

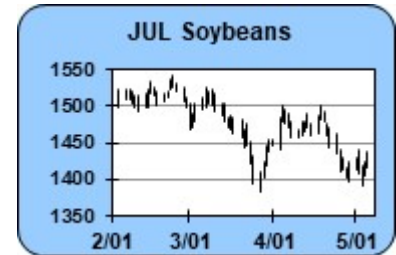


DAILY GRAINS COMMENTARY Monday May 08, 2023

DAILY SOY COMPLEX COMMENTARY 5/8/2023

More up in palm oil overnight and other grains still strong

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



OVERNIGHT DEVELOPMENTS: July Soybean prices overnight are up 7 1/4; Soymeal up 1.50; and Soyoil up 0.46. Soybean open interest as of May 5 was up 3,063 contracts, soymeal up 6,327 contracts, and soybean oil up 3,248. Chinese Dalian (JUL 23) Soybeans up 3.51%, Soymeal up 1.52%, Soyoil up 1.27%, Palm oil up 2.40%. Malaysian Palm was up 4.36% after trading up 5.14% on Friday. Global equity markets overnight were generally higher except for markets in Japan, Russia, and Germany which traded fractionally lower. Critical economic news released overnight included a stronger than expected Japanese Jibun Bank Services PMI reading for April, a contraction in Australian building permits, stronger than expected but weaker than the prior month national Australia bank's business conditions for April, a stronger than expected German industrial production versus year ago levels, a noted month over month contraction in German industrial production and a much weaker than expected euro zone Sentix Investor Confidence reading for May. The North American session will start out with March wholesale trade which is expected to hold steady with February's 0.1% reading. The New York Fed's April reading on consumer inflation expectations is forecast to have a modest downtick from March's 4.7% reading. For the month to date wheat prices are up 31 1/4 in SRW, up 69 in HRW, up 45 3/4 in HRS; Corn is up 14 3/4; Soybeans up 24 3/4; Soymeal down \$4.20; Soyoil up 3.08. Year-To-Date nearby futures are down 18.3% in SRW, down 0.9% in HRW, down 12.5% in HRS; Corn is down 3.9%; Soybeans down 3.3%; Soymeal down 10.4%; Soyoil down 15.2%.

NEAR-TERM MARKET FUNDAMENTALS: July soybeans closed higher on the session Friday and the market managed to close 17 1/4 cents higher on the week as well. July meal managed to close slightly higher but still down significantly for the week while July soybean oil closed sharply higher on the session led by a more than 5% gain in palm oil futures Friday. The market is seeing some support from strength in outside markets including a surge up in crude oil, and also finding support from the other grains. The huge discount for Brazilian soybeans to the US has encouraged increased China demand, and has even encouraged US imports of at least four soybean cargos. Brazil may export 12.1 million tonnes of soybeans this month, up 17% from last year. In April, Brazil exported 14.34 million tonnes of soybean, 8.3% more than that shipped in March and 25% above that exported in April of 2022, according to Secex. Between January and April, Brazil exported 33.44 million tonnes of soybeans, a record for the period.

Soybeans positioning in the Commitments of Traders for the week ending May 2nd showed Managed Money traders were net long 56,373 contracts after decreasing their long position by 30,835 contracts. Non-Commercial & Non-Reportable traders reduced their net long position by 29,359 contracts to a net long 40,347 contracts. For Soyoil, Managed Money traders added 4,179 contracts to their already short position and are now net short 23,734 contracts. Non-Commercial No CIT traders added 1,552 contracts to their already short position and are now net short 43,883. For Soymeal, Managed Money traders net sold 25,816 contracts and are now net long 60,557 contracts. Non-Commercial & Non-Reportable traders reduced their net long position by 26,004 contracts to a net long 93,899 contracts.

