

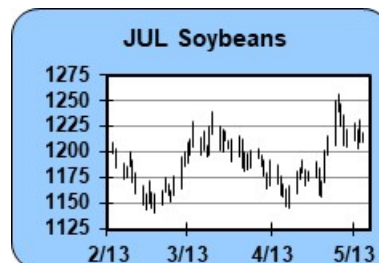


DAILY SOY COMPLEX COMMENTARY
5/17/2024

Planting progress in south and east bean belt to remain slow

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 up 8 3/4; Soymeal (JUL 24) up 3.20; and Soyoil (JUL 24) up 0.22. Soybean open interest as of May 16 was up 3,247 contracts, soymeal down 1,693 contracts, and soybean oil down 5,741. Chinese Dalian (JUL 24) Soybeans up 0.32%, Soymeal up 0.25%, Soyoil up 0.82%, Palm oil up 0.59%. Malaysian Palm was up 2.31%. Global equity markets overnight were divided evenly between winners and losers with Asian markets generally higher and European markets generally softer. Critical economic news released overnight included a higher-than-expected New Zealand producer price index for the first quarter, softer than expected Chinese fixed asset investment, a larger decline than expected in Chinese house prices, a much stronger than expected Chinese industrial production reading for April versus year ago levels, a very disappointing Chinese retail sales reading for April, an uptick in French ILO unemployment for the first quarter, significant weakness in a Swiss industrial production reading for the first quarter and flat euro zone harmonized Index of consumer prices. The North American session will start out with the April Canadian new housing price index which is forecast to have a minimal uptick from March's -0.4% reading. The Conference Board's April reading on leading indicators is expected to hold steady with March's -0.3% reading. Fed Governor Waller and San Francisco Fed President Daly will speak during morning US trading hours.



NEAR-TERM MARKET FUNDAMENTALS: Bean prices are adding in some weather premium before the weekend as flooding rains return to southern Brazil next week and the southeast US bean belt is expected to see moderate rains. The GFS model added heavy rains to the central and eastern corn belt late this month. US bean area under drought fell another 2% to 9% compared to 19% at this time last year. The world's largest crop nutrient company, Nutrien, says data from their 600,000 growers indicates more bean acres and less corn this season. China has been active buying Brazil bean cargoes this week and Emater says Rio Grande do Sul harvest is now 85% done with additional unwanted rains coming next week. The Buenos Aires Grain Exchange lowered their Argentine bean crop to 50.5 million tonnes from 51 million previously. Excellent conditions dropped 3% to 24% and the crop is 64% harvested. The updated outlook from the US Climate Prediction Center for June through August shows normal temperatures for the upper Midwest and northern Plains with warmer than normal temperatures in the southern and eastern corn belt. June through August precipitation is normal for the heart of the Midwest and below normal for the Southwest Plains. No major Midwest drought is forecast. US bean exports sales for 2024/25 sit at a 19-year low for this date and there are still no new crop China purchases on the books yet for US beans. Despite the very underwhelming sales pace, in the short-term traders are going to be more concerned about getting the crop in the ground in a timely manner, which provides underlying support. If July prices can penetrate this week's high at 1232 1/4, prices could test the 1250 area in the near-term. Long-term fundamentals remain bearish, and producers are encouraged to be rewarded with rallies.

The Export Sales Report showed that for the week ending May 9, net soybean sales came in at 265,733 tonnes for the current marketing year and 25,160 for the next marketing year for a total of 290,893. Cumulative soybean sales have reached 92.1% of the USDA forecast for the 2023/2024 marketing year versus a 5 year average of 95.1%. Sales need to average 225,000 tonnes per week to reach the USDA forecast.

Net meal sales came in at 300,445 tonnes for the current marketing year and 31,110 for the next marketing year

for a total of 331,555. Cumulative meal sales have reached 81.4% of the USDA forecast for the 2023/2024 marketing year versus a 5 year average of 80.7%. Sales need to average 130,000 tonnes per week to reach the USDA forecast.

