

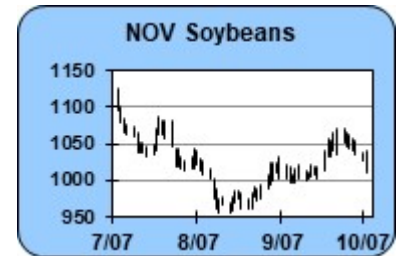
DAILY SOY COMPLEX COMMENTARY

10/9/2024

Bearish weather and supply fundamentals weigh

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 5 3/4; Soymeal (DEC 24) up 2.60; and Soyoil (DEC 24) down -0.03. Soybean open interest as of October 8 was down 5,118 contracts, soymeal up 1,151 contracts, and soybean oil down 8,141. Chinese Dalian (NOV 24) Soybeans down 0.99%, Soymeal down 0.33%, Soyoil down 1.13%, Palm oil down 1.83%. Malaysian Palm was down 0.47%.



NEAR-TERM MARKET FUNDAMENTALS: November beans are seeing a small bounce to start the day after yesterday's daily trading volume was the highest since June 20th. Open interest dropped more than 5000 contracts yesterday, an indication funds are liquidating recent longs and prices have made a lower daily high 6 of the last 7 days. Friday's October USDA supply/demand report estimates for bean yield are 53.1 BPA, down from 53.2 last month and bean production is expected at 4.579 billion bushels, down from 4.586 last month. Bean ending stocks are expected at 549 million bushels, down slightly from 550 in September. Barring a major surprise, the report will highlight large US ending stocks. US harvest is passing 50% complete and hedge pressure is likely to peak this week. Gulf basis has firmed on reports of quality issues with early beans in the Delta which is driving demand for # 1 grade beans. US August bean exports were 1.714 million tonnes, down from 1.495 in July and 1.705 last year. August meal exports were 909,000 tons, down from 1.018 in July and 1.094 a year ago. South American meal is currently cheaper than US. Bean oil exports in August were 29 million tonnes, down from 44 million in July but well above 12 million in August of last year. The US Dollar has rallied over the last 10 days and is reducing US competitiveness. China announced more stimulus measures this week, but their stock market fell 5% overnight anyway. Brazil and Argentina both are expected to see at least some rains over the next 10 days and along with perfect US harvest weather, it is no wonder recent buyers are liquidating longs. November beans bounced off 1012 retracement support yesterday but may be likely to continue down toward stronger support at \$10.00. Rallies will be tough to extend until after Friday's supply/demand report.

TODAY'S MARKET IDEAS:

Yesterday's Chinese purchase of US beans was not enough to give the market any boost as China stimulus measures continue to fall short. The bearish themes of good harvest weather in the US and better rain potential in South America are likely to keep pressure on the market through Friday morning's October supply/demand report. If November beans fall below 1012 support, look for a run down to 999. In the current environment, selling rallies looks to be the best way to line up.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None

SOYBEAN COMPLEX TECHNICAL OUTLOOK:

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SOYBEANS (NOV) 10/09/2024: The close under the 60-day moving average indicates the longer-term trend could be turning down. Momentum studies trending lower at mid-range should accelerate a move lower if support levels are taken out. The intermediate trend has turned down with the cross over back below the 18-day moving average. The outside day down is a negative signal. There could be some early pressure today given the market's negative setup with the close below the 2nd swing support. The next downside target is 993. The next area of resistance is around 1030 1/4 and 1048 3/4, while 1st support hits today at 1002 1/4 and below there at 993.

SOYBEAN OIL (DEC) 10/09/2024: A bearish signal was triggered on a crossover down in the daily stochastics. Stochastics turning bearish at overbought levels will tend to support lower prices if support levels are broken. A negative signal for trend short-term was given on a close under the 9-bar moving average. The outside day down is somewhat negative. The close below the 1st swing support could weigh on the market. The next downside objective is 41.03. Daily studies pointing down suggests selling minor rallies. The next area of resistance is around 44.28 and 45.78, while 1st support hits today at 41.90 and below there at 41.03.

SOYMEAL (DEC) 10/09/2024: Momentum studies trending lower at mid-range should accelerate a move lower if support levels are taken out. The market's short-term trend is negative as the close remains below the 9-day moving average. It is a slightly negative indicator that the close was lower than the pivot swing number. The next downside target is now at 316.2. The next area of resistance is around 326.4 and 329.8, while 1st support hits today at 319.6 and below there at 316.2.

