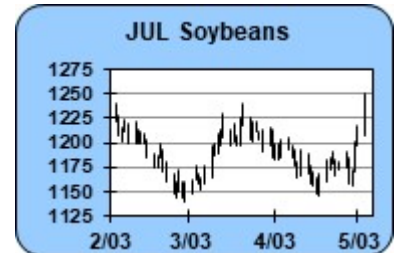




**DAILY SOY COMPLEX COMMENTARY**  
5/7/2024

**Planting window open for western bean belt**

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



**OVERNIGHT DEVELOPMENTS:** Soybeans (JUL 24) prices overnight are down -6 1/2; Soymeal (JUL 24) down -3.70; and Soyoil (JUL 24) up 0.2. Soybean open interest as of May 6 was down 4,759 contracts, soymeal up 7,395 contracts, and soybean oil down 2,170. Chinese Dalian (JUL 24) Soybeans up 0.19%, Soymeal up 2.24%, Soyoil up 1.25%, Palm oil up 1.54%. Malaysian Palm was up 1.76%. Equity markets overnight were higher except for the Russian market. Critical economic news released overnight included a much softer than expected GBP BRC Like-For-like retail sales reading for April, disappointing Japanese Jibun bank services PMI for April, no change in Australian interest rates, steady Swiss unemployment, much stronger than expected German exports for March, a noted contraction in German factory orders for March, a slight increase in German March imports, a very minimal downtick in GBP Halifax House Prices for April, a larger than expected gain in French nonfarm payrolls for the first quarter, an expansion of the French trade deficit, a much stronger-than-expected GBP S&P Global/CIPS Construction PMI reading for April, and a stronger-than-expected euro zone retail sales reading for March. The North American session will start out with a weekly private survey of same-store sales followed by the April Canadian Ivey PMI which is expected to have a mild uptick from March's 57.5 reading. March US consumer credit is forecast to have a moderate uptick from February's \$14.1 billion reading. Minneapolis Fed President Kashkari will speak during morning US trading hours. Earnings announcements will include Walt Disney and Duke Energy before the Wall Street opening, while Arista Networks, McKesson, Occidental Petroleum and Suncor Energy report after the close.

**NEAR-TERM MARKET FUNDAMENTALS:** Significant fund buying Monday has pushed July bean prices to their highest level since January 25, but the sharp rally may be near running its course for the short term. Meal prices raced higher yesterday on strong South American premiums, southern Brazil processor shutdowns and fears additional worker strikes in Argentina will push export business to the US. Argentina's workers unions plan to meet to discuss the next action to protest the labor reform bill moving through the legislature. Severe flooding in Rio Grande do Sul is an ongoing issue with 75% of the crop harvested there compared to 88% average. Grain transportation will be heavily affected for some time due to the many bridges down and highways blocked. Rain moved across Iowa, Missouri and into Illinois this morning but the Western belt remains mostly dry over the next 5 days, offering a planting window. US bean planting came in at 25% complete, above the 5-year average of 21%. Brazil and US farmer selling was notable on the rally yesterday but was offset by very large fund buying. USDA's May supply/demand report will be out Friday morning and will put the focus back on US supplies, which are more than adequate. Adjustments to the South American crops will be watched very closely as well due to the large discrepancy between USDA and CONAB. July beans tested the 3-month high at 1240 and the 0.382 retracement of the November high to February low at 1249. 50% retracement resistance stands at 1280 but prices may see a correction over the next day or two before Friday's supply/demand report.

Soybeans planted as of May 05 was up 7% at 25% compared to pre-report guesses of 28%. This is down 5% versus last year and up 8% versus the 10-year average. The top producing states report Illinois 31%(+5%), Iowa 30%(+5%), Minnesota 17%(+3%), Indiana 20%(+12%), Nebraska 18%(+8%).

Soybean export inspections for the week ending May 2 came in at 348,654 metric tonnes. Cumulative inspections year-to-date are 39,122,085 metric tonnes which is 18.2% below last year. This is 83.6% of the USDA's forecast for the 2023-24 marketing year versus the five year average of 79.9%.

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

Funds were very aggressive buyers on Monday, pushing prices up to a new 3-month high. With better planting weather in the Western US bean belt and the upcoming USDA supply/demand report on Friday morning, the rally may be near a short-term peak. Eventually, prices may test the 50% retracement at 1280 on July beans. Pullback support should be strong in the 1200-1210 range.

### **NEW RECOMMENDATIONS:**

None.

### **PREVIOUS RECOMMENDATIONS:**

None.

