

Fundamentals:

Wheat for September delivery fell 5.4% to \$6.99 a bushel, on the Chicago Board of Trade on Tuesday, with grain traders looking past the USDA's Crop Progress report and instead focusing on Friday's acreage and stock reports.

Corn for December delivery fell 4.7% to \$5.61 1/4 a bushel. Soybeans for November delivery fell 2.2% to \$12.99 1/2 a bushel.

Grain traders didn't take their cue from lower crop conditions reported by the USDA, but instead looked to wetter forecasts in growing areas as a sign that dryness-related stress may soon abate. Doug Bergman of RCM Alternatives said in a note that traders are under the assumption that improved weather will bring improved crop conditions.

In its report yesterday, the USDA pegged corn crop quality at 50% good or excellent, down from 55% last week and 67% at this time last year. Good or excellent soybeans dropped 3 points from the previous week to 51% and good or excellent wheat fell 1 point to 50%.

Analysts surveyed by The Wall Street Journal this week are forecasting only minimal changes to the USDA's outlook for planted acreage, which will be released Friday. Corn acreage is expected to be pegged at 91.81 million acres, versus 92 million acres estimated in March.

Meanwhile, soybean acreage is expected to rise slightly to 87.66 million acres, up from 87.51 million acres. Wheat acreage is seen at 49.65 million acres, down slightly from 49.86 million acres. Stockpile estimates are expected to drop across the board, with soybeans shedding the most at 160 million bushels. Traders spent much of the day liquidating positions ahead of Friday's reports, said Charlie Sematinger of Marex in a note.

Wheat futures led the way down for grain futures as a whole, with ample Russian supplies continuing to make U.S. exports unattractive pricewise. "Russia has plenty of wheat for sale and willing to hit almost any reasonable bid," said Joel Karlin of Ocean State Research. "Their crop is less than last year but they have plenty of carryover supplies from last year's bumper harvest, while other wheat producing countries save for U.S. are also seeing good production prospects."

The emphasis being placed on rainfall by grain traders is expected to extend into the first two weeks of July, said Daniel Flynn of Price Futures Group in a note. "The real question is if the crops can endure more dryness with slim to nil soil moisture as corn moves ever so closely to the pollination stage," he said. "The next two weeks will be critical for rainfall to provide soil moisture." If this doesn't happen, then crop production is expected to sink.

Grain traders may have overcompensated for dry weather earlier this month by bidding up futures, said Ira Epstein of Linn & Associates in a note. "I think you have to assume a trade top is now in place in the grain markets," he said, adding that June is often a month where prices hit either a high or low. "A top doesn't mean a downtrend has yet kicked in," Epstein adds. "It means prices got too extreme on lack of rain and now it would take another event like that to move prices over the recent high in new crop grains." CBOT grain futures have been under pressure in the past week, with traders adjusting to weather forecasts growing wetter.

(Source: Dow Jones Newswires)

Contract		Close	Chg	High	Low
Soybeans	NOV 23	1,294.25	-29.25	1,324.75	1,281.50
Soybean Oil	DEC 23	57.120	0.920	57.350	54.650
Soybean Meal	DEC 23	385.40	-13.50	399.60	384.50
Corn	DEC 23	561.00	-27.75	594.50	555.00
Wheat	SEP 23	699.00	-40.00	742.00	695.50
US Dollar Index		102.49	-0.202	102.802	102.32

Argentina & Brazil Weekly Export Statistic (metric ton)

Date	A. Corn	B. Corn	A. Soybean	B. Soybean	A. Wheat	B. Wheat
26/06/2023	513,000	143,000	36,000	766,000	#N/A	N/A
19/06/2023	177,000	60,000	79,000	955,000	0	33,000
12/06/2023	340,000	198,000	172,000	1,739,000	0	62,000
05/06/2023	234,000	292,000	271,000	1,262,000	0	37,000
29/05/2023	234,000	92,000	281,000	1,683,000	0	32,000
22/05/2023	365,000	74,000	155,000	1,725,000	0	56,000
15/05/2023	189,000	273,000	68,000	1,339,000	0	38,000
08/05/2023	186,000	136,000	37,000	479,000	0	216,000
01/05/2023	476,000	165,000	40,000	1,140,000	0	110,000
24/04/2023	295,000	294,000	40,000	1,436,000	0	23,000

