

**Fundamentals:**

U.S. corn futures rose on Thursday on technical buying and short covering following a two-week slide that took prices to 2-1/2 year lows.

Soybean futures fell in a profit-taking retreat from multi-month highs posted after the U.S. Department of Agriculture (USDA) unexpectedly slashed its U.S. plantings estimate and as recent rains were expected to benefit the crop.

Wheat futures were steady to lower following sharp gains in the previous session.

After sizable price moves over the past several trading sessions, traders paused and assessed recent rains that boosted corn and soybeans in some parts of the Midwest but missed crops in others.

Further showers and mild temperatures are expected in the central and southern Midwest over the next two weeks, aiding corn that is entering its crucial pollination phase. Northern crop areas, however, may remain stressed amid forecasts for below-normal precipitation.

Recent rainfall has eased some fears that dry soil in crop-growing areas will stifle yields, but traders continue to have concerns that the soil moisture isn't enough, particularly for corn.

Drought conditions in the Eastern Corn Belt improved for the week ended July 4 in Illinois and Indiana, according to the U.S. Drought Monitor. However, high temperatures and drought will likely continue to be a pressure point for grains going forward.

Weekly U.S. Drought Monitor data showed marginal improvement in parts of the corn belt and further deterioration in others. As of July 4, 60% of soybeans and 67% of corn remain affected by drought, down 3 points from a week earlier.

Chicago Board of Trade December corn rose 13 cents to \$5.06-1/2 a bushel after hitting the lowest for a most-active contract since January 2021 in the prior session.

November soybeans fell 15-1/2 cents to \$13.39-1/2 a bushel, but held technical support at its 200-day moving average.

CBOT September soft red winter wheat was down 16-1/4 cents at \$6.58 a bushel after surging 5% on Wednesday. Hard red winter and spring wheat contracts were narrowly mixed.

Production of U.S. ethanol rose in the week ended June 30, finding a six-month high according to the latest weekly report from the EIA. Average production was 1.06 million barrels a day, up from 1.052 million barrels a day in the previous week and topping forecasts by analysts surveyed by Dow Jones. Ethanol stocks fell by roughly 700,000 barrels from the previous week, finding a low last seen in November. The drop-off in stocks was more than expected by analysts.

Traders are watching for ramped-up activity in the Russia-Ukraine war, potentially causing more damage to Ukrainian farmland, with special emphasis on the Zaporizhzhia nuclear power plant.

Analysts surveyed by The Wall Street Journal are forecasting another down week for U.S. grain export sales, with only light new sales expected. Analysts see Friday's report as potentially showing a dropoff across the board, which would be a continuation of the middling figures reported last week. For the week ended June 29, the only major flash sale reported was one to Mexico for 149,000 metric tons of corn in the 2023/24 marketing year.

(Source: Reuters, Dow Jones Newswires)

Contract		Close	Chg	High	Low
Soybeans	NOV 23	1,339.50	-12.75	1,362.75	1,331.00
Soybean Oil	DEC 23	59.240	-2.070	61.550	58.720
Soybean Meal	DEC 23	391.80	-1.50	398.20	389.50
Corn	DEC 23	506.50	14.25	508.25	492.50
Wheat	SEP 23	658.00	-17.50	674.00	651.75
US Dollar Index		103.147	-0.226	103.572	102.918

**Argentina & Brazil Weekly Export Statistic (metric ton)**

Date	A. Corn	B. Corn	A. Soybean	B. Soybean	A. Wheat	B. Wheat
03/07/2023	150,000	148,000	30,000	971,000	#N/A	N/A
26/06/2023	513,000	143,000	36,000	766,000	0	33,000
19/06/2023	177,000	60,000	79,000	955,000	0	62,000
12/06/2023	340,000	198,000	172,000	1,739,000	0	37,000
05/06/2023	234,000	292,000	271,000	1,262,000	0	32,000
29/05/2023	234,000	92,000	281,000	1,683,000	0	56,000
22/05/2023	365,000	74,000	155,000	1,725,000	0	38,000
15/05/2023	189,000	273,000	68,000	1,339,000	0	216,000
08/05/2023	186,000	136,000	37,000	479,000	0	110,000
01/05/2023	476,000	165,000	40,000	1,140,000	0	23,000

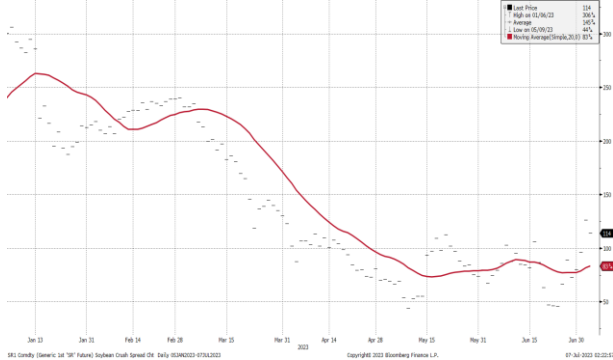
**US Weekly Export Statistic Data by USDA (,000 metric tons)**

Date	Corn	Soybean	Soy Oil	Wheat
22/06/2023	263.8	244.3	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	266.8
27/04/2023	-194.7	356.7	14	162.6
20/04/2023	400	311.3	0.1	153.4
13/04/2023	734.4	-25.3	0.2	144.5
06/04/2023	527.7	280.5	-0.4	292.7

**Historical Volatility**

	10 Days	30 Days	60 Days	90 Days
Soybean Futures	41.43	33.53	26.23	22.64
Soybean Oil Futures	50.86	46.48	38.71	34.63
Soybean Meal Futures	40.46	39.59	28.94	25.12
Corn Futures	51.20	46.21	35.00	29.18
Wheat Futures	47.39	43.53	38.21	33.58