### **SOYBEAN COMPLEX TECHNICAL OUTLOOK:**

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**SOYBEANS (JUL) 05/07/2024:** 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 market's close above the 2nd swing resistance number is a bullish indication. The next upside objective is 1283. The 9-day RSI over 70 indicates the market is approaching overbought levels. The next area of resistance is around 1270 3/4 and 1283, while 1st support hits today at 1226 3/4 and below there at 1194 3/4.

**SOYBEAN OIL (JUL) 05/07/2024:** The daily stochastics gave a bullish indicator with a crossover up. Daily momentum studies are on the rise from low levels and should accelerate a move higher on a push through the 1st swing resistance. A negative signal for trend short-term was given on a close under the 9-bar moving average. Market positioning is positive with the close over the 1st swing resistance. The next upside objective is 44.80. The next area of resistance is around 44.39 and 44.80, while 1st support hits today at 43.29 and below there at 42.59.

**SOYMEAL (JUL) 05/07/2024:** Studies are showing positive momentum but are now in overbought territory, so some caution is warranted. The market's close above the 9-day moving average suggests the short-term trend remains positive. 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 next upside objective is 403.0. The market is becoming somewhat overbought now that the RSI is over 70. The next area of resistance is around 397.7 and 403.0, while 1st support hits today at 377.5 and below there at 362.5.

## **DAILY CORN COMMENTARY**

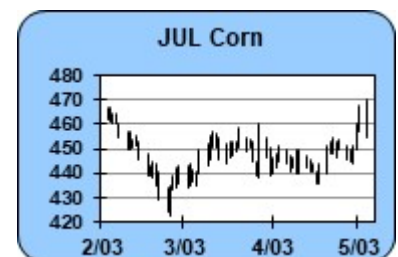
**5/7/2024**

### **Planting window for western belt next 5 days**

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

**CORN -0.2**

**OVERNIGHT DEVELOPMENTS:** Corn (JUL 24) prices overnight are down -1 1/2. Corn open interest as of May 6 was up 5,194 contracts. Chinese Dalian (JUL 24) Corn was up 1.13%.



**NEAR-TERM MARKET FUNDAMENTALS:** A new 3-month high this morning on July corn keeps the bull camp in charge after strong fund buying Monday. The 1-5 day forecast has mostly dry weather for the Western corn belt after rains this morning moved through Iowa, Missouri and into Illinois. Planting progress was 36%, slightly below

expectations and 6% below the 5 year average. The states lagging the furthest were Nebraska, Illinois, and Colorado. Argentina is eliminating their import tariff on fertilizer to encourage higher yields. Argentine workers unions plan to meet to discuss the next step in protesting the labor reform bill moving through the legislature. The leafhopper infestation in Argentina, the worst the country has ever seen, only affects corn plants, which could result in farmers opting for fewer corn acres and more bean acres next season. Managed Money shorts are feeling the "hot seat" after the recent price breakout. While Managed Money shorts dropped 54,000 contracts as of Tuesday of last week, the total is still very large for this time of year heading into the US growing season. Range breakout objective resistance on July corn stands at 484 and the 200-day moving average is at 487. Prices may see a short-term high in the next day or two before Friday's USDA supply and demand report, which is unlikely to be bullish. July support has now moved up to 460.

Corn planted as of May 05 was up 9% at 36% compared to expectations of 39%. This is down 6% versus last year and down 6% versus the 10 year average. The top producing states report Iowa 47%(+8%), Illinois 32%(+7%), Nebraska 31%(+9%), Minnesota 42%(+12%), Indiana 20%(+12%).

Corn export inspections for the week ending May 2 came in at 1,285,986 metric tonnes. Cumulative inspections year-to-date are 32,982,910 metric tonnes which is 32.6% above last year. This is 61.8% of the USDA's forecast for the 2023-24 marketing year versus the five year average of 59.4%.

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

Large fund buying on Monday kept the rally intact and we think prices will move toward upside targets of 484 and 487 on July futures. However, in the short term, we may see a minor pullback as we get closer to Friday morning's USDA supply/demand report. Speculators may consider buying a pullback to 460 support.

#### **NEW RECOMMENDATIONS:**

None.

#### **PREVIOUS RECOMMENDATIONS:**

None.

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

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CORN (JUL) 05/07/2024: 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. The outside day up and close above the previous day's high is a positive signal. Market positioning is positive with the close over the 1st swing resistance. The near-term upside target is at 481 1/4. The market is approaching overbought levels with an RSI over 70. The next area of resistance is around 476 3/4 and 481 1/4, while 1st support hits today at 461 1/4 and below there at 450.

