



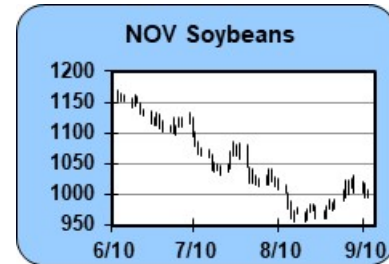
## DAILY GRAINS COMMENTARY Monday September 16, 2024

### DAILY SOY COMPLEX COMMENTARY 9/16/2024

#### Bear news outweighs bullish arguments

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

**OVERNIGHT DEVELOPMENTS:** Soybeans (NOV 24) prices overnight are down -1 1/2; Soymeal (DEC 24) up 0.70; and Soyoil (DEC 24) down -0.04. Soybean open interest as of September 13 was up 5,449 contracts, soymeal up 3,389 contracts, and soybean oil up 7,865. Chinese Dalian closed for holiday.



**NEAR-TERM MARKET FUNDAMENTALS:** Bean market bearish fundamentals were reinforced by USDA late last week and dry weather in Brazil is not yet a major market issue, which gives the edge to the bear camp. Northern Brazil is expected to stay dry through the end of the month at least and private forecasters are looking for monsoon rains to begin in October. IMEA says early planting in Mato Grosso has been limited to a few irrigated areas as the soil is too dry. However, there is time for rains to replenish soil moisture and still get the crop in on time. Another negative for the bean market is India, the world's largest vegoil importer, announcing a vegoil import tax of 20% to support their domestic producers. The Buenos Aires Grain Exchange says Argentine soy area is expected to be 19 million ha, up 9.8% year-over-year and the largest increase in 15 years. There were 49 bean deliveries overnight, 43 meal and 29 bean oil. Commitment of Trader's data showed a significant reduction of 23,500 contracts in the Managed Money net short position, which now stands at 130,601. On the contrary, net buying of 13,877 contracts of meal increased the Managed Money net long to just over 37,000 contracts. August NOPA crush will be released today with an average estimate of 171.3 million bushels, compared to 182.2 in July and 161.4 in August of last year. Bean oil stocks are expected at 1.356 billion pounds, compared to 1.499 in July and 1.250 last year. Our friends at Crushtaders.com are estimating crush underperformed in August due to maintenance downtime and estimate crush at 165.86 million bushels and oil stocks at 1.245. US crop weather for the next 2 weeks is unchanged with wetter conditions in the western belt and continued dry weather in the East, with warming temperatures across the entire belt. November beans look vulnerable to falling below last week's low of 995. The Fed rate cut this week could give a psychological boost to commodity prices, but we think bearish bean fundamentals will win the day.

Soybeans positioning in the Commitments of Traders for the week ending September 10th showed Managed Money traders were net short 130,601 contracts after decreasing their short position by 23,495 contracts. CIT traders are net long 99,027 contracts after net buying 6,929 contracts. Non-Commercial No CIT traders reduced their net short position by 12,980 contracts to a net short 135,284 contracts. Non-Commercial & Non-Reportable traders were net short 165,412 contracts after decreasing their short position by 13,642 contracts.

Soymeal positioning in the Commitments of Traders for the week ending September 10th showed Managed Money traders were net long 37,048 contracts after increasing their already long position by 13,877 contracts. CIT traders net bought 5,889 contracts and are now net long 111,498 contracts. Non-Commercial No CIT traders net bought 7,922 contracts which moved them from a net short to a net long position of 1,270 contracts. Non-Commercial & Non-Reportable traders were net long 55,925 contracts after increasing their already long position by 7,244 contracts.

Soyoil positioning in the Commitments of Traders for the week ending September 10th showed Managed Money traders added 90 contracts to their already short position and are now net short 47,617. CIT traders net sold 1,664 contracts and are now net long 109,892 contracts. Non-Commercial No CIT traders net sold 437 contracts

and are now net short 49,641 contracts. Non-Commercial & Non-Reportable traders net bought 2,227 contracts and are now net short 11,290 contracts.

**TODAY'S MARKET IDEAS:**

A positive commodity tone from a potential Fed rate cut this week may not be enough to override the bearish bean fundamentals and we think the path of least resistance is lower. Brazil dryness will become a larger issue down the road, but it is a bit too early to be a market force now. If November beans fall below last week's low of 995, a retest of the 955 lows would be possible.

**NEW RECOMMENDATIONS:**

None.

