

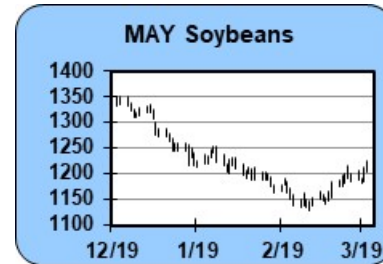


**DAILY SOY COMPLEX COMMENTARY**  
3/22/2024

**Iowa precipitation expected to dent drought**

**OVERNIGHT CHANGES THROUGH 6:06 AM (CT):**  
**SOY BEANS -0.1, BEAN OIL +0.0, SOYMEAL -0.3**

**OVERNIGHT DEVELOPMENTS:** Soybeans (MAY 24) prices overnight are down -13 1/2; Soymeal (MAY 24) down -3.70; and Soyoil (MAY 24) down -0.52. Soybean open interest as of March 21 was up 7,632 contracts, soymeal up 682 contracts, and soybean oil up 4,455. Chinese Dalian (MAY 24) Soybeans down 0.57%, Soymeal down 0.74%, Soyoil down 0.58%, Palm oil down 0.38%. Malaysian Palm was down 1.46%.



Global markets have come through choppy overnight action to have a mildly positive tone coming into this morning's action. Asian shares had mixed results as selloffs in the Shanghai Composite and the Hong Kong Hang Seng versus a mild gain in the Japanese Nikkei. Major European stock indices and US stock index futures are mostly in positive territory early today, although the French CAC-40 was showing a mild loss. Japanese national CPI was slightly below trade forecasts while UK retail sales and the German IFO survey were slightly higher than expected. Today's US trading will only have one top-tier data point, a January reading on Canadian retail sales that is expected to have a mild downtick from December's 2.9% year-over-year rate. Fed Chair Powell, Fed Vice Chair Barr and Fed Governor Jefferson will speak during morning US trading hours while Atlanta Fed President Bostic will speak this afternoon.

**NEAR-TERM MARKET FUNDAMENTALS:** The bear camp looks to have the edge to finish the week as beneficial rains are moving across Iowa this morning and more is expected next week. 84% of Iowa and 68% of Minnesota is under drought, according to yesterday's Drought Monitor, with 23% under extreme drought in Iowa. Multiple precipitation events will be needed to reverse the dryness but moisture over the next week should put a dent in the dry area before spring planting. The Climate Prediction Center says Iowa will see drought relief in the short-term, but dryness is expected to intensify by summer. US soybean area under drought stands at 30%, down from 33% last week and 23% year ago. The Buenos Aires Grain Exchange said excellent conditions increased 1% last week to 31%, compared to a 5-year average of 20%. Argentina will see a drying trend for the next 10 days that will ease flooding concerns. Weekly export sales for beans and meal yesterday were solid and in the range of guesses, while bean oil was well below the last 2 weeks of large sales, but still above the needed pace. Argentina's February crush was 2,354,425 tonnes or a daily pace of 81,187 tonnes. This was higher than expected and indicates Argentina is not waiting until harvest starts in April to ramp up their crushing. The US Dollar made a 5-week high this morning. With expected precipitation across the driest areas of the Midwest on the way, prices are likely to stay under pressure today to end the week. Moving average support on May is 1175.

The Export Sales report showed that for the week ending March 14, net soybean sales came in at 494,028 tonnes for the current marketing year and 270 for the next marketing year for a total of 494,298. Cumulative soybean sales have reached 85.8% of the USDA forecast for the 2023/2024 marketing year versus a 5 year average of 88.8%. Sales need to average 274,000 tonnes per week to reach the USDA forecast.

Net meal sales came in at 243,427 tonnes for the current marketing year and 42,332 for the next marketing year for a total of 285,759. Cumulative meal sales have reached 72.5% of the USDA forecast for the 2023/2024 marketing year versus a 5 year average of 69.7%. Sales need to average 133,000 tonnes per week to reach the USDA forecast.

Net oil sales came in at 1,917 tonnes for the current marketing year and none for the next marketing year. Cumulative oil sales have reached 53.2% of the USDA forecast for the 2023/2024 marketing year versus a 5 year average of 63.7%. Sales need to average 2,300 tonnes per week to reach the USDA forecast.

