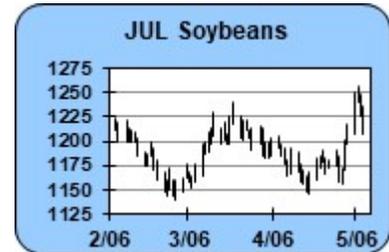




DAILY SOY COMPLEX COMMENTARY
5/10/2024

USDA report expected to show large 2024/25 carryout

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



OVERNIGHT DEVELOPMENTS: Soybeans (JUL 24) prices overnight are up 3 1/2; Soymeal (JUL 24) up 2.00; and Soyoil (JUL 24) up 0.47. Soybean open interest as of May 9 was down 8,447 contracts, soymeal down 21 contracts, and soybean oil down 505. Chinese Dalian (JUL 24) Soybeans down 0.86%, Soymeal down 1.28%, Soyoil down 1.53%, Palm oil down 1.51%. Malaysian Palm was down 0.55%. Overnight global equity markets were higher with gains reaching near 4% in the Hang Seng index in Hong Kong. Critical economic news released overnight included a smaller than expected decline in Japanese household spending, a much weaker than expected Japanese eco-watchers current and Outlook survey, a much weaker than expected Japanese eco-watchers Outlook survey, a stronger-than-expected GBP GDP reading for the first quarter, improved GBP industrial production, a much improved GBP manufacturing production, and very disappointing Italian industrial output for the month of March. The North American session will start out with April Canadian unemployment which is expected to have a minimal uptick from March's 6.1% rate along with a moderate monthly increase in net employment. A private survey of May US consumer sentiment is forecast to have a mild downtick from the previous 77.2 reading. Fed Governor Bowman, Dallas Fed President Logan and Minneapolis Fed President Kashkari will speak during morning US trading hours while Chicago Fed President Goolsbee and Fed Vice Chair Barr will speak during the afternoon. Earnings announcements will include Enbridge before the Wall Street opening.

NEAR-TERM MARKET FUNDAMENTALS: Price action was quiet overnight in front of today's May USDA supply and demand report released at 11 AM Chicago time. The most significant market impact of the report will be the new crop balance sheets as ending stocks are expected to rise significantly if growing season weather cooperates. Pre-report guesses from Reuters estimate 2023/24 US carryout for beans is 339 million bushels, nearly steady with last month's 340 million. New crop 2024/25 bean carryout estimated at a more burdensome 431 million bushels. For South America, Argentine beans are expected at 49.61 million tonnes, down from 50 million last month and Brazil beans guess is 152.63 million tonnes, down from 155 million last month. World ending stocks for 2023/24 are expected at 112.35 million tonnes down from 114.22 last month and 2024/25 are expected at 120.87 million tonnes. The Buenos Aries Grain Exchange left their Argentina production number unchanged at 51 million tonnes compared to USDA at 50 million and said 48% of the crop in harvested compared to 52% last year. US bean area under drought dropped to only 11% versus 17% last week and 21% year ago. The weekend will be mostly dry across the Midwest and next week will feature showers along the I-70 corridor from Kansas east through Indiana and parts south. The Gulf Coast states will see the heaviest precipitation. The independent research firm, AgResource, cut their Brazil crop production number to 144.59 million tonnes, down from 145.46 million previously and estimated southern Brazil flooding losses at 1.78 million tonnes. Today's USDA report will dictate market direction to finish the week but with the pullback going into the report, some bearish anticipation looks to already be built in. A bearish report reaction may push July futures down to final retracement support at 1193 and any bullish report reaction is likely to find significant resistance above 1240.

The Export Sales Report showed that for the week ending May 2, net soybean sales came in at 428,898 tonnes for the current marketing year and 4,580 for the next marketing year for a total of 433,478. Cumulative soybean sales have reached 90.4% of the USDA forecast for the 2023/2024 marketing year versus a 5-year average of 94.6%. Sales need to average 259,000 tonnes per week to reach the USDA forecast.

Net meal sales came in at 209,266 tonnes for the current marketing year and 19,209 for the next marketing year for a total of 228,475. Cumulative meal sales have reached 81.9% of the USDA forecast for the 2023/2024 marketing year versus a 5-year average of 79.3%. Sales need to average 117,000 tonnes per week to reach the USDA forecast.

