DAILY SOY COMPLEX COMMENTARY
*10/8/2024*

Too many fundamental negatives for bull camp to overcome

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

NOV Soybeans

OVERNIGHT DEVELOPMENTS: Soybeans (NOV 24) prices overnight are down -14 3/4; Soymeal (DEC 24) down -3.00; and Soyoil (DEC 24) down -0.84. Soybean open interest as of October 4 was up 13,473 contracts, soymeal up 1,671 contracts, and soybean oil up 765. Chinese Dalian (NOV 24) Soybeans down 3.55%, Soymeal down 2.40%, Soyoil up 2.19%, Palm oil up 3.98%. Malaysian Palm was down 1.66%.
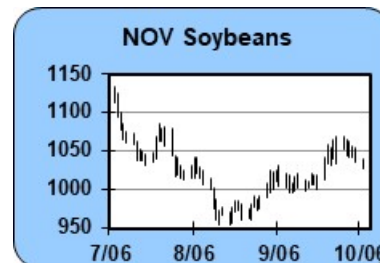
NEAR-TERM MARKET FUNDAMENTALS: Speedy US harvest and anticipation of the start of Brazil's monsoon rains are pressuring the soy complex this morning. NASS estimated US harvest at 47% done, above last year's 37% and well above the 5-year average of 34%. Warm and dry weather across the entire Midwest will continue for the next 2 weeks, further accelerating harvest progress beyond average. Harvest reports have been mostly good but more variable than some expected. Deral says the Brazilian state of Parana is 22% planted, compared to 20% last year. Safras says 2024/25 Brazilian farmer's forward bean sales have reached 24.8%, compared to 21.4% last year but 29.4% average. The EU deforestation rule delay will be voted on in November by the EU parliament but is expected to pass. Companies like Cargill that purchased extra deforested beans at a premium in anticipation of the implementation of the new rules at the end of this year, are complaining they are being punished for being prepared. German oilseed consultancy, Oil World, warns that if Indonesia implements their B40 biodiesel blend plan, global oilseed supplies could tighten to a critical level. China's Golden week holiday ends tomorrow. November beans fell below the 20-day moving average overnight, which had held breaks since late August. Friday's USDA October supply/demand report, rain potential in Brazil and the acceleration of US harvest are all negative factors that could push prices down to the mid-September lows and retracement support at 999. Nearby support for today is 1012.

Soybeans harvested as of October 6 was up 21% at 47%. This is up 10% versus last year and up 13% versus the 10-year average. The top producing states report Illinois 42%(+18%), Iowa 58%(+31%), Minnesota 68%(+33%), Indiana 36%(+13%), Ohio 35%(+12%).

Soybeans rated good / excellent (G/EX) as of October 6 was down 1% at 63% and poor / very poor was unchanged at 11%. Current G/EX is up 1% versus the 10-year average and Poor / Very Poor is down 1% versus the 10 year average. Of the 18 reported states 4 reported better, 7 worse, and 7 unchanged G/EX ratings. The good / excellent ratings for the top producing states were: Illinois 69%(-3%), Iowa 76%(-1%), Minnesota 63%(-2%), Indiana 62%(+1%), Ohio 44%(0%).

Soybean export inspections for the week ending October 3 came in at 1,431,345 metric tonnes. Cumulative inspections year-to-date are 3,360,626 metric tonnes which is 1.0% below last year. This is 6.7% of the USDA's forecast for the 2024-25 marketing year versus the five year average of 6.6%.

TODAY'S MARKET IDEAS:
The bear camp is feeling confident today with clear US harvest weather, rains on the way for South America and the latest USDA supply/demand report coming on Friday to remind traders ending stocks are high. November beans are moving down toward retracement support at 1012 and prices may test.618% retracement support at 999. Bullish news is hard to find at the moment and perhaps the return of China from their holiday will encourage some US purchases.

SOYBEAN COMPLEX TECHNICAL OUTLOOK:

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SOYBEANS (NOV) 10/08/2024: Momentum studies trending lower at mid-range should accelerate a move lower if support levels are taken out. A negative signal for trend short-term was given on a close under the 9-bar moving average. The market tilt is slightly negative with the close under the pivot. The next downside objective is 1021. The next area of resistance is around 1040 1/4 and 1045 3/4, while 1st support hits today at 1027 3/4 and below there at 1021.

