



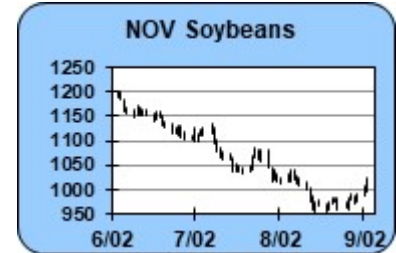
## DAILY GRAINS COMMENTARY Thursday September 05, 2024

### DAILY SOY COMPLEX COMMENTARY 9/5/2024

#### Private yield estimates increase

**OVERNIGHT CHANGES THROUGH 6:06 AM (CT):**  
SOY BEANS -0.1, BEAN OIL +0.0, SOYMEAL -0.7

**OVERNIGHT DEVELOPMENTS:** Soybeans (NOV 24) prices overnight are down -8 1/2; Soymeal (DEC 24) down -7.20; and Soyoil (DEC 24) up 0.49. Soybean open interest as of September 4 was down 2,369 contracts, soymeal down 2,808 contracts, and soybean oil down 1,384. Chinese Dalian (NOV 24) Soybeans up 0.53%, Soymeal up 0.66%, Soyoil down 0.36%, Palm oil down 0.76%. Malaysian Palm was up 0.80%.



**NEAR-TERM MARKET FUNDAMENTALS:** Weaker prices overnight following a \$0.70 rally since mid-August in November beans and rising private yield forecasts. StoneX raised their US bean yield estimate to 53.0 BPA versus 52.6 previously and production was estimated at 4.575 billion bushels, up from 4.483 in their previous forecast. Allendale released results from their August 19-30 crop survey and estimated US yield at 53.3 bpa. Reports the Argentine oilseed workers have accepted a deal and averted a strike may be contributing to this morning's weakness as well. There were no new morning flash sales yesterday, but rumors continue China has bought more US cargoes that could be announced this morning. The early planting window in Mato Grosso opens September 7 and in the southern state of Parana September 20th. Brazil southern areas have had decent moisture while the center and northern areas have been hot/dry and will need rain before planting can begin. With South American planting just ahead, this is time of year when you see the largest South American crop production estimates. However, with La Nina expected in Brazil this winter, the odds of an ideal growing season are low, especially since the current drought in the northern half of the country is reported by Brazil's Weather Service to be the worst since 1981. China's crush margins are improving which may keep their interest in US beans strong. Census Bureau export data showed YTD bean shipments 79 million bushels above inspections, not enough to expect any change from USDA in the supply/demand report next week. The increasing private yield estimates mentioned earlier has shifted the focus back to ample supplies and traders will need to see new demand develop to sustain the current rally. Moving average resistance stands at 1032 1/2 on November.

#### TODAY'S MARKET IDEAS:

November Bean price action has stalled just under 50-day moving average resistance, which stands at 1032 1/2 and traders will be watching for a new 8 AM morning flash sale to confirm China purchase rumors. Dry conditions will prevail across the Midwest for the next 10 days. Stochastics is nearing overbought territory but has yet to give a sell signal. Initial pullback support stands at 998 and then moving average support is 985.

#### 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 (NOV) 09/05/2024:** The major trend could be turning up with the close back above the 40-day moving average. Studies are showing positive momentum but are now in overbought territory, so some caution is warranted. 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 1038 3/4. The next area of resistance is around 1032 1/2 and 1038 3/4, while 1st support hits today at 1010 1/2 and below there at 994 1/2.

**SOYBEAN OIL (DEC) 09/05/2024:** The daily stochastics have crossed over down which is a bearish indication. Stochastics trending lower at midrange will tend to reinforce a move lower especially if support levels are taken out. The close below the 9-day moving average is a negative short-term indicator for trend. The market's close below the 1st swing support number suggests a moderately negative setup for today. The next downside objective is 39.05. The next area of resistance is around 40.84 and 41.80, while 1st support hits today at 39.47 and below there at 39.05.

**SOYMEAL (DEC) 09/05/2024:** The cross over and close above the 60-day moving average is an indication the longer-term trend has turned positive. Rising stochastics at overbought levels warrant some caution for bulls. The market's close above the 9-day moving average suggests the short-term trend remains positive. With the close over the 1st swing resistance number, the market is in a moderately positive position. The near-term upside target is at 338.5. With a reading over 70, the 9-day RSI is approaching overbought levels. The next area of resistance is around 335.3 and 338.5, while 1st support hits today at 323.3 and below there at 314.4.

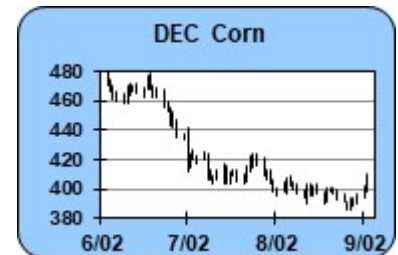
## DAILY CORN COMMENTARY

9/5/2024

### Census data suggests USDA exports too low

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

**OVERNIGHT DEVELOPMENTS:** Corn (DEC 24) prices overnight are down -2 1/4. Corn open interest as of September 4 was down 2,036 contracts. Chinese Dalian (NOV 24) Corn was up 0.31%.