**PREVIOUS RECOMMENDATIONS:**

None

Commitment of Traders - Futures and Options - 9/3/2024 - 9/10/2024						
	Non-Commercial			Commercial		Non-Reportable
	Net Position	Weekly Net Change	Net Position	Weekly Net Change	Net Position	Weekly Net Change
<b>Grains</b>						
Soybeans	-132,244	+16,624	165,412	-13,642	-33,168	-2,982
Soymeal	35,085	+10,324	-55,925	-7,245	20,840	-3,080
Soyoil	-14,288	+2,340	11,291	-2,226	2,998	-113

**SOYBEAN COMPLEX TECHNICAL OUTLOOK:**

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SOYBEANS (NOV) 09/16/2024: The market back below the 40-day moving average suggests the longer-term trend could be turning down. Momentum studies trending lower at mid-range could accelerate a price break if support levels are broken. The market's close below the 9-day moving average is an indication the short-term trend remains negative. The downside closing price reversal on the daily chart is somewhat negative. It is a slightly negative indicator that the close was under the swing pivot. The next downside target is 990 1/4. The next area of resistance is around 1015 1/2 and 1027 1/2, while 1st support hits today at 997 and below there at 990 1/4.

SOYBEAN OIL (DEC) 09/16/2024: The downside crossover (9 below 18) of the moving averages suggests a developing short-term downtrend. Momentum studies are declining, but have fallen to oversold levels. The market's short-term trend is negative as the close remains below the 9-day moving average. A negative signal was given by the outside day down. The market setup is somewhat negative with the close under the 1st swing support. The next downside target is 37.71. The next area of resistance is around 39.68 and 40.71, while 1st support hits today at 38.18 and below there at 37.71.

SOYMEAL (DEC) 09/16/2024: Stochastics trending lower at midrange will tend to reinforce a move lower especially if support levels are taken out. A negative signal for trend short-term was given on a close under the 9-bar moving average. The daily closing price reversal down is a negative indicator for prices. The close over the pivot swing is a somewhat positive setup. The next downside target is now at 315.8. The next area of resistance is around 326.6 and 330.6, while 1st support hits today at 319.2 and below there at 315.8.

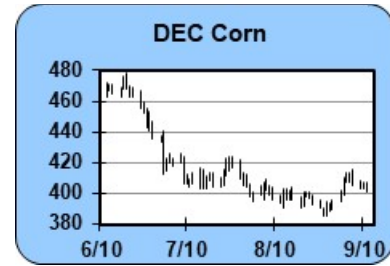
**DAILY CORN COMMENTARY**

9/16/2024

**Managed Money net shorts reduced significantly**

**OVERNIGHT CHANGES THROUGH 6:06 AM (CT):**  
**CORN -0.3**

**OVERNIGHT DEVELOPMENTS:** Corn (DEC 24) prices overnight are down -3. Corn open interest as of September 13 was up 22,280 contracts. Chinese Dalian markets closed for holiday.



**NEAR-TERM MARKET FUNDAMENTALS:** Last week's USDA report resulted in buying when the larger yield forecast was offset by better demand, resulting in lower ending stocks and this keeps the edge with the bull camp this week. The very dry crop finish in the eastern belt could have a small impact on final yields but harvest is already starting. The eastern corn belt looks to be dry for at least the next 10 days with much better precipitation chances in the western belt and temperatures will be seasonally above normal across the entire Midwest. CFTC data showed funds bought a little over 44,000 contracts as of Tuesday of last week and the Managed Money net short now stands at 132,134 contracts. There were 9 deliveries overnight. Corn open interest rose a significant 22,000 contracts on Friday's rally, indicating new longs were entering the market. The bull camp can hope for the potential Fed rate cut this week to give commodity prices a boost and push corn above 416 resistance on December. China deflation worries and weak energy prices are noted bearish issues, but the technical action suggests corn has made a low and we think prices have additional upside potential. Initial December corn resistance is 416 and then the 3-month high at 423 3/4.

The Commitments of Traders report for the week ending September 10th showed Corn Managed Money traders were net short 132,134 contracts after decreasing their short position by 44,077 contracts. CIT traders were net long 249,893 contracts after increasing their already long position by 4,476 contracts. Non-Commercial No CIT traders were net short 112,261 contracts after decreasing their short position by 44,703 contracts. Non-Commercial & Non-Reportable traders net bought 29,608 contracts and are now net short 111,858 contracts.

**TODAY'S MARKET IDEAS:**

Notable fund buying and hopes a Fed rate will create a more positive commodity environment are supportive factors this week and if December prices can move above 416, the door would be open for further technical gains. Our best advice is to continue to look at pullbacks as buying opportunities. Upside potential may be limited above 440.

**NEW RECOMMENDATIONS:**

None.

**PREVIOUS RECOMMENDATIONS:**

None.