TODAY'S MARKET IDEAS:

July soybean support is at 1425 1/4 and 1420 1/2, with 1459 1/2 and as resistance. November soybean support is at 1277 3/4, with 1295 and 1305 1/4 as resistance. July soybean meal support is at 424.50, with 437.20 and 443.10 as resistance. July soybean oil resistance is at 55.45 and 56.95.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

Commitment of Traders - Futures and Options - 4/25/2023 - 5/2/2023							
	Non-Commercial		Net Position	Commercial		Non-Reportable	
	Net Position	Weekly Net Change		Weekly Net Change	Net Position	Weekly Net Change	
Grains							
Soybeans	69,687	-30,813	-40,347	+29,359	-29,340	+1,454	
Soymeal	77,531	-24,640	-93,898	+26,005	16,368	-1,364	
Soyoil	-25,432	-2,883	26,650	+2,786	-1,218	+96	

SOYBEAN COMPLEX TECHNICAL OUTLOOK:

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SOYBEANS (JUL) 05/08/2023: The stochastics indicators are rising from oversold levels, which is bullish and should support higher prices. The close above the 9-day moving average is a positive short-term indicator for trend. Since the close was above the 2nd swing resistance number, the market's posture is bullish and could see more upside follow-through early in the session. The next upside objective is 1454 1/2. The next area of resistance is around 1447 3/4 and 1454 1/2, while 1st support hits today at 1425 1/4 and below there at 1409 1/4.

SOYBEAN OIL (JUL) 05/08/2023: Positive momentum studies in the neutral zone will tend to reinforce higher price action. The intermediate trend could be turning up with the close back above the 18-day moving average. There could be more upside follow through since the market closed above the 2nd swing resistance. The next upside objective is 56.09. The next area of resistance is around 55.42 and 56.09, while 1st support hits today at 53.23 and below there at 51.70.

SOYMEAL (JUL) 05/08/2023: Daily stochastics are trending lower but have declined into oversold territory. A negative signal for trend short-term was given on a close under the 9-bar moving average. It is a mildly bullish indicator that the market closed over the pivot swing number. The next downside target is now at 421.8. The next area of resistance is around 428.2 and 430.2, while 1st support hits today at 424.0 and below there at 421.8.

DAILY CORN COMMENTARY

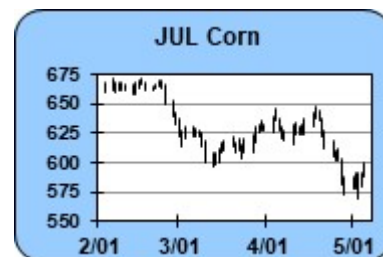
5/8/2023

Short-covering; Non-Commercial No CIT net short 153,429 contracts

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):

CORN +0.2

OVERNIGHT DEVELOPMENTS: July Corn prices overnight are up 2 3/4 cents. Corn open interest as of May 5 was up 2,333 contracts. Chinese Dalian Corn was up 0.46%.



NEAR-TERM MARKET FUNDAMENTALS: Continued concerns with any type of Ukraine grain deal after the current deal expires this month helped to support. Talk that the market has already priced in a good start to the growing season may have sparked some short covering as well with the market strong. July corn closed

moderately higher on the session Friday and the buying pushed the market up to the highest level since April 27. The 5-day forecast models show hefty rain totals for the Dakotas, Nebraska, eastern Kansas, Missouri, parts of Iowa and all the Eastern Corn Belt. This might slow planting progress but is considered a bearish development for the Western Corn Belt drought concerns persist. The 6-10 day forecast models show above normal temperatures and normal precipitation for the entire Corn Belt and this is considered bearish.

The 8-14 day forecast models show above normal temperatures in the Western corn belt and normal in the East, with below normal precipitation expected for the entire Midwest. This is bearish and suggests significant planting progress for the May 14th-20th timeframe. Brazil's low corn price as compared with US prices are likely the reason for recent China cancelations of imports from the US. Cumulative corn sales have reached just 81.2% of the USDA forecast for the 2022/2023 marketing year versus a 5 year average of 88.9%. For the month of March, US corn exports reached 921,000 tonnes, down 33.9% from last year. The May 2nd Commitments of Traders report showed Corn Managed Money traders net sold 102,849 contracts and are now net short 118,146 contracts. Non-Commercial No CIT traders are net short 153,429 contracts after net selling 64,099 contracts.

