



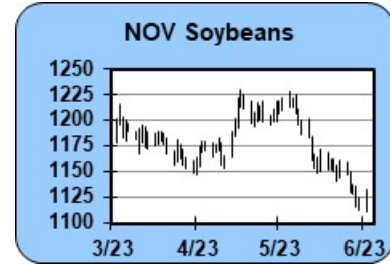
DAILY GRAINS COMMENTARY Wednesday June 26, 2024

DAILY SOY COMPLEX COMMENTARY 6/26/2024

Most of Midwest sees some shower activity next 10 days

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

OVERNIGHT DEVELOPMENTS: Soybeans (NOV 24) prices overnight are up 3; Soymeal (DEC 24) down -0.40; and Soyoil (DEC 24) up 0.39. Soybean open interest as of June 25 was down 2,889 contracts, soymeal down 15,893 contracts, and soybean oil up 9,576. Chinese Dalian (SEP 24) Soybeans down 0.19%, Soymeal up 0.18%, Soyoil down 0.18%, Palm oil up 0.03%. Malaysian Palm was up 0.47%.



NEAR-TERM MARKET FUNDAMENTALS: November futures made a new 2 1/2 year low yesterday but the odds are high for a short covering rebound into Friday morning's key quarterly stocks and acreage report. Monday's reversal higher was negated by yesterday's drop to new lows but technical indicators are deeply oversold. Friday morning's USDA report is expected to show June 1 quarterly stocks at 962 million bushels, well above last year's June 1 number of 796 million bushels. Bean acreage is expected at 86.753 million acres, slightly above the 86.51 in the March intentions report and well above last season's 83.6 million. The 1-5 day forecast has rain chances for Iowa, eastern Nebraska and northern Illinois and overnight rains moved through Northeast Kansas, Missouri and southern Iowa. Heat will remain in the southern Plains and the southeast US in the 6 to 10 day timeframe with normal temperatures in the northern half of the Midwest. An active precipitation pattern is expected for next week where nearly all of the Midwest will see at least some showers. Above normal temps expand from the southeast US into the Eastern corn belt in the 8 to 14 day timeframe. Pressure on the soybean products yesterday was heavy after some processing plants said they will reopen quickly from the flooding. Argentina says their farmers bean sales have caught up to the normal pace at 43.5% of the crop sold. Weather risk premium is nonexistent since there is no extended hot/dry ridge in the Midwest. However, prices have fallen well over a \$1.00 bushel since late May, technical indicators are oversold, and the market is due a bounce before Friday's USDA report. November resistance sits at this week's high of 1132 3/4 and then 1139.

TODAY'S MARKET IDEAS:

Monday's reversal higher was negated with the downside move into new lows yesterday, however, prices are deeply oversold and may be close to factoring in the current weather conditions. Friday morning's USDA report should encourage at least a minor upside correction today and tomorrow. Additional rains are on tap for next week and could revive flooding worries across Iowa and eastern S Dakota. Look for support on November futures at 1102 and nearby resistance 1133.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None

SOYBEAN COMPLEX TECHNICAL OUTLOOK:

Note: Data is collected using the closing values of the previous session and calculations and analysis are run at the same time. Technical commentary is based solely on statistical indicators and does not necessarily correspond to any fundamental analysis that may appear

elsewhere in this report. Data sources can and do produce bad ticks that can cause computation errors. Please verify before use.

SOYBEANS (AUG) 06/26/2024: Daily stochastics are showing positive momentum from oversold levels, which should reinforce a move higher if near term resistance is taken out. The market's short-term trend is negative as the close remains below the 9-day moving average. The close below the 1st swing support could weigh on the market. The near-term upside target is at 1169 1/2. The next area of resistance is around 1156 and 1169 1/2, while 1st support hits today at 1135 and below there at 1127 1/4.

SOYBEAN OIL (DEC) 06/26/2024: A crossover down in the daily stochastics is a bearish signal. 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. The market is in a bearish position with the close below the 2nd swing support number. The next downside objective is now at 41.83. Some caution in pressing the downside is warranted with the RSI under 30. The next area of resistance is around 43.44 and 44.32, while 1st support hits today at 42.20 and below there at 41.83.

