

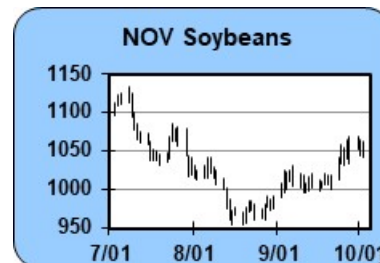
DAILY SOY COMPLEX COMMENTARY

10/3/2024

Proposal to delay EU deforestation rules bearish meal

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 down -6 1/2; Soymeal (DEC 24) down -2.40; and Soyoil (DEC 24) up 0.05. Soybean open interest as of October 2 was up 6,155 contracts, soymeal up 7,058 contracts, and soybean oil up 1,322. Chinese Dalian (NOV 24) Soybeans down 0.19%, Soymeal up 1.23%, Soyoil down 0.44%, Palm oil down 0.72%. Malaysian Palm was down 0.33%.



NEAR-TERM MARKET FUNDAMENTALS: Bean prices are lower to start the day and testing yesterday's lows. Soymeal has taken center stage in the bean complex over the last week and yesterday's proposal to delay the implementation of EU's deforestation rules until 2026 was a bearish blow. The rules were expected to benefit US meal exports as South American meal would have a much tougher time complying. Weather models are still showing rain chances for Brazil the 2nd half of next week, but totals will likely not be heavy enough for a major planting push yet. US harvest weather remains ideal for the next 2 weeks with mostly dry conditions across the Midwest and normal to above normal temperatures. India's palm oil imports in September hit a 6-month low due to its high price against rival oils. There were 29 meal deliveries overnight and 177 total so far. This morning's weekly export sales are expected at 1 million-1,600,000 tonnes for beans, 150,000-450,000 tons for meal and 20-50,000 tonnes for bean oil. The potential for rains in Brazil and weakness in meal raise the odds for a pullback. November beans have reached overbought territory and 20-day moving average support is 1027. Look for overhead resistance at 1073 3/4.

TODAY'S MARKET IDEAS:

Better rain potential for Brazil next week and clear US harvest weather are definite headwinds for beans after the recent 2-month rally. The potential delay in implementation of the EU deforestation rules is a negative force for meal and could pull beans down for a further pullback. Moving average support stands at 1027. Stochastics is on the verge of crossing over to the downside.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None

SOYBEAN COMPLEX TECHNICAL OUTLOOK:

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SOYBEANS (NOV) 10/03/2024: 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. It is a slightly negative indicator that the close was lower than the pivot swing number. The near-term upside target is at 1075 3/4. The next area of resistance is around 1066 1/2 and 1075 3/4, while 1st support hits today at 1045 1/2 and below there at 1033 1/2.

SOYBEAN OIL (DEC) 10/03/2024: Daily stochastics have risen into overbought territory which will tend to support reversal action if it occurs. 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 45.07. The next area of resistance is around 44.38 and 45.07, while 1st support hits today at 42.90 and below there at 42.11.

SOYMEAL (DEC) 10/03/2024: 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's close below the 1st swing support number suggests a moderately negative setup for today. The next upside target is 358.5. The next area of resistance is around 349.3 and 358.5, while 1st support hits today at 331.5 and below there at 322.8.

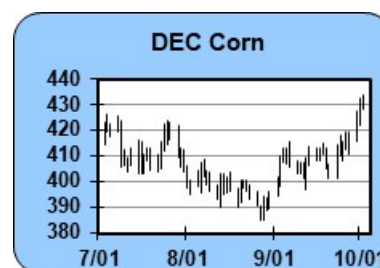
DAILY CORN COMMENTARY

10/3/2024

Clear US harvest weather ahead

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

OVERNIGHT DEVELOPMENTS: Corn (DEC 24) prices overnight are down -1/2. Corn open interest as of October 2 was up 14,745 contracts. Chinese Dalian (NOV 24) Corn was up 1.57%.



NEAR-TERM MARKET FUNDAMENTALS: For the 3rd day in a row, December corn prices made a new high for the move following through from the recent breakout. Open interest rose nearly 15,000 contracts yesterday, indicating new long positioning. US harvest weather looks mostly clear for the next 10 days except for a few light chances in western Illinois and eastern Iowa. Temperatures are expected to remain normal to above normal and more of the same is showing in the 8 to 14 day outlook. Some draft restrictions are being removed on the Mississippi River as recent rains increase water levels, but the return of dry conditions will result in only temporary improvement. Weekly export sales this morning are expected in a range of 600,000 - 1 million tonnes. Ethanol production ticked up last week but came in within expectations. Stocks were slightly lower than the prior week but within expectations as well. Other market moving news is slim this morning and the technical outlook points to a test of retracement resistance at 440 for December corn. Look for support at 424.

