



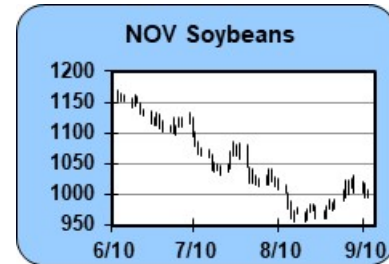
## DAILY GRAINS COMMENTARY Friday September 13, 2024

### DAILY SOY COMPLEX COMMENTARY 9/13/2024

#### USDA fundamental data neutral compared to expectations

**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 up 2 3/4; Soymeal (DEC 24) up 1.50; and Soyoil (DEC 24) down - 0.27. Soybean open interest as of September 12 was up 2,436 contracts, soymeal up 3,159 contracts, and soybean oil down 164. Chinese Dalian (NOV 24) Soybeans up 0.02%, Soymeal up 0.43%, Soyoil up 0.71%, Palm oil up 0.43%. Malaysian Palm was down 1.01%.



**NEAR-TERM MARKET FUNDAMENTALS:** Yesterday's strong performance has continued this morning additional minor gains. USDA left bean yield unchanged from last month and made few other changes to the US balance sheets. Illinois yield was lowered 1 BPA, but Indiana was raised 1 and Iowa raised 2 BPA. The initial pullback after the report numbers uncovered buying and prices closed near the highs of the day. A good performance overall and indicates traders have discounted the 53.2 bpa yield. Slightly lower than expected ending stocks also contributed to the post-report buying. Prevent plant acres were unchanged at 775,000. Now that the report is behind us, next up is the key Quarterly Grain Stocks released on the last trading day of this month, which sets the stage for market direction into fall. Upcoming harvest will increase hedge pressure, but today's price action may indicate the downside is limited unless yields reports come in higher than advertised. Bean seed size could still be an issue and it would be no surprise to see yields shrink a bit in the October supply/demand report as dryness and above normal temperatures will remain in the eastern belt for at least another 10 days. The 6 to 10 day outlook remains the same with additional precipitation chances on the way for the western belt and above normal temperatures for the entire Midwest. Bean area under drought rose to 26%, compared to 19% last week. Earthdaily Agro says Mato Grosso and Parana, 2 of the 3 largest producer states accounting for 40% of total Brazil bean production, are experiencing the lowest moisture in 30 years. Traders will be watching for the onset of monsoon rains, which will become a dominant market force along with US harvest over the next several weeks. There were 3 deliveries of beans overnight, 94 bean oil and 113 meal. November beans stalled at the 50-day moving average last week and tested it again overnight at 1020. For the short-term, the path of least resistance looks higher but once harvest starts in earnest, bullish demand news will be needed consistently to offset the hedge pressure.

The Export Sales Report showed that for the week ending September 5, net soybean sales came in at 94,645 tonnes for the current marketing year and 1,364,172 for the next marketing year for a total of 1,458,817. Cumulative soybean sales have reached 28.7% of the USDA forecast for the 2024/2025 marketing year versus a 5 year average of 37.2%. Sales need to average 689,000 tonnes per week to reach the USDA forecast.

Net meal sales came in at -2,969 tonnes (cancelations) for the current marketing year and 279,000 for the next marketing year for a total of 276,031. Cumulative meal sales have reached 21.4% of the USDA forecast for the 2024/2025 marketing year versus a 5 year average of 15.9%. Sales need to average 243,000 tonnes per week to reach the USDA forecast.

Net oil sales came in at -523 tonnes (cancelations) for the current marketing year and 1,730 for the next marketing year for a total of 1,207. Cumulative oil sales have reached 7.7% of the USDA forecast for the 2024/2025 marketing year versus a 5 year average of 4.0%. Sales need to average 4,800 tonnes per week to reach the USDA forecast.

### **TODAY'S MARKET IDEAS:**

The question was answered yesterday by the USDA that the dry finish to the crop, at least in the USDA's eyes, has not suffered any significant yield decline. The market has not closed over the 50-day since late May and a move above 1020 would point to a resumption of the rally and a test of next resistance at 1030. Burdensome ending stocks remain in place, but the market appears to have digested that already. Speculators can look to fade a rally at 1030 or above.

