

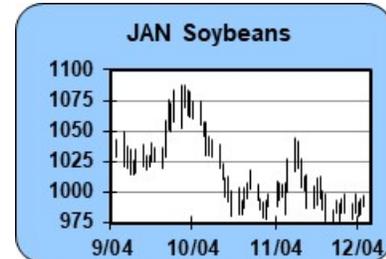
DAILY SOY COMPLEX COMMENTARY

12/9/2024

Argentina drying down, but no major concerns yet

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

OVERNIGHT DEVELOPMENTS: Soybeans (JAN 25) prices overnight are up 1/4; Soymeal (JAN 25) up 1.00; and Soyoil (JAN 25) down -0.19. Soybean open interest as of December 6 was down 872 contracts, soymeal up 153 contracts, and soybean oil down 196. Chinese Dalian (JAN 25) Soybeans up 0.16%, Soymeal up 0.19%, Soyoil down 0.25%, Palm oil up 0.04%. Malaysian Palm was down 0.16%.



NEAR-TERM MARKET FUNDAMENTALS: The soy complex is starting the week steady and the all-time low settlement in the Brazilian currency versus the US dollar on Friday is incentivizing the Brazilian farmer to be a more aggressive seller. Brazil planting is 95% complete and conditions remain very good. Argentina will see mostly dry conditions this week and rains will be needed next week to avoid the development of wider stress. There were 43 meal deliveries over the weekend. Tomorrow morning USDA will release the December supply/demand report which typically isn't a major market mover. Traders will be anticipating a potential increase in bean oil exports due to recent large sales. The Reuters pre-report estimates for US 2024/25 ending stocks are 469 million bushels, slightly below last month's 470. World ending stocks are expected at 132.45 million tonnes, slightly above last month's 131.74. South American production is expected to be unchanged from last month. CFTC data showed funds were net buyers last week in beans and meal but were sellers in bean oil, where their net long hit a 10-week low. Outside markets are giving little direction this morning as the US dollar is near steady and energy prices are slightly higher. The drying soils in parts of Argentina and positive seasonal patterns for the month of December are essentially the only bullish news items around the market and all eyes will be on next week's Argentine forecast and whether or not rains will return. Unless weather worsens in South America, we see no reason for a significant rally at this time.

The Commitments of Traders report for the week ending December 3rd showed Soybeans Managed Money traders reduced their net short position by 9,255 contracts to a net short 72,217 contracts. CIT traders were net long 105,763 contracts after increasing their already long position by 1,909 contracts. Non-Commercial No CIT traders are net short 87,405 contracts after net buying 3,049 contracts. Non-Commercial & Non-Reportable traders were net short 104,058 contracts after decreasing their short position by 7,916 contracts.

The December 3rd Commitments of Traders report showed Soymeal Managed Money traders are net short 73,299 contracts after net buying 2,117 contracts. CIT traders are net long 93,450 contracts after net selling 2,812 contracts. Non-Commercial No CIT traders reduced their net short position by 3,584 contracts to a net short 78,874 contracts. Non-Commercial & Non-Reportable traders reduced their net short position by 1,353 contracts to a net short 28,022 contracts.

The December 3rd Commitments of Traders report showed Soyoil Managed Money traders reduced their net long position by 13,766 contracts to a net long 9,427 contracts. CIT traders are net long 119,238 contracts after net selling 3,512 contracts. Non-Commercial No CIT traders added 4,527 contracts to their already short position and are now net short 29,201. Non-Commercial & Non-Reportable traders reduced their net long position by 6,811 contracts to a net long 30,403 contracts.

TODAY'S MARKET IDEAS:

The 2-week sideways pattern is likely to continue today ahead of tomorrow morning's USDA supply/demand report. Although Argentina is drying down, forecast showers next week would come in time to limit any crop stress so the extended forecast will be watched very closely.