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

Date	Corn	Soybean	Soy Oil	Soy Meal	Wheat
15/06/2023	83.1	626.3	0.2	146.5	123.8
08/06/2023	294.3	526.9	1.9	225.9	165
01/06/2023	65.9	471.8	-0.1	267.6	234.8
25/05/2023	499.3	424.4	4.9	467.3	256
18/05/2023	-23.1	116.1	6.2	391.9	200.1
11/05/2023	-265	680.8	0.9	291.5	294.6
04/05/2023	340.3	54.5	0.3	266.8	359.8
27/04/2023	-194.7	356.7	14	162.6	490.8
20/04/2023	400	311.3	0.1	153.4	357.8
13/04/2023	734.4	-25.3	0.2	144.5	305.2
06/04/2023	527.7	280.5	-0.4	292.7	203.5
30/03/2023	1272.8	107	27.6	277.5	183.5

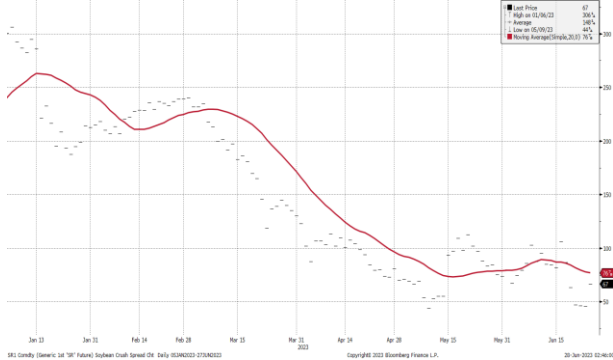
Historical Volatility

	10 Days	30 Days	60 Days	90 Days
Soybean Futures	42.01	29.69	22.49	20.09
Soybean Oil Futures	54.27	42.52	34.16	31.49
Soybean Meal Futures	64.55	37.56	27.18	24.07
Corn Futures	61.35	39.24	30.38	25.62
Wheat Futures	56.78	40.26	35.00	31.85

