



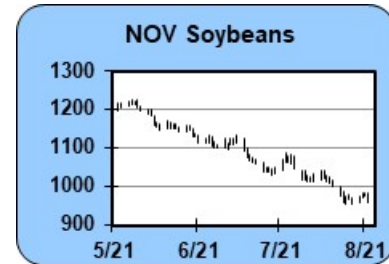
DAILY GRAINS COMMENTARY Thursday August 29, 2024

DAILY SOY COMPLEX COMMENTARY 8/29/2024

Midwest heat moves out by the weekend

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 9 3/4; Soymeal (DEC 24) up 2.50; and Soyoil (DEC 24) up 0.53. 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 (NOV 24) Soybeans down 0.35%, Soymeal down 0.27%, Soyoil up 0.05%, Palm oil down 0.55%. Malaysian Palm was up 0.51%.



NEAR-TERM MARKET FUNDAMENTALS: Anticipation of a very strong new crop weekly export sales number this morning has given prices a boost, along with hot temperatures in parts of the corn belt. The heat will linger for one more day before a cool front sweeps through this weekend bringing highs in the 70's in much of the Midwest. After that, precipitation will trend below normal in the 6-10 and 8-14 day timeframe for all the Midwest with temperatures below normal in the east and warmer in the west. The Argentine Labor Secretary has extended the suspension of the oilseed workers strike until September 9th. A resumption of the strike is very possible after that date. The previous strike is likely to reduce Argentine crush volume for August by up to 20%. There were reports a barge had run aground in the lower Mississippi River yesterday and passage was closed between mile marker 775-785. We have seen any further updates on the situation this morning. Weekly export sales today are expected in a range of -150,000 to a positive 150,000 for old crop and 1,500,000-2,500,000 for new crop on beans. Old crop meal is expected -100,000 to a positive 100,000 and new crop 100,000-500,000 tons. Bean oil 0-10,000 for old crop and 0-20,000 for new crop. Yesterday's morning flash sale of 264,000 tonnes of beans to China had been rumored for a couple of days and did not give futures prices a boost. US beans are the cheapest origin. Brazil bean exports now account for 60% of global bean sales, up from 40% 10 years ago. California is considering a 20% cap on the use of vegoils as feedstock for biodiesel and NOPA says they strongly oppose the plan. For the last 3 days, the daily high on November beans has touched the 20-day moving average and fallen back. The market is testing the average again this morning but with 1st notice day liquidation appearing to be over, prices are likely to push above the average today. Nearby resistance will be 999 and then 1012.

TODAY'S MARKET IDEAS:

Positive price action this morning as traders wait for an expected strong weekly export sales number. November has not closed convincingly above the 20-day moving average since late May and the market is testing the average for the 3rd day in a row. A close above 991 1/2 may trigger fund short covering and open the door for further short-term gains. Prices appear to have digested the bearish news and are looking for a reason for a relief rally. Initial support stands at 962.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None

SOYBEAN COMPLEX TECHNICAL OUTLOOK:

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SOYBEANS (NOV) 08/29/2024: Momentum studies are trending higher from mid-range, which should support a move higher if resistance levels are penetrated. The close above the 9-day moving average is a positive short-term indicator for trend. The market's close below the 1st swing support number suggests a moderately negative setup for today. The next upside objective is 993 3/4. The next area of resistance is around 984 1/2 and 993 3/4, while 1st support hits today at 969 1/2 and below there at 963 1/2.

SOYBEAN OIL (DEC) 08/29/2024: Momentum studies are rising from mid-range, which could accelerate a move higher if resistance levels are penetrated. The market's close above the 9-day moving average suggests the short-term trend remains positive. The upside closing price reversal on the daily chart is somewhat bullish. The market has a slightly positive tilt with the close over the swing pivot. The next upside objective is 41.34. The next area of resistance is around 41.12 and 41.34, while 1st support hits today at 40.32 and below there at 39.75.

SOYMEAL (DEC) 08/29/2024: Momentum studies are rising from mid-range, which could accelerate a move higher if resistance levels are penetrated. The close below the 18-day moving average is an indication the intermediate-term trend has turned down. The market's close below the 1st swing support number suggests a moderately negative setup for today. The near-term upside target is at 314.3. The next area of resistance is around 310.9 and 314.3, while 1st support hits today at 305.7 and below there at 303.8.

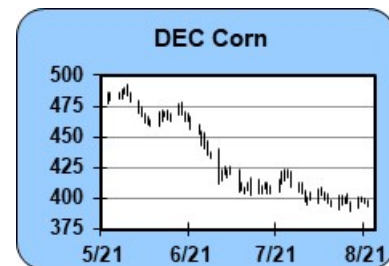
DAILY CORN COMMENTARY

8/29/2024

Below normal temps in Midwest next week

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

OVERNIGHT DEVELOPMENTS: Corn (DEC 24) prices overnight are up 1 1/4. Corn open interest as of August 14 was down 5,308 contracts. Chinese Dalian (NOV 24) Corn was down 0.30%.