### **NEW RECOMMENDATIONS:**

None.

### **PREVIOUS RECOMMENDATIONS:**

None

### **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 (NOV) 09/13/2024: The major trend could be turning up with the close back above the 40-day moving average. Momentum studies trending lower at mid-range should accelerate a move lower if support levels are taken out. The close above the 9-day moving average is a positive short-term indicator for trend. A positive setup occurred with the close over the 1st swing resistance. The next downside target is 989. The next area of resistance is around 1020 3/4 and 1029, while 1st support hits today at 1000 3/4 and below there at 989.

SOYBEAN OIL (DEC) 09/13/2024: Declining momentum studies in the neutral zone will tend to reinforce lower price action. The market's close below the 9-day moving average is an indication the short-term trend remains negative. With the close higher than the pivot swing number, the market is in a slightly bullish posture. The next downside target is now at 38.77. The next area of resistance is around 40.24 and 40.61, while 1st support hits today at 39.33 and below there at 38.77.

SOYMEAL (DEC) 09/13/2024: The major trend could be turning up with the close back above the 60-day moving average. 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 positive on the close above the 9-day moving average. Market positioning is positive with the close over the 1st swing resistance. The next downside objective is now at 315.1. The next area of resistance is around 326.8 and 329.5, while 1st support hits today at 319.6 and below there at 315.1.

## **DAILY CORN COMMENTARY**

**9/13/2024**

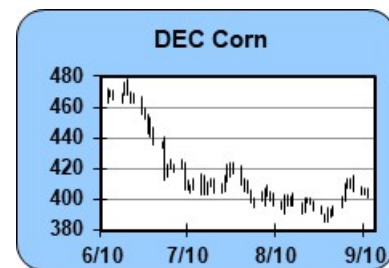
### **Prices up despite surprise yield hike**

#### **OVERNIGHT CHANGES THROUGH 6:06 AM (CT):**

**CORN +0.4**

**OVERNIGHT DEVELOPMENTS:** Corn (DEC 24) prices overnight are up 4. Corn open interest as of September 12 was up 13,684 contracts. Chinese Dalian (NOV 24) Corn was down 0.18%.

**NEAR-TERM MARKET FUNDAMENTALS:** USDA surprised the trade yesterday with a 5 bpa increase in corn yield, rather than the expected 7



decline. Interestingly, the surprise yield did not break the market as demand tweaks to the old crop balance sheet more than offset the higher new crop production and both old and new crop carryouts were lowered from August. As expected, buyers stepped in when December dropped to retracement support at 397 and prices turned up for a higher close. Production cuts to the EU corn crop were also a supportive factor. Prevent plant acres came out at 2.674 million, slightly above 2.670 previously. US corn area under drought rose 5% this week to 18%. The Climate Prediction Center increased the odds of the formation of La Nina to above 70% for the September-November timeframe and it is likely to stay in place through the 1st quarter of next year. There were 65 deliveries overnight. US Midwest weather remains the same with increasing chances for rain in the Western belt, normal to below normal chances in the eastern belt and widespread above normal temperatures across all the Midwest. French corn conditions remained unchanged this week at 79% good/excellent, despite yesterday's cut to the EU corn crop by Strategie Grains from 62.9 million tonnes last year, down to 57.9 million this season. Chinese Dalian corn prices made a 4-year low yesterday and harvest is ongoing. Typically, weak Chinese corn prices weigh on US futures but that has not been the case this week but still could be a limiting factor on how far US prices and rally. December corn is extending some minor gains this morning. Look for the market to test last week's highs at 416 and potentially the late July highs at 423 3/4 next week before harvest hedge pressure becomes more acute.

The Export Sales Report showed that for the week ending September 5, net corn sales came in at -46,743 tonnes (cancelations) for the current marketing year and 666,458 for the next marketing year for a total of 619,715. Cumulative sales have reached 23.6% of the USDA forecast for the 2024/2025 marketing year versus a 5 year average of 25.8%. Sales need to average 839,000 tonnes per week to reach the USDA forecast.