SOYBEAN OIL (DEC) 10/08/2024: 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 daily closing price reversal up on the daily chart is somewhat positive. The market has a slightly positive tilt with the close over the swing pivot. The near-term upside objective is at 45.92. The next area of resistance is around 45.39 and 45.92, while 1st support hits today at 43.75 and below there at 42.64.

SOYMEAL (DEC) 10/08/2024: Stochastics trending lower at midrange will tend to reinforce a move lower especially if support levels are taken out. The market back below the 18-day moving average suggests the intermediate-term trend could be turning down. The close below the 2nd swing support number puts the market on the defensive. The next downside target is 318.7. The next area of resistance is around 327.2 and 331.6, while 1st support hits today at 320.8 and below there at 318.7.
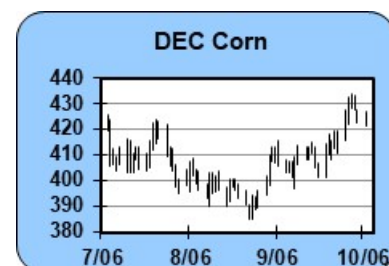

DAILY CORN COMMENTARY
10/8/2024

Dry and warm conditions for Midwest next 2 weeks

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

DEC Corn

OVERNIGHT DEVELOPMENTS: Corn (DEC 24) prices overnight are down -2 1/2. Corn open interest as of October 4 was down 19,372 contracts. Chinese Dalian (NOV 24) Corn was down 0.54%.

NEAR-TERM MARKET FUNDAMENTALS: Near-complete Midwest dryness and warm temperatures over the next 2 weeks will speed harvest forward and offsetting bullish news is hard to find at the moment, keeping prices under pressure. The 6-10 and 8-14 day outlooks are unchanged with below normal precipitation across the entire Midwest and above normal temperatures. US corn harvest stands at 30% complete, compared to 31% year ago and 27% 5-year average. Farmers have been more focused on bean harvest, but the corn harvest pace will be accelerating. AgRural says 1st crop corn in Brazil is 37% planted, compared to 39% average. Safras says center - south Brazilian corn farmer sales have reached 59%, compared to 67.4 average. Brazil and Argentina are expecting better moisture chances over the next 10 days and the monsoon rains are about to begin. Ukraine says Russia struck another grain ship yesterday near the Odessa ports, after damaging a grain vessel on Sunday. Ukraine's grain exports over the last couple of months have been very strong and Russia may be trying to squeeze Ukraine's export revenue. December corn has pullback support at 416 and prices are likely test that level before

Friday's October supply/demand report. Potential South American rains take away one of the bullish market factors, but prices likely found a significant low in August and are expected to find good support on pullbacks.

Corn harvested as of October 6 was up 9% at 30%. This is down 1% versus last year and up 3% versus the 10-year average. The top producing states report Iowa 22%(+11%), Illinois 32%(+11%), Nebraska 27%(+10%), Minnesota 15%(+8%), Indiana 29%(+9%).

Corn rated good / excellent (G/EX) as of October 6 was unchanged at 64% and poor / very poor was up 1% at 13%. Current G/EX is up 1% versus the 10-year average and Poor / Very Poor is unchanged versus the 10 year average. Of the 18 reported states 7 reported better, 4 worse, and 7 unchanged G/EX ratings. The good / excellent ratings for the top producing states were: Iowa 77%(0%), Illinois 77%(0%), Nebraska 67%(-2%), Minnesota 63%(+1%), Indiana 61%(-1%).

Corn export inspections for the week ending October 3 came in at 933,274 metric tonnes. Cumulative inspections year-to-date are 4,273,529 metric tonnes which is 22.2% above last year. This is 7.3% of the USDA's forecast for the 2024-25 marketing year versus the five year average of 4.8%.

TODAY'S MARKET IDEAS:
As expected, anticipation of South American rains and ideal US harvest weather has prices under pressure and that may continue into Friday morning's October USDA supply/demand report. Next support on December is 416. Stochastics has turned down from overbought territory and if the pullback is extended, a move down to 406 1/2 is possible.

NEW RECOMMENDATIONS:
None.

PREVIOUS RECOMMENDATIONS:
None.

