

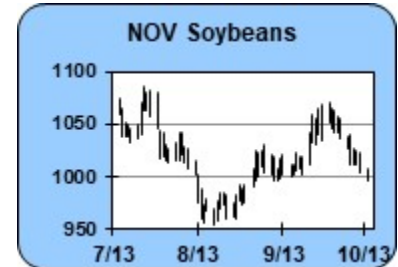
DAILY SOY COMPLEX COMMENTARY

10/15/2024

Rising US Dollar encouraging sellers

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):
SOY BEANS -0.1, **BEAN OIL** +0.0, **SOYMEAL** -0.2

OVERNIGHT DEVELOPMENTS: Soybeans (NOV 24) prices overnight are down -8 3/4; Soymeal (DEC 24) down -2.40; and Soyoil (DEC 24) down -0.27. Soybean open interest as of October 14 was up 18,157 contracts, soymeal up 9,061 contracts, and soybean oil down 4,914. Chinese Dalian (JAN 25) Soybeans up 0.35%, Soymeal up 0.47%, Soyoil down 1.11%, Palm oil down 1.48%. Malaysian Palm was down 0.95%.



NEAR-TERM MARKET FUNDAMENTALS: Aggressive selling in the bean complex continues this morning on South American weather improvements and US Dollar strength, keeping the bear camp firmly in control. China's stimulus meeting this past weekend lacked details and did not ignite a wave of economic confidence. Even so, Gulf bean basis firmed yesterday as Chinese buyers were inquiring about purchases. September NOPA crush will be released mid-morning today and the average guess is 170.3 million bushels, up from 158.008 in August and 165.45 in September last year. Our friends [Crushtraders.com](#) are anticipating a number of 176.072 million. Bean oil stocks are expected at 1.10 billion pounds, compared to 1.138 in August and 1.108 last year. Safras estimates bean planting in the southern Brazil state of Parana at 36% done, while Mato Grosso is 9% complete. As monsoon rains move north, conditions are improving significantly in Mato Grosso. The Indian Soy Processors Association says good weather in the country will raise bean production 6% above last year to 12.58 million tonnes. The current US stocks to-use-ratio is similar to 2019 when November bean prices were in the 920-940 range in mid-October of that year. November beans fell through support overnight and a test of the August lows is possible. Prices have closed lower 9 of the last 12 sessions and the technical outlook points to further losses.

TODAY'S MARKET IDEAS:

South American rains, a rising US Dollar and a lack of any bullish news to offset has resulted in heavy selling this week. November beans fell below retracement support and a test of the August lows at 955 is not out of the question. Small rallies continue to be a selling opportunity this week with nearby resistance at 1007.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None

SOYBEAN COMPLEX TECHNICAL OUTLOOK:

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SOYBEANS (NOV) 10/15/2024: Daily stochastics are trending lower but have declined into oversold territory. The market's short-term trend is negative as the close remains below the 9-day moving average. The market tilt is slightly negative with the close under the pivot. The next downside target is 986. The 9-day RSI under 30 indicates the market is approaching oversold levels. The next area of resistance is around 1002 1/2 and 1012, while 1st support hits today at 989 1/2 and below there at 986.

SOYBEAN OIL (DEC) 10/15/2024: Momentum studies trending lower at mid-range should accelerate a move lower if support levels are taken out. The close under the 18-day moving average indicates 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 now at 40.75. The next area of resistance is around 42.63 and 43.66, while 1st support hits today at 41.17 and below there at 40.75.

SOYMEAL (DEC) 10/15/2024: Momentum studies are still bearish but are now at oversold levels and will tend to support reversal action if it occurs. A negative signal for trend short-term was given on a close under the 9-bar moving average. The daily closing price reversal up on the daily chart is somewhat positive. The market's close below the pivot swing number is a mildly negative setup. The next downside objective is 309.5. The next area of resistance is around 318.3 and 321.4, while 1st support hits today at 312.3 and below there at 309.5.

DAILY CORN COMMENTARY

10/15/2024

Sharp drop in crude oil adding to market pressure

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):
CORN -0.3

OVERNIGHT DEVELOPMENTS: Corn (DEC 24) prices overnight are down -2 3/4. Corn open interest as of October 14 was up 24,449 contracts. Chinese Dalian (JAN 25) Corn was down 0.13%.