SOYMEAL (DEC) 06/26/2024: The stochastics indicators are rising from oversold levels, which is bullish and should support higher prices. The close below the 9-day moving average is a negative short-term indicator for trend. The market tilt is slightly negative with the close under the pivot. The near-term upside objective is at 351.9. The next area of resistance is around 347.2 and 351.9, while 1st support hits today at 338.2 and below there at 334.0.

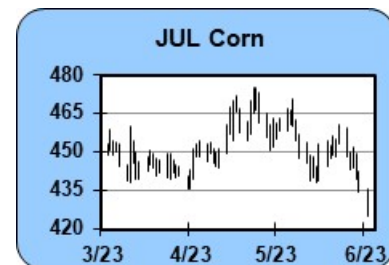
DAILY CORN COMMENTARY

6/26/2024

Futures break shuts off US farmer selling

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):
CORN +0.1

OVERNIGHT DEVELOPMENTS: Corn (DEC 24) prices overnight are up 1. Corn open interest as of June 25 was down 10,605 contracts. Chinese Dalian (SEP 24) Corn was up 0.64%.



NEAR-TERM MARKET FUNDAMENTALS: Corn prices have been under severe pressure for over a week and made 2 1/2-year lows again yesterday on December futures, keeping the bear camp in charge. Traders have found no reason to build in much weather premium into prices without a hot/dry ridge across the Midwest. Instead, flooding has been an issue this week and may worsen with additional showers across the wet areas of the Midwest next week. Crop scout, Dr Cordonnier, estimates 500,000-1 million acres may have been lost due to flooding. Over the next 10 days, heat remains in the southern Plains and the southeast US with the northern half of the corn belt seeing normal temperatures. An active precipitation pattern will be seen next week across the Midwest with at least some showers across most of the crop areas. The 8 to 14 day maps show above normal precipitation across Iowa and above normal temperatures expanding from the southeast US into the Eastern corn belt. Friday morning's June quarterly stocks and acreage report is expected to show June 1 stocks at 4.873 billion bushels, above last year's June 1 number of 4.103. Corn acreage is expected to be 90.353 million acres, slightly above the 90.036 March intentions number and well below last season's 94.641 million. One benefit to the lower prices has been a significant increase in ethanol profit margins, which have jumped from breakeven in late May to \$0.40 a gallon now. In addition, the recent decline in prices has shut off farmer selling, and basis is strengthening, especially across the Western corn belt. A short covering rebound into Friday morning's report is very possible and open interest has been declining on the recent price drop over the last week. The weak technical picture is part of what's driving the selling, however, building heat in the southeast US crop areas and rising stress next week in Black Sea crop areas, may be enough to encourage a reasonable short covering bounce into Friday's USDA report.

TODAY'S MARKET IDEAS:

December prices extended lower yesterday and need a new bullish technical signal to relieve the selling pressure. Open interest continues to decline on the break, indicating long liquidation. Look for resistance on December futures at 458 with support at 440. After the nearly \$0.40 decline over the last 8 days, look for a short covering rebound into Friday.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

CORN TECHNICAL OUTLOOK:

Note: Data is collected using the closing values of the previous session and calculations and analysis are run at the same time. Technical commentary is based solely on statistical indicators and does not necessarily correspond to any fundamental analysis that may appear elsewhere in this report. Data sources can and do produce bad ticks that can cause computation errors. Please verify before use.

CORN (SEP) 06/26/2024: Momentum studies are declining, but have fallen to oversold levels. The close below the 9-day moving average is a negative short-term indicator for trend. The close below the 1st swing support could weigh on the market. The next downside target is 422 1/4. With a reading under 30, the 9-day RSI is approaching oversold levels. The next area of resistance is around 437 1/4 and 444 1/2, while 1st support hits today at 426 1/4 and below there at 422 1/4.

CORN (DEC) 06/26/2024: Daily stochastics are trending lower but have declined into oversold territory. The market's short-term trend is negative as the close remains below the 9-day moving average. The market's close below the 1st swing support number suggests a moderately negative setup for today. The next downside objective is now at 433. Some caution in pressing the downside is warranted with the RSI under 30. The next area of resistance is around 449 and 457, while 1st support hits today at 437 and below there at 433.

