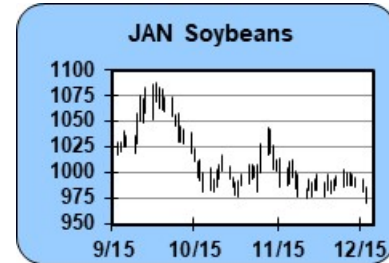


DAILY SOY COMPLEX COMMENTARY
12/18/2024

Brazilian currency hits new all-time low versus US Dollar

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

OVERNIGHT DEVELOPMENTS: Soybeans (MAR 25) prices overnight are down -10 3/4; Soymeal (MAR 25) down -2.80; and Soyoil (MAR 25) down -0.84. Soybean open interest as of December 17 was up 1,338 contracts, soymeal up 1,232 contracts, and soybean oil up 1,846. Chinese Dalian (MAY 25) Soybeans down 0.55%, Soymeal down 1.52%, Soyoil down 2.28%, Palm oil down 1.33%. Malaysian Palm was down 4.15%.



NEAR-TERM MARKET FUNDAMENTALS: The bean market is accelerating to the downside after the new contract lows yesterday. Vegoil prices were weak overnight and China's soyoil hit a 3-month low after it was reported the stopgap funding bill in Congress may favor ethanol over vegoil-based biofuels. Without the support of bean oil, US bean prices have little reason to rally with favorable Brazil weather and crop stress in Argentina not yet a significant factor. The Fed will make its rate announcement this afternoon which is likely to increase volatility in the currency and energy markets. China's annual central rural work conference focused on stabilizing planted area for grains and stepping up plans to raise yields for Chinese crops. The Brazilian Real hit a new all-time low versus US dollar yesterday and that is another bearish factor for beans as it incentivizes Brazilian farmers to sell stored beans. Dr Cordonnier lowered his Argentine bean crop 2 million tonnes to 55 million due to lower planted area, compared to USDA at 52 million. While the crop cut is a minor supportive factor, it is not enough to offset the significant bearish fundamentals. With little other market moving news today, traders are left to focus on the significant technical weakness which points to further downside.

TODAY'S MARKET IDEAS:

After new contract lows yesterday, beans are weak this morning and there is little reason to believe any significant bounce will occur today. Yesterday's daily trading volume was the highest since November 8th. The weak technical picture is the dominant market force and March prices have minor support at 950 and more major support at the recent spot low in late summer at 936.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None

SOYBEAN COMPLEX TECHNICAL OUTLOOK:

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SOYBEANS (JAN) 12/18/2024: Stochastics trending lower at midrange will tend to reinforce a move lower especially if support levels are taken out. 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 962. The next area of resistance is around 984 1/2 and 993 1/4, while 1st support hits today at 969 and below there at 962.

SOYBEAN OIL (JAN) 12/18/2024: A bearish signal was triggered on a crossover down in the daily stochastics. Declining momentum studies in the neutral zone will tend to reinforce lower price action. The market's close below the 9-day moving average is an indication the short-term trend remains negative. The defensive setup, with the close under the 2nd swing support, could cause some early weakness. The next downside target is 38.81. The next area of resistance is around 41.62 and 42.80, while 1st support hits today at 39.62 and below there at 38.81.

SOYMEAL (JAN) 12/18/2024: Daily stochastics declining into oversold territory suggest the selling may be drying up soon. The close below the 9-day moving average is a negative short-term indicator for trend. The upside daily closing price reversal gives the market a bullish tilt. The market's close below the pivot swing number is a mildly negative setup. The next downside target is 282.4. The next area of resistance is around 289.4 and 291.3, while 1st support hits today at 285.0 and below there at 282.4.

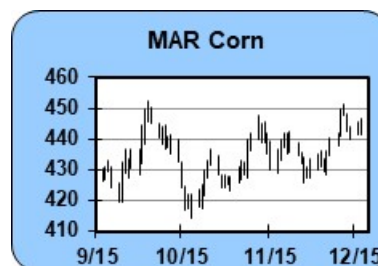
DAILY CORN COMMENTARY

12/18/2024

Year-round E-15 sales to be included in stop-gap funding bill

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

OVERNIGHT DEVELOPMENTS: Corn (MAR 25) prices overnight are up 1. Corn open interest as of December 17 was up 1,226 contracts. Chinese Dalian (MAY 25) Corn was down 0.82%.



