



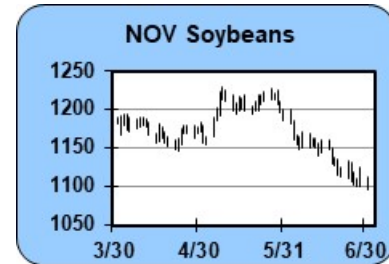
DAILY GRAINS COMMENTARY Tuesday July 02, 2024

DAILY SOY COMPLEX COMMENTARY 7/2/2024

Market looks ready to correct recent break

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

OVERNIGHT DEVELOPMENTS: Soybeans (NOV 24) prices overnight are up 7 1/2; Soymeal (DEC 24) up 0.70; and Soyoil (DEC 24) up 0.53. Soybean open interest as of July 1 was up 12,687 contracts, soymeal up 3,024 contracts, and soybean oil down 7,534. Chinese Dalian (SEP 24) Soybeans down 0.09%, Soymeal up 0.33%, Soyoil up 0.94%, Palm oil up 1.98%. Malaysian Palm was up 2.79%.



NEAR-TERM MARKET FUNDAMENTALS: Monday's higher close resulted in a technical reversal and prices are following through to the upside this morning. No major changes to the fundamentals but prices had reached significantly oversold levels and were due a bounce. US Midwest weather continues to look mostly favorable, although some additional rains in southern Minnesota, eastern Iowa and northern Missouri in the next 5 days will be unwelcome. The 6 to 10 day forecast shows normal temperatures for the bulk of the Midwest and heat will move into the Western US in the 8 to 14 day timeframe. This will be watched closely to see if the heat dome moves to the east toward the bean belt. Some support may be coming from a US attache report cutting Brazil's bean crop to 150 million tonnes, due to flooding and lower yields. USDA was at 153 million in the June supply/demand report. Bean conditions were unchanged at 67% good/excellent versus 50% at this time last year and the highest since 2020. USDA crush yesterday came in at 191.97 million bushels, a new record for the month and compares to 189.3 in May year ago and 193.8 pre-report estimate. Bean oil stocks were 2.187 billion pounds, below the 2.124 pre-report estimate. Meal stocks were 309,446 million tons, up from 287,066 in April but down from 388,763 in May of last year. There were 161 deliveries of bean oil overnight. With grain markets closed Wednesday night through Friday morning, traders are covering some shorts before the holiday and have digested the current weather outlook. Nearby resistance on November beans is 1133 and 1st retracement resistance from the late May high to yesterday's low would be 1147.

Soybeans rated good / excellent (G/EX) as of June 30 was unchanged at 67% and poor / very poor was unchanged at 8%. Current G/EX is up 3% versus the 10 year average and Poor / Very Poor is down 1% versus the 10 year average.

US soybean crush hit a new record high for the month of May at 191.99 million bushels versus the previous record of 189.30 million in 2023. This was below the low-end of pre-report estimates. The May average is 176.86 million bushels. US soybean crush pace hit a new record high for the month of May at 6.19 million bushels versus the previous record of 6.11 million in 2023. The May average crush pace is 5.71 million bushels per day. The cumulative crush for the marketing year has reached 1.74 billion bushels 76.1% of the USDA's current estimate for the marketing year. As of May last year, the cumulative crush had reached 79.3% of the USDA forecast of 1.68 billion bushels.

US soybean oil stocks in May came in at 2.187 billion pounds versus 2.311 last month and 2.386 last year. The average stock level for this time of year is 2.293 billion pounds. The largest stock level for this month was 2.445 (2020) and lowest was 2.147 (2021). Current stock levels are running at 0.13% of USDA ending stocks estimates for the year.

TODAY'S MARKET IDEAS:

Price action Monday ended with a reversal higher and short-term technical indicators gave a buy signal. US weather remains favorable for the crop and long-term fundamentals are not bullish. However, prices had fallen \$1.30 since late May and an upside correction finally appears to be starting. November resistance is 1133 and 1147 and pullbacks today are likely to find support below 1110 with the holiday later this week giving traders reasons to pare down their short positions.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None

SOYBEAN COMPLEX TECHNICAL OUTLOOK:

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SOYBEANS (AUG) 07/02/2024: The daily stochastics gave a bullish indicator with a crossover up. Rising from oversold levels, daily momentum studies would support higher prices, especially on a close above resistance. The close above the 9-day moving average is a positive short-term indicator for trend. The upside closing price reversal on the daily chart is somewhat bullish. With the close higher than the pivot swing number, the market is in a slightly bullish posture. The next upside target is 1159 1/4. The next area of resistance is around 1154 1/2 and 1159 1/4, while 1st support hits today at 1137 1/2 and below there at 1125.