TODAY'S MARKET IDEAS:

With the extreme oversold technical condition, the reversal-type action last week and non-commercial/no Commodity Index Trader net short positioning at 153,429 contracts (biggest since July 28th, 2020), the market looks vulnerable to at least a technical correction. Support for July corn comes in at 592 and 588 1/4, with 608 1/4 and 617 1/2 as next resistance. December corn support is at 527 1/2, with 544 1/4 and 551 3/4 as resistance.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

Commitment of Traders - Futures and Options - 4/25/2023 - 5/2/2023						
	Non-Commercial			Commercial		Non-Reportable
	Net Position	Weekly Net Change	Net Position	Weekly Net Change	Net Position	Weekly Net Change
Grains						
Corn	-92,461	-96,400	146,002	+89,663	-53,540	+6,738

CORN TECHNICAL OUTLOOK:

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CORN (JUL) 05/08/2023: The stochastics indicators are rising from oversold levels, which is bullish and should support higher prices. The close above the 9-day moving average is a positive short-term indicator for trend. With the close over the 1st swing resistance number, the market is in a moderately positive position. The near-term upside objective is at 605 3/4. Consider buying pull-backs since daily studies are bullish. The next area of resistance is around 601 3/4 and 605 3/4, while 1st support hits today at 591 1/4 and below there at 584 1/2.

CORN (DEC) 05/08/2023: The stochastics indicators are rising from oversold levels, which is bullish and should support higher prices. 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 next upside objective is 542 1/4. Daily studies suggest buying dips today. The next area of resistance is around 539 and 542 1/4, while 1st support hits today at 530 1/2 and below there at 525 1/4.

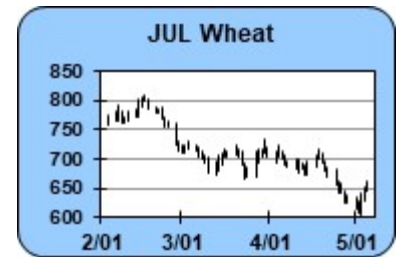
DAILY WHEAT COMMENTARY

5/8/2023

Reversal action with funds short 126,324 contracts

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):
WHEAT +0.25

OVERNIGHT DEVELOPMENTS: Chicago wheat prices overnight are up 6 1/2 cents; Kansas City up 18 3/4; and Minneapolis up 13 3/4. MATIF Milling Wheat was down -0.1%. Chicago wheat open interest as of May 5 was down 814 contracts and Minneapolis wheat was down 753 contracts.



NEAR-TERM MARKET FUNDAMENTALS: The weather forecast looks a bit bearish but the market is extremely oversold and Russia is still not satisfied with how the Russia agricultural exports are represented in the Black Sea grain deal. As of Saturday, Putin had still not responded to the proposals from the United Nations. This may help provide support. Ukraine indicates that Russia has effectively stopped the Black Sea deal. July wheat managed to close 26 1/2 cents higher for the week. Fund traders hold a huge net short position, and added to that short during the past week. This leaves the market with a significant short covering threat. There is decent rain amounts for the Eastern 2/3rds of Kansas and all of Nebraska over the next five days. The extended models are mixed and show periods of above normal temperatures and normal precipitation. July wheat closed sharply higher on the session Friday and up for the third day in a row. The buying pushed the market up to the highest level since April 24.

The USDA attache in India sees 2023/24 wheat production near 110 million tonnes. Reports of higher than expected yields despite weather issues helped to hold the estimate high. Even with the record high forecast, the government seems unlikely to remove its existing wheat export band. The Commitments of Traders report for the week ending May 2nd showed Wheat Managed Money traders are net short 126,324 contracts after net selling 13,312 contracts for the week. Non-Commercial No CIT traders net sold 7,737 contracts and are now net short 108,099 contracts. For KC Wheat, Managed Money traders went from a net long to a net short position of 5,464 contracts after net selling 12,835 contracts. Non-Commercial & Non-Reportable traders are net short 13,174 contracts after net selling 8,548 contracts.

TODAY'S MARKET IDEAS:

Uncertainties over a Black Sea export deal which allows Ukraine to ship grains has led to some short covering, and perhaps new buying. July wheat support is at 646 and 640 1/2, with 682 1/2 and 706 3/4 as resistance. July Kansas City wheat support levels include 833 3/4 and 811 1/4.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

Commitment of Traders - Futures and Options - 4/25/2023 - 5/2/2023						
Grains	Non-Commercial		Commercial	Non-Reportable		
	Net Position	Weekly Net Change		Net Position	Weekly Net Change	
KC Wheat	-13,599	-11,476	13,174	+8,548	425	+2,928
Wheat	-102,365	-9,814	93,689	+10,309	8,677	-494

WHEAT TECHNICAL OUTLOOK:

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WHEAT (JUL) 05/08/2023: Momentum studies are trending higher from mid-range, which should support a move higher if resistance levels are penetrated. 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 objective is at 676 1/2. The next area of resistance is around 670 and 676 1/2, while 1st support hits today at 650 1/2 and below there at 637 1/4.

