



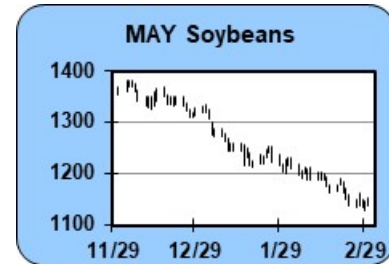
DAILY GRAINS COMMENTARY Monday March 04, 2024

DAILY SOY COMPLEX COMMENTARY 3/4/2024

Technical bounce but fundamentals remain bearish

**OVERNIGHT CHANGES THROUGH 6:06 AM (CT):
SOY BEANS +0.1, BEAN OIL +0.0, SOYMEAL +0.4**

OVERNIGHT DEVELOPMENTS: Soybeans (MAY 24) prices overnight are up 7 1/4; Soymeal (MAY 24) up 3.50; and Soyoil (MAY 24) up 0.02. Soybean open interest as of March 1 was up 2,781 contracts, soymeal up 2,230 contracts, and soybean oil up 3,893. Chinese Dalian (MAY 24) Soybeans up 0.57%, Soymeal up 1.97%, Soyoil up 0.22%, Palm oil down 0.03%. Malaysian Palm was down 0.71%. Global equity markets overnight were generally higher with weakness seen in Japan, Australia, and Paris. Critical economic news released overnight included a significant jump in Japanese capital spending, a noted contraction in Japanese monetary base readings for February, traction in Australian TD, a sharper than expected decline in New Zealand job advertisements, a contraction in Australian building permits, a much hotter than expected Swiss Consumer Price Index reading for February (+0.6%), a significant narrowing of the French monthly budget deficit and a noted improvement in Spanish unemployment from last month. There are no major US or Canadian economic numbers on today's schedule. Philadelphia Fed President Harker will speak during morning US trading hours.



NEAR-TERM MARKET FUNDAMENTALS: Last week's weekly reversal higher has given technical buyers some ammunition to start the week. Brazil port premiums are rising but the US is still not competitive. The March USDA supply and demand report will be out Friday and that will keep the focus on large supplies later this week. The March report is when USDA is more likely to be more aggressive in adjusting South American production and we expect them to shave 3 to 4 million tonnes off their Brazil estimate. An independent research firm updated their Brazil production number to 143.92 million tonnes, down 5.5 million from their previous estimate. Mato Grosso harvest is 85% complete. There were 225 bean deliveries overnight and once again commercial grain firm, Bunge, stopped the majority. USDA Jan crush released Friday afternoon was 194.8 million bushels crushed compared to a pre-report average estimate of 196.6, but still well above January of last year at 191.1. Bean Oil stocks were well above guesses at 2.289 billion pounds, compared to the average guess of 1.994 billion and slightly above January year ago at 2.252 billion. Managed Money increased their short which is now at just over 160,000 contracts net short as of Tuesday of last week. An additional headwind this week may come from reports Chevron is idling a biodiesel plant in Ralston, Iowa, and another in Wisconsin due to poor market conditions due to weak mandated volumes under the Renewable Fuel Standard from the EPA. Cheaper supplies in South America remain the biggest problem for US prices and until there is a threat to US growing weather, rally power will be limited, but a technical bounce is due after the weekly chart upside reversal Friday.

The February 27th Commitments of Traders report showed Soybeans Managed Money traders were net short 160,653 contracts after increasing their already short position by 23,976 contracts. CIT traders reduced their net long position by 10,857 contracts to a net long 106,879 contracts. Soybeans Non-Commercial No CIT traders hit a new extreme short of 178,501 contracts. Non-Commercial No CIT traders were net short 178,501 contracts after increasing their already short position by 17,821 contracts. Soybeans Non-Commercial & Non-Reportable traders hit a new extreme short of 195,552 contracts. Non-Commercial & Non-Reportable traders are net short 195,552 contracts after net selling 28,936 contracts.

