

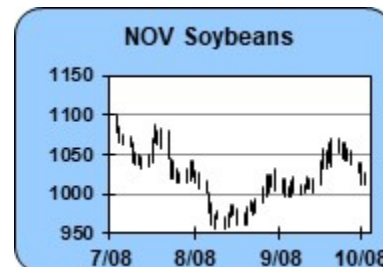
### DAILY SOY COMPLEX COMMENTARY

10/10/2024

#### Brazil forecast confirms monsoon rains on the way

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

**OVERNIGHT DEVELOPMENTS:** Soybeans (NOV 24) prices overnight are up 3/4; Soymeal (DEC 24) up 0.40; and Soyoil (DEC 24) down -0.02. Soybean open interest as of October 9 was up 7,774 contracts, soymeal down 5,020 contracts, and soybean oil down 5,248. Chinese Dalian (JAN 25) Soybeans down 0.57%, Soymeal down 0.69%, Soyoil up 0.05%, Palm oil down 0.07%. Malaysian Palm was down 0.40%.



**NEAR-TERM MARKET FUNDAMENTALS:** The long-awaited pattern change has finally arrived in Brazil as the forecast indicates the monsoon season is starting. Precipitation chances are increasing over the next 2 weeks and Brazilian farmers will be looking forward to much better planting conditions. The Brazilian currency fell to its lowest level against the US Dollar in a month. Since Brazilian farmers sell their beans in US Dollars, the drop in the Real boosts farmer revenue. ANEC expects Brazil's October bean exports at 4.12 million tonnes, down from 5.95 last year and meal exports at 2.28 million tonnes, up from 1.65 last year. Tomorrow morning's USDA October supply/demand report estimates for bean yield are 53.1 BPA, down from 53.2 last month and bean production expected at 4.579 billion bushels, down from 4.586 last month. US Bean ending stocks are expected at 549 million bushels, down slightly from 550 in September. World ending stocks are anticipated to be unchanged from last month. Weekly export sales this morning are expected in a range of 800,000-1,700,000 million tonnes in beans, 100,000-400,000 tons for meal and 0-20,000 tonnes for bean oil. The Brazilian President unveiled plans to increase soyoil usage in biodiesel production by 1% per year for the next 5 years starting in 2025. This will take the blend percentage from 15% to 20% by 2030. November beans held support at 1012 this week but with key rains now expected to develop in Brazil, a further break to next support at 999 is possible unless USDA comes up with a bullish surprise in tomorrow's report. Look for nearby resistance at 1032.

#### TODAY'S MARKET IDEAS:

With monsoon rains finally developing in Brazil, the market has lost 1 of the bullish market forces that has pushed prices up recently. Furthermore, the US is harvesting a bumper crop and China's economic problems are worrisome for China's bean demand. USDA tomorrow morning will provide a fundamental update but barring a bullish surprise, the fundamental outlook suggests further market weakness. Look for support at 999 on November beans and nearby resistance at 1032.

#### NEW RECOMMENDATIONS:

None.

#### PREVIOUS RECOMMENDATIONS:

None

#### SOYBEAN COMPLEX TECHNICAL OUTLOOK:

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SOYBEANS (NOV) 10/10/2024: The cross over and close above the 60-day moving average indicates the longer-term trend has turned up. Declining momentum studies in the neutral zone will tend to reinforce lower price action. The market's short-term trend is negative as the close remains below the 9-day moving average. It is a slightly

negative indicator that the close was under the swing pivot. The next downside objective is 1004 1/4. The next area of resistance is around 1028 and 1035 1/2, while 1st support hits today at 1012 1/2 and below there at 1004 1/4.

SOYBEAN OIL (DEC) 10/10/2024: Stochastics trending lower at midrange will tend to reinforce a move lower especially if support levels are taken out. The market's short-term trend is negative as the close remains below the 9-day moving average. It is a slightly negative indicator that the close was lower than the pivot swing number. The next downside target is now at 41.77. The next area of resistance is around 43.68 and 44.25, while 1st support hits today at 42.44 and below there at 41.77.