**NEAR-TERM MARKET FUNDAMENTALS:** Strong gains have been seen this week in corn as prices build on the weekly reversal last week. December corn has rallied \$0.25 from last week's low, the best rally since May. StoneX raised their US corn yield estimate to 182.9 BPA, up from their previous forecast of 182.3 but production was lowered to 15.127 billion bushels from 15.207 previously due to lower harvested acres. Allendale's August 19-30 crop survey indicated US yield at 182.53 bpa. Census Bureau export data for July total of 207 million bushels, over double July of last year. Year-to-date census exports are 261 million bushels above inspections data and that may be enough for USDA to consider raising US exports in next week's September supply/demand report. The US Coast Guard says several barge groundings have occurred in the last week as River levels continue to sink and the next 10 days features mostly dry conditions across the entire Midwest. There were 206 deliveries overnight. Today's ethanol production is expected to show 1.072 million barrels per day, near unchanged from last week's 1.071 and ethanol stocks are expected at 23.678 million barrels, up from 23.57 to last week. Talk India could turn into a corn importer, rather than exporter due to the government's push for more corn-based ethanol has also been a supportive factor this week. Weekly export sales will be delayed until tomorrow. The recent rally has US prices near parity now with Brazil, Argentina and Ukraine. December corn closed above the 50-day moving average yesterday for the 1st time since late May and the late July highs at 423 3/4 is the next key resistance. While we may see some profit-taking by the longs before the weekend, prices are likely to find good support on pullbacks to \$4 and below.

### TODAY'S MARKET IDEAS:

US export prices have increased and are now on par with South America and Ukraine and that could slow the current rally. However, we expect buyers will step up if December prices fall back to the 400 level now that the

technical picture has improved after last week's weekly reversal. Look for resistance at 424.

**NEW RECOMMENDATIONS:**

None.

**PREVIOUS RECOMMENDATIONS:**

None.

**CORN TECHNICAL OUTLOOK:**

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CORN (DEC) 09/05/2024: Studies are showing positive momentum but are now in overbought territory, so some caution is warranted. The market's close above the 9-day moving average suggests the short-term trend remains positive. The close over the pivot swing is a somewhat positive setup. The next upside target is 417 1/2. The next area of resistance is around 415 3/4 and 417 1/2, while 1st support hits today at 409 3/4 and below there at 405 3/4.

CORN (MAR) 09/05/2024: Rising stochastics at overbought levels warrant some caution for bulls. The market's short-term trend is positive on the close above the 9-day moving average. The close over the pivot swing is a somewhat positive setup. The next upside target is 436. The next area of resistance is around 434 and 436, while 1st support hits today at 428 and below there at 423 3/4.

**DAILY WHEAT COMMENTARY**

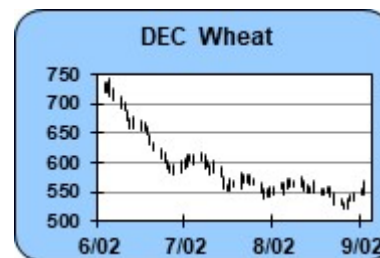
9/5/2024

**Black Sea dryness hindering winter wheat planting**

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

WHEAT -0.65

**OVERNIGHT DEVELOPMENTS:** Chicago wheat (DEC 24) prices overnight are down -6 3/4; Kansas City (DEC 24) down -4 3/4; and Minneapolis (DEC 24) down -1 3/4. MATIF Milling Wheat(DEC 24) was down -0.1%. Chicago wheat open interest as of September 4 was down 10,207 contracts and Minneapolis wheat was down 3,636 contracts.



**NEAR-TERM MARKET FUNDAMENTALS:** Wheat prices had another strong day yesterday closing at their highest level since July 11th. Prices are slightly weaker this morning as the Russia's Deputy Prime Minister left Russia's total grain harvest unchanged at 132 million tonnes, despite weather issues. Ukraine's Ag Minister said planted wheat area may rise to 5.0 million hectares, up from 4.7 last year due to a drop in canola plantings. Ongoing dryness in the Black Sea region is hampering winter wheat planting efforts. French farm group, AGBP, says SRW harvest in the country will be down 26% year over year to 25.98 million tonnes. There were 220 Chicago wheat deliveries overnight. Census Bureau export data shows July US wheat exports were 73 million bushels and August exports are expected to be even better and confirm the export pace is improving. December Chicago has rallied \$0.60 off the reversal lows of last week and a chart bottom looks to be in. However, Russian export prices will need to rise or the US Dollar continue to fall if US exports are to improve to any significant degree. Other fresh news is limited today and weekly export sales will be delayed until tomorrow. December Chicago tested 579 resistance overnight and prices have pulled back slightly. The improved technical picture is expected to result in support on 10-20 cent pullbacks.

