



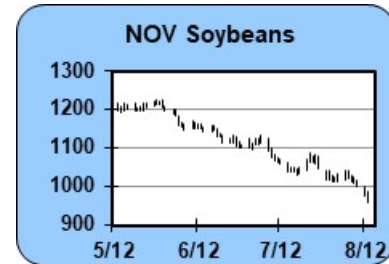
## DAILY GRAINS COMMENTARY Thursday August 15, 2024

### DAILY SOY COMPLEX COMMENTARY 8/15/2024

#### November tests long-term support

**OVERNIGHT CHANGES THROUGH 6:06 AM (CT):**  
SOY BEANS +0.1, BEAN OIL +0.0, SOYMEAL +0.3

**OVERNIGHT DEVELOPMENTS:** Soybeans (NOV 24) prices overnight are up 6 1/4; Soymeal (DEC 24) up 2.30; and Soyoil (DEC 24) up 0.11. Soybean open interest as of August 14 was down 4,966 contracts, soymeal up 2,539 contracts, and soybean oil up 6,772. Chinese Dalian (SEP 24) Soybeans down 0.31%, Soymeal up 1.24%, Soyoil up 0.80%, Palm oil up 0.95%. Malaysian Palm was up 0.83%.



**NEAR-TERM MARKET FUNDAMENTALS:** Beans are starting the day stronger for the 2nd consecutive session after a minor reversal higher yesterday on November. Since the 1st of the year, November beans are down 23% and have fallen 26% over the last 12 months. Wednesday's test of longer-term support in the 950 area on November uncovered some buying, indicating prices may have fallen low enough for the time being. July NOPA crush will be out at 11 AM Chicago time today and the average guess is 182.3 million bushels, compared to 175.5 in June and 173.3 in June year ago. Bean oil stocks are expected at 1.608 billion pounds, down from 1.622 in June but up from 1.527 year ago. Our friends at Crushtraders.com estimate crush at 182.858 and bean oil stocks at 1.520. Brazil's president says he wants to discuss a long-term strategic partnership with China, their largest trading partner. China's economy remains weak and has resulted in lower than expected US import demand. There were 92 bean oil deliveries overnight and 3 deliveries of beans and 1 meal. India's soyoil imports in July were up 42% from July of last year. Weekly export sales this morning are expected in a range of 100,000-500,000 tonnes for old crop beans, 400,000-1,000,000 for new crop. Meal sales are anticipated at 50,000-250,000 for old crop and 100,000-400,000 on new crop and bean oil 0-15,000. Rains are moving across the central Midwest this morning and the 6 to 10 day continues to show normal precipitation across the Midwest and below normal temperatures for the Eastern belt. Yesterday's reversal higher in November beans did not come on a spike in trading volume but prices did reach a significant support zone and a short covering rally may be starting. A higher close higher today would be a sign of further upside potential. 1st resistance on November beans is 988 and then 999.

#### TODAY'S MARKET IDEAS:

After testing long-term support yesterday morning, November beans closed higher, resulting in stochastics giving a buy signal from oversold territory. A short covering bounce looks likely, especially if November prices close higher today and confirm yesterday's upside reversal. Look for initial resistance at 988, support remains at 951. Additional morning flash export sales to China are possible as rumors are ongoing China is buying more US beans.

#### NEW RECOMMENDATIONS:

None.

#### PREVIOUS RECOMMENDATIONS:

None

## SOYBEAN COMPLEX TECHNICAL OUTLOOK:

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SOYBEANS (SEP) 08/15/2024: 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 upside daily closing price reversal gives the market a bullish tilt. It is a slightly negative indicator that the close was lower than the pivot swing number. The next downside objective is 932 1/2. The 9-day RSI under 30 indicates the market is approaching oversold levels. The next area of resistance is around 961 1/4 and 968 3/4, while 1st support hits today at 943 1/4 and below there at 932 1/2.

SOYBEAN OIL (DEC) 08/15/2024: 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's close below the pivot swing number is a mildly negative setup. The next downside objective is 38.02. The market is approaching oversold levels on an RSI reading under 30. The next area of resistance is around 39.38 and 40.03, while 1st support hits today at 38.38 and below there at 38.02.

SOYMEAL (DEC) 08/15/2024: 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 upside closing price reversal on the daily chart is somewhat bullish. With the close over the 1st swing resistance number, the market is in a moderately positive position. The next downside objective is 296.3. The next area of resistance is around 306.9 and 309.2, while 1st support hits today at 300.5 and below there at 296.3.

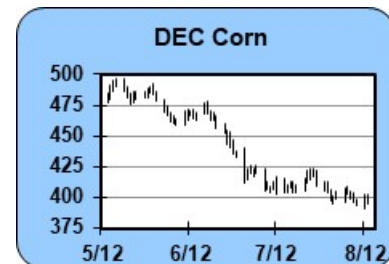
## DAILY CORN COMMENTARY

8/15/2024

**Short covering rebound possible into week's end**

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

**OVERNIGHT DEVELOPMENTS:** Corn (DEC 24) prices overnight are up 1 1/2. Corn open interest as of August 14 was down 5,308 contracts. Chinese Dalian (SEP 24) Corn was up 0.22%.



