



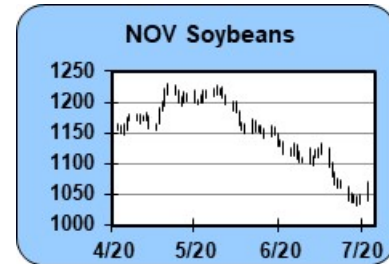
DAILY GRAINS COMMENTARY Tuesday July 23, 2024

DAILY SOY COMPLEX COMMENTARY 7/23/2024

Hot/dry pattern moving into western bean belt

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) up 0.20; and Soyoil (DEC 24) up 0.09. Soybean open interest as of July 22 was down 3,843 contracts, soymeal down 2,576 contracts, and soybean oil up 4,839. Chinese Dalian (SEP 24) Soybeans up 0.55%, Soymeal up 0.38%, Soyoil up 1.06%, Palm oil up 1.20%. Malaysian Palm was down 0.45%.



NEAR-TERM MARKET FUNDAMENTALS: Crop stress will be increasing in the US and that gives the edge to the bull camp. US weather worries have finally come to the forefront after the growing season to this point has been very favorable in most areas the Midwest. While it is unusual for Managed Money to hold such a heavy net short position in the middle of the growing season, there has been little reason for funds to exit their positions until now. The 1 to 5 day forecast shows near complete dryness in the Western bean belt and the Plains, while the southeast US stays wet and the Eastern bean belt sees very light precipitation chances. The 6 to 10 day forecast has above normal precipitation for the Eastern bean belt but temperatures rising above normal for the central and Western belt and the 8 to 14 day maps show below normal precipitation and hot temperatures for the Western belt. Subsoil moisture conditions have been good across the Midwest all summer but that will now change with the extended dryness expected in the Western belt and Plains. China cut rates for the 1st time in a year yesterday and some traders saw that as a reason for more potential China demand. US crop conditions held steady last week at 68% good/excellent compared to 54% year ago. Conditions are likely to begin declining next week, especially across the Western crop areas. Meal and bean oil prices were both very strong yesterday as significant processor downtime is just ahead and is likely to tighten soy products supplies. Yesterday's strong rally turned the short-term technicals higher and further short covering gains are likely. Initial retracement resistance is 1082 1/2 on November. With a period of declining crop conditions in the US ahead, small breaks will be well supported for the near-term.

Soybean export inspections for the week ending July 18 came in at 327,061 metric tonnes. Cumulative inspections year-to-date are 42,350,088 metric tonnes which is 15.6% below last year. This is 91.5% of the USDA's forecast for the 2023-24 marketing year versus the five year average of 88.3%.

Soybeans rated good / excellent (G/EX) as of July 21 was unchanged at 68% and poor / very poor was unchanged at 8%. Current G/EX is up 5% versus the 10 year average and Poor / Very Poor is down 2% versus the 10 year average. Of the 18 reported states 9 reported better, 7 worse, and 2 unchanged G/EX ratings. The good / excellent ratings for the top producing states were: Illinois 76%(+3%), Iowa 74%(+2%), Minnesota 57%(-1%), Indiana 68%(+1%), Ohio 68%(+4%).

TODAY'S MARKET IDEAS:

Heat moving into the US crop areas next week is bullish, especially in light of the fact Managed Money is holding a record short position and August is the most important crop development month for beans. Look for further upside gains as funds now have a reason to exit their record short positions. November Bean 1st retracement resistance is 1082 1/2 and then 1094 1/2.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None

SOYBEAN COMPLEX TECHNICAL OUTLOOK:

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SOYBEANS (AUG) 07/23/2024: 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's close above the 2nd swing resistance number is a bullish indication. The near-term upside target is at 1133. The next area of resistance is around 1127 1/4 and 1133, while 1st support hits today at 1108 1/4 and below there at 1094 3/4.

SOYBEAN OIL (DEC) 07/23/2024: 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. Market positioning is positive with the close over the 1st swing resistance. The next downside objective is 43.54. The next area of resistance is around 45.43 and 45.87, while 1st support hits today at 44.27 and below there at 43.54.