Net oil sales came in at 9,114 tonnes for the current marketing year and 962 for the next marketing year for a total of 10,076. Cumulative oil sales have reached 66.1% of the USDA forecast for the 2023/2024 marketing year versus a 5 year average of 79.2%. Sales need to average 3,300 tonnes per week to reach the USDA forecast.

TODAY'S MARKET IDEAS:

Traders are building on some weather premium before the weekend due to the wet conditions anticipated over the next 2 weeks with the 6 to 10 and 8 to 14 day forecast showing above normal precipitation for the central and eastern Midwest. The technical outlook remains sideways until July prices can move outside the recent range of 1232 on the upside or 1204 on the downside. With the upcoming wet weather in the US and southern Brazil, prices may be more likely to challenge the upside resistance in the near-term.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

SOYBEAN COMPLEX TECHNICAL OUTLOOK:

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SOYBEANS (JUL) 05/17/2024: 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. It is a slightly negative indicator that the close was lower than the pivot swing number. The next downside objective is now at 1206. The next area of resistance is around 1221 and 1225 1/4, while 1st support hits today at 1211 1/2 and below there at 1206.

SOYBEAN OIL (JUL) 05/17/2024: Momentum studies are rising from mid-range, which could accelerate a move higher if resistance levels are penetrated. The cross over and close above the 18-day moving average indicates the intermediate-term trend has turned up. Market positioning is positive with the close over the 1st swing resistance. The near-term upside objective is at 45.60. The next area of resistance is around 45.18 and 45.60, while 1st support hits today at 43.85 and below there at 42.93.

SOYMEAL (JUL) 05/17/2024: Stochastics trending lower at midrange will tend to reinforce a move lower especially if support levels are taken out. A negative signal for trend short-term was given on a close under the 9-bar moving average. It is a slightly negative indicator that the close was under the swing pivot. The next downside objective is 362.8. The next area of resistance is around 370.6 and 374.5, while 1st support hits today at 364.8 and below there at 362.8.

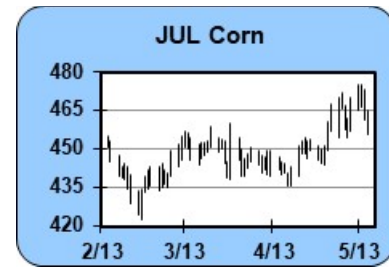
DAILY CORN COMMENTARY

5/17/2024

Wetter weather for Midwest next week supportive

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

OVERNIGHT DEVELOPMENTS: Corn (JUL 24) prices overnight are up 1. Corn open interest as of May 16 was up 14,394 contracts. Chinese Dalian (JUL 24) Corn was unchanged.



NEAR-TERM MARKET FUNDAMENTALS: Price action is quiet this morning after the market pulled back for the 3rd day in a row yesterday. Traders seem to be comfortable with their positions heading into the weekend. Some rains are falling across the southeast corn belt and will continue through the weekend. Early next week Eastern Nebraska, Iowa, southern Minnesota and Wisconsin all see another round of precipitation. The GFS model has added even more rain late this month for the central and eastern Midwest. The US Climate Prediction Center shows normal temperatures for the upper Midwest with warmer temperatures slated for the southern and far Eastern corn belt for the June through August timeframe. Summer precipitation is expected near normal across most of the Midwest except for the Southwest US Plains, but no major drought is anticipated. US area current under drought dropped another 2% to 12%, compared to 25% year ago. Nutrien, the world's largest crop nutrient company, says their unique position serving 600,000 producers gives them insight into farmers planting plans and they see as much as a 3 million acre drop in seeded corn area in the US this season below USDA's 90 million acres. If they end up being correct at 87 million acres, it would be a significant bullish development. USDA will update US spring acreage in their end of June quarterly stocks and final acreage report. The Buenos Aires Grain Exchange lowered Argentine corn conditions 3% to 14% excellent and 25.4% of the crop is harvested. They left their production number unchanged at 46.5 million tonnes, down from USDA's 50 million. July prices have reached 1st support at 457 with additional layers support at 454 and 451. We look for the bull camp to have the edge today as traders may build in additional weather premium before wetter weather kicks in to the Midwest next week.

