



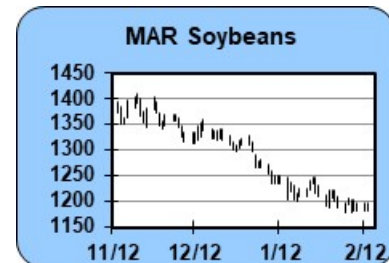
DAILY GRAINS COMMENTARY Wednesday February 14, 2024

DAILY SOY COMPLEX COMMENTARY 2/14/2024

Support gives way, technicals point lower

**OVERNIGHT CHANGES THROUGH 6:06 AM (CT):
SOY BEANS -0.1, BEAN OIL +0.0, SOYMEAL -0.2**

OVERNIGHT DEVELOPMENTS: Soybeans (MAY 24) prices overnight are down -6 1/4; Soymeal (MAY 24) down -1.80; and Soyoil (MAY 24) up 0.03. Soybean open interest as of February 13 was down 2,935 contracts, soymeal up 4,365 contracts, and soybean oil up 1,619. Global equity markets overnight were mixed with more markets trading higher than lower. Critical economic news released overnight included a rebound in New Zealand electronic credit card retail sales, a significant contraction in GBP CPI, a slight contraction in GBP PPI, and a slight moderation of GBP retail price index readings in January. The North American session will start out with a weekly private survey on mortgage applications, but it will have no top-tier US or Canadian economic data on the schedule. Chicago Fed President Goolsbee will speak during morning US trading hours while Fed Vice Chair Barr will speak during the afternoon. Earnings announcements will include CME Group, Kraft Heinz, Williams, and Barrick Gold before the Wall Street opening while Cisco Systems, Equinix and Occidental Petroleum report after the close.



NEAR-TERM MARKET FUNDAMENTALS: Not surprisingly, the bear pressure heading into tomorrow and Fridays Outlook Forum meeting is ramping up as traders anticipate a build in 2024/25 ending stocks. Analyst expectations for US bean acreage are between 85.3-88.0 million acres and production is expected to be 4.282-4.535 billion bushels. US 2024/25 ending stocks are expected in a range of 330-560 million bushels, well above the current year at 315 million bushels. Forum numbers often show the highest ending stocks of the season and will put the focus squarely on whether US demand can offset the potential growing supply. US farm income is expected to drop the most in 18 years. US farm income is expected to drop the most in 18 years. January NOPA crush will be out Thursday, and analyst estimates are 189.928 million bushels crushed, with a range of 184.5-196.015, which is unusually large. Extreme weather in January is expected to reduce crush from December and our friends at Crushtaders.com are estimating 188.235 million bushels crushed. We would agree that the NOPA number is much more likely to be under the average guess, rather than over. Soybean oil stocks are expected in a range of 1.284-1.500 billion pounds. We lean to the higher side of that range. Many processing plants had issues during January snow and extreme cold temperatures, including a large plant in Indiana which was down for a week due to a natural gas pipeline issue. Crush rates so far in February have been very strong. A new 3-month high Tuesday in the US Dollar adds to the headwinds for the ag markets after inflation data ticked higher than expected. On a slight positive note, exporters are offering premiums for beans at the Gulf, as supplies are low due to barge disruptions caused by river ice. After several tests of 1180 support on March, prices have fallen through that level and the technical picture points lower. The next major support is the May 2023 low at 1145.

TODAY'S MARKET IDEAS:

The breach of 1180 support on March futures is bearish after several days of consolidation. Forum numbers will likely keep the pressure on the market, however, if prices fail to fall further after the release of the numbers Friday, the odds increase for a short covering bounce next week.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

SOYBEAN COMPLEX TECHNICAL OUTLOOK:

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SOYBEANS (MAR) 02/14/2024: Daily stochastics are trending lower but have declined into oversold territory. A negative signal for trend short-term was given on a close under the 9-bar moving average. The downside closing price reversal on the daily chart is somewhat negative. It is a slightly negative indicator that the close was under the swing pivot. The next downside target is 1173 3/4. The next area of resistance is around 1193 1/2 and 1202 3/4, while 1st support hits today at 1179 and below there at 1173 3/4.

SOYBEAN OIL (MAR) 02/14/2024: 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 upside closing price reversal on the daily chart is somewhat bullish. With the close higher than the pivot swing number, the market is in a slightly bullish posture. The next upside objective is 48.59. The next area of resistance is around 48.03 and 48.59, while 1st support hits today at 46.57 and below there at 45.68.

SOYMEAL (MAR) 02/14/2024: Daily stochastics declining into oversold territory suggest the selling may be drying up soon. The market's short-term trend is negative as the close remains below the 9-day moving average. The market's close below the pivot swing number is a mildly negative setup. The next downside target is now at 339.1. The next area of resistance is around 348.2 and 352.6, while 1st support hits today at 341.4 and below there at 339.1.

