



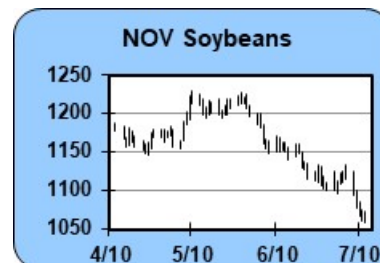
## DAILY GRAINS COMMENTARY Monday July 15, 2024

### DAILY SOY COMPLEX COMMENTARY 7/15/2024

#### USDA reinforces long term bearish outlook

**OVERNIGHT CHANGES THROUGH 6:06 AM (CT):**  
SOY BEANS -0.2, BEAN OIL -0.0, SOYMEAL -0.2

**OVERNIGHT DEVELOPMENTS:** Soybeans (NOV 24) prices overnight are down -16 1/2; Soymeal (DEC 24) down -2.20; and Soyoil (DEC 24) down -0.93. Soybean open interest as of July 12 was up 10,129 contracts, soymeal up 1,163 contracts, and soybean oil up 5,373. Chinese Dalian (SEP 24) Soybeans down 1.13%, Soymeal down 2.07%, Soyoil down 0.57%, Palm oil down 0.59%. Malaysian Palm was down 0.49%.



**NEAR-TERM MARKET FUNDAMENTALS:** Although Friday's USDA report was slightly friendly compared to pre-report expectations, it also reinforced the longer-term bearish supply situation and prices are following through to the downside to start the week. Old and new crop US ending stocks were both slightly under expectations. USDA did raise China's bean imports to 103 million tonnes. CFTC data showed funds are holding a new record net short position of 172,605 contracts, passing the previous record in 2019. Bean oil had a 2nd week of large fund buying which has reduced their net short position over the last 2 weeks by over 90,000 contracts to 17,000 net shorts as of Tuesday of last week. NOPA June crush will be released this morning and the pre-report estimate is 177.94 million bushels, down from 183.625 in May. Bean oil stocks are expected at 1.669 billion pounds, down from 1.724 in May. There were 40 deliveries of meal over the weekend, 220 bean oil and 32 beans. Some rains are moving through the Eastern corn belt this morning and through the next 2 weeks temperatures will be mostly below normal for the Midwest, except for the northwest growing areas. Precipitation this week will be focused on Eastern Colorado, Western Kansas and parts of the Eastern corn belt. The current break is likely to be reaching attractive prices for China to make additional purchases, however, they also know the bearish stats and will likely be in no rush. Now that the report is behind us, traders will be looking ahead to the extended Midwest forecast, which looks favorable at this time, to gauge whether it will pose any risks for podsetting in August. The bearish pressure is reaching extreme levels, but the technical outlook still points lower. Look for next support on November beans at 1031.

The July 9th Commitments of Traders report showed Soybeans Managed Money traders hit a new extreme short of 172,605 contracts. Managed Money traders are net short 172,605 contracts after net selling 31,679 contracts. CIT traders net sold 5,726 contracts and are now net long 103,905 contracts. Non-Commercial No CIT traders were net short 175,772 contracts after increasing their already short position by 29,495 contracts. Non-Commercial & Non-Reportable traders added 37,351 contracts to their already short position and are now net short 193,743.

Soymeal positioning in the Commitments of Traders for the week ending July 9th showed Managed Money traders are net long 60,693 contracts after net selling 12,766 contracts. CIT traders reduced their net long position by 1,753 contracts to a net long 100,449 contracts. Non-Commercial No CIT traders were net long 35,377 contracts after decreasing their long position by 10,810 contracts. Non-Commercial & Non-Reportable traders are net long 80,515 contracts after net selling 13,036 contracts.

The Commitments of Traders report for the week ending July 9th showed Soyoil Managed Money traders were net short 17,018 contracts after decreasing their short position by 44,836 contracts. CIT traders are net long 129,763 contracts after net buying 4,080 contracts. Non-Commercial No CIT traders net bought 34,658 contracts

and are now net short 38,432 contracts. Non-Commercial & Non-Reportable traders went from a net short to a net long position of 5,194 contracts after net buying 40,930 contracts.

**TODAY'S MARKET IDEAS:**

Yes, the USDA report was not as bearish as pre-report guesses were suggesting, however, with the US crop in good condition, a burdensome new crop carryout is becoming more likely, and prices are sinking to uncover some new demand. With US weather not indicating significant crop stress over the next 2 weeks, there is little other bull news to offset the favorable conditions. Next support for November is 1031.