Net oil sales came in at 11,581 tonnes for the current marketing year and 4,582 for the next marketing year for a total of 16,163. Cumulative oil sales have reached 87.9% of the USDA forecast for the 2023/2024 marketing year versus a 5-year average of 78.8%. Sales need to average 800 tonnes per week to reach the USDA forecast.

TODAY'S MARKET IDEAS:

The pre-USDA report pullback has extended down to the 50% retracement level of 1206 1/2 from last week's low to this week's high on July beans. Traders are anticipating aggressively bearish numbers from USDA on new crop 2024/25 ending stocks. Any further bearish reaction to the report numbers is likely to find support until the US crop is in the ground.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

SOYBEAN COMPLEX TECHNICAL OUTLOOK:

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SOYBEANS (JUL) 05/10/2024: A crossover down in the daily stochastics is a bearish signal. Stochastics turning bearish at overbought levels will tend to support lower prices if support levels are broken. The market's close above the 9-day moving average suggests the short-term trend remains positive. 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 now at 1184 1/2. The next area of resistance is around 1223 3/4 and 1245 1/2, while 1st support hits today at 1193 1/4 and below there at 1184 1/2.

SOYBEAN OIL (JUL) 05/10/2024: The daily stochastics have crossed over down which is a bearish indication. Daily stochastics are trending lower but have declined into oversold territory. 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 target is now at 41.58. The next area of resistance is around 43.31 and 44.27, while 1st support hits today at 41.97 and below there at 41.58.

SOYMEAL (JUL) 05/10/2024: The daily stochastics gave a bearish indicator with a crossover down. 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 positive on the close above the 9-day moving average. The swing indicator gave a moderately negative reading with the close below the 1st support number. The next downside objective is 365.6. The next area of resistance is around 377.6 and 384.5, while 1st support hits today at 368.2 and below there at 365.6.

DAILY CORN COMMENTARY

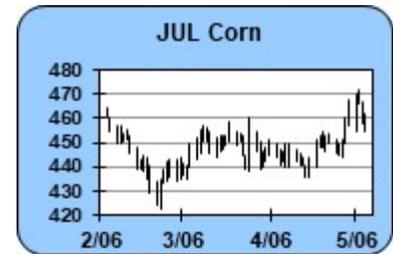
5/10/2024

Midwest drought area shrinks to only 14%

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):

CORN +0.3

OVERNIGHT DEVELOPMENTS: Corn (JUL 24) prices overnight are up 3 1/4. Corn open interest as of May 9 was up 12,537 contracts. Chinese Dalian (JUL 24) Corn was down 0.24%.



NEAR-TERM MARKET FUNDAMENTALS: USDA will offer a fresh fundamental update this morning at 11 AM Chicago time. Reuters average guess for corn ending stocks for 2023/24 is 2.100 billion bushels, down from 2.12 to last month and 2024/25 ending stocks are projected at 2.284 billion bushels. Argentine corn is expected to be cut 3 million tonnes to 52 million and Brazil corn is expected to drop 1.5 million tonnes to 122.4 million. World 2023/24 ending stocks are expected at 314.68 million tonnes down from 318.28 last month and 2024/25 carryout at 317.84 million tonnes. The Midwest will see mostly dry conditions through the weekend but next week rains are expected south of the line from Kansas eastward to Indiana, covering nearly all the southeast quarter of the US. The Buenos Aires GRAIN exchange lowered excellent conditions for Argentine corn by 1% and said 23% of the crop is now harvested. US crop area under drought fell 5% from last week to 14%, compared to 29% last year. The Climate Prediction Center said they expect El Nino to fade to neutral over the next month, with 69% odds that La Nina develops between July-September. The CEO of SLC Agricola says Brazil's production is likely to be closer to CONAB's 113 million tonnes than USDA's 124 million after the flooding in the Brazil's south. Emater pegs Brazil harvest in Rio Grande do Sul at 86% complete. July corn pullback support is in the 450-454 zone and with new crop corn carryout from USDA expected to be the least burdensome of the grains, prices are unlikely to fall apart from here and a bearish report reaction should find buyers.

The Export Sales Report showed that for the week ending May 2, net corn sales came in at 889,185 tonnes for the current marketing year and 49,130 for the next marketing year for a total of 938,315. Cumulative sales have reached 89.3% of the USDA forecast for the 2023/2024 marketing year versus a 5 year average of 90.3%. Sales need to average 331,000 tonnes per week to reach the USDA forecast.