DAILY CORN COMMENTARY

2/14/2024

Anticipation of bearish Forum numbers weighs on market

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):

CORN -0.2

OVERNIGHT DEVELOPMENTS: Corn (MAR 24) prices overnight are down -2. Corn open interest as of February 13 was up 28,127 contracts. Chinese Dalian (MAY 24) Corn was unchanged.



NEAR-TERM MARKET FUNDAMENTALS: The bear camp remains in firm control of the corn market with March prices testing the contract lows once again. Anticipation of bearish Outlook Forum numbers and a new 3-month high in the US dollar have kept buyers at bay. Forum acres for 2024/25 are expected in range of 90.2-92.5 million and production 14.839-15.300 billion bushels. Although acres are expected to be down for 2024/25, yield is expected to be higher and somewhere between 180-183 bushels per acre. Forum ending stocks expected in a range of 1.800-2.850 billion bushels, compared to the current season at 2.172 billion. EIA ethanol production later today is expected to rise 1 - 2% with a small stock build. Ukraine says their corn planting for the spring season will be down 9% from last year. US fuel retailers are pressing senators to support year-round E-15 sales. Egypt initiated a rare international tender and bought 120,000 tonnes of Ukrainian corn Tuesday. However, instead of cheering the demand, we fear it only reinforces the abundant Black Sea supplies. Most of Argentina will not see much precipitation for the next 10 days and Rio Grande do Sul in Brazil is expected dry during that timeframe as well, but the rest of Brazil will see sufficient rain and crop stress will stay low. March futures may continue to grind lower into the Forum numbers Friday, but the bearish pressure may fade once the numbers come out and offer a chance for a short

covering bounce early next week.

TODAY'S MARKET IDEAS:

The slow grind lower on March continues with another new contract low this morning. Prices are nearing next support at 424. Prices may see increasing pressure as we move closer to Friday's Forum number release. It is possible prices early next week will see a short covering bounce as bearish sentiment going into the Forum report is extreme. Nearby resistance is at 449 and close-in support is 424.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

CORN TECHNICAL OUTLOOK:

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CORN (MAR) 02/14/2024: Daily stochastics declining into oversold territory suggest the selling may be drying up soon. A negative signal for trend short-term was given on a close under the 9-bar moving average. The close over the pivot swing is a somewhat positive setup. The next downside target is now at 425 1/4. Some caution in pressing the downside is warranted with the RSI under 30. The next area of resistance is around 433 3/4 and 437 1/4, while 1st support hits today at 427 3/4 and below there at 425 1/4.

CORN (JUL) 02/14/2024: 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 close over the pivot swing is a somewhat positive setup. The next downside objective is now at 448 3/4. The 9-day RSI under 30 indicates the market is approaching oversold levels. The next area of resistance is around 454 1/2 and 457, while 1st support hits today at 450 1/2 and below there at 448 3/4.

DAILY WHEAT COMMENTARY

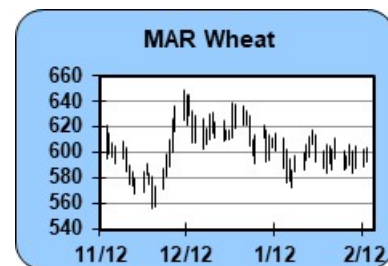
2/14/2024

Fall below nearby support bearish

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):

WHEAT -1.4

OVERNIGHT DEVELOPMENTS: Chicago wheat (MAY 24) prices overnight are down -10 1/4; Kansas City (MAY 24) down -9 3/4; and Minneapolis (MAR 24) down -7 1/2. MATIF Milling Wheat(MAR 24) was down -0.5%.



NEAR-TERM MARKET FUNDAMENTALS: Acute weakness overnight has pushed the market below the bottom of the trading range of the last 2 weeks as the bearish anticipation grows in front of USDA's Outlook Forum. 2024/25 All Wheat plantings may be the lone bright spot and are expected in a range of 46.4-48.8 million acres, down from the current season at 49.6 million. All wheat production is expected at 1.717-2.088 billion bushels and ending stocks range is 550-855 million bushels (average 720 million), compared to the current 658 million this season. The 3-month high in the US Dollar Tuesday is adding to the bearish pressure as Russian and Ukraine wheat prices remain low. Interestingly, March Chicago futures have been gaining on the deferred months. Back in December, China bought US wheat and those cargoes now need to be loaded, giving spot prices a boost as exporters search for supplies. On the other hand, KC wheat prices are lagging Chicago as traders anticipate improvements to HRW conditions this week after recent moisture. Southern

Plains temperatures are expected to be above normal for the next couple weeks with no winterkill threats in sight. 1 of the EU's largest ports, Antwerp, has been disrupted this week with farmer protests blocking access. Polish farmers say they will completely blockade all Ukraine border crossings on February 20th. The drop below the recent range on March Chicago and new contract low in March Kansas City are bearish developments, and prices may be pulled lower into Friday's Forum numbers.