**NEW RECOMMENDATIONS:**

None.

**PREVIOUS RECOMMENDATIONS:**

None

Commitment of Traders - Futures and Options - 7/2/2024 - 7/9/2024						
	Non-Commercial			Commercial		Non-Reportable
	Net Position	Weekly Net Change	Net Position	Weekly Net Change	Net Position	Weekly Net Change
<b>Grains</b>						
Soybeans	-177,654	-33,011	193,743	+37,351	-16,089	-4,340
Soymeal	60,725	-14,001	-80,516	+13,035	19,790	+965
Soyoil	1,354	+41,555	-5,195	-40,931	3,840	-625

**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) 07/15/2024: Daily stochastics are trending lower but have declined into oversold territory. 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 now at 1091 1/2. The market is approaching oversold levels on an RSI reading under 30. The next area of resistance is around 1113 1/4 and 1124 1/4, while 1st support hits today at 1096 3/4 and below there at 1091 1/2.

SOYBEAN OIL (DEC) 07/15/2024: 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 outside day down is a negative signal. The market's close below the pivot swing number is a mildly negative setup. The next downside objective is now at 44.60. The next area of resistance is around 46.22 and 47.13, while 1st support hits today at 44.96 and below there at 44.60.

SOYMEAL (DEC) 07/15/2024: 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 market's close below the pivot swing number is a mildly negative setup. The next downside target is now at 310.4. The 9-day RSI under 20 suggests the market is extremely oversold. The next area of resistance is around 316.0 and 318.1, while 1st support hits today at 312.2 and below there at 310.4.

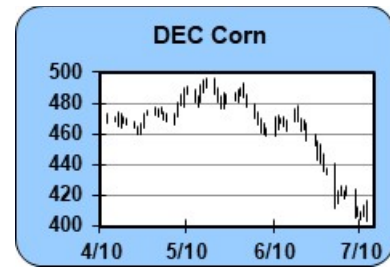
**DAILY CORN COMMENTARY**

7/15/2024

**4 new human bird flu cases overshadow friendly USDA data**

**OVERNIGHT CHANGES THROUGH 6:06 AM (CT):**  
**CORN -0.5**

**OVERNIGHT DEVELOPMENTS:** Corn (DEC 24) prices overnight are down -5 1/4. Corn open interest as of July 12 was down 5,305 contracts. Chinese Dalian (SEP 24) Corn was down 0.79%.



**NEAR-TERM MARKET FUNDAMENTALS:** Price action is bearish once again to start the week, despite USDA offering a friendly report Friday with old and new crop carryouts shrinking more than expected. Feed and residual and exports increases tightened both old and new crop balance sheets and may result in corn being more sensitive to any weather threats. However, for the next 2 weeks as pollination is ongoing, the heat looks to stay in the Northwest corn belt with normal and below normal temperatures for the rest of the Midwest. This should allow favorable pollination weather for a good portion of the crop. Commitment of Traders data showed Managed Money net shorts at record levels of 354,000 contracts as of Tuesday of last week, which is highly unusual for this time of year but is an indication of the extreme bearish attitude. There were 111 deliveries overnight. Some of this morning's weakness may be coming from reports of 4 new human bird flu cases found in poultry workers in Colorado and from Safras's 2024/25 Brazil production estimate at 134.92 million tonnes, up from 125.56 in 2023/24. Friday's technical reversal higher on December corn from very oversold levels could be significant if prices can follow through with a higher close today. But with the current weather forecast and highly rated crop conditions, rallies are likely to disappoint in the short-term.

The Commitments of Traders report for the week ending July 9th showed Corn Managed Money traders hit a new extreme short of 353,983 contracts. Managed Money traders are net short 353,983 contracts after net selling 17,445 contracts. CIT traders added 3,072 contracts to their already long position and are now net long 244,206. Non-Commercial No CIT traders were net short 321,081 contracts after increasing their already short position by 15,477 contracts. Non-Commercial & Non-Reportable traders are net short 305,719 contracts after net selling 16,539 contracts.

**TODAY'S MARKET IDEAS:**

Friday's friendly USDA report has taken a backseat to 4 new human cases of bird flu found in Colorado. In addition, pollination weather looks generally favorable across the Midwest for the next 2 weeks and weakness in wheat and beans is also spilling over into the corn market today. Friday's upside technical reversal will only be important if prices can close higher today to confirm the signal. Long-term support for December corn remains at 395 1/2.

**NEW RECOMMENDATIONS:**

None.

**PREVIOUS RECOMMENDATIONS:**

None.