#### **TODAY'S MARKET IDEAS:**

USDA's higher yield did not break the market yesterday and that leaves the door open for a further rally, although harvest pressure is just around the corner. Buying did surface on the break yesterday, as expected and gives further credence to the idea an important low was scored in August. Speculators can look to buy minor pullbacks with an initial objective of the late July highs at 423 3/4 on December.

#### **NEW RECOMMENDATIONS:**

None.

#### **PREVIOUS RECOMMENDATIONS:**

None.

#### **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 (DEC) 09/13/2024: 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 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 downside target is now at 392. The next area of resistance is around 412 1/4 and 417 1/4, while 1st support hits today at 399 3/4 and below there at 392.

CORN (MAR) 09/13/2024: 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 close below the 9-day moving average is a negative short-term indicator for trend. The daily closing price reversal up on the daily chart is somewhat positive. The market has a slightly positive tilt with the close over the swing pivot. The next downside target is now at 411 1/4. The next area of resistance is around 430 1/2 and 435 1/4, while 1st support hits today at 418 1/2 and below there at 411 1/4.

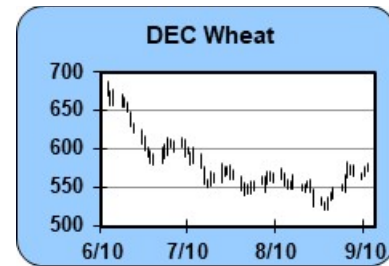
#### **DAILY WHEAT COMMENTARY**

**9/13/2024**

## No changes from USDA, uptrend continues

**OVERNIGHT CHANGES THROUGH 6:06 AM (CT):**  
**WHEAT +1.1**

**OVERNIGHT DEVELOPMENTS:** Chicago wheat (DEC 24) prices overnight are up 11; Kansas City (DEC 24) up 10 3/4; and Minneapolis (DEC 24) up 8 1/4. MATIF Milling Wheat(DEC 24) was up 1.6%. Chicago wheat open interest as of September 12 was down 171 contracts and Minneapolis wheat was up 134 contracts.



**NEAR-TERM MARKET FUNDAMENTALS:** Prices continue to push higher this morning after USDA made no changes to the US wheat balance sheets and tensions rose again in the Black Sea region. Prevent plant wheat acres were 390,000, slightly above 389,000 previously. Russia has yet to respond to Ukraine's charge that an Egyptian owned vessel carrying Ukrainian grain was hit by a Russian missile. The UN called for an end to attacks on shipping. Russia may have been sending a message that they don't want anyone else horning in on their Egyptian export business. Eastern Ukraine and Western Russia, both significant winter wheat producing areas, will stay mostly dry for the next 2 weeks and stressful conditions continue. US winter wheat area under drought rose 5% last week to 57%. Crop cuts in several of the major global producing areas were also a supportive factor yesterday and the current uptrend is accelerating. Chicago December prices overnight made a new 2-month high and are set for a strong weekly close for the 3rd week in a row. Prices look to be headed to significant 100 and 200-day moving average resistance at 616-621.

The Export Sales Report showed that for the week ending September 5, net wheat sales came in at 474,875 tonnes for the current marketing year and -210 for the next marketing year for a total of 474,665. Cumulative sales have reached 48.0% of the USDA forecast for the 2024/2025 marketing year versus a 5 year average of 45.5%. Sales need to average 227,000 tonnes per week to reach the USDA forecast.

### TODAY'S MARKET IDEAS:

The technical uptrend is accelerating and a bullish head and shoulders pattern on Chicago December has formed and may be confirmed today with a close above 585, resulting in an objective of 640. Strong 100-day and 200-day moving average resistance stands at 616-621. Pullbacks have been very minimal this week and Chicago December prices have made higher lows and higher highs every day this week. Further gains are expected and minor pullbacks can continue to be bought.

### NEW RECOMMENDATIONS:

None.

### PREVIOUS RECOMMENDATIONS:

None.

### 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 (DEC) 09/13/2024:** Momentum studies are trending higher but have entered overbought levels. The market's close above the 9-day moving average suggests the short-term trend remains positive. The daily closing price reversal down is a negative indicator for prices. The close over the pivot swing is a somewhat positive setup. The near-term upside objective is at 599. The next area of resistance is around 587 3/4 and 599, while 1st support hits today at 569 1/4 and below there at 562.

