



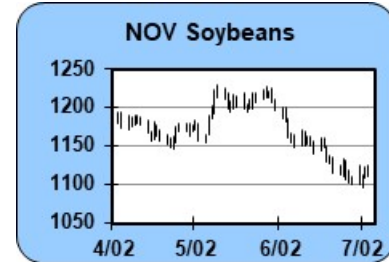
DAILY GRAINS COMMENTARY Friday July 05, 2024

DAILY SOY COMPLEX COMMENTARY 7/5/2024

Major news lacking over holiday, further short covering expected

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):
SOY BEANS -0.0, BEAN OIL N/A, SOYMEAL N/A

OVERNIGHT DEVELOPMENTS: US grains are closed overnight and are set to open at 8:30AM Chicago time. Soybean open interest as of July 3 was up 10,801 contracts, soymeal up 9,778 contracts, and soybean oil up 3,006. Chinese Dalian (SEP 24) Soybeans up 0.26%, Soymeal down 0.54%, Soyoil down 0.55%, Palm oil down 0.37%. Malaysian Palm was down 0.66%.



NEAR-TERM MARKET FUNDAMENTALS: Wednesday's close was the best in the week on the November beans as short covering before the holiday kicked in. Today's volume is likely to be low and US weather looks similar to that of Wednesday with below normal temperatures expected in the 6 to 10 day timeframe for the Midwest and heat moving into the 8 to 14 day timeframe in the Northwest and North central corn belt. The 1 - 5 day precipitation will be heaviest in the southern Plains, with light amounts elsewhere in the Midwest. Weekly export sales will be out this morning and the range of estimates for beans is 200,000 - 600,000 tonnes, for meal 100,000 - 500,000 tonnes and 0 - 15,000 for bean oil. US may bean exports were 52 million bushels, compared to 65 million last month and 37 million a year ago. May meal exports were 1.114 million tonnes, down from 1.386 last month and down from 1.169 year ago. The Buenos Aries Grain Exchange says Argentine bean harvest is completed and their final crop estimate is 50.5 million tonnes compared to USDA at 50 million. Brazil's June exports were 13.95 million tonnes, compared to 13.75 year ago. This is the time of year when bean exports out of Brazil begin to decline and corn exports ramp up. Monday's reversal higher is a friendly technical sign and points to a further short covering rally. Look for 1st resistance at 1133. Support is 1111.

TODAY'S MARKET IDEAS:

The long slide from late May looks to finally be getting a correction to the upside. Many traders are absent today and volume may be light, but we see the path of least resistance as higher. November resistance is 1133 and 1148 and pullbacks are likely to find support below 1111.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None

SOYBEAN COMPLEX TECHNICAL OUTLOOK:

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SOYBEANS (AUG) 07/05/2024: 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. It is a mildly bullish indicator that the market closed over the pivot

swing number. The next upside objective is 1172 1/2. The next area of resistance is around 1166 and 1172 1/2, while 1st support hits today at 1149 1/2 and below there at 1139 1/2.

SOYBEAN OIL (DEC) 07/05/2024: Rising stochastics at overbought levels warrant some caution for bulls. The market's close above the 9-day moving average suggests the short-term trend remains positive. The market's close above the 2nd swing resistance number is a bullish indication. The next upside objective is 49.26. The market is approaching overbought levels with an RSI over 70. The next area of resistance is around 48.74 and 49.26, while 1st support hits today at 47.07 and below there at 45.90.

SOYMEAL (DEC) 07/05/2024: Momentum studies are still bearish but are now at oversold levels and will tend to support reversal action if it occurs. The market's close below the 9-day moving average is an indication the short-term trend remains negative. The upside closing price reversal on the daily chart is somewhat bullish. It is a slightly negative indicator that the close was under the swing pivot. The next downside target is 324.9. With a reading under 30, the 9-day RSI is approaching oversold levels. The next area of resistance is around 331.5 and 334.1, while 1st support hits today at 326.9 and below there at 324.9.

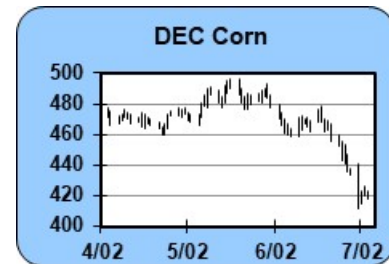
DAILY CORN COMMENTARY

7/5/2024

Black Sea stress rises next week

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):
CORN N/A

OVERNIGHT DEVELOPMENTS: US grain markets are closed overnight and are set to open at 8:30AM Chicago time. Corn open interest as of July 3 was up 1,986 contracts. Chinese Dalian (SEP 24) Corn was down 0.16%.