CORN TECHNICAL OUTLOOK:

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CORN (DEC) 10/08/2024: Stochastics turning bearish at overbought levels will tend to support lower prices if support levels are broken. The market's short-term trend is positive on the close above the 9-day moving average. The daily closing price reversal up is a positive indicator that could support higher prices. It is a mildly bullish indicator that the market closed over the pivot swing number. The next downside objective is 419 1/2. The next area of resistance is around 428 3/4 and 430 3/4, while 1st support hits today at 423 1/4 and below there at 419 1/2.

CORN (MAR) 10/08/2024: Daily stochastics turning lower from overbought levels is bearish and will tend to reinforce a downside break especially if near term support is penetrated. The close above the 9-day moving average is a positive short-term indicator for trend. 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 downside target is 436 3/4. The next area of resistance is around 445 1/4 and 447, while 1st support hits today at 440 1/4 and below there at 436 3/4.

DAILY WHEAT COMMENTARY
10/8/2024

US winter wheat planting half done but forecast dry for Plains

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):
WHEAT -0.13

OVERNIGHT DEVELOPMENTS: Chicago wheat (DEC 24) prices overnight are down -2 1/2; Kansas City (DEC 24) down -3 1/4; and Minneapolis (DEC 24) down -1 3/4. MATIF Milling Wheat(DEC 24) was up 0.1%. Chicago wheat open interest as of October 4 was up 2,346 contracts and Minneapolis wheat was down 2,929 contracts.
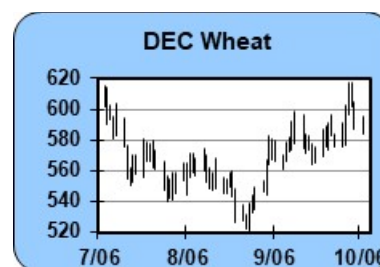
NEAR-TERM MARKET FUNDAMENTALS: A 2nd attack in the last 2 days by Russia on a ship carrying Ukrainian grain near Odessa may be a sign Russia's strategy is shifting to disrupting Ukrainian exports, which have been very strong since July. Rusagrotrans says July through September Russian wheat exports were 14.73 million tonnes, down slightly from last year's 15.0. So far, Russia has harvested 79.3 million tonnes of grain on 25.9 million ha, compared with last year at this time 88.6 million tonnes, on 26.0 million ha. Ukraine's winter grain sowing has reached 55.4% and more rain is needed. US winter wheat planting has reached 51%, near the 5-year average of 52%. Plains farmers will have to make a decision to wait for rain or plant in the dust as there are no rain chances over the next 2 weeks. IKAR says Russian wheat export price is up $1 from last week at $223 per tonne. Saudi Arabia purchased 307,000 tonnes of wheat yesterday, their last purchase was on July 1st. Traders are anticipating a downgrade in Russia's crop as the Ag Minister said adverse weather and difficulties harvesting in war-torn regions have negatively affected production. The last government update for Russia's total grain crop was 132 million tonnes, down from 148 last year. The Ag Minister went as far as asking for citizens to visit local churches to pray for rain. StoneX lowered their Brazil wheat crop estimate to 7.89 million tonnes, down from 8.09 previously. The 20-day moving average has proved to be key support over the last few weeks and comes in today at 585. A break below that level could extend the pullback to next support at 567.

Winter Wheat planted as of October 6 was up 12% at 51%. This is down 1% versus last year and down 2% versus the 10 year average. The top producing states report Kansas 52%(+20%), Washington 81%(+10%), Montana 64%(+3%), Illinois 18%(+7%), Idaho 65%(+21%).

Wheat export inspections for the week ending October 3 came in at 363,460 metric tonnes. Cumulative inspections year-to-date are 8,612,111 metric tonnes which is 34.6% above last year. This is 38.4% of the USDA's forecast for the 2024-25 marketing year versus the five year average of 36.6%.

TODAY'S MARKET IDEAS:
Prices are pulling back slightly this morning and key moving average support sits at 585 on December Chicago. Short-term technical indicators are pointing lower, and prices could drop to support at 567 before Friday's USDA supply/demand report puts the focus on burdensome US ending stocks. If Russia continues to hit ships carrying Ukrainian grain, it may be a tactic to slow down Ukrainian exports to limit the governments export revenue to fund the war.

NEW RECOMMENDATIONS:
None

PREVIOUS RECOMMENDATIONS:
None.

