



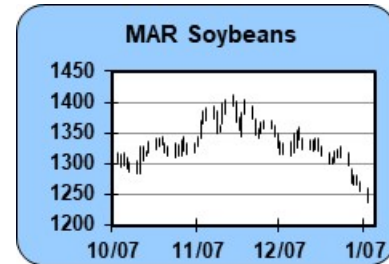
DAILY GRAINS COMMENTARY Tuesday January 09, 2024

DAILY SOY COMPLEX COMMENTARY 1/9/2024

Oversold conditions may stimulate short covering

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

OVERNIGHT DEVELOPMENTS: Soybeans (MAR 24) prices overnight are up 3 3/4; Soymeal (MAR 24) up 0.40; and Soyoil (MAR 24) up 0.52. Soybean open interest as of January 8 was up 5,553 contracts, soymeal up 4,825 contracts, and soybean oil up 2,215. Chinese Dalian (MAY 24) Soybeans up 0.04%, Soymeal down 0.63%, Soyoil down 0.22%, Palm oil down 0.54%. Malaysian Palm was up 1.06%. Global equity markets were mostly higher overnight with gains in mere fractions in Asia while European stock markets were mostly lower. Important economic news released overnight included an as expected slow down in GBP BRC Like-for-Like retail sales, it much better than its reading for November, a much better-than-expected Australian retail sales, a slight uptick in the Swiss unemployment rate for December, expected German industrial production reading for November a slight decline in French exports for November, a moderate dip in French imports for November, a surprisingly large drop in the Italian unemployment rate for November, and perhaps the most important overnight data point, a lower than expected euro zone eight for November. The North American session will start out with a weekly private survey of same-store sales and a monthly private survey of small business optimism. The November US international trade balance is forecast to have a modest increase from October's \$64.3 billion monthly deficit. November Canadian international merchandise trade is expected to have a moderate downtick from October's monthly surplus. Fed Vice Chair Barr will speak during early afternoon US trading hours. Earnings announcements will include Albertsons and Acuity Brands before the Wall Street opening.



NEAR-TERM MARKET FUNDAMENTALS: After price declines in 6 of the last 7 trading sessions, the market may be oversold enough to give funds a reason to short cover before Friday morning's USDA supply/demand report. Yesterday, March futures hit their lowest level since mid-June 2023 and the relative strength index hit its lowest level since May 2023. The pattern shift and replenishment of moisture in the northern half of Brazil has at least stabilized crops there, although earlier planted crops certainly have irreversible damage. The moisture will no doubt help later planted crops and especially Safrinha corn, which is now beginning to be planted. There were 138 January bean deliveries overnight, with Bunge stopping 120. Bunge's Decatur Indiana soy processing plant is now back up and running after the shut down last week due to a damaged natural gas pipeline. The Brazilian consultancy COGO lowered their crop estimate to 155.24 million tonnes compared to 160 million previously. The dry eastern half of the Midwest and the Southeast US will see good moisture over the next week. AgRural says Brazil's overall bean harvest is 0.6% complete compared to 0.04% completed a year ago. Mato Grosso is further along, and early yield reports are said to be poor. The sharp break seen over the last 7 days may not be over, but some short covering should be seen before Friday's report based on the oversold technical situation. Close - in resistance is 12.65 and then 12.96 3/4.

Soybean export inspections for the week ending January 4 came in at 674,749 metric tonnes. Cumulative inspections year-to-date are 23,945,566 metric tonnes which is 20.8% below last year. This is 50.1% of the USDA's forecast for the 2023-24 marketing year versus the five-year average of 50.2%.

TODAY'S MARKET IDEAS:

Money managers have continued to build their net short position as open interest rose again yesterday by nearly 6000 contracts. Now that prices have fallen under support at 12.52 in the March futures, prices may eventually head to longer term support down at 12.10. However, oversold technical conditions should offer some sort of

short covering rebound by Friday. First resistance is 12.65 and longer-term resistance remains at last week's gap at 12.96 3/4.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

SOYBEAN COMPLEX TECHNICAL OUTLOOK:

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SOYBEANS (MAR) 01/09/2024: Daily stochastics declining into oversold territory suggest the selling may be drying up soon. The market's short-term trend is negative as the close remains below the 9-day moving average. The market's close below the 1st swing support number suggests a moderately negative setup for today. The next downside target is 1222. With a reading under 30, the 9-day RSI is approaching oversold levels. The next area of resistance is around 1258 and 1272, while 1st support hits today at 1233 and below there at 1222.

SOYBEAN OIL (MAR) 01/09/2024: The crossover up in the daily stochastics is a bullish signal. Daily stochastics are showing positive momentum from oversold levels, which should reinforce a move higher if near term resistance is 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. The market's close below the pivot swing number is a mildly negative setup. The next upside objective is 49.03. The next area of resistance is around 48.60 and 49.03, while 1st support hits today at 47.02 and below there at 45.87.