TODAY'S MARKET IDEAS:

Some planting delays look likely south of I-70 next week, but all eyes today will be on the USDA supply/demand report, which is expected to offer few bullish surprises. USDA's 1st look at new crop corn carryout is expected to rise from this season, but not nearly to the degree that wheat and bean carry outs are anticipated to increase. This should provide support on any bearish reaction to the USDA numbers today. Speculators may opt to add long positions on any report break below 452 On July futures.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

CORN TECHNICAL OUTLOOK:

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CORN (JUL) 05/10/2024: 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. It is a slightly negative indicator that the close was under the swing pivot. The next downside target is now at 449 3/4. The next area of resistance is around 460 1/4 and 465, while 1st support hits today at 452 3/4 and below there at 449 3/4.

CORN (DEC) 05/10/2024: Momentum studies are trending lower from high levels which should accelerate a move

lower on a break below the 1st swing support. A positive signal for trend short-term was given on a close over the 9-bar moving average. The market tilt is slightly negative with the close under the pivot. The next downside objective is now at 473 1/4. The next area of resistance is around 483 3/4 and 488, while 1st support hits today at 476 1/4 and below there at 473 1/4.

DAILY WHEAT COMMENTARY

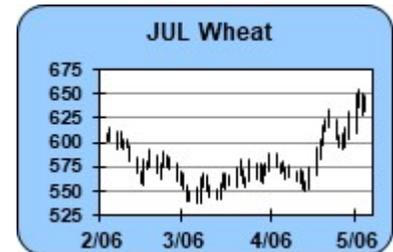
5/10/2024

Russian frosts encourage bulls but SW US Plains rains coming

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):

WHEAT +1.3

OVERNIGHT DEVELOPMENTS: Chicago wheat (JUL 24) prices overnight are up 18; Kansas City (JUL 24) up 19 1/2; and Minneapolis (JUL 24) up 17 3/4. MATIF Milling Wheat(SEP 24) was up 2.9%. Chicago wheat open interest as of May 9 was up 3,862 contracts and Minneapolis wheat was up 2,072 contracts.



NEAR-TERM MARKET FUNDAMENTALS: Chicago wheat pushed up to its highest level since December 6th of last year before today's USDA supply/demand report. Reuters average report guesses are for near unchanged US 2023/24 carryout at 696 million bushels, compared to last month at 698, and 2024/25 carryout is expected to jump to 786 million bushels. World 2023/24 ending stocks are expected at 256.90 million tonnes, down from 258.27 million last month and 2024/25 carryout is estimated at 257.37 million tonnes. US all wheat production is expected at 1.884 million bushels up from 1.812 last season. HRW production is expected at 689 million bushels and SRW at 404 million. Frosts in Russia have grabbed market attention this week before warm-up occurs next week. Moisture deficits are expected to continue to worsen for at least one third of the southern Russia crop. On the contrary, rains expected in the southern and southwest US Plains late this weekend into early next week will catch some of the driest areas and will shrink winter wheat area under drought, which currently stands at 28%. We expect to see some Russian crop downgrades after this week's frosts. In addition, Yemen's Houthi chief says they will increase Red Sea attacks on any ships headed toward Israel due to Israel's move on Rafah, once again raising the risk for shipping in the region. July Chicago wheat made a new high for the move overnight but is leaning bullish heading into the report with a rally of \$1.10 a bushel over the last 3 weeks and prices nearing significant retracement resistance at 668. The report is unlikely to give the bulls much ammunition, and Black Sea weather is the driving force for now.

The Export Sales Report showed that for the week ending May 2, net wheat sales came in at 41,073 tonnes for the current marketing year and 405,959 for the next marketing year for a total of 447,032. Cumulative sales have reached 95.5% of the USDA forecast for the 2023/2024 marketing year versus a 5 year average of 95.2%. Sales need to average 52,000 tonnes per week to reach the USDA forecast.