NEAR-TERM MARKET FUNDAMENTALS: Corn prices are holding steady in the face of weakness across the soy complex. Minor support may be coming from reports year-round E-15 ethanol sales will be included in the stopgap funding bill moving through Congress. China's Sinograin says they will stop selling imported corn from stockpiles to prop up domestic prices. China's corn demand remains very weak with customs data showing only 300,000 tonnes imported in November, down 91.8% year-over-year and year-to-date imports are now down 39.9% to 13.32 million tonnes. Dr Cordonnier raised his Argentine crop production estimate 1 million tonnes to 49 million tonnes, compared to USDA at 51.0. However, he said pockets of expanding dryness in Argentina are beginning to look problematic for the crop. Today's weekly ethanol production is expected at 1.079 million barrels, near steady with 1.078 last week. Stocks are expected at 22.874 million barrels, up from 22.648 last week. France's Agrimer pegged French corn ending stocks at 2.68 million tonnes, up from 2.36 last month. This week's range so far on March corn has been only 5.5 cents but may feel like a victory to the bull camp with wheat and beans much weaker this week. The steady action bodes well for a continuation of the rally, although with the holidays just ahead, price action may remain choppy into next week when trading volume is expected to be thin.

TODAY'S MARKET IDEAS:

The market remains in a tight range this week but is holding well compared to the other grains. The Fed will make its rate announcement this afternoon so look for expanded volatility potential in the US Dollar. There are 8 trading days left before the end of the year and anything can happen in thin holiday trade. Our theme of buying breaks remains in place.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

CORN TECHNICAL OUTLOOK:

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CORN (MAR) 12/18/2024: The daily stochastics gave a bearish indicator with a crossover down. Stochastics turning bearish at overbought levels will tend to support lower prices if support levels are broken. A positive signal for trend short-term was given on a close over the 9-bar moving average. The downside closing price reversal on the daily chart is somewhat negative. The market's close below the pivot swing number is a mildly negative setup. The next downside objective is now at 438 1/4. The next area of resistance is around 446 1/4 and 449 1/4, while 1st support hits today at 440 3/4 and below there at 438 1/4.

CORN (MAY) 12/18/2024: Rising stochastics at overbought levels warrant some caution for bulls. The market's short-term trend is positive on the close above the 9-day moving average. The market could take on a defensive posture with the daily closing price reversal down. It is a slightly negative indicator that the close was under the swing pivot. The next upside target is 455 1/4. The next area of resistance is around 452 1/2 and 455 1/4, while 1st support hits today at 447 1/2 and below there at 445.

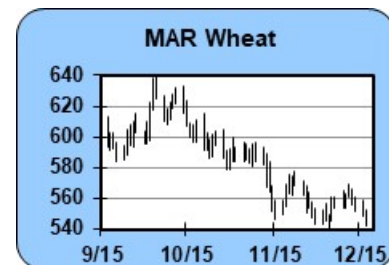
DAILY WHEAT COMMENTARY

12/18/2024

Disappointing reaction to Russian production cut

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):
WHEAT +0.15

OVERNIGHT DEVELOPMENTS: Chicago wheat (MAR 25) prices overnight are up 1 1/2; Kansas City (MAR 25) up 1 1/2; and Minneapolis (MAR 25) up 2 1/2. MATIF Milling Wheat(MAR 25) was up 0.2%. Chicago wheat open interest as of December 17 was up 8,534 contracts and Minneapolis wheat was up 2,623 contracts.



NEAR-TERM MARKET FUNDAMENTALS: The market is sitting near unchanged this morning after a selloff over the past 4 trading sessions pushed prices down for a test of the contract low in March Chicago futures. Disappointing to the bull camp, SovEcon's 3 million tonne cut to the Russian crop this week to 78.7 million tonnes has not resulted in a price rally. This morning, LSEG left their Russian crop estimate unchanged at 80.3 million tonnes due to recent snows boosting the soil moisture profile. APK-Inform says Ukraine's winter crops are rated 77% good. China's November wheat imports were only 70,000 tonnes, down 89.9% year-over-year and year-to-date imports are now down 4.1% to 11.02 million tonnes. The US Plains are expected to remain dry into early next week except for the far north which may see some scattered showers. The 6 to 10 day outlook has better chances for rain for the Plains and the entire US will be warming to above normal temperatures between now and New Year's Eve. Tunisia is tendering for 100,000 SRW and 100,000 Durum. March Chicago futures are holding the 540 1/4 contract low so far but traders may try to push the market down into sell stops below the contract low, especially with low volume holiday trade just ahead. The lack of a rally despite cuts to the Russian crop are an indication prices could remain under pressure in the near-term.