Commitment of Traders - Futures and Options - 7/2/2024 - 7/9/2024						
	Non-Commercial			Commercial		Non-Reportable
	Net Position	Weekly Net Change	Net Position	Weekly Net Change	Net Position	Weekly Net Change
<b>Grains</b>						
Corn	-277,559	-10,233	305,719	+16,539	-28,160	-6,306

**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) 07/15/2024: 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 daily closing price reversal up is a positive indicator that could support higher prices. It is a mildly bullish indicator that the market closed over the pivot swing number. The next upside objective is 413 1/2. The next area of resistance is around 408 3/4 and 413 1/2, while 1st support hits today at 395 1/4 and below there at 386 1/4.

CORN (DEC) 07/15/2024: The daily stochastics have crossed over up which is a bullish indication. Rising from oversold levels, daily momentum studies would support higher prices, especially on a close above resistance. A negative signal for trend short-term was given on a close under the 9-bar moving average. The outside day up is a positive signal. With the close over the 1st swing resistance number, the market is in a moderately positive position. The near-term upside objective is at 425 3/4. The next area of resistance is around 421 1/2 and 425 3/4, while 1st support hits today at 408 and below there at 398 3/4.

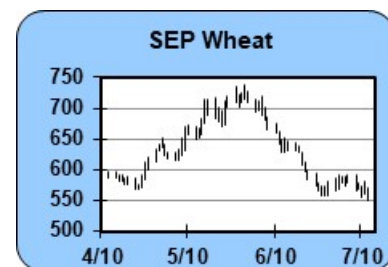
## DAILY WHEAT COMMENTARY

7/15/2024

### USDA data justifies recent sharp market break

**OVERNIGHT CHANGES THROUGH 6:06 AM (CT):**  
WHEAT -1.55

**OVERNIGHT DEVELOPMENTS:** Chicago wheat (SEP 24) prices overnight are down -15; Kansas City (SEP 24) down -13 1/4; and Minneapolis (SEP 24) down -7. MATIF Milling Wheat(DEC 24) was down -2.2%. Chicago wheat open interest as of July 12 was up 2,397 contracts and Minneapolis wheat was down 993 contracts.



**NEAR-TERM MARKET FUNDAMENTALS:** Friday's bearish supply/demand stats from the USDA are going to be hard for the market to overcome in the near-term as the technical picture weakens and prices sink to new contract lows to start the week. HRW and spring wheat production were well above guesses, yield was raised a significant 2.4 BPA, and burdensome ending stocks look to be a significant bearish problem for the rest of the year. The USDA numbers indicate the sharp price drop since late May is justified by the fundamental data. Adding to the bearish news, IKAR raised their Russian wheat crop estimate to 83.2 million tonnes, up from 82 million last month. China says their summer wheat crop is up 2.7% year-over-year to 138.22 million tonnes. CFTC data showed managed Money net shorts at 69,000 contracts as of Tuesday of last week, down 4800 from the previous week. French wheat harvest is 4% done and conditions dropped 1% last week to 57% good/excellent. Argentine's wheat seeding is nearly done at 93% complete. It appears Kansas City wheat will be the weak link in the near-term and rallies are likely to find overhead selling until some new input changes the burdensome balance sheet ideas. Chicago December resistance is 578 and look for next support at 541.

Wheat positioning in the Commitments of Traders for the week ending July 9th showed Managed Money traders reduced their net short position by 4,837 contracts to a net short 69,137 contracts. CIT traders net bought 641 contracts and are now net long 91,781 contracts. Non-Commercial No CIT traders net bought 2,703 contracts and are now net short 89,877 contracts. Non-Commercial & Non-Reportable traders net bought 3,313 contracts and are now net short 50,685 contracts.

KC Wheat positioning in the Commitments of Traders for the week ending July 9th showed Managed Money traders net bought 2,292 contracts and are now net short 40,811 contracts. CIT traders reduced their net long position by 1,068 contracts to a net long 61,724 contracts. Non-Commercial No CIT traders reduced their net short position by 2,315 contracts to a net short 44,594 contracts. Non-Commercial & Non-Reportable traders added 172 contracts to their already short position and are now net short 36,110.

### TODAY'S MARKET IDEAS:

Although wheat prices ahead of the report were leaning heavily bearish, USDA certainly justified the weakness with even more bearish data than expected. Prices are likely to struggle to rally in the short-term as there is a lack

of any bullish inputs to offset the bearish supply/demand stats. Look for support on December Chicago 541. A rally to resistance at 578 may be a selling opportunity.

**NEW RECOMMENDATIONS:**

None.

