



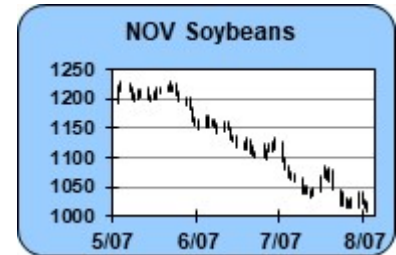
DAILY GRAINS COMMENTARY Friday August 09, 2024

DAILY SOY COMPLEX COMMENTARY 8/9/2024

USDA report Monday, Argentine strike continues

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):
SOY BEANS +0.0, BEAN OIL +0.0, SOYMEAL +0.3

OVERNIGHT DEVELOPMENTS: Soybeans (NOV 24) prices overnight are up 5 1/4; Soymeal (DEC 24) up 3.30; and Soyoil (DEC 24) up 0.11. Soybean open interest as of August 8 was up 3,107 contracts, soymeal down 1,743 contracts, and soybean oil down 449. Chinese Dalian (SEP 24) Soybeans down 0.13%, Soymeal down 0.40%, Soyoil up 0.29%, Palm oil up 0.95%. Malaysian Palm was up 1.13%.



NEAR-TERM MARKET FUNDAMENTALS: Yesterday's new 4-year low on November beans keeps the bear camp in charge ahead of Monday's USDA August supply/demand report. The report will be based on farmer surveys, satellite data and weather trends but will not include actual field inspections, that will come in the September report. There may also be potential acreage adjustments and most are expecting a slight reduction in bean harvested acres due to the flooding seen earlier in the season in the heart of the Midwest. Reuters pre-report yield estimate is 52.5 BPA, compared to 52.0 last month and production anticipated at 4.469 billion bushels, up from 4.435 last month. 2024/25 ending stocks are expected at 465 million bushels, up from 435 last month. World 2024/25 ending stocks are expected at 127.97 million tonnes, very close to USDA's July number of 127.76. US weather has been generally favorable for pod setting and that looks to continue with heat staying in the southern Plains and above normal precipitation expected in the Western bean belt in the 6 to 10 day timeframe. All the Midwest will see a warming trend after the cooldown over the next several days. The Argentine oilseed workers strike continues today and as of yesterday up to 36 ships have seen loading delays and the strike is estimated to be costing Argentina \$50 million a day in export revenue. There were 71 bean oil deliveries overnight. Midwest cash bean basis is easing as farmer selling has increased recently. USDA confirmation of additional Chinese purchases has not occurred this week so far. The trend remains lower in November beans and nothing in the news today would encourage any significant turn higher. Prices are likely to remain under pressure until after Monday's USDA report.

The Export Sales Report showed that for the week ending August 1, net soybean sales came in at 325,423 tonnes for the current marketing year and 985,206 for the next marketing year for a total of 1,310,629. Cumulative soybean sales have reached 98.9% of the USDA forecast for the 2023/2024 marketing year versus a 5 year average of 100.9%. Sales need to average 113,000 tonnes per week to reach the USDA forecast.

Net meal sales came in at 102,343 tonnes for the current marketing year and 256,532 for the next marketing year for a total of 358,875. Cumulative meal sales have reached 94.7% of the USDA forecast for the 2023/2024 marketing year versus a 5 year average of 95.1%. Sales need to average 90,000 tonnes per week to reach the USDA forecast.

Net oil sales came in at 10,884 tonnes for the current marketing year and -8,233 for the next marketing year for a total of 2,651. Cumulative oil sales have reached 88.0% of the USDA forecast for the 2023/2024 marketing year versus a 5 year average of 89.2%. Sales need to average 3,500 tonnes per week to reach the USDA forecast.