SOYMEAL (DEC) 10/10/2024: Momentum studies are still bearish but are now at oversold levels and will tend to support reversal action if it occurs. A negative signal for trend short-term was given on a close under the 9-bar moving average. The daily closing price reversal down is a negative indicator for prices. The market tilt is slightly negative with the close under the pivot. The next downside objective is 315.4. The next area of resistance is around 324.7 and 329.3, while 1st support hits today at 317.7 and below there at 315.4.

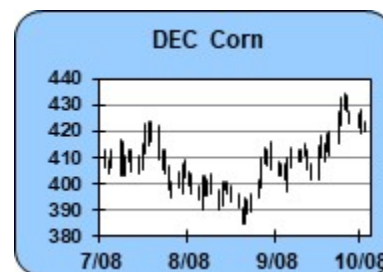
## DAILY CORN COMMENTARY

10/10/2024

**Midwest cool front next week, but dry conditions speed harvest**

**OVERNIGHT CHANGES THROUGH 6:06 AM (CT):**  
CORN +0.2

**OVERNIGHT DEVELOPMENTS:** Corn (DEC 24) prices overnight are up 2 1/4. Corn open interest as of October 9 was down 7,274 contracts. Chinese Dalian (JAN 25) Corn was up 0.41%.



**NEAR-TERM MARKET FUNDAMENTALS:** Volatility is subdued before tomorrow's USDA October supply/demand report with yesterday's trading range on December corn only 3 1/2 cents, indicating traders are not adjusting their positions significantly in preparation for the report. USDA is expected to show corn yield at 183.4 BPA, down from 183.6 in September, according to Reuters. Corn production is estimated at 15.155 billion bushels, slightly down from 15.186 in September. US corn ending stocks are expected at 1.962 billion bushels, down from 2.057 in September. World corn ending stocks are expected at 306.83 million tonnes, down from 308.35 in September. In South America, monsoon rains are finally in the forecast for Brazil, but conditions are critical in Argentina and the Rosario Grain Exchange says delayed planting due to dryness could shift some planted area from corn to beans. US harvest weather continues to be ideal over the next 2 weeks across the Midwest and cool temperatures will be sweeping through next week. However, the 8-14 day forecast shows warmth returning. Weekly export sales this morning are expected in a range of 900,000-1,700,000 tonnes. China corn prices have been very weak lately and significant US demand is unlikely as the Chinese government seeks to support domestic farm prices and reduce imports. December corn prices made a key low back in August and subsequently rallied \$0.50 to last week's highs. Look for pullback. 382% retracement support at 415 1/2 and 50% retracement support at 409 1/2. A move below 410 should find good support.

Ethanol average daily production for the week ending October 4 averaged 1.038 million barrels. This was up 2.3% from last week and up 3.4% from last year. The 5-year average for this week is 0.960 million barrels per day. Ethanol production for the week was 7.266 million barrels. Ethanol stocks were 22.154 million barrels. This was the lowest since December 8, 2023. This was down 5.6% from last week and up 2.9% from last year. The 5-year average stocks for this week is 20.843 million barrels. The amount of corn used for the week is estimated at 104.73 million bushels. Cumulative corn use for the crop year has reached 506.652 million bushels. Corn use needs to average 104.54 million bushels per week to meet the USDA's marketing year forecast of 5.450 billion bushels.

### TODAY'S MARKET IDEAS:

The \$0.50 rally off the lows over the last 1 1/2 months in December corn was partly due to dryness in Brazil and

with monsoon rains now beginning to arrive, the market needs new bullish news to return to the recent highs. Perhaps USDA can provide some kind of bullish spark tomorrow in the supply/demand report but US harvest will likely need to pass the halfway mark before hedge pressure fades. Speculators can consider trading the expected upcoming price range and buy breaks under 410 on December and sell rallies above 430.

**NEW RECOMMENDATIONS:**

None.

**PREVIOUS RECOMMENDATIONS:**

None.

