



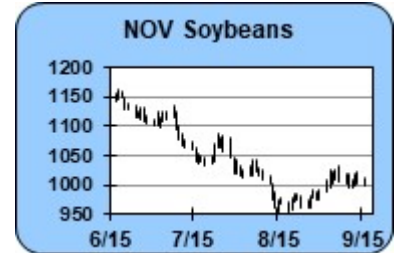
DAILY GRAINS COMMENTARY Wednesday September 18, 2024

DAILY SOY COMPLEX COMMENTARY 9/18/2024

Fed rate cut may spark fund allocation to commodities

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):
SOY BEANS +0.1, BEAN OIL +0.0, SOYMEAL +0.4

OVERNIGHT DEVELOPMENTS: Soybeans (NOV 24) prices overnight are up 12 1/4; Soymeal (DEC 24) up 4.20; and Soyoil (DEC 24) up 0.53. Soybean open interest as of September 17 was up 9,021 contracts, soymeal up 5,776 contracts, and soybean oil up 491. Chinese Dalian (NOV 24) Soybeans down 1.63%, Soymeal up 2.09%, Soyoil up 1.04%, Palm oil up 0.38%. Malaysian Palm was up 2.81%.



NEAR-TERM MARKET FUNDAMENTALS: Prices are higher this morning as today's Fed announcement is expected to be the 1st of several rate cuts in a row and offers a supportive backdrop for commodities, which may be encouraging an inflow of investor dollars. Talk of the dry finish to the US crop season shaving the top end of yield off is also a supportive factor. CONAB released their 1st estimate for new crop Brazil bean production, coming in at 166.28 million tonnes, up 12.82% from the previous season, with planted area up 3%. This compares with USDA's forecast of 169.24. They also expect Brazil's yield at 3.508 kg per hectare, below USDA at 3.570. Brazil's soybean crush is expected up 7.9% year-over-year. CONAB will release an update on October 15 incorporating field studies. The extended forecasts have some hints of rain for northern Brazil, but the extremely dry conditions mean consistent rains will be needed to replenish soil moisture for optimal planting. Argentina's president, in his National Budget address earlier this week, did not include any reference regarding export tax decreases or elimination, disappointing some Argentine farmers. Agriculture exports account for 85% of total export revenue and it appears the taxes will remain unchanged for 2025. Dr Cordonnier lowered his US bean yield.5 BPA to 52.5. November beans have moved above the 50-day moving average for the 1st time since late May and a strong close today would be a potentially positive technical signal, despite bearish supply fundamentals. Along with US harvest, the timing of the onset of monsoon rains in Brazil is the other key market force. Beans may benefit from rate cut optimism in the short-term, but the market is now shifting from North American focus to South American focus, as planting get started in the southern hemisphere. Look for important resistance at 1031 and key support 995 on November beans.

TODAY'S MARKET IDEAS:

Central and eastern Midwest dryness and rate cut optimism are giving beans a boost this morning. Commodity inflows may increase as grains might look cheap to commodity investors. Supply fundamentals are certainly bearish, but the market appears to have digested that and a close above the 50-day moving average today, which stands at 1015, would be a strong signal the market wants to test upside resistance at 1031.

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) 09/18/2024: 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. With the close higher than the pivot swing number, the market is in a slightly bullish posture. The next downside target is now at 997 1/4. The next area of resistance is around 1010 1/2 and 1015 1/4, while 1st support hits today at 1001 1/2 and below there at 997 1/4.

SOYBEAN OIL (DEC) 09/18/2024: Daily stochastics are trending lower but have declined into oversold territory. A positive signal for trend short-term was given on a close over the 9-bar moving average. A positive setup occurred with the close over the 1st swing resistance. The next downside objective is 38.74. The next area of resistance is around 40.38 and 40.74, while 1st support hits today at 39.38 and below there at 38.74.

SOYMEAL (DEC) 09/18/2024: Momentum studies trending lower at mid-range should accelerate a move lower if support 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 downside objective is now at 317.6. The next area of resistance is around 323.7 and 326.3, while 1st support hits today at 319.3 and below there at 317.6.

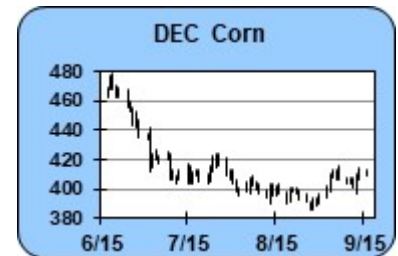
DAILY CORN COMMENTARY

9/18/2024

China year to date corn imports down 15.7%

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):
CORN +0.2

OVERNIGHT DEVELOPMENTS: Corn (DEC 24) prices overnight are up 1 1/2. Corn open interest as of September 17 was up 8,211 contracts. Chinese Dalian (NOV 24) Corn was down 0.55%.