**NEAR-TERM MARKET FUNDAMENTALS:** December corn is hovering near unchanged this morning but prices did move to a new weekly high above 403 overnight. The positive market action coming in the face of beneficial rains moving across the central corn belt today is a good sign for the bull camp. The 6 to 10 day forecast shows normal precipitation across the Midwest with below normal temperatures for the Eastern corn belt. Ethanol production was slightly below guesses and stocks dropped more than expected. The US Attache to Ukraine says their 2023/24 corn production is now expected at 31 million tonnes, down from 32.5 in this week's USDA report. 2024/25 production is expected at 26.2 million tonnes down from 27.2 from USDA this week and Ukraine exports were lowered to 21.8 compared to 24 million USDA. We expect lower Ukraine production and a drop in EU production will shift additional export demand to the US. The Rosario Grain Exchange says Argentina's 2023/24 harvest is expected at 49 million tonnes up from their previous forecast 47.5 and USDA at 50 million. 2024/25 production is estimated unchanged from the previous season at 49 million tonnes. Weekly export sales this morning are expected in a range of 300,000-550,000 for old crop and 150,000-800,000 for new crop. December corn 20-day moving average resistance stands at 405 1/2 and last week's high was 409. The market looks ready to start a short covering bounce.

Ethanol average daily production for the week ending August 9 averaged 1.072 million barrels. This was up 0.5% from last week and up 0.3% from last year. The 5-year average for this week is 1.000 million barrels per day.

Ethanol production for the week was 7.504 million barrels. Ethanol stocks were 23.354 million barrels. This was down 1.7% from last week and down 0.3% from last year. The 5-year average stocks for this week is 22.558 million barrels. The amount of corn used for the week is estimated at 106.40 million bushels. Cumulative corn use for the crop year has reached 5.068 billion bushels. Corn use needs to average 121.41 million bushels per week to meet the USDA's marketing year forecast of 5.450 billion bushels.

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

A new high for the week in December corn overnight and further cuts to the Ukraine corn crop gives the edge to the bull camp today. Last week's high of 409 is short-term resistance and the higher start today, despite rains moving across the heart of the Midwest, is a positive sign for a rally into the weekend. Look for support on any pullback below 395.

#### **NEW RECOMMENDATIONS:**

None.

#### **PREVIOUS RECOMMENDATIONS:**

None.

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

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CORN (SEP) 08/15/2024: The crossover up in the daily stochastics is a bullish signal. 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 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 objective is at 386. The next area of resistance is around 384 and 386, while 1st support hits today at 378 and below there at 374.

CORN (DEC) 08/15/2024: 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. The market's close below the 9-day moving average is an indication the short-term trend remains negative. The close over the pivot swing is a somewhat positive setup. The near-term upside objective is at 405 3/4. The next area of resistance is around 403 3/4 and 405 3/4, while 1st support hits today at 397 3/4 and below there at 393 1/2.

### **DAILY WHEAT COMMENTARY**

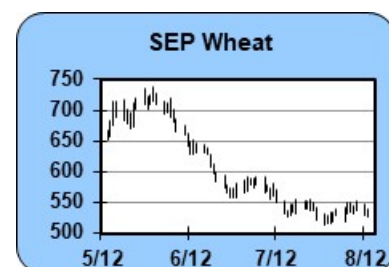
8/15/2024

#### **US Attache cuts Ukraine ending stocks by 25%**

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

**WHEAT** +0.8

**OVERNIGHT DEVELOPMENTS:** Chicago wheat (DEC 24) prices overnight are up 8; Kansas City (DEC 24) up 8 1/2; and Minneapolis (DEC 24) up 6 3/4. MATIF Milling Wheat(DEC 24) was up 0.3%. Chicago wheat open interest as of August 14 was up 8,605 contracts and Minneapolis wheat was down 2,986 contracts.



**NEAR-TERM MARKET FUNDAMENTALS:** Strength overnight in the wheat market was attributed to a Russian missile strike on port infrastructure in Odessa and reports French wheat is struggling to meet Hagberg milling standards. Algeria bought 300,000-400,000 tonnes of Durum wheat and the Philippines 60,000 tonnes of feed wheat but no word yet on any progress on Egypt's private wheat deal. The US Attache to Ukraine estimates

2023/24 wheat production at 23 million tonnes, unchanged from USDA's number earlier this week and 2024/25 Ukraine production at 22.2 million tonnes, slightly above USDA's 21.6 million. However, the Attache slashed Ukraine's wheat ending stocks to 778,000 tonnes, down from 1.05 million from USDA earlier this week. LSEG lowered their Argentine wheat production 1% from last month to 17.9 million tonnes due to poor soil moisture conditions and left their Australian production unchanged at 29.4 million tonnes after some beneficial rains fell in the southeast part of the country. Weekly export sales this morning are expected in a range of 200,000-500,000 tonnes. Russia lowered their export duty this week by 41% from 444 rubles down to 257 rubles. Paris wheat hit a 4-month low yesterday. Nearby resistance is 575 and 580 on December Chicago and rising volume and open interest indicates some new longs may be entering the market. A test of 580 resistance could be seen by week's end.

