



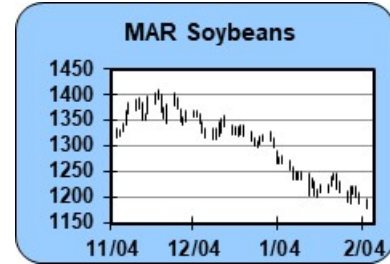
DAILY SOY COMPLEX COMMENTARY
2/6/2024

Short covering expected into Thursday's USDA report

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):
SOY BEANS +0.0, BEAN OIL +0.0, SOYMEAL -0.2

OVERNIGHT DEVELOPMENTS: Soybeans (MAR 24) prices overnight are up 3 1/4; Soymeal (MAR 24) down -1.70; and Soyoil (MAR 24) up 0.64. Soybean open interest as of February 5 was up 13,330 contracts, soymeal up 16,194 contracts, and soybean oil up 3,882. Chinese Dalian (MAY 24) Soybeans up 0.68%, Soymeal down 0.20%, Soyoil down 0.03%, Palm oil up 0.80%. Malaysian Palm was up 1.08%.

Global markets shook off early pressure, but they have lost some of their strength coming into this morning's action. Chinese equities broke a 6-session losing streak with sizable gains following reports that their financial regulators will meet with China's President Xi. December Euro zone retail sales came in at -0.8% year-over-year which was slightly above trade forecasts. Today's trading will start out with a weekly private survey of US same store sales. January Canadian Ivey PMI is expected to have a modest downtick from December's 56.3. Cleveland Fed President Mester and Minneapolis Fed President Kashkari will speak during morning US trading hours followed by Boston Fed President Collins and Philadelphia Fed President Harker will speak during the afternoon.



NEAR-TERM MARKET FUNDAMENTALS: Yesterday's bounce off support has set the tone for some short covering heading into Thursday mornings USDA supply demand report. Argentine rains are still on tap to start Thursday night and will stabilize the crop after the hot/dry spell. China will be out for their Lunar New Year holiday next week and exports are expected to be reduced. Safras says 2023/24 forward bean sales in Brazil stands at 32% of the crop, compared to the five-year average at 44.5%. Thursday's USDA supply/demand report may show a reduction in US bean exports and South American crop estimates will be watch closely as well. ABIOVE updated their Brazil crop estimate to 156.1 million tonnes down 2.6% from their previous estimate. They expect crush for biodiesel to be 36.8 million tonnes in 2024, up 27.8% from 2023. They lowered their Brazil export forecast for 2024 to 98.1 million tonnes, down from 99.3 last month on lower expected supplies. StoneX estimated Brazil soyoil consumption in 2024 for biodiesel to be up 27.5% from last year. A crop tour by the Ag Ministry in the Brazil state of Goias found yields averaging 44.7 - 49.1 bushels per acre, compared to 58 bushels per acre last year. Mato Grosso harvest is 39% complete and Parana 19% complete. Another reversal higher yesterday in March futures for the 3rd time in the last 3 1/2 weeks and this one occurred just as Argentine relief rains are about to start in a couple days. This should set the stage for short covering heading into Thursday morning and initial resistance will be 1223.

Soybean export inspections for the week ending February 1 came in at 1,426,472 metric tonnes. Cumulative inspections year-to-date are 29,116,276 metric tonnes which is 23.6% below last year. This is 61.0% of the USDA's forecast for the 2023-24 marketing year versus the 5-year average of 61.7%.

TODAY'S MARKET IDEAS:

Yesterday's test of support and subsequent reversal higher suggests more short covering heading into Thursday's USDA report. Initial resistance on March is 1223 and then 1249. Argentina rains coming later this week are certainly a negative for prices but the market appears to have digested the current weather and is looking to the USDA report to offer some new fundamental input.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

SOYBEAN COMPLEX TECHNICAL OUTLOOK:

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SOYBEANS (MAR) 02/06/2024: 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. The daily closing price reversal up is a positive indicator that could support higher prices. The market has a slightly positive tilt with the close over the swing pivot. The next downside objective is 1173 3/4. The next area of resistance is around 1205 3/4 and 1211 1/2, while 1st support hits today at 1186 3/4 and below there at 1173 3/4.

SOYBEAN OIL (MAR) 02/06/2024: 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. The upside closing price reversal on the daily chart is somewhat bullish. The market setup is supportive for early gains with the close over the 1st swing resistance. The next downside objective is now at 44.22. The next area of resistance is around 45.80 and 46.09, while 1st support hits today at 44.86 and below there at 44.22.

SOYMEAL (MAR) 02/06/2024: Positive momentum studies in the neutral zone will tend to reinforce higher price action. The market now above the 18-day moving average suggests the intermediate-term trend has turned up. The daily closing price reversal up is a positive indicator that could support higher prices. The close over the pivot swing is a somewhat positive setup. The next upside objective is 367.5. The next area of resistance is around 365.2 and 367.5, while 1st support hits today at 357.0 and below there at 351.0.