Commitment of Traders - Futures and Options - 9/3/2024 - 9/10/2024						
	Non-Commercial			Commercial		Non-Reportable
	Net Position	Weekly Net Change	Net Position	Weekly Net Change	Net Position	Weekly Net Change
<b>Grains</b>						
<b>Corn</b>	-45,411	+49,974	111,858	-29,609	-66,447	-20,366

**CORN TECHNICAL OUTLOOK:**

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CORN (DEC) 09/16/2024: The cross over and close above the 60-day moving average indicates the longer-term trend has turned up. The daily stochastics have crossed over up which is a bullish indication. Studies are showing positive momentum but are now in overbought territory, so some caution is warranted. A positive signal for trend

short-term was given on a close over the 9-bar moving average. The market setup is supportive for early gains with the close over the 1st swing resistance. The near-term upside objective is at 419 1/4. The next area of resistance is around 417 and 419 1/4, while 1st support hits today at 409 1/2 and below there at 404.

CORN (MAR) 09/16/2024: The cross over and close above the 60-day moving average indicates the longer-term trend has turned up. A bullish signal was given with an upside crossover of the daily stochastics. Daily stochastics have risen into overbought territory which will tend to support reversal action if it occurs. The market's close above the 9-day moving average suggests the short-term trend remains positive. A positive setup occurred with the close over the 1st swing resistance. The near-term upside target is at 436 3/4. The next area of resistance is around 434 1/2 and 436 3/4, while 1st support hits today at 427 1/2 and below there at 422 1/2.

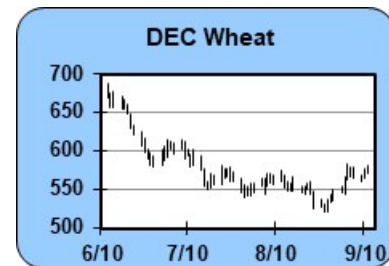
## DAILY WHEAT COMMENTARY

9/16/2024

### Renewed Black Sea risks add bullish sentiment

**OVERNIGHT CHANGES THROUGH 6:06 AM (CT):**  
WHEAT -0.93

**OVERNIGHT DEVELOPMENTS:** Chicago wheat (DEC 24) prices overnight are down -10 1/4; Kansas City (DEC 24) down -11 1/2; and Minneapolis (DEC 24) down -10 1/2. MATIF Milling Wheat(DEC 24) was down -1.4%. Chicago wheat open interest as of September 13 was down 1,112 contracts and Minneapolis wheat was up 1,110 contracts.



**NEAR-TERM MARKET FUNDAMENTALS:** Renewed Black Sea tensions and Russian threats have added a bullish element to the wheat market over the last week and the edge stays with the bull camp. The US and the EU are considering allowing Ukraine to use western made weapons to strike deeper into Russia and Putin warned over the weekend that doing so could dramatically escalate Russia's response. Last week's strike by Russia on a wheat ship bound for Egypt with Ukrainian grain reminded the market that shipping risks have certainly not gone away. Ukraine's grain exports have been strong over the last 2 months and Russia may have wanted to send a message. Strong winds are fanning fires in the Rostov region in Russia, highlighting the dry conditions there. There were 2 deliveries of KC wheat overnight. CFTC data showed Managed Money bought over 13,000 contracts as of Tuesday of last week and the net short is now reduced to 29,397 contracts, 15-week low. December Chicago wheat made higher highs each day last week and may be vulnerable to a short-term pullback, however, a technical bottom has been made and a bullish head and shoulders pattern is in place offering further upside potential.

The Commitments of Traders report for the week ending September 10th showed Wheat Managed Money traders net bought 13,227 contracts and are now net short 29,397 contracts. CIT traders were net long 88,901 contracts after increasing their already long position by 2,437 contracts. Non-Commercial No CIT traders were net short 69,424 contracts after decreasing their short position by 11,363 contracts. Non-Commercial & Non-Reportable traders reduced their net short position by 11,761 contracts to a net short 27,444 contracts.

The September 10th Commitments of Traders report showed KC Wheat Managed Money traders reduced their net short position by 8,727 contracts to a net short 18,510 contracts. CIT traders are net long 60,982 contracts after net selling 960 contracts. Non-Commercial No CIT traders are net short 24,889 contracts after net buying 10,565 contracts. Non-Commercial & Non-Reportable traders reduced their net short position by 9,674 contracts to a net short 11,583 contracts.

### TODAY'S MARKET IDEAS:

Chicago December wheat closed last week trending higher and short-term overbought conditions could result in a minor pullback this week. Look for support on a \$0.20 break as rising Black Sea tensions are a bullish factor. Strong 100-day and 200-day moving average resistance stands at 616-621 and the technical objective of the head and shoulders bottom pattern is 640.

**NEW RECOMMENDATIONS:**

None.