SOYBEAN OIL (DEC) 07/02/2024: The market now above the 60-day moving average suggests the longer-term trend has turned up. Positive momentum studies in the neutral zone will tend to reinforce higher price action. The cross over and close above the 18-day moving average is an indication the intermediate-term trend has turned positive. There could be more upside follow through since the market closed above the 2nd swing resistance. The near-term upside objective is at 47.40. The next area of resistance is around 46.81 and 47.40, while 1st support hits today at 44.69 and below there at 43.16.

SOYMEAL (DEC) 07/02/2024: Daily stochastics declining into oversold territory suggest the selling may be drying up soon. The market's close below the 9-day moving average is an indication the short-term trend remains negative. The market's close below the pivot swing number is a mildly negative setup. The next downside objective is now at 326.4. The 9-day RSI under 30 indicates the market is approaching oversold levels. The next area of resistance is around 335.7 and 338.9, while 1st support hits today at 329.5 and below there at 326.4.

DAILY CORN COMMENTARY

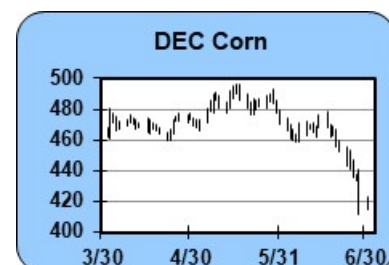
7/2/2024

US weather overall favorable heading into pollination

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):

CORN +0.2

OVERNIGHT DEVELOPMENTS: Corn (DEC 24) prices overnight are up 2 1/4. Corn open interest as of July 1 was down 708 contracts. Chinese Dalian (SEP 24) Corn was down 0.40%.



NEAR-TERM MARKET FUNDAMENTALS: Last Friday's report washout to the downside on heavy volume may have ended the 3-week downtrend for the moment, but more technical evidence is needed to support ideas of an interim low. US Midwest

weather is generally favorable with some unwanted rains in southern Minnesota, eastern Iowa and northern Missouri later this week, but hot temperatures are expected to remain in the far Western US through the 8 to 14 day timeframe. Pollination is set to begin in parts of the major growing areas next week and the extended forecast be watched closely to see if the heat in the West moves east into the heart of the corn belt. Crop conditions fell 2%, slightly more than expected, to 67% good/excellent versus 51% last year. The heat in the southeast US took its toll as North Carolina had the largest condition drop of all the states. Black Sea weather crop stress is expected to rise next week. Ukraine's 2023/24 marketing year ended last week, and exports reached 29.4 million tonnes, well above USDA's number of 26.0 million. USDA expected to make an adjustment in next month's supply/demand report. There were 263 deliveries overnight and Bunge was the stopper. Corn used for ethanol in May was up 3.3% year-over-year to 453.7 million bushels and DDG production reached 2.003 million tonnes, up from 1.702 million a year ago. December corn appears to have reached sold out levels on Fridays sharp break and prices may drift higher before the holiday later this week. Weather remains bearish but prices appear to have factored in the current forecast. Look for additional short covering heading into the end of the day tomorrow. Close in support is 429 with more important retracement resistance at 437 On December.

Corn export inspections for the week ending June 27 came in at 819,577 metric tonnes. Cumulative inspections year-to-date are 42,477,583 metric tonnes which is 28.1% above last year. This is 77.8% of the USDA's forecast for the 2023-24 marketing year versus the five year average of 77.4%.

Corn rated good / excellent (G/EX) as of June 30 was down 2% at 67% and poor / very poor was up 2% at 9%. Current G/EX is unchanged versus the 10 year average and Poor / Very Poor is up 1% versus the 10 year average.

