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KENANGA FUTURES SDN BHD Company No. 353603-X

Fundamentals:

Chicago Board of Trade corn and soybean futures rose on Thursday as news of tighter rules on industry tax credits in Brazil made traders and producers hopeful that it could boost U.S. export business, traders said.

Brazilian food exporter lobbies on Wednesday blasted the government's executive order imposing new rules for use of tax credits, claiming the rules are unconstitutional and will make companies less competitive on global markets.

"That'll spur business going our way," U.S.-based Mark Schultz, analyst at Northstar Commodity, said.

CBOT soybeans added 24-1/4 cents to $12.02-1/4 a bushel, while CBOT corn gained 12-1/4 cents to $4.51-1/2 a bushel.

Wheat ticked lower as brokers weighed concerns over drought and frost damage to the Black Sea crop with a burgeoning U.S. harvest.

The most-active wheat contract on the Chicago Board of Trade (CBOT) was down 1-3/4 cents at $6.45-1/2 a bushel as of 1540 GMT.

The Brazilian executive order prompted a wave of short covering as traders digested the news. Meanwhile, Brazilian exporters hesitated to sell in the aftermath of the new rule.

The new measure was included in an executive order sent to Congress on Tuesday. It takes effect immediately but needs approval from lawmakers within four months to remain valid.

"Exporters say by closing the tax credit loophole it will increase the cost of doing business," Tom Fritz, broker at EFG Group, said. "They're taking offers of table as they reassess profit margins."

Spotty rains in the U.S. corn belt as well as concerns over a mid-June heat wave have also given underlying support to markets.

The U.S. Department of Agriculture reported export sales of old-crop corn and new-crop wheat were at the higher end of trade expectations, while sales of old-crop soy landed on the low end of expectations.

USDA also confirmed sales of 152,000 tonnes of old-crop corn to unknown buyers in a flash sale.

(Source: Reuters)

Contract		Close	Chg	High	Low
Soybeans	JUL 24	1,200.00	22.75	1,204.50	1,176.00
Soybean Oil	JUL 24	44.350	1.250	44.650	43.110
Soybean Meal	JUL 24	362.80	2.80	365.10	358.90
Corn	JUL 24	452.00	14.00	453.25	438.75
Wheat	JUL 24	639.50	-7.75	654.00	638.25
US Dollar Index		104.125	-0.143	104.374	104.049

Argentina & Brazil Weekly Export Statistic (metric ton)

Date	A. Corn	B.Corn	A.Soybean	B.Soybean	A.Wheat	B.Wheat
03/06/2024	558,000	149,000	216,500	1,566,990	#N/A N/A	23,000
27/05/2024	569,760	173,700	308,000	1,120,310	0	58,000
20/05/2024	617,000	50,000	163,000	1,387,190	0	69,750
13/05/2024	553,700	48,500	162,000	835,540	0	50,000
06/05/2024	429,905	48,000	127,770	1,313,120	0	35,000
29/04/2024	728,710	70,000	332,400	1,499,100	0	28,000
22/04/2024	577,500	15,000	34,000	1,498,005	0	331,950
15/04/2024	590,700	246,000	75,000	1,378,375	0	86,000
08/04/2024	372,300	239,000	290,000	1,606,505	0	31,000
01/04/2024	639,500	74,000	178,000	1,605,850	0	80,000

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

Date	Corn	Soybean	Soy Oil	Soy Meal	Wheat
30/05/2024	1294.2	263.3	9.5	254.3	387.9
23/05/2024	997.9	336.3	10.2	285.8	320.9
16/05/2024	1216.1	344.9	3	196.8	242.7
09/05/2024	870.4	290.9	10.1	331.6	382.8
02/05/2024	938.3	433.5	16.2	227.5	447
25/04/2024	792.1	421	7.2	134.5	386.6
18/04/2024	1560.7	331	16.2	342.4	453.8
11/04/2024	566.2	749	0.1	130.8	128.5
04/04/2024	335	305.3	4.3	241.4	355.1
28/03/2024	959.4	136.7	3.1	234.8	278.1
21/03/2024	1332.9	383.9	6	128.5	552.4
14/03/2024	1185.8	494.3	1.9	285.8	176.3

