



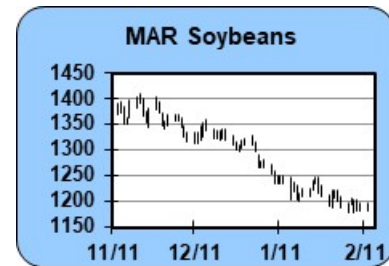
DAILY GRAINS COMMENTARY Tuesday February 13, 2024

DAILY SOY COMPLEX COMMENTARY 2/13/2024

Consolidation likely until Forum numbers Friday

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):
SOY BEANS -0.0, BEAN OIL +0.0, SOYMEAL -0.3

OVERNIGHT DEVELOPMENTS: Soybeans (MAR 24) prices overnight are down -2 3/4; Soymeal (MAY 24) down -2.80; and Soyoil (MAY 24) up 0.52. Soybean open interest as of February 12 was down 1,541 contracts, soymeal down 4,223 contracts, and soybean oil down 4,376. Global markets started out under pressure and dropped further coming into this morning's action. China continues to be on holiday, while the Japanese Nikkei and South Korean KOSPI came out of their long weekend with sizable gains. UK unemployment had a surprise downtick while UK average earnings were higher than forecast. Both the latest German and Euro zone ZEW survey were higher than expected. The US session starts out with a weekly private survey of same-store sales and a monthly private survey of small business optimism. The highlight for global markets will be the January US consumer price index which is expected to have a moderate downtick from December's 3.4% year-over-year rate. The January US core consumer price index (excluding food and energy) is forecast to have a mild downtick from December's 3.9% year-over-year rate.



NEAR-TERM MARKET FUNDAMENTALS: While futures prices are holding in a range the last several days, the bear camp remains in charge until prices can move above nearby resistance. Argentina's Outlook is a little drier for the next 10 days, but significant rain has fallen recently, and conditions should remain stable through the end of the month. Overall favorable conditions in Brazil are expected as well. A prominent South American crop scout lowered his Brazilian production number 2 million tonnes to 147 million, well below USDA at 156 million. He cited continuing low yields on early planted beans. The Brazil state of Rondonopolis issued a state of emergency for their farm sector due to the dryness and low prices, which will allow farmers to renegotiate loans to avoid bankruptcy. He also lowered his Argentine production 2 million tonnes to 50 million, equaling the USDA number. Up to 40% of the Argentine crop was filling pods during the hot/dry period over the last several weeks. USDA's Outlook Forum is expected to show bean acreage in the 85-88 million range. Weekly export inspections were mildly supportive yesterday, right at the top of the range of guesses and well over double the needed pace to reach the USDA target. 61% of the total bean volume went to China. Interestingly, USDA revised last week's inspections number to 1.751 million tonnes from 1.426 million. Brazil's largest Farmer Association, Aprosoya, is advising farmers to hold cash beans for higher prices. March prices remain inside last Thursday's trading range and close in resistance is 1205 with key support at 1180. A bottom formation is not evident yet and the technical picture remains weak.

Monday's trading range on March beans was inside Friday's range and resistance remains at 1205 with key support at 1180. An early week bounce is likely to give way to weakness as we get closer to Friday's release of the Outlook Forum numbers.

Soybean export inspections for the week ending February 8 came in at 1,326,243 metric tonnes. Cumulative inspections year-to-date are 30,766,668 metric tonnes which is 22.7% below last year. This is 65.7% of the USDA's forecast for the 2023-24 marketing year versus the five year average of 64.2%.