**CORN TECHNICAL OUTLOOK:**

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CORN (DEC) 10/10/2024: 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 below the pivot swing number is a mildly negative setup. The next downside objective is 418. The next area of resistance is around 422 3/4 and 424 3/4, while 1st support hits today at 419 1/4 and below there at 418.

CORN (MAR) 10/10/2024: Declining momentum studies in the neutral zone will tend to reinforce lower price action. The close below the 9-day moving average is a negative short-term indicator for trend. The market tilt is slightly negative with the close under the pivot. The next downside objective is 435. The next area of resistance is around 439 3/4 and 442 1/4, while 1st support hits today at 436 1/4 and below there at 435.

**DAILY WHEAT COMMENTARY**

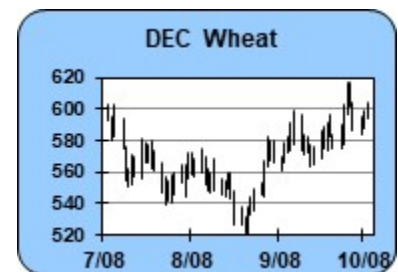
**10/10/2024**

**Russia calls for meeting with exporters**

**OVERNIGHT CHANGES THROUGH 6:06 AM (CT):**

**WHEAT +0.93**

**OVERNIGHT DEVELOPMENTS:** Chicago wheat (DEC 24) prices overnight are up 8 1/2; Kansas City (DEC 24) up 7 1/4; and Minneapolis (DEC 24) up 4. MATIF Milling Wheat(DEC 24) was up 1.5%. Chicago wheat open interest as of October 9 was down 2,665 contracts and Minneapolis wheat was up 57 contracts.



**NEAR-TERM MARKET FUNDAMENTALS:** Wheat has been the strong leg of the grains this week and prices are up again this morning, having made higher highs and higher lows on Chicago December each day this week. Dry conditions in southern Russia and eastern Ukraine continue to be the main bullish driver for the market along with the Russian Ag Ministry calling for a meeting with grain exporters tomorrow, reportedly to discuss export controls/restrictions. Also, the Ag Ministry is expected to update their Russian wheat production estimate yet this week. Russia has been hesitant to lower production estimates despite adverse weather conditions, but a continuation of the dry forecast may force their hand. The Rosario Grain Exchange cut their Argentine wheat production estimate to 19.5 million tonnes, down from 20.5 last month and the UK Farm Ministry estimated their wheat crop at 10.0 million tonnes, down 22% from year ago with yields forecast to be down 12%. LSEG lowered their Australian wheat production estimate by 2% to 31.4 million tonnes due to dryness and frost and lowered Argentina 1% to 17.1 million tonnes. Clearly, global stocks are on the decline and USDA is expected to show world ending stocks at a 9-year low tomorrow. Tomorrow's October supply/demand report is expected to show US ending stocks at 819 million bushels, down from 828 in September and world ending stocks are expected at

256.14 million tonnes, down from 257.22 in September. The market is not anticipating any major surprise from USDA. Weekly export sales this morning are expected in a range of 250,000-550,000 tonnes. Chicago December wheat held support earlier this week and look to be headed for a test of resistance at last week's highs of 617 1/4. If prices can exceed resistance, the door would be open for a move up to 640.

#### **TODAY'S MARKET IDEAS:**

USDA's October supply/demand report tomorrow morning may take a backseat to anticipation of the results of the meeting tomorrow between the Russian Ag Ministry and Russian exporters to discuss export controls/restrictions. With dry conditions continuing to plague southern Russian growing areas, export restrictions could be a new bullish force coming at a time when several other world crop regions are facing adverse weather. Key resistance is 617 1/4 on Chicago December and a move above that level would point to a resumption of the rally and target 50% retracement resistance from the May highs to the August lows at 640.

#### **NEW RECOMMENDATIONS:**

None

#### **PREVIOUS RECOMMENDATIONS:**

None.