WHEAT TECHNICAL OUTLOOK:

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WHEAT (DEC) 10/08/2024: Momentum studies trending lower at mid-range could accelerate a price break if support levels are broken. The close below the 9-day moving average is a negative short-term indicator for trend.

The daily closing price reversal up on the daily chart is somewhat positive. It is a slightly negative indicator that the close was lower than the pivot swing number. The next downside target is 580. The next area of resistance is around 598 and 602 1/4, while 1st support hits today at 587 and below there at 580.

KC WHEAT (DEC) 10/08/2024: Momentum studies are trending higher from mid-range, which should support a move higher if resistance levels are penetrated. The market's short-term trend is positive on the close above the 9-day moving average. The upside closing price reversal on the daily chart is somewhat bullish. With the close higher than the pivot swing number, the market is in a slightly bullish posture. The next upside target is 615 1/2. The next area of resistance is around 610 1/2 and 615 1/2, while 1st support hits today at 596 1/2 and below there at 587 1/4.

MINN WHEAT (DEC) 10/08/2024: Rising stochastics at overbought levels warrant some caution for bulls. The close above the 9-day moving average is a positive short-term indicator for trend. 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 target is 655 3/4. The next area of resistance is around 651 1/4 and 655 3/4, while 1st support hits today at 637 1/4 and below there at 627 1/2.

RICE (NOV) 10/08/2024: The cross over and close above the 60-day moving average indicates the longer-term trend has turned up. 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 slightly negative indicator that the close was lower than the pivot swing number. The next downside objective is 14.927. The next area of resistance is around 15.227 and 15.376, while 1st support hits today at 15.003 and below there at 14.927.

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	426	62.04	60.76	82.24	79.23	427.88	423.53	416.65	406.60	407.19
CNAH25	442 3/4	60.85	60.14	80.91	76.84	445.13	440.83	434.47	424.67	424.39
SSAX24	1034	48.51	51.85	71.10	62.01	1043.44	1049.78	1033.13	1009.29	1018.08
SSAF25	1052 1/2	48.77	52.11	71.57	62.59	1061.81	1068.00	1051.36	1027.12	1035.26
SMAZ24	324.0	42.58	47.32	59.89	45.52	331.85	335.07	329.10	319.92	319.28
BOAZ24	44.57	66.36	63.03	78.32	82.03	44.18	43.59	42.10	40.91	41.53
WHAZ24	592 1/2	54.36	55.26	67.22	62.23	600.25	593.06	585.29	567.88	565.93
WHAH25	616 1/2	56.58	56.99	70.46	66.38	623.25	614.39	605.47	587.86	586.12
RCAX24	15.115	45.64	47.89	47.21	39.98	15.14	15.13	15.26	15.12	15.10
KWAZ24	603 1/2	59.57	58.37	66.11	68.85	608.00	594.53	586.26	573.62	573.98
MWAZ24	644 1/4	64.43	61.29	69.03	76.41	644.50	630.14	624.01	611.12	612.12
OTAZ24	395 3/4	71.05	69.34	83.39	87.44	389.38	386.00	375.64	345.87	339.46

Calculations based on previous session. Data collected 10/07/2024
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DAILY SWING STATISTICS

Contract		Support 2	Support 1	Pivot	Resist 1	Resist 2
GRAIN COMPLEX						
CNAZ24	Corn	419 1/4	423	425	429	430 3/4
CNAH25	Corn	436 3/4	440	442	445 1/2	447 1/4
SSAX24	Soybeans	1021	1027 3/4	1033 1/2	1040 1/4	1046
SSAF25	Soybeans	1040	1046 1/2	1051 3/4	1058 1/2	1063 1/2
SMAZ24	Soymeal	318.6	320.7	325.1	327.2	331.6
BOAZ24	Soybean Oil	42.64	43.75	44.28	45.39	45.92
WHAZ24	Wheat	579 3/4	587	591	598	602 1/4
WHAH25	Wheat	603 3/4	611	614 3/4	622	625 3/4
RCAX24	Rice	14.926	15.002	15.151	15.227	15.376
KWAZ24	KC Wheat	587	596 1/2	601 1/4	610 1/2	615 1/2
MWAZ24	MINN Wheat	627 1/4	637	641 1/2	651 1/2	655 3/4

OTAZ24	Oats	381	389 1/2	393 1/2	402	406

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