TODAY'S MARKET IDEAS:

Sideways action has been the feature since last Thursday's USDA supply/demand report and the market seems to have digested the known news and is waiting to see USDA's Outlook Forum numbers on Friday. The operative

range on March futures is 1180-1205 and technicals have flatlined over the last week offering little direction. However, the longer-term trend remains lower.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

SOYBEAN COMPLEX TECHNICAL OUTLOOK:

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SOYBEANS (MAR) 02/13/2024: Daily stochastics are trending lower but have declined into oversold territory. The market's short-term trend is negative as the close remains below the 9-day moving average. Market positioning is positive with the close over the 1st swing resistance. The next downside objective is now at 1177 1/4. The next area of resistance is around 1200 and 1205 1/2, while 1st support hits today at 1186 and below there at 1177 1/4.

SOYBEAN OIL (MAR) 02/13/2024: Momentum studies are rising from mid-range, which could accelerate a move higher if resistance levels are penetrated. A positive signal for trend short-term was given on a close over the 9-bar moving average. The market tilt is slightly negative with the close under the pivot. The near-term upside objective is at 47.74. The next area of resistance is around 47.31 and 47.74, while 1st support hits today at 46.49 and below there at 46.09.

SOYMEAL (MAR) 02/13/2024: Daily stochastics declining into oversold territory suggest the selling may be drying up soon. The market's close below the 9-day moving average is an indication the short-term trend remains negative. It is a mildly bullish indicator that the market closed over the pivot swing number. The next downside target is now at 340.7. The next area of resistance is around 353.6 and 359.4, while 1st support hits today at 344.2 and below there at 340.7.

DAILY CORN COMMENTARY

2/13/2024

Absence of breaking news keeps market drifting lower

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):

CORN +0.1

OVERNIGHT DEVELOPMENTS: Corn (MAR 24) prices overnight are up 1/2. Corn open interest as of February 12 was down 11,083 contracts. Chinese Dalian (MAY 24) Corn was unchanged.



NEAR-TERM MARKET FUNDAMENTALS: Another small trading range overnight keeps the bear camp in control, although traders will be keenly watching the reaction to USDA's Outlook Forum numbers on Friday. If bearish numbers do not push the market lower, we may finally see a short covering bounce begin. The Forum acreage estimate is expected around 91 - 92 million acres and ending stocks for 2024/25 are expected around 2.5 billion bushels. Egypt announced a rare tender for corn for at least 50,000 tonnes. A prominent South American crop scout lowered his Brazil production 3 million tonnes to 112 million, compared to last week's USDA number of 124 and CONAB's 113.69 million. He cited farmer profitability problems and extremely low prices. He also cut his Argentine estimate 2 million tonnes to 54 million, down from USDA's 55 million. During the recent hot/dry stretch in Argentina, 43% of

the crop was pollinating. Although Argentina's forecast looks relatively dry for the next week to 10 days, recent rains should keep the crop from seeing any critical stress. Certainly, bearish sentiment is extreme and raises a warning flag for those selling the market at these levels.

Corn export inspections for the week ending February 8 came in at 880,074 metric tonnes. Cumulative inspections year-to-date are 17,188,077 metric tonnes which is 31.1% above last year. This is 32.2% of the USDA's forecast for the 2023-24 marketing year versus the 5-year average of 32.0%.

TODAY'S MARKET IDEAS:

Very quiet action in the corn yesterday with a trading range of \$0.05 and although bear sentiment is extreme, traders may be waiting for the Forum numbers for further fundamental direction. 2024/25 US ending stocks are expected around 2.5 billion bushels, which would be unlikely to fire up the bull camp. Nearby resistance is at 449 and support is 424.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

CORN TECHNICAL OUTLOOK:

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CORN (MAR) 02/13/2024: Momentum studies are still bearish but are now at oversold levels and will tend to support reversal action if it occurs. A negative signal for trend short-term was given on a close under the 9-bar moving average. The upside daily closing price reversal gives the market a bullish tilt. It is a slightly negative indicator that the close was under the swing pivot. The next downside objective is now at 425 1/2. The 9-day RSI under 30 indicates the market is approaching oversold levels. The next area of resistance is around 433 and 435 1/4, while 1st support hits today at 428 and below there at 425 1/2.