DAILY WHEAT COMMENTARY

6/26/2024

Black Sea weather turns stressful next week

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

OVERNIGHT DEVELOPMENTS: Chicago wheat (SEP 24) prices overnight are up 2 1/4; Kansas City (SEP 24) up 3 1/4; and Minneapolis (SEP 24) up 4 1/4. MATIF Milling Wheat(SEP 24) was up 0.6%. Chicago wheat open interest as of June 25 was up 2,836 contracts and Minneapolis wheat was up 4,633 contracts.



NEAR-TERM MARKET FUNDAMENTALS: Wheat has been the anchor of the grain complex lately as prices have closed weak nearly every day since May 28th. The market has given up all of the gains from the Russian frost and dryness rally seen in April and May. However, Russian crop estimates are still well down from where they were before the frost, meaning downside price action may be too extreme and the market is getting undervalued. We do not argue that the US HRW yields are coming in generally better-than-expected. But Black Sea weather will begin to turn stressful once again next week and that may be the spark for a rally, especially since US harvest is expected to reach beyond the halfway point by late this week, which may reduce harvest pressure. Egypt's GASC bought 470,000 tonnes of wheat, split between Russian, Romanian, Ukrainian and Bulgarian origin. Even with the large purchase, traders chose to focus on the fact that there were at least 36 offers for the tender, indicating plenty of wheat available for sale. SovEcon said Ukraine wheat exports for 2024/25 may reach 13.6 million tonnes, down 25% year-over-year. Ukraine wheat production is expected to drop to 20.4 million tonnes, down from 21.6 year ago and carryover is expected to fall to 900,000 tonnes, down from 4 million tonnes

this time last year. Lower planted area and less than ideal weather conditions were the reasons for the decline. LSEG updated their Russian crop estimate to 82.2 million tonnes down 1.2% from last month and also lowered EU 27+ UK production.8% to 140.8 million tonnes. Friday morning's June quarterly stocks and acreage is expected to show June 1 stocks for wheat at 684 million bushels, up from 570 million in the June report a year ago. All wheat acreage is expected at 47.657 million acres slightly above the March intentions of 47.498 and down from last year's acreage of 49.575. The extreme bearish sentiment looks to be close to running its course, especially with more stressful Black Sea weather next week. Look for a short covering bounce between now and Friday morning's report with 1st resistance on Chicago December at 599. Nearby support is 577.

TODAY'S MARKET IDEAS:

Extreme bearish sentiment has been the feature for the last couple of weeks and that has driven technical indicators to their most oversold level in years. The risk/reward to the downside looks limited from here and with Black Sea weather conditions turning more stressful next week and US harvest passing 50% complete, the odds are high the market is ready for a corrective rebound. Look for December support at 579 and 1st resistance at 599. Prices look undervalued.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

WHEAT TECHNICAL OUTLOOK:

Note: Data is collected using the closing values of the previous session and calculations and analysis are run at the same time. Technical commentary is based solely on statistical indicators and does not necessarily correspond to any fundamental analysis that may appear elsewhere in this report. Data sources can and do produce bad ticks that can cause computation errors. Please verify before use.

WHEAT (SEP) 06/26/2024: Momentum studies are still bearish but are now at oversold levels and will tend to support reversal action if it occurs. The close below the 9-day moving average is a negative short-term indicator for trend. The market setup is somewhat negative with the close under the 1st swing support. The next downside target is now at 548. The 9-day RSI under 20 suggests the market is extremely oversold. The next area of resistance is around 568 1/4 and 579 1/4, while 1st support hits today at 552 3/4 and below there at 548.

KC WHEAT (SEP) 06/26/2024: Momentum studies are declining, but have fallen to oversold levels. A negative signal for trend short-term was given on a close under the 9-bar moving average. The market could take on a defensive posture with the daily closing price reversal down. The market's close below the pivot swing number is a mildly negative setup. The next downside target is now at 571 3/4. The 9-day RSI under 20 suggests the market is extremely oversold. The next area of resistance is around 587 1/4 and 595, while 1st support hits today at 575 3/4 and below there at 571 3/4.

