



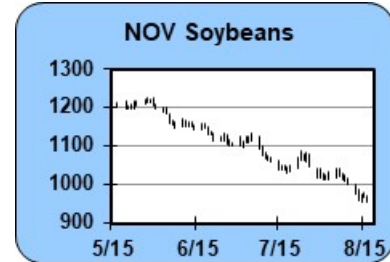
DAILY GRAINS COMMENTARY Monday August 19, 2024

DAILY SOY COMPLEX COMMENTARY 8/19/2024

Bearish USDA stats limit rally potential

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 4 1/2; Soymeal (DEC 24) up 3.40; and Soyoil (DEC 24) down -0.12. Soybean open interest as of August 16 was up 4,764 contracts, soymeal up 526 contracts, and soybean oil up 3,917. Chinese Dalian (NOV 24) Soybeans down 0.14%, Soymeal down 0.51%, Soyoil down 0.46%, Palm oil up 0.03%. Malaysian Palm was up 1.09%.



NEAR-TERM MARKET FUNDAMENTALS: Bearish fundamental statistics remain a major problem for the bean market and USDA's record yield last week and ballooning new crop US carryout will keep sellers active on rallies. A few Chinese bean purchases last week were not enough to change the weak demand trend. DTN's crop tour found slightly lower yields than USDA in Indiana, Iowa and Illinois, with higher yields than USDA in Minnesota and South Dakota and mixed results in Ohio and Wisconsin. The Pro Farmer tour starts today across the Midwest and ends Thursday. Shower chances will favor the Western belt this week, the rest of the Midwest be mainly dry and the 6 to 10 day shows below normal precipitation for the eastern belt and temperatures above normal. CFTC data showed Managed Money added 5400 shorts as of Tuesday of last week and are now short 174,000 contracts of beans. Meal traders sold heavily last week, and managed money is now long just 779 contracts, down 41,000 last week and a 17-week low. If Managed Money decides to build a short position in meal, similar to what they have in beans and bean oil, meal prices could come under significant pressure. Ukraine's ASAP Agri says bean harvest may reach 5.7 million tonnes up from 5.0 last year. Malaysia says they are halting permits for new palm plantations to keep current forest coverage at 54%. Last week ended with the poor weekly close and prices remain in oversold territory but lacking any bullish spark. Unfortunately for the bull camp, last week's bearish supply outlook from the USDA has opened the door for further downside in beans and rallies are likely to disappoint. Look for 1st resistance at last week's high of 978 and then 988 On November.

The August 13th Commitments of Traders report showed Soybeans Managed Money traders were net short 174,447 contracts after increasing their already short position by 5,431 contracts. CIT traders net sold 7,847 contracts and are now net long 79,802 contracts. Non-Commercial No CIT traders are net short 164,040 contracts after net selling 21 contracts. Non-Commercial & Non-Reportable traders are net short 196,676 contracts after net selling 6,150 contracts.

Soymeal positioning in the Commitments of Traders for the week ending August 13th showed Managed Money traders were net long 779 contracts after decreasing their long position by 41,230 contracts. CIT traders are net long 95,806 contracts after net selling 7,623 contracts. Non-Commercial No CIT traders net sold 37,735 contracts which moved them from a net long to a net short position of 24,351 contracts. Non-Commercial & Non-Reportable traders are net long 18,572 contracts after net selling 43,134 contracts.

The Commitments of Traders report for the week ending August 13th showed Soyoil Managed Money traders added 1,004 contracts to their already short position and are now net short 80,273. CIT traders reduced their net long position by 611 contracts to a net long 103,466 contracts. Non-Commercial No CIT traders were net short 86,712 contracts after increasing their already short position by 3,357 contracts. Non-Commercial & Non-Reportable traders added 2,450 contracts to their already short position and are now net short 57,384.

