

DAILY SOY COMPLEX COMMENTARY

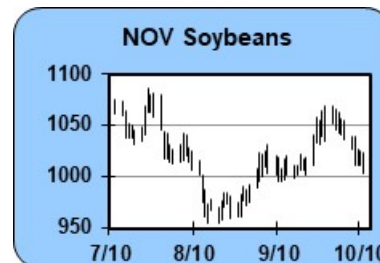
10/14/2024

USDA offers little for the bulls, Brazil rain to pick up him

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):

SOY BEANS -0.0, BEAN OIL -0.0, SOYMEAL -0.2

OVERNIGHT DEVELOPMENTS: Soybeans (NOV 24) prices overnight are down -4 1/4; Soymeal (DEC 24) down -1.00; and Soyoil (DEC 24) down -0.54. Soybean open interest as of October 11 was up 17,499 contracts, soymeal up 1,045 contracts, and soybean oil up 2,210. Chinese Dalian (JAN 25) Soybeans down 0.05%, Soymeal down 0.57%, Soyoil down 0.05%, Palm oil up 1.09%. Malaysian Palm was down 0.83%.



NEAR-TERM MARKET FUNDAMENTALS: The soy complex is starting the week lower after Friday's USDA supply/demand report had no significant surprises to alter the fundamental landscape and only a few minor changes to the old and new crop balance sheets. New crop ending stocks were left unchanged from last month. Yields were lowered slightly in Ohio, Kentucky, Minnesota and Wisconsin and raised slightly in Illinois, Iowa, Missouri and Michigan. Global carryout was raised slightly to a record high. Rains in Brazil are expected to continue to fill in in the northern half of the country this week and farmers will race to catch up on planting. Patria estimates bean planting in Brazil at 9.3% done, compared to 17.4% last year. CONAB will be out tomorrow morning with their 1st official estimate for new crop production with a pre-report guess of 166.24 million tonnes. China customs says September imports reached 11.37 million tonnes and year-to-date imports are up 8.1% to 81.85 million tonnes. CFTC data showed Managed Money bought over 13,000 contracts as of Tuesday of last week and the net short now sits at a 19-week low in beans. Bean oil net longs hit a one-year high. The federal holiday today will delay export inspections and crop progress and condition reports until tomorrow. November beans fell through initial support Friday and are testing 618% retracement to the August lows this morning at 999. With Brazil weather improving and little bullish data in Friday's report, look for prices to continue to fall if the market is unable to hold the \$10.00 area.

The October 8th Commitments of Traders report showed Soybeans Managed Money traders were net short 21,798 contracts after decreasing their short position by 13,088 contracts. CIT traders were net long 112,158 contracts after decreasing their long position by 1,018 contracts. Non-Commercial No CIT traders reduced their net short position by 13,614 contracts to a net short 49,307 contracts. Non-Commercial & Non-Reportable traders were net short 76,024 contracts after decreasing their short position by 8,047 contracts.

Soymeal positioning in the Commitments of Traders for the week ending October 8th showed Managed Money traders are net long 96,588 contracts after net selling 6,621 contracts. CIT traders added 2,896 contracts to their already long position and are now net long 117,196. Non-Commercial No CIT traders reduced their net long position by 8,228 contracts to a net long 57,558 contracts. Non-Commercial & Non-Reportable traders reduced their net long position by 7,568 contracts to a net long 125,137 contracts.

Soyoil positioning in the Commitments of Traders for the week ending October 8th showed Managed Money traders are net long 32,503 contracts after net buying 16,700 contracts. CIT traders were net long 129,595 contracts after increasing their already long position by 4,253 contracts. Non-Commercial No CIT traders net bought 7,073 contracts which moved them from a net short to a net long position of 2,093 contracts. Non-Commercial & Non-Reportable traders added 8,613 contracts to their already long position and are now net long 59,202.