The Export Sales Report showed that for the week ending May 9, net corn sales came in at 742,177 tonnes for the current marketing year and 128,238 for the next marketing year for a total of 870,415. Cumulative sales have reached 88.6% of the USDA forecast for the 2023/2024 marketing year versus a 5 year average of 91.2%. Sales need to average 383,000 tonnes per week to reach the USDA forecast.

TODAY'S MARKET IDEAS:

Upcoming wetter weather across the central and eastern Midwest may offer some support to finish out the week. The wet 2-week forecast may give rise to talk whether all the corn acres will get planted this season. Speculative buyers can consider purchases on a pullback, risking a move below 450 on July futures.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

CORN TECHNICAL OUTLOOK:

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CORN (JUL) 05/17/2024: Declining momentum studies in the neutral zone will tend to reinforce lower price action. The market back below the 18-day moving average suggests the intermediate-term trend could be turning down. The market's close below the pivot swing number is a mildly negative setup. The next downside objective is now at 449 3/4. The next area of resistance is around 461 1/2 and 468, while 1st support hits today at 452 1/2 and below there at 449 3/4.

CORN (DEC) 05/17/2024: Momentum studies trending lower at mid-range could accelerate a price break if support levels are broken. 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 lower than the pivot swing number. The next downside target is 474 1/2. The next area of resistance is around 486 1/4 and 492 1/4, while 1st support hits today at 477 1/4 and below there at 474 1/2.

DAILY WHEAT COMMENTARY

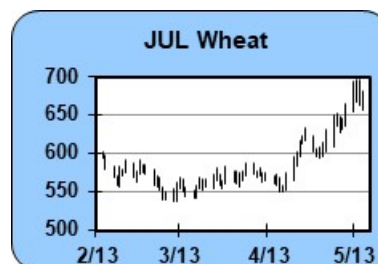
5/17/2024

KS wheat tour results best since 2021

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):

WHEAT +0.83

OVERNIGHT DEVELOPMENTS: Chicago wheat (JUL 24) prices overnight are up 5 3/4; Kansas City (JUL 24) up 8 1/4; and Minneapolis (JUL 24) up 5. MATIF Milling Wheat(SEP 24) was up 1.8%. Chicago wheat open interest as of May 16 was down 2,113 contracts and Minneapolis wheat was down 1,141 contracts.



NEAR-TERM MARKET FUNDAMENTALS: Wheat prices are stronger this morning despite the strong yield results from the Kansas wheat quality tour. The results from the tour estimated Kansas yield at 46.5 bushels per acre and a crop of 290 million bushels, the highest since 2021. This compares to USDA's numbers of 267 million and a yield of 38 bushels per acre for Kansas and the 5-year tour average of 42.4. There are still some scattered rains in the forecast for southern Russia, but conditions must be monitored closely as most private analysts' estimates are lowering their crop production forecasts. Ukraine attacked the important Russian port of Novorossiysk overnight hitting an oil refinery. Argentine seed company, Bioceres, says they have sold their 1st genetically modified wheat seed to Argentine seed outlets after 10 years of testing. This would be the 1st genetically modified wheat seed available and Bioceres says it can boost yields 20% in drought years. US winter wheat area under drought fell 3% to 25% compared to 46% at this time last year. The Canadian Railway workers strike is still set for May 22 and could disrupt grain flows to the Pacific Northwest Coast ports. Over the next 10 days, very little precipitation is expected in the Southwest Plains but the crop tour this week relieved fears of any crop disaster in the top producing HRW state. The reversal down Wednesday looks to be the dominant technical feature and sellers may be active on rallies. 1st pullback support is 645 on July Chicago.

The Export Sales Report showed that for the week ending May 9, net wheat sales came in at 78,459 tonnes for the current marketing year and 304,321 for the next marketing year for a total of 382,780. Cumulative sales have reached 89.7% of the USDA forecast for the 2023/2024 marketing year versus a 5 year average of 95.4%. Sales need to average 133,000 tonnes per week to reach the USDA forecast.

