



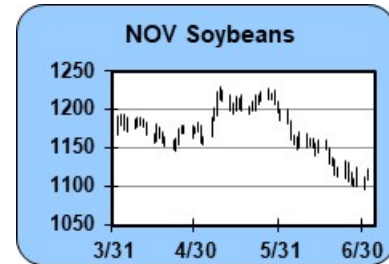
## DAILY GRAINS COMMENTARY Wednesday July 03, 2024

### DAILY SOY COMPLEX COMMENTARY 7/3/2024

#### Short covering into the holiday

**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 3; Soymeal (DEC 24) up 0.10; and Soyoil (DEC 24) up 0.22. Soybean open interest as of July 2 was up 10,248 contracts, soymeal up 9,290 contracts, and soybean oil down 14,791. Chinese Dalian (SEP 24) Soybeans up 0.32%, Soymeal up 0.80%, Soyoil up 1.08%, Palm oil up 0.78%. Malaysian Palm was down 0.17%.



**NEAR-TERM MARKET FUNDAMENTALS:** Despite overall bearish fundamentals, bean prices appear to be headed for a corrective technical bounce to the upside and we give the edge to the bull camp today. Weather forecasts remain mostly favorable but over the next 5 days the heaviest precipitation will be in the north-central Midwest, which may worsen the flooding in some areas. Temperatures are expected to stay below normal across most of the Midwest for the next 10 days. The 8 to 14 day outlook has warmer temperatures moving in to the Western belt. COFCO said their new Santos port terminal in Brazil, the largest in Latin America, is expected to be operational in early 2025. The CEO says it will raise COFCO's export capacity from the current 4.5 million tonnes to a whopping 14 million tonnes once operational. Oversold technicals and Monday's reversal higher may be enough to give the market room for further upside. November bean resistance is 1133 and 1148. Reminder - once the grain markets close this afternoon, they do not reopen until Friday morning at 8:30 AM central time.

#### TODAY'S MARKET IDEAS:

Long-term fundamentals are clearly in favor of the bear camp, however, for the short-term, prices have fallen \$1.30 since late May and an upside correction finally appears to be starting. November resistance is 1133 and 1148 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:

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) 07/03/2024: 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 close above the 9-day moving average suggests the short-term trend remains positive. The close over the pivot swing is a somewhat positive setup. The next upside objective is 1169 1/2. The next area of resistance is around 1159 1/4 and 1169 1/2, while 1st support hits today at 1141 1/4 and below there at 1133 1/2.

SOYBEAN OIL (DEC) 07/03/2024: The moving average crossover up (9 above 18) indicates a possible developing short-term uptrend. Momentum studies are trending higher but have entered overbought levels. The close above the 9-day moving average is a positive short-term indicator for trend. The close over the pivot swing is a somewhat positive setup. The next upside target is 47.88. The 9-day RSI over 70 indicates the market is approaching overbought levels. The next area of resistance is around 47.42 and 47.88, while 1st support hits today at 46.02 and below there at 45.07.

SOYMEAL (DEC) 07/03/2024: Momentum studies are still bearish but are now at oversold levels and will tend to support reversal action if it occurs. A negative signal for trend short-term was given on a close under the 9-bar moving average. The market's close below the 1st swing support number suggests a moderately negative setup for today. The next downside target is now at 322.9. With a reading under 30, the 9-day RSI is approaching oversold levels. The next area of resistance is around 331.8 and 336.8, while 1st support hits today at 324.8 and below there at 322.9.

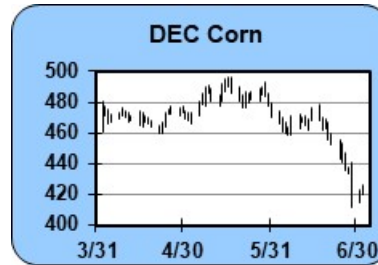
## DAILY CORN COMMENTARY

7/3/2024

**Midwest temperatures expected below normal in the 6 to 10 day**

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

**OVERNIGHT DEVELOPMENTS:** Corn (DEC 24) prices overnight are down -1 1/4. Corn open interest as of July 2 was up 6,238 contracts. Chinese Dalian (SEP 24) Corn was up 0.24%.



**NEAR-TERM MARKET FUNDAMENTALS:** Corn prices have gone sideways so far this week as favorable weather offsets strong demand. Weather forecasts show a lack of heat over the next 10 days. With pollination beginning in some areas as early as next week, weather forecasts lack any significant threat, other than some pockets of flooding, which are likely to be ignored until later in the season when lost acreage can be fully assessed. Ethanol production later today is expected at 1.034 million barrels per day compared to 1.043 million last week. Stocks are expected at 23.348 million barrels compared to 23.423 the week before. AgroConsult increased their safrinha Brazil production from 96.7 to 100.5 million tonnes after touring the crop areas. Yesterday morning, USDA announced a new sale of 100,000 tonnes of corn to Columbia. Black Sea stress will be expanding to 25% of the crop area for corn by the middle of next week but favorable weather in the US offsets and likely means conditions may remain choppy for the near-term.

### TODAY'S MARKET IDEAS:

The current favorable US weather outlook is not pushing prices lower and that may be an indication the outlook has been digested and traders are looking at oversold technical conditions and strong demand. 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 today.

### 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) 07/03/2024: 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. With the close higher than the pivot swing number, the market is in a slightly bullish posture. The next downside target is 401. The 9-day RSI under 20 suggests the market is extremely oversold. The next area of resistance is around 412 and 416 3/4, while 1st support hits today at 404 and below there at 401.

CORN (DEC) 07/03/2024: 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. 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 upside target is 429. With a reading under 20, the 9-day RSI indicates the market is extremely oversold. The next area of resistance is around 424 3/4 and 429, while 1st support hits today at 417 3/4 and below there at 415 1/4.

