

Fundamentals:

Chicago wheat futures edged higher on Tuesday, consolidating above a 17-month low as the market assessed mixed growing conditions in the U.S. Plains and awaited further direction from U.S. government crop forecasts.

The wheat market has recently been pressured by Russian export competition and expectations that a wartime grain corridor from Ukraine will be extended beyond this month.

Ukraine has started online talks with partners on extending the Black Sea agreement, a senior Ukrainian government source said on Tuesday.

"The decline in Russian prices is weighing on the whole international export market," consultancy Agritel said, adding traders were nonetheless awaiting progress in discussions to extend the Black Sea shipping deal.

Weather forecasts projecting showers in some U.S. wheat belts have also curbed prices.

But weekly U.S. Department of Agriculture (USDA) data on Monday showing a decline in winter wheat conditions in the U.S. producing state, Kansas, kept the focus on persistent drought in part of the U.S. Plains.

Soybeans remained underpinned by drought in Argentina, where heat is seen limiting any benefit to crops from light showers.

CBOT soymeal futures were lower after setting new contract highs.

Traders are awaiting the USDA's March supply and demand report on Wednesday for an update on Brazilian crops, which may help offset losses in Argentina.

Brazil — the world's largest exporter of soybeans — is running out of places to store its record harvest, forcing farmers to speed up sales and move cargoes at a rare discount.

Usually sold at a premium to futures prices in Chicago, soybeans offered at Brazil's Paranaguá port are now almost 18 cents a bushel below the benchmark. That's the biggest discount since June 2021.

Unlike in the U.S. where most farmers own their own silos, many small and medium-sized Brazilian producers harvest and immediately deliver their grains because they lack independent storage. The South American nation is expected to harvest an all-time high of 153 million tons of soybeans this year due to higher yields and more acreage, plus 124 million tons of corn. However, it has a grain storage capacity of just 186.6 million tons total, with only 15% of that capacity located at farms, according to the national supply company Conab.

Brazilian producers often sell a portion of their output in advance to fund crop expenses, but farmer selling has lagged previous years because producers are more flush with cash after a profitable crop last year. That led more farmers to initially hold out for higher prices, worsening the storage crunch. Now, many are selling at once. Brazil's soybean harvest is almost 50% complete.

(Source: Reuters, Bloomberg)

Contract		Close	Chg	High	Low
Soybeans	MAY 23	1,515.50	-12.75	1,531.00	1,513.25
Soybean Oil	MAY 23	58.660	-1.810	60.590	58.310
Soybean Meal	MAY 23	487.80	-5.50	498.00	487.10
Corn	MAY 23	634.25	-2.00	638.75	633.25
Wheat	MAY 23	698.00	1.75	703.50	689.50
US Dollar Index		105.633	1.283	105.654	104.123

Argentina & Brazil Weekly Export Statistic (metric ton)

Date	A. Corn	B. Corn	A. Soybean	B. Soybean	A. Wheat	B. Wheat
06/03/2023	194,000	293,000	40,000	439,000	#N/A	N/A
27/02/2023	291,000	324,000	40,000	1,168,000	0	148,000
20/02/2023	137,000	188,000	32,000	620,000	0	40,000
13/02/2023	277,000	197,000	62,000	1,090,000	0	147,000
06/02/2023	336,000	409,000	33,000	572,000	0	136,000
30/01/2023	193,000	418,000	396,000	260,000	0	183,000
23/01/2023	556,000	151,000	30,000	265,000	0	15,000
16/01/2023	127,000	579,000	433,000	338,000	0	265,000
09/01/2023	397,000	510,000	386,000	210,000	0	194,000
02/01/2023	221,000	570,000	199,000	142,000	0	187,000

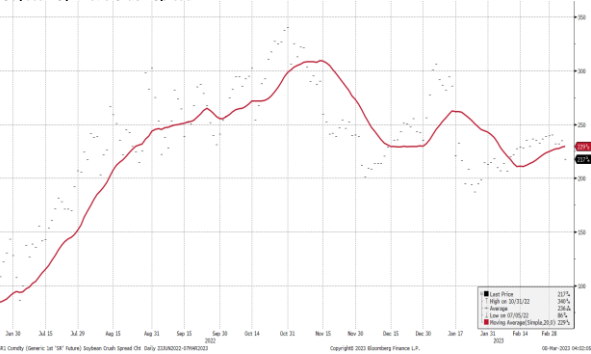
US Weekly Export Statistic Data by USDA (,000 metric tons)