**TODAY'S MARKET IDEAS:**

Weather looks bearish with anticipated precipitation over a significant portion of the Midwest over the next week. The USDA's quarterly stocks and acreage intentions report late next week will set the tone for spring markets. Thursday's weak close sets up pullback potential to moving average support at 1175 on May.

**NEW RECOMMENDATIONS:**

None.

**PREVIOUS RECOMMENDATIONS:**

None.

**SOYBEAN COMPLEX TECHNICAL OUTLOOK:**

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SOYBEANS (MAY) 03/22/2024: The cross over and close above the 60-day moving average indicates the longer-term trend has turned up. Momentum studies are trending higher but have entered overbought levels. The market's short-term trend is positive on the close above the 9-day moving average. It is a mildly bullish indicator that the market closed over the pivot swing number. The next upside target is 1236 1/4. The next area of resistance is around 1223 1/4 and 1236 1/4, while 1st support hits today at 1200 3/4 and below there at 1191.

SOYBEAN OIL (MAY) 03/22/2024: Daily stochastics have risen into overbought territory which will tend to support reversal action if it occurs. A positive signal for trend short-term was given on a close over the 9-bar moving average. The daily closing price reversal down puts the market on the defensive. It is a slightly negative indicator that the close was lower than the pivot swing number. The near-term upside target is at 50.34. The next area of resistance is around 49.50 and 50.34, while 1st support hits today at 48.08 and below there at 47.49.

SOYMEAL (MAY) 03/22/2024: Momentum studies are trending higher but have entered overbought levels. The market's short-term trend is positive on the close above the 9-day moving average. The close over the pivot swing is a somewhat positive setup. The next upside target is 352.5. The next area of resistance is around 348.7 and 352.5, while 1st support hits today at 339.9 and below there at 335.0.

**DAILY CORN COMMENTARY**

**3/22/2024**

**Midwest precip favors bear camp**

**OVERNIGHT CHANGES THROUGH 6:06 AM (CT):**

**CORN -0.2**

**OVERNIGHT DEVELOPMENTS:** Corn (MAY 24) prices overnight are down -2 3/4. Corn open interest as of March 21 was up 3,170 contracts. Chinese Dalian (MAY 24) Corn was down 0.58%.



**NEAR-TERM MARKET FUNDAMENTALS:** Thursday's failure to close over key moving average resistance gives the edge to the bear camp to finish the week. Midwest drought is expected to shrink over the next week as heavy precipitation is forecast for

southern Minnesota, Eastern South Dakota and Eastern Nebraska, along with northern Iowa. 84% of Iowa is in some form of drought. In addition, rains are expected this weekend in Brazil's Safrinha crop areas. Flooding in Argentina is expected to ease over the next 10 days. No doubt the weather forecasts are bearish but longer-term outlooks for the Midwest look to be concerning with the Climate Prediction Center forecasting expansion of drought in Iowa by summer.

Weekly export sales were at the very top of the range of guesses and the sales trend continues to be strong, although US Dollar strength this week may slow upcoming sales. The Buenos Aires Grain Exchange lowered their Argentine corn production number to 54 million tonnes, down from 56.5 million in the previous forecast, due to heat and disease pressure. Argentine corn conditions were down 1% from the prior week to 24% excellent and harvest now stands at 3.7% done. Bearish weather will likely keep pressure on the market today and close-in moving average support on May is 434 with more important support at 427. Precipitation coverage across Iowa will be watched very closely.

The Export Sales Report showed that for the week ending March 14, net corn sales came in at 1,185,807 tonnes for the current marketing year and none for the next marketing year. Cumulative sales have reached 78.2% of the USDA forecast for the 2023/2024 marketing year versus a 5-year average of 77.8%. Sales need to average 479,000 tonnes per week to reach the USDA forecast.

#### **TODAY'S MARKET IDEAS:**

Thursday's lack of follow-through after making a new high for the month is a short-term negative, as well as the inability of May futures to close above the 50-day moving average. US and South American weather forecasts are bearish, and we expect rallies today will find willing sellers. May resistance is 445 with moving average support at 434 and retracement support at 427.

