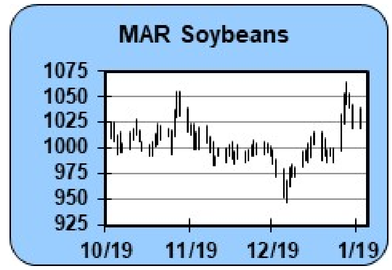
**DAILY GRAINS COMMENTARY**
**Tuesday January 21, 2025**

## DAILY SOY COMPLEX COMMENTARY
***1/21/2025***

**Trump delays tariffs until trade agreements reviewed**




**OVERNIGHT CHANGES THROUGH 6:06 AM (CT):**
**SOY BEANS** +0.1, **BEAN OIL** +0.0, **SOYMEAL** +0.4

***OVERNIGHT DEVELOPMENTS:*** Soybeans (MAR 25) prices overnight are up 14 1/2; Soymeal (MAR 25) up 4.10; and Soyoil (MAR 25) down -0.07. Soybean open interest as of January 17 was up 12,128 contracts, soymeal up 3,126 contracts, and soybean oil up 319. Chinese Dalian (MAY 25) Soybeans up 0.37%, Soymeal up 1.43%, Soyoil up 0.94%, Palm oil up 0.60%. Malaysian Palm was up 1.28%.

***NEAR-TERM MARKET FUNDAMENTALS:*** A significant drop in Argentine crop conditions last Friday turned the bean market positive and Trump's decision to not implement tariffs right away sent the US dollar lower and gave the soy complex an additional boost overnight. While signing executive orders last night, Trump did mention a February 1st date for potential tariffs on Canada and Mexico. Soy complex traders will be watching for any indication that the new administration will limit renewable diesel feedstock imports, like used cooking oil from China. The other major news over the holiday weekend was the rains in Argentina which were notably spotty in the Zona Nucleo region, home to the equivalent of 25 million acres of cropland. Private forecasters say 40% of Argentina still too dry but conditions will improve for harvest in the northern half of Brazil as rains slip further south. AgRural says Brazil's bean harvest in Mato Grosso is off to its slowest start since 2010/11 but the upcoming drier conditions will help. Commitment of Trader's data showed Managed Money flipped to a net long of nearly 35,000 contracts as of Tuesday of last week which is a 13-month high in fund longs. Bean oil fund longs hit a 5-week high. The soy complex may be changing its stripes to a more positive price outlook, especially if Trump limits used cooking oil imports, which would provide strong support to bean oil. In addition, soybean meal on a pound for pound protein basis, is priced very competitively and domestic demand should remain elevated. Last week's high of 1064 on March beans may be the next upside target, but longer-term resistance is at 1077. If additional rains in Argentina don't materialize quickly, prices may test that level this week.

The January 14th Commitments of Traders report showed Soybeans Managed Money traders net bought 63,445 contracts which moved them from a net short to a net long position of 34,833 contracts. CIT traders net bought 27,289 contracts and are now net long 138,770 contracts. Non-Commercial No CIT traders went from a net short to a net long position of 2,030 contracts after net buying 51,856 contracts. Non-Commercial & Non-Reportable traders reduced their net short position by 60,968 contracts to a net short 537 contracts.

The Commitments of Traders report for the week ending January 14th showed Soymeal Managed Money traders were net short 63,520 contracts after increasing their already short position by 4,896 contracts. CIT traders are net long 96,794 contracts after net buying 9,528 contracts. Non-Commercial No CIT traders net sold 3,419 contracts and are now net short 70,585 contracts. Non-Commercial & Non-Reportable traders were net short 27,910 contracts after increasing their already short position by 896 contracts.

The Commitments of Traders report for the week ending January 14th showed Soyoil Managed Money traders net bought 39,649 contracts which moved them from a net short to a net long position of 7,650 contracts. CIT traders added 23,948 contracts to their already long position and are now net long 130,012. Non-Commercial No CIT traders reduced their net short position by 22,182 contracts to a net short 19,408 contracts. Non-Commercial & Non-Reportable traders were net long 35,230 contracts after increasing their already long position by 33,830 contracts.

