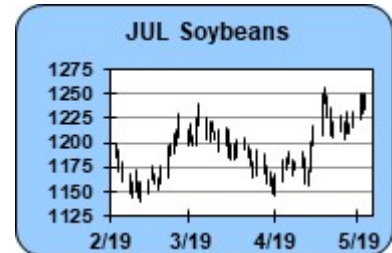




DAILY SOY COMPLEX COMMENTARY
5/23/2024

Parts of Iowa wettest on record over last 30 days

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



OVERNIGHT DEVELOPMENTS: Soybeans (JUL 24) prices overnight are up 2 1/2; Soymeal (JUL 24) up 0.60; and Soyoil (JUL 24) up 0.12. Soybean open interest as of April 8 was down 7,541 contracts, soymeal down 5,538 contracts, and soybean oil down 6,162. Chinese Dalian (JUL 24) Soybeans up 0.43%, Soymeal up 0.53%, Soyoil up 0.15%, Palm oil down 0.39%. Malaysian Palm was up 0.62%. Global equity markets overnight were mixed with declines generally posted in Asia and the rest of the world mostly trading higher. Critical economic news released overnight included a much stronger-than-expected New Zealand retail sales, slightly and unchanged private Australian bank composite/manufacturing/services data, better-than-expected private bank manufacturing PMI readings for May, much weaker than expected Japanese private bank services PMI readings for May, softer Australian consumer inflation expectations for May, better-than-expected French German and euro zone HCOB manufacturing PMI readings for May, softer than expected French HCOB princes PMI suspected on HCOB's PMI, weaker than expected GBP S&P global composite and services PMI readings for May and better-than-expected GBP S&P global manufacturing PMI for May. The North American session will start out with a weekly reading on initial jobless claims which are expected to have a minimal downtick from the previous 222,000 reading. Ongoing jobless claims are forecast to have a modest weekly increase from the previous 1.794 million reading. The Chicago Fed's April national activity index is expected to have a minimal uptick from March's 0.15 reading. The April Canadian new housing price index is forecast to have a minimal uptick from March's -0.4% year-over-year rate. A May "flash" reading on US manufacturing PMI is expected to hold steady with the previous 50.0 reading. April US new home sales are forecast to have a minimal downtick from March's 693,000 annualized rate. The Kansas City Fed's May manufacturing index is expected to have a mild uptick from April's -13 reading. Atlanta Fed President Bostic will speak during afternoon US trading hours. Earnings announcements will include Medtronic and NetEase before the Wall Street opening while Intuit and Workday report after the close.

NEAR-TERM MARKET FUNDAMENTALS: The bull camp remains in charge after a 7th consecutive day of higher daily lows. Flood losses in Brazil are still being debated, not only to quantify what may have been lost in the field, but also what was lost in flooded storage silos. The 1-5 day forecast has rains for North Dakota, Iowa, Illinois, Missouri, and the rest of the Eastern bean belt. Western bean belt precipitation is expected to be light. 6-10 day forecasts have below normal temperatures for the Eastern bean belt and above normal moving into the Western belt. Parts of Iowa have seen their wettest period on record over the last 30 days. Diamond Green Diesel, the largest US producer of renewable diesel, says they test each shipment of used cooking oil (UCO) for purity and have turned boats away that did not have the proper product documentation. They have taken a neutral stance on whether Biden should increase import tariffs on UCO. Germany says their rapeseed crop will be down 8.4% this season to 3.87 million tonnes. This comes on the heels of the Canadian rapeseed crop estimates falling 1% from a year ago to 18.2 million tonnes. Weekly export sales Thursday morning are expected in a range of 275,000 to 550,000 tonnes for beans, 200,000 to 500,000 tonnes for meal and 0 to 20,000 tonnes for bean oil. LSEG says the monthly forecast for June suggests elevated risks of warmth and dryness in the northern Plains, western Midwest, and Canadian Prairies. China reported their crush volume is up 9.25% year-over-year. July prices look to be headed for a test of the high for the month of May at 1256 1/2. If that level is exceeded, 200-day moving our resistance stands at 1282 1/2 and would be the next target. Technical signals are pointing higher and we expect the May high to be exceeded.