The November low in January beans at 975 1/4 remains initial support, along with the contract low from back in August at 973 1/2. Last week's high of 999 is first resistance and a breach of that level may encourage some minor short covering with the possibility of a bounce to longer-term moving average resistance at 1019. We wouldn't look for much a rally beyond that unless Argentine rains do not show up next week.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None

Commitment of Traders - Futures and Options - 11/26/2024 - 12/3/2024						
	Non-Commercial			Commercial		Non-Reportable
	Net Position	Weekly Net Change	Net Position	Weekly Net Change	Net Position	Weekly Net Change
Grains						
Soybeans	-82,244	+7,563	104,059	-7,915	-21,814	+353
Soymeal	-54,880	+1,529	28,022	-1,354	26,858	-176
Soyoil	24,231	-8,441	-30,403	+6,811	6,172	+1,630

SOYBEAN COMPLEX TECHNICAL OUTLOOK:

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SOYBEANS (JAN) 12/09/2024: Momentum studies are rising from mid-range, which could accelerate a move higher if resistance levels are penetrated. The cross over and close above the 18-day moving average indicates the intermediate-term trend has turned up. The market has a slightly positive tilt with the close over the swing pivot. The next upside target is 1002 3/4. The next area of resistance is around 998 1/2 and 1002 3/4, while 1st support hits today at 989 and below there at 983 1/2.

SOYBEAN OIL (JAN) 12/09/2024: Rising from oversold levels, daily momentum studies would support higher prices, especially on a close above resistance. The close above the 9-day moving average is a positive short-term indicator for trend. The market setup is supportive for early gains with the close over the 1st swing resistance. The next upside target is 44.30. Daily studies suggest buying dips today. The next area of resistance is around 43.67 and 44.30, while 1st support hits today at 42.26 and below there at 41.46.

SOYMEAL (JAN) 12/09/2024: The daily stochastics have crossed over down which is a bearish indication. Daily stochastics are trending lower but have declined into oversold territory. The close below the 9-day moving average is a negative short-term indicator for trend. The market is in a bearish position with the close below the 2nd swing support number. The next downside objective is 282.5. The next area of resistance is around 290.1 and 293.2, while 1st support hits today at 284.7 and below there at 282.5.

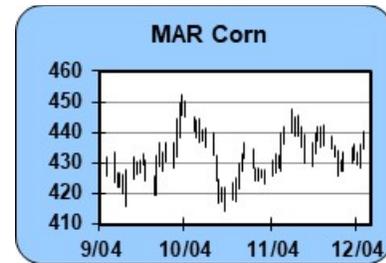
DAILY CORN COMMENTARY

12/9/2024

Technical outlook improving

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):
CORN +0.0

OVERNIGHT DEVELOPMENTS: Corn (MAR 25) prices overnight are unchanged. Corn open interest as of December 6 was up 20,781 contracts. Chinese Dalian (JAN 25) Corn was unchanged.



NEAR-TERM MARKET FUNDAMENTALS: The corn market will try to build on last week's strong gains and optimism USDA may raise the US corn export forecast in tomorrow's supply/demand report will keep a measure of support under the market today. The Reuters pre-report estimates for US 2024/25 ending stocks are 1.906 billion bushels, compared to 1.938 last month. World ending stocks expected at 303.57 million tonnes, compared to 304.14 last month. South American crops are expected to be unchanged from last month. US exports to Mexico are up 8% year-to-date and the US remains very competitive. AgRural estimates Brazil planting at 95% complete. Brazil weather continues to be near ideal, but Argentina is drying down. If expected showers next week do not develop, crop concerns will rise. APK-Inform raised their Ukraine corn harvest to 24.9 million tonnes, up from 24.0 last month. CFTC data showed Managed Money net longs hit a four-week low. Open interest rose more than 20,000 contracts Friday on the rally, indicating new long positions. With some minor weather concerns in Argentina and positive seasonal trends this month, prices may continue to move higher in the near-term with 451 the next upside target on March.

The December 3rd Commitments of Traders report showed Corn Managed Money traders net sold 9,222 contracts and are now net long 88,220 contracts. CIT traders are net long 323,959 contracts after net selling 1,680 contracts. Non-Commercial No CIT traders added 5,701 contracts to their already short position and are now net short 30,547. Non-Commercial & Non-Reportable traders net bought 4,319 contracts and are now net long 51,500 contracts.

TODAY'S MARKET IDEAS:

Corn prices may continue to rally into tomorrow's supply/demand report as US export prices are very competitive and the technical outlook turns more positive. Friday's rally featured a significant increase in open interest which is a positive for further upside potential. Speculators can look to take profits on March long positions on a move up to 450.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

Bought March Corn at 429 or better. Move sell stop to 423. Use an objective of 451.