#### **WHEAT TECHNICAL OUTLOOK:**

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WHEAT (DEC) 10/10/2024: Stochastics trending lower at midrange will tend to reinforce a move lower especially if support levels are taken out. The market's short-term trend is positive on the close above the 9-day moving average. The close over the pivot swing is a somewhat positive setup. The next downside target is now at 588 3/4. The next area of resistance is around 604 1/4 and 609 3/4, while 1st support hits today at 593 3/4 and below there at 588 3/4.

KC WHEAT (DEC) 10/10/2024: Momentum studies are trending higher but have entered overbought levels. The close above the 9-day moving average is a positive short-term indicator for trend. The market has a slightly positive tilt with the close over the swing pivot. The near-term upside objective is at 621. The next area of resistance is around 614 3/4 and 621, while 1st support hits today at 602 1/4 and below there at 595 3/4.

MINN WHEAT (DEC) 10/10/2024: 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. It is a mildly bullish indicator that the market closed over the pivot swing number. The next upside objective is 661 1/4. The next area of resistance is around 654 3/4 and 661 1/4, while 1st support hits today at 641 3/4 and below there at 635 1/2.

RICE (NOV) 10/10/2024: Declining momentum studies in the neutral zone will tend to reinforce lower price action. The market's close below the 9-day moving average is an indication the short-term trend remains negative. The market has a slightly positive tilt with the close over the swing pivot. The next downside target is now at 15.055. The next area of resistance is around 15.230 and 15.315, while 1st support hits today at 15.100 and below there at 15.055.

#### **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
<b>GRAIN COMPLEX</b>										
CNAZ24	421	53.22	55.20	75.36	68.16	423.13	425.00	417.90	407.26	407.67
CNAH25	438	52.34	54.75	73.47	65.70	440.19	442.17	435.63	425.33	425.00
SSAX24	1020 1/4	41.28	46.52	56.35	41.77	1027.06	1043.36	1034.21	1008.61	1017.30

SSAF25	1037	40.11	45.95	56.60	41.52	1045.00	1061.39	1052.32	1026.48	1034.56
SMAZ24	321.2	39.56	45.10	44.68	29.60	324.68	333.87	328.99	319.61	319.71
BOAZ24	43.06	52.44	54.10	74.17	68.26	43.67	43.49	42.51	41.05	41.47
WHAZ24	599	58.56	57.95	64.06	62.10	594.00	595.31	586.43	569.30	567.30
WHAH25	622 1/4	60.18	59.33	67.92	66.44	617.44	617.50	607.18	589.38	587.56
RCAX24	15.165	49.07	49.72	42.78	39.51	15.13	15.17	15.25	15.11	15.12
KWAZ24	608 1/2	62.77	60.51	68.40	71.27	603.44	600.36	587.72	574.89	575.20
MWAZ24	648 1/4	66.81	62.89	75.31	81.47	644.00	637.33	626.01	612.73	613.70
OTAZ24	387 1/4	59.48	61.94	83.18	81.74	390.06	388.78	376.96	349.09	342.05

Calculations based on previous session. Data collected 10/09/2024  
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						
CNAZ24	Corn	418	419 1/4	421 1/2	422 3/4	425
CNAH25	Corn	434 3/4	436	438 1/2	440	442 1/4
SSAX24	Soybeans	1004	1012 1/2	1019 3/4	1028	1035 1/2
SSAF25	Soybeans	1021 3/4	1029 1/4	1037 1/4	1044 3/4	1052 3/4
SMAZ24	Soymeal	315.3	317.7	322.3	324.7	329.3
BOAZ24	Soybean Oil	41.77	42.44	43.01	43.68	44.25
WHAZ24	Wheat	588 3/4	593 3/4	599 1/4	604 1/4	609 3/4
WHAH25	Wheat	612 1/2	617 1/4	622 1/2	627 1/4	632 1/2
RCAX24	Rice	15.055	15.100	15.185	15.230	15.315
KWAZ24	KC Wheat	595 1/2	602	608 1/4	615	621
MWAZ24	MINN Wheat	635 1/2	641 3/4	648 1/2	654 3/4	661 1/2
OTAZ24	Oats	372	380 1/2	385 1/4	394	398 1/2

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