TODAY'S MARKET IDEAS:

A strong technical outlook and strength in the soybean products is pushing prices higher. July beans are close to testing the May high at 1256 1/2 and if that level is exceeded, prices could make a run to 50% retracement resistance from the November 2023 high to the February 24 low at 1280 1/2 and 200-day resistance at 1282 1/2. Close in support stands at 1239 and 1229.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

SOYBEAN COMPLEX TECHNICAL OUTLOOK:

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SOYBEANS (JUL) 05/23/2024: 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. A positive setup occurred with the close over the 1st swing resistance. The next upside objective is 1260 1/4. The next area of resistance is around 1254 1/2 and 1260 1/4, while 1st support hits today at 1238 and below there at 1227 1/2.

SOYBEAN OIL (JUL) 05/23/2024: The cross over and close above the 40-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 47.06. The next area of resistance is around 46.39 and 47.06, while 1st support hits today at 45.37 and below there at 45.03.

SOYMEAL (JUL) 05/23/2024: Momentum studies trending lower at mid-range could accelerate a price break if support levels are broken. The market's short-term trend is positive on the close above the 9-day moving average. The market setup is supportive for early gains with the close over the 1st swing resistance. The next downside objective is 366.7. The next area of resistance is around 383.0 and 385.8, while 1st support hits today at 373.4 and below there at 366.7.

DAILY CORN COMMENTARY

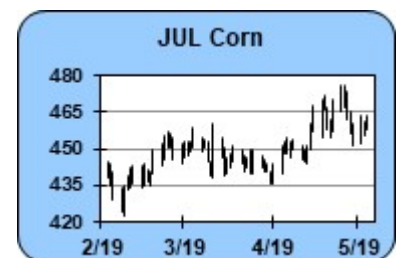
5/23/2024

Technical point to further upside gains

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):

CORN +0.2

OVERNIGHT DEVELOPMENTS: Corn (JUL 24) prices overnight are up 1 1/4. Corn open interest as of April 8 was down 20,174 contracts. Chinese Dalian (JUL 24) Corn was up 0.37%.



NEAR-TERM MARKET FUNDAMENTALS: The edge remains with the bull camp as prices slowly move higher after holding support last week. The Midwest has been mostly dry over the last 24-hours, but showers are expected in the northern Plains and eastern corn belt next week. Parts of the Midwest that were experiencing drought over the winter now have surplus soil moisture, as parts of Iowa have seen their wettest stretch on record over the last 30 days. Below normal temperatures are featured in the 6-10 day for the Eastern corn belt and above normal moving into the Western corn belt. The 2nd human case of bird flu was found in a dairy farm worker

in Michigan with pinkeye as the only symptom, similar to the 1st case found in Texas. The individual has made a full recovery. AgroConsult updated their safrinha Brazil production to 96.7 million tonnes, down 10.5% from the previous year and compared to USDA's forecast for a 10.9% drop from last year. LSEG, formerly Lanworth, estimated Argentine corn production at 48.9 million tonnes, down 3% from their previous update and compared to USDA at 53 million, the Buenos Aires Grain Exchange at 46.5 million and the Rosario Grain Exchange at 47.5 million. There is a growing consensus production is under 50 million and USDA will need to come down. Ethanol production came in very near expectations and slightly higher than last week. Stocks were slightly lower than last week and a bit under expectations. Weekly export sales this morning are expected in a range of 500,000 to 1,200,000 tonnes. South Korea bought 271,000 tonnes in their tender overnight. The path of least resistance remains higher and recent strength in wheat is also a supportive factor. We look for prices to test the May high of 475 1/2 on July futures and possibly the 200-day moving average at 482. We expect buying support on pullbacks below 460.

