



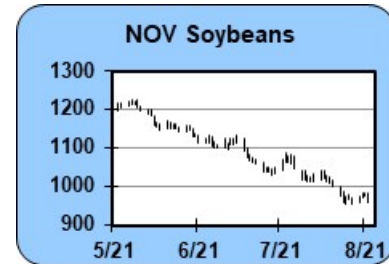
## DAILY GRAINS COMMENTARY Monday August 26, 2024

### DAILY SOY COMPLEX COMMENTARY 8/26/2024

#### Pro Farmer yield higher than expected

**OVERNIGHT CHANGES THROUGH 6:06 AM (CT):**  
SOY BEANS -0.1, BEAN OIL +0.0, SOYMEAL -0.2

**OVERNIGHT DEVELOPMENTS:** Soybeans (NOV 24) prices overnight are down -8; Soymeal (DEC 24) down -2.50; and Soyoil (DEC 24) up 0.03. Soybean open interest as of August 23 was down 1,637 contracts, soymeal down 639 contracts, and soybean oil down 6,827. Chinese Dalian (NOV 24) Soybeans up 0.14%, Soymeal down 0.31%, Soyoil up 0.81%, Palm oil up 1.87%. Malaysian Palm was up 1.40%.



**NEAR-TERM MARKET FUNDAMENTALS:** Bearish crop tour results are pressuring prices to start the week and traders will be watching for additional demand. Pro farmer US yield came in at 54.9 BPA, above USDA's 53.2 and crop size was estimated at 4.74 billion bushels, above USDA's 4.589. No doubt these are bearish numbers, but pod filling weather has featured heat and dryness over some areas the Midwest and this afternoon's crop condition report is expected to show a 1-2% decline. Hot temperatures in the southern Plains and eastern corn belt will finally give way to below normal temperatures by the weekend. The 6 to 10 day outlook shows below normal precipitation for the northern Midwest and below normal temperatures for all of the Midwest. Other than the crop tour, the other important feature last week was the decline in the US Dollar. Fed Chairman Powell indicated the time has come for rate cuts, which is seen as bearish for the US currency. In response to the US's enhanced competitiveness, US exporters sold 1.385 million tonnes of beans last week. Additional flash sales announcements are expected today or tomorrow as Chinese purchase rumors continue. Gulf basis bids are stronger on the better demand. Brazil has been too dry lately and rain is needed before planting can begin. Supply fundamentals in the US are bearish, but much of that is already baked into prices. If the pickup in demand can continue this week, which is a good bet, the focus on demand could at least stabilize the market and result in a short-covering bounce as CFTC data shows Managed Money still heavily short. Last week's high of 985 on November will be initial resistance.

The August 20th Commitments of Traders report showed Soybeans Managed Money traders are net short 182,758 contracts after net selling 8,311 contracts. CIT traders added 172 contracts to their already long position and are now net long 79,974. Non-Commercial No CIT traders added 6,971 contracts to their already short position and are now net short 171,011. Non-Commercial & Non-Reportable traders were net short 205,291 contracts after increasing their already short position by 8,615 contracts.

Soymeal positioning in the Commitments of Traders for the week ending August 20th showed Managed Money traders net bought 2,813 contracts and are now net long 3,592 contracts. CIT traders are net long 99,036 contracts after net buying 3,230 contracts. Non-Commercial No CIT traders were net short 25,466 contracts after increasing their already short position by 1,115 contracts. Non-Commercial & Non-Reportable traders added 7,710 contracts to their already long position and are now net long 26,282.

The Commitments of Traders report for the week ending August 20th showed Soyoil Managed Money traders net sold 4,115 contracts and are now net short 84,388 contracts. CIT traders are net long 102,226 contracts after net selling 1,240 contracts. Non-Commercial No CIT traders net bought 8,193 contracts and are now net short 78,519 contracts. Non-Commercial & Non-Reportable traders reduced their net short position by 8,182 contracts to a net short 49,202 contracts.

**TODAY'S MARKET IDEAS:**

Pro Farmer's higher-than-expected yield results Friday afternoon has prices under pressure this morning, but we expect last week's better demand trend may continue this week. The US Dollar weakness will provide underlying support once the crop tour hangover is over. Look for November Bean resistance at last week's high of 985 and the 20-day moving average at 992 1/2. Initial support on November beans is 955, the contract low, and beyond that 943.

**NEW RECOMMENDATIONS:**

None.