TODAY'S MARKET IDEAS:

Fundamentals suggest the soy complex may have a tough week with Brazil rains in the forecast and bearish data

reinforced on Friday's USDA report, leaving the bull camp with little to grab hold of. November beans closed below 100-day moving average support Friday and below the 50% retracement and are testing 618% retracement this morning. If 999 fails to hold today, prices may drop for a retest of the August lows at 955. Small rallies may be a selling opportunity this week.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None

SOYBEAN COMPLEX TECHNICAL OUTLOOK:

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SOYBEANS (NOV) 10/14/2024: The close below the 40-day moving average is an indication the longer-term trend has turned down. The moving average crossover down (9 below 18) indicates a possible developing short-term downtrend. Momentum studies are still bearish but are now at oversold levels and will tend to support reversal action if it occurs. 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 990. The next area of resistance is around 1015 1/4 and 1029 1/4, while 1st support hits today at 995 3/4 and below there at 990.

SOYBEAN OIL (DEC) 10/14/2024: 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 could take on a defensive posture with the daily closing price reversal down. The market tilt is slightly negative with the close under the pivot. The next downside target is 42.38. The next area of resistance is around 43.90 and 44.67, while 1st support hits today at 42.76 and below there at 42.38.

SOYMEAL (DEC) 10/14/2024: The downside crossover (9 below 18) of the moving averages suggests a developing short-term downtrend. 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. It is a slightly negative indicator that the close was lower than the pivot swing number. The next downside target is now at 310.4. The next area of resistance is around 317.7 and 321.1, while 1st support hits today at 312.4 and below there at 310.4.

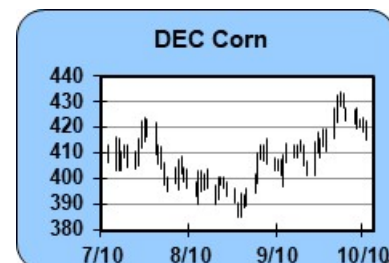
DAILY CORN COMMENTARY

10/14/2024

USDA raises export forecast, US cheapest origin

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):
CORN -0.3

OVERNIGHT DEVELOPMENTS: Corn (DEC 24) prices overnight are down -2 3/4. Corn open interest as of October 11 was up 5,255 contracts. Chinese Dalian (JAN 25) Corn was up 0.63%.



NEAR-TERM MARKET FUNDAMENTALS: Corn prices are starting off the week lower and the selloff that began a week and half ago continues, although we expect prices to begin to find support below 410 on December. USDA raised new crop

corn exports on Friday, which is a bit unusual this early in the marketing year, but a small increase in yield kept ending stocks from falling as much as expected. Global stocks-to-use ratio was the lowest in 11 years but overall, the report did not change the fundamentals in any significant fashion. However, the increase in exports may be a clue USDA is anticipating US corn to remain very competitive into early 2025. US prices are currently the cheapest origin. Harvest problems in France are getting worse and the corn crop is only 6% harvested, the slowest in 11 years, with the five-year average at 40%. Also, APK-Inform lowered Ukraine corn production to 24 million tonnes, compared to 26.8 last month and lower Ukraine exports to 20 million tonnes, down from 22.5 last month. CONAB will release their 1st official estimates for new crop production tomorrow and the pre-report guess is 121.50 million tonnes. CFTC data showed Managed Money reduced their net short position by 44,000 contracts to a 14-month low. US harvest weather remains very good this week with mostly dry conditions except for the far southwestern Plains and Great Lakes region. The 6-10 day and 8-14 day both show normal precipitation across the Midwest with warmer than average temperatures. December corn is falling for a test of the 50% retracement support to the August lows which stands at 409 1/2 with .618% retracement at 403 3/4. Short-term technical indicators are still pointing lower and have not yet reached oversold territory, which may increase the odds of a test of the .618% retracement. Look for buyers to step up as prices fall below 410.

The Commitments of Traders report for the week ending October 8th showed Corn Managed Money traders were net short 23,729 contracts after decreasing their short position by 43,970 contracts. CIT traders added 22,491 contracts to their already long position and are now net long 310,543. Non-Commercial No CIT traders reduced their net short position by 27,572 contracts to a net short 69,593 contracts. Non-Commercial & Non-Reportable traders were net short 42,564 contracts after decreasing their short position by 30,147 contracts.