#### **NEW RECOMMENDATIONS:**

None.

#### **PREVIOUS RECOMMENDATIONS:**

None.

#### **CORN TECHNICAL OUTLOOK:**

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CORN (MAY) 03/22/2024: The cross over and close above the 40-day moving average indicates the longer-term trend has turned up. Daily stochastics turning lower from overbought levels is bearish and will tend to reinforce a downside break especially if near term support is penetrated. The market's close above the 9-day moving average suggests the short-term trend remains positive. The market has a slightly positive tilt with the close over the swing pivot. The next downside target is 433. The next area of resistance is around 444 3/4 and 449 1/4, while 1st support hits today at 436 3/4 and below there at 433.

CORN (JUL) 03/22/2024: Studies are showing positive momentum but are now in overbought territory, so some caution is warranted. The market's short-term trend is positive on the close above the 9-day moving average. It is a mildly bullish indicator that the market closed over the pivot swing number. The next upside objective is 462 1/4. The next area of resistance is around 458 and 462 1/4, while 1st support hits today at 450 and below there at 446 1/2.

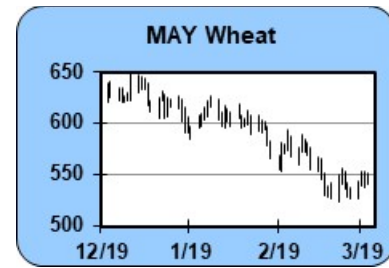
## **DAILY WHEAT COMMENTARY**

**3/22/2024**

## Russia strikes Ukraine's largest dam

**OVERNIGHT CHANGES THROUGH 6:06 AM (CT):**  
**WHEAT -0.15**

**OVERNIGHT DEVELOPMENTS:** Chicago wheat (MAY 24) prices overnight are down -4 1/4; Kansas City (MAY 24) down -5 1/2; and Minneapolis (MAY 24) down -3. MATIF Milling Wheat(MAY 24) was down -0.3%. Chicago wheat open interest as of March 21 was down 1,439 contracts and Minneapolis wheat was up 2,321 contracts.



**NEAR-TERM MARKET FUNDAMENTALS:** Sideways action this week has frustrated both the bull and bear camp and that looks to continue today. Increasing aggression in the Ukraine/Russian war was seen overnight as Russia used 150 drones and missiles to attack Ukraine energy infrastructure and hit the country's largest dam. Ukraine says there has been no breach to the dam, but infrastructure incurred some damage. The EU says they are ready to impose tariffs on Russian and Belarus grain imports. Weekly export sales were net positive despite the Chinese cancellations. One cargo of US SRW was shipped to China last week. Some private forecasters are saying the eastern 1/3rd of Ukraine and Russia are getting to get too dry. However, SovEcon raised their Russian crop estimate 400,000 tonnes to 94 million tonnes, above the 92.8 million last season. Oklahoma and parts of Texas saw beneficial rains over the last 2 days but the southwest 3rd of the HRW belt will have to wait until late next week for any significant precipitation. No change to the overriding bearish fundamentals and the bear camp remains in charge until May Chicago can move above 556.

The Export Sales Report showed that for the week ending March 14, net wheat sales came in at -109,629 tonnes (cancelations) for the current marketing year and 285,860 for the next marketing year for a total of 176,231. Cumulative sales have reached 93.2% of the USDA forecast for the 2023/2024 marketing year versus a 5-year average of 90.3%. Sales need to average 55,000 tonnes per week to reach the USDA forecast.

### **TODAY'S MARKET IDEAS:**

Since Tuesday of this week, the daily highs on May Chicago have touched the 50-day moving average but have been unable to move above it. Buy stops are likely building above the moving average, which comes in today at 550 1/2 and if that level is exceeded, a quick technical run higher could be seen. Resistance on May Chicago is 556 and then 563. Key support is 523.

### **NEW RECOMMENDATIONS:**

None.

### **PREVIOUS RECOMMENDATIONS:**

None.