**PREVIOUS RECOMMENDATIONS:**

None

Commitment of Traders - Futures and Options - 8/13/2024 - 8/20/2024						
	Non-Commercial			Commercial		Non-Reportable
	Net Position	Weekly Net Change	Net Position	Weekly Net Change	Net Position	Weekly Net Change
<b>Grains</b>						
Soybeans	-177,385	-6,165	205,291	+8,615	-27,906	-2,450
Soymeal	3,428	+4,986	-26,283	-7,711	22,854	+2,724
Soyoil	-54,510	+6,295	49,203	-8,182	5,308	+1,887

**SOYBEAN COMPLEX TECHNICAL OUTLOOK:**

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SOYBEANS (NOV) 08/26/2024: 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. Market positioning is positive with the close over the 1st swing resistance. The near-term upside objective is at 983 1/2. Short-term indicators suggest buying dips today. The next area of resistance is around 979 1/2 and 983 1/2, while 1st support hits today at 966 1/2 and below there at 957 3/4.

SOYBEAN OIL (DEC) 08/26/2024: Momentum studies are rising from mid-range, which could accelerate a move higher if resistance levels are penetrated. The market now above the 18-day moving average suggests the intermediate-term trend has turned up. The outside day up is somewhat positive. The market setup is supportive for early gains with the close over the 1st swing resistance. The near-term upside objective is at 41.66. The next area of resistance is around 41.20 and 41.66, while 1st support hits today at 39.56 and below there at 38.37.

SOYMEAL (DEC) 08/26/2024: 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 upside closing price reversal on the daily chart is somewhat bullish. The market's close below the pivot swing number is a mildly negative setup. The next downside objective is 300.4. The next area of resistance is around 306.4 and 308.1, while 1st support hits today at 302.6 and below there at 300.4.

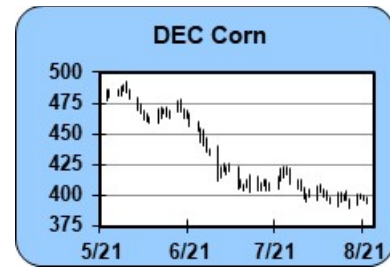
**DAILY CORN COMMENTARY**

8/26/2024

**Pro Farmer yields lower-than-expected**

**OVERNIGHT CHANGES THROUGH 6:06 AM (CT):**  
**CORN -0.4**

**OVERNIGHT DEVELOPMENTS:** Corn (DEC 24) prices overnight are down -4. Corn open interest as of August 23 was down 23,766 contracts. Chinese Dalian (NOV 24) Corn was up 0.48%.



**NEAR-TERM MARKET FUNDAMENTALS:** Despite the crop tour results being lower-than-expected, prices have fallen into new contract lows on the December contract to start the week. Pro farmer pegged US corn yield at 181.1 BPA, down from USDA's 183.1 and a crop size of 14.979 billion bushels, the 4th largest in history, but down from 15.147 from USDA. Corn prices have not seen any support from the tour numbers to this point, partly due to spillover weakness from wheat and beans. Managed Money remains heavily short but has had no reason to be nervous about those positions. Patria says Brazil's safrinha harvest is 94% done, compared to 83% last year and planting has begun for 1st crop corn in Rio Grande do Sul with planted area expected to be down 3.5%, according to AgRural. Argentine corn planted area is also expected to be down for the coming season. EU and Black Sea dryness continues and crop sizes in both regions are expected to be trimmed further. This morning's break of contract low support at 390 suggests a further pullback to the 370-380 long-term price support zone. For any significant rally to occur, peak supply ideas must be reached and some kind of initial technical bottom formed. We see neither of those so far. US export demand should remain strong this week. With the bear side of the market already fully loaded, the downside potential looks to be limited to another 10-15 cents lower from here.

The August 20th Commitments of Traders report showed Corn Managed Money traders added 8,889 contracts to their already short position and are now net short 257,896. CIT traders net bought 16,180 contracts and are now net long 230,386 contracts. Non-Commercial No CIT traders are net short 226,380 contracts after net selling 13,257 contracts. Non-Commercial & Non-Reportable traders were net short 236,865 contracts after increasing their already short position by 11,698 contracts.

**TODAY'S MARKET IDEAS:**

December corn pushed into new contract lows overnight even though crop tour results were not as high as expected. Prices look to be heading to the longer-term support zone in the 370-380 range. Additional demand is likely this week as the US Dollar closed at its lowest level of the year on Friday. A technical bottom is needed to force Managed Money shorts to cover. Short traders may consider exiting positions on a test of 380.