CORN (JUL) 02/13/2024: Momentum studies are still bearish but are now at oversold levels and will tend to support reversal action if it occurs. The market's short-term trend is negative as the close remains below the 9-day moving average. The close over the pivot swing is a somewhat positive setup. The next downside target is 448 1/2. The 9-day RSI under 30 indicates the market is approaching oversold levels. The next area of resistance is around 454 and 455 3/4, while 1st support hits today at 450 1/2 and below there at 448 1/2.

DAILY WHEAT COMMENTARY

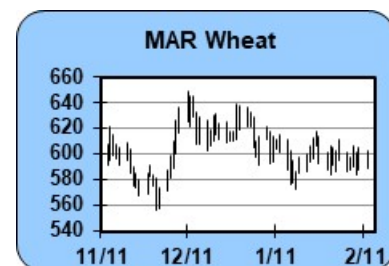
2/13/2024

Tight rangebound trade dominates

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):

WHEAT -0.28

OVERNIGHT DEVELOPMENTS: Chicago wheat (MAR 24) prices overnight are down -4 1/4; Kansas City (MAY 24) down -3 3/4; and Minneapolis (MAR 24) down -6 1/2. MATIF Milling Wheat(MAY 24) was up 0.2%. Chicago wheat open interest as of February 12 was up 1,721 contracts and Minneapolis wheat was up 3,125 contracts.



NEAR-TERM MARKET FUNDAMENTALS: The tug-of-war continues as the 3-week sideways trend frustrates both bull and bear camp. IKAR says FOB Russian prices are 224-\$230 per tonne, with no sign of tightening

supplies. In fact, Russia says they are increasing their grain export quota from 24 million tonnes to 28 million tonnes. Texas winter wheat conditions dropped 4% last week to 42% good/excellent, but we would expect moisture early this week to reverse the condition decline. Temperatures for the southern Plains are expected to trend above normal for the next 2 weeks. The Outlook Forum numbers late this week must be taken with a grain of salt, as they usually are, as many factors can change these long-term projections. French winter grains planting is expected down 7.5% year-over-year and 6.1% lower than the 5-year average. Important trendline resistance comes in at 607 on March Chicago and a move above that level would point to a move to more significant resistance at 618. Support is at the lower range boundary at 584.

Wheat export inspections for the week ending February 8 came in at 407,476 metric tonnes. Cumulative inspections year-to-date are 11,710,512 metric tonnes which is 18.0% below last year. This is 59.4% of the USDA's forecast for the 2023-24 marketing year versus the 5-year average of 65.8%.

TODAY'S MARKET IDEAS:

Fresh market moving news is absent and tight range-bound trade continues in March Chicago. The lower boundary is 584 and the upper boundary has tightened to 607. In the bigger picture, a close above 617 is needed to turn the trend higher.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

WHEAT TECHNICAL OUTLOOK:

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WHEAT (MAR) 02/13/2024: A negative indicator was given with the downside crossover of the 9 and 18 bar moving average. Momentum studies trending lower at mid-range should accelerate a move lower if support levels are taken out. The market's close above the 9-day moving average suggests the short-term trend remains positive. It is a mildly bullish indicator that the market closed over the pivot swing number. The next downside objective is now at 582 1/4. The next area of resistance is around 604 3/4 and 611, while 1st support hits today at 590 1/4 and below there at 582 1/4.

KC WHEAT (MAR) 02/13/2024: The downside crossover of the 9 and 18 bar moving average is a negative signal. Momentum studies are declining, but have fallen to oversold levels. The market's close below the 9-day moving average is an indication the short-term trend remains negative. The market's close below the pivot swing number is a mildly negative setup. The next downside objective is now at 590 1/4. The next area of resistance is around 605 and 610 1/2, while 1st support hits today at 595 and below there at 590 1/4.