***TODAY'S MARKET IDEAS:***
At inauguration, Trump said trade agreements will be reviewed before tariff implementation and that sent the US

dollar sharply lower, giving grain prices a boost. In addition, disappointing rainfall totals were reported in some of the dry areas in Argentina over the holiday weekend, adding further support. March beans may be headed to 200 day moving average resistance at 1077. Prices are likely to find support on breaks now that the immediate tariff threat is off the table.

***NEW RECOMMENDATIONS:***
None.

***PREVIOUS RECOMMENDATIONS:***
None

| Commitment of Traders - Futures and Options - 1/7/2025 - 1/14/2025 | Non-Commercial | | Commercial | | Non-Reportable | |
|---|---|---|---|---|---|---|
| | Net Position | Weekly Net Change | Net Position | Weekly Net Change | Net Position | Weekly Net Change |
| **Grains** | | | | | | |
| **Soybeans** | 37,361 | +67,993 | 537 | -60,968 | -37,898 | -7,025 |
| **Soymeal** | -51,254 | -4,684 | 27,910 | +898 | 23,344 | +3,788 |
| **Soyoil** | 35,557 | +35,063 | -35,230 | -33,830 | -327 | -1,233 |

## SOYBEAN COMPLEX TECHNICAL OUTLOOK:

Note: Data is collected using the closing values of the previous session and calculations and analysis are run at the same time. Technical commentary is based solely on statistical indicators and does not necessarily correspond to any fundamental analysis that may appear elsewhere in this report. Data sources can and do produce bad ticks that can cause computation errors. Please verify before use.

SOYBEANS (MAR) 01/21/2025: Declining momentum studies in the neutral zone will tend to reinforce lower price action. 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 downside target is now at 1011 1/2. The next area of resistance is around 1044 and 1051 1/2, while 1st support hits today at 1024 and below there at 1011 1/2.

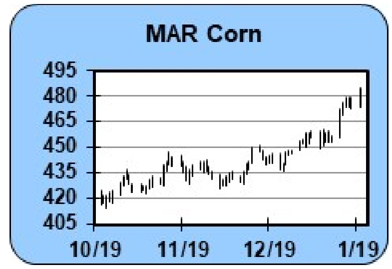
SOYBEAN OIL (MAR) 01/21/2025: Daily stochastics have risen into overbought territory which will tend to support reversal action if it occurs. The close above the 9-day moving average is a positive short-term indicator for trend. The market has a slightly positive tilt with the close over the swing pivot. The near-term upside objective is at 46.38. The market is becoming somewhat overbought now that the RSI is over 70. The next area of resistance is around 46.11 and 46.38, while 1st support hits today at 45.27 and below there at 44.69.

SOYMEAL (MAR) 01/21/2025: 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. With the close higher than the pivot swing number, the market is in a slightly bullish posture. The next downside target is now at 291.8. The next area of resistance is around 299.8 and 302.1, while 1st support hits today at 294.6 and below there at 291.8.

## DAILY CORN COMMENTARY

***1/21/2025***

## Argentine rains disappoint, Trump delays tariff implementation




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

***OVERNIGHT DEVELOPMENTS:*** Corn (MAR 25) prices overnight are up 1 3/4. Corn open interest as of January 17 was up 50,918 contracts. Chinese Dalian (MAY 25) Corn was down 0.44%.