The Commitments of Traders report for the week ending February 27th showed Soyoil Managed Money traders are net short 52,329 contracts after net buying 512 contracts. CIT traders were net long 128,525 contracts after decreasing their long position by 3,582 contracts. Non-Commercial No CIT traders were net short 76,916

contracts after decreasing their short position by 130 contracts. Non-Commercial & Non-Reportable traders net sold 1,994 contracts and are now net short 39,653 contracts.

Soymeal positioning in the Commitments of Traders for the week ending February 27th showed Managed Money traders were net short 47,650 contracts after increasing their already short position by 16,966 contracts. CIT traders net sold 7,503 contracts and are now net long 75,722 contracts. Non-Commercial No CIT traders were net short 72,760 contracts after increasing their already short position by 17,887 contracts. Non-Commercial & Non-Reportable traders are net short 49,764 contracts after net selling 24,191 contracts.

TODAY'S MARKET IDEAS:

Weakening crush margins and poor US demand will be major bearish headwinds as we head into Friday's USDA supply and demand report. However, beans formed a weekly chart reversal higher Friday and may be able to build some short-term technical momentum, but we expect sellers will be waiting to pounce on a rally. Close in resistance on May beans is 1163 and then 1179.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

Commitment of Traders - Futures and Options - 2/20/2024 - 2/27/2024						
	Non-Commercial		Net Position	Commercial		Non-Reportable
	Net Position	Weekly Net Change		Weekly Net Change	Net Position	
Grains						
Soybeans	-182,368	-28,900	195,552	+28,935	-13,184	-36
Soymeal	-63,149	-19,184	49,763	+24,189	13,385	-5,007
Soyoil	-42,086	-2,043	39,653	+1,995	2,433	+49

SOYBEAN COMPLEX TECHNICAL OUTLOOK:

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SOYBEANS (MAY) 03/04/2024: The stochastics indicators are rising from oversold levels, which is bullish and should support higher prices. The close below the 9-day moving average is a negative short-term indicator for trend. Market positioning is positive with the close over the 1st swing resistance. The near-term upside objective is at 1163. The next area of resistance is around 1158 3/4 and 1163, while 1st support hits today at 1143 3/4 and below there at 1133.

SOYBEAN OIL (MAY) 03/04/2024: The crossover up in the daily stochastics is a bullish signal. Daily stochastics are showing positive momentum from oversold levels, which should reinforce a move higher if near term resistance is taken out. The market's short-term trend is negative as the close remains below the 9-day moving average. The market could take on a defensive posture with the daily closing price reversal down. The close over the pivot swing is a somewhat positive setup. The near-term upside objective is at 46.30. The next area of resistance is around 45.74 and 46.30, while 1st support hits today at 44.57 and below there at 43.95.

SOYMEAL (MAY) 03/04/2024: Daily stochastics are showing positive momentum from oversold levels, which should reinforce a move higher if near term resistance is taken out. 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 near-term upside target is at 338.1. The next area of resistance is around 335.5 and 338.1, while 1st support hits today at 329.1 and below there at 325.4.

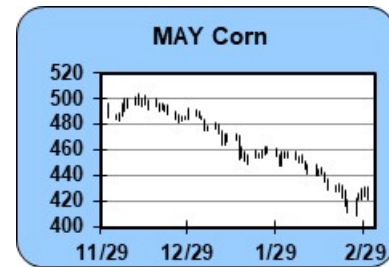
DAILY CORN COMMENTARY

3/4/2024

Technical action positive to start the week

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):
CORN +0.2

OVERNIGHT DEVELOPMENTS: Corn (MAY 24) prices overnight are up 2. Corn open interest as of March 1 was up 17,714 contracts. Chinese Dalian (MAY 24) Corn was down 0.89%.



