

Fundamentals:

Corn for September delivery rose 3.5% to \$5.00 1/2 a bushel, on the Chicago Board of Trade on Thursday, with rainfall over the next few days expected to give way to hot and dry weather that may stress crops.

Soybeans for November delivery rose 3.1% to \$13.68 1/4 a bushel. Wheat for December delivery rose 1.2% to \$6.40 1/4 a bushel.

Grain futures on the whole rose throughout the day, shedding losses from yesterday's WASDE report as attention returned to weather.

Corn futures rebounded from a nearly 30-month low after the latest update for Brazil's harvest came in lower than anticipated.

Futures for December delivery climbed more than 3% to settle above \$5 a bushel, after earlier slumping to the lowest since early 2021. Thursday's reversal came after Brazil's official crop agency Conab estimated the country's corn harvest at 127.8 million metric tons — the biggest ever but below the 133.6 million estimated in a Bloomberg survey.

Still, an expansion in supplies in Brazil and in the US should keep downward pressure on grain prices and add to overall deflationary momentum. The US Department of Agriculture on Wednesday forecast American corn output at a fresh record of 389.2 million tons, or 15.32 billion bushels, as recent rainfall was rescuing fields from drought conditions.

Drought conditions are becoming more dire in some areas of the Midwest, with parts of Wisconsin and Missouri experiencing growing severe drought conditions, according to the latest data from the U.S. Drought Monitor. Nebraska and Kansas still suffer from severe drought, but those patches are shrinking versus last week. The data appears to reflect recent rainfall missing some growing areas while landing in other areas—a trend that traders may see as continuing as rainfall persists in the coming days.

A weak El Niño system came into place as of June, and is expected to gather strength heading into this winter, the Climate Prediction Center said in its latest outlook. The agency gives an over 90% chance for El Niño to continue into the winter, and an 81% chance for the winter system to be anywhere from moderate to strong. Grain markets have been keen observers of the developing system, attempting to forecast how it might affect crops growing this summer and being harvested this fall.

The USDA said its quarterly stocks report shows demand for transportation dropping off. "U.S. grain stocks were left at 5.6 billion bushels on June 1," according to the weekly Grain Transportation Report. "This was down 9% from last year and down 21% from the 5-year average for June. Low grain stocks suggest grain transportation demand will remain muted until fall when corn and soybeans are harvested." The report also shows that weekly rail shipments of grains are down 26% from this time last year, and barge shipments are down 30%.

(Source: Dow Jones Newswires, Bloomberg)

Contract	Close	Chg	High	Low
Soybeans NOV 23	1,369.75	40.50	1,370.75	1,325.50
Soybean Oil DEC 23	61.270	1.870	61.460	59.090
Soybean Meal DEC 23	399.90	9.60	400.80	388.90
Corn DEC 23	500.50	16.75	501.25	481.00
Wheat SEP 23	639.75	7.50	644.75	622.00
US Dollar Index	99.757	-0.764	100.61	99.741

Argentina & Brazil Weekly Export Statistic (metric ton)

Date	A. Corn	B. Corn	A. Soybean	B. Soybean	A. Wheat	B. Wheat
10/07/2023	474,000	547,000	63,000	1,131,000	#N/A	N/A
03/07/2023	150,000	148,000	30,000	971,000	0	33,000
26/06/2023	513,000	143,000	36,000	766,000	0	62,000
19/06/2023	177,000	60,000	79,000	955,000	0	37,000
12/06/2023	340,000	198,000	172,000	1,739,000	0	32,000
05/06/2023	234,000	292,000	271,000	1,262,000	0	56,000
29/05/2023	234,000	92,000	281,000	1,683,000	0	38,000
22/05/2023	365,000	74,000	155,000	1,725,000	0	216,000
15/05/2023	189,000	273,000	68,000	1,339,000	0	110,000
08/05/2023	186,000	136,000	37,000	479,000	0	23,000

