

DAILY SOY COMPLEX COMMENTARY

11/20/2024

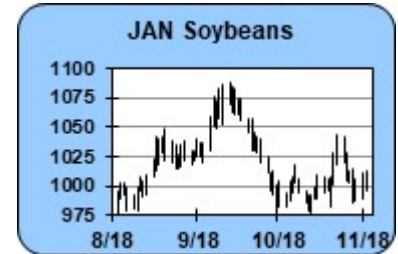
Lack of Southern Hemisphere weather threats bearish

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

OVERNIGHT DEVELOPMENTS: Soybeans (JAN 25) prices overnight are down -7 1/4; Soymeal (JAN 25) down -0.90; and Soyoil (JAN 25) down -0.62.

Soybean open interest as of November 19 was up 2,133 contracts, soymeal down 2,196 contracts, and soybean oil up 2,605. Chinese Dalian (JAN 25)

Soybeans down 0.13%, Soymeal down 0.18%, Soyoil up 0.49%, Palm oil up 0.73%. Malaysian Palm was down 2.21%.



NEAR-TERM MARKET FUNDAMENTALS: The market is back down testing last week's lows this morning which can be attributed to favorable South American weather and a stronger US dollar. Overall Brazil bean planting is 80% complete and in the southern state of Parana, Deral reports planting is 96% done with 96% of the crop in good condition. Brazil's oilseed group, ABIOVE, estimates the crop at 167.7 million tonnes, compared to USDA at 169 and exports of 104.1 compared to USDA's 105.5 and 98.3 last season. Brazil's crush is expected at 57.0 million tonnes, compared to USDA at 54.0 and last year's 54.5. Dr Cordonnier raised his Brazil production number 1 million tonnes to 166 million, compared to USDA at 169 and said his only concern is dryness creeping into the far southern Brazil crop areas. China's October US bean imports were 541,434 tonnes, compared to 228,253 a year ago but pales in comparison to China's October Brazil bean imports of 8.09 million tonnes. While China demand for US beans has improved, they have no purchases on the books for January and beyond. US meal is priced well above South American offers although US bean oil is competitive. The Brazil Ag Ministry is expected to announce new agreements with China today. No word yet if it will include grains but is expected to include beef and pork. Argentina announced an international tender to privatize the Paraguay/Parana waterway, which needs investment for upgraded technology and satellite tracking systems. 80% of Argentina's Ag exports use this waterway. January beans are sitting on key trendline support, and the lack of southern hemisphere weather threats is likely to push prices down further. A test of the August lows looks to be in the cards.

TODAY'S MARKET IDEAS:

January beans have been range-bound this month between 1044 and 986. Prices are testing the low end of the range this morning and sitting right on trendline support from the lows since late October. The technical outlook would weaken on a close below 986 and likely send the market for a test of the contract lows in August at 973 3/4. A bounce back above 1010 would be a selling opportunity. The path of least resistance looks lower.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None

SOYBEAN COMPLEX TECHNICAL OUTLOOK:

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SOYBEANS (JAN) 11/20/2024: Declining momentum studies in the neutral zone will tend to reinforce lower price action. The close below the 18-day moving average is an indication the intermediate-term trend has turned down.

The market could take on a defensive posture with the daily closing price reversal down. The market's close below the 1st swing support number suggests a moderately negative setup for today. The next downside objective is now at 983 3/4. The next area of resistance is around 1007 1/4 and 1018 3/4, while 1st support hits today at 989 3/4 and below there at 983 3/4.

SOYBEAN OIL (DEC) 11/20/2024: Stochastics trending lower at midrange will tend to reinforce a move lower especially if support levels are taken out. The close below the 18-day moving average is an indication the intermediate-term trend has turned down. The daily closing price reversal down is a negative indicator for prices. It is a slightly negative indicator that the close was under the swing pivot. The next downside objective is 43.85. The next area of resistance is around 45.48 and 46.41, while 1st support hits today at 44.20 and below there at 43.85.

SOYMEAL (DEC) 11/20/2024: Daily stochastics are showing positive momentum from oversold levels, which should reinforce a move higher if near term resistance is taken out. 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. It is a slightly negative indicator that the close was lower than the pivot swing number. The next upside objective is 294.7. Some caution in pressing the downside is warranted with the RSI under 30. The next area of resistance is around 291.2 and 294.7, while 1st support hits today at 286.0 and below there at 284.2.