NEAR-TERM MARKET FUNDAMENTALS: The technical recovery is likely to continue this week into Friday's USDA supply and demand report and we give the edge to the bull camp. China has been on a feed grain buying spree over the last 10 days as they follow the directions of their National Development and Reform Commission's request to import more feed grains to stabilize supply. Rumors of Chinese purchases of US corn remain unconfirmed, but prices are competitive off the Pacific Northwest Coast. Mato Grosso Safrinha planting is 90% done. The 6 to 10 day forecast shows more above normal temperatures for most of the Midwest. The Eastern corn belt has chances for rain in the next 10 days. The daily and weekly upside reversals last week will likely mean buyers will be looking to go long on a break. The question is, how far can we rally now without a US weather problem yet? We believe prices are unlikely to get over 450 on May without a US weather issue. Corn planting in Texas has begun. This Friday's USDA supply and demand report will highlight coming potential large supplies if crop weather is good. Managed Money significantly decreased their net shorts, which stood at a little over 295,000 contracts as of last Tuesday. Global supplies are expected to be at a 5-year high in 2024, however, the US demand window is open for the next couple months which should be supportive. Corn used for ethanol in January was 433.6 million bushels, down from 484 in December. The ethanol grind for the 1st 5 months of the marketing year is up 5.4%. Look for support on May futures at 420 and below early this week.

The Commitments of Traders report for the week ending February 27th showed Corn Managed Money traders were net short 295,258 contracts after decreasing their short position by 45,474 contracts. CIT traders are net long 271,751 contracts after net selling 18,497 contracts. Non-Commercial No CIT traders reduced their net short position by 44,973 contracts to a net short 296,953 contracts. Non-Commercial & non-reportable traders are net short 269,938 contracts after net buying 36,834 contracts.

TODAY'S MARKET IDEAS:

The USDA supply and demand report on Friday is unlikely to have any bullish surprises in the numbers, but the improved technical picture should offer support on breaks. Pullbacks toward 420 on May futures can be considered a buying opportunity. Nearby support on May is 434 and then 449. Upside potential could expand once the US corn crop gets in the ground and traders begin to scrutinize every forecast change.

NEW RECOMMENDATIONS:

BUY MAY Corn at 420. Risk 11 cents. Use an objective of 448.

PREVIOUS RECOMMENDATIONS:

None.

Commitment of Traders - Futures and Options - 2/20/2024 - 2/27/2024						
	Non-Commercial			Commercial		Non-Reportable
	Net Position	Weekly Net Change	Net Position	Weekly Net Change	Net Position	Weekly Net Change
Grains						
Corn	-248,116	+26,622	269,938	-36,835	-21,822	+10,212

CORN TECHNICAL OUTLOOK:

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CORN (MAY) 03/04/2024: Positive momentum studies in the neutral zone will tend to reinforce higher price action. The market's close above the 9-day moving average suggests the short-term trend remains positive. The swing indicator gave a moderately negative reading with the close below the 1st support number. The near-term upside objective is at 434 1/2. The next area of resistance is around 429 1/4 and 434 1/2, while 1st support hits today at 420 1/4 and below there at 416 3/4.

CORN (JUL) 03/04/2024: Momentum studies are trending higher from mid-range, which should support a move higher if resistance levels are penetrated. The market's short-term trend is positive on the close above the 9-day moving average. The swing indicator gave a moderately negative reading with the close below the 1st support number. The next upside target is 446 1/2. The next area of resistance is around 440 3/4 and 446 1/2, while 1st support hits today at 431 3/4 and below there at 428 1/4.