## DAILY WHEAT COMMENTARY

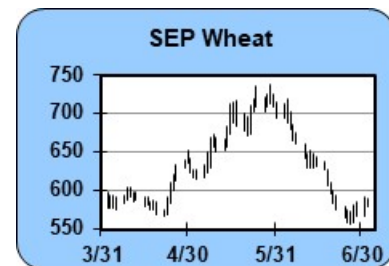
7/3/2024

**Upside correction may continue**

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

**WHEAT +0.13**

**OVERNIGHT DEVELOPMENTS:** Chicago wheat (SEP 24) prices overnight are unchanged; Kansas City (SEP 24) down -2 1/2; and Minneapolis (SEP 24) down -1. MATIF Milling Wheat(SEP 24) was down -0.6%. Chicago wheat open interest as of July 2 was down 1,449 contracts and Minneapolis wheat was up 1,701 contracts.



**NEAR-TERM MARKET FUNDAMENTALS:** Trading action has gone quiet in the wheat as US harvest moves beyond the halfway mark, but we give the edge to the bull camp and expect the upside correction to continue. Yesterday's weakness may have come from a USDA report saying Brazil is heading toward wheat self-sufficiency by the end of the decade. Brazil is currently the 10th largest world wheat importer and consumption of wheat is rising beyond Brazil's production. As a result, Brazil imports significant quantities of wheat from Argentina to benefit from the Mercosur tax-free arrangement. Wheat yields have been steadily rising over the last 20 years in Brazil and new wheat varieties better adapted to the tropical climate conditions are expected to improve yields and production. There were 183 deliveries of SRW wheat overnight. After the extreme break over the last month, look for the upside correction to continue.

### TODAY'S MARKET IDEAS:

Our theme remains the same that the quick 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:

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) 07/03/2024: 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 market tilt is slightly negative with the close under the pivot. The near-term upside objective is at 594 1/4. The next area of resistance is around 586 3/4 and 594 1/4, while 1st support hits today at 575 1/4 and below there at 571.

KC WHEAT (SEP) 07/03/2024: Rising from oversold levels, daily momentum studies would support higher prices, especially on a close above resistance. 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 upside objective is 603 3/4. The next area of resistance is around 598 and 603 3/4, while 1st support hits today at 587 1/2 and below there at 582 1/2.

MINN WHEAT (SEP) 07/03/2024: The stochastics indicators are rising from oversold levels, which is bullish and should support higher prices. A positive signal for trend short-term was given on a close over the 9-bar moving average. With the close higher than the pivot swing number, the market is in a slightly bullish posture. The near-term upside target is at 641 3/4. The next area of resistance is around 636 1/2 and 641 3/4, while 1st support hits today at 625 1/2 and below there at 620.

RICE (SEP) 07/03/2024: 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 pivot swing number is a mildly negative setup. The next downside target is now at 14.834. With a reading under 30, the 9-day RSI is approaching oversold levels. The next area of resistance is around 15.207 and 15.423, while 1st support hits today at 14.913 and below there at 14.834.

## 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>										
CNAU24	408	18.11	24.13	11.68	11.25	411.25	425.22	440.69	456.07	455.73
CNAZ24	421 1/4	17.37	23.33	11.93	12.14	424.06	437.50	452.97	468.92	469.13
SSAQ24	1150 1/4	45.34	43.26	15.02	22.31	1141.50	1144.56	1157.83	1191.55	1187.63
SSAX24	1113	35.83	35.43	12.07	16.28	1108.19	1113.17	1131.83	1170.83	1170.45
SMAZ24	328.3	22.16	28.02	9.82	6.33	333.73	338.30	345.68	358.58	355.23
BOAZ24	46.72	71.83	63.77	50.36	74.83	44.96	44.32	44.26	44.86	45.29
WHAU24	581	37.71	36.88	14.05	20.72	581.06	575.33	604.21	649.68	636.78
WHAZ24	604 3/4	37.21	36.21	13.93	20.89	603.94	598.36	628.11	673.63	660.64
RCAU24	15.060	26.82	34.83	32.99	18.08	15.25	15.42	15.48	15.47	15.33
KWAU24	592 3/4	34.19	34.91	11.06	14.79	593.69	590.39	620.35	664.35	650.23
MWAU24	631	39.85	36.31	11.55	19.52	623.56	617.50	647.79	699.75	692.37
OTAZ24	316 3/4	31.32	32.75	17.94	21.28	321.13	318.33	334.33	359.09	356.12

Calculations based on previous session. Data collected 07/02/2024

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>						
CNAU24	Corn	401	404	409	412	417
CNAZ24	Corn	415	417 3/4	422	424 3/4	429
SSAQ24	Soybeans	1133 1/2	1141 1/4	1151 1/2	1159 1/4	1169 1/2
SSAX24	Soybeans	1099 1/2	1105 1/2	1114 3/4	1120 1/2	1130
SMAZ24	Soymeal	322.8	324.8	329.8	331.8	336.8
BOAZ24	Soybean Oil	45.06	46.01	46.47	47.42	47.88

WHAU24	Wheat	571	575	582 3/4	587	594 1/2
WHAZ24	Wheat	596	599 1/2	606 1/4	610	616 1/2
RCAU24	Rice	14.833	14.912	15.128	15.207	15.423
KWAU24	KC Wheat	582 1/4	587 1/2	593	598	603 3/4
MWAU24	MINN Wheat	620	625 1/2	631	636 1/2	642
OTAZ24	Oats	303	309 1/2	317 1/2	324	332

**Calculations based on previous session. Data collected 07/02/2024**

**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.*