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



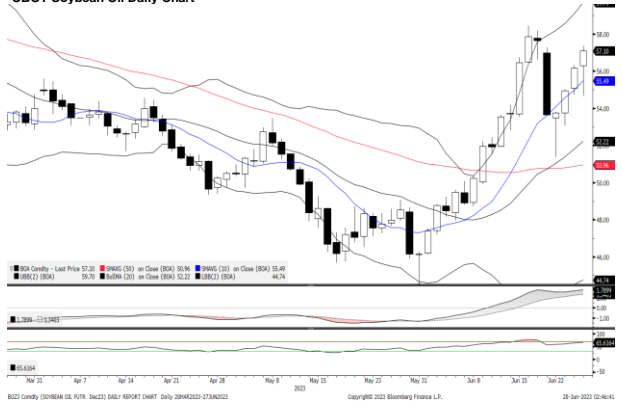
Soybean Synthetic Crush Spread



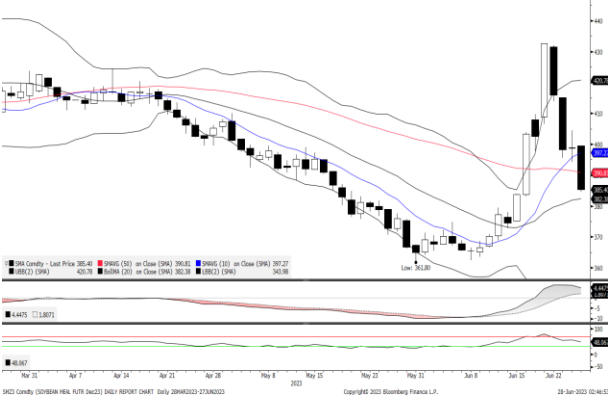
CBOT Soybean Daily Chart



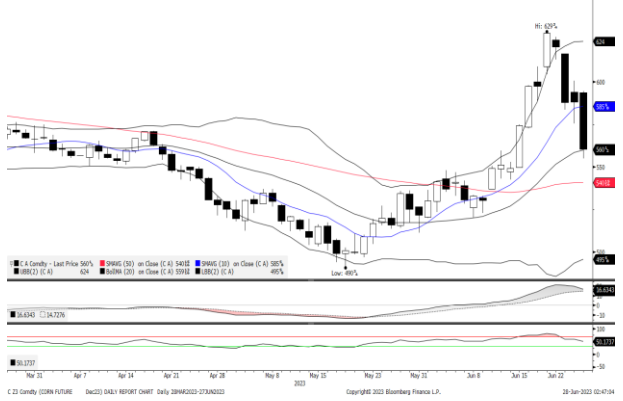
CBOT Soybean Oil Daily Chart



CBOT Soybean Meal Daily Chart



CBOT Corn Daily Chart



CBOT Wheat Daily Chart



Technical Analysis

Soybean

1st Resistance: 1313.66 2nd Resistance: 1333.08
 1st Support: 1274.84 2nd Support: 1255.42
 MACD: 29.173
 MACD DIFF: 9.860
 RSI: 56.062

Soybean Oil

1st Resistance: 57.98 2nd Resistance: 58.83
 1st Support: 56.26 2nd Support: 55.41
 MACD: 1.790
 MACD DIFF: 0.450
 RSI: 65.616

Soybean Meal

1st Resistance: 391.18 2nd Resistance: 396.96
 1st Support: 379.62 2nd Support: 373.84
 MACD: 4.448
 MACD DIFF: 2.640
 RSI: 48.069

Corn

1st Resistance: 569.42 2nd Resistance: 577.83
 1st Support: 552.59 2nd Support: 544.17
 MACD: 16.634
 MACD DIFF: 1.907
 RSI: 50.174

Wheat

1st Resistance: 709.49 2nd Resistance: 719.97
 1st Support: 688.52 2nd Support: 678.03
 MACD: 23.131
 MACD DIFF: 8.517
 RSI: 55.657

Strategy

	Long:	Profit target:	Stop-loss:	Long:	Profit target:	Stop-loss:	Short:	Profit target:	Stop-loss:	Short:	Profit target:	Stop-loss:
Soybean	1274.84	1287.58	1,268.46	1255.42	1267.98	1,249.15	1313.66	1300.53	1,320.23	1333.08	1319.75	1,339.74
Soybean Oil	56.26	56.83	55.98	55.41	55.96	55.13	57.98	57.40	58.27	58.83	58.25	59.13
Soybean Meal	379.62	383.42	377.72	373.84	377.58	371.97	391.18	387.27	393.14	396.96	392.99	398.95
Corn	552.59	558.11	549.82	544.17	549.61	541.45	569.42	563.72	572.26	577.83	572.05	580.72
Wheat	688.52	695.40	685.07	678.03	684.81	674.64	709.49	702.39	713.03	719.97	712.77	723.57

Kenanga Futures Sdn Bhd (353603-X)

Dealing Desk: (603) 2172 3820 Fax: (603) 2172 2729 Email: futures@kenanga.com.my

Disclaimer: This document has been prepared for general circulation based on information obtained from sources believed to be reliable but we do not make any representations as to its accuracy or completeness.

Any recommendation contained in this document does not have regard to the specific investment objectives, financial background and the particular needs of any person who may read this document.

This document is for the information of addressees only and is not to be taken in substitution for the exercise of judgement and assessment by addressees in relation to any investment decision.

Kenanga Futures Sdn Bhd accepts no liability whatsoever for any direct or consequential loss arising from any use of this document or any solicitations of an offer to buy or sell any securities/underlying securities.

Kenanga Futures Sdn Bhd and its associates, their directors, and/or employees may have positions in, and may effect transactions in securities/underlying securities mentioned herein from time to time in the open market or otherwise, and may receive brokerage fees or act as principal or agent in dealings with respect to these companies."