NEAR-TERM MARKET FUNDAMENTALS: December corn is slightly higher this morning and has taken out last week's highs and we give the edge to the bull camp. Today's potential Fed rate cut may be giving grains support by incentivizing commodity inflows from the drop in the US Dollar. Some precipitation moved across the western belt overnight but it is not expected to reach the eastern belt, or conditions remain very dry. The 6 to 10 day forecast does shift to normal to slightly above normal precipitation for all the Midwest and temperatures mostly above. The 8 to 14 day has below no precipitation for the northwest corn belt. CONAB released their new crop corn production update yesterday at 119.8 million tonnes, up 3.6% year-over-year but exports are expected to be down 5.6%. This compares with USDA at 127.0 but the sizable difference recently between USDA and CONAB reduces confidence in these numbers and until planting is over, little attention will be paid to South American crop estimates. CONAB expects Brazil's ethanol demand to remain very strong, up 17.3% year-over-year. LSEG lowered their EU-27 corn production to 60 million tonnes, down 5% from their previous forecast. China's August US corn imports were 430,000 tonnes, down 64% year-over-year and year-to-date corn imports are down 15.7% to 12.56 million tonnes. December corn is inching towards key resistance at 416 and if prices can close over that level a challenge of the July highs at 4.23 3/4 would be next. The Fed rate cut announcement is likely to keep a bid under prices today. Potential China retaliation to US EV tariffs would be a much more significant factor for beans than corn.

TODAY'S MARKET IDEAS:

The potential Fed rate cut is expected to encourage some general commodity buying and that may give corn enough of a boost to push above key resistance at 416 on December. Harvest pressure will no doubt be heavy, but if the market can make a good technical trade, Managed Money may reduce their net short position further, resulting in a challenge of the 2-month highs at 423 3/4 in the short-term.

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) 09/18/2024: 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. The market has a slightly positive tilt with the close over the swing pivot. The near-term upside target is at 416. The next area of resistance is around 414 3/4 and 416, while 1st support hits today at 410 1/4 and below there at 407 1/4.

CORN (MAR) 09/18/2024: 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. With the close higher than the pivot swing number, the market is in a slightly bullish posture. The near-term upside objective is at 433 3/4. The next area of resistance is around 432 3/4 and 433 3/4, while 1st support hits today at 428 3/4 and below there at 426.

DAILY WHEAT COMMENTARY

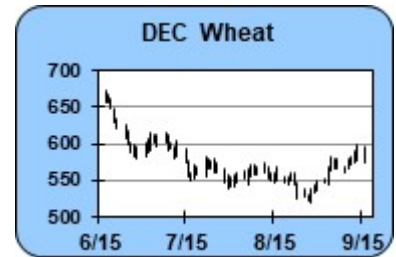
9/18/2024

Beneficial rains fall in Western Kansas

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):

WHEAT +0.25

OVERNIGHT DEVELOPMENTS: Chicago wheat (DEC 24) prices overnight are up 4 1/4; Kansas City (DEC 24) up 5 1/4; and Minneapolis (DEC 24) up 1 1/2. MATIF Milling Wheat(DEC 24) was up 0.8%. Chicago wheat open interest as of September 17 was down 382 contracts and Minneapolis wheat was up 420 contracts.



NEAR-TERM MARKET FUNDAMENTALS: Prices are higher this morning, despite beneficial precipitation falling across western Kansas overnight which will improve winter wheat planting conditions there. Additional precipitation over the next 5 days is expected in Nebraska and Kansas and will be welcomed, but Texas and Oklahoma look to miss out. SovEcon lowered their total Russian grain crop forecast to 124.4 million tonnes, down from 128.4 in their previous forecast. Industry officials in India are calling for the government to release wheat stocks to hold domestic prices down before the fall Festival begins. Ukraine says they will halt wheat exports if there 16.2 million tonne is exceeded. French SRW ending stocks are expected at 2.74 million tonnes, down from 3.04 last month. LSEG left their Russian wheat production estimate unchanged at 82.8 million tonnes, very close to yesterday's SovEcon update of 82.9. China wheat imports from the US in August were 410,000 tonnes, down 51% from August year ago and year-to-date imports are up 9.8% to 10.49 million tonnes. Egypt's wheat imports for the 1st half of 2024 reached \$2.1 billion, up from \$1.7 billion in the 1st half of 2023. The pullback in Chicago December wheat over the last couple days may continue down to the 560 area, but commodity optimism from the Fed rate cut announcement this afternoon could give prices a boost in the short-term.