SOYMEAL (DEC) 07/23/2024: Daily stochastics are showing positive momentum from oversold levels, which should reinforce a move higher if near term resistance is taken out. The close above the 9-day moving average is a positive short-term indicator for trend. There could be more upside follow through since the market closed above the 2nd swing resistance. The near-term upside target is at 328.6. The next area of resistance is around 325.4 and 328.6, while 1st support hits today at 313.4 and below there at 304.5.

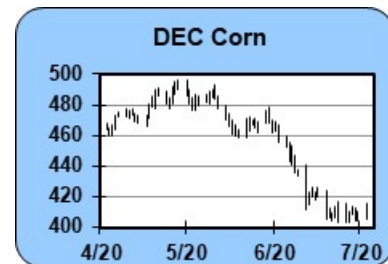
DAILY CORN COMMENTARY

7/23/2024

Western belt and Plains crop stress rising next week

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

OVERNIGHT DEVELOPMENTS: Corn (DEC 24) prices overnight are down -1/2. Corn open interest as of July 22 was up 4,101 contracts. Chinese Dalian (SEP 24) Corn was down 0.17%.



NEAR-TERM MARKET FUNDAMENTALS: Corn prices may be ready to turn higher as a hot/dry pattern is expected to move into the Western Midwest and the Great Plains next week, which may trigger significant fund short covering if December corn can breakout above last week's high of 416 1/2. Forecast models show very limited chances for the Western half of the US growing areas over the next 2 weeks and above normal temperatures moving in to the Western belt and then spreading across to the eastern belt in week 2. US crop conditions fell 1% last week to 67% good/excellent, compared to 57% at this time last year. However, conditions have likely peaked and are expected to deteriorate over the next couple weeks based on the current forecast. EU corn yields were cut below the 5-year average yesterday on unfavorable weather and Paris corn futures hit a 6-week high. USDA announced a morning flash sale of 133,000 tonnes of corn to Mexico for new crop yesterday and we expect demand will stay strong as US prices remain very competitive. Black Sea corn areas are seeing limited relief this week from the recent hot/dry conditions, crops have already endured some damage and crop estimates are expected to decline further. Weekly export inspections were in the middle of the range of guesses. While December corn still remains in the 2-week range, we expect a breakout above resistance at 416 1/2 and that is likely to trigger fund short covering

which could push the market to initial retracement resistance at 431.

Corn export inspections for the week ending July 18 came in at 970,539 metric tonnes. Cumulative inspections year-to-date are 45,575,900 metric tonnes which is 32.9% above last year. This is 80.6% of the USDA's forecast for the 2023-24 marketing year versus the 5-year average of 82.0%.

Corn rated good / excellent (G/EX) as of July 21 was down 1% at 67% and poor / very poor was up 1% at 10%. Current G/EX is unchanged versus the 10 year average and Poor / Very Poor is unchanged versus the 10 year average. Of the 18 reported states 8 reported better, 8 worse, and 2 unchanged G/EX ratings. The good / excellent ratings for the top producing states were: Iowa 75%(+1%), Illinois 75%(+2%), Nebraska 75%(-3%), Minnesota 58%(0%), Indiana 69%(+2%).

TODAY'S MARKET IDEAS:

Look for a breakout above 416 1/2 on December corn to give the market a further boost as near record fund shorts may be feeling the hot seat. Hot/dry conditions on the way for next week for the Western belt and Plains will keep a bid under prices and support breaks. Initial retracement resistance on December corn to the June 14 highs is 431 1/2. Breaks under 410 should find good support.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

CORN TECHNICAL OUTLOOK:

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CORN (SEP) 07/23/2024: The crossover up in the daily stochastics is a bullish signal. 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 above the 9-day moving average suggests the short-term trend remains positive. 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 objective is 408. The next area of resistance is around 405 1/4 and 408, while 1st support hits today at 395 1/4 and below there at 388 1/4.

CORN (DEC) 07/23/2024: The crossover up in the daily stochastics is a bullish signal. 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 market's close above the 2nd swing resistance number is a bullish indication. The near-term upside target is at 422 3/4. The next area of resistance is around 420 and 422 3/4, while 1st support hits today at 410 and below there at 402 1/2.

