

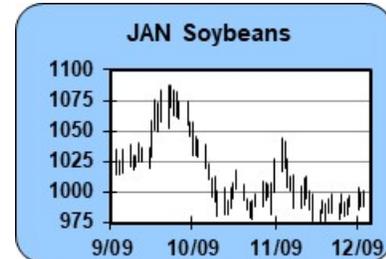
DAILY SOY COMPLEX COMMENTARY

12/12/2024

CONAB update slightly friendly

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

OVERNIGHT DEVELOPMENTS: Soybeans (MAR 25) prices overnight are down -1/4; Soymeal (MAR 25) down -0.50; and Soyoil (MAR 25) up 0.03. Soybean open interest as of December 11 was down 4,496 contracts, soymeal up 3,792 contracts, and soybean oil up 311. Chinese Dalian (JAN 25) Soybeans down 0.05%, Soymeal down 0.56%, Soyoil up 0.55%, Palm oil down 0.58%. Malaysian Palm was up 1.34%.



NEAR-TERM MARKET FUNDAMENTALS: This week's supply/demand report was unable to shake the market out of the tight sideways range seen since November 22. Bearish fundamentals remain in place but CONAB's updated bean crop estimate this morning was below expectations. Brazil's production was estimated at 166.21 million tonnes, compared to pre-report guesses of 168.63 and 166.14 last month. No significant change in South American weather with conditions generally favorable in Brazil and a few dry pockets in Argentina. Weekly export sales this morning are expected in range of 1,500,000 - 2,200,000 tonnes for beans, 175,000 - 450,000 for meal and 5000 - 80,000 for bean oil. There were 278 meal deliveries overnight and 401 bean oil. India's November vegoil imports hit a four-month high on strong demand. Argentina's inflation rate in November dropped to 2.4%, down from 25.5% when Milei took office. The market is very worried, and rightly so, regarding how Trump tariffs and policies toward China will play out. However, Trump may be softening his stance slightly after inviting the Chinese leader to Trump's inauguration and appointing an Ambassador to China that has had business ties with the country. Bean trading volume yesterday was the highest since early November, but prices were unable to break out of the range. A close over recent highs at 1008 1/4 could give the market a technical boost in the short-term. But something will need to change fundamentally to get any significant rally.

TODAY'S MARKET IDEAS:

With CONAB's update coming in slightly below expectations, prices could see a mild boost this morning. However, the USDA report earlier this week was a reminder of surplus ending stocks. The technical outlook on March beans remains neutral until prices can move above the upper boundary of the range at 1008 1/4, or take out the lower boundary at 982 1/2. A breakout either direction would suggest a run of \$0.26 in the direction of the breakout.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None

SOYBEAN COMPLEX TECHNICAL OUTLOOK:

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SOYBEANS (JAN) 12/12/2024: A positive indicator was given with the upside crossover of the 9 and 18 bar moving average. Momentum studies are rising from mid-range, which could accelerate a move higher if

resistance levels are penetrated. The market's short-term trend is positive on the close above the 9-day moving average. The upside daily closing price reversal gives the market a bullish tilt. The close over the pivot swing is a somewhat positive setup. The next upside target is 1008. The next area of resistance is around 1002 and 1008, while 1st support hits today at 989 and below there at 982.

SOYBEAN OIL (JAN) 12/12/2024: Momentum studies are trending higher from mid-range, which should support a move higher if resistance levels are penetrated. A positive signal for trend short-term was given on a close over the 9-bar moving average. The market could take on a defensive posture with the daily closing price reversal down. It is a slightly negative indicator that the close was lower than the pivot swing number. The near-term upside objective is at 43.62. The next area of resistance is around 42.96 and 43.62, while 1st support hits today at 41.92 and below there at 41.55.