Commitment of Traders - Futures and Options - 11/26/2024 - 12/3/2024						
	Non-Commercial		Commercial		Non-Reportable	
	Net Position	Weekly Net Change	Net Position	Weekly Net Change	Net Position	Weekly Net Change
Grains						
Corn	90,672	-4,669	-51,500	-4,319	-39,172	+8,988

CORN TECHNICAL OUTLOOK:

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CORN (MAR) 12/09/2024: Positive momentum studies in the neutral zone will tend to reinforce higher price action. The close above the 9-day moving average is a positive short-term indicator for trend. Market positioning is positive with the close over the 1st swing resistance. The next upside objective is 444 3/4. The next area of resistance is around 443 and 444 3/4, while 1st support hits today at 437 and below there at 432 3/4.

CORN (MAY) 12/09/2024: The cross over and close above the 60-day moving average indicates the longer-term trend has turned up. Momentum studies are trending higher from mid-range, which should support a move higher if resistance levels are penetrated. The cross over and close above the 18-day moving average indicates the intermediate-term trend has turned up. The market setup is supportive for early gains with the close over the 1st swing resistance. The near-term upside target is at 450. The next area of resistance is around 448 1/4 and 450, while 1st support hits today at 442 1/4 and below there at 438 1/4.

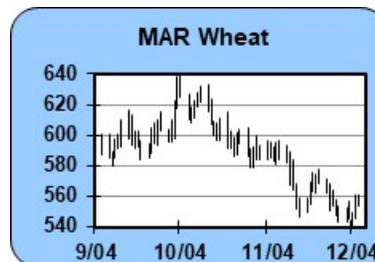
DAILY WHEAT COMMENTARY

12/9/2024

Strong start to the week expected

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):
WHEAT +0.53

OVERNIGHT DEVELOPMENTS: Chicago wheat (MAR 25) prices overnight are up 6; Kansas City (MAR 25) up 5 1/4; and Minneapolis (MAR 25) up 4 3/4. MATIF Milling Wheat(MAR 25) was up 0.2%. Chicago wheat open interest as of December 6 was up 3,131 contracts and Minneapolis wheat was up 1,369 contracts.



NEAR-TERM MARKET FUNDAMENTALS: A positive start to the week as Chicago prices have pushed through resistance this morning. Tomorrow morning's December supply/demand report is expected to show US 2024/25 wheat ending stocks at 814 million bushels, slightly down from 815 last month and world ending stocks are expected at 257.68 million tonnes, slightly above last month's 257.57. The December report typically holds few surprises for wheat. There were 5 deliveries of Chicago wheat over the weekend. CFTC data showed managed Money sold more than 10,000 contracts and the net short is now a 16-week high. The US Plains will remain dry this week. The 6 to 10 day forecast continues to show above normal precipitation for parts of the south-central and southeastern Plains but little relief for the Southwest Plains. LSEG says Russian wheat shipments in November were 4.09 million tonnes, up 35% year-over-year, and a further indication of the very strong shipment pace before anticipated export quotas kick in after the 1st of the year. Ukraine exports have also been very strong and in November 18.9 million tonnes of total grains were exported compared to 13.7 last year. Wheat made up 9.1 million tonnes of the total. APK-Inform raised their Ukraine total grain harvest estimate to 53.4 million tonnes, up from 52.5 last month. March Chicago wheat shows an improved technical outlook but this morning's move above resistance and prices are likely to stay strong into tomorrow's USDA report.

Wheat positioning in the Commitments of Traders for the week ending December 3rd showed Managed Money traders were net short 69,386 contracts after increasing their already short position by 10,268 contracts. CIT traders reduced their net long position by 6,324 contracts to a net long 77,728 contracts. Non-Commercial No CIT traders were net short 98,785 contracts after increasing their already short position by 6,495 contracts. Non-Commercial & Non-Reportable traders are net short 72,189 contracts after net selling 7,510 contracts.

The December 3rd Commitments of Traders report showed KC Wheat Managed Money traders are net short 38,430 contracts after net selling 7,769 contracts. CIT traders reduced their net long position by 3,581 contracts to a net long 61,662 contracts. Non-Commercial No CIT traders added 6,156 contracts to their already short position and are now net short 46,573. Non-Commercial & Non-Reportable traders added 5,911 contracts to their already short position and are now net short 25,690.