MINN WHEAT (MAR) 02/13/2024: Momentum studies are declining, but have fallen to oversold levels. The close below the 9-day moving average is a negative short-term indicator for trend. The market tilt is slightly negative with the close under the pivot. The next downside target is 677 3/4. The next area of resistance is around 685 and 688, while 1st support hits today at 680 and below there at 677 3/4.

RICE (MAR) 02/13/2024: The daily stochastics have crossed over down which is a bearish indication. Momentum studies are trending lower from high levels which should accelerate a move lower on a break below the 1st swing support. The close above the 9-day moving average is a positive short-term indicator for trend. The outside day down and close below the previous day's low is a negative signal. The close below the 1st swing support could weigh on the market. The next downside objective is now at 18.108. The next area of resistance is around 18.945 and 19.387, while 1st support hits today at 18.305 and below there at 18.108.

DAILY TECHNICAL STATISTICS

	CLOSE	9 DAY RSI	14 DAY RSI	14 DAY SLOW STOCH D	14 DAY SLOW STOCH K	4 DAY M AVG	9 DAY M AVG	18 DAY M AVG	45 DAY M AVG	60 DAY M AVG
GRAIN COMPLEX										
CNAH24	430 1/2	26.37	29.44	19.65	12.68	431.75	438.53	442.60	458.59	465.04
CNAN24	452 1/4	27.13	29.30	20.62	14.54	453.13	458.89	462.14	479.56	485.84
SSAH24	1193	40.79	38.64	20.20	17.68	1189.75	1196.53	1208.04	1258.18	1283.38
SSAN24	1207 1/2	37.88	36.28	18.12	14.56	1205.88	1214.36	1225.31	1275.46	1300.95
SMAH24	348.9	37.78	38.06	33.14	27.17	348.50	355.63	356.84	373.23	384.57
BOAH24	46.90	50.95	48.13	45.71	56.82	47.22	46.28	46.65	48.11	48.94
WHAH24	597 1/2	49.49	48.78	44.50	40.57	596.19	596.28	597.81	607.44	603.32
WHAN24	600 1/4	40.01	42.05	29.36	22.31	602.25	606.11	610.72	623.50	621.98
RCAH24	18.625	61.99	61.98	87.22	83.30	18.67	18.44	18.12	17.75	17.68
KWAH24	600	35.11	39.72	39.71	24.77	604.88	613.31	616.33	625.07	627.27
MWAH24	682 1/2	36.08	38.98	32.40	20.72	686.69	691.00	695.11	706.91	712.24
OTAH24	378 1/4	53.91	52.71	69.50	71.00	378.69	377.64	373.90	370.40	371.78

Calculations based on previous session. Data collected 02/12/2024

Data sources can & do produce bad ticks. Verify before use.

DAILY SWING STATISTICS

Contract		Support 2	Support 1	Pivot	Resist 1	Resist 2
GRAIN COMPLEX						
CNAH24	Corn	425 1/2	428	430 1/2	433	435 1/2
CNAN24	Corn	448 1/2	450 1/2	452 1/4	454	456
SSAH24	Soybeans	1177	1186	1191 1/4	1200	1205 1/2
SSAN24	Soybeans	1193	1200 3/4	1206 1/2	1214 1/4	1220
SMAH24	Soymeal	340.6	344.2	350.0	353.6	359.4
BOAH24	Soybean Oil	46.08	46.48	46.91	47.31	47.74
WHAH24	Wheat	582	590 1/4	596 1/2	604 3/4	611
WHAN24	Wheat	588 3/4	595	599 1/4	605 1/2	609 3/4
RCAH24	Rice	18.107	18.305	18.747	18.945	19.387
KWAH24	KC Wheat	590	595	600 1/4	605	610 1/2
MWAH24	MINN Wheat	677 1/2	680	682 3/4	685	688
OTAH24	Oats	368 1/2	373 1/4	378 1/2	383 1/4	388 1/2

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