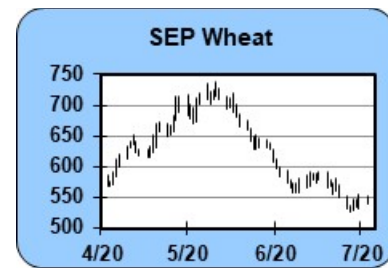
DAILY WHEAT COMMENTARY

7/23/2024

Northern Plains/southern Canada spring wheat stress seen rising

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):
WHEAT -0.55

OVERNIGHT DEVELOPMENTS: Chicago wheat (SEP 24) prices overnight are down -4 1/2; Kansas City (SEP 24) down -5 3/4; and Minneapolis (SEP 24) down -6 1/4. MATIF Milling Wheat(SEP 24) was down -0.9%. Chicago wheat open interest as of July 22 was up 1,745 contracts and Minneapolis wheat was down 2,029 contracts.



NEAR-TERM MARKET FUNDAMENTALS: Prices are starting the day lower and with winter wheat harvest in the final quarter, the hot/dry weather headed to the Plains is beneficial for finishing harvest. Also, the burdensome US wheat balance sheet and coming crop stress in the corn belt has resulted in traders positioning long corn and short wheat. US winter wheat harvest was 76% complete, under expectations of 80% but still slightly above the 5-year average of 72%. SovEcon raised their Russian wheat crop forecast very slightly from 84.1 million tonnes in their previous forecast to 84.2 million. They also raised Russia's total grains crop to 130.5 million tonnes, up from 127.4 previously. Interestingly, the Head of Russia's Natural Resource Research Institute says, although much of Russia's growing regions are in the cold climate zone, global warming has had a beneficial effect for Russian agriculture. The Grains Industry Association of Western Australia says production in that region is now expected at 10.5 million tonnes up 12.5% from their previous forecast. Jordan is tendering for 120,000 tonnes of wheat this morning. Russian prices are unchanged from last week at \$219 a tonne. Weekly export inspections came in below the low-end of guesses and a marketing year low. Moisture stress will be expanding in the upper US Plains and southern Canada, mainly affecting spring wheat. Despite the lower start today, prices should find good support on any pullback below 560 on December Chicago. Moving average resistance stands at 584.

Wheat export inspections for the week ending July 18 came in at 237,965 metric tonnes. Cumulative inspections year-to-date are 2,591,210 metric tonnes which is 20.2% above last year. This is 11.5% of the USDA's forecast for the 2024-25 marketing year versus the 5-year average of 11.7%.

Spring Wheat rated good / excellent (G/EX) as of July 21 was unchanged at 77% and poor / very poor was up 2% at 5%. Current G/EX is up 18% versus the 10 year average and Poor / Very Poor is down 11% versus the 10 year average. Of the 6 reported states 3 reported better, 3 worse, and 0 unchanged G/EX ratings. The good / excellent ratings for the top producing states were: North Dakota 83%(+1%), Minnesota 82%(+1%), Montana 76%(+3%), South Dakota 63%(-3%), Idaho 60%(-14%).

Winter Wheat harvested as of July 21 was up 5% at 76%. This is up 11% versus last year and unchanged versus the 10 year average. The top producing states report Kansas 99%(+2%), Washington 10%(+5%), Montana 3%(+3%), Illinois 98%(+2%), Idaho 7%(+4%).

TODAY'S MARKET IDEAS:

Rising crop stress in the northern US Plains and southern Canada is expected next week as temperatures rise to above normal and precipitation chances are limited. US SRW prices are competitive and US export potential is showing signs of increasing. Chicago December nearby retracement resistance is 582 3/4 and moving average resistance is 584. Look for support at 558.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

WHEAT TECHNICAL OUTLOOK:

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WHEAT (SEP) 07/23/2024: The stochastics indicators are rising from oversold levels, which is bullish and should support higher prices. The market's close above the 9-day moving average suggests the short-term trend remains positive. It is a mildly bullish indicator that the market closed over the pivot swing number. The near-term upside target is at 560 1/2. The next area of resistance is around 554 1/2 and 560 1/2, while 1st support hits today at 541 1/2 and below there at 534 1/4.

