

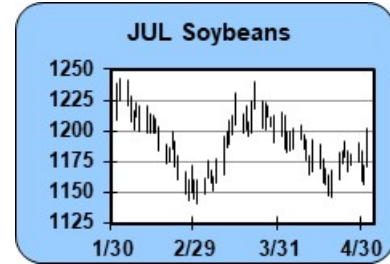


DAILY SOY COMPLEX COMMENTARY
5/3/2024

Brazil flooding results in heavy spec buying

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):
SOY BEANS +0.1, BEAN OIL +0.0, SOYMEAL +0.5

OVERNIGHT DEVELOPMENTS: Soybeans (JUL 24) prices overnight are up 8; Soymeal (JUL 24) up 4.80; and Soyoil (JUL 24) down -0.13. Soybean open interest as of May 2 was up 18,576 contracts, soymeal up 15,354 contracts, and soybean oil up 4,556. Malaysian Palm was down 0.10%. Global equity markets overnight were mostly higher while Japanese and Chinese markets traded lower. Critical economic news released overnight included a softer than expected Australian Bank composite PMI reading, a softer than expected Australian bank services PMI reading, a significant jump in Australian home loans in March, a much stronger-than-expected Australian investment lending for homes tally for March, an expansion of the French budget deficit, a contraction in French industrial output for March, a notable downtick in Italian unemployment March, and better than expected GBP S&P global/CIPS composite, an as expected euro zone unemployment rate for March, and services PMI readings for April. The North American session will start out with the highlight for global markets, the April US employment situation report. April non-farm payrolls are expected to come in around 240,000 which compares to March's 303,000 reading. April US unemployment is forecast to hold steady at a 3.8% reading while April average hourly earnings are expected to hold steady with March's 4.1% year-over-year rate. The April ISM services index is forecast to have a mild uptick from March's 51.4 reading. New York Fed President Williams and Chicago Fed President Goolsbee will speak during late afternoon US trading hours. Earnings announcements will include Hershey and Cheniere Energy before the Wall Street opening.



NEAR-TERM MARKET FUNDAMENTALS: Heavy speculative buying Thursday was mainly due to multiple press reports of historic flooding in southern Brazil where some areas have received 10-18 inches over the last week and a half and much more is forecast. Rio Grande do Sul, the worst hit area, is Brazil's 6 largest producing state and about 25% of their beans are left to harvest. The Buenos Aries Grain Exchange left their Argentine production unchanged at 51 million tonnes but said cuts may be coming due to earlier hot/dry conditions during planting. 36% of the crop is now harvested. US bean exports for March were 3.054 million tonnes, compared to 5.264 in February and 3.136 million a year ago. US meal exports for March were a new all-time monthly record of 1.499 million tonnes, compared to 1.366 in February and 1.336 year ago. There were 196 bean deliveries overnight, 146 meal and 79 bean oil. US bean area under drought dropped another 4% to 17% and is likely to decline further after the rains over the next week across the Midwest. Rain is moving across the eastern belt and upper Great Lakes this morning and another round of showers in the central Midwest and Delta is forecast for early next week. The heaviest rains over the next 10 days will be over the US Delta. The latest rains will be in the western 1/3rd of Kansas and the Oklahoma and Texas panhandles. Macro fund buyers returned to the market Thursday in a big way and July beans have pushed above 1204 resistance and look headed to the 100-day moving average at 1222. The potential loss of beans in southern Brazil will put further pressure on the US crop to perform this season.

The Export Sales Report showed that for the week ending April 25, net soybean sales came in at 413,997 tonnes for the current marketing year and 7,000 for the next marketing year for a total of 420,997. Cumulative soybean sales have reached 89.5% of the USDA forecast for the 2023/2024 marketing year versus a 5 year average of 94.0%. Sales need to average 268,000 tonnes per week to reach the USDA forecast.

Net meal sales came in at 131,012 tonnes for the current marketing year and 3,448 for the next marketing year

for a total of 134,460. Cumulative meal sales have reached 80.4% of the USDA forecast for the 2023/2024 marketing year versus a 5 year average of 77.8%. Sales need to average 121,000 tonnes per week to reach the USDA forecast.