Historical Volatility	10 Days	30 Days	60 Days	90 Days
Soybean Futures	18.31	19.50	16.81	15.94
Soybean Oil Futures	27.20	31.48	27.20	24.83
Soybean Meal Futures	27.77	29.13	23.33	21.51
Corn Futures	22.31	20.63	19.44	18.00
Wheat Futures	13.69	33.50	29.63	28.31

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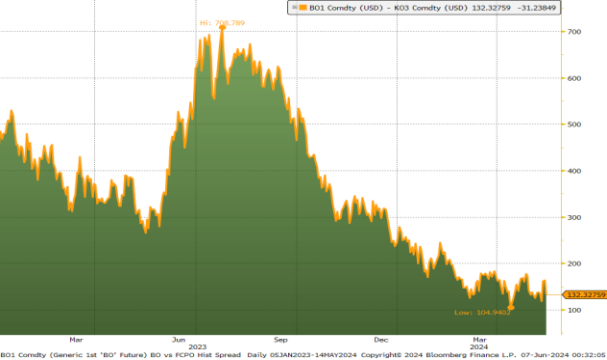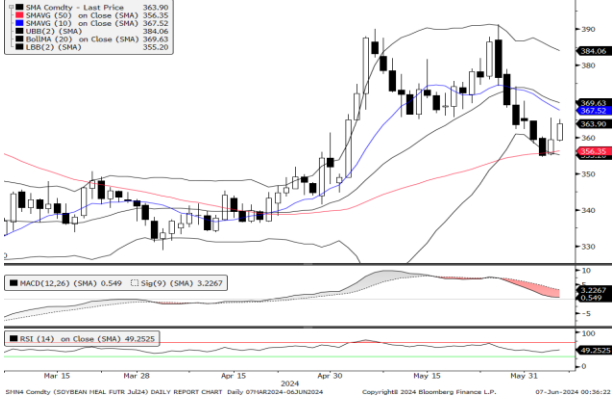

Soybean Synthetic Crush Spread
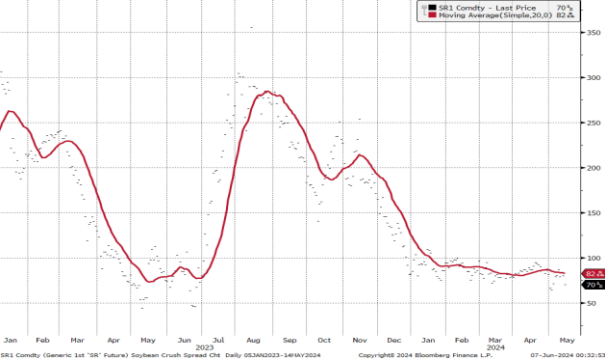
CBOT Soybean Daily Chart

CBOT Soybean Oil Daily Chart

CBOT Soybean Meal Daily Chart

CBOT Corn Daily Chart

CBOT Wheat Daily Chart

Technical Analysis

Soybean

1st Resistance:	1218.00	2nd Resistance:	1236.00
1st Support:	1182.00	2nd Support:	1164.00
MACD:	-3.512		
MACD DIFF:	-6.433		
RSI:	47.123		

Soybean Meal

1st Resistance:	368.24	2nd Resistance:	373.68
1st Support:	357.36	2nd Suport:	351.92
MACD:	0.420		
MACD DIFF:	-2.779		
RSI:	48.025		

Wheat

1st Resistance:	649.09	2nd Resistance:	658.69
1st Support:	629.91	2nd Resistance:	620.32
MACD:	9.410		
MACD DIFF:	-8.581		
RSI:	42.998		

Soybean Oil

1st Resistance:	45.02	2nd Resistance:	45.68
1st Support:	43.68	2nd Support:	43.02
MACD:	-0.266		
MACD DIFF:	-0.103		
RSI:	47.082		

Corn

1st Resistance:	458.78	2nd Resistance:	465.56
1st Support:	445.22	2nd Support:	438.44
MACD:	-2.449		
MACD DIFF:	-2.013		
RSI:	49.718		