**NEW RECOMMENDATIONS:**

None.

**PREVIOUS RECOMMENDATIONS:**

None.

Commitment of Traders - Futures and Options - 8/13/2024 - 8/20/2024						
Grains	Non-Commercial		Net Position	Commercial		Non-Reportable
	Net Position	Weekly Net Change		Weekly Net Change	Net Position	
Corn	-178,131	-3,473	236,865	+11,699	-58,734	-8,225

**CORN TECHNICAL OUTLOOK:**

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CORN (DEC) 08/26/2024: Momentum studies are still bearish but are now at oversold levels and will tend to support reversal action if it occurs. A negative signal for trend short-term was given on a close under the 9-bar

moving average. It is a slightly negative indicator that the close was under the swing pivot. The next downside target is now at 386 3/4. The next area of resistance is around 393 3/4 and 397 3/4, while 1st support hits today at 388 1/4 and below there at 386 3/4.

CORN (MAR) 08/26/2024: Momentum studies trending lower at mid-range should accelerate a move lower if support levels are taken out. 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 objective is now at 406. The next area of resistance is around 411 3/4 and 415, while 1st support hits today at 407 1/4 and below there at 406.

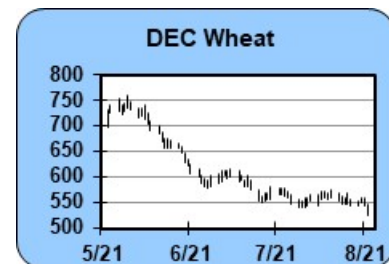
## DAILY WHEAT COMMENTARY

8/26/2024

### Canada rail workers back on the job

**OVERNIGHT CHANGES THROUGH 6:06 AM (CT):**  
WHEAT -0.23

**OVERNIGHT DEVELOPMENTS:** Chicago wheat (DEC 24) prices overnight are down -3; Kansas City (DEC 24) down -4 1/4; and Minneapolis (DEC 24) down -6 1/2. MATIF Milling Wheat(DEC 24) was down -1.3%. Chicago wheat open interest as of August 23 was down 10,105 contracts and Minneapolis wheat was down 1,237 contracts.



**NEAR-TERM MARKET FUNDAMENTALS:** Price erosion continues to start this week as Chicago December moves into a new contract low, triggering sell stops and resulting in further technical pressure. The Canadian government forced the railway workers back to work, ending the strike. Other fresh news over the weekend was very limited. Large-scale retaliation by Iran against Israel has not yet occurred and global buyers have not yet stepped up with significant purchases on market weakness. Ukraine's Ag Minister says harvest is now 61.3% complete. US Dollar weakness has not resulted in a bump up in US exports yet. Showers in southern Brazil have helped the wheat crop after dryness recently but there could be some spotty frost damage early this week. Late summer heat and dryness in the US southern Plains has been seen but the 8-14 day outlook shows better precipitation chances on the way, which is important for soil moisture replenishment before fall planting. Technical objectives on December Chicago wheat are still 15-20 cents lower and there doesn't appear to be a bullish spark today to turn prices around. Look for further weakness.

The Commitments of Traders report for the week ending August 20th showed Wheat Managed Money traders are net short 52,985 contracts after net buying 20,303 contracts. CIT traders added 2,068 contracts to their already long position and are now net long 81,964. Non-Commercial No CIT traders were net short 76,788 contracts after decreasing their short position by 11,590 contracts. Non-Commercial & Non-Reportable traders reduced their net short position by 13,394 contracts to a net short 38,167 contracts.

The August 20th Commitments of Traders report showed KC Wheat Managed Money traders were net short 35,319 contracts after increasing their already short position by 2,495 contracts. CIT traders net bought 2,128 contracts and are now net long 59,028 contracts. Non-Commercial No CIT traders added 4,910 contracts to their already short position and are now net short 39,671. Non-Commercial & Non-Reportable traders are net short 31,659 contracts after net selling 4,360 contracts.

### TODAY'S MARKET IDEAS:

The downtrend in Chicago December wheat resumed late last week after breaking below the lower boundary of the sideways range at 540. Prices are continuing to push lower, and breakout objectives are between 500 and 505. Further weakness is likely until global buyers decide prices are low enough for aggressive purchases.

### NEW RECOMMENDATIONS:

None.

**PREVIOUS RECOMMENDATIONS:**

None.