**KC WHEAT (DEC) 09/13/2024:** Momentum studies are trending higher but have entered overbought levels. The close above the 9-day moving average is a positive short-term indicator for trend. It is a mildly bullish indicator that the market closed over the pivot swing number. The near-term upside objective is at 607. The next area of

resistance is around 596 3/4 and 607, while 1st support hits today at 578 1/4 and below there at 569 3/4.

MINN WHEAT (DEC) 09/13/2024: The cross over and close above the 60-day moving average is an indication the longer-term trend has turned positive. Studies are showing positive momentum but are now in overbought territory, so some caution is warranted. The market's short-term trend is positive on the close above the 9-day moving average. The close over the pivot swing is a somewhat positive setup. The near-term upside target is at 635 1/2. The next area of resistance is around 629 and 635 1/2, while 1st support hits today at 614 1/2 and below there at 606 1/4.

RICE (NOV) 09/13/2024: The market now above the 60-day moving average suggests the longer-term trend has turned up. The daily stochastics gave a bullish indicator with a crossover up. Stochastics are at mid-range but trending higher, which should reinforce a move higher if resistance levels are taken out. A positive signal for trend short-term was given on a close over the 9-bar moving average. It is a mildly bullish indicator that the market closed over the pivot swing number. The near-term upside target is at 15.532. The next area of resistance is around 15.389 and 15.532, while 1st support hits today at 15.100 and below there at 14.953.

### 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	406	55.59	52.42	70.19	68.30	405.56	406.92	400.51	403.62	410.59
CNAH25	424 1/2	56.04	53.15	72.08	70.13	424.31	425.36	419.10	420.44	426.40
SSAX24	1010 3/4	55.05	51.62	68.65	67.15	1006.63	1009.83	994.07	1014.05	1038.01
SSAF25	1029 1/2	55.61	52.11	68.80	67.64	1024.81	1027.67	1011.82	1030.77	1053.95
SMAZ24	323.2	58.32	55.58	69.88	68.23	321.43	322.19	315.30	315.24	319.90
BOAZ24	39.79	45.64	45.26	42.70	31.28	39.80	40.35	40.24	41.46	42.43
WHAZ24	578 1/2	65.46	59.51	79.85	83.83	575.13	571.25	556.01	559.33	569.42
WHAH25	597 1/2	64.97	59.22	79.50	83.26	594.19	590.83	576.07	579.52	589.26
RCAX24	15.245	57.44	54.66	54.61	60.59	14.99	15.03	15.02	15.04	15.12
KWAZ24	587 1/2	62.62	58.10	80.87	83.75	583.56	581.67	565.82	570.23	578.90
MWAZ24	621 3/4	62.53	57.31	75.92	81.34	613.75	613.97	600.31	608.26	615.90
OTAZ24	375 1/2	83.73	77.62	94.90	96.64	368.13	358.42	337.49	324.84	322.98

Calculations based on previous session. Data collected 09/12/2024

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>						
CNAZ24	Corn	392	399 1/2	404 3/4	412 1/2	417 1/2
CNAH25	Corn	411 1/4	418 1/2	423 1/4	430 1/2	435 1/4
SSAX24	Soybeans	989	1000 3/4	1009	1020 3/4	1029
SSAF25	Soybeans	1008	1019 3/4	1027 1/2	1039 1/4	1047
SMAZ24	Soymeal	315.1	319.6	322.3	326.8	329.5
BOAZ24	Soybean Oil	38.76	39.32	39.69	40.24	40.61
WHAZ24	Wheat	562	569 1/4	580 1/2	587 3/4	599
WHAH25	Wheat	581 1/2	588 1/2	599 1/2	606 1/2	617 1/2
RCAX24	Rice	14.952	15.100	15.242	15.389	15.532
KWAZ24	KC Wheat	569 3/4	578	588 1/2	597	607 1/4
MWAZ24	MINN Wheat	606 1/4	614 1/2	621	629	635 3/4
OTAZ24	Oats	359	368 1/4	373 1/2	382 3/4	388

Calculations based on previous session. Data collected 09/12/2024

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.*