TODAY'S MARKET IDEAS:

Traders have digested the current favorable US weather outlook and are looking at rising stress in the Black Sea and oversold technical conditions. Until Managed Money shorts see adverse enough weather conditions to cause them to exit their recently added short positions, rallies will be limited. Look for nearby resistance at 429 on December futures. If prices correct. 382% of the recent 3-week break, a rally to 437 is possible. Expect additional short covering before the holiday later this week.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

CORN TECHNICAL OUTLOOK:

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CORN (SEP) 07/02/2024: 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. The market tilt is slightly negative with the close under the pivot. The next downside objective is now at 397 1/4. The 9-day RSI under 20 suggests the market is extremely oversold. The next area of resistance is around 411 1/2 and 415 1/4, while 1st support hits today at 402 1/2 and below there at 397 1/4.

CORN (DEC) 07/02/2024: 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. The market tilt is slightly negative with the close under the pivot. The next downside target is 411 1/4. The 9-day RSI under 20 suggests the market is extremely oversold. The next area of resistance is around 424 3/4 and 428 1/4, while 1st support hits today at 416 1/4 and below there at 411 1/4.

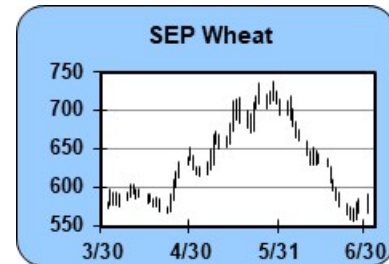
DAILY WHEAT COMMENTARY

7/2/2024

US harvest 54% done, Kansas 80% complete

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):
WHEAT -0.8

OVERNIGHT DEVELOPMENTS: Chicago wheat (SEP 24) prices overnight are down -6 1/4; Kansas City (SEP 24) down -7; and Minneapolis (SEP 24) down -2 1/4. MATIF Milling Wheat(SEP 24) was down -1.0%. Chicago wheat open interest as of July 1 was down 2,268 contracts and Minneapolis wheat was up 2,598 contracts.



NEAR-TERM MARKET FUNDAMENTALS: Prices are starting the day weaker but look to have turned the corner to the upside this week after the extended break over the last month. Today, Chicago December wheat will be looking to extend its streak to 4 consecutive days of higher highs and higher lows. US winter wheat harvest reached 54%, compared to 33% a year ago and Kansas was 80% complete. Harvest hedge pressure has likely reached its peak and will begin to fade over the next couple weeks. HRS conditions were up 1% to 72% good/excellent. SovEcon says as of June 21 Russia has seeded 12.6 million ha of HRS, compared to 13.8 at this time last year. MARS cut their Russian crop estimate to 82.5 million tonnes, down 5% from the 5-year average and well below last year's 93.6 million. Russian export prices are down for the 4th week in a row at \$226 a tonne, down \$5 from last week. Argus cut their Ukraine crop estimate to 20.3 million tonnes, down 2.2 million from last year. Dryness in Argentina has raised establishment concerns in up to 75% of Argentina wheat, according to private weather forecasters. There were 201 SRW deliveries overnight. The upside correction that started last week continues and we look for further gains. Prices still have quite a way to go to the upside to even reach the 382% retracement of the slide over the last month, which stands at 648. Pullbacks should find good support under 598.

Wheat export inspections for the week ending June 27 came in at 309,775 metric tonnes. Cumulative inspections year-to-date are 1,362,323 metric tonnes which is 23.7% above last year. This is 6.3% of the USDA's forecast for the 2024-25 marketing year versus the five year average of 6.4%.

Winter Wheat harvested as of June 30 was up 14% at 54%. This is up 21% versus last year and up 11% versus the 10-year average. Winter Wheat rated good / excellent (G/EX) as of June 30 was down 1% at 51% and poor / very poor was unchanged at 15%. Current G/EX is up 6% versus the 10-year average and Poor / Very Poor is down 10% versus the 10-year average. Spring Wheat rated good / excellent (G/EX) as of June 30 was up 1% at 72% and poor / very poor was unchanged at 4%. Current G/EX is up 12% versus the 10-year average and Poor / Very Poor is down 9% versus the 10-year average.