CORN (DEC) 05/07/2024: Rising stochastics at overbought levels warrant some caution for bulls. The market's short-term trend is positive on the close above the 9-day moving average. The outside day up is a positive signal. Market positioning is positive with the close over the 1st swing resistance. The near-term upside objective is at 498 1/4. The market is approaching overbought levels with an RSI over 70. The next area of resistance is around 494 3/4 and 498 1/4, while 1st support hits today at 482 1/4 and below there at 473 1/2.

## **DAILY WHEAT COMMENTARY**

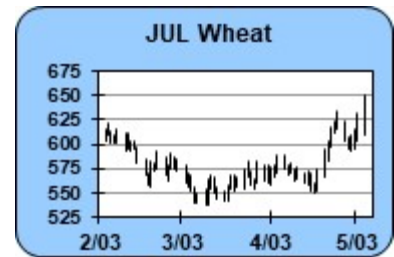
**5/7/2024**

## US HRW dryness shrinking, Black Sea only limited relief

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

WHEAT -0.75

**OVERNIGHT DEVELOPMENTS:** Chicago wheat (JUL 24) prices overnight are down -3 3/4; Kansas City (JUL 24) down -8 3/4; and Minneapolis (JUL 24) down -4 3/4. MATIF Milling Wheat(SEP 24) was down -1.3%. Chicago wheat open interest as of May 6 was up 3,187 contracts and Minneapolis wheat was up 383 contracts.



**NEAR-TERM MARKET FUNDAMENTALS:** July Chicago hit a four-month high overnight and is now above all 3 of the major moving averages, which keeps the technical picture friendly. Winter wheat conditions improved 1% and stand at a 4-year high for this time of year. HRW conditions were up 1%, SRW conditions were down 2% and top producing state Kansas improved 1%. Dry areas in the Black Sea are expected to see only minimal relief over the next 2 weeks, while the US Plains sees some scattered rains over the next 10 days, shrinking the driest areas to 20% of the HRW belt. Managed Money held their smallest net short since July 2023 and Monday's rally will further reduce the short position. EU wheat prices hit a 7-month high yesterday. There were 111 May deliveries overnight. Russian wheat prices are moving up and now stand at \$216 a tonne, up \$4 from last week. USDA will release their May supply/demand report Friday morning which will include the 1st field estimates for wheat and an initial look at the 2024/25 balance sheet. July Chicago wheat has 50% retracement resistance at 667 and the bull camp looks to remain in charge until the dry Black Sea forecast changes. Prices may see a minor pullback as we head toward Friday morning's USDA report, with initial close in support at 633 and 624.

Winter Wheat rated good / excellent (G/EX) as of May 05 was up 1% at 50%, compared to 49% expected, and poor / very poor was unchanged at 16%. Current G/EX is up 5% versus the 10 year average and Poor / Very Poor is down 8% versus the 10 year average. Of the 18 reported states 9 reported better, 6 worse, and 3 unchanged G/EX ratings. The good / excellent ratings for the top producing states were: Kansas 32%(+1%), Washington 51%(-5%), Montana 37%(-6%), Illinois 73%(-14%), Idaho 70%(+3%).

Spring Wheat planted as of May 05 was up 13% at 47% compared to 45% expected. This is up 26% versus last year and up 7% versus the 10 year average. The top producing states report North Dakota 32%(+12%), Minnesota 51%(+3%), Montana 52%(+17%), South Dakota 79%(+17%), Idaho 82%(+10%).

Wheat export inspections for the week ending May 2 came in at 321,124 metric tonnes. Cumulative inspections year-to-date are 17,264,375 metric tonnes which is 6.5% below last year. This is 87.5% of the USDA's forecast for the 2023-24 marketing year versus the five year average of 88.5%.

### TODAY'S MARKET IDEAS:

Heavy fund buying on Monday pushed the market higher and the technical outlook points to an eventual move to 50% retracement resistance at 667. For the short-term, a pullback may be seen before Friday morning's USDA report with support coming in at 624.

### NEW RECOMMENDATIONS:

None.

### PREVIOUS RECOMMENDATIONS:

None.

### WHEAT TECHNICAL OUTLOOK:

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WHEAT (JUL) 05/07/2024: Studies are showing positive momentum but are now in overbought territory, so some

caution is warranted. The market's close above the 9-day moving average suggests the short-term trend remains positive. A positive setup occurred with the close over the 1st swing resistance. The near-term upside objective is at 680. The 9-day RSI over 70 indicates the market is approaching overbought levels. The next area of resistance is around 669 and 680, while 1st support hits today at 628 1/2 and below there at 598 3/4.