TODAY'S MARKET IDEAS:

November beans continue to grind lower with another new low yesterday and Monday's USDA supply/demand report will keep the focus on strong yields here in the US and increasing ending stocks. A bearish report Monday could push prices down into sell stops below the psychologically important \$10 level. Look for support at 996 and

initial moving average resistance at 1039 and gap resistance at 1045.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None

SOYBEAN COMPLEX TECHNICAL OUTLOOK:

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SOYBEANS (SEP) 08/09/2024: Momentum studies are still bearish but are now at oversold levels and will tend to support reversal action if it occurs. The market's short-term trend is negative as the close remains below the 9-day moving average. The swing indicator gave a moderately negative reading with the close below the 1st support number. The next downside target is now at 977 1/2. The next area of resistance is around 1003 1/2 and 1017 1/2, while 1st support hits today at 983 1/2 and below there at 977 1/2.

SOYBEAN OIL (DEC) 08/09/2024: The stochastics indicators are rising from oversold levels, which is bullish and should support higher prices. The close below the 9-day moving average is a negative short-term indicator for trend. With the close higher than the pivot swing number, the market is in a slightly bullish posture. The near-term upside objective is at 41.63. The next area of resistance is around 41.26 and 41.63, while 1st support hits today at 40.46 and below there at 40.02.

SOYMEAL (DEC) 08/09/2024: Stochastics trending lower at midrange will tend to reinforce a move lower especially if support levels are taken out. 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 310.1. The next area of resistance is around 319.7 and 324.6, while 1st support hits today at 312.5 and below there at 310.1.

DAILY CORN COMMENTARY

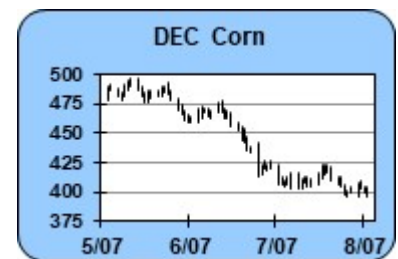
8/9/2024

USDA report Monday expected to show rising yields

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):

CORN +0.1

OVERNIGHT DEVELOPMENTS: Corn (DEC 24) prices overnight are up 3/4. Corn open interest as of August 8 was down 7,564 contracts. Chinese Dalian (SEP 24) Corn was up 1.01%.



NEAR-TERM MARKET FUNDAMENTALS: The December contract overnight matched last week's contract low at 395 and bullish news continues to be ignored. Monday's August supply/demand report is expected to show corn yields at 182.1 BPA, up from 181.0 in July and production of 15.112 billion bushels, up from 15.100 last month. Harvested acres in Iowa and Minnesota may be lowered due to flooding earlier in the season. 2024/25 US ending stocks are expected at 2.096 billion bushels, nearly unchanged from 2.097 in July. USDA could increase exports and ethanol to partially offset the higher expected production. 2024/25 world ending stocks are expected at 310.94 million tonnes, down from 311.64 last month. The Buenos Aires Grain Exchange says Argentine corn is 96.3% harvested. Over the next 5 days precipitation will be focused on the US Plains and Missouri with surrounding states generally dry. The 6 to 10 day has above normal precipitation for the Western corn belt and a

warming trend throughout the Midwest after the cooldown seen this weekend and early next week. French corn conditions dropped 2% to 77% good/excellent. Traders are well aware a very large US crop is coming home, and a 182 yield is probably already priced in, maybe even slightly higher. A bearish report Monday could push prices down for one final decline into long-term monthly support in the 380 range on December.

The Export Sales Report showed that for the week ending August 1, net corn sales came in at 485,447 tonnes for the current marketing year and 249,062 for the next marketing year for a total of 734,509. Cumulative sales have reached 98.5% of the USDA forecast for the 2023/2024 marketing year versus a 5 year average of 96.8%. Sales need to average 192,000 tonnes per week to reach the USDA forecast.