SOYMEAL (MAR) 01/09/2024: Momentum studies are declining, but have fallen to oversold levels. 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 364.2. The 9-day RSI under 30 indicates the market is approaching oversold levels. The next area of resistance is around 370.6 and 372.7, while 1st support hits today at 366.4 and below there at 364.2.

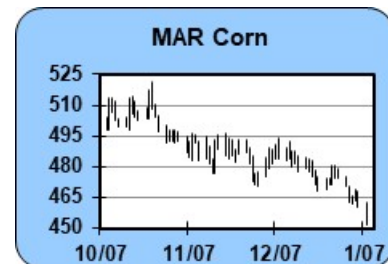
DAILY CORN COMMENTARY

1/9/2024

Corrective bounce overdue

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):
CORN +0.1

OVERNIGHT DEVELOPMENTS: Corn (MAR 24) prices overnight are up 3/4. Corn open interest as of January 8 was up 19,887 contracts. Chinese Dalian (MAY 24) Corn was down 0.50%.



NEAR-TERM MARKET FUNDAMENTALS: Another large jump in open interest yesterday of nearly 20,000 contracts continues the trend of aggressive speculative selling that has been seen since the start of the year. March futures had their lowest close since December 2020. Index fund rebalancing is expected to begin today, which may offer a measure of support as index funds are expected to be buyers of a significant number of contracts to rebalance their portfolios. However, typically, the price impact of rebalancing is rather muted. Sharp weakness in energy prices added to yesterday's market pressure with crude down more than \$3 a barrel, although prices are gaining back some of

those losses this morning. Mosaic says fertilizer demand should stay strong in Brazil for 2024, projecting a slight increase from the previous year. AgRural says Brazil's center - south 1st crop corn is 3.3% harvested compared to 2.3% year ago. March futures tested support at 4.50 and are reaching extreme oversold levels, which may give the market a reason for a "turn-around" Tuesday.

Corn export inspections for the week ending January 4 came in at 856,597 metric tonnes. Cumulative inspections year-to-date are 12,807,045 metric tonnes which is 28.0% above last year. This is 24.0% of the USDA's forecast for the 2023-24 marketing year versus the five-year average of 23.8%.

TODAY'S MARKET IDEAS:

The continued climb in open interest on the downswing in prices is bearish, however, the market is reaching oversold levels and is due a corrective bounce before Friday's report. Initial resistance on March futures is 4.68 and then 4.87. Close-in support is at 4.50.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

CORN TECHNICAL OUTLOOK:

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CORN (MAR) 01/09/2024: 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. The market's close below the 1st swing support number suggests a moderately negative setup for today. The next downside target is now at 445 3/4. Some caution in pressing the downside is warranted with the RSI under 30. The next area of resistance is around 460 1/4 and 466 1/2, while 1st support hits today at 449 3/4 and below there at 445 3/4.

CORN (JUL) 01/09/2024: 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 close below the 1st swing support could weigh on the market. The next downside target is now at 469. The market is approaching oversold levels on an RSI reading under 30. The next area of resistance is around 483 and 489, while 1st support hits today at 473 and below there at 469.

DAILY WHEAT COMMENTARY

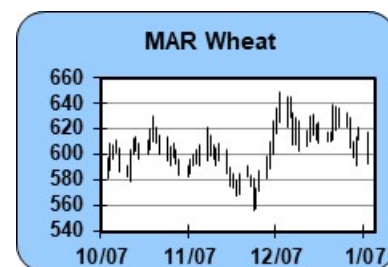
1/9/2024

Beneficial moisture in the Plains

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):

WHEAT +0.33

OVERNIGHT DEVELOPMENTS: Chicago wheat (MAR 24) prices overnight are up 3 3/4; Kansas City (MAR 24) up 6 1/4; and Minneapolis (MAR 24) up 4 1/2. MATIF Milling Wheat(MAR 24) was up 0.5%. Chicago wheat open interest as of January 8 was up 9,838 contracts and Minneapolis wheat was up 2,219 contracts.



NEAR-TERM MARKET FUNDAMENTALS: The bull camp may be seeing a bit of light at the end of the tunnel as numerous tenders have been announced in the last 24 hours as prices have pulled back into the area where demand picked up last month. Egypt is looking for wheat, as well as Algeria, Jordan and Tunisia. Although it

appears Jordan may have passed on their tender this morning, the increased interest in wheat on the price break is a positive sign. Kansas saw beneficial moisture from the current storm moving through and more is expected this coming weekend. Some of yesterday's sharp weakness may have been tied to rumors China was switching some previously bought US cargoes of SRW to French origin. There has been no confirmation of this yet. The Russian Ag Minister says their wheat exports since July have been 23.7 million tons, which makes their previous announcement of a 24-million-ton quota for the February 15th - June 30 timeframe a moot point. So far, March futures in Chicago are holding last Thursday's reversal low, but a close below 5.91 would negate the bullish signal. With the USDA supply and demand report coming Friday morning, we may see some minor short covering starting today.