NEAR-TERM MARKET FUNDAMENTALS: Heavy selling hit the corn market yesterday with funds estimated to have sold over 17,000 contracts. Further weakness this morning stems from a major selloff in crude oil overnight after OPEC lowered its demand projections. Safras estimates center-south Brazil planting at 45.8% done, very near the average of 46.7%. Scattered rains continue to move north in Brazil, improving soil conditions. Argentina saw beneficial rains this past weekend and corn planting has resumed in some of the dry areas. The French Ag Ministry estimates corn production at 14.47 million tonnes, slightly above last month's 14.39, due to higher planted area. A train derailment on the Mexican side of the US/Mexican border is expected to temporarily block grain shipments into Mexico. In a sign of the hard economic times for the US farmer, September large farm equipment sales were down 28%, the biggest decline since 2017. Dry conditions and good harvest weather will be the feature over the next 5 days across the central Midwest with a few scattered showers in the far western corn belt and the far eastern belt. December corn is moving further down into support, partly due to the significant rally in the US Dollar over the last week, and the lack of bullish news may give buyers a reason to look for a deeper pullback.

TODAY'S MARKET IDEAS:

Fund sellers came out of the woodwork yesterday and prices are pulling back into the retracement support zone of 403 3/4-409 1/2 on December. Crude oil is down over \$3 morning and the US Dollar continued its recent rally yesterday adding to the bearish headwinds. Demand is expected to pick up on this break but weakness in energies may be tough to overcome today. Speculators can look to buy December corn on a break to 404, risking \$0.08.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

CORN TECHNICAL OUTLOOK:

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CORN (DEC) 10/15/2024: The major trend has turned down with the cross over back below the 40-day moving average. 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 defensive setup, with the close under the 2nd swing support, could cause some early weakness. The next downside target is 402 1/4. The next area of resistance is around 412 and 417 1/2, while 1st support hits today at 404 1/2 and below there at 402 1/4.

CORN (MAR) 10/15/2024: The market back below the 60-day moving average suggests the longer-term trend could be turning down. Momentum studies trending lower at mid-range could accelerate a price break if support levels are broken. The market's close below the 9-day moving average is an indication the short-term trend remains negative. The close below the 2nd swing support number puts the market on the defensive. The next downside target is now at 418 1/4. The next area of resistance is around 429 and 435, while 1st support hits today at 420 1/2 and below there at 418 1/4.

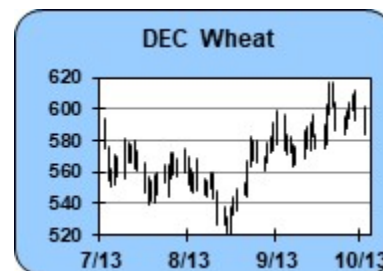
DAILY WHEAT COMMENTARY

10/15/2024

Rain to improve Russia and US Plains soil conditions

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):
WHEAT -0.45

OVERNIGHT DEVELOPMENTS: Chicago wheat (DEC 24) prices overnight are down -1 1/2; Kansas City (DEC 24) down -2 1/4; and Minneapolis (DEC 24) down -1 1/4. MATIF Milling Wheat(DEC 24) was down -0.8%. Chicago wheat open interest as of October 14 was up 1,471 contracts and Minneapolis wheat was up 3,959 contracts.



NEAR-TERM MARKET FUNDAMENTALS: Weakness in wheat is coming from potential rains in the forecast for the southwest US Plains and some rains in the dry areas of southern Russia. Also, Argentine wheat areas have seen beneficial rains over the last few days. Ukraine says their winter wheat sowing has reached 3.3 million ha, compared to 3.0 million this week last year. CONAB left their 2025 Brazil wheat output number at 8.26 million tonnes, unchanged from last month. The French Ag Ministry says SRW production is expected at 25.4 million tonnes, down from 25.8 last month and 27.6% lower than last year. The Australian Weather Bureau has lowered its odds of La Nina development and says if one does develop, it may be weaker than normal. The 6 to 10 day forecast shows above normal precipitation chances for the Southwest Plains, which will be beneficial for wheat sowing and emergence. There are questions whether Russian exporters are adhering to the government's recommended \$250 tonne minimum price and further sales will be needed to gauge compliance. However, Russia's moves to gain more control over exports and reduce foreign firm participation are seen as an underlying bullish factor for prices. December Chicago wheat is expected to see good support on weakness, although rains in Russia and the southern Plains will likely cap rallies for the moment.