**TODAY'S MARKET IDEAS:**

The strong rally since last week's reversal higher may be running out of steam in the short-term and profit-taking

before the weekend is likely. December Chicago hit resistance at 579 overnight. Initial pullback support is 566 and then 552. Speculators can consider pullbacks under 555 a buying opportunity. Open interest has dropped significantly since the reversal last week, indicating Managed Money has been exiting their short positions.

**NEW RECOMMENDATIONS:**

None.

**PREVIOUS RECOMMENDATIONS:**

None.

**WHEAT TECHNICAL OUTLOOK:**

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WHEAT (DEC) 09/05/2024: The market now above the 60-day moving average suggests the longer-term trend has turned up. 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. With the close over the 1st swing resistance number, the market is in a moderately positive position. The near-term upside target is at 596. The market is becoming somewhat overbought now that the RSI is over 70. The next area of resistance is around 590 1/4 and 596, while 1st support hits today at 571 1/4 and below there at 557 3/4.

KC WHEAT (DEC) 09/05/2024: The market now above the 60-day moving average suggests the longer-term trend has turned up. Daily stochastics have risen into overbought territory which will tend to support reversal action if it occurs. 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 near-term upside target is at 608 3/4. With a reading over 70, the 9-day RSI is approaching overbought levels. The next area of resistance is around 603 1/4 and 608 3/4, while 1st support hits today at 582 3/4 and below there at 568.

MINN WHEAT (DEC) 09/05/2024: The market now above the 40-day moving average suggests the longer-term trend has turned up. 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. Since the close was above the 2nd swing resistance number, the market's posture is bullish and could see more upside follow-through early in the session. The next upside objective is 640. The next area of resistance is around 634 1/4 and 640, while 1st support hits today at 612 3/4 and below there at 597 1/4.

RICE (NOV) 09/05/2024: The major trend could be turning up with the close back above the 60-day moving average. The crossover up in the daily stochastics is a bullish signal. Momentum studies are rising from mid-range, which could accelerate a move higher if resistance levels are penetrated. The intermediate trend could be turning up with the close back above the 18-day moving average. Since the close was above the 2nd swing resistance number, the market's posture is bullish and could see more upside follow-through early in the session. The near-term upside target is at 15.611. The next area of resistance is around 15.457 and 15.611, while 1st support hits today at 14.993 and below there at 14.682.

**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>										
CNAZ24	412 3/4	67.81	59.10	59.48	81.42	404.75	397.06	397.44	404.71	416.79
CNAH25	431	68.50	60.01	62.33	82.94	422.81	415.42	415.78	420.93	431.86
SSAX24	1021 1/2	65.63	56.09	57.13	75.85	1006.50	989.42	982.40	1026.40	1052.05
SSAF25	1039 1/4	65.98	56.43	57.11	76.15	1023.63	1006.78	1000.11	1042.63	1067.45
SMAZ24	329.3	71.61	62.85	59.99	79.63	318.50	312.37	309.25	315.46	322.97
BOAZ24	40.16	45.05	44.64	69.70	66.83	41.32	40.73	40.06	42.42	42.83

WHAZ24	580 3/4	72.37	62.52	53.53	75.62	561.94	545.92	550.13	562.64	577.59
WHAH25	600 3/4	72.82	62.85	54.78	77.01	582.06	566.44	569.97	582.86	597.32
RCAX24	15.225	59.06	55.01	50.16	60.15	14.95	15.01	14.96	15.03	15.17
KWAZ24	593	74.78	64.35	60.57	81.53	573.75	557.19	558.32	572.47	587.03
MWAZ24	623 1/2	68.56	59.70	50.49	72.39	605.44	589.33	597.93	611.57	623.59
OTAZ24	357	84.20	75.23	80.38	94.29	343.81	327.17	318.44	318.18	321.31

Calculations based on previous session. Data collected 09/04/2024

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>						
CNAZ24	Corn	405 1/2	409 3/4	411 1/2	415 3/4	417 1/2
CNAH25	Corn	423 1/2	428	429 3/4	434	436
SSAX24	Soybeans	994 1/2	1010 1/2	1016 3/4	1032 1/2	1039
SSAF25	Soybeans	1011 1/2	1028	1034 1/4	1050 1/2	1057
SMAZ24	Soymeal	314.3	323.2	326.4	335.3	338.5
BOAZ24	Soybean Oil	39.04	39.46	40.42	40.84	41.80
WHAZ24	Wheat	557 3/4	571	577	590 1/2	596 1/4
WHAH25	Wheat	578	591 1/4	597	610 1/4	616
RCAX24	Rice	14.681	14.992	15.146	15.457	15.611
KWAZ24	KC Wheat	568	582 3/4	588 1/2	603 1/4	609
MWAZ24	MINN Wheat	597	612 3/4	618 1/2	634 1/4	640
OTAZ24	Oats	339 1/2	349 3/4	354	364 1/4	368 1/2

Calculations based on previous session. Data collected 09/04/2024

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