***NEAR-TERM MARKET FUNDAMENTALS:*** President Trump hit the ground running yesterday as expected but his decision to delay the implementation of tariffs was seen as a positive for the grain markets. The US dollar fell sharply, and US corn exports were already competitive through early summer, so any further drop in the dollar only enhances the US's favorable position. The current price rally is likely encouraging additional US corn acreage this spring. Corn open interest was up another 50,000 contracts on Friday and is now up more than 260,000 since December 31st. CFTC data showed fund longs hit a 2-year high just under 300,000 contracts and only 2011, 2021 and 2022 had a higher net long this time a year going back to 2000. There is some talk that RFK will move to limit the use of high fructose corn syrup in the US food supply. 8% of the US corn supply is dedicated to corn syrup production, but that pales in comparison to ethanol usage at 31.3%. AgRural says safrinha corn planting in the center - south is.3% done, compared to 4.91% last year and the slowest since 2021. Rains over the holiday weekend were spottier than expected in Argentina and more is needed but the 6 - 10 day outlook has turned drier. China customs data showed Chinese imports of corn from all origins in 2024 were down 49.7% from the previous year. March corn hit retracement resistance overnight at 487 and if the US dollar sinks further, we wouldn't be surprised if March corn tested 500. A move above that level may be tough to sustain unless South American weather deteriorates.

The Commitments of Traders report for the week ending January 14th showed Corn Managed Money traders added 38,882 contracts to their already long position and are now net long 292,228. CIT traders are net long 431,220 contracts after net buying 39,859 contracts. Non-Commercial No CIT traders are net long 138,799 contracts after net buying 22,651 contracts. Non-Commercial & Non-Reportable traders added 27,419 contracts to their already long position and are now net long 244,884.

***TODAY'S MARKET IDEAS:***
Funds continue to add to their significant long position on supportive technicals and ideas US exports are likely to continue strong through early summer. With Argentina still not seeing major crop stress relief, path of least resistance still looks higher. Look for a potential test of 500 on March corn.

***NEW RECOMMENDATIONS:***
None.

***PREVIOUS RECOMMENDATIONS:***
None.

**Commitment of Traders - Futures and Options - 1/7/2025 - 1/14/2025**

| | Non-Commercial | | Commercial | | Non-Reportable | |
|---|---|---|---|---|---|---|
| | Net Position | Weekly Net Change | Net Position | Weekly Net Change | Net Position | Weekly Net Change |
| **Grains** | | | | | | |
| **Corn** | 321,714 | +39,092 | -244,883 | -27,418 | -76,830 | -11,673 |

## CORN TECHNICAL OUTLOOK:

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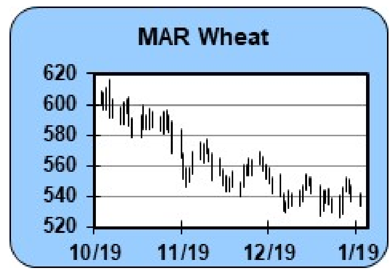
CORN (MAR) 01/21/2025: The crossover up in the daily stochastics is a bullish signal. Rising stochastics at overbought levels warrant some caution for bulls. A positive signal for trend short-term was given on a close over the 9-bar moving average. The market has a bullish tilt coming into today's trade with the close above the 2nd swing resistance. The near-term upside target is at 492 3/4. The market is approaching overbought levels with an RSI over 70. The next area of resistance is around 489 3/4 and 492 3/4, while 1st support hits today at 478 3/4 and below there at 471.

CORN (MAY) 01/21/2025: A bullish signal was given with an upside crossover of the daily stochastics. 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 market has a bullish tilt coming into today's trade with the close above the 2nd swing resistance. The next upside target is 502. The market is becoming somewhat overbought now that the RSI is over 70. The next area of resistance is around 498 3/4 and 502, while 1st support hits today at 487 1/4 and below there at 479 1/4.

## DAILY WHEAT COMMENTARY

***1/21/2025***

**Putin ready to talk to Trump about Ukraine**




**OVERNIGHT CHANGES THROUGH 6:06 AM (CT):**
**WHEAT** +0.58

***OVERNIGHT DEVELOPMENTS:*** Chicago wheat (MAR 25) prices overnight are up 6 1/2; Kansas City (MAR 25) up 5 3/4; and Minneapolis (MAR 25) up 3 1/4. MATIF Milling Wheat(MAR 25) was up 0.9%. Chicago wheat open interest as of January 17 was up 3,307 contracts and KC wheat was up 5,885 contracts.