TODAY'S MARKET IDEAS:

The very speedy US winter wheat harvest pace has been a bearish factor over the last several weeks but now that harvest is beyond halfway done, hedge pressure should begin to fade and open the door for further upside. Technical indicators turned higher late last week and point to a possible run to the 1st retracement resistance on December Chicago at 648. Moving average resistance comes in at 636. The corrective rebound to the upside looks to continue.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

WHEAT TECHNICAL OUTLOOK:

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WHEAT (SEP) 07/02/2024: Rising from oversold levels, daily momentum studies would support higher prices, especially on a close above resistance. A positive signal for trend short-term was given on a close over the 9-bar moving average. Market positioning is positive with the close over the 1st swing resistance. The next upside target is 609. Daily studies suggest buying dips today. The next area of resistance is around 602 1/4 and 609, while 1st support hits today at 578 1/4 and below there at 561.

KC WHEAT (SEP) 07/02/2024: Rising from oversold levels, daily momentum studies would support higher prices, especially on a close above resistance. A positive signal for trend short-term was given on a close over the 9-bar moving average. A positive setup occurred with the close over the 1st swing resistance. The next upside target is 616. Consider buying pull-backs since daily studies are bullish. The next area of resistance is around 609 1/2 and 616, while 1st support hits today at 587 1/2 and below there at 571 3/4.

MINN WHEAT (SEP) 07/02/2024: The stochastics indicators are rising from oversold levels, which is bullish and should support higher prices. The close above the 9-day moving average is a positive short-term indicator for trend. 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 target is 650 1/2. The next area of resistance is around 644 and 650 1/2, while 1st support hits today at 620 1/2 and below there at 603 1/4.

RICE (SEP) 07/02/2024: The close below the 60-day moving average is an indication the longer-term trend has turned down. A negative indicator was given with the downside crossover of the 9 and 18 bar moving average. 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 close below the 2nd swing support number puts the market on the defensive. The next downside objective is now at 14.724. The market is approaching oversold levels on an RSI reading under 30. The next area of resistance is around 15.342 and 15.633, while 1st support hits today at 14.888 and below there at 14.724.

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	407	16.27	23.03	11.90	10.20	415.63	430.53	442.79	457.20	456.55
CNAZ24	420 1/2	15.91	22.45	11.82	10.99	427.88	442.67	455.07	470.08	469.99
SSAQ24	1146	42.40	41.42	11.38	14.48	1139.50	1145.19	1159.17	1192.23	1188.37
SSAX24	1111	33.76	34.20	9.97	12.11	1106.69	1115.28	1133.92	1172.20	1171.65
SMAZ24	332.6	25.78	30.79	11.56	9.20	336.25	340.18	347.12	359.06	355.43
BOAZ24	45.75	65.88	58.74	38.13	58.98	44.19	44.07	44.09	44.85	45.33
WHAU24	590 1/4	41.84	39.40	10.72	18.15	575.94	577.33	609.07	651.03	637.07
WHAZ24	612 1/2	40.78	38.39	10.45	17.93	598.50	600.42	633.13	674.98	660.92
RCAU24	15.115	28.59	36.32	40.44	25.94	15.36	15.50	15.50	15.48	15.32
KWAU24	598 1/2	37.36	36.84	9.19	13.45	591.75	592.33	625.81	665.99	650.21
MWAU24	632 1/4	40.49	36.69	7.57	14.07	616.81	618.53	652.82	701.51	692.96
OTAZ24	323 3/4	37.17	36.26	16.27	21.90	320.06	319.69	337.00	360.03	356.53

Calculations based on previous session. Data collected 07/01/2024

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	397 1/4	402 1/2	406 1/4	411 1/2	415 1/4
CNAZ24	Corn	411 1/4	416 1/4	419 3/4	424 3/4	428 1/4
SSAQ24	Soybeans	1125	1137 1/2	1142 1/4	1154 1/2	1159 1/2
SSAX24	Soybeans	1092	1103	1108	1119	1124
SMAZ24	Soymeal	326.3	329.4	332.6	335.7	338.9
BOAZ24	Soybean Oil	43.16	44.69	45.28	46.81	47.40

WHAU24	Wheat	561	578 1/4	585	602 1/4	609
WHAZ24	Wheat	584 1/2	601	607 1/2	624	630 1/2
RCAU24	Rice	14.723	14.887	15.178	15.342	15.633
KWAU24	KC Wheat	571 1/2	587 1/2	593 3/4	609 1/2	616
MWAU24	MINN Wheat	603	620 1/2	626 3/4	644	650 1/2
OTAZ24	Oats	312 3/4	318 1/2	323	329	333 1/4

Calculations based on previous session. Data collected 07/01/2024

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