TODAY'S MARKET IDEAS:

Beans are stuck in a bearish spiral after USDA supply/demand numbers last week indicated burgeoning US supplies and offsetting bullish news is absent. Minor bouts of short covering can be expected but a sustained rally does not look to be in the cards for beans in the near-term. Chinese demand may be supportive down the road, but their current import trend has not been enough to give the market a reason to believe demand is changing in any significant way. Look for selling pressure on rallies to continue. 1st resistance on November is 978. A move below last week's low of 955 could accelerate the downtrend.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None

| Commitment of Traders - Futures and Options - 8/6/2024 - 8/13/2024 | | | | | | |
|--|----------------|-------------------|--------------|-------------------|--------------|-------------------|
| | Non-Commercial | | | Commercial | | Non-Reportable |
| | Net Position | Weekly Net Change | Net Position | Weekly Net Change | Net Position | Weekly Net Change |
| Grains | | | | | | |
| Soybeans | -171,220 | -1,340 | 196,676 | +6,151 | -25,456 | -4,810 |
| Soymeal | -1,558 | -42,844 | -18,572 | +43,134 | 20,130 | -290 |
| Soyoil | -60,805 | -703 | 57,385 | +2,451 | 3,421 | -1,747 |

SOYBEAN COMPLEX TECHNICAL OUTLOOK:

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SOYBEANS (SEP) 08/19/2024: A crossover down in the daily stochastics is a bearish signal. 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 defensive setup, with the close under the 2nd swing support, could cause some early weakness. The next downside objective is 925 1/2. The 9-day RSI under 20 suggests the market is extremely oversold. The next area of resistance is around 946 3/4 and 957 3/4, while 1st support hits today at 930 3/4 and below there at 925 1/2.

SOYBEAN OIL (DEC) 08/19/2024: Momentum studies are declining, but have fallen to oversold levels. A negative signal for trend short-term was given on a close under the 9-bar moving average. The upside daily closing price reversal gives the market a bullish tilt. The market tilt is slightly negative with the close under the pivot. The next downside objective is now at 37.34. With a reading under 30, the 9-day RSI is approaching oversold levels. The next area of resistance is around 39.21 and 39.53, while 1st support hits today at 38.12 and below there at 37.34.

SOYMEAL (DEC) 08/19/2024: Momentum studies are declining, but have fallen to oversold levels. 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 downside target is 296.4. The next area of resistance is around 305.7 and 310.8, while 1st support hits today at 298.5 and below there at 296.4.

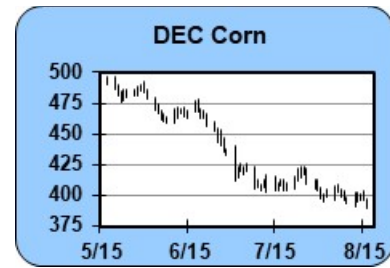
DAILY CORN COMMENTARY

8/19/2024

Increasing demand will support breaks

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

OVERNIGHT DEVELOPMENTS: Corn (DEC 24) prices overnight are up 1 1/4. Corn open interest as of August 16 was up 5,902 contracts. Chinese Dalian (NOV 24) Corn was up 0.35%.



NEAR-TERM MARKET FUNDAMENTALS: December corn prices set a new contract low last week, but USDA supply/demand balance sheet does not show corn supplies nearly as burdensome as wheat and beans. US corn exports are competitive and we believe US exports and domestic use will be very strong through the end of the year at least and the stronger demand will be critically needed to dispose of the expected bumper crop. The annual Pro Farmer crop tour will be moving across the Midwest starting today with final results expected on Thursday. DTN's crop tour found slightly lower yields than USDA in the 3 "I" states. CFTC data showed Managed Money is holding their largest net short position in history for mid-August at 249,000 contracts, as of Tuesday of last week. China's July corn imports were 1.09 million tonnes down 35% from year ago and year-to-date imports are down 11.5% at 12.13 million tonnes. On the other hand, China's July milo imports were up 41.6% from July last year and year-to-date imports are up 95.4% year-over-year. US crop weather this week we mostly dry with a few showers possible in the Western belt and eastern belt temperatures will be below normal. Below normal precipitation is expected in the eastern belt in the 6 to 10 day timeframe. Corn has the least bearish fundamental stats of the grains and while that doesn't mean prices have to rally from here, the downside may be limited, even if beans continue to drop. Better corn demand should help prices avoid a sharp selloff.