Date	Corn	Soybean	Soy Oil	Soy Meal	Wheat
23/02/2023	598.1	494.6	1.2	212.8	300.9
16/02/2023	848.7	431.4	-0.6	65.6	418.8
09/02/2023	1124.5	715.2	8.3	295.9	232.8
02/02/2023	1170.3	558.9	1.9	182.6	150.9
26/01/2023	1756.4	860	0.9	169.6	168.8
19/01/2023	925.9	1274.7	2.2	333.9	561.4
12/01/2023	1219.2	986.2	0.7	362.5	508.1
05/01/2023	278.1	783.4	0.6	3.3	92.3
29/12/2022	319.2	872	0.4	79.3	144.2
22/12/2022	951.6	563.3	5.4	264.3	511.1
15/12/2022	636.8	804.8	0.8	311.4	334.2
08/12/2022	958.9	2943.4	-0.2	209.6	469

Historical Volatility

	10 Days	30 Days	60 Days	90 Days
Soybean Futures	17.31	14.13	14.58	15.72
Soybean Oil Futures	23.95	25.27	24.67	27.01
Soybean Meal Futures	26.15	21.33	22.93	21.93
Corn Futures	18.51	14.24	15.22	14.66
Wheat Futures	23.52	22.60	23.39	26.56

Soybean Synthetic Crush Spread



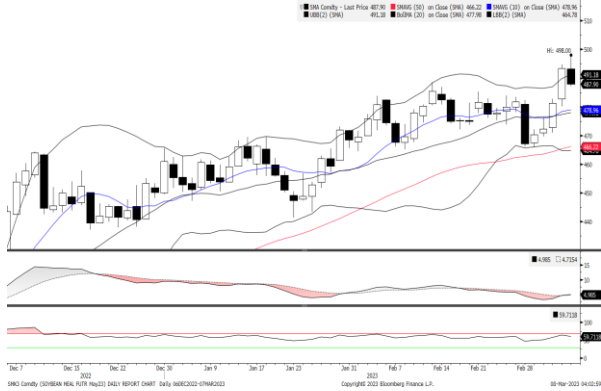
Normalised Soybean Oil vs Crude Palm Oil Spread in U.S. Dollar Metric Tonne



CBOT Soybean Daily Chart



CBOT Soybean Meal Daily Chart



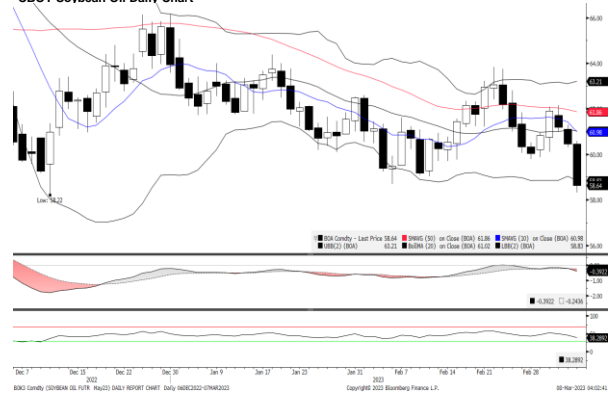
CBOT Wheat Daily Chart



## Strategy

	Long:	Profit target:	Stop-loss:	Long:	Profit target:	Stop-loss:
Soybean	1492.77	1507.70	1,485.30	1470.04	1484.74	1,462.68
Soybean Oil	57.78	58.36	57.49	56.90	57.47	56.62
Soybean Meal	480.48	485.29	478.08	473.17	477.90	470.80
Corn	624.74	630.98	621.61	615.22	621.37	612.15
Wheat	687.53	694.41	684.09	677.06	683.83	673.67

CBOT Soybean Oil Daily Chart



CBOT Corn Daily Chart



## Technical Analysis

## Soybean

1st Resistance:	1538.23	2nd Resistance:	1560.97
1st Support:	1492.77	2nd Support:	1470.04
MACD:	0.531		
MACD DIFF:	-1.092		
RSI:	50.346		

## Soybean Meal

1st Resistance:	495.12	2nd Resistance:	502.43
1st Support:	480.48	2nd Support:	473.17
MACD:	4.984		
MACD DIFF:	0.270		
RSI:	59.711		

## Wheat

1st Resistance:	708.47	2nd Resistance:	718.94
1st Support:	687.53	2nd Support:	677.06
MACD:	-18.167		
MACD DIFF:	-6.482		
RSI:	29.062		

## Soybean Oil

1st Resistance:	59.54	2nd Resistance:	60.42
1st Support:	57.78	2nd Support:	56.90
MACD:	-0.393		
MACD DIFF:	-0.148		
RSI:	38.284		

## Corn

1st Resistance:	643.76	2nd Resistance:	653.28
1st Support:	624.74	2nd Support:	615.22
MACD:	-10.194		
MACD DIFF:	-3.505		
RSI:	33.493		

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