**PREVIOUS RECOMMENDATIONS:**

None.

Commitment of Traders - Futures and Options - 7/2/2024 - 7/9/2024						
	Non-Commercial		Net Position	Commercial		Non-Reportable
	Net Position	Weekly Net Change		Weekly Net Change	Net Position	
<b>Grains</b>						
KC Wheat	-30,656	+2,052	36,111	+173	-5,454	-2,224
Wheat	-46,956	+2,773	50,684	-3,314	-3,729	+540

**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) 07/15/2024: A bearish signal was triggered on a crossover down in the daily stochastics. Daily stochastics declining into oversold territory suggest the selling may be drying up soon. A negative signal for trend short-term was given on a close under the 9-bar moving average. The swing indicator gave a moderately negative reading with the close below the 1st support number. The next downside objective is 534 1/4. The next area of resistance is around 561 1/2 and 577 1/4, while 1st support hits today at 540 and below there at 534 1/4.

KC WHEAT (SEP) 07/15/2024: 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's close below the 9-day moving average is an indication the short-term trend remains negative. The market setup is somewhat negative with the close under the 1st swing support. The next upside target is 590 1/4. The next area of resistance is around 578 1/2 and 590 1/4, while 1st support hits today at 559 1/2 and below there at 552.

MINN WHEAT (SEP) 07/15/2024: A crossover down in the daily stochastics is a bearish signal. Daily stochastics declining into oversold territory suggest the selling may be drying up soon. The close below the 9-day moving average is a negative short-term indicator for trend. The close below the 2nd swing support number puts the market on the defensive. The next downside objective is now at 582 1/2. The next area of resistance is around 607 1/4 and 621 3/4, while 1st support hits today at 587 3/4 and below there at 582 1/2.

RICE (SEP) 07/15/2024: 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 now at 14.473. The next area of resistance is around 14.715 and 14.792, while 1st support hits today at 14.555 and below there at 14.473.

**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	402	33.14	31.91	10.97	13.82	398.00	401.81	418.56	445.81	449.47
CNAZ24	414 3/4	32.69	31.17	10.50	12.92	410.31	414.92	431.15	458.66	462.58
SSAQ24	1105	28.97	32.84	22.30	13.24	1116.63	1137.31	1141.25	1180.67	1182.55
SSAX24	1065 1/4	23.53	27.01	13.92	9.85	1070.00	1094.97	1106.19	1155.09	1161.00
SMAZ24	314.1	18.40	23.57	5.63	4.95	316.18	323.19	332.37	351.50	352.77
BOAZ24	45.59	48.64	50.34	66.03	57.33	45.91	46.77	45.32	45.24	45.23

WHAU24	550 3/4	32.83	34.08	22.41	19.56	563.88	573.53	576.42	639.02	634.78
WHAZ24	575 3/4	32.72	33.74	23.70	21.01	587.81	597.17	599.82	662.66	658.69
RCAU24	14.635	31.86	34.04	9.84	8.64	14.61	14.77	15.16	15.38	15.32
KWAU24	569	35.76	35.78	18.10	20.84	573.69	582.92	588.51	651.68	648.56
MWAU24	597 1/2	30.23	31.16	25.57	23.24	611.19	620.17	620.19	684.13	687.22
OTAZ24	318 1/4	45.94	42.33	27.73	36.11	312.38	316.00	318.08	350.68	353.16

Calculations based on previous session. Data collected 07/12/2024

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	386 1/4	395	400	409	413 3/4
CNAZ24	Corn	398 3/4	408	412 1/4	421 1/2	425 3/4
SSAQ24	Soybeans	1091 1/2	1096 3/4	1108	1113 1/4	1124 1/2
SSAX24	Soybeans	1052	1058 1/4	1066	1072 1/4	1080
SMAZ24	Soymeal	310.3	312.1	314.2	316.0	318.1
BOAZ24	Soybean Oil	44.59	44.95	45.86	46.22	47.13
WHAU24	Wheat	534 1/4	540	555 3/4	561 1/2	577 1/4
WHAZ24	Wheat	561	566	580 1/4	585 1/2	599 1/2
RCAU24	Rice	14.472	14.555	14.632	14.715	14.792
KWAU24	KC Wheat	551 3/4	559 1/2	571	578 1/2	590 1/4
MWAU24	MINN Wheat	582 1/4	587 1/2	602	607 1/2	621 3/4
OTAZ24	Oats	309 1/4	313 1/2	319	323	328 3/4

Calculations based on previous session. Data collected 07/12/2024

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.