago wheat was the largest in 45 days but prices were unable to follow through to the upside. Cuts to the EU crop are nearly a daily occurrence and Strategie Grains dropped their estimate 5% from last month to 116.5 million tonnes, down from 127.2 last year. The French SRW crop is expected down 27% from last year to 25.6 million tonnes and French wheat exports are expected down 20%. It is becoming more clear that US exports may have a chance to grab back some market share later this year as supplies are on an increasing track in the US, while EU and Black Sea supplies shrink. The Buenos Aires Grain Exchange says frosts next week could damage recently planted wheat. Soil replenishing rains are moving across Kansas today and the Plains have additional chances for precipitation through this weekend. S&P Global, formerly Informa, forecast US all wheat production at 2.023, slightly above USDA's July supply/demand report number of 2.008. Winter wheat output was forecast at 1.352 million bushels, up from USDA at 1.341. US Spring wheat was lowered slightly to 576 million bushels from USDA's 578 million in July. Weekly export sales this morning are expected in a range of 250,000-500,000 tonnes. December Chicago wheat nearby resistance is at this week's high of 571 3/4 and short-term technical indicators are pointing higher. With better global demand this week, crop cuts in the EU/Black Sea and frost potential in Argentina and Brazil, prices are likely to stay firm into Monday's USDA supply/demand report.

### TODAY'S MARKET IDEAS:

The path of least resistance looks higher for wheat for the near-term as crops shrink in the EU and global buyers appear to want to add to supplies due to the risks of a widening conflict in the Middle East. In addition, Brazil and Argentine wheat are at risk of frost damage. Last week's sharp break in the US Dollar may give a boost to today's weekly export sales. December Chicago next retracement resistance above this week's high of 571 3/4 is 577. Look for support now at 552.

### NEW RECOMMENDATIONS:

None.

### PREVIOUS RECOMMENDATIONS:

None.

### WHEAT TECHNICAL OUTLOOK:

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WHEAT (SEP) 08/08/2024: Momentum studies are rising from mid-range, which could accelerate a move higher if resistance levels are penetrated. The market's short-term trend is positive on the close above the 9-day moving average. The market tilt is slightly negative with the close under the pivot. The near-term upside target is at 554. The next area of resistance is around 545 1/4 and 554, while 1st support hits today at 531 1/4 and below there at 526.

KC WHEAT (SEP) 08/08/2024: Momentum studies are rising from mid-range, which could accelerate 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. The daily closing price reversal down puts the market on the defensive. It is a slightly negative indicator that the close was lower than the pivot swing number. The near-term upside target is at 573 1/4. The next area of resistance is around 564 and 573 1/4, while 1st support hits today at 549 and below there at 543.

MINN WHEAT (SEP) 08/08/2024: Daily stochastics declining into oversold territory suggest the selling may be drying up soon. A negative signal for trend short-term was given on a close under the 9-bar moving average. The daily closing price reversal down puts the market on the defensive. The close below the 1st swing support could weigh on the market. The next downside target is 574 1/2. The next area of resistance is around 592 3/4 and 602 3/4, while 1st support hits today at 578 3/4 and below there at 574 1/2.

RICE (SEP) 08/08/2024: Momentum studies are trending higher but have entered overbought levels. 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 under the swing pivot. The next upside objective is 15.318. The next area of resistance is around 15.237 and 15.318, while 1st support hits today at 15.073 and below there at 14.989.

## 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	383 1/4	35.79	35.87	26.33	25.43	387.31	388.17	392.89	415.55	428.63
CNAZ24	400 3/4	37.87	37.45	28.90	27.76	404.06	404.64	408.18	429.21	442.23
SSAU24	1005 1/4	33.78	34.10	17.14	13.83	1017.19	1019.47	1035.21	1086.16	1115.85
SSAX24	1018 3/4	36.23	35.97	19.84	17.14	1028.38	1029.08	1041.82	1090.29	1118.54
SMAZ24	318.3	44.98	44.46	62.01	60.06	325.33	322.16	318.73	331.42	340.58
BOAZ24	40.88	35.02	36.37	15.71	19.26	40.47	41.26	42.88	44.11	44.56
WHAU24	538 1/4	46.41	42.63	42.58	52.39	540.00	533.08	536.32	574.86	606.91
WHAZ24	562	45.74	41.96	40.99	49.98	563.50	557.28	560.74	599.05	630.75
RCAU24	15.155	56.38	54.15	81.19	82.71	15.14	15.18	14.88	15.11	15.23
KWAU24	556 1/2	42.43	40.61	43.23	48.07	559.25	554.42	558.71	592.65	622.84
MWAU24	585 3/4	40.72	39.99	28.37	25.38	590.19	588.36	594.81	625.33	655.78
OTAZ24	315	43.91	44.14	34.56	30.16	315.63	315.94	319.42	326.88	339.77

Calculations based on previous session. Data collected 08/07/2024

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	377 3/4	380	384	386 1/2	390 1/4
CNAZ24	Corn	395 1/2	398	401 1/4	403 1/2	407
SSAU24	Soybeans	991 1/2	997 3/4	1006 1/2	1012 3/4	1021 1/2
SSAX24	Soybeans	1005 1/4	1011 1/2	1020	1026	1034 3/4
SMAZ24	Soymeal	311.1	313.7	320.3	322.9	329.5
BOAZ24	Soybean Oil	39.11	40.15	40.57	41.61	42.03
WHAU24	Wheat	526	531 1/4	540	545 1/4	554
WHAZ24	Wheat	550 1/4	555 1/2	563 1/2	568 1/2	576 3/4
RCAU24	Rice	14.988	15.072	15.153	15.237	15.318
KWAU24	KC Wheat	543	549	558 1/4	564	573 1/2
MWAU24	MINN Wheat	574 1/4	578 1/2	588 1/2	593	602 3/4
OTAZ24	Oats	312	313	315 3/4	317	319 1/2

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