Net oil sales came in at 7,195 tonnes for the current marketing year and none for the next marketing year. Cumulative oil sales have reached 79.6% of the USDA forecast for the 2023/2024 marketing year versus a 5 year average of 77.9%. Sales need to average 1,300 tonnes per week to reach the USDA forecast.

TODAY'S MARKET IDEAS:

Historic Brazil flooding and potential losses of beans in saturated fields drove heavy speculative buying and more rain is on the way. The US Delta will see the heaviest rains over the next 10 days but most all the Midwest will see some precipitation except for the Southwest Plains. July beans moved above retracement resistance at 1204 overnight and the next key level on the upside is 1222, the 100-day moving average which the market has not been above since December 12th. A strong close to the week is expected and the technical picture has significantly improved.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

SOYBEAN COMPLEX TECHNICAL OUTLOOK:

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SOYBEANS (JUL) 05/03/2024: The cross over and close above the 60-day moving average is an indication the longer-term trend has turned positive. Stochastics are at mid-range but trending higher, which should reinforce a move higher if resistance levels are taken out. The intermediate trend could be turning up with the close back above the 18-day moving average. Since the close was above the 2nd swing resistance number, the market's posture is bullish and could see more upside follow-through early in the session. The near-term upside objective is at 1224. The next area of resistance is around 1214 3/4 and 1224, while 1st support hits today at 1183 1/4 and below there at 1161.

SOYBEAN OIL (JUL) 05/03/2024: Daily stochastics are trending lower but have declined into oversold territory. The market's close below the 9-day moving average is an indication the short-term trend remains negative. It is a slightly negative indicator that the close was lower than the pivot swing number. The next downside target is now at 42.47. Some caution in pressing the downside is warranted with the RSI under 30. The next area of resistance is around 43.62 and 43.98, while 1st support hits today at 42.86 and below there at 42.47.

SOYMEAL (JUL) 05/03/2024: The daily stochastics gave a bullish indicator with a crossover up. Rising stochastics at overbought levels warrant some caution for bulls. The market's close above the 9-day moving average suggests the short-term trend remains positive. There could be more upside follow through since the market closed above the 2nd swing resistance. The next upside objective is 378.7. The market is approaching overbought levels with an RSI over 70. The next area of resistance is around 373.6 and 378.7, while 1st support hits today at 356.2 and below there at 343.9.

DAILY CORN COMMENTARY

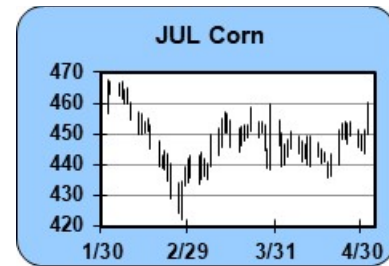
5/3/2024

Upside breakout points to further gains

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):

CORN +0.4

OVERNIGHT DEVELOPMENTS: Corn (JUL 24) prices overnight are up 4 1/4. Corn open interest as of May 2 was up 21,109 contracts.



NEAR-TERM MARKET FUNDAMENTALS: Corn prices finally broke out of the long range bound trade and pushed above key resistance on July at 460, putting the bull camp squarely in charge. The rally is coming on downgrades of the Argentine crop due to the leafhopper infestation, hot/dry conditions in central Brazil's safrinha crop areas and continued wet weather in the US Midwest. Over the next 10 days, the US Delta area and southern corn belt will see the heaviest precipitation. US corn area under drought dropped 4% to 19% and is expected to further decline with recent and upcoming rains. Far southern Brazil, especially Rio Grande do Sul, still have about 15% of corn yet to harvest and flooding rains have moved into the region. Some areas and southern Brazil have seen as much as 15 - 20 inches of rain over the last 10 days and much more is in the forecast. Media outlets are showing overflowing rivers and bridges and roads being swept away. Additionally, the Buenos Aires Grain Exchange slashed its Brazil production estimate to 46.5 million tonnes, down from 49.5 last month due to insect and disease pressure. FAO-AMIS updated their world stocks to 311.9 million tonnes, down from 316.2 million last month. March US corn exports were 5.894 million tonnes, up from 5.370 in February and 4.921 in March year ago. Lower planted area in Ukraine, potential leafhopper losses in Argentina and flooding in southern Brazil are all supportive factors for US corn demand. Finally, July corn moves above 460 resistance, and the breakout suggests a \$0.24 move to the upside, making 484 the technical target for the breakout.