NEAR-TERM MARKET FUNDAMENTALS: Corn prices have gone nowhere the 1st half of this week but rising Black Sea crop stress over the next 2 weeks is a supportive factor. US weather remains bearish but there are hints of potential heat moving into the Western corn belt in the 8 to 14 day timeframe. Below normal temperatures will prevail in the 6 to 10 day across all the Midwest except for the far northwest that will keep crop stress low. Precipitation will be heaviest in the southern Plains with scattered amounts elsewhere. May US corn exports were 235 million bushels, down from 253 last month and down from 241 million a year ago. According to the US attache, China's corn imports may total 20 million tonnes for the 2024/25 crop year, down from USDA's latest number at 23 million. Weekly export sales this morning is expected in a range of 500,000 - 900,000 tonnes. Brazil's corn exports seasonally ramp up at this time of year, however, the US is currently cheaper. Brazil's corn exports for June totaled 850,892 tonnes compared to 1,034,282 tonnes of a year ago. There doesn't appear to be any major news over the holiday that would suggest a large move today and we expect choppy conditions to prevail to finish out the week. Close in resistance on December futures is 428 and support at 414.

Ethanol average daily production for the week ending June 28 averaged 1.064 million barrels. This was up 2.0% from last week and up 0.4% from last year. The 5-year average for this week is 1.029 million barrels per day. Ethanol production for the week was 7.448 million barrels. Ethanol stocks were 23.594 million barrels. This was a new high stocks level for this week of the year. The previous high was 23.490 million barrels in 2022. This was up 0.7% from last week and up 6.0% from last year. The 5-year average stocks for this week is 22.066 million barrels. The amount of corn used for the week is estimated at 105.61 million bushels. Cumulative corn use for the crop year has reached 4.423 billion bushels. Corn use needs to average 112.33 million bushels per week to meet the USDA's marketing year forecast of 5.450 billion bushels.

TODAY'S MARKET IDEAS:

The US weather outlook is favorable while the Black Sea outlook indicates crop stress increasing next week and that may keep a bid under the market today. Major market moving news is absent and we expect volume will be

lighter than normal today. Technicals are oversold but not showing any buy signal yet. Look for December futures resistance at 428 and support at 414.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

CORN TECHNICAL OUTLOOK:

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CORN (SEP) 07/05/2024: 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. It is a slightly negative indicator that the close was lower than the pivot swing number. The next downside target is now at 400 1/2. The 9-day RSI under 20 suggests the market is extremely oversold. The next area of resistance is around 408 1/4 and 411 3/4, while 1st support hits today at 402 3/4 and below there at 400 1/2.

CORN (DEC) 07/05/2024: 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's close below the pivot swing number is a mildly negative setup. The next downside objective is now at 414 1/2. Selling may soon dry up since the RSI is under 20 indicating the market is extremely oversold. The next area of resistance is around 422 1/4 and 425 1/4, while 1st support hits today at 416 3/4 and below there at 414 1/2.

DAILY WHEAT COMMENTARY

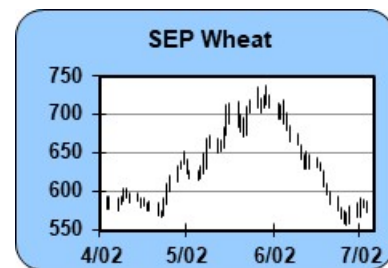
7/5/2024

Russian crop revised higher

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):

WHEAT N/A

OVERNIGHT DEVELOPMENTS: US grain markets are closed overnight and are set to open at 8:30AM Chicago time. MATIF Milling Wheat(SEP 24) was up 1.4%. Chicago wheat open interest as of July 3 was up 3,262 contracts and Minneapolis wheat was up 1,838 contracts.



NEAR-TERM MARKET FUNDAMENTALS: Prices may start out under a bit of pressure today as SovEcon raised their Russian wheat production forecast from 80.7 million tonnes to 84.1 million tonnes, citing better early yields than expected. This was not completely unexpected as other private forecasters have also increased their estimate lately after aggressively cutting the Russian crop back in April and May after the frost. May US wheat exports were 58 million bushels, down from 71 million last month and up from 54 million a year ago. The Philippines were the largest buyer followed by Mexico. FAO-AMIS increased their world wheat stock estimate to 308.4 million tonnes up from 306.8 in June. French wheat conditions dropped 2% and early harvest yields are down 13% due to persistent rains.