KC WHEAT (JUL) 05/07/2024: The daily stochastics have crossed over up which is a bullish indication. Studies are showing positive momentum but are now in overbought territory, so some caution is warranted. The market's close above the 9-day moving average suggests the short-term trend remains positive. The outside day up and close above the previous day's high is a positive signal. Market positioning is positive with the close over the 1st swing resistance. The near-term upside objective is at 713. With a reading over 70, the 9-day RSI is approaching overbought levels. The next area of resistance is around 697 1/2 and 713, while 1st support hits today at 648 and below there at 614.

MINN WHEAT (JUL) 05/07/2024: Rising stochastics at overbought levels warrant some caution for bulls. The close above the 9-day moving average is a positive short-term indicator for trend. The outside day up and close above the previous day's high is a positive signal. The market setup is supportive for early gains with the close over the 1st swing resistance. The near-term upside target is at 753 1/2. The 9-day RSI over 70 indicates the market is approaching overbought levels. The next area of resistance is around 742 1/4 and 753 1/2, while 1st support hits today at 708 3/4 and below there at 686 1/4.

RICE (JUL) 05/07/2024: Stochastics trending lower at midrange will tend to reinforce a move lower especially if support levels are taken out. The intermediate trend has turned down with the cross over back below the 18-day moving average. The market's close below the pivot swing number is a mildly negative setup. The next downside target is 18.204. The next area of resistance is around 18.762 and 18.993, while 1st support hits today at 18.368 and below there at 18.204.

## 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>										
CNAN24	469	74.70	67.39	79.25	86.83	459.94	454.03	449.11	448.33	446.35
CNAZ24	488 1/2	72.23	65.73	80.33	88.55	480.88	476.47	472.28	471.27	468.66
SSAN24	1248 3/4	76.78	69.39	72.46	88.41	1208.25	1190.72	1180.29	1190.38	1186.25
SSAX24	1219 3/4	74.74	68.19	73.69	87.73	1193.38	1181.75	1173.29	1176.90	1168.98
SMAN24	387.6	83.47	77.73	81.81	91.11	368.43	357.93	349.50	343.37	341.79
BOAN24	43.84	37.68	37.42	16.59	19.21	43.36	44.12	44.90	46.93	46.77
WHAN24	648 3/4	77.49	72.21	76.13	83.55	618.69	615.81	592.99	574.93	576.28
WHAZ24	693 1/4	79.62	74.91	79.53	86.48	664.50	660.42	635.49	613.58	610.65
RCAN24	18.565	48.12	51.58	73.40	60.40	18.75	19.03	18.75	17.97	18.15
KWAN24	672 3/4	75.26	71.28	80.29	84.60	646.75	644.17	615.04	589.98	585.33
MWAN24	725 1/2	83.39	76.23	90.95	92.74	712.88	705.64	678.04	666.22	666.00
OTAN24	397	87.56	79.26	89.20	93.89	387.06	372.33	358.40	353.42	355.55

Calculations based on previous session. Data collected 05/06/2024

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

## DAILY SWING STATISTICS

Contract		Support 2	Support 1	Pivot	Resist 1	Resist 2
<b>GRAIN COMPLEX</b>						
CNAN24	Corn	449 3/4	461	465 1/2	477	481 1/4
CNAZ24	Corn	473 1/2	482 1/4	486	494 3/4	498 1/2
SSAN24	Soybeans	1194 3/4	1226 1/2	1239	1271	1283 1/4
SSAX24	Soybeans	1184	1205	1213 3/4	1234 1/2	1243 1/2
SMAN24	Soymeal	362.4	377.4	382.7	397.7	403.0
BOAN24	Soybean Oil	42.58	43.28	43.69	44.39	44.80
WHAN24	Wheat	598 1/2	628 1/2	639 1/4	669	680
WHAZ24	Wheat	646 1/2	674 1/2	684 1/4	712	722
RCAN24	Rice	18.203	18.367	18.598	18.762	18.993

KWAN24	KC Wheat	614	648	663 1/2	697 1/2	713
MWAN24	MINN Wheat	686	708 1/2	719 3/4	742 1/2	753 1/2
OTAN24	Oats	378	389	394 1/4	405	410 1/2

**Calculations based on previous session. Data collected 05/06/2024**

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