TODAY'S MARKET IDEAS:

Prices are slightly higher this morning despite the bearish Kansas crop tour results. Close-in retracement pullback support is 654 and then 645 on July Chicago. An extended pullback could push the market down to 50% of the last 30-day rally at 623. The reversal down Wednesday may keep pressure on prices week.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

WHEAT TECHNICAL OUTLOOK:

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WHEAT (JUL) 05/17/2024: Momentum studies trending lower from overbought levels is a bearish indicator and would tend to reinforce lower price action. The market's short-term trend is positive on the close above the 9-day moving average. It is a slightly negative indicator that the close was lower than the pivot swing number. The next downside target is 641 1/2. The next area of resistance is around 675 1/2 and 690 3/4, while 1st support hits today at 651 and below there at 641 1/2.

KC WHEAT (JUL) 05/17/2024: Declining momentum studies in the neutral zone will tend to reinforce lower price action. The market's close above the 9-day moving average suggests the short-term trend remains positive. It is a slightly negative indicator that the close was lower than the pivot swing number. The next downside target is 657 1/2. The next area of resistance is around 683 3/4 and 697 3/4, while 1st support hits today at 663 3/4 and below there at 657 1/2.

MINN WHEAT (JUL) 05/17/2024: 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 below the 9-day moving average is an indication the short-term trend remains negative. The market tilt is slightly negative with the close under the pivot. The next downside target is now at 701 1/2. The next area of resistance is around 732 1/2 and 748 3/4, while 1st support hits today at 709 and below there at 701 1/2.

RICE (JUL) 05/17/2024: Positive momentum studies in the neutral zone will tend to reinforce higher price action. The market's short-term trend is positive on the close above 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 19.402. The next area of resistance is around 19.275 and 19.402, while 1st support hits today at 18.925 and below there at 18.703.

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	457	47.20	50.44	71.51	62.02	464.88	464.47	458.33	451.22	448.84
CNAZ24	481 3/4	49.32	52.34	77.66	69.44	488.19	487.00	480.97	474.64	471.78
SSAN24	1216 1/4	55.69	55.45	64.96	61.10	1215.94	1223.81	1203.56	1197.06	1190.33
SSAX24	1199	52.15	53.84	70.64	65.37	1204.31	1209.36	1193.01	1184.86	1175.96
SMAN24	367.7	53.14	56.15	66.73	61.11	369.80	374.81	364.07	349.55	345.99
BOAN24	44.52	51.45	48.26	37.99	43.31	44.16	43.98	44.16	46.43	46.37
WHAN24	663 1/4	64.32	64.83	80.85	75.50	672.13	657.22	633.96	593.38	586.17
WHAZ24	707	65.53	66.52	82.54	76.48	715.56	701.39	678.08	634.61	623.56
RCAN24	19.100	56.28	56.23	53.57	57.97	18.96	18.82	18.97	18.09	18.16
KWAN24	673 3/4	59.42	60.84	75.29	68.43	682.88	671.58	654.49	607.94	598.08
MWAN24	720 3/4	58.57	60.71	77.85	70.39	729.81	721.14	710.43	676.36	672.53
OTAN24	386	47.33	53.05	81.38	66.05	408.13	404.33	385.96	361.83	361.03

Calculations based on previous session. Data collected 05/16/2024

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	449 1/2	452 1/2	458 3/4	461 1/2	468
CNAZ24	Corn	474 1/2	477 1/4	483 1/2	486 1/4	492 1/2
SSAN24	Soybeans	1205 3/4	1211 1/2	1215 1/2	1221	1225 1/4
SSAX24	Soybeans	1190	1194 1/4	1199 1/2	1203 3/4	1209
SMAN24	Soymeal	362.7	364.7	368.6	370.6	374.5
BOAN24	Soybean Oil	42.93	43.84	44.27	45.18	45.60
WHAN24	Wheat	641 1/2	651	666 1/4	675 1/2	691

WHAZ24	Wheat	687 1/4	695 1/2	710	718 1/2	732 3/4
RCAN24	Rice	18.702	18.925	19.052	19.275	19.402
KWAN24	KC Wheat	657 1/4	663 1/2	677 1/2	684	697 3/4
MWAN24	MINN Wheat	701 1/4	709	725	732 1/2	748 3/4
OTAN24	Oats	371 1/4	377	389	395	406 3/4

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