Commitment of Traders - Futures and Options - 8/13/2024 - 8/20/2024						
	Non-Commercial		Net Position	Commercial		Non-Reportable
	Net Position	Weekly Net Change		Weekly Net Change	Net Position	
<b>Grains</b>						
KC Wheat	-27,033	-3,472	31,660	+4,361	-4,626	-888
Wheat	-34,142	+14,436	38,168	-13,393	-4,025	-1,042

**WHEAT TECHNICAL OUTLOOK:**

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WHEAT (DEC) 08/26/2024: 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 market tilt is slightly negative with the close under the pivot. The next downside objective is 519 1/4. Some caution in pressing the downside is warranted with the RSI under 30. The next area of resistance is around 533 1/2 and 541 1/2, while 1st support hits today at 522 1/2 and below there at 519 1/4.

KC WHEAT (DEC) 08/26/2024: 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 objective is now at 525. The 9-day RSI under 30 indicates the market is approaching oversold levels. The next area of resistance is around 543 1/4 and 552 3/4, while 1st support hits today at 529 1/4 and below there at 525.

MINN WHEAT (DEC) 08/26/2024: 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 swing indicator gave a moderately negative reading with the close below the 1st support number. The next downside objective is now at 561 1/4. With a reading under 30, the 9-day RSI is approaching oversold levels. The next area of resistance is around 579 1/2 and 590 1/4, while 1st support hits today at 565 and below there at 561 1/4.

RICE (NOV) 08/26/2024: The crossover up in the daily stochastics is a bullish signal. Positive momentum studies in the neutral zone will tend to reinforce higher price action. The market's close above the 9-day moving average suggests the short-term trend remains positive. The market has a slightly positive tilt with the close over the swing pivot. The next upside objective is 15.204. The next area of resistance is around 15.144 and 15.204, while 1st support hits today at 14.925 and below there at 14.765.

**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>										
CNAZ24	391	36.23	37.35	28.42	22.88	395.19	396.50	398.69	410.72	424.62
CNAH25	409 1/2	37.39	38.65	36.90	30.93	413.94	414.97	416.50	425.99	439.01
SSAX24	973	39.79	37.15	16.33	17.90	973.00	969.39	992.99	1044.59	1072.04
SSAF25	990 3/4	39.90	37.38	16.53	17.90	991.06	987.61	1010.39	1060.15	1087.03
SMAZ24	304.5	41.08	41.14	21.62	19.91	306.40	305.42	311.84	319.32	327.83
BOAZ24	40.38	52.10	45.92	31.29	43.43	39.54	39.15	40.03	42.88	43.28
WHAZ24	528	24.96	30.14	26.71	15.87	541.00	547.44	554.26	569.78	595.65
WHAH25	549	25.10	30.05	26.15	15.96	561.56	567.11	574.25	589.63	615.15
RCAX24	15.035	50.69	49.21	31.45	35.02	14.96	14.94	15.09	15.11	15.25
KWAZ24	536 1/4	22.17	27.56	22.43	14.24	548.25	553.44	562.43	579.03	605.76
MWAZ24	572 1/4	22.96	28.78	22.63	10.43	589.94	599.39	603.94	617.92	641.63

OTAZ24 310 45.52 44.98 35.59 38.57 314.81 309.83 312.38 315.89 326.39

Calculations based on previous session. Data collected 08/23/2024

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### DAILY SWING STATISTICS

Contract		Support 2	Support 1	Pivot	Resist 1	Resist 2
<b>GRAIN COMPLEX</b>						
CNAZ24	Corn	386 3/4	388 1/4	392 1/4	393 3/4	397 3/4
CNAH25	Corn	406	407 1/4	410 1/2	411 3/4	415
SSAX24	Soybeans	957 1/2	966 1/2	970 1/2	979 1/2	983 1/2
SSAF25	Soybeans	976	984 1/2	988 1/2	997	1001
SMAZ24	Soymeal	300.3	302.5	304.2	306.4	308.1
BOAZ24	Soybean Oil	38.36	39.55	40.01	41.20	41.66
WHAZ24	Wheat	519	522 1/2	530 1/4	533 1/2	541 1/2
WHAH25	Wheat	540 1/2	543 1/2	551 1/4	554 1/2	562
RCAX24	Rice	14.765	14.924	14.985	15.144	15.204
KWAZ24	KC Wheat	525	529 1/4	539	543 1/4	553
MWAZ24	MINN Wheat	561 1/4	565	575 3/4	579 1/2	590 1/4
OTAZ24	Oats	304 1/2	307	310 1/2	313	316 1/2

Calculations based on previous session. Data collected 08/23/2024

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