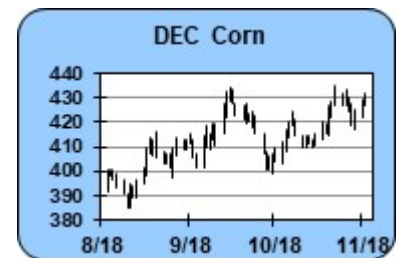
DAILY CORN COMMENTARY

11/20/2024

Mexico purchases of US corn largest in 6 years

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

OVERNIGHT DEVELOPMENTS: Corn (MAR 25) prices overnight are down -2. Corn open interest as of November 19 was down 4,235 contracts. Chinese Dalian (JAN 25) Corn was down 0.32%.



NEAR-TERM MARKET FUNDAMENTALS: The corn market is slightly lower to start the day on good southern hemisphere weather. Anticipation of additional demand has supported breaks as Mexico's corn purchases this year have been the largest since 2018. The ongoing drought in Mexico continues to be an issue as their winter corn crop is being planted. Argentina's corn planting is nearing the halfway mark and ahead of schedule, which will result in early harvested supplies being available in March and April, rather than May and June. Japan's corn use in animal feed in September was up to 48%, above the prior month of 47.4% and above last September at 46.6. Algeria bought 240,000 tonnes of South American corn. The Houthi's have resumed their attacks on bulk carriers in the Red Sea and Gulf of Aden. Two ships were attacked this week but both missiles did not hit their target. Weekly ethanol production will be released later this morning and is expected at 1.100 million barrels per day, down from 1.113 last week and ethanol stocks are expected at 22.206 million barrels, up from 22.039 last week. Ukraine's corn area is expected to be 500,000 ha larger 24.4 million ha, but still down 1 million ha from prewar levels. Traders will be looking for additional demand signs this week to offset bearish global weather. December corn is likely to find support on dips but rallies will be capped until weather turns more threatening.

TODAY'S MARKET IDEAS:

December corn strong support in the 416 area and heavy resistance at 435. The market is caught in between until new market moving news is uncovered. The technical picture still has a positive feel but lacks a trigger to push the market to a new high for the month. Longer-term moving average resistance at 440 will be a tough test for the market on the upside. Pullbacks on December corn under 418 remain a buying opportunity.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

CORN TECHNICAL OUTLOOK:

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CORN (DEC) 11/20/2024: Momentum studies trending lower at mid-range could accelerate a price break if support levels are broken. The close above the 9-day moving average is a positive short-term indicator for trend. The daily closing price reversal down is a negative indicator for prices. It is a slightly negative indicator that the close was lower than the pivot swing number. The next downside objective is 423 1/4. The next area of resistance is around 429 3/4 and 433, while 1st support hits today at 424 3/4 and below there at 423 1/4.

CORN (MAR) 11/20/2024: 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. 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 next downside objective is now at 434. The next area of resistance is around 440 and 443 1/4, while 1st support hits today at 435 1/2 and below there at 434.

DAILY WHEAT COMMENTARY

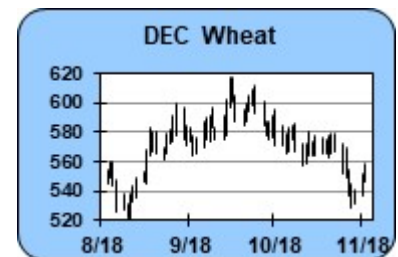
11/20/2024

Black Sea and US winter wheat heading into dormancy

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):

WHEAT -0.33

OVERNIGHT DEVELOPMENTS: Chicago wheat (MAR 25) prices overnight are down -3 3/4; Kansas City (MAR 25) down -3 3/4; and Minneapolis (MAR 25) down -4 1/4. MATIF Milling Wheat(MAR 25) was down -0.3%. Chicago wheat open interest as of November 19 was down 9,256 contracts and Minneapolis wheat was down 9,693 contracts.



NEAR-TERM MARKET FUNDAMENTALS: The market is pulling back after 3 strong days in a row, but geopolitical risks are likely to stay elevated as Ukraine makes use of US-made longer-range weapons. Putin added new nuclear doctrine wording yesterday that Western made non-nuclear weapons, if used against Russia, could initiate a nuclear response. Russian farmers are expected to plant less wheat after heavy losses this year and favor more lentils, peas and sunflowers. Black Sea winter wheat crops are set to go dormant in the next couple of weeks as will US winter wheat. LSEG lowered their Ukraine wheat production by 2.1% from their previous forecast to 20.3 million tonnes. Corteva's new non-GMO higher-yielding HRW seed is expected to be available for use in 2027. Eastern Ukraine moisture levels are at a 6-year low. After heavy precipitation recently in the southern Plains, a drier pattern has moved in but the 6 to 10 day forecast does show additional moisture chances for the central Plains. Today's pullback may test last week's lows as good moisture improvement in the US Plains offset geopolitical risks.