Corn positioning in the Commitments of Traders for the week ending August 13th showed Managed Money traders added 6,462 contracts to their already short position and are now net short 249,007. CIT traders reduced their net long position by 11,520 contracts to a net long 214,206 contracts. Non-Commercial No CIT traders were net short 213,123 contracts after increasing their already short position by 6,157 contracts. Non-Commercial & Non-Reportable traders added 12,755 contracts to their already short position and are now net short 225,167.

TODAY'S MARKET IDEAS:

Despite the new contract low in December corn late last week, supply/demand statistics would suggest prices could find strong support on any further break. A sustained rally may have to wait until further into the fall post-harvest, but prices are likely to see consolidation as USDA stats point to the \$4 level on December being a good value zone. Longer-term support is 380.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

| Commitment of Traders - Futures and Options - 8/6/2024 - 8/13/2024 | | | | | | |
|--|----------------|-------------------|--------------|-------------------|--------------|-------------------|
| | Non-Commercial | | | Commercial | | Non-Reportable |
| | Net Position | Weekly Net Change | Net Position | Weekly Net Change | Net Position | Weekly Net Change |
| Grains | | | | | | |
| Corn | -174,658 | -6,981 | 225,166 | +12,754 | -50,509 | -5,774 |

CORN TECHNICAL OUTLOOK:

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CORN (SEP) 08/19/2024: 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 setup is somewhat negative with the close under the 1st swing support. The next downside objective is 363 1/4. The next area of resistance is around 374 1/2 and 379, while 1st support hits today at 366 1/2 and below there at 363 1/4.

CORN (DEC) 08/19/2024: 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 market's close below the 9-day moving average is an indication the short-term trend remains negative. The market's close below the 1st swing support number suggests a moderately negative setup for today. The next downside objective is 385 3/4. The next area of resistance is around 396 1/4 and 400 1/2, while 1st support hits today at 388 3/4 and below there at 385 3/4.

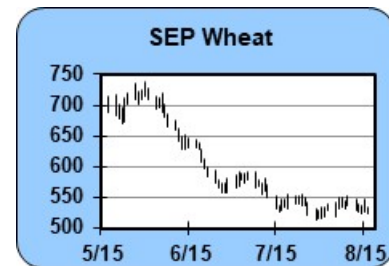
DAILY WHEAT COMMENTARY

8/19/2024

Canadian railway strike looms later this week

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):
WHEAT -0.75

OVERNIGHT DEVELOPMENTS: Chicago wheat (DEC 24) prices overnight are down -5 1/2; Kansas City (DEC 24) down -3; and Minneapolis (DEC 24) down -3 1/4. MATIF Milling Wheat(DEC 24) was down -1.0%. Chicago wheat open interest as of August 16 was up 3,238 contracts and Minneapolis wheat was up 1,499 contracts.



NEAR-TERM MARKET FUNDAMENTALS: Wheat price action last week was disappointing after Russia struck the Odessa port with missiles, but the initial rally failed to carry. August 22nd, both of Canada's main railways may shut down as workers strike for better pay. There has been little progress in negotiations and significant logistics issues are expected in the United States as well if the strike goes ahead. The US could see an uptick in export business off the Pacific Northwest coast if western Canadian ports are unable to receive railway shipments. CFTC data showed Managed Money increased their net short position as of Tuesday of last week to 73,000 contracts. China's July wheat imports were 800,000 tonnes up 12.9% from July of last year and year-to-date wheat imports are up 15.6% to 10.08 million tonnes. Russia's Ag Ministry says wheat yields are averaging 22% lower than a year ago. Egypt says they are still in the process of implementing their policy of direct negotiations for more wheat purchases but expect to fulfill their 3.8 million tonne needs by the end of 2024. Other fresh news to start the week is limited and prices are lower this morning. Chicago December support is at the late July low of 539 1/2. Seasonal trends are more supportive in the month of September and prices may continue their sideways/lower drift in the near-term.