NEAR-TERM MARKET FUNDAMENTALS: Talk China is looking to limit foreign feed grain imports to boost domestic prices for their own farmers is partly to blame for corn's inability to get a rally going this week, despite signs of good export demand. Weekly export sales this morning are expected in a range of -100,000 to a positive 200,000 tonnes for old crop and 700,000-1,400,000 tonnes for new crop. Yesterday's ethanol production was slightly lower than the guesses and ethanol stocks were unchanged from last week, but up 9% year-over-year. Stats Canada came out with corn production at 15.229 million tonnes, up from the average estimate of 14.967 but down from last year's 15.421. South Africa's corn harvest is now expected to be 20.5% lower than last year due to extreme drought this season. A cool front will be moving through the Midwest by this weekend and offering relief from the recent heat. The 6 to 10 and 8 to 14 day forecast both show below normal precipitation for all the Midwest and below normal temperatures in the eastern belt, warmer in the Western belt. Ukraine grain exports continue to be strong compared to last year and from July 1 to yesterday total grain exports were 6.75 million tonnes, up from 4.16 million for the same timeframe last year. Corn open interest yesterday dropped a huge 60,000 contracts, some of which was September liquidation. Although December corn is still in the sideways/downward trend, our view is prices are trying to carve out a seasonal low. A close above 404 would suggest a bottom on the chart.

Ethanol average daily production for the week ending August 23 averaged 1.071 million barrels. This is a new high daily production for this week of the year. The previous high was 1.070 million barrels per day in 2018. This was down 2.5% from last week and up 6.4% from last year. The 5-year average for this week is 0.976 million barrels per day. Ethanol production for the week was 7.497 million barrels. Ethanol stocks were 23.572 million

barrels. This was a new high stocks level for this week of the year. The previous high was 23.533 million barrels in 2022. This was down 0.0% from last week and up 9.1% from last year. The 5-year average stocks for this week is 21.951 million barrels. The amount of corn used for the week is estimated at 106.30 million bushels. Cumulative corn use for the crop year has reached 5.284 billion bushels. Corn use needs to average 145.50 million bushels per week to meet the USDA's marketing year forecast of 5.450 billion bushels.

TODAY'S MARKET IDEAS:

Corn open interest has plummeted into September first notice day, down 100,000 contracts in the last 2 days to its lowest level since early January. The heavy liquidation is likely an indication prices are near a bottom. It will take a close over 404 on December corn for technical confirmation of the potential low. Speculators can consider selling December put options at the 380 strike and below as a 1st step to approaching the long side.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

CORN TECHNICAL OUTLOOK:

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CORN (DEC) 08/29/2024: 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 market's close below the pivot swing number is a mildly negative setup. The near-term upside target is at 396 1/4. The next area of resistance is around 393 1/4 and 396 1/4, while 1st support hits today at 388 1/4 and below there at 386.

CORN (MAR) 08/29/2024: Declining momentum studies in the neutral zone will tend to reinforce lower price action. 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 lower than the pivot swing number. The next downside objective is 405 1/4. The next area of resistance is around 412 and 414 1/2, while 1st support hits today at 407 1/2 and below there at 405 1/4.

DAILY WHEAT COMMENTARY

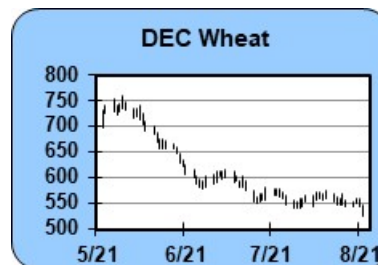
8/29/2024

EU crop cuts supportive

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):

WHEAT -0.45

OVERNIGHT DEVELOPMENTS: Chicago wheat (DEC 24) prices overnight are down -4 1/4; Kansas City (DEC 24) down -2 1/4; and Minneapolis (DEC 24) up 1/2. MATIF Milling Wheat(DEC 24) was down -0.5%. 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: Chicago December wheat closed higher yesterday and confirmed Tuesday's key reversal, offering technical traders a reason to get long. The Canadian Teamsters Union says they will be challenging the government back to work order for railway workers all the way to the Supreme Court. Stats Canada numbers yesterday were slightly bullish coming in at 34.4 million tonnes for All Wheat production, compared to expectations of 35.125. Canadian spring wheat came in at 25.4 million tonnes and near unchanged

from a year ago at 25.52. Argus pegs the French wheat crop at 25.17 million tonnes, down 23% year-over-year and on top of an expected 15% decline in the German wheat crop. EU SRW exports outside the EU this season are estimated at 4.1 million tonnes, down 60% from the 5-year average of 10 million tonnes, due to heavy Black Sea/Russian competition. Tests on the quality of the French crop recently harvested shows only 43% of the samples had protein levels above 11.5% and only 26% of the crop was above the commercial standard of 167 pounds per hectoliter, compared to the average of 76% over the last 4 years. Excessive rains during the growing season significantly degraded crop quality. LSEG raised their 2024/25 Australian wheat production to 30.5 million tonnes, up 3% from their last update due to better yield prospects in the western growing areas. Weekly export sales this morning are expected in a range of 300,000-650,000 tonnes. This week's technical key reversal higher in Chicago December wheat may trigger further fund short covering into the end of the week. Buyers are likely to step up on today's break.