KC WHEAT (JUL) 05/08/2023: The market now above the 60-day moving average suggests the longer-term trend has turned up. Positive momentum studies in the neutral zone will tend to reinforce higher price action. The cross over and close above the 18-day moving average indicates the intermediate-term trend has turned up. The market has a bullish tilt coming into today's trade with the close above the 2nd swing resistance. The near-term upside objective is at 867 3/4. The next area of resistance is around 854 1/2 and 867 3/4, while 1st support hits today at 812 1/2 and below there at 783 1/2.

MINN WHEAT (JUL) 05/08/2023: Momentum studies are trending higher from mid-range, which should support 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 market's close above the 2nd swing resistance number is a bullish indication. The next upside target is 862. The next area of resistance is around 851 1/2 and 862, while 1st support hits today at 820 1/2 and below there at 799 3/4.

RICE (JUL) 05/08/2023: Rising stochastics at overbought levels warrant some caution for bulls. The market's close above the 9-day moving average suggests the short-term trend remains positive. There could be more upside follow through since the market closed above the 2nd swing resistance. The next upside objective is 18.555. With a reading over 70, the 9-day RSI is approaching overbought levels. The next area of resistance is around 18.459 and 18.555, while 1st support hits today at 18.110 and below there at 17.855.

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										
CNAN23	596 1/2	43.53	41.42	20.16	25.12	588.50	590.42	609.72	616.18	625.20
CNAZ23	534 3/4	42.78	40.40	20.04	26.81	528.38	532.11	545.11	555.09	563.01
SSAN23	1436 1/2	50.49	47.26	22.97	27.78	1420.63	1418.36	1443.71	1458.24	1471.25
SSAX23	1280	48.64	45.01	23.44	28.27	1272.00	1268.31	1285.47	1307.18	1324.70
SMAN23	426.1	31.07	34.10	15.26	14.47	425.88	428.81	440.97	452.30	456.09
BOAN23	54.33	59.56	52.38	29.15	41.03	52.81	52.24	53.24	55.06	56.54
WHAN23	660 1/4	52.51	47.53	20.72	32.11	638.56	636.72	661.42	684.54	703.43
WHAU23	671 1/2	52.50	47.52	20.89	32.47	649.88	648.25	672.43	695.69	714.09
RCAN23	18.285	78.98	69.89	84.82	93.96	18.00	17.59	17.33	17.27	17.44
KWAN23	833 1/2	59.25	54.67	23.83	38.64	789.13	782.39	813.69	819.72	828.10
MWAN23	836	53.68	49.70	20.57	32.26	806.25	806.03	834.38	849.46	861.23
OTAN23	329	54.33	48.99	26.20	38.49	315.19	316.92	326.60	340.28	343.32

Calculations based on previous session. Data collected 05/05/2023

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						
CNAN23	Corn	584 1/2	591	595 1/4	602	606
CNAZ23	Corn	525 1/4	530 1/2	533 3/4	539	542 1/4
SSAN23	Soybeans	1409 1/4	1425	1432	1448	1454 3/4
SSAX23	Soybeans	1261 1/2	1272 1/2	1276 1/2	1287 1/2	1291 1/2
SMAN23	Soymeal	421.8	424.0	426.0	428.2	430.2
BOAN23	Soybean Oil	51.70	53.23	53.90	55.42	56.09
WHAN23	Wheat	637 1/4	650 1/2	657	670	676 3/4
WHAU23	Wheat	649	661 3/4	668 1/2	681 1/4	688
RCAN23	Rice	17.854	18.109	18.205	18.459	18.555
KWAN23	KC Wheat	783 1/2	812 1/2	825 3/4	854 1/2	868
MWAN23	MINN Wheat	799 3/4	820 1/2	831	851 1/2	862 1/4
OTAN23	Oats	316 1/2	323	328 1/4	335	340

Calculations based on previous session. Data collected 05/05/2023
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