### **WHEAT TECHNICAL OUTLOOK:**

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**WHEAT (MAY) 03/22/2024:** Stochastics are at mid-range but trending higher, which should reinforce a move higher if resistance levels are 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 objective is at 558 3/4. The next area of resistance is around 552 3/4 and 558 3/4, while 1st support hits today at 540 3/4 and below there at 534 1/2.

**KC WHEAT (MAY) 03/22/2024:** The daily stochastics have crossed over up which is a bullish indication. 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 negative as the close remains below the 9-day moving average. With the close higher than the pivot swing number, the market is in a slightly bullish posture. The next upside

objective is 595. The next area of resistance is around 589 and 595, while 1st support hits today at 576 and below there at 568 3/4.

MINN WHEAT (MAY) 03/22/2024: Declining momentum studies in the neutral zone will tend to reinforce lower price action. A negative signal for trend short-term was given on a close under the 9-bar moving average. With the close higher than the pivot swing number, the market is in a slightly bullish posture. The next downside target is now at 646. The next area of resistance is around 662 and 668 1/4, while 1st support hits today at 651 and below there at 646.

RICE (MAY) 03/22/2024: 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. There could be some early pressure today given the market's negative setup with the close below the 2nd swing support. The next downside objective is now at 17.375. The 9-day RSI under 30 indicates the market is approaching oversold levels. The next area of resistance is around 17.605 and 17.735, while 1st support hits today at 17.425 and below there at 17.375.

### 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
<b>GRAIN COMPLEX</b>										
CNAK24	440 3/4	59.00	53.57	75.08	75.04	438.81	438.94	434.42	440.71	448.98
CNAN24	454	61.97	55.74	77.08	77.80	451.81	451.50	446.51	451.23	459.30
SSAK24	1212	69.49	61.37	75.80	79.10	1198.69	1195.58	1174.49	1189.66	1210.49
SSAN24	1225 3/4	70.95	62.64	77.28	80.50	1212.88	1209.36	1186.58	1199.89	1219.82
SMAK24	344.3	63.63	56.28	63.42	71.78	338.15	337.50	334.50	342.42	350.35
BOAK24	48.79	64.06	61.17	80.15	80.77	48.66	48.39	46.92	46.81	47.24
WHAK24	546 3/4	47.26	44.24	31.12	38.62	546.75	542.97	549.56	577.54	588.47
WHAN24	562	50.24	46.72	40.17	50.91	561.75	557.58	559.96	583.80	595.05
RCAK24	17.515	26.01	33.72	4.96	2.83	17.68	17.78	17.99	18.28	18.16
KWAK24	582 1/2	50.74	48.87	53.23	53.40	579.69	582.58	579.50	593.27	601.85
MWAK24	656 1/2	48.08	45.87	39.70	38.01	654.50	658.36	656.89	673.92	685.03
OTAK24	353 1/2	33.36	39.18	36.02	17.54	355.44	363.94	364.51	365.94	366.69

Calculations based on previous session. Data collected 03/21/2024  
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### DAILY SWING STATISTICS

Contract		Support 2	Support 1	Pivot	Resist 1	Resist 2
<b>GRAIN COMPLEX</b>						
CNAK24	Corn	433	436 1/2	441 1/4	445	449 1/2
CNAN24	Corn	446 1/2	450	454 1/2	458	462 1/2
SSAK24	Soybeans	1191	1200 1/2	1213 3/4	1223 1/2	1236 1/2
SSAN24	Soybeans	1205 1/2	1214 3/4	1227 1/2	1236 3/4	1249 1/2
SMAK24	Soymeal	334.9	339.9	343.7	348.7	352.5
BOAK24	Soybean Oil	47.48	48.07	48.91	49.50	50.34
WHAK24	Wheat	534 1/4	540 1/2	546 1/2	553	558 3/4
WHAN24	Wheat	550 1/4	556 1/4	561 3/4	567 3/4	573 1/4
RCAK24	Rice	17.375	17.425	17.555	17.605	17.735
KWAK24	KC Wheat	568 3/4	576	582	589	595 1/4
MWAK24	MINN Wheat	646	651	657 1/4	662	668 1/2
OTAK24	Oats	348	350 1/4	354 1/2	356 3/4	361

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