TODAY'S MARKET IDEAS:

Anticipation of higher yields and production and Monday's supply/demand report is likely to keep pressure on the market today. The technical outlook remains weak. Lower production in several countries around the globe will benefit US exports later in the year and the market's job will be to find a price that stimulates strong demand. US prices are competitive and if China wants corn, the US is their best option. Long-term support on December is 15-20 cents below current prices.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

CORN TECHNICAL OUTLOOK:

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CORN (SEP) 08/09/2024: 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. The market's close below the 1st swing support number suggests a moderately negative setup for today. The next downside objective is 373. The next area of resistance is around 383 1/4 and 388 3/4, while 1st support hits today at 375 1/4 and below there at 373.

CORN (DEC) 08/09/2024: 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 close below the 1st swing support could weigh on the market. The next downside target is 391. The next area of resistance is around 400 3/4 and 406, while 1st support hits today at 393 1/4 and below there at 391.

DAILY WHEAT COMMENTARY

8/9/2024

SovEcon cuts Russian crop, Arg/Brazil frost threat

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):

WHEAT +0.9

OVERNIGHT DEVELOPMENTS: Chicago wheat (SEP 24) prices overnight are up 8 3/4; Kansas City (SEP 24) up 8 3/4; and Minneapolis (SEP 24) up 9 1/4. MATIF Milling Wheat (DEC 24) was up 0.9%. Chicago wheat open interest as of August 8 was down 8,065 contracts and Minneapolis wheat was down 5,181 contracts.



NEAR-TERM MARKET FUNDAMENTALS: A stronger start to the day for wheat as SovEcon lowered their

Russian wheat crop estimate this morning to 82.9 million tonnes, down from 84.7 in their previous forecast. Although there has been no further news on Egypt's large wheat tender, Algeria is estimated to have bought 600,000 tonnes of wheat yesterday in their tender. Monday's USDA August supply/demand report is expecting US wheat ending stocks at 859 million bushels, slightly above USDA's July number of 856. All wheat production is expected at 2.017 billion bushels, slightly above 2.008 in July. Winter wheat is also expected slightly higher than July at 1.346 billion bushels. It is unlikely the report will hold any bullish surprise for wheat. However, global demand is ticking higher and EU/Black Sea production will be well down from last season and Argentina and Brazil crops are at risk of frost over the next several nights. The US's global export share has been decreasing but demand could shift back to the US later this year, especially due to the significant decline expected in the EU crop, which increases the importance of the growing season in Australia and South America. French SRW production is expected to be 25% lower than the 5-year average according to their Ag Minister and harvest is 88% complete. HRS area under drought was up 2% to 18% this week, compared to 52% last year at this time. December Chicago wheat is testing the week's highs this morning at 571 3/4. Look for next resistance at 577 1/2 and then 586. Wheat looks to have the best chance for further gains of any of the grains in the near-term.

The Export Sales Report showed that for the week ending August 1, net wheat sales came in at 273,980 tonnes for the current marketing year and 112,000 for the next marketing year for a total of 385,980. Cumulative sales have reached 38.3% of the USDA forecast for the 2024/2025 marketing year versus a 5 year average of 36.4%. Sales need to average 246,000 tonnes per week to reach the USDA forecast.

TODAY'S MARKET IDEAS:

Frost threats in South America and cuts to the EU and Black Sea crops are supportive factors to end the week and we expect a strong close today. Monday's USDA report will show increasing US supplies but global buyers are stepping up rather than waiting for cheaper prices. December Chicago next retracement resistance above this week's high is 577. Look for support now at 552. Further upside gains look likely.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

WHEAT TECHNICAL OUTLOOK:

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WHEAT (SEP) 08/09/2024: Momentum studies are trending higher from mid-range, which should support a move higher if resistance levels are penetrated. The market's close above the 9-day moving average suggests the short-term trend remains positive. It is a slightly negative indicator that the close was lower than the pivot swing number. The next upside target is 550. The next area of resistance is around 543 1/2 and 550, while 1st support hits today at 531 1/2 and below there at 526.