Ethanol average daily production for the week ending May 17 averaged 1.019 million barrels. This was up 1.9% from last week and up 3.7% from last year. The 5-year average for this week is 0.953 million barrels per day. Ethanol production for the week was 7.133 million barrels. Ethanol stocks were 24.212 million barrels. This was a new high stocks level for this week of the year. The previous high was 23.712 million barrels in 2022. This was down 1.1% from last week and up 9.8% from last year. The 5-year average stocks for this week is 22.443 million barrels. The amount of corn used for the week is estimated at 101.14 million bushels. Cumulative corn use for the crop year has reached 3.795 billion bushels. Corn use needs to average 109.30 million bushels per week to meet the USDA's marketing year forecast of 5.450 billion bushels.

TODAY'S MARKET IDEAS:

The technical outlook points higher and current fundamentals are supportive as well, keeping the bull camp with the edge. Last week's bounce off key 451 support on July futures suggests the market could at least test this month's high at 475 1/2. Speculators can continue to look for 4-7 cent pullbacks as buying opportunities.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

CORN TECHNICAL OUTLOOK:

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CORN (JUL) 05/23/2024: Declining momentum studies in the neutral zone will tend to reinforce lower price action. The cross over and close above the 18-day moving average is an indication the intermediate-term trend has turned positive. The market setup is supportive for early gains with the close over the 1st swing resistance. The next downside objective is 455 3/4. The next area of resistance is around 463 3/4 and 466, while 1st support hits today at 458 3/4 and below there at 455 3/4.

CORN (DEC) 05/23/2024: 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 now at 479. The next area of resistance is around 486 1/2 and 489, while 1st support hits today at 481 1/2 and below there at 479.

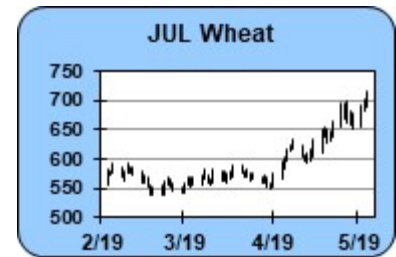
DAILY WHEAT COMMENTARY

5/23/2024

GFS model wetter for S Russia and the SW US Plains

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):
WHEAT -0.23

OVERNIGHT DEVELOPMENTS: Chicago wheat (JUL 24) prices overnight are down -2 1/4; Kansas City (JUL 24) down -3/4; and Minneapolis (JUL 24) down -2 1/2. MATIF Milling Wheat(SEP 24) was down -0.8%. Chicago wheat open interest as of April 8 was down 5,377 contracts and Minneapolis wheat was down 4,244 contracts.



NEAR-TERM MARKET FUNDAMENTALS: Chicago wheat closed well-off the highs Wednesday, resulting in a reversal down, which would be confirmed on a lower close today. Week 2 of the southern Russian forecast has turned wetter, causing some profit-taking. The Russian crop has been downgraded by 7-9 million tonnes over the last 3 weeks by private forecasters but upcoming rains could improve conditions to some degree. Furthermore, the forecast for the middle of next week has turned wetter for the Southwest US Plains as well, with the 6-10 day showing above normal precipitation chances for that dry area. Weekly export sales this morning are expected in a range of -100,000 tonnes to a positive 100,000 tonnes. There are only 2 weeks left in the old crop marketing year. LSEG says the monthly forecast for June looks dry/warm in the northern Plains and Canadian Prairies. They raised their forecast for 2024/25 Canadian wheat production to 34.3 million tonnes, up 7.5% from last season due to expected larger acreage and better yields. Chicago wheat has rallied to its biggest premium to corn since 2022 and that spread may be reaching a short-term peak, especially with potential for wetter conditions in Russia and the US southern Plains. Wednesday's reversal down is a warning sign for the bulls after nearly a \$1.70 rally since mid-April. We encourage longs to tighten stops as a pullback may be near.