Ethanol average daily production for the week ending September 27 averaged 1.015 million barrels. This was up 2.1% from last week and up 0.6% from last year. The 5-year average for this week is 0.930 million barrels per day. Ethanol production for the week was 7.105 million barrels. Ethanol stocks were 23.459 million barrels. This was a new high stocks level for this week of the year. The previous high was 23.445 million barrels in 2018. This was down 0.3% from last week and up 7.2% from last year. The 5-year average stocks for this week is 21.340 million barrels. The amount of corn used for the week is estimated at 102.41 million bushels. Cumulative corn use for the crop year has reached 401.926 million bushels. Corn use needs to average 104.55 million bushels per week to meet the USDA's marketing year forecast of 5.450 billion bushels.

TODAY'S MARKET IDEAS:

Corn open interest jumped sharply again yesterday and indicates buyers are still stepping in as prices rally. December corn may test 50% retracement resistance at 440 yet this week. Pullback support is 424.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

CORN TECHNICAL OUTLOOK:

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CORN (DEC) 10/03/2024: Daily stochastics have risen into overbought territory which will tend to support reversal action if it occurs. The close above the 9-day moving average is a positive short-term indicator for trend. The close over the pivot swing is a somewhat positive setup. The next upside objective is 437 1/2. With a reading over 70, the 9-day RSI is approaching overbought levels. The next area of resistance is around 435 1/4 and 437 1/2, while 1st support hits today at 429 3/4 and below there at 426 1/4.

CORN (MAR) 10/03/2024: 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. It is a mildly bullish indicator that the market closed over the pivot swing number. The near-term upside objective is at 456. The 9-day RSI over 70 indicates the market is approaching overbought levels. The next area of resistance is around 453 1/4 and 456, while 1st support hits today at 446 3/4 and below there at 443.

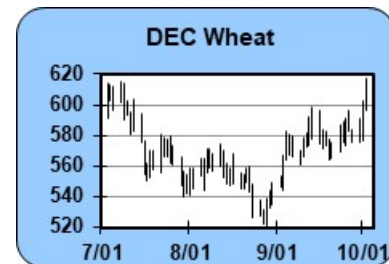
DAILY WHEAT COMMENTARY

10/3/2024

Egypt buys wheat, Chicago futures hit long-term moving average

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):
WHEAT -0.23

OVERNIGHT DEVELOPMENTS: Chicago wheat (DEC 24) prices overnight are down -2 3/4; Kansas City (DEC 24) down -3 1/2; and Minneapolis (DEC 24) down -1/2. MATIF Milling Wheat(DEC 24) was down -0.4%. Chicago wheat open interest as of October 2 was up 4,075 contracts and Minneapolis wheat was down 5,549 contracts.



NEAR-TERM MARKET FUNDAMENTALS: Several bullish headlines converged yesterday to boost wheat prices, including Egypt purchasing up to 3.18 million tonnes of Black Sea wheat in a private deal for November-April monthly shipment, the Russian Grain Exporters Union saying summer wheat exports have been excessive and calling for export quota limits, and SovEcon lowering their forecast for Russian exports to 47.6 million tonnes, down from 48.1. On top of the above factors, the Black Sea region remains very dry with many areas seeing major deficits in soil moisture and Ukraine's Odessa port was damaged by Russian drones. Russian and Ukraine combined account for 30% of global wheat supply. Just like a capitulation event on the downside, when all the news seems bullish seasoned traders know that can be a warning sign a pullback is near. This morning's weekly export sales are expected in a range of 150,000-450,000 tonnes. December Chicago touched 200-day moving average resistance this morning and if prices can close over 617, the chart would point to further upside potential to retracement resistance at 640. However, if the market stalls here at the 200-day moving average, December could see a pullback to support at 583.

TODAY'S MARKET IDEAS:

Weather and geopolitical risks are high for Chicago wheat but prices have moved up \$1.00 per bushel since the August lows and are now testing the long-term 200-day moving average resistance. December Chicago could move up to 50% retracement resistance to the late May highs at 640 if prices can close above the 200-day moving average at 617. Bullish news seems to be coming at the market from all directions and any bearish technical signal would raise a red flag the market is ready to pull back after the recent rally.