Weekly export inspections will be out this morning and the estimate range is 350,000 - 700,000 tonnes. The Buenos Aries Grain Exchange says Argentine wheat is 85% planted but there have been some establishment concerns due to dryness. The corrective rally that started late last week is expected to continue and 1st resistance is 618 and then 635 on December Chicago.

TODAY'S MARKET IDEAS:

EU wheat is higher overnight and some strength could spillover into the US opening, but an increase in Russian wheat production may keep buyers from getting aggressive today. We look for the upside correction to continue next week as US hedge pressure fades. Pullbacks under 590 on December Chicago should find good buying.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

WHEAT TECHNICAL OUTLOOK:

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WHEAT (SEP) 07/05/2024: 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 market setup is somewhat negative with the close under the 1st swing support. The next upside objective is 593. The next area of resistance is around 581 3/4 and 593, while 1st support hits today at 566 1/4 and below there at 561 3/4.

KC WHEAT (SEP) 07/05/2024: Rising from oversold levels, daily momentum studies would support higher prices, especially on a close above resistance. The market's close below the 9-day moving average is an indication the short-term trend remains negative. The defensive setup, with the close under the 2nd swing support, could cause some early weakness. The near-term upside objective is at 600 1/4. The next area of resistance is around 589 1/4 and 600 1/4, while 1st support hits today at 574 1/4 and below there at 570 1/2.

MINN WHEAT (SEP) 07/05/2024: 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. The swing indicator gave a moderately negative reading with the close below the 1st support number. The next upside objective is 638 1/2. The next area of resistance is around 628 1/4 and 638 1/2, while 1st support hits today at 614 1/4 and below there at 610 1/2.

RICE (SEP) 07/05/2024: 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. It is a slightly negative indicator that the close was lower than the pivot swing number. The next downside objective is 14.902. With a reading under 30, the 9-day RSI is approaching oversold levels. The next area of resistance is around 15.047 and 15.131, while 1st support hits today at 14.933 and below there at 14.902.

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	405 1/2	17.05	23.23	11.28	10.47	407.00	420.86	437.79	454.89	454.87
CNAZ24	419 1/2	16.62	22.69	11.90	11.86	420.50	433.36	450.19	467.73	468.24
SSAQ24	1157 3/4	50.36	46.45	20.90	32.66	1146.88	1146.56	1155.85	1190.94	1187.05
SSAX24	1121 1/2	44.17	40.54	15.87	23.47	1112.38	1113.69	1129.31	1169.57	1169.41
SMAZ24	329.2	24.66	29.45	8.56	6.05	331.40	337.08	344.17	357.96	355.01
BOAZ24	47.91	77.30	68.79	61.85	84.82	46.04	44.71	44.42	44.92	45.28
WHAU24	574	34.78	35.04	16.16	20.38	579.69	574.00	599.33	648.45	636.38
WHAZ24	598	34.26	34.38	16.31	21.08	603.06	597.06	623.11	672.36	660.24
RCAU24	14.990	24.64	32.99	25.83	11.53	15.14	15.34	15.45	15.47	15.34
KWAU24	581 3/4	30.66	32.67	11.81	13.32	590.38	588.75	614.32	662.58	650.01
MWAU24	621 1/4	35.63	33.84	14.71	21.03	624.75	617.17	642.60	697.72	691.61
OTAZ24	313 3/4	29.11	31.35	18.71	20.25	319.38	316.89	330.99	357.94	355.81

Calculations based on previous session. Data collected 07/03/2024

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	400 1/2	402 1/2	406 1/4	408 1/2	412
CNAZ24	Corn	414 1/2	416 3/4	420	422 1/4	425 1/2
SSAQ24	Soybeans	1139 1/2	1149 1/2	1156	1166	1172 1/2
SSAX24	Soybeans	1104 1/2	1113 3/4	1120	1129 1/4	1135 1/2
SMAZ24	Soymeal	324.9	326.9	329.5	331.5	334.1
BOAZ24	Soybean Oil	45.90	47.06	47.58	48.74	49.26
WHAU24	Wheat	561 1/2	566	577 1/4	582	593
WHAZ24	Wheat	585 3/4	590 1/2	601	605 1/2	616 1/4
RCAU24	Rice	14.901	14.932	15.016	15.047	15.131
KWAU24	KC Wheat	570 1/2	574 1/4	585 1/2	589 1/4	600 1/2
MWAU24	MINN Wheat	610 1/2	614 1/4	624 1/2	628 1/4	638 1/2
OTAZ24	Oats	309	311	314 1/4	316 1/2	319 1/2

Calculations based on previous session. Data collected 07/03/2024

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