KC WHEAT (SEP) 07/23/2024: Stochastics are at mid-range but trending higher, which should reinforce a move higher if resistance levels are taken out. The market's short-term trend is positive on the close above the 9-day moving average. It is a mildly bullish indicator that the market closed over the pivot swing number. The near-term upside objective is at 583 1/2. The next area of resistance is around 577 1/2 and 583 1/2, while 1st support hits today at 566 1/2 and below there at 561 1/4.

MINN WHEAT (SEP) 07/23/2024: Momentum studies are rising from mid-range, which could accelerate a move higher if resistance levels are penetrated. The intermediate trend could be turning up with the close back above the 18-day moving average. With the close over the 1st swing resistance number, the market is in a moderately positive position. The near-term upside target is at 635. The next area of resistance is around 630 and 635, while 1st support hits today at 615 1/2 and below there at 606.

RICE (SEP) 07/23/2024: The crossover up in the daily stochastics is a bullish signal. Rising from oversold levels, daily momentum studies would support higher prices, especially on a close above resistance. The market's close above the 9-day moving average suggests the short-term trend remains positive. The market has a bullish tilt coming into today's trade with the close above the 2nd swing resistance. The next upside target is 15.176. The next area of resistance is around 14.897 and 15.176, while 1st support hits today at 14.303 and below there at 13.987.

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	400 1/4	44.97	40.00	13.36	18.04	395.00	396.03	402.11	435.09	443.52
CNAZ24	415	46.55	40.87	14.30	20.36	409.13	409.14	415.26	448.11	456.55
SSAQ24	1117 3/4	48.81	44.60	21.43	28.64	1102.69	1101.61	1123.72	1164.29	1175.04
SSAX24	1068 3/4	46.42	40.87	10.56	16.72	1047.19	1052.44	1080.14	1133.63	1149.00
SMAZ24	319.4	47.60	41.47	11.56	18.97	312.63	312.77	321.67	343.42	349.24
BOAZ24	44.85	47.54	48.17	30.99	21.96	44.29	44.92	45.50	45.20	45.11
WHAU24	548	41.52	38.93	19.08	23.94	541.31	545.78	561.32	620.08	628.93
WHAZ24	573	41.76	38.87	19.64	24.60	566.13	570.25	585.14	643.84	652.92
RCAU24	14.600	45.14	41.96	9.52	15.81	14.39	14.50	14.77	15.25	15.27
KWAU24	572	45.06	41.45	27.25	36.02	566.38	565.36	576.94	635.25	644.00
MWAU24	622 3/4	55.22	48.28	33.86	50.54	606.19	600.94	610.99	666.67	680.05
OTAZ24	336	63.67	55.80	55.09	73.66	325.38	318.00	317.93	341.23	349.96

Calculations based on previous session. Data collected 07/22/2024

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	388	395 1/4	398	405 1/4	408
CNAZ24	Corn	402 1/2	410	412 3/4	420	423
SSAQ24	Soybeans	1094 3/4	1108	1114	1127 1/2	1133 1/4
SSAX24	Soybeans	1032 3/4	1054	1062	1083 1/2	1091 1/4
SMAZ24	Soymeal	304.4	313.3	316.5	325.4	328.6
BOAZ24	Soybean Oil	43.53	44.26	44.70	45.43	45.87
WHAU24	Wheat	534 1/4	541 1/2	547 1/2	554 1/2	560 3/4
WHAZ24	Wheat	560	566 3/4	572 1/2	579 1/4	585
RCAU24	Rice	13.986	14.302	14.581	14.897	15.176

KWAU24	KC Wheat	561	566 1/2	572 1/4	577 1/2	583 1/2
MWAU24	MINN Wheat	606	615 1/2	620 1/2	630	635
OTAZ24	Oats	321 1/4	329 1/2	334	342 1/2	346 3/4

Calculations based on previous session. Data collected 07/22/2024

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