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

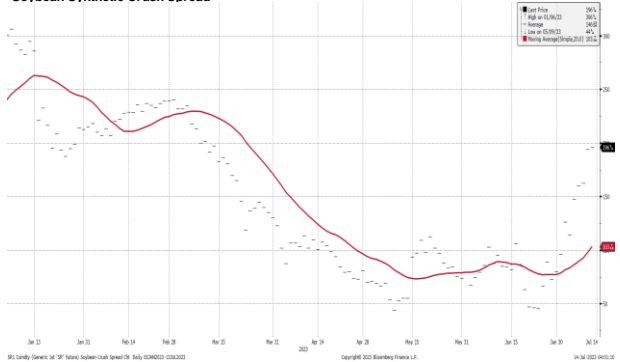
Date	Corn	Soybean	Soy Meal	Wheat
06/07/2023	939.2	289.8	1.2	172.6
29/06/2023	669.7	780.6	-6.3	181.8
22/06/2023	263.9	244.4	1	173.6
15/06/2023	83.1	626.3	0.2	146.4
08/06/2023	294.3	526.9	1.9	225.9
01/06/2023	65.9	471.8	-0.1	267.6
25/05/2023	499.3	424.4	4.9	467.3
18/05/2023	-23.1	116.1	6.2	391.9
11/05/2023	-265	680.8	0.9	291.5
04/05/2023	340.3	54.5	0.3	286.8
27/04/2023	-194.7	356.7	14	162.6
20/04/2023	400	311.3	0.1	153.4

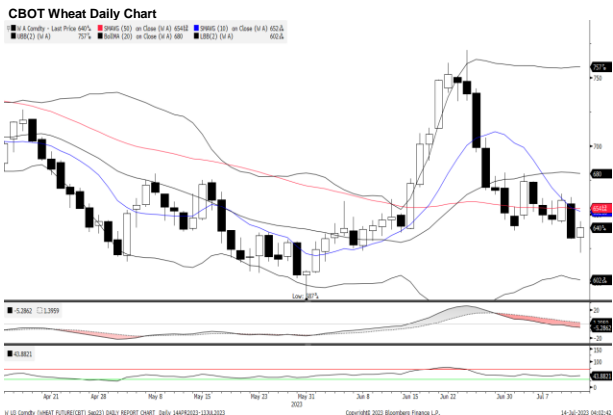
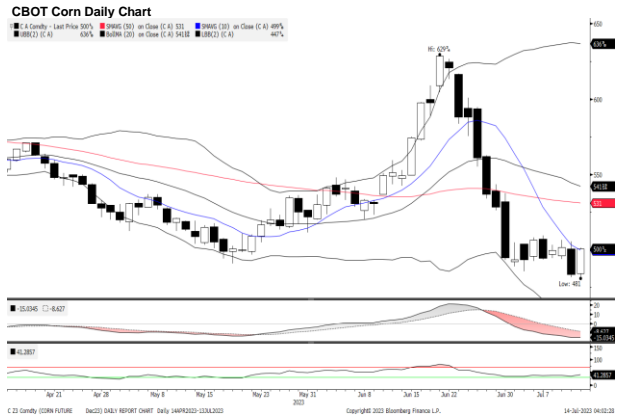
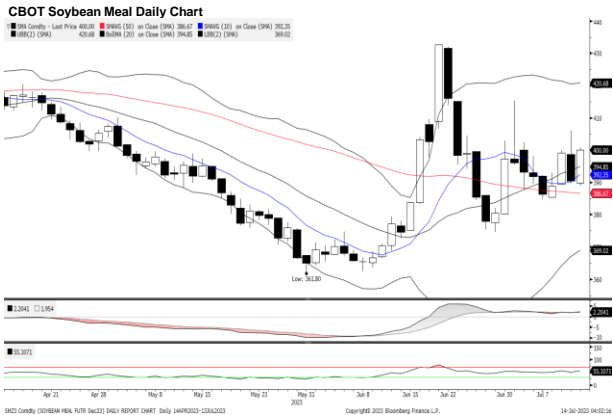
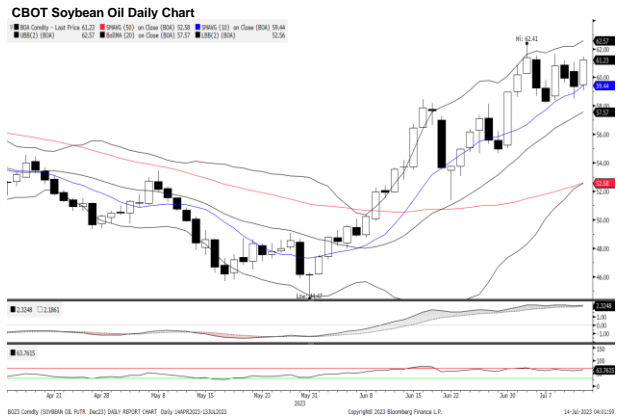
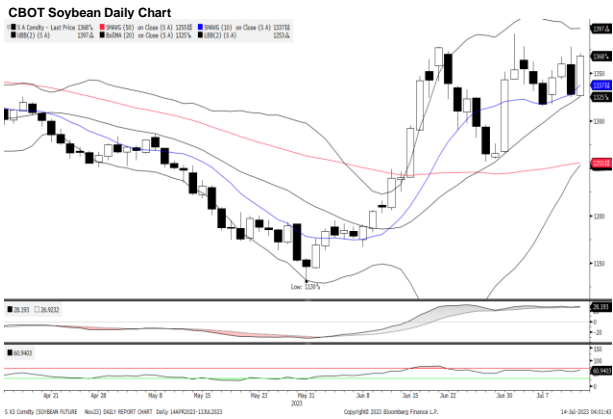
Historical Volatility	10 Days	30 Days	60 Days	90 Days
Soybean Futures	41.74	34.16	27.99	24.02
Soybean Oil Futures	54.02	46.08	40.20	35.60
Soybean Meal Futures	34.46	40.47	30.38	25.98
Corn Futures	50.53	47.48	36.56	30.64
Wheat Futures	45.34	43.50	38.83	34.50