TODAY'S MARKET IDEAS:

Chicago wheat open interest is down just short of 40,000 contracts since late last week and 1st notice day liquidation appears to have run its course. Tuesday's key reversal higher was confirmed with a higher close yesterday and stochastics have given a buy signal this week. Buyers may step in on a pullback to 531 or below on December Chicago. A close above 560 would turn the short-term trend higher.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

WHEAT TECHNICAL OUTLOOK:

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WHEAT (DEC) 08/29/2024: The daily stochastics gave a bullish indicator with a crossover up. Rising from oversold levels, daily momentum studies would support higher prices, especially on a close above resistance. The market's close above the 9-day moving average suggests the short-term trend remains positive. It is a mildly bullish indicator that the market closed over the pivot swing number. The next upside objective is 550 1/2. The next area of resistance is around 546 3/4 and 550 1/2, while 1st support hits today at 536 1/4 and below there at 529 1/4.

KC WHEAT (DEC) 08/29/2024: Stochastics are at mid-range but trending higher, which should reinforce a move higher if resistance levels are taken out. The market's short-term trend is positive on the close above the 9-day moving average. With the close over the 1st swing resistance number, the market is in a moderately positive position. The next upside target is 569 3/4. The next area of resistance is around 565 and 569 3/4, while 1st support hits today at 549 1/2 and below there at 538 3/4.

MINN WHEAT (DEC) 08/29/2024: The daily stochastics have crossed over up which is a bullish indication. 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. A positive setup occurred with the close over the 1st swing resistance. The near-term upside objective is at 595 1/2. The next area of resistance is around 591 and 595 1/2, while 1st support hits today at 576 1/2 and below there at 566 3/4.

RICE (NOV) 08/29/2024: Positive momentum studies in the neutral zone will tend to reinforce higher price action. The market's short-term trend is positive on the close above the 9-day moving average. The market has a slightly positive tilt with the close over the swing pivot. The next upside target is 15.292. The next area of resistance is around 15.225 and 15.292, while 1st support hits today at 15.065 and below there at 14.973.

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										
CNAZ24	390 3/4	40.60	39.90	25.72	27.07	390.25	393.72	396.94	406.77	420.77
CNAH25	409 3/4	41.97	41.31	31.68	31.56	409.00	412.50	415.10	422.55	435.47
SSAX24	977	43.09	39.94	25.17	31.25	979.31	974.36	986.21	1035.31	1062.14
SSAF25	994 1/2	43.03	40.01	25.09	31.01	996.75	992.33	1003.75	1051.21	1077.33
SMAZ24	308.3	47.33	45.49	29.12	35.75	308.30	307.43	310.29	317.04	325.38
BOAZ24	40.72	54.99	48.55	53.80	68.00	40.57	39.75	39.88	42.68	43.03
WHAZ24	541 1/2	44.62	41.74	21.98	25.12	532.50	541.19	550.43	565.89	586.22
WHAH25	562 1/2	45.24	42.01	22.17	25.93	553.38	561.58	570.33	585.93	605.92
RCAX24	15.145	55.64	52.36	44.47	56.01	15.09	14.98	15.06	15.07	15.21
KWAZ24	557 1/4	49.75	44.53	25.11	33.20	543.69	549.36	558.38	575.45	596.16
MWAZ24	583 3/4	40.34	39.04	18.85	22.75	574.56	588.69	598.53	614.24	632.22
OTAZ24	324 1/4	65.31	58.16	44.85	58.63	314.88	313.47	312.18	316.07	323.05

Calculations based on previous session. Data collected 08/28/2024

Data sources can & do produce bad ticks. Verify before use.

DAILY SWING STATISTICS

Contract		Support 2	Support 1	Pivot	Resist 1	Resist 2
GRAIN COMPLEX						
CNAZ24	Corn	385 3/4	388	391	393 1/2	396 1/4
CNAH25	Corn	405 1/4	407 1/2	410	412	414 3/4
SSAX24	Soybeans	963 1/2	969 1/2	978 3/4	984 1/2	994
SSAF25	Soybeans	981 1/2	987 1/4	996	1001 3/4	1010 1/2
SMAZ24	Soymeal	303.7	305.6	309.0	310.9	314.3
BOAZ24	Soybean Oil	39.74	40.32	40.54	41.12	41.34
WHAZ24	Wheat	529 1/4	536	540	547	550 3/4
WHAH25	Wheat	549 1/2	557	560 3/4	568	572
RCAX24	Rice	14.972	15.065	15.132	15.225	15.292
KWAZ24	KC Wheat	538 3/4	549 1/2	554 1/4	565	569 3/4
MWAZ24	MINN Wheat	566 1/2	576 1/2	581	591	595 1/2
OTAZ24	Oats	310 1/2	318 1/4	322 1/2	330 1/4	334 1/2

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