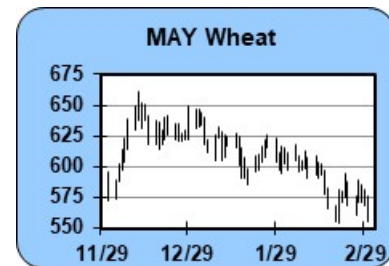
DAILY WHEAT COMMENTARY

3/4/2024

New contract lows on Chicago wheat bearish

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):
WHEAT -0.28

OVERNIGHT DEVELOPMENTS: Chicago wheat (MAY 24) prices overnight are down -3 1/4; Kansas City (MAY 24) down -1 1/4; and Minneapolis (MAY 24) up 1/2. MATIF Milling Wheat(MAY 24) was down -0.5%. Chicago wheat open interest as of March 1 was up 8,977 contracts and Minneapolis wheat was up 934 contracts.



NEAR-TERM MARKET FUNDAMENTALS: Chicago May wheat made a new contract low overnight and the bear camp is strengthening its grip as US prices have been unable to fight off the weakness in world wheat values. There were 318 SRW deliveries overnight. Poland said they are considering asking the EU to ban Russian and Belarus farm products. Ukraine's Ag Minister says he is worried that the recruitment of additional soldiers may leave farmers shorthanded as the spring planting season starts. In a bit of positive news, ABARES estimated Australian wheat production for 2023/24 at 26 million tonnes down 36% from the previous year. The USDA supply and demand report Friday is unlikely to have any bullish surprises. Rain chances are still in the forecast for the eastern parts of the southern Plains later this week but are not expected to be very significant in Western Kansas or the Texas and Oklahoma panhandles. Without a threat to the US crop, world wheat weakness keeps global buyers from being in any hurry to secure inventory. Poor export sales, new lows in EU wheat and ideas Russia needs to move old crop supplies to make room for the coming harvest are all significant bearish headwinds this week, which could send prices for a new leg lower.

The Commitments of Traders report for the week ending February 27th showed Wheat Managed Money traders reduced their net short position by 12,198 contracts to a net short 56,326 contracts. CIT traders net bought 8,979 contracts and are now net long 107,608 contracts. Non-Commercial No CIT traders reduced their net short position by 1,340 contracts to a net short 73,878 contracts. Non-Commercial & Non-Reportable traders reduced their net short position by 10,472 contracts to a net short 40,125 contracts.

KC Wheat positioning in the Commitments of Traders for the week ending February 27th showed Managed Money traders were net short 42,122 contracts after increasing their already short position by 215 contracts. CIT traders net sold 3,944 contracts and are now net long 61,042 contracts. Non-Commercial No CIT traders net bought 828 contracts and are now net short 51,820 contracts. Non-Commercial & Non-Reportable traders were net short 32,438 contracts after decreasing their short position by 2,725 contracts.

TODAY'S MARKET IDEAS:

New contract lows in Chicago wheat are a weak technical sign on top of the bearish current fundamental picture. Cheap world prices are an anchor and without a US HRW threat, there isn't much for the bulls as carryout numbers are expected to rise. Selling rallies is the favored strategy in the current environment. Nearby resistance is 589 1/2 on May Chicago. Contract low support stands at 553 1/2 and below that 542.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

Commitment of Traders - Futures and Options - 2/20/2024 - 2/27/2024						
	Non-Commercial		Net Position	Commercial		Non-Reportable
	Net Position	Weekly Net Change		Weekly Net Change	Net Position	
Grains						
KC Wheat	-31,132	+1,370	32,438	-2,726	-1,306	+1,355
Wheat	-36,593	+9,453	40,126	-10,471	-3,532	+1,019

WHEAT TECHNICAL OUTLOOK:

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WHEAT (MAY) 03/04/2024: A bearish signal was triggered on a crossover down in the daily stochastics. 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 defensive setup, with the close under the 2nd swing support, could cause some early weakness. The next downside target is now at 540 3/4. The next area of resistance is around 568 1/4 and 583, while 1st support hits today at 547 1/4 and below there at 540 3/4.