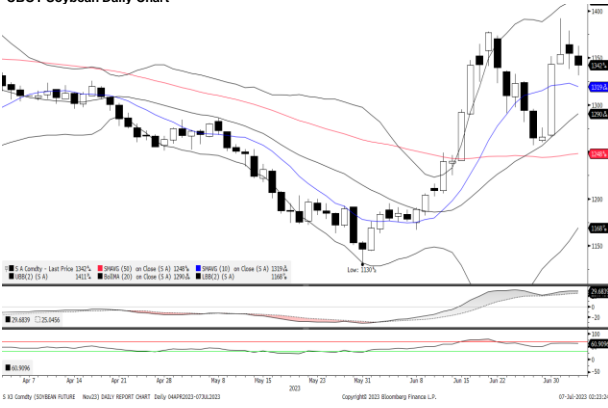
**Soybean Synthetic Crush Spread**



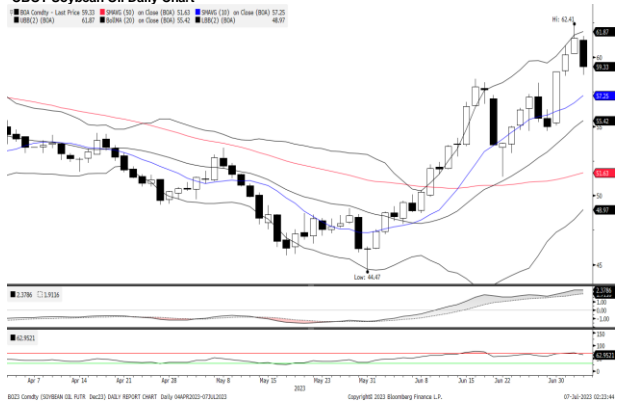
**Normalised Soybean Oil vs Crude Palm Oil Spread in U.S. Dollar Metric Tonne**



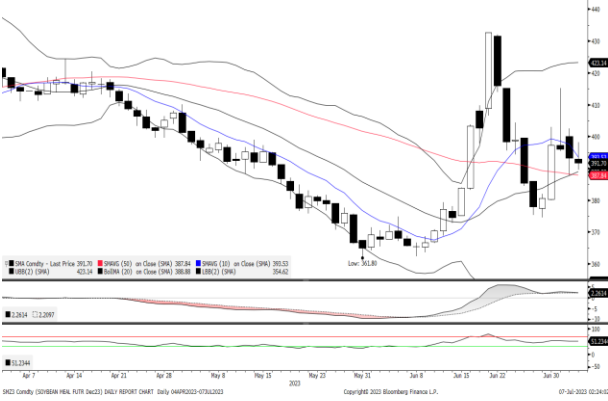
**CBOT Soybean Daily Chart**



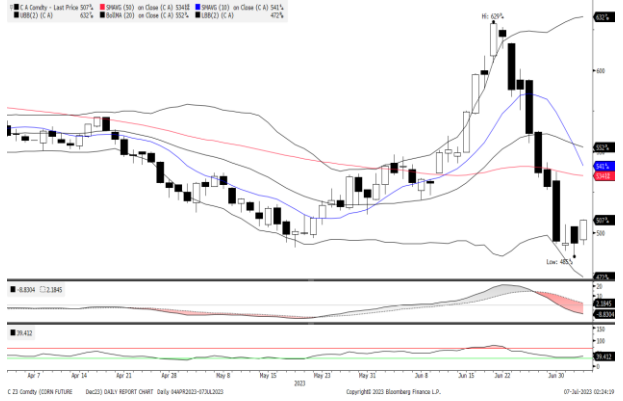
**CBOT Soybean Oil Daily Chart**



**CBOT Soybean Meal Daily Chart**



**CBOT Corn Daily Chart**



**CBOT Wheat Daily Chart**



**Technical Analysis**

Instrument	1st Resistance	2nd Resistance	1st Support	2nd Support	MACD	MACD DIFF	RSI
<b>Soybean</b>	1359.59	1379.69	1319.41	1299.32	29.677	4.641	60.906
<b>Soybean Meal</b>	397.68	403.55	385.92	380.05	2.259	0.053	51.230
<b>Wheat</b>	667.87	677.74	648.13	638.26	3.469	-6.375	46.387
<b>Soybean Oil</b>	60.13	61.02	58.35	57.46	2.379	0.467	62.952
<b>Corn</b>	514.10	521.70	498.90	491.31	-8.832	-11.014	39.411

**Strategy**

	Long:	Profit target:	Stop-loss:	Long:	Profit target:	Stop-loss:	Short:	Profit target:	Stop-loss:	Short:	Profit target:	Stop-loss:
<b>Soybean</b>	1319.41	1332.60	1,312.81	1299.32	1312.31	1,292.82	1359.59	1346.00	1,366.39	1379.69	1365.89	1,386.58
<b>Soybean Oil</b>	58.35	58.93	58.06	57.46	58.04	57.18	60.13	59.53	60.43	61.02	60.41	61.32
<b>Soybean Meal</b>	385.92	389.78	383.99	380.05	383.85	378.15	397.68	393.70	399.67	403.55	399.52	405.57
<b>Corn</b>	498.90	503.89	496.41	491.31	496.22	488.85	514.10	508.96	516.67	521.70	516.48	524.30
<b>Wheat</b>	648.13	654.61	644.89	638.26	644.64	635.07	667.87	661.19	671.21	677.74	670.96	681.13

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."