TODAY'S MARKET IDEAS:

While Friday's USDA report did not significantly alter the fundamental outlook, US corn is the cheapest origin for global buyers and that is expected to provide support on any further break. Problems with the French corn harvest and lower expectations for Ukraine production are important as those countries are US export competitors. December corn 1st retracement support is 409 1/2 and then 403 3/4 and we expect buyers will surface in that zone. Speculators can consider using a scale-down approach to purchases.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

CORN TECHNICAL OUTLOOK:

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CORN (DEC) 10/14/2024: Momentum studies trending lower at mid-range should accelerate a move lower if support levels are taken out. The intermediate trend has turned down with the cross over back below the 18-day moving average. The market tilt is slightly negative with the close under the pivot. The next downside target is 410. The next area of resistance is around 419 1/2 and 424 3/4, while 1st support hits today at 412 and below there at 410.

CORN (MAR) 10/14/2024: Momentum studies trending lower at mid-range should accelerate a move lower if support levels are taken out. The close under the 18-day moving average indicates the intermediate-term trend could be turning down. The swing indicator gave a moderately negative reading with the close below the 1st support number. The next downside target is now at 427 1/2. The next area of resistance is around 436 1/2 and 441 3/4, while 1st support hits today at 429 1/2 and below there at 427 1/2.

DAILY WHEAT COMMENTARY

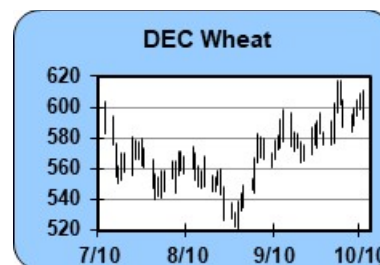
10/14/2024

Russia recommends minimum price for export sales

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):

WHEAT +0.08

OVERNIGHT DEVELOPMENTS: Chicago wheat (DEC 24) prices overnight are down -2; Kansas City (DEC 24) down -2 3/4; and Minneapolis (DEC 24) down -2 1/4. MATIF Milling Wheat(DEC 24) was up 0.9%. Chicago wheat open interest as of October 11 was up 4,135 contracts and Minneapolis wheat was up 1,066 contracts.



NEAR-TERM MARKET FUNDAMENTALS: Wheat prices are starting the week slightly lower after USDA made a few unexpected changes to the balance sheet Friday. Winter wheat yields were raised .1 bushel per acre and harvested acres for old crop lowered 200,000. However, in the new crop balance sheet, despite planted acres dropping by 200,000, harvested acres were raised 600,000, which increased the planted to harvested acre percentage higher than normal. In addition, yield for new crop was lowered 1 BPA to 51.2. The above changes dropped new crop ending stocks 16 million bushels, slightly more than expected. World ending stocks were the lowest in 9 years. Russia was in the news late last week as well lowering their crop slightly and recommending exporters not sell wheat below the \$250 a tonne minimum level and encouraging more private wheat sales deals. Along with Russian strikes on Ukraine grain ships and ports last week, it appears to us Russia is beginning to tighten their grip on exports and that should be considered a bullish longer-term development. CFTC data showed Managed Money held a net short position just under 30,000 contracts as of Tuesday of last week, the most bearish in 5 weeks. December Chicago wheat key moving average support comes in at 589 today. If prices fall below that level additional support comes in at 572. Global fundamentals suggest prices are unlikely to fall sharply and the odds favor a continuation of the recent uptrend.

The Commitments of Traders report for the week ending October 8th showed Wheat Managed Money traders were net short 29,449 contracts after increasing their already short position by 6,496 contracts. CIT traders are net long 89,398 contracts after net selling 2,582 contracts. Non-Commercial No CIT traders net sold 3,771 contracts and are now net short 64,623 contracts. Non-Commercial & Non-Reportable traders added 5,048 contracts to their already short position and are now net short 25,886.

The October 8th Commitments of Traders report showed KC Wheat Managed Money traders net bought 9,386 contracts and are now net short 5,884 contracts. CIT traders added 6,023 contracts to their already long position and are now net long 59,720. Non-Commercial No CIT traders reduced their net short position by 3,183 contracts to a net short 16,878 contracts. Non-Commercial & Non-Reportable traders net bought 8,942 contracts and are now net short 408 contracts.

TODAY'S MARKET IDEAS:

All in all, Friday's USDA report had a few unexpected changes but did not significantly change the US balance sheet, although global stocks were the lowest since the 2015/16 season. It appears Russia is getting more nervous about exports and crop potential and that is likely to give traders a reason to buy weakness. Look for initial support on Chicago December at 589 and then 572. Speculators can consider approaching the long side in that zone on a scaled-down basis.