TODAY'S MARKET IDEAS:

July Chicago wheat has strong retracement resistance at 668 and unless the report is very bullish, which we doubt, prices may pullback post-report if US southern Plains rains develop as expected in some of the driest areas late this weekend into early next week. Russian frosts and dryness are a concern as well but some of that is already built into prices on this rally. Speculators may consider fading a report rally into the 668 resistance area.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

WHEAT TECHNICAL OUTLOOK:

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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 (JUL) 05/10/2024: Momentum studies are trending higher but have entered overbought levels. The market's close above the 9-day moving average suggests the short-term trend remains positive. With the close higher than the pivot swing number, the market is in a slightly bullish posture. The near-term upside objective is at 654 1/2. The next area of resistance is around 645 1/2 and 654 1/2, while 1st support hits today at 629 1/2 and below there at 622 1/2.

KC WHEAT (JUL) 05/10/2024: Momentum studies trending lower from overbought levels is a bearish indicator and would tend to reinforce lower price action. The market's short-term trend is positive on the close above the 9-day moving average. The daily closing price reversal up on the daily chart is somewhat positive. The market tilt is slightly negative with the close under the pivot. The next downside target is now at 635 1/2. The next area of resistance is around 661 1/2 and 672 1/2, while 1st support hits today at 643 and below there at 635 1/2.

MINN WHEAT (JUL) 05/10/2024: 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 daily closing price reversal up is a positive indicator that could support higher prices. It is a slightly negative indicator that the close was lower than the pivot swing number. The next downside target is now at 689 3/4. The next area of resistance is around 711 3/4 and 722, while 1st support hits today at 695 3/4 and below there at 689 3/4.

RICE (JUL) 05/10/2024: 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. The market's close above the 2nd swing resistance number is a bullish indication. The next downside objective is now at 18.185. The next area of resistance is around 19.080 and 19.325, while 1st support hits today at 18.510 and below there at 18.185.

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										
CNAN24	456 1/2	52.77	53.76	76.60	69.11	462.75	457.53	451.86	449.73	446.79
CNAZ24	480	54.80	55.15	80.08	74.46	484.56	479.50	474.64	472.74	469.37
SSAN24	1208 1/2	53.39	53.78	77.47	72.59	1232.88	1206.75	1188.71	1194.82	1187.48
SSAX24	1200 1/2	56.18	56.29	80.61	77.72	1215.31	1194.72	1180.72	1181.54	1171.38
SMAN24	372.9	62.43	62.89	82.67	78.67	380.55	368.28	355.78	346.31	343.49
BOAN24	42.64	31.38	33.49	23.10	21.35	43.69	43.53	44.45	46.80	46.56
WHAN24	637 1/2	66.82	65.26	81.62	83.17	640.75	622.31	604.64	580.46	578.20
WHAZ24	682 1/4	68.81	67.72	84.65	85.85	686.25	668.17	648.18	620.51	613.84
RCAN24	18.795	53.57	54.61	50.61	39.55	18.55	18.82	18.93	17.99	18.13
KWAN24	652 1/4	59.74	60.71	80.24	77.77	659.88	648.56	627.15	596.50	588.60
MWAN24	703 3/4	57.76	59.86	84.73	77.87	712.75	709.89	688.39	669.72	667.28
OTAN24	401 3/4	85.65	79.03	93.30	95.37	398.94	387.36	368.25	356.37	357.04

Calculations based on previous session. Data collected 05/09/2024

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						
CNAN24	Corn	449 1/2	452 1/2	457 1/4	460 1/2	465
CNAZ24	Corn	473	476 1/4	480 1/2	483 3/4	488
SSAN24	Soybeans	1184 1/2	1193 1/4	1215	1223 3/4	1245 1/2
SSAX24	Soybeans	1183	1189 3/4	1204 1/2	1211 1/4	1226
SMAN24	Soymeal	365.5	368.1	375.0	377.6	384.5
BOAN24	Soybean Oil	41.57	41.96	42.92	43.31	44.27
WHAN24	Wheat	622 1/2	629 1/2	638 1/2	645 1/2	654 1/2

WHAZ24	Wheat	670	675 1/2	683 3/4	689	697 1/2
RCAN24	Rice	18.185	18.510	18.755	19.080	19.325
KWAN24	KC Wheat	635 1/2	643	654	661 1/2	672 1/2
MWAN24	MINN Wheat	689 1/2	695 1/2	705 3/4	712	722
OTAN24	Oats	386	395 1/2	398 3/4	408	411 1/2

Calculations based on previous session. Data collected 05/09/2024

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