

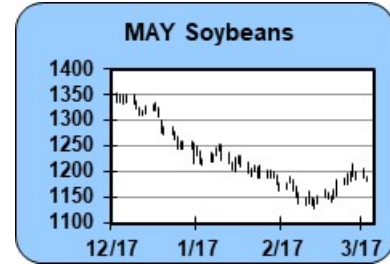


DAILY SOY COMPLEX COMMENTARY
3/20/2024

US Midwest rain potential gives bears edge

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):
SOY BEANS +0.1, BEAN OIL +0.0, SOYMEAL +0.2

OVERNIGHT DEVELOPMENTS: Soybeans (MAY 24) prices overnight are up 5 1/4; Soymeal (MAY 24) up 2.00; and Soyoil (MAY 24) up 0.17. Soybean open interest as of March 19 was up 6,803 contracts, soymeal up 1,062 contracts, and soybean oil down 1,380. Chinese Dalian (MAY 24) Soybeans down 0.72%, Soymeal up 0.64%, Soyoil down 0.15%, Palm oil up 0.78%. Malaysian Palm was up 1.71%.



Global equity markets started out with a mildly positive tone as Asian stocks closed higher led by gains in the Japanese Nikkei and Shanghai Composite indices. However, major European stock indices and US stock index futures are posting mild to moderate losses. The People's Bank of China kept benchmark Chinese rates unchanged while the latest reading on UK CPI came in lower than trade forecasts. US trading will start out with a weekly private survey of mortgage applications, but the highlight for global markets will come in the early afternoon with the FOMC meeting results. While the Fed is widely expected to hold rates unchanged, their post-meeting comments should provide clues on the likelihood of rate cuts in May and/or June. More importantly, the Fed's March quarterly economic projections (which include the "dot plot") will show if their median forecast for 2024 rate cuts has shifted from the 75-basis point reduction in their December economic projections.

NEAR-TERM MARKET FUNDAMENTALS: Product strength is lifting beans this morning as the GFS and EU weather models disagree over the distribution of precipitation in the central Midwest over the next week to 10 days, although most areas will see some moisture. This morning models show additional follow-up rains for the central and eastern corn belt late next week. Southern Brazil will be dealing with heavy rains at harvest time which could slow progress. The University of Missouri's Food and Agriculture Policy Research Institute released projections for 2024 showing increased US bean acres and record production expected for soybeans, while meal is expected to be pressured this year by excess supplies due to larger crush. ANEC says Brazil's March bean exports should reached 14 million tonnes, up from the 13.71 million projection last week. Meal exports for March are expected 2.13 million tonnes, compared to 2.21 in last week's forecast. Global soybean export market share continues to shift as China's Brazil bean imports for Jan-Feb were 6.96 million tonnes, while US bean exports to China were 4.96 million tonnes, lifting Brazil's share to 53% to the US's 38%. Chinese crude and ag purchases have been very strong for an economy that is sputtering, and one has to wonder if they are stocking up for a potential conflict with Tiawan. Brazil's soy premiums remain soft and South American hedgers are rewarding rallies. US Midwest precipitation coverage will be very important for spring planting and as long as the forecast doesn't remove the moisture, rallies should find willing sellers.

TODAY'S MARKET IDEAS:

Choppy price action will likely be the theme again today as beneficial moisture in the US Midwest forecast remains a bearish headwind and fresh bullish news is absent. Next support is 1173. For short-term trade, target rallies over 1196 on May for speculative short positioning.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

SOYBEAN COMPLEX TECHNICAL OUTLOOK:

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SOYBEANS (MAY) 03/20/2024: The close under the 40-day moving average indicates the longer-term trend could be turning down. A bearish signal was triggered on a crossover down in the daily stochastics. Daily stochastics turning lower from overbought levels is bearish and will tend to reinforce a downside break especially if near term support is penetrated. The market's short-term trend is negative as the close remains below the 9-day moving average. The market's close below the pivot swing number is a mildly negative setup. The next downside target is now at 1175. The next area of resistance is around 1191 and 1197 1/4, while 1st support hits today at 1180 and below there at 1175.

SOYBEAN OIL (MAY) 03/20/2024: A crossover down in the daily stochastics is a bearish signal. Daily stochastics turning lower from overbought levels is bearish and will tend to reinforce a downside break especially if near term support is penetrated. 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 lower than the pivot swing number. The next downside objective is 47.59. The next area of resistance is around 48.49 and 49.00, while 1st support hits today at 47.79 and below there at 47.59.

SOYMEAL (MAY) 03/20/2024: Stochastics trending lower at midrange will tend to reinforce a move lower especially if support levels are taken out. The cross over and close above the 18-day moving average indicates the intermediate-term trend has turned up. The daily closing price reversal up is a positive indicator that could support higher prices. It is a mildly bullish indicator that the market closed over the pivot swing number. The next downside objective is 327.6. The next area of resistance is around 336.6 and 338.3, while 1st support hits today at 331.2 and below there at 327.6.

DAILY CORN COMMENTARY

3/20/2024

US Midwest rains over the next 10 days key to spring planting

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):

CORN -0.2

OVERNIGHT DEVELOPMENTS: Corn (MAY 24) prices overnight are down -1 1/4. Corn open interest as of March 19 was up 10,032 contracts. Chinese Dalian (MAY 24) Corn was up 0.08%.