NEW RECOMMENDATIONS:

None

PREVIOUS RECOMMENDATIONS:

None.

WHEAT TECHNICAL OUTLOOK:

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WHEAT (DEC) 10/14/2024: The daily stochastics gave a bearish indicator with a crossover down. Stochastics trending lower at midrange will tend to reinforce a move lower especially if support levels are 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 down is a negative indicator for prices. The market tilt is slightly negative with the close under the pivot. The next downside objective is 581 3/4. The next area of resistance is around 608 1/4 and 619, while 1st support hits today at 589 3/4 and below there at 581 3/4.

KC WHEAT (DEC) 10/14/2024: Rising stochastics at overbought levels warrant some caution for bulls. The market's short-term trend is negative as the close remains below the 9-day moving average. The swing indicator gave a moderately negative reading with the close below the 1st support number. The near-term upside target is at 622 1/2. The next area of resistance is around 612 3/4 and 622 1/2, while 1st support hits today at 596 1/4 and below there at 589 1/4.

MINN WHEAT (DEC) 10/14/2024: Daily stochastics have risen into overbought territory which will tend to support reversal action if it occurs. The market's short-term trend is negative as the close remains below the 9-day moving average. The swing indicator gave a moderately negative reading with the close below the 1st support number. The next upside target is 660 1/2. The next area of resistance is around 651 3/4 and 660 1/2, while 1st support hits today at 635 3/4 and below there at 628 1/4.

RICE (NOV) 10/14/2024: 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. It is a slightly negative indicator that the close was lower than the pivot swing number. The next downside target is now at 14.890. The next area of resistance is around 15.049 and 15.110, while 1st support hits today at 14.940 and below there at 14.890.

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										
CNAZ24	415 3/4	44.42	49.55	65.13	53.04	419.00	424.06	418.51	408.07	407.96
CNAH25	433	43.62	49.12	62.95	50.28	436.38	441.39	436.14	426.14	425.43
SSAX24	1005 1/2	33.52	41.02	39.07	21.39	1014.19	1031.97	1034.75	1008.46	1016.24
SSAF25	1021	31.88	40.01	38.85	20.78	1031.00	1049.64	1052.56	1026.32	1033.53
SMAZ24	315.1	33.39	40.47	29.52	15.00	318.85	327.81	328.21	319.54	319.84
BOAZ24	43.33	53.59	54.78	68.21	61.37	43.31	43.65	42.96	41.16	41.45
WHAZ24	599	56.91	57.06	64.00	63.09	599.13	599.61	589.13	571.06	568.62
WHAH25	621 3/4	57.98	58.09	67.94	67.09	622.19	622.36	610.25	591.28	588.96
RCAX24	14.995	38.76	43.75	36.79	29.78	15.09	15.13	15.22	15.10	15.13
KWAZ24	604 1/2	57.46	57.41	70.58	71.47	607.00	606.47	590.78	576.55	576.18
MWAZ24	643 3/4	59.93	59.15	79.74	82.36	646.81	644.44	628.97	614.56	614.74
OTAZ24	379 3/4	49.99	55.70	77.45	70.15	385.00	387.28	379.69	352.03	344.12

Calculations based on previous session. Data collected 10/11/2024

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	410	412	417 1/2	419 1/2	425
CNAH25	Corn	427 1/4	429 1/2	434 1/2	436 1/2	441 3/4
SSAX24	Soybeans	990	995 1/2	1009 3/4	1015 1/2	1029 1/2
SSAF25	Soybeans	1005	1011	1025 1/4	1031	1045 1/2
SMAZ24	Soymeal	310.3	312.4	315.7	317.7	321.1
BOAZ24	Soybean Oil	42.37	42.75	43.52	43.90	44.67
WHAZ24	Wheat	581 3/4	589 1/2	600 1/2	608 1/2	619 1/4
WHAH25	Wheat	604 3/4	612 1/2	623	631	641 1/4
RCAX24	Rice	14.890	14.940	15.000	15.049	15.110
KWAZ24	KC Wheat	589 1/4	596	606	613	622 3/4

MWAZ24	MINN Wheat	628	635 1/2	644 1/4	652	660 1/2
OTAZ24	Oats	371	374 1/2	381 1/2	385	392

Calculations based on previous session. Data collected 10/11/2024

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