***NEAR-TERM MARKET FUNDAMENTALS:*** Wheat prices are starting the week modestly stronger, despite a 6-week low in EU prices yesterday. IKAR reported Russian prices down $3 this week to $234 a tonne. Interfax says Ukraine's grain and oilseed exports since July have reached 24.19 million tonnes, up 2 million year-over-year. Commitment of Trader's data showed funds increasing their net short position by nearly 6000 contracts and wheat is now the only market funds are still net short across the grain complex. Putin indicated to Trump he was ready to talk about the war in Ukraine. The 6 to 10 day outlook shows above normal precipitation chances for the far southern Plains and below normal in the north and warming temperatures are expected across the Plains in the 8 - 14 day timeframe. Jordan tendered for 120,000 tonnes of wheat but only bought 60,000 this morning. China's wheat imports from all origins in 2024 were down 7.6% year-over-year. Sideways action has dominated the March Kansas City wheat for several weeks but if prices can move above last week's high of 552 1/4, fund shorts may finally be triggered to cover, which could give the wheat market a quick upside boost.

The January 14th Commitments of Traders report showed Wheat Managed Money traders net sold 5,756 contracts and are now net short 94,393 contracts. CIT traders net bought 3,597 contracts and are now net long 54,298 contracts. Non-Commercial No CIT traders added 329 contracts to their already short position and are now net short 96,617. Non-Commercial & Non-Reportable traders net sold 3,025 contracts and are now net short 84,507 contracts.

KC Wheat positioning in the Commitments of Traders for the week ending January 14th showed Managed Money traders net sold 5,748 contracts and are now net short 37,606 contracts. CIT traders net bought 6,895 contracts and are now net long 61,256 contracts. Non-Commercial No CIT traders added 6,698 contracts to their already short position and are now net short 41,065. Non-Commercial & Non-Reportable traders are net short 24,845 contracts after net selling 5,075 contracts.

***TODAY'S MARKET IDEAS:***
Trump's tariff delay, the weaker US dollar and cold temperatures across the Plains are supportive today. But prices must breakout of the top of the recent sideways range to spark fund short covering. With corn and beans seeing more positive price action, spillover support could pull wheat higher. The December 30th high at 554 3/4 is the upper boundary of the sideways pattern seen over the last month in March Chicago wheat.

*NEW RECOMMENDATIONS:*
None.

*PREVIOUS RECOMMENDATIONS:*
None.

| **Commitment of Traders - Futures and Options - 1/7/2025 - 1/14/2025** | | | | | | |
|---|---|---|---|---|---|---|
| | | **Non-Commercial** | | **Commercial** | | **Non-Reportable** |
| | **Net Position** | **Weekly Net Change** | **Net Position** | **Weekly Net Change** | **Net Position** | **Weekly Net Change** |
| **Grains** | | | | | | |
| **KC Wheat** | -24,250 | -5,237 | 24,845 | +5,075 | -595 | +162 |
| **Wheat** | -88,715 | -4,547 | 84,508 | +3,025 | 4,208 | +1,522 |

## WHEAT TECHNICAL OUTLOOK:

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WHEAT (MAR) 01/21/2025: Positive momentum studies in the neutral zone will tend to reinforce higher price action. A negative signal for trend short-term was given on a close under the 9-bar moving average. The upside daily closing price reversal gives the market a bullish tilt. The market tilt is slightly negative with the close under the pivot. The near-term upside objective is at 546 3/4. The next area of resistance is around 543 and 546 3/4, while 1st support hits today at 534 1/2 and below there at 529 1/2.

KC WHEAT (MAR) 01/21/2025: 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 now at 541 1/2. The next area of resistance is around 552 1/2 and 556 3/4, while 1st support hits today at 545 and below there at 541 1/2.