Wheat positioning in the Commitments of Traders for the week ending August 13th showed Managed Money traders were net short 73,288 contracts after increasing their already short position by 1,956 contracts. CIT traders net bought 1,253 contracts and are now net long 79,896 contracts. Non-Commercial No CIT traders are net short 88,378 contracts after net selling 1,137 contracts. Non-Commercial & Non-Reportable traders were net short 51,561 contracts after decreasing their short position by 1,935 contracts.

KC Wheat positioning in the Commitments of Traders for the week ending August 13th showed Managed Money traders were net short 32,824 contracts after decreasing their short position by 3,214 contracts. CIT traders net sold 565 contracts and are now net long 56,900 contracts. Non-Commercial No CIT traders reduced their net short position by 826 contracts to a net short 34,761 contracts. Non-Commercial & Non-Reportable traders reduced their net short position by 1,742 contracts to a net short 27,299 contracts.

TODAY'S MARKET IDEAS:

More of the same sideways/lower action to start the week. Both of Canada's main railways may shut down due to a workers strike later this week and that could cause significant logistics issues across Canada and the US. December Chicago prices remain in the 540-580 range and a price move outside those boundaries would suggest a run of \$0.40 in the breakout direction. Look for initial support at 539 1/2 and initial resistance 575.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

| Commitment of Traders - Futures and Options - 8/6/2024 - 8/13/2024 | | | | | | |
|--|----------------|-------------------|--------------|-------------------|--------------|----------------|
| | Non-Commercial | | Net Position | Commercial | | Non-Reportable |
| | Net Position | Weekly Net Change | | Weekly Net Change | Net Position | |
| Grains | | | | | | |
| KC Wheat | -23,561 | +67 | 27,299 | -1,742 | -3,738 | +1,675 |
| Wheat | -48,578 | -331 | 51,561 | -1,935 | -2,983 | +2,266 |

WHEAT TECHNICAL OUTLOOK:

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WHEAT (SEP) 08/19/2024: Declining momentum studies in the neutral zone will tend to reinforce lower price action. The close below the 9-day moving average is a negative short-term indicator for trend. The upside closing price reversal on the daily chart is somewhat bullish. It is a slightly negative indicator that the close was lower than the pivot swing number. The next downside target is now at 519. The next area of resistance is around 535 and 539 1/4, while 1st support hits today at 525 and below there at 519.

KC WHEAT (SEP) 08/19/2024: 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 daily closing price reversal up on the daily chart is somewhat positive. It is a slightly negative indicator that the close was under the swing pivot. The next downside objective is now at 526 3/4. The next area of resistance is around 545 1/2 and 550, while 1st support hits today at 534 and below there at 526 3/4.

MINN WHEAT (SEP) 08/19/2024: Momentum studies are trending higher from mid-range, which should support a move higher if resistance levels are penetrated. The cross over and close above the 18-day moving average is an indication the intermediate-term trend has turned positive. The upside daily closing price reversal gives the market a bullish tilt. With the close higher than the pivot swing number, the market is in a slightly bullish posture. The near-term upside objective is at 604 1/4. The next area of resistance is around 599 3/4 and 604 1/4, while 1st support hits today at 586 3/4 and below there at 578.

RICE (SEP) 08/19/2024: Momentum studies trending lower at mid-range could accelerate a price break if support levels are broken. 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 14.460. The next area of resistance is around 14.649 and 14.760, while 1st support hits today at 14.500 and below there at 14.460.