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

Yesterday's daily trading volume in Chicago wheat was the highest since June 21st and open interest gained nearly 9000 contracts. The technical outlook for Chicago December wheat remains neutral until prices can break out of the 540-580 recent range. A price move outside those boundaries would suggest a run of \$0.40 in the breakout direction. Look for initial support at 551 and initial resistance 575.

#### **NEW RECOMMENDATIONS:**

None.

#### **PREVIOUS RECOMMENDATIONS:**

None.

#### **WHEAT TECHNICAL OUTLOOK:**

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**WHEAT (SEP) 08/15/2024:** The daily stochastics have crossed over up which is a bullish indication. Stochastics are at mid-range but trending higher, which should reinforce a move higher if resistance levels are taken out. The market's close below the 9-day moving average is an indication the short-term trend remains negative. The upside daily closing price reversal gives the market a bullish tilt. It is a mildly bullish indicator that the market closed over the pivot swing number. The next upside objective is 545 3/4. The next area of resistance is around 541 1/4 and 545 3/4, while 1st support hits today at 528 1/4 and below there at 519 1/2.

**KC WHEAT (SEP) 08/15/2024:** Momentum studies trending lower at mid-range could accelerate a price break if support levels are broken. A negative signal for trend short-term was given on a close under the 9-bar moving average. It is a mildly bullish indicator that the market closed over the pivot swing number. The next downside target is 537 3/4. The next area of resistance is around 553 1/4 and 557 1/2, while 1st support hits today at 543 1/4 and below there at 537 3/4.

**MINN WHEAT (SEP) 08/15/2024:** Positive momentum studies in the neutral zone will tend to reinforce higher price action. A positive signal for trend short-term was given on a close over the 9-bar moving average. The market's close below the pivot swing number is a mildly negative setup. The next upside objective is 600. The next area of resistance is around 595 3/4 and 600, while 1st support hits today at 588 1/4 and below there at 585 1/4.

**RICE (SEP) 08/15/2024:** The moving average crossover down (9 below 18) indicates a possible developing short-term downtrend. Declining momentum studies in the neutral zone will tend to reinforce lower price action. The market's short-term trend is positive on the close above 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 14.668. The next area of resistance is around 15.124 and 15.247, while 1st support hits today at 14.835 and below there at 14.668.

#### **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	381	41.11	39.13	19.30	19.93	379.69	383.03	389.11	407.44	420.88
CNAZ24	400 3/4	44.63	41.74	23.25	25.54	398.63	400.86	405.79	421.77	434.93
SSAU24	952 1/4	22.75	25.88	8.20	6.79	964.88	991.31	1016.64	1065.43	1096.29
SSAX24	968 1/2	24.80	27.60	9.32	7.67	979.88	1004.58	1026.51	1071.13	1100.33
SMAZ24	303.7	35.36	37.01	26.59	14.69	304.48	315.03	317.87	326.02	335.39
BOAZ24	38.88	24.31	29.01	19.18	14.46	39.89	40.26	41.67	43.65	44.12
WHAU24	534 3/4	45.42	42.87	52.23	52.30	535.69	537.81	536.31	561.30	594.23
WHAZ24	556 1/4	42.69	40.98	49.18	48.15	558.38	561.00	560.26	585.06	618.02
RCAU24	14.980	51.61	50.52	55.22	47.59	14.79	14.97	14.99	15.04	15.17
KWAU24	548 1/4	35.12	36.87	40.28	37.57	549.06	553.86	555.83	577.73	610.95
MWAU24	592	47.25	43.89	30.86	35.81	591.75	590.33	594.46	611.84	643.76
OTAZ24	305 1/4	32.17	37.26	19.32	12.32	307.63	312.17	317.24	320.42	333.06

Calculations based on previous session. Data collected 08/14/2024  
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### DAILY SWING STATISTICS

Contract		Support 2	Support 1	Pivot	Resist 1	Resist 2
<b>GRAIN COMPLEX</b>						
CNAU24	Corn	374	378	380	384	386
CNAZ24	Corn	393 1/2	397 1/2	399 3/4	404	406
SSAU24	Soybeans	932 1/2	943	950 3/4	961 1/2	969
SSAX24	Soybeans	947 3/4	959	966 1/2	978	985 1/4
SMAZ24	Soymeal	296.2	300.4	302.7	306.9	309.2
BOAZ24	Soybean Oil	38.01	38.37	39.02	39.38	40.03
WHAU24	Wheat	519 1/2	528	532 3/4	541 1/2	546
WHAZ24	Wheat	543	550 1/2	554 3/4	562	566 1/2
RCAU24	Rice	14.667	14.834	14.957	15.124	15.247
KWAU24	KC Wheat	537 1/2	543 1/4	547 1/2	553 1/4	557 1/2
MWAU24	MINN Wheat	585	588 1/4	592 1/2	595 3/4	600
OTAZ24	Oats	300 1/4	302 1/2	306	308	311 3/4

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