MINN WHEAT (MAR) 01/21/2025: 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. With the close higher than the pivot swing number, the market is in a slightly bullish posture. The next downside objective is now at 577 1/2. The next area of resistance is around 586 3/4 and 590 3/4, while 1st support hits today at 580 1/4 and below there at 577 1/2.

### 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 | 484 1/4 | 74.55 | 71.78 | 89.84 | 92.01 | 478.00 | 469.67 | 461.65 | 447.36 | 443.82 |
| CNAK25 | 493 | 74.43 | 71.99 | 89.82 | 91.01 | 487.19 | 478.64 | 469.71 | 454.56 | 451.10 |
| SSAH25 | 1034 | 59.59 | 58.50 | 73.40 | 66.36 | 1035.81 | 1023.58 | 1008.88 | 1000.19 | 1004.07 |
| SSAK25 | 1044 3/4 | 59.00 | 58.10 | 74.21 | 66.88 | 1048.19 | 1035.75 | 1020.36 | 1011.67 | 1016.39 |
| SMAH25 | 297.2 | 42.62 | 45.28 | 33.73 | 22.26 | 299.85 | 301.01 | 305.48 | 299.47 | 300.71 |
| BOAH25 | 45.69 | 70.11 | 65.47 | 81.22 | 82.70 | 45.80 | 44.49 | 42.36 | 42.56 | 43.30 |
| WHAH25 | 538 3/4 | 46.37 | 45.49 | 48.60 | 49.42 | 542.38 | 539.78 | 540.89 | 548.89 | 558.73 |
| WHAK25 | 550 3/4 | 46.82 | 46.03 | 51.61 | 52.48 | 554.31 | 551.83 | 552.44 | 559.21 | 569.12 |
| RCAH25 | 14.805 | 64.86 | 58.16 | 71.52 | 83.61 | 14.75 | 14.49 | 14.25 | 14.78 | 14.83 |
| KWAH25 | 548 3/4 | 43.88 | 45.43 | 55.43 | 48.30 | 553.75 | 553.78 | 552.43 | 554.03 | 561.46 |
| MWAH25 | 583 1/2 | 43.05 | 43.50 | 38.09 | 32.89 | 585.50 | 587.00 | 589.24 | 593.82 | 601.66 |
| OTAH25 | 362 1/2 | 68.89 | 60.78 | 58.68 | 76.16 | 354.06 | 340.14 | 334.47 | 352.12 | 359.42 |

**Calculations based on previous session. Data collected 01/17/2025**

**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 | 471 | 478 3/4 | 482 | 489 3/4 | 493 |
| CNAK25 | Corn | 479 | 487 1/4 | 490 1/2 | 498 3/4 | 502 |
| SSAH25 | Soybeans | 1011 1/2 | 1024 | 1031 1/2 | 1044 | 1051 1/2 |
| SSAK25 | Soybeans | 1023 1/2 | 1035 1/2 | 1042 1/4 | 1054 | 1061 |
| SMAH25 | Soymeal | 291.7 | 294.6 | 296.9 | 299.8 | 302.1 |
| BOAH25 | Soybean Oil | 44.68 | 45.26 | 45.53 | 46.11 | 46.38 |
| WHAH25 | Wheat | 529 1/2 | 534 1/2 | 538 1/4 | 543 | 547 |
| WHAK25 | Wheat | 542 1/4 | 546 3/4 | 550 1/4 | 554 3/4 | 558 1/4 |
| RCAH25 | Rice | 14.325 | 14.610 | 14.715 | 15.000 | 15.105 |
| KWAH25 | KC Wheat | 541 1/4 | 545 | 549 | 552 1/2 | 556 3/4 |
| MWAH25 | MINN Wheat | 577 1/4 | 580 | 584 | 587 | 590 3/4 |
| OTAH25 | Oats | 338 1/2 | 352 1/4 | 359 | 372 3/4 | 379 1/2 |

**Calculations based on previous session. Data collected 01/17/2025**

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