The Export Sales Report showed that for the week ending April 25, net corn sales came in at 758,466 tonnes for the current marketing year and 33,658 for the next marketing year for a total of 792,124. Cumulative sales have reached 87.6% of the USDA forecast for the 2023/2024 marketing year versus a 5-year average of 89.7%. Sales need to average 361,000 tonnes per week to reach the USDA forecast.

TODAY'S MARKET IDEAS:

South American crop issues, Midwest planting delays and torrential rains during the last part of harvest in southern Brazil resulted in strong speculative buying and pushed July corn above the recent range. The technical breakout target is 484 and 200-day moving average resistance sits at 487, which the market has not been above since June of last year. Now the market has confirmed the breakout, 4-7 cent pullbacks can be bought. Look for a strong close to the week.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

CORN TECHNICAL OUTLOOK:

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CORN (JUL) 05/03/2024: Momentum studies are trending higher but have entered overbought levels. The close above the 9-day moving average is a positive short-term indicator for trend. The market has a bullish tilt coming into today's trade with the close above the 2nd swing resistance. The near-term upside target is at 468. The next area of resistance is around 465 and 468, while 1st support hits today at 454 1/2 and below there at 446 3/4.

CORN (DEC) 05/03/2024: Momentum studies are trending higher but have entered overbought levels. A positive signal for trend short-term was given on a close over the 9-bar moving average. The market's close above the

2nd swing resistance number is a bullish indication. The next upside target is 486 3/4. The next area of resistance is around 484 and 486 3/4, while 1st support hits today at 475 and below there at 468 3/4.

DAILY WHEAT COMMENTARY

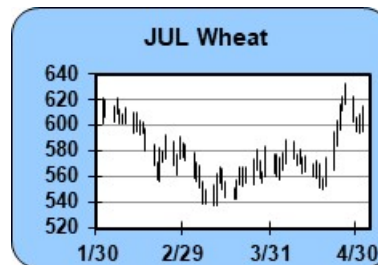
5/3/2024

Russian crop downgrades expected after dry spell

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):

WHEAT +1.58

OVERNIGHT DEVELOPMENTS: Chicago wheat (JUL 24) prices overnight are up 13; Kansas City (JUL 24) up 16 1/4; and Minneapolis (JUL 24) up 4 3/4. MATIF Milling Wheat(SEP 24) was up 2.2%. Chicago wheat open interest as of May 2 was up 1,138 contracts and Minneapolis wheat was up 1,208 contracts.



NEAR-TERM MARKET FUNDAMENTALS: Wheat prices have resumed the rally after July Chicago tested retracement support on Wednesday and the bull camp has the edge. Southwest Russia, where 30% of the crop is grown, will see limited rain over the next 10 days and that is driving some weather premium into the market, after SovEcon said crop downgrades are expected. Moderating temperatures during this dry spell is expected to mitigate the losses. IKAR dropped their Russian crop estimate 2 million tonnes to 91 million and lowered total grain output 4 million tonnes. The Southwest US Plains continue to have the fewest chances for precipitation through midmonth. March US wheat exports were 2.099 million tonnes, compared to 1.847 in February and 1.361 in March a year ago. Winter wheat under drought dropped 2% to 28% this week, hard red spring drought area was up 1% to 27%. The UN Food and Agriculture Organization's April food price index was slightly higher at 119.1, compared to 118.8 last month, but the April number was 7.4% above April of last year. Last week, July Chicago hit 200-day moving average resistance and that could be taken out if Black Sea areas stay dry. July Chicago's recent high was 633 1/4 and if that level is exceeded the next significant resistance would be 665. Expect breaks to be well supported until the forecasts change.

The Export Sales Report showed that for the week ending April 25, net wheat sales came in at -20,298 tonnes (cancelations) for the current marketing year and 406,911 for the next marketing year for a total of 386,613. Cumulative sales have reached 95.3% of the USDA forecast for the 2023/2024 marketing year versus a 5-year average of 94.9%. Sales need to average 51,000 tonnes per week to reach the USDA forecast.