TODAY'S MARKET IDEAS:

March Chicago wheat has moved above key 20-day moving average resistance this morning which the market has not closed above since October 11. Next resistance is 585 and with funds hitting a 16-week high in net shorts last week, short covering could drive a further rally.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

Commitment of Traders - Futures and Options - 11/26/2024 - 12/3/2024						
	Non-Commercial			Commercial		Non-Reportable
	Net Position	Weekly Net Change	Net Position	Weekly Net Change	Net Position	Weekly Net Change
Grains						
KC Wheat	-24,944	-6,463	25,690	+5,911	-746	+552
Wheat	-68,824	-9,395	72,190	+7,512	-3,365	+1,885

WHEAT TECHNICAL OUTLOOK:

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WHEAT (MAR) 12/09/2024: Momentum studies are rising from mid-range, which could accelerate a move higher if resistance levels are penetrated. The close above the 9-day moving average is a positive short-term indicator for trend. The market has a slightly positive tilt with the close over the swing pivot. The near-term upside objective is at 564 1/4. The next area of resistance is around 560 3/4 and 564 1/4, while 1st support hits today at 553 3/4 and below there at 550.

KC WHEAT (MAR) 12/09/2024: Positive momentum studies in the neutral zone will tend to reinforce higher price action. The market's short-term trend is positive on the close above the 9-day moving average. With the close higher than the pivot swing number, the market is in a slightly bullish posture. The near-term upside target is at 558 1/2. The next area of resistance is around 555 1/4 and 558 1/2, while 1st support hits today at 549 1/4 and below there at 546 1/4.

MINN WHEAT (MAR) 12/09/2024: Positive momentum studies in the neutral zone will tend to reinforce higher price action. The market's short-term trend is positive on the close above 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 603. The next area of resistance is around 599 3/4 and 603, while 1st support hits today at 593 1/4 and below there at 590.

RICE (JAN) 12/09/2024: The close below the 60-day moving average is an indication the longer-term trend has turned down. 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 swing indicator gave a moderately negative reading with the close below the 1st support number. The next downside objective is now at 14.999. The next area of resistance is around 15.137 and 15.208, while 1st support hits today at 15.033 and below there at 14.999.

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										
CNAH25	440	62.27	57.89	41.59	54.40	434.31	432.42	434.69	432.61	432.98
CNAK25	445 1/4	59.80	55.98	36.32	46.51	439.81	438.69	441.42	440.06	441.11
SSAF25	993 3/4	51.20	48.51	28.48	36.17	990.75	988.42	992.22	1002.36	1014.88
SSAH25	999 1/4	48.71	46.35	24.81	30.98	996.31	995.28	1000.60	1013.68	1026.82
SMAF25	287.4	37.48	37.50	28.06	24.95	290.20	291.48	291.51	302.29	309.34
BOAF25	42.97	50.82	48.94	19.38	25.92	42.21	41.88	43.15	43.75	43.31
WHAH25	557 1/4	46.35	42.71	25.37	32.99	552.81	552.08	557.47	582.50	588.07
WHAK25	565 1/2	44.95	41.75	24.59	31.57	561.44	561.22	566.81	592.94	598.67
RCAF25	15.085	49.59	50.92	75.45	69.33	15.17	15.16	15.09	15.02	15.13

KWAH25	552 1/4	46.92	43.21	25.21	31.60	547.63	548.00	554.92	580.54	585.03
MWAH25	596 1/2	46.03	42.99	26.92	31.40	593.63	593.69	596.36	622.18	627.44
OTAH25	359 1/4	41.66	43.74	46.83	41.77	370.69	367.19	366.03	375.38	374.33

Calculations based on previous session. Data collected 12/06/2024
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						
CNAH25	Corn	432 3/4	437	438 3/4	443	444 3/4
CNAK25	Corn	438	442 1/4	444	448 1/4	450
SSAF25	Soybeans	983 1/2	989	993 1/4	998 1/2	1003
SSAH25	Soybeans	989	994 1/2	998 1/2	1004	1008
SMAF25	Soymeal	282.4	284.7	287.8	290.1	293.2
BOAF25	Soybean Oil	41.45	42.25	42.88	43.67	44.30
WHAH25	Wheat	549 3/4	553 1/2	557	561	564 1/4
WHAH25	Wheat	558 1/2	562	565 1/2	569	572 1/2
RCAF25	Rice	14.998	15.032	15.103	15.137	15.208
KWAH25	KC Wheat	546	549	552 1/4	555 1/2	558 1/2
MWAH25	MINN Wheat	590	593 1/4	596 1/2	599 3/4	603
OTAH25	Oats	351 1/2	355	360	363 1/2	368 1/2

Calculations based on previous session. Data collected 12/06/2024
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