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 | 370 1/2 | 31.30 | 33.03 | 17.39 | 14.86 | 376.06 | 379.50 | 385.93 | 403.78 | 417.65 |
| CNAZ24 | 392 1/2 | 35.24 | 36.16 | 23.65 | 22.18 | 396.88 | 398.56 | 403.42 | 418.56 | 431.98 |
| SSAU24 | 938 3/4 | 19.72 | 23.67 | 7.65 | 6.52 | 947.44 | 973.61 | 1002.96 | 1056.52 | 1087.20 |
| SSAX24 | 957 | 21.85 | 25.51 | 8.82 | 7.53 | 964.13 | 988.75 | 1014.36 | 1062.83 | 1091.93 |
| SMAZ24 | 302.1 | 36.10 | 37.43 | 21.07 | 15.45 | 303.18 | 309.86 | 316.28 | 323.87 | 333.25 |
| BOAZ24 | 38.67 | 25.19 | 29.19 | 15.69 | 14.08 | 38.79 | 39.83 | 40.96 | 43.40 | 43.85 |

| | | | | | | | | | | |
|--------|---------|-------|-------|-------|-------|--------|--------|--------|--------|--------|
| WHAU24 | 530 | 42.06 | 41.07 | 48.73 | 44.96 | 530.44 | 535.56 | 534.50 | 556.31 | 588.09 |
| WHAZ24 | 552 1/2 | 40.56 | 39.83 | 44.61 | 39.89 | 552.69 | 558.47 | 558.15 | 579.97 | 611.88 |
| RCAU24 | 14.575 | 39.21 | 41.84 | 43.61 | 30.41 | 14.76 | 14.86 | 14.99 | 15.01 | 15.14 |
| KWAU24 | 539 3/4 | 32.45 | 35.01 | 32.79 | 26.22 | 542.69 | 549.06 | 552.40 | 572.41 | 605.11 |
| MWAU24 | 593 1/4 | 49.95 | 45.74 | 36.96 | 45.07 | 591.13 | 590.00 | 591.19 | 607.66 | 638.46 |
| OTAZ24 | 305 1/4 | 32.60 | 37.41 | 14.58 | 10.55 | 305.50 | 309.89 | 313.92 | 318.28 | 331.12 |

Calculations based on previous session. Data collected 08/16/2024

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 | 363 | 366 1/2 | 371 | 374 1/2 | 379 |
| CNAZ24 | Corn | 385 1/2 | 388 3/4 | 393 | 396 1/4 | 400 1/2 |
| SSAU24 | Soybeans | 925 1/4 | 930 1/2 | 941 1/2 | 947 | 957 3/4 |
| SSAX24 | Soybeans | 944 1/2 | 949 1/2 | 959 3/4 | 964 1/2 | 975 |
| SMAZ24 | Soymeal | 296.4 | 298.5 | 303.6 | 305.7 | 310.8 |
| BOAZ24 | Soybean Oil | 37.34 | 38.11 | 38.44 | 39.21 | 39.53 |
| WHAU24 | Wheat | 519 | 525 | 529 1/4 | 535 | 539 1/2 |
| WHAZ24 | Wheat | 541 1/2 | 547 1/2 | 551 1/2 | 557 1/2 | 561 1/2 |
| RCAU24 | Rice | 14.459 | 14.499 | 14.610 | 14.649 | 14.760 |
| KWAU24 | KC Wheat | 526 3/4 | 534 | 538 1/2 | 545 1/2 | 550 1/4 |
| MWAU24 | MINN Wheat | 577 3/4 | 586 1/2 | 591 | 600 | 604 1/4 |
| OTAZ24 | Oats | 300 1/2 | 302 1/2 | 305 3/4 | 308 | 311 |

Calculations based on previous session. Data collected 08/16/2024

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