TODAY'S MARKET IDEAS:

Open interest on Chicago wheat is nearing its highest since late November of last year, an indication new buyers have been entering on this rally. However, Wednesday's reversal lower after moving above resistance is a sign the trend may be weakening. A lower close today may confirm the start of a correction, especially with the extended forecast turning wetter in southern Russia and the southern US Plains. Speculative longs can tighten stops and look to take profits as the recent very strong rally may have come far enough for the time being.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

WHEAT TECHNICAL OUTLOOK:

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WHEAT (JUL) 05/23/2024: Daily stochastics have risen into overbought territory which will tend to support reversal action if it occurs. The market's short-term trend is positive on the close above the 9-day moving average. The daily closing price reversal down puts the market on the defensive. It is a slightly negative indicator that the close was under the swing pivot. The near-term upside objective is at 726. The next area of resistance is around 707 and 726, while 1st support hits today at 679 and below there at 669 3/4.

KC WHEAT (JUL) 05/23/2024: Studies are showing positive momentum but are now in overbought territory, so some caution is warranted. The close above the 9-day moving average is a positive short-term indicator for trend. 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 next upside target is 726 1/2. The next area of resistance is around 711 and 726 1/2, while 1st support hits today at 688 1/2 and below there at 681 1/4.

MINN WHEAT (JUL) 05/23/2024: 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 could take on a defensive posture with the daily closing price reversal down. It is a slightly negative indicator that the close was lower than the pivot swing number. The near-term upside objective is at 759. The next area of resistance is around 746 1/2 and 759, while 1st support hits today at 726 1/2 and below there at 719.

RICE (JUL) 05/23/2024: 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. Market positioning is positive with the close over the 1st swing resistance. The next downside target is now at 18.482. The next area of resistance is around 18.867 and 18.951, while 1st support hits today at 18.633 and below there at 18.482.

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	461 1/4	53.03	53.57	51.72	44.57	458.06	462.39	459.96	452.02	450.60
CNAZ24	484	52.92	53.88	57.98	49.39	481.75	485.75	482.63	475.63	473.57
SSAN24	1246 1/4	65.31	62.41	72.13	76.38	1239.63	1226.81	1216.78	1200.03	1195.99
SSAX24	1218 1/4	63.03	60.82	70.73	71.86	1212.81	1208.25	1201.49	1187.34	1181.40
SMAN24	378.2	63.69	62.64	60.53	58.09	373.35	371.61	369.94	352.63	348.78
BOAN24	45.88	58.68	54.37	65.39	76.12	45.82	44.93	44.23	46.13	46.40
WHAN24	693	68.81	67.96	80.01	81.97	682.63	675.83	649.07	604.82	593.13
WHAZ24	734	68.81	68.67	81.08	82.92	725.44	718.81	693.49	646.62	631.98
RCAN24	18.750	49.21	51.22	46.47	41.64	18.74	18.91	18.86	18.16	18.17
KWAN24	699 3/4	65.61	64.79	73.30	76.42	689.88	684.92	666.74	618.80	606.30
MWAN24	736 1/2	63.37	63.54	70.32	71.21	731.50	729.47	719.68	682.84	677.37
OTAN24	366 1/4	38.76	44.52	35.87	16.81	364.75	389.14	388.25	362.33	361.70

Calculations based on previous session. Data collected 05/22/2024

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	455 3/4	458 1/2	461	464	466 1/4
CNAZ24	Corn	479	481 1/2	484	486 1/2	489
SSAN24	Soybeans	1227 1/2	1238	1244	1254 1/2	1260 1/2
SSAX24	Soybeans	1205 1/4	1212	1217 1/2	1224 1/2	1229 3/4
SMAN24	Soymeal	366.6	373.4	376.2	383.0	385.8
BOAN24	Soybean Oil	45.02	45.37	46.04	46.39	47.06
WHAN24	Wheat	669 1/2	679	697 3/4	707	726
WHAZ24	Wheat	711	720 1/2	738	747 1/2	765
RCAN24	Rice	18.481	18.632	18.716	18.867	18.951
KWAN24	KC Wheat	681	688 1/2	703 3/4	711	726 1/2
MWAN24	MINN Wheat	719	726 1/2	739	746 1/2	759
OTAN24	Oats	358 1/2	361 1/2	367 3/4	371	377

Calculations based on previous session. Data collected 05/22/2024

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