KC WHEAT (MAY) 03/04/2024: Stochastics are at mid-range but trending higher, which should reinforce a move higher if resistance levels are taken out. A negative signal for trend short-term was given on a close under the 9-bar moving average. The defensive setup, with the close under the 2nd swing support, could cause some early weakness. The near-term upside target is at 595 1/2. The next area of resistance is around 578 1/4 and 595 1/2, while 1st support hits today at 552 1/4 and below there at 543 1/2.

MINN WHEAT (MAY) 03/04/2024: Rising from oversold levels, daily momentum studies would support higher prices, especially on a close above resistance. The market's short-term trend is negative as the close remains below the 9-day moving average. The close below the 2nd swing support number puts the market on the defensive. The next upside objective is 664 1/2. The next area of resistance is around 652 1/4 and 664 1/2, while 1st support hits today at 635 1/4 and below there at 630 3/4.

RICE (MAY) 03/04/2024: The cross over and close above the 40-day moving average indicates the longer-term trend has turned up. Momentum studies are declining, but have fallen to oversold levels. The market's short-term trend is positive on the close above the 9-day moving average. A positive signal was given by the outside day up. There could be more upside follow through since the market closed above the 2nd swing resistance. The next downside objective is 18.053. The next area of resistance is around 18.840 and 18.972, while 1st support hits today at 18.380 and below there at 18.053.

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										
CNAK24	424 3/4	38.86	35.98	29.55	38.95	426.56	424.06	432.35	451.84	461.99

CNAN24	436 1/4	39.05	36.27	30.57	39.89	438.44	435.94	443.13	461.63	471.63
SSAK24	1151 1/4	38.28	35.64	13.77	18.84	1144.50	1151.78	1170.53	1216.41	1246.84
SSAN24	1161 1/4	38.22	35.52	13.32	17.96	1154.94	1161.44	1180.11	1224.85	1254.72
SMAK24	332.3	42.44	38.75	15.04	21.65	328.48	331.14	336.47	353.80	363.63
BOAK24	45.16	38.87	39.65	21.92	22.27	45.27	45.21	46.18	47.16	47.93
WHAk24	557 3/4	33.23	36.18	33.95	29.88	573.25	574.81	582.38	601.39	609.29
WHAN24	561 1/4	33.10	35.64	33.17	30.65	576.31	576.69	584.38	606.13	614.36
RCAK24	18.610	52.04	52.91	31.03	26.53	18.41	18.55	18.68	18.25	18.08
KWAK24	565 1/4	36.45	37.49	31.50	33.66	579.63	576.39	584.58	607.84	617.47
MWAK24	643 3/4	31.04	31.92	20.81	20.97	655.25	655.89	666.19	692.44	702.75
OTAK24	371 3/4	58.83	54.27	52.49	64.42	369.31	363.31	367.43	367.78	368.11

Calculations based on previous session. Data collected 03/01/2024

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						
CNAK24	Corn	416 1/2	420 1/4	425 1/2	429 1/4	434 1/2
CNAN24	Corn	428	431 1/2	437 1/4	441	446 1/2
SSAK24	Soybeans	1133	1143 3/4	1148	1158 3/4	1163
SSAN24	Soybeans	1144	1154 1/4	1158	1168 1/4	1172
SMAK24	Soymeal	325.3	329.0	331.7	335.5	338.1
BOAK24	Soybean Oil	43.95	44.56	45.13	45.74	46.30
WHAk24	Wheat	540 3/4	547	562	568 1/2	583 1/4
WHAN24	Wheat	545	551	565 1/4	571 1/2	585 1/2
RCAK24	Rice	18.052	18.380	18.512	18.840	18.972
KWAK24	KC Wheat	543 1/2	552 1/4	569 1/2	578 1/4	595 1/2
MWAK24	MINN Wheat	630 1/2	635 1/4	647 1/2	652 1/4	664 1/2
OTAK24	Oats	365 1/4	368 3/4	371 1/4	374 3/4	377 1/4

Calculations based on previous session. Data collected 03/01/2024

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