DAILY CORN COMMENTARY

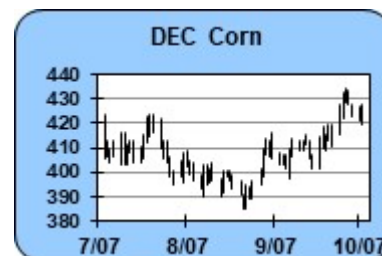
10/9/2024

World's largest ethanol plant begins operations in Mato Grosso

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):

CORN +0.2

OVERNIGHT DEVELOPMENTS: Corn (DEC 24) prices overnight are up 2. Corn open interest as of October 8 was up 12,601 contracts. Chinese Dalian (NOV 24) Corn was down 0.55%.



NEAR-TERM MARKET FUNDAMENTALS: A minor bounce to start the day despite good harvest weather and USDA's October supply/demand report looming on the horizon. Friday's USDA report is expected to show corn yield at 183.4 BPA, down from 183.6 in September, according to Reuters. Corn production is estimated at 15.155 billion bushels, slightly down from 15.186 in September. US corn ending stocks are expected at 1.962 billion bushels, down from 2.057 in September. US corn ending stocks are not nearly as burdensome as beans and that would suggest corn prices could gain on soy over the next few months. The Rosario Grain Exchange says recent rains in Argentina have not been enough to improve planting conditions significantly but there are additional chances next week. August US corn exports were 5.156 million tonnes, down from 5.260 in July but well above August of last year at 2.668. Recent US Dollar strength has eroded US competitiveness, but exports should remain solid, nonetheless, through the end of the year. Today's ethanol production is expected at 1.018 million barrels per day, slightly above 1.015 last week and ethanol stocks are expected at 23.288 billion barrels, down from 23.459 last week. The world's largest ethanol production plant is beginning operations in Mato Grosso and is expected to use 4.6 million tonnes of corn per year, nearly 10% of Mato Grosso production, with output of 2.1 billion L of ethanol yearly. US harvest weather remains ideal through next week with dry and warm conditions and South American rain chances increase next week as well. Nearby support on December corn is 416 and then 406 1/2. Current fundamentals would suggest the market will be well supported at \$400 or below and face significant headwinds on rallies above 440.

TODAY'S MARKET IDEAS:

The current 5-day pullback on December corn has so far held support but specific bullish news is lacking as US harvest plows forward and dry South American growing areas have increasing chances to get a drink. News the world's largest ethanol plant in Brazil is beginning operations will shift more of Mato Grosso's corn to biofuel rather than exports. But for now, USDA's upcoming supply/demand report and accelerating US harvest will cap rallies.

Speculators can consider trading the expected upcoming price range and buying breaks under 410 on December and selling rallies above 430.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

CORN TECHNICAL OUTLOOK:

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CORN (DEC) 10/09/2024: Stochastics turning bearish at overbought levels will tend to support lower prices if support levels are broken. The close below the 9-day moving average is a negative short-term indicator for trend. The outside day down and close below the previous day's low is a negative signal. The market's close below the 1st swing support number suggests a moderately negative setup for today. The next downside target is 413 1/2. Daily studies pointing down suggests selling minor rallies. The next area of resistance is around 425 and 430 3/4, while 1st support hits today at 416 1/2 and below there at 413 1/2.

CORN (MAR) 10/09/2024: 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 market's short-term trend is negative as the close remains below the 9-day moving average. A negative signal was given by the outside day down. The close below the 1st swing support could weigh on the market. The next downside objective is 431 1/2. Bearish daily studies indicate selling minor rallies this session. The next area of resistance is around 442 1/4 and 447 1/4, while 1st support hits today at 434 1/4 and below there at 431 1/2.

DAILY WHEAT COMMENTARY

10/9/2024

US August wheat exports well above last year

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):
WHEAT +0.85

OVERNIGHT DEVELOPMENTS: Chicago wheat (DEC 24) prices overnight are up 8 1/4; Kansas City (DEC 24) up 9; and Minneapolis (DEC 24) up 7 3/4. MATIF Milling Wheat(DEC 24) was up 1.6%. Chicago wheat open interest as of October 8 was up 1,448 contracts and Minneapolis wheat was down 1,197 contracts.



NEAR-TERM MARKET FUNDAMENTALS: Prices are following through higher after yesterday's rebound off support as Algeria purchased 510,000-570,000 tonnes of wheat and Jordan returns with a 120,000 tonne tender. Friday's October supply/demand report is expected to show US ending stocks at 819 million bushels, down from 828 in September and world ending stocks are expected at 256.14 million tonnes, down from 257.22 in September. August US wheat exports were 2.438 million tonnes, up from 1.959 in July and well above August of last year at 1.436. The Rosario Grain Exchange says recent rains in Argentina have not been enough to boost production estimates for wheat, but additional chances are in the forecast for next week. The Russian Ag Minister says winter wheat sowing is on schedule, but the ideal sowing window will be closing soon. The US Plains are expected to remain very dry for the next 2 weeks and farmers will need to decide whether to plant in the dust or wait for moisture. EU SRW exports since July 1st have reached 6.35 million tonnes, down from 8.9 year ago. SovEcon says Russia's September exports reached 5.0 million tonnes, slightly above last year's 4.9 but still a new record for the month. Chicago December prices this week have held the 20-day moving average support,

which has proved to be a key support level over the last several weeks. The average comes in at 586 1/2 today and if prices can move back above last week's highs of 617, next significant resistance would be 640.