**PREVIOUS RECOMMENDATIONS:**

None.

Commitment of Traders - Futures and Options - 9/3/2024 - 9/10/2024						
	Non-Commercial		Net Position	Commercial		Non-Reportable
	Net Position	Weekly Net Change		Weekly Net Change	Net Position	
<b>Grains</b>						
KC Wheat	-8,352	+10,509	11,583	-9,674	-3,231	-835
Wheat	-20,040	+14,617	27,444	-11,762	-7,404	-2,856

**WHEAT TECHNICAL OUTLOOK:**

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WHEAT (DEC) 09/16/2024: Rising stochastics at overbought levels warrant some caution for bulls. The close above the 9-day moving average is a positive short-term indicator for trend. Market positioning is positive with the close over the 1st swing resistance. The next upside target is 612 1/4. The market is approaching overbought levels with an RSI over 70. The next area of resistance is around 605 and 612 1/4, while 1st support hits today at 584 1/2 and below there at 571.

KC WHEAT (DEC) 09/16/2024: Momentum studies are trending higher but have entered overbought levels. The market's short-term trend is positive on the close above the 9-day moving average. The market setup is supportive for early gains with the close over the 1st swing resistance. The near-term upside target is at 616 3/4. With a reading over 70, the 9-day RSI is approaching overbought levels. The next area of resistance is around 609 3/4 and 616 3/4, while 1st support hits today at 590 1/4 and below there at 577 1/2.

MINN WHEAT (DEC) 09/16/2024: Daily stochastics have risen into overbought territory which will tend to support reversal action if it occurs. The market's short-term trend is positive on the close above the 9-day moving average. A positive setup occurred with the close over the 1st swing resistance. The next upside objective is 650 1/4. The next area of resistance is around 644 1/2 and 650 1/4, while 1st support hits today at 626 1/2 and below there at 614.

RICE (NOV) 09/16/2024: 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 close over the pivot swing is a somewhat positive setup. The next upside objective is 15.398. The next area of resistance is around 15.342 and 15.398, while 1st support hits today at 15.188 and below there at 15.089.

**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	413 1/4	65.45	58.92	72.14	76.04	407.06	408.28	401.24	403.68	409.68
CNAH25	431	65.19	59.11	73.77	77.15	425.56	426.69	419.75	420.59	425.61
SSAX24	1006 1/4	52.33	50.01	67.88	66.32	1003.69	1010.53	995.75	1012.68	1035.91
SSAF25	1024 3/4	52.73	50.40	68.17	66.92	1022.13	1028.53	1013.50	1029.47	1051.94
SMAZ24	322.9	57.76	55.26	69.54	68.85	320.90	323.29	315.99	315.41	319.53
BOAZ24	38.93	39.61	41.24	36.01	22.64	39.41	40.01	40.24	41.29	42.33
WHAZ24	594 3/4	74.29	66.31	82.57	88.00	581.69	576.06	558.38	559.33	568.94
WHAH25	612 1/4	73.41	65.65	82.09	87.28	600.38	595.28	578.31	579.46	588.75
RCAX24	15.265	58.05	55.09	59.17	68.28	15.13	15.09	15.03	15.04	15.11

KWAZ24	600	70.69	64.12	83.13	87.65	589.63	585.53	568.24	570.19	578.44
MWAZ24	635 1/2	69.85	62.85	79.64	87.08	620.94	617.86	602.08	608.21	615.50
OTAZ24	377	84.27	78.11	94.58	93.94	372.00	362.75	341.36	326.15	323.78

**Calculations based on previous session. Data collected 09/13/2024**  
**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	404	409 1/2	411 3/4	417	419 1/2
CNAH25	Corn	422 1/4	427 1/2	429 1/2	434 1/2	436 3/4
SSAX24	Soybeans	990 1/4	997	1009	1015 1/2	1027 3/4
SSAF25	Soybeans	1009	1015 1/2	1027 1/2	1034	1046
SMAZ24	Soymeal	315.8	319.2	323.2	326.6	330.6
BOAZ24	Soybean Oil	37.71	38.18	39.21	39.68	40.71
WHAZ24	Wheat	570 3/4	584 1/2	591 1/2	605	612 1/4
WHAH25	Wheat	590 3/4	602 3/4	609 3/4	621 3/4	628 3/4
RCAX24	Rice	15.088	15.187	15.243	15.342	15.398
KWAZ24	KC Wheat	577 1/2	590	597 1/4	610	617
MWAZ24	MINN Wheat	613 3/4	626 1/2	632	644 1/2	650 1/4
OTAZ24	Oats	367 1/2	371 1/2	378 1/4	382 1/2	389

**Calculations based on previous session. Data collected 09/13/2024**  
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