DAILY CORN COMMENTARY

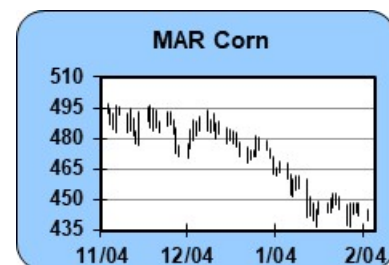
2/6/2024

Sideways trade likely until USDA report Thursday

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):

CORN +0.1

OVERNIGHT DEVELOPMENTS: Corn (MAR 24) prices overnight are up 1. Corn open interest as of February 5 was up 3,497 contracts. Chinese Dalian (MAY 24) Corn was up 0.59%.



NEAR-TERM MARKET FUNDAMENTALS: Corn prices remain stuck in neutral with a lack of market moving news to push prices either direction. Ukraine corn offers are well under US prices and are acting as a bearish anchor for US futures. Argentine rains are expected to start Thursday night and last through the weekend. However, Brazil weather may move back to the forefront as Safrinha corn planting (75% of Brazil's total corn production) stands at 27%, the fastest pace since 2013 and compares to 11% planted last year. Brazil consultancy IMEA says 20% of Brazil's Safrinha crop in Mato Grosso will be planted outside of the ideal planting window. Previously, analysts were estimating up to 10% of the crop may be planted late. Putin and Erdogan are expected to meet next week and discuss the grain corridor. But we doubt Russia has any interest in helping Ukraine export more of anything. March futures are still holding last week's contract low, but technical and fundamental news remains neutral/bearish and prices may drift sideways until traders see new fundamental data from the USDA on Thursday.

Corn export inspections for the week ending February 1 came in at 624,295 metric tonnes. Cumulative

inspections year-to-date are 16,286,804 metric tonnes which is 29.8% above last year. This is 30.5% of the USDA's forecast for the 2023-24 marketing year versus the 5-year average of 30.3%.

TODAY'S MARKET IDEAS:

Argentine rains should come just in time as half the crop is currently pollinating, but Brazil weather may regain importance as the Safrinha crop is a little over 1/4 planted and weather will be key to getting the crop in on time. The lack of enthusiasm and small trading ranges is an indication the current news has been digested and the market is looking for a new market force. Nearby resistance is at 449 and key support remains at last week's low of 436 3/4.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

CORN TECHNICAL OUTLOOK:

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CORN (MAR) 02/06/2024: Momentum studies are trending higher from mid-range, which should support a move higher if resistance levels are penetrated. A negative signal for trend short-term was given on a close under the 9-bar moving average. It is a slightly negative indicator that the close was lower than the pivot swing number. The near-term upside objective is at 448. The next area of resistance is around 445 1/2 and 448, while 1st support hits today at 440 and below there at 437.

CORN (JUL) 02/06/2024: Positive momentum studies in the neutral zone will tend to reinforce higher price action. The close below the 9-day moving average is a negative short-term indicator for trend. The market's close below the pivot swing number is a mildly negative setup. The next upside objective is 466 1/4. The next area of resistance is around 464 and 466 1/4, while 1st support hits today at 460 and below there at 458.

DAILY WHEAT COMMENTARY

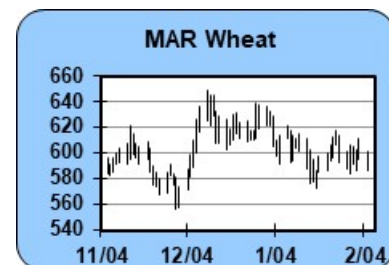
2/6/2024

Texas conditions improve 4%

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):

WHEAT +0.18

OVERNIGHT DEVELOPMENTS: Chicago wheat (MAR 24) prices overnight are up 2 1/4; Kansas City (MAR 24) up 1; and Minneapolis (MAR 24) up 1 3/4. MATIF Milling Wheat(MAR 24) was up 0.6%. Chicago wheat open interest as of February 5 was up 7,187 contracts and Minneapolis wheat was up 985 contracts.



NEAR-TERM MARKET FUNDAMENTALS: Falling Black Sea prices and improving conditions in the US HRW belt are bearish factors keeping the bull camp in charge. The EU has begun to make concessions to farmers protesting restrictive green ag policies and has withdrawn a plan to cut pesticide use by 50%. Texas winter wheat conditions, the second-largest producing state by planted acres, rose 4% in January to 46% good/excellent. Tunisia announced a tender for 100,000 tonnes of Durum. Erdogan and Putin will be meeting next week to discuss the grain corridor, but we doubt Russia is interested in any new deal. The USDA Ag Outlook Forum will be held next week in Washington DC and will offer long-term balance sheet projections. Typically, there are no bullish surprises in the Forum numbers. Thursday's USDA Supply and Demand report is expected to show ending

stocks near unchanged from last month and is also unlikely to have any bullish surprise. Chicago March is nearing the bottom of the 2-week range and close-in support is 584 1/2. We expect some short covering before Thursday mornings USDA report.