TODAY'S MARKET IDEAS:

December Chicago wheat retracement support is 569 and 559. With beneficial rains in western Kansas overnight and more on the way for Kansas and Nebraska, it may be tough for the market to take out last week's highs until Black Sea prices show more strength. Speculators can look for buying opportunity, if prices fall below 570.

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) 09/18/2024: A bearish signal was triggered on a crossover down in the daily stochastics. Momentum studies are trending lower from high levels which should accelerate a move lower on a break below the 1st swing support. A negative signal for trend short-term was given on a close under the 9-bar moving average. The market's close below the pivot swing number is a mildly negative setup. The next downside target is now at 563 3/4. The next area of resistance is around 582 1/4 and 589 3/4, while 1st support hits today at 569 1/4 and below there at 563 3/4.

KC WHEAT (DEC) 09/18/2024: Stochastics turning bearish at overbought levels will tend to support lower prices 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 daily closing price reversal up is a positive indicator that could support higher prices. The market's close below the pivot swing number is a mildly negative setup. The next downside target is now at 570 3/4. The next area of resistance is around 586 1/4 and 592, while 1st support hits today at 575 3/4 and below there at 570 3/4.

MINN WHEAT (DEC) 09/18/2024: The daily stochastics gave a bearish indicator with a crossover down. Momentum studies trending lower from overbought levels is a bearish indicator and would tend to reinforce lower price action. The close above the 9-day moving average is a positive short-term indicator for trend. It is a slightly negative indicator that the close was under the swing pivot. The next downside target is 612 3/4. The next area of resistance is around 625 1/2 and 630 1/2, while 1st support hits today at 616 1/2 and below there at 612 3/4.

RICE (NOV) 09/18/2024: Daily stochastics have risen into overbought territory which will tend to support reversal action if it occurs. A positive signal for trend short-term was given on a close over the 9-bar moving average. With the close higher than the pivot swing number, the market is in a slightly bullish posture. The near-term upside target is at 15.542. The next area of resistance is around 15.470 and 15.542, while 1st support hits today at 15.220 and below there at 15.043.

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										
CNAZ24	412 1/2	62.59	57.62	76.52	81.10	410.63	408.42	402.74	403.77	408.23
CNAH25	430 3/4	63.41	58.37	77.97	82.40	428.88	426.89	421.15	420.91	424.42
SSAX24	1006	52.20	49.97	64.45	60.98	1006.88	1007.97	998.69	1010.58	1032.14
SSAF25	1024 3/4	52.74	50.43	65.25	62.29	1025.63	1026.25	1016.51	1027.53	1048.35
SMAZ24	321.5	54.20	53.39	67.50	64.48	322.85	322.76	317.56	315.92	318.93
BOAZ24	39.88	48.86	47.17	27.84	22.88	39.43	39.77	40.25	41.04	42.17
WHAZ24	575 3/4	55.34	54.63	80.90	77.32	581.88	576.81	561.36	559.82	568.02
WHAH25	595 1/2	55.93	54.95	80.68	77.51	600.69	595.94	581.19	579.86	587.86
RCAX24	15.345	60.77	56.92	70.13	81.51	15.29	15.14	15.08	15.06	15.09
KWAZ24	581	52.20	52.33	79.64	74.38	586.69	584.56	570.88	570.23	577.48
MWAZ24	621	56.58	54.71	80.60	80.32	624.50	618.97	604.15	608.71	614.80
OTAZ24	351 1/4	50.40	55.26	85.82	74.27	366.75	363.89	345.53	327.98	325.04

Calculations based on previous session. Data collected 09/17/2024

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						
CNAZ24	Corn	407	410 1/4	411 1/2	414 3/4	416
CNAH25	Corn	426	428 3/4	430	432 3/4	434
SSAX24	Soybeans	997 1/4	1001 1/2	1006 1/4	1010 1/2	1015 1/4
SSAF25	Soybeans	1016 1/4	1020 1/2	1025	1029	1033 3/4
SMAZ24	Soymeal	317.5	319.3	321.9	323.7	326.3
BOAZ24	Soybean Oil	38.74	39.38	39.74	40.38	40.74
WHAZ24	Wheat	563 3/4	569 1/4	576 3/4	582 1/4	589 3/4
WHAH25	Wheat	584 1/2	589 1/2	596 1/2	601 1/2	608 1/2
RCAX24	Rice	15.042	15.220	15.292	15.470	15.542
KWAZ24	KC Wheat	570 1/2	575 1/2	581 1/4	586 1/2	592
MWAZ24	MINN Wheat	612 1/2	616 1/2	621 1/2	625 1/2	630 1/2
OTAZ24	Oats	339	344	353 1/4	358 1/2	367 1/2

Calculations based on previous session. Data collected 09/17/2024

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.