TODAY'S MARKET IDEAS:

Chicago December wheat is pulling back this morning and initial support stands at 537. Speculators who sold yesterday at 557 can move stops down to breakeven. Chicago December prices must close over 561 to turn the technical outlook back to positive.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

WHEAT TECHNICAL OUTLOOK:

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WHEAT (DEC) 11/20/2024: The stochastics indicators are rising from oversold levels, which is bullish and should support higher prices. The market's short-term trend is negative as the close remains below the 9-day moving average. With the close higher than the pivot swing number, the market is in a slightly bullish posture. The next upside target is 564. The next area of resistance is around 556 1/4 and 564, while 1st support hits today at 543 1/4 and below there at 537 3/4.

KC WHEAT (DEC) 11/20/2024: Stochastics are at mid-range but trending higher, which should reinforce a move higher if resistance levels are taken out. A positive signal for trend short-term was given on a close over the 9-bar moving average. The market has a slightly positive tilt with the close over the swing pivot. The next upside objective is 570 1/4. The next area of resistance is around 564 and 570 1/4, while 1st support hits today at 552 and below there at 546.

MINN WHEAT (DEC) 11/20/2024: 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 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 objective is 596. The next area of resistance is around 591 1/4 and 596, while 1st support hits today at 582 1/4 and below there at 577 3/4.

RICE (JAN) 11/20/2024: The close under the 60-day moving average indicates the longer-term trend could be turning down. A positive indicator was given with the upside crossover of the 9 and 18 bar moving average. Rising stochastics at overbought levels warrant some caution for bulls. 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 near-term upside target is at 15.398. The next area of resistance is around 15.232 and 15.398, while 1st support hits today at 14.958 and below there at 14.849.

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	427 1/4	57.68	57.11	68.51	68.36	424.88	427.00	421.15	417.92	414.74
CNAH25	437 3/4	54.41	54.27	61.47	59.06	435.88	438.75	433.99	432.99	430.65
SSAF25	998 1/2	45.40	45.73	43.30	37.11	998.56	1010.14	1002.00	1021.60	1021.68
SSAH25	1008 1/2	44.03	44.57	40.45	33.37	1008.88	1021.42	1014.33	1034.63	1035.07
SMAZ24	288.6	26.46	29.24	14.19	16.97	288.88	292.20	296.45	312.88	314.65
BOAZ24	44.84	46.33	49.92	51.29	39.92	45.04	46.31	45.48	43.91	43.01
WHAZ24	549 3/4	42.15	41.72	24.66	29.62	540.94	551.83	560.61	575.90	573.86
WHAH25	567 3/4	41.88	41.08	22.07	28.45	558.94	568.47	578.69	595.64	593.56
RCAF25	15.095	59.18	55.01	58.93	71.06	14.99	14.79	14.79	15.10	15.14
KWAZ24	558	48.34	45.67	23.06	33.93	546.63	551.83	561.54	578.26	578.00
MWAZ24	586 3/4	44.73	42.80	18.96	27.89	577.63	583.50	594.03	613.04	612.29
OTAZ24	344 3/4	34.23	37.05	21.95	21.31	353.44	354.58	371.82	376.59	370.60

Calculations based on previous session. Data collected 11/19/2024

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

DAILY SWING STATISTICS

Contract	Support 2	Support 1	Pivot	Resist 1	Resist 2
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GRAIN COMPLEX

CNAZ24	Corn	423	424 3/4	428	429 3/4	433
CNAH25	Corn	433 3/4	435 1/2	438 1/2	440	443 1/4
SSAF25	Soybeans	983 3/4	989 3/4	1001 1/4	1007 1/4	1018 3/4
SSAH25	Soybeans	994 3/4	1000 1/2	1011	1016 1/2	1027 1/4
SMAZ24	Soymeal	284.1	285.9	289.4	291.2	294.7
BOAZ24	Soybean Oil	43.85	44.20	45.13	45.48	46.41
WHAZ24	Wheat	537 3/4	543	551	556 1/2	564 1/4
WHAH25	Wheat	556 1/2	561 1/2	568 3/4	574	581
RCAF25	Rice	14.848	14.957	15.123	15.232	15.398
KWAZ24	KC Wheat	546	552	558 1/4	564	570 1/2
MWAZ24	MINN Wheat	577 3/4	582	587	591 1/2	596 1/4
OTAZ24	Oats	318 3/4	329 1/2	349 1/2	360	380 1/4

Calculations based on previous session. Data collected 11/19/2024

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