Wheat export inspections for the week ending January 4 came in at 491,074 metric tonnes. Cumulative inspections year-to-date are 10,132,124 metric tonnes which is 16.3% below last year. This is 51.4% of the USDA's forecast for the 2023-24 marketing year versus the five-year average of 56.7%.

TODAY'S MARKET IDEAS:

March Chicago prices fell below 6.00 support but held last Thursday's reversal low at 5.91. Short covering is likely before Friday morning's report and the slew of global tenders may get a rally kick-started today. Speculators may consider buying a small pullback today with stops under 5.91, but upside extension may be limited after the beneficial moisture in the southern Plains wheat belt.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

WHEAT TECHNICAL OUTLOOK:

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WHEAT (MAR) 01/09/2024: The market back below the 60-day moving average suggests the longer-term trend could be turning down. The downside crossover of the 9 and 18 bar moving average is a negative signal. Momentum studies trending lower at mid-range should accelerate a move lower if support levels are taken out. The market's short-term trend is negative as the close remains below the 9-day moving average. There could be some early pressure today given the market's negative setup with the close below the 2nd swing support. The next downside objective is 576 1/2. The next area of resistance is around 608 1/4 and 624 3/4, while 1st support hits today at 584 1/4 and below there at 576 1/2.

KC WHEAT (MAR) 01/09/2024: A crossover down in the daily stochastics is a bearish signal. Daily stochastics declining into oversold territory suggest the selling may be drying up soon. The market's close below the 9-day moving average is an indication the short-term trend remains negative. The market setup is somewhat negative with the close under the 1st swing support. The next downside objective is 597 3/4. The next area of resistance is around 627 1/4 and 638 3/4, while 1st support hits today at 606 3/4 and below there at 597 3/4.

MINN WHEAT (MAR) 01/09/2024: 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 swing indicator gave a moderately negative reading with the close below the 1st support number. The next downside target is 692. The next area of resistance is around 708 3/4 and 717 1/4, while 1st support hits today at 696 1/4 and below there at 692.

RICE (MAR) 01/09/2024: Stochastics trending lower at midrange will tend to reinforce a move lower especially if support levels are taken out. The close under the 18-day moving average indicates the intermediate-term trend could be turning down. The market tilt is slightly negative with the close under the pivot. The next downside objective is now at 17.194. The next area of resistance is around 17.642 and 17.803, while 1st support hits today

at 17.338 and below there at 17.194.

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										
CNAH24	455	25.45	31.09	16.00	11.77	461.88	468.17	472.53	480.41	485.67
CNAN24	478	22.50	29.52	15.07	11.08	484.69	490.67	494.85	501.08	504.60
SSAH24	1245 1/2	20.84	27.79	10.62	7.75	1261.56	1285.47	1304.89	1338.52	1335.22
SSAN24	1261 3/4	19.54	26.33	9.40	7.32	1276.38	1299.67	1321.04	1355.43	1352.81
SMAH24	368.5	22.01	28.20	12.17	7.57	373.63	382.27	388.22	406.91	405.17
BOAH24	47.81	34.47	37.79	23.32	23.63	48.05	48.20	49.15	50.18	50.59
WHAH24	596 1/4	40.25	44.23	38.56	30.98	606.50	616.83	616.99	605.92	605.25
WHAN24	617 3/4	40.44	44.06	39.10	31.06	626.69	635.44	634.85	628.96	630.44
RCAH24	17.490	49.67	51.20	47.30	37.34	17.43	17.54	17.51	17.29	17.10
KWAH24	617	38.64	41.79	30.88	28.43	622.63	631.44	633.06	638.81	646.44
MWAH24	702 1/2	35.78	39.72	29.43	22.01	708.56	716.58	718.69	727.25	731.80
OTAH24	361	43.55	44.82	52.18	38.93	361.69	370.78	369.54	371.65	380.06

Calculations based on previous session. Data collected 01/08/2024

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						
CNAH24	Corn	445 1/2	449 3/4	456	460 1/4	466 1/2
CNAN24	Corn	469	473	479	483	489
SSAH24	Soybeans	1222	1233	1247	1258	1272
SSAN24	Soybeans	1240 1/4	1250 1/2	1262 1/2	1273	1284 3/4
SMAH24	Soymeal	364.1	366.3	368.4	370.6	372.7
BOAH24	Soybean Oil	45.87	47.02	47.45	48.60	49.03
WHAH24	Wheat	576 1/2	584	600 3/4	608 1/2	625
WHAN24	Wheat	599 3/4	607	621	628 1/2	642 1/4
RCAH24	Rice	17.193	17.337	17.498	17.642	17.803
KWAH24	KC Wheat	597 3/4	606 3/4	618 1/4	627 1/4	638 3/4
MWAH24	MINN Wheat	691 3/4	696	704 1/2	709	717 1/4
OTAH24	Oats	349 1/2	356	359 1/2	366	369 1/2

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