MINN WHEAT (SEP) 06/26/2024: Momentum studies are declining, but have fallen to oversold levels. The market's short-term trend is negative as the close remains below the 9-day moving average. The market is in a bearish position with the close below the 2nd swing support number. The next downside objective is 592. Selling may soon dry up since the RSI is under 20 indicating the market is extremely oversold. The next area of resistance is around 610 3/4 and 620 3/4, while 1st support hits today at 596 1/4 and below there at 592.

RICE (SEP) 06/26/2024: The close below the 40-day moving average is an indication the longer-term trend has turned down. The daily stochastics gave a bearish indicator with a crossover down. Momentum studies trending lower at mid-range should accelerate a move lower if support levels are taken out. A negative signal for trend short-term was given on a close under the 9-bar moving average. The market setup is somewhat negative with the close under the 1st swing support. The next downside target is now at 15.269. The next area of resistance is around 15.577 and 15.718, while 1st support hits today at 15.353 and below there at 15.269.

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										
CNAU24	431 3/4	27.64	32.81	21.91	15.93	439.13	448.83	450.94	461.12	459.31
CNAZ24	443	26.01	31.27	20.55	14.76	451.19	461.17	463.47	474.18	472.92
SSAQ24	1145 1/2	37.66	38.85	11.87	14.16	1148.19	1156.44	1171.03	1196.03	1191.93
SSAX24	1111 1/2	28.96	31.72	10.39	11.54	1119.69	1133.14	1148.78	1178.18	1176.67
SMAZ24	342.7	36.08	38.10	15.51	20.66	342.85	347.14	351.76	360.31	355.75
BOAZ24	42.82	27.96	34.38	20.70	18.49	43.85	43.99	44.35	45.01	45.64
WHAU24	560 1/2	13.78	22.64	3.69	2.61	573.31	600.28	635.31	655.29	637.78
WHAZ24	582 3/4	11.89	20.97	3.15	2.15	596.63	623.56	659.75	679.29	661.71
RCAU24	15.465	44.73	48.23	62.25	57.77	15.57	15.57	15.55	15.45	15.27
KWAU24	581 1/2	14.62	24.47	4.64	4.18	588.56	612.61	653.29	669.73	649.50
MWAU24	603 1/2	8.68	16.91	2.31	1.32	614.81	640.94	681.24	707.82	695.56
OTAZ24	315 1/4	20.73	26.76	9.12	10.09	317.00	329.47	350.54	363.25	358.68

Calculations based on previous session. Data collected 06/25/2024
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						
CNAU24	Corn	422	426	433 1/4	437 1/2	444 1/2
CNAZ24	Corn	433	437	445	449	457
SSAQ24	Soybeans	1127 1/4	1135	1148 1/2	1156	1169 3/4
SSAX24	Soybeans	1091	1099 1/4	1115 1/2	1123 3/4	1140
SMAZ24	Soymeal	333.9	338.2	342.9	347.2	351.9
BOAZ24	Soybean Oil	41.82	42.19	43.07	43.44	44.32
WHAU24	Wheat	547 3/4	552 1/2	563 1/2	568 1/2	579 1/4
WHAZ24	Wheat	569 1/4	574 1/2	586	591	602 3/4
RCAU24	Rice	15.268	15.352	15.493	15.577	15.718
KWAU24	KC Wheat	571 1/2	575 1/2	583 1/4	587 1/2	595
MWAU24	MINN Wheat	592	596 1/4	606 1/2	610 3/4	621
OTAZ24	Oats	307 1/2	311 1/2	314 3/4	319	322

Calculations based on previous session. Data collected 06/25/2024
Data sources can & do produce bad ticks. Verify before use.

***This report includes information from sources believed to be reliable and accurate as of the date of this publication, but no independent verification has been made and we do not guarantee its accuracy or completeness. Opinions expressed are subject to change without notice. Any information or recommendation contained herein: (i) is not based on, or tailored to, the commodity interest or cash market positions or other circumstances or characterizations of particular investors or traders; (ii) is not customized or personalized for any such investor or trader; and (iii) does not take into consideration, among other things, risk tolerance, net worth, or available risk capital. Any use or reliance upon the information or recommendations is at the sole discretion and election of the subscriber. The risk of loss in trading futures contracts or commodity options can be substantial, and traders should carefully consider the inherent risks of such trading in light of their financial condition. Any reproduction or retransmission of this report without the express written consent of Lakefront Futures is strictly prohibited.