NEW RECOMMENDATIONS:

None

PREVIOUS RECOMMENDATIONS:

None.

WHEAT TECHNICAL OUTLOOK:

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WHEAT (DEC) 10/03/2024: Studies are showing positive momentum but are now in overbought territory, so some caution is warranted. A positive signal for trend short-term was given on a close over the 9-bar moving average. The market setup is supportive for early gains with the close over the 1st swing resistance. The next upside objective is 632. With a reading over 70, the 9-day RSI is approaching overbought levels. The next area of resistance is around 625 3/4 and 632, while 1st support hits today at 604 3/4 and below there at 590.

KC WHEAT (DEC) 10/03/2024: The moving average crossover up (9 above 18) indicates a possible developing short-term uptrend. 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 setup is supportive for early gains with the close over the 1st swing resistance. The next upside objective is 640 1/2. The market is becoming somewhat overbought now that the RSI is over 70. The next area of resistance is around 631 1/2 and 640 1/2, while 1st support hits today at 604 1/2 and below there at 586 1/4.

MINN WHEAT (DEC) 10/03/2024: The upside crossover (9 above 18) of the moving averages suggests a developing short-term uptrend. Momentum studies are trending higher but have entered overbought levels. 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 objective is 665 3/4. The 9-day RSI over 70 indicates the market is approaching overbought levels. The next area of resistance is around 659 and 665 3/4, while 1st support hits today at 639 and below there at 625 3/4.

RICE (NOV) 10/03/2024: 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 1st swing support could weigh on the market. The next downside target is now at 14.909. The next area of resistance is around 15.282 and 15.378, while 1st support hits today at 15.048 and below there at 14.909.

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	432 1/2	75.53	68.88	83.91	89.67	426.06	417.75	413.17	404.88	406.42
CNAH25	450	76.06	69.41	83.66	89.12	443.19	435.50	431.26	422.92	423.44
SSAX24	1056	65.61	62.22	80.11	81.82	1059.00	1047.08	1027.46	1008.15	1019.45
SSAF25	1074 1/4	65.95	62.50	80.50	82.21	1077.00	1065.08	1045.63	1025.84	1036.48
SMAZ24	340.4	63.14	61.94	74.80	77.23	343.40	333.60	327.74	319.24	318.60
BOAZ24	43.64	64.01	60.81	71.76	74.23	43.06	42.87	41.34	40.72	41.60
WHAZ24	615 1/4	73.74	68.06	67.80	79.74	594.56	586.75	581.75	565.33	565.43
WHAH25	637 1/4	75.53	69.51	70.21	82.40	615.31	606.64	601.22	585.17	585.48
RCAX24	15.165	47.79	49.31	57.66	52.11	15.21	15.24	15.22	15.14	15.09
KWAZ24	618	74.85	68.13	55.58	72.61	594.50	583.36	582.67	571.39	573.30
MWAZ24	649	71.41	65.29	53.74	70.20	628.44	620.11	618.69	608.77	611.38
OTAZ24	389 3/4	71.17	69.35	80.15	85.13	388.75	378.56	371.71	341.09	335.66

Calculations based on previous session. Data collected 10/02/2024

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	426 1/4	429 1/2	432	435 1/2	437 3/4
CNAH25	Corn	443	446 3/4	449 1/2	453 1/4	456
SSAX24	Soybeans	1033 1/4	1045 1/2	1054 1/2	1066 1/2	1075 3/4
SSAF25	Soybeans	1052 1/4	1064	1073	1084 1/2	1093 3/4
SMAZ24	Soymeal	322.7	331.4	340.6	349.3	358.5
BOAZ24	Soybean Oil	42.11	42.90	43.59	44.38	45.07
WHAZ24	Wheat	590	604 3/4	611	625 3/4	632
WHAH25	Wheat	610 3/4	626 1/2	632 1/2	648	654 1/4
RCAX24	Rice	14.908	15.047	15.143	15.282	15.378
KWAZ24	KC Wheat	586 1/4	604 1/2	613 1/2	631 1/2	640 3/4
MWAZ24	MINN Wheat	625 3/4	639	645 3/4	659	665 3/4
OTAZ24	Oats	373 1/2	382 3/4	387 1/2	396 3/4	401 1/2

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