KC WHEAT (SEP) 08/09/2024: Stochastics are at mid-range but trending higher, which should reinforce a move higher if resistance levels are taken out. The close below the 9-day moving average is a negative short-term indicator for trend. The market tilt is slightly negative with the close under the pivot. The next upside objective is 566 1/4. The next area of resistance is around 557 1/2 and 566 1/4, while 1st support hits today at 544 and below there at 539 1/2.

MINN WHEAT (SEP) 08/09/2024: Momentum studies are still bearish but are now at oversold levels and will tend to support reversal action if it occurs. The market's 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 under the swing pivot. The next downside objective is now at 577. The next area of resistance is around 589 3/4 and 595, while 1st support hits today at 580 3/4 and below there at 577.

RICE (SEP) 08/09/2024: The close below the 40-day moving average is an indication the longer-term trend has turned down. A crossover down in the daily stochastics is a bearish signal. Daily stochastics turning lower from overbought levels is bearish and will tend to reinforce a downside break especially if near term support is penetrated. The market's short-term trend is negative as the close remains below the 9-day moving average. The close below the 1st swing support could weigh on the market. The next downside target is now at 14.738. Daily studies pointing down suggests selling minor rallies. The next area of resistance is around 15.135 and 15.297, while 1st support hits today at 14.855 and below there at 14.738.

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	379 1/4	32.17	33.62	23.60	18.13	385.50	386.47	392.26	414.02	426.93
CNAZ24	397	34.09	35.14	26.17	20.71	402.50	403.19	407.78	427.76	440.63
SSAU24	993 1/2	30.07	31.64	14.62	9.58	1011.06	1014.08	1032.97	1082.58	1112.20
SSAX24	1008 1/4	32.50	33.54	17.12	11.68	1023.63	1024.61	1040.06	1087.01	1115.14
SMAZ24	316.1	42.55	42.81	58.05	50.14	323.20	321.20	319.17	330.61	339.71
BOAZ24	40.86	34.88	36.29	18.08	22.81	40.48	41.15	42.65	44.03	44.48
WHAU24	537 1/2	45.73	42.30	46.27	53.65	539.63	534.64	536.60	571.69	604.09
WHAZ24	561 1/2	45.26	41.73	44.51	51.55	563.31	558.72	561.01	595.84	627.97
RCAU24	14.995	48.70	49.34	79.89	77.28	15.16	15.15	14.89	15.10	15.22
KWAU24	550 3/4	38.91	38.80	43.70	44.63	557.19	555.08	558.49	589.32	620.15
MWAU24	585 1/4	40.39	39.80	26.52	22.83	587.75	588.00	595.06	622.04	653.12
OTAZ24	316 1/2	46.58	45.59	33.17	30.38	315.63	316.42	319.57	325.61	338.28

Calculations based on previous session. Data collected 08/08/2024

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	373	375 1/4	381	383 1/4	389
CNAZ24	Corn	391	393 1/4	398 1/2	400 3/4	406
SSAU24	Soybeans	977 1/2	983 1/2	997 1/2	1003 1/2	1017 1/2
SSAX24	Soybeans	993 1/2	999	1012 1/4	1017 1/2	1031
SMAZ24	Soymeal	310.0	312.4	317.3	319.7	324.6
BOAZ24	Soybean Oil	40.01	40.45	40.82	41.26	41.63
WHAU24	Wheat	526	531 1/2	538	543 1/2	550
WHAZ24	Wheat	550 3/4	556	562	567	573 1/4
RCAU24	Rice	14.737	14.855	15.017	15.135	15.297
KWAU24	KC Wheat	539 1/2	544	553	557 1/2	566 1/2
MWAU24	MINN Wheat	577	580 3/4	586	589 3/4	595
OTAZ24	Oats	306 1/2	311 1/4	317	321 3/4	327 1/2

Calculations based on previous session. Data collected 08/08/2024

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