TODAY'S MARKET IDEAS:

Black Sea and Southwest US Plains dryness is pushing weather premium back into the market and last week's high at 633 on July Chicago is key resistance to extend the recent rally. If that level is taken out, technicals would suggest a new leg higher. Until the forecast changes, 5-10 cent pullbacks will likely find good support.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

WHEAT TECHNICAL OUTLOOK:

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WHEAT (JUL) 05/03/2024: Momentum studies trending lower at mid-range could accelerate a price break if support levels are broken. The close below the 9-day moving average is a negative short-term indicator for trend.

The market has a slightly positive tilt with the close over the swing pivot. The next downside target is 585. The next area of resistance is around 614 1/4 and 624 3/4, while 1st support hits today at 594 1/4 and below there at 585.

KC WHEAT (JUL) 05/03/2024: 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 market setup is supportive for early gains with the close over the 1st swing resistance. The next downside target is now at 620. The next area of resistance is around 643 1/2 and 648 1/4, while 1st support hits today at 629 1/2 and below there at 620.

MINN WHEAT (JUL) 05/03/2024: Daily stochastics have risen into overbought territory which will tend to support reversal action if it occurs. The market's close above the 9-day moving average suggests the short-term trend remains positive. The market has a bullish tilt coming into today's trade with the close above the 2nd swing resistance. The next upside target is 718. With a reading over 70, the 9-day RSI is approaching overbought levels. The next area of resistance is around 714 1/2 and 718, while 1st support hits today at 704 and below there at 697.

RICE (JUL) 05/03/2024: The daily stochastics gave a bearish indicator with a crossover down. 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 intermediate trend has turned down with the cross over back below the 18-day moving average. The defensive setup, with the close under the 2nd swing support, could cause some early weakness. The next downside target is 17.553. The next area of resistance is around 18.835 and 19.532, while 1st support hits today at 17.845 and below there at 17.553.

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										
CNAN24	459 3/4	66.66	61.13	73.36	82.55	451.63	451.03	446.83	447.18	446.02
CNAZ24	479 1/2	62.93	58.77	72.89	80.01	473.63	473.81	470.46	470.18	468.24
SSAN24	1199	61.83	56.73	56.71	67.92	1178.56	1179.03	1174.85	1187.02	1185.46
SSAX24	1187 3/4	61.65	57.51	59.63	68.78	1172.56	1173.42	1169.22	1173.62	1167.69
SMAN24	364.9	72.87	67.98	73.72	77.14	355.03	350.28	344.68	341.27	340.74
BOAN24	43.24	26.15	30.77	16.23	14.01	43.47	44.63	45.42	47.03	46.92
WHAN24	604 1/4	59.66	59.01	71.49	67.66	603.81	606.81	586.00	572.02	575.23
WHAZ24	650 1/2	63.31	62.63	74.80	71.91	650.00	650.42	627.94	609.67	608.84
RCAN24	18.340	43.60	49.13	84.42	76.49	19.08	19.16	18.55	17.96	18.15
KWAN24	636 1/2	62.98	62.24	78.52	73.02	636.81	632.08	605.96	585.63	583.29
MWAN24	709 1/4	77.59	71.23	89.13	93.89	705.88	693.97	671.19	663.34	665.15
OTAN24	386 1/2	84.00	75.45	84.16	89.02	375.81	363.75	351.49	352.26	354.82

Calculations based on previous session. Data collected 05/02/2024

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						
CNAN24	Corn	446 3/4	454 1/2	457 1/2	465	468 1/4
CNAZ24	Corn	468 3/4	475	477 3/4	484	486 3/4
SSAN24	Soybeans	1161	1183 1/4	1192 1/2	1214 3/4	1224
SSAX24	Soybeans	1156 3/4	1175	1182 1/2	1200 1/2	1208 1/4
SMAN24	Soymeal	343.9	356.2	361.3	373.6	378.7
BOAN24	Soybean Oil	42.46	42.86	43.22	43.62	43.98
WHAN24	Wheat	585	594 1/4	605	614 1/4	625
WHAZ24	Wheat	634 1/4	642 1/4	650 3/4	658 3/4	667 1/4
RCAN24	Rice	17.552	17.845	18.542	18.835	19.532
KWAN24	KC Wheat	619 3/4	629 1/2	634	643 1/2	648 1/4
MWAN24	MINN Wheat	697	704	707 1/2	714 1/2	718

OTAN24

Oats

365

377 3/4

382 1/2

395 1/4

400

Calculations based on previous session. Data collected 05/02/2024

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