TODAY'S MARKET IDEAS:

After holding moving average support this week, prices are moving back higher and key resistance is 617 1/4 on Chicago December. A move above that level would point to a resumption of the rally and target 50% retracement resistance from the May highs to the August lows at 640. On the other hand, a break below support at 586 1/2 would suggest a further pullback to 569. With limited moisture relief in southern Russia wheat areas, we lean toward a test of resistance.

NEW RECOMMENDATIONS:

None

PREVIOUS RECOMMENDATIONS:

None.

WHEAT TECHNICAL OUTLOOK:

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WHEAT (DEC) 10/09/2024: Stochastics trending lower at midrange will tend to reinforce a move lower especially if support levels are taken out. The close above the 9-day moving average is a positive short-term indicator for trend. It is a mildly bullish indicator that the market closed over the pivot swing number. The next downside objective is 582 1/2. The next area of resistance is around 600 1/2 and 605 1/2, while 1st support hits today at 589 and below there at 582 1/2.

KC WHEAT (DEC) 10/09/2024: 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 close over the pivot swing is a somewhat positive setup. The next upside objective is 614 1/2. The next area of resistance is around 608 3/4 and 614 1/2, while 1st support hits today at 597 3/4 and below there at 592 1/2.

MINN WHEAT (DEC) 10/09/2024: 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. The market has a slightly positive tilt with the close over the swing pivot. The near-term upside objective is at 653. The next area of resistance is around 649 and 653, while 1st support hits today at 641 and below there at 636 3/4.

RICE (NOV) 10/09/2024: 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. It is a slightly negative indicator that the close was under the swing pivot. The next downside target is 14.972. The next area of resistance is around 15.227 and 15.341, while 1st support hits today at 15.043 and below there at 14.972.

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	420 3/4	52.85	54.99	78.96	72.40	424.94	424.14	417.47	406.91	407.46
CNAH25	438 1/4	52.78	55.02	77.36	70.26	442.19	441.39	435.24	424.98	424.73
SSAX24	1016 1/4	38.08	44.74	63.64	48.74	1033.50	1045.67	1033.43	1008.75	1017.68
SSAF25	1034 1/2	38.06	44.81	64.13	49.24	1051.88	1063.86	1051.64	1026.62	1034.92
SMAZ24	323.0	41.53	46.54	52.23	36.91	327.50	334.49	329.09	319.73	319.53
BOAZ24	43.09	52.69	54.26	77.12	74.71	44.04	43.48	42.29	40.98	41.50

WHAZ24	594 3/4	55.79	56.19	65.04	60.68	595.13	593.67	586.19	568.58	566.57
WHAH25	618 1/4	57.65	57.70	68.66	65.07	618.50	615.50	606.63	588.60	586.80
RCAX24	15.135	46.97	48.60	44.42	38.84	15.13	15.14	15.25	15.12	15.11
KWAZ24	603 1/4	59.85	58.56	66.96	68.65	604.13	597.06	587.24	574.22	574.50
MWAZ24	645	64.86	61.59	72.23	78.63	643.50	633.25	625.31	611.93	612.85
OTAZ24	389	61.75	63.42	83.91	84.95	389.19	387.97	376.39	347.53	340.71

Calculations based on previous session. Data collected 10/08/2024

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	413 1/2	416 1/2	422 1/4	425	431
CNAH25	Corn	431 1/2	434 1/4	439 1/2	442 1/4	447 1/2
SSAX24	Soybeans	993	1002 1/4	1021	1030 1/4	1049
SSAF25	Soybeans	1011 1/2	1020 1/2	1039 1/4	1048 1/2	1067
SMAZ24	Soymeal	316.2	319.5	323.0	326.4	329.8
BOAZ24	Soybean Oil	41.02	41.90	43.40	44.28	45.78
WHAZ24	Wheat	582 1/2	589	594	600 1/2	605 1/2
WHAH25	Wheat	606 1/2	612 1/2	617 3/4	624	629
RCAX24	Rice	14.971	15.042	15.156	15.227	15.341
KWAZ24	KC Wheat	592 1/2	597 3/4	603 1/2	608 3/4	614 1/2
MWAZ24	MINN Wheat	636 3/4	641	645	649	653 1/4
OTAZ24	Oats	373	381	389	397	405

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