TODAY'S MARKET IDEAS:

Better moisture chances in Russia and the Southwest US Plains resulted in some overnight selling but prices have bounced back before reaching 572 support on Chicago December. Shrinking global stocks and Russia's tightening grip on exports are long-term friendly. Speculators can consider buying on a break below 575, risking a dime.

NEW RECOMMENDATIONS:

None

PREVIOUS RECOMMENDATIONS:

None.

WHEAT TECHNICAL OUTLOOK:

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WHEAT (DEC) 10/15/2024: Momentum studies trending lower at mid-range could accelerate a price break if support levels are broken. The market back below the 18-day moving average suggests the intermediate-term trend could be turning down. The swing indicator gave a moderately negative reading with the close below the 1st support number. The next downside objective is 572 1/4. The next area of resistance is around 593 1/2 and 605 1/2, while 1st support hits today at 577 and below there at 572 1/4.

KC WHEAT (DEC) 10/15/2024: The daily stochastics have crossed over down which is a bearish indication. Momentum studies trending lower at mid-range should accelerate a move lower 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 market setup is somewhat negative with the close under the 1st swing support. The next downside target is 577 3/4. The next area of resistance is around 598 1/4 and 609 1/2, while 1st support hits today at 582 1/4 and below there at 577 3/4.

MINN WHEAT (DEC) 10/15/2024: The daily stochastics gave a bearish indicator with a crossover down. Momentum studies trending lower at mid-range could accelerate a price break if support levels are broken. The intermediate trend has turned down with the cross over back below the 18-day moving average. The defensive setup, with the close under the 2nd swing support, could cause some early weakness. The next downside objective is now at 612. The next area of resistance is around 636 and 649 3/4, while 1st support hits today at 617 and below there at 612.

RICE (NOV) 10/15/2024: 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 outside day up is somewhat positive. The market setup is supportive for early gains with the close over the 1st swing resistance. The next downside target is 14.804. The next area of resistance is around 15.252 and 15.393, while 1st support hits today at 14.958 and below there at 14.804.

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	408 1/4	34.68	42.60	55.99	37.69	415.88	421.75	418.26	408.36	408.02
CNAH25	424 3/4	33.00	41.37	53.59	34.85	433.00	438.97	435.81	426.42	425.53
SSAX24	996	29.35	37.83	30.68	13.89	1009.13	1025.17	1033.75	1008.31	1015.57
SSAF25	1011 1/2	27.90	36.88	30.40	13.51	1025.25	1042.53	1051.42	1026.14	1032.88
SMAZ24	315.3	33.81	40.70	23.74	12.19	316.93	324.23	327.87	319.64	319.97
BOAZ24	41.90	42.44	47.22	60.54	45.19	43.01	43.54	43.05	41.18	41.41
WHAZ24	585 1/4	45.64	49.70	59.90	51.68	596.75	598.08	589.65	571.49	568.90
WHAH25	607 1/4	45.82	50.09	63.83	55.59	619.44	621.00	610.92	591.79	589.27
RCAX24	15.105	47.37	48.27	35.65	33.38	15.08	15.11	15.20	15.10	15.14
KWAZ24	590 1/4	45.62	49.67	67.63	61.73	603.56	605.56	591.42	576.98	576.23
MWAZ24	626 1/2	44.21	49.11	76.30	69.44	642.19	643.53	629.53	614.96	614.69
OTAZ24	372 3/4	42.51	50.42	71.58	59.86	380.94	385.58	380.67	353.42	344.90

Calculations based on previous session. Data collected 10/14/2024

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	402	404 1/2	409 3/4	412	417 1/2
CNAH25	Corn	418	420 1/2	426 1/2	429	435
SSAX24	Soybeans	986	989 1/2	999	1002 1/2	1012
SSAF25	Soybeans	1001 1/4	1005	1014 1/2	1018	1027 3/4
SMAZ24	Soymeal	309.4	312.3	315.4	318.3	321.4
BOAZ24	Soybean Oil	40.74	41.16	42.20	42.63	43.66
WHAZ24	Wheat	572 1/4	577	589	593 1/2	605 3/4
WHAH25	Wheat	594 1/4	599	611	615 1/2	627 3/4
RCAX24	Rice	14.803	14.957	15.098	15.252	15.393
KWAZ24	KC Wheat	577 1/2	582 1/4	593 1/2	598 1/4	609 1/2
MWAZ24	MINN Wheat	612	617	631	636	650
OTAZ24	Oats	361 1/2	366	375	379 1/2	388 1/2

Calculations based on previous session. Data collected 10/14/2024

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