NEAR-TERM MARKET FUNDAMENTALS: Another very quiet overnight session as prices move sideways in thin volume waiting for fresh market moving news. The 1 - 5 day timeframe holds good rain chances for Iowa, Minnesota and eastern Nebraska. The distribution of rains across the Midwest over the next 10 days will be important for spring planting, although longer-term moisture deficits may remain. Temperatures remain below normal across the northern Midwest for the next 2 weeks. Ethanol production will be released later today and is expected at 1.030 million barrels per day, slightly higher than last week's 1.024 million. Stocks are expected at 25.86 million barrels per day, up from 25.782 last week. EU corn hit an 8-week high yesterday. The EU has agreed to new limits on Ukraine farm product imports as farmers continue their protests. China's January-February Brazil corn imports were 4.1 million tonnes, compared to only 766,989 tonnes from the US. Interestingly, China's corn purchases from Brazil and Ukraine have been very strong, following a record year of production, according to China's government stats. Yesterday, Crude oil hit its highest point since October 20 of last year. A California company, ZeaKal Inc, is testing corn seed varieties that produce more oil, which could increase the crop's biofuel

production. Brazil safrinha areas are expected to see significant rains over the next 10 days, which will certainly be needed as the crop moves toward pollination. February/March temperatures so far have seen record warmth across the safrinha growing area. US corn planting across southern Louisiana stands at 28% done and Texas is 34% planted. May corn has been sideways so far this week and important 50-day moving average resistance is now 443 1/2. Buy stops could be triggered if the market exceeds that level, which could push the market up to key 450 resistance.

TODAY'S MARKET IDEAS:

Key 50-day moving average resistance is inching lower and now stands at 443 1/2 on May. We hear reports of significant buy stops above that level that could give the market an upside reaction if prices can exceed the moving average. May resistance at 450 could be a major pivot point. Layers of support from 432 down to 426 1/2 on May should hold any breaks.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

CORN TECHNICAL OUTLOOK:

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CORN (MAY) 03/20/2024: Stochastics turning bearish at overbought levels will tend to support lower prices if support levels are broken. The market's short-term trend is positive on the close above the 9-day moving average. Market positioning is positive with the close over the 1st swing resistance. The next downside objective is 433 1/2. The next area of resistance is around 442 and 443 1/2, while 1st support hits today at 437 and below there at 433 1/2.

CORN (JUL) 03/20/2024: The cross over and close above the 40-day moving average indicates the longer-term trend has turned up. Daily stochastics turning lower from overbought levels is bearish and will tend to reinforce a downside break especially if near term support is penetrated. 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 downside objective is now at 446. The next area of resistance is around 454 3/4 and 456 1/4, while 1st support hits today at 449 3/4 and below there at 446.

DAILY WHEAT COMMENTARY

3/20/2024

Models not as cold for S Plains lows next week

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):

WHEAT -0.58

OVERNIGHT DEVELOPMENTS: Chicago wheat (MAY 24) prices overnight are down -6; Kansas City (MAY 24) down -7; and Minneapolis (MAY 24) down -4. MATIF Milling Wheat(MAY 24) was down -0.7%. Chicago wheat open interest as of March 19 was down 1,163 contracts and Minneapolis wheat was up 3,432 contracts.



NEAR-TERM MARKET FUNDAMENTALS: Forecast models have moderated the nightly lows next week in the southern Plains to just above freezing and that is putting some pressure on the market this morning. The typical last freeze date in northwest Kansas is late April and mid-April for Southwest and south-central Kansas. As we

CNAK24	439 1/2	57.05	52.20	75.72	73.81	436.50	438.72	431.93	441.36	450.50
CNAN24	452 1/4	59.02	53.79	76.70	75.53	449.06	450.94	443.94	451.68	460.71
SSAK24	1185 1/2	55.07	51.13	72.67	70.97	1191.69	1187.67	1167.01	1190.44	1213.96
SSAN24	1200 1/4	57.45	52.89	74.17	72.74	1206.19	1200.75	1178.67	1200.47	1223.03
SMAK24	333.9	46.70	44.66	56.59	53.26	334.48	336.28	332.82	343.23	351.77
BOAK24	48.14	60.47	58.30	79.24	79.00	48.66	47.80	46.47	46.76	47.27
WHAK24	552 1/2	50.92	46.31	24.29	30.58	539.00	540.14	552.44	579.73	591.13
WHAN24	567 1/4	54.20	48.92	30.59	38.81	554.00	554.03	561.33	585.69	597.45
RCAK24	17.730	32.97	38.30	7.05	5.19	17.80	17.84	18.12	18.29	18.16
KWAK24	586 3/4	51.31	49.19	53.74	50.94	574.38	582.72	578.38	594.20	603.44
MWAK24	655 3/4	47.16	45.28	42.50	36.78	652.06	659.03	656.22	675.69	687.32
OTAK24	356 1/2	36.26	41.28	55.55	36.93	363.06	365.58	365.08	365.99	366.94

Calculations based on previous session. Data collected 03/19/2024

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						
CNAK24	Corn	433 1/2	437	438 1/2	442	443 1/2
CNAN24	Corn	446	449 1/2	451 1/4	455	456 1/2
SSAK24	Soybeans	1174 3/4	1180	1186	1191	1197 1/4
SSAN24	Soybeans	1190	1195	1200 3/4	1205 1/2	1211 1/2
SMAK24	Soymeal	327.5	331.2	332.9	336.6	338.3
BOAK24	Soybean Oil	47.58	47.78	48.29	48.49	49.00
WHAK24	Wheat	534 3/4	545	549 1/2	560	564 1/4
WHAN24	Wheat	549 1/2	560	564	574 1/2	578 1/2
RCAK24	Rice	17.616	17.662	17.751	17.797	17.886
KWAK24	KC Wheat	567	578 3/4	583	594 3/4	599
MWAK24	MINN Wheat	645 1/2	651	655	660 1/2	664 1/2
OTAK24	Oats	351 3/4	353 1/2	358	359 1/2	364 1/4

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