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



Soybean Synthetic Crush Spread





Technical Analysis

Soybean

1st Resistance: 1390.30 2nd Resistance: 1410.84
 1st Support: 1349.20 2nd Support: 1328.66
 MACD: 28.193
 MACD DIFF: 1.270
 RSI: 60.939

Soybean Oil

1st Resistance: 62.19 2nd Resistance: 63.11
 1st Support: 60.35 2nd Support: 59.43
 MACD: 2.325
 MACD DIFF: 0.139
 RSI: 63.762

Soybean Meal

1st Resistance: 405.90 2nd Resistance: 411.90
 1st Support: 393.90 2nd Support: 387.90
 MACD: 2.205
 MACD DIFF: 0.250
 RSI: 55.105

Corn

1st Resistance: 508.01 2nd Resistance: 515.52
 1st Support: 492.99 2nd Support: 485.49
 MACD: -15.035
 MACD DIFF: -6.408
 RSI: 41.286

Wheat

1st Resistance: 649.35 2nd Resistance: 658.94
 1st Support: 630.15 2nd Support: 620.56
 MACD: -5.284
 MACD DIFF: -6.683
 RSI: 43.882

Strategy

	Long:	Profit target:	Stop-loss:	Long:	Profit target:	Stop-loss:	Short:	Profit target:	Stop-loss:	Short:	Profit target:	Stop-loss:
Soybean	1349.20	1362.70	1342.46	1328.66	1341.94	1322.01	1390.30	1376.39	1397.25	1410.84	1396.73	1417.90
Soybean Oil	60.35	60.95	60.05	59.43	60.03	59.13	62.19	61.57	62.50	63.11	62.48	63.42
Soybean Meal	393.90	397.84	391.93	387.90	391.78	385.96	405.90	401.84	407.93	411.90	407.78	413.96
Corn	492.99	497.92	490.53	485.49	490.34	483.06	508.01	502.93	510.55	515.52	510.36	518.09
Wheat	630.15	636.46	627.00	620.56	626.76	617.45	649.35	642.85	652.59	658.94	652.35	662.24

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