Wheat export inspections for the week ending February 1 came in at 266,269 metric tonnes. Cumulative inspections year-to-date are 11,273,765 metric tonnes which is 18.4% below last year. This is 57.1% of the USDA's forecast for the 2023-24 marketing year versus the 5-year average of 63.9%.

TODAY'S MARKET IDEAS:

March Chicago is nearing support at 584 1/2, the low of the last 2 weeks trading range. New fundamental data from the USDA will be out Thursday morning, but there currently a lack of bullish news and traders are left to read the technical action which is neutral/bearish. The rally in the US Dollar the last few sessions is also a bearish headwind.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

WHEAT TECHNICAL OUTLOOK:

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WHEAT (MAR) 02/06/2024: A bearish signal was triggered on a crossover down in the daily stochastics. Momentum studies trending lower at mid-range could accelerate a price break if support levels are broken. The close below the 18-day moving average is an indication the intermediate-term trend has turned down. The swing indicator gave a moderately negative reading with the close below the 1st support number. The next downside objective is 577 1/4. The next area of resistance is around 597 3/4 and 607 1/4, while 1st support hits today at 582 3/4 and below there at 577 1/4.

KC WHEAT (MAR) 02/06/2024: A crossover down in the daily stochastics is a bearish signal. Momentum studies trending lower at mid-range should accelerate a move lower if support levels are taken out. The close below the 18-day moving average is an indication the intermediate-term trend has turned down. The swing indicator gave a moderately negative reading with the close below the 1st support number. The next downside objective is now at 601 1/2. The next area of resistance is around 622 1/4 and 631 3/4, while 1st support hits today at 607 1/4 and below there at 601 1/2.

MINN WHEAT (MAR) 02/06/2024: The daily stochastics gave a bearish indicator with a crossover down. Declining momentum studies in the neutral zone will tend to reinforce lower price action. The close below the 18-day moving average is an indication the intermediate-term trend has turned down. The close below the 1st swing support could weigh on the market. The next downside objective is 684 3/4. The next area of resistance is around 694 1/2 and 699, while 1st support hits today at 687 1/2 and below there at 684 3/4.

RICE (MAR) 02/06/2024: 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. It is a slightly negative indicator that the close was under the swing pivot. The near-term upside target is at 18.528. The next area of resistance is around 18.407 and 18.528, while 1st support hits today at 18.213 and below there at 18.139.

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
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GRAIN COMPLEX

CNAH24	442 3/4	37.04	36.90	37.89	39.11	445.25	446.58	447.28	464.41	469.59
CNAN24	462	35.79	35.23	32.30	35.58	464.25	465.22	466.69	485.28	490.10
SSAH24	1196 1/4	36.91	36.05	27.12	24.18	1202.56	1210.64	1217.58	1274.13	1298.95
SSAN24	1214 1/4	35.62	34.78	25.28	23.25	1222.00	1228.19	1235.82	1291.98	1316.25
SMAH24	361.1	47.73	44.60	45.02	49.92	361.98	359.52	360.49	379.17	391.35
BOAH24	45.33	36.00	36.91	19.20	16.37	45.42	46.00	46.95	48.54	49.22
WHAH24	590 1/4	42.11	44.50	56.01	52.81	596.69	601.00	597.54	609.80	604.03
WHAN24	603 1/4	38.69	41.79	47.53	42.68	610.06	615.56	614.47	627.54	624.56
RCAH24	18.310	64.15	62.19	76.91	82.49	18.18	18.08	17.82	17.60	17.53
KWAH24	614 3/4	44.50	45.76	64.55	61.97	620.44	624.25	617.07	630.14	631.22
MWAH24	691	41.53	42.50	51.26	49.52	694.75	698.78	697.24	711.92	717.11
OTAH24	367 1/2	45.91	47.62	58.92	60.97	376.50	371.36	371.18	370.86	370.68

Calculations based on previous session. Data collected 02/05/2024

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	437	440	442 1/2	445 1/2	448
CNAN24	Corn	457 3/4	460	462	464	466 1/4
SSAH24	Soybeans	1173 1/2	1186 3/4	1192 1/2	1205 3/4	1211 1/2
SSAN24	Soybeans	1195 1/2	1206 1/2	1211 1/4	1222	1227
SMAH24	Soymeal	350.9	356.9	359.2	365.2	367.5
BOAH24	Soybean Oil	44.21	44.86	45.15	45.80	46.09
WHAH24	Wheat	577 1/4	582 3/4	592 1/4	597 3/4	607 1/4
WHAN24	Wheat	593	597 1/4	605	609 1/4	617
RCAH24	Rice	18.138	18.212	18.333	18.407	18.528
KWAH24	KC Wheat	601 1/4	607	616 1/2	622 1/2	631 3/4
MWAH24	MINN Wheat	684 1/2	687 1/2	691 3/4	694 1/2	699
OTAH24	Oats	359 1/2	363	368 1/2	372	377 1/2

Calculations based on previous session. Data collected 02/05/2024

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