TODAY'S MARKET IDEAS:

The lower boundary of the 2-week range was taken out on Chicago March and KC wheat made new contract lows overnight, weakening the technical picture. Nearby support on March Chicago is 573 and then the contract low at 556 1/4. Strong bearish sentiment heading into Friday's Forum numbers increases the odds of a short covering bounce once the numbers are released. 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) 02/14/2024: Momentum studies trending lower at mid-range could accelerate a price break if support levels are broken. The market's close above the 9-day moving average suggests the short-term trend remains positive. The close over the pivot swing is a somewhat positive setup. The next downside objective is 586 1/2. The next area of resistance is around 603 and 608 3/4, while 1st support hits today at 592 and below there at 586 1/2.

KC WHEAT (MAR) 02/14/2024: Daily stochastics declining into oversold territory suggest the selling may be drying up soon. The close below the 9-day moving average is a negative short-term indicator for trend. The market's close below the pivot swing number is a mildly negative setup. The next downside target is now at 587 3/4. The next area of resistance is around 600 and 603 1/2, while 1st support hits today at 592 and below there at 587 3/4.

MINN WHEAT (MAR) 02/14/2024: 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 defensive setup, with the close under the 2nd swing support, could cause some early weakness. The next downside objective is now at 662 1/4. The 9-day RSI under 30 indicates the market is approaching oversold levels. The next area of resistance is around 677 1/2 and 685 1/2, while 1st support hits today at 666 and below there at 662 1/4.

RICE (MAR) 02/14/2024: Stochastics trending lower at midrange will tend to reinforce a move lower especially if support levels are taken out. The market's short-term trend is negative as the close remains below the 9-day moving average. It is a slightly negative indicator that the close was under the swing pivot. The next downside objective is 18.003. The next area of resistance is around 18.585 and 18.882, while 1st support hits today at 18.145 and below there at 18.003.

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 3/4	27.14	29.87	17.21	12.35	430.88	436.58	441.86	457.32	464.08
CNAN24	452 1/2	27.97	29.78	18.41	13.98	452.38	457.33	461.53	478.33	484.93

SSAH24	1186 1/4	37.64	36.78	18.53	15.19	1189.06	1192.53	1206.53	1254.98	1279.83
SSAN24	1201 1/2	34.98	34.57	15.91	11.50	1204.50	1209.89	1223.56	1272.14	1297.42
SMAH24	344.8	33.72	35.51	29.52	22.26	346.90	353.02	355.93	372.05	383.03
BOAH24	47.30	54.50	50.58	50.93	61.37	47.35	46.42	46.63	48.03	48.86
WHAH24	597 1/2	49.49	48.78	43.24	40.72	595.06	596.53	598.47	606.44	603.48
WHAN24	597 3/4	38.01	40.84	25.85	18.83	599.06	604.72	610.39	622.27	621.64
RCAH24	18.365	53.09	55.78	81.46	69.93	18.64	18.50	18.16	17.77	17.70
KWAH24	596	32.49	37.99	32.62	18.44	598.94	610.25	615.74	623.44	626.37
MWAH24	671 3/4	28.58	33.90	26.24	13.93	680.56	688.72	694.21	705.45	710.97
OTAH24	381 3/4	57.20	54.66	71.69	76.07	378.50	377.56	374.74	370.85	371.98

Calculations based on previous session. Data collected 02/13/2024

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 1/4	427 3/4	431 1/4	433 3/4	437 1/4
CNAN24	Corn	448 1/2	450 1/2	452 3/4	454 1/2	457
SSAH24	Soybeans	1173 3/4	1179	1188 1/4	1193 1/2	1202 3/4
SSAN24	Soybeans	1191 1/2	1195 3/4	1203	1207 1/4	1214 1/2
SMAH24	Soymeal	339.0	341.4	345.8	348.2	352.6
BOAH24	Soybean Oil	45.67	46.57	47.13	48.03	48.59
WHAH24	Wheat	586 1/2	592	597 3/4	603	609
WHAN24	Wheat	590	593 3/4	598	601 3/4	606
RCAH24	Rice	18.002	18.145	18.442	18.585	18.882
KWAH24	KC Wheat	587 1/2	592	595 1/2	600	603 1/2
MWAH24	MINN Wheat	662 1/4	666	674	677 1/2	685 3/4
OTAH24	Oats	375 3/4	379	381 1/2	384 1/2	387 1/4

Calculations based on previous session. Data collected 02/13/2024

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