TODAY'S MARKET IDEAS:

March Chicago is just above the contract low, but the bullish SovEcon Russian production cut did not offer any support and that may suggest further weakness. Nearby support is at the December low of 540 and if prices close below that level, speculative longs are likely to be liquidated and traders can wait for a new technical bottom formation before reentering.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

WHEAT TECHNICAL OUTLOOK:

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WHEAT (MAR) 12/18/2024: The moving average crossover up (9 above 18) indicates a possible developing short-term uptrend. Stochastics trending lower at midrange will tend to reinforce a move lower especially 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 under the swing pivot. The next downside objective is 536 1/4. The next area of resistance is around 550 and 556 1/4, while 1st support hits today at 540 and below there at 536 1/4.

KC WHEAT (MAR) 12/18/2024: Stochastics are at mid-range but trending higher, which should reinforce a move higher if resistance levels are taken out. The intermediate trend has turned down with the cross over back below the 18-day moving average. The swing indicator gave a moderately negative reading with the close below the 1st support number. The near-term upside objective is at 564 1/4. The next area of resistance is around 557 1/4 and 564 1/4, while 1st support hits today at 547 1/4 and below there at 544.

MINN WHEAT (MAR) 12/18/2024: 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 market back below the 18-day moving average suggests the intermediate-term trend could be turning down. The market's close below the 1st swing support number suggests a moderately negative setup for today. The next downside objective is 589 1/4. The next area of resistance is around 598 1/2 and 603 1/2, while 1st support hits today at 591 1/2 and below there at 589 1/4.

RICE (JAN) 12/18/2024: The cross over and close above the 40-day moving average indicates the longer-term trend has turned up. Momentum studies are still bearish but are now at oversold levels and will tend to support reversal action if it occurs. The market's short-term trend is negative as the close remains below the 9-day moving average. The upside daily closing price reversal gives the market a bullish tilt. The market has a slightly positive tilt with the close over the swing pivot. The next downside objective is 14.865. The next area of resistance is around 15.030 and 15.065, while 1st support hits today at 14.930 and below there at 14.865.

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	443 1/2	57.68	56.95	72.40	71.96	443.50	443.11	437.57	433.91	434.90
CNAK25	450	57.32	56.59	71.87	72.11	450.50	449.58	444.14	441.04	442.57
SSAF25	976 3/4	34.17	39.09	43.14	34.56	985.69	990.06	987.78	995.22	1009.88
SSAH25	978 3/4	31.03	36.18	40.46	31.50	990.75	995.53	994.25	1005.12	1020.83
SMAF25	287.2	40.16	39.87	23.80	19.87	287.45	289.00	290.37	297.47	305.21
BOAF25	40.61	32.37	37.98	41.71	37.69	41.91	42.32	42.04	43.56	43.53
WHAH25	545	31.35	35.02	42.31	35.83	551.44	556.11	555.14	572.82	583.33
WHAK25	554 1/2	32.09	35.37	43.40	38.11	561.50	565.42	564.56	582.81	593.78
RCAF25	14.980	42.89	46.62	41.11	29.44	14.98	15.04	15.10	14.99	15.06
KWAH25	552 1/4	42.56	42.88	58.36	58.91	557.88	558.83	554.89	571.39	581.46
MWAH25	595	41.69	42.29	53.46	50.27	599.00	600.86	597.76	612.61	623.05
OTAH25	364	48.74	48.10	38.44	42.97	365.69	361.28	365.01	372.12	374.25

Calculations based on previous session. Data collected 12/17/2024

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	438 1/4	440 3/4	443 3/4	446 1/4	449 1/4
CNAK25	Corn	445	447 1/2	450 1/4	452 1/2	455 1/2
SSAF25	Soybeans	961 3/4	969	977 1/2	984 1/2	993 1/4
SSAH25	Soybeans	962	969 3/4	980	987 3/4	998
SMAF25	Soymeal	282.3	284.9	286.8	289.4	291.3
BOAF25	Soybean Oil	38.80	39.61	40.80	41.62	42.80
WHAH25	Wheat	536 1/4	540	546 1/4	550	556 1/4
WHAK25	Wheat	546 3/4	549 1/2	556 1/2	559 1/2	566 1/4
RCAF25	Rice	14.865	14.930	14.965	15.030	15.065
KWAH25	KC Wheat	544	547	554 1/4	557 1/2	564 1/2
MWAH25	MINN Wheat	589 1/4	591 1/2	596 1/2	598 1/2	603 3/4
OTAH25	Oats	352 3/4	358 3/4	363 1/4	369 1/4	373 3/4

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