SOYMEAL (JAN) 12/12/2024: Positive momentum studies in the neutral zone will tend to reinforce higher price action. The intermediate trend has turned down with the cross over back below the 18-day moving average. It is a slightly negative indicator that the close was lower than the pivot swing number. The next upside objective is 294.2. The next area of resistance is around 292.5 and 294.2, while 1st support hits today at 289.7 and below there at 288.5.

DAILY CORN COMMENTARY

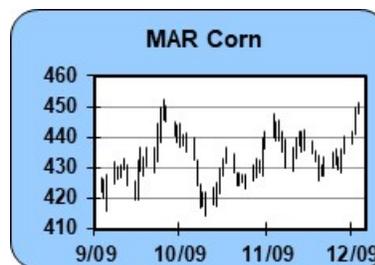
12/12/2024

March stalls at 200-day moving average resistance

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):

CORN -0.1

OVERNIGHT DEVELOPMENTS: Corn (MAR 25) prices overnight are down -1 1/4. Corn open interest as of December 11 was up 32,389 contracts. Chinese Dalian (JAN 25) Corn was down 0.09%.



NEAR-TERM MARKET FUNDAMENTALS: Corn prices touched major moving average resistance yesterday and if weekly export sales this morning are disappointing, prices may be poised for a pullback. Technical resistance is heavy between 450 and 460 and it may take new bullish news to sustain a rally above that zone in the March contract. Gulf basis is slightly weaker as the recent rally has caused an increase in farmer sales. There were 172 deliveries overnight. CONAB's Brazil production update this morning was slightly friendly with a total corn crop of 119.63 million tonnes, down from pre-report expectations of 121.04 and slightly below last month's estimate of 119.81. Second crop safrina corn was left unchanged at 94.63 million tonnes. China says they are boosting domestic corn purchases for their reserve to stabilize prices. Weekly export sales this morning are expected in range of 1,100,000-1,900,000 tonnes. Corn open interest jumped more than 32,000 contracts yesterday. Yesterday's rally stalled a penny short of the 5-month high made back on October 2nd. With initial technical objectives met, a \$0.10-\$0.15 pullback would not be surprising.

Ethanol average daily production for the week ending December 6 averaged 1.078 million barrels. This was up 0.5% from last week and up 0.4% from last year. The 5-year average for this week is 1.058 million barrels per day. Ethanol production for the week was 7.546 million barrels. Ethanol stocks were 22.648 million barrels. This was down 1.5% from last week and up 2.5% from last year. The 5-year average stocks for this week is 22.174 million barrels. The amount of corn used for the week is estimated at 108.76 million bushels. Cumulative corn use for the crop year has reached 1.496 billion bushels. Corn use needs to average 104.59 million bushels per week to meet the USDA's marketing year forecast of 5.500 billion bushels.

TODAY'S MARKET IDEAS:

March Corn prices closed slightly lower after stalling right on 200-day moving average resistance at 451 1/4. March has not closed above the 200-day for more than a year. Additional resistance layers between 450-460 may be too heavy for the market to move above at this time and a pullback may be in order. We encouraged

speculators to exit long positions yesterday and a pullback below 435 would be another buying opportunity.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

CORN TECHNICAL OUTLOOK:

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CORN (MAR) 12/12/2024: Studies are showing positive momentum but are now in overbought territory, so some caution is warranted. The market's close above the 9-day moving average suggests the short-term trend remains positive. The close over the pivot swing is a somewhat positive setup. The near-term upside objective is at 452 1/4. With a reading over 70, the 9-day RSI is approaching overbought levels. The next area of resistance is around 450 and 452 1/4, while 1st support hits today at 446 1/2 and below there at 445 1/2.

CORN (MAY) 12/12/2024: The moving average crossover up (9 above 18) indicates a possible developing short-term uptrend. 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 close over the pivot swing is a somewhat positive setup. The next upside objective is 459 1/4. With a reading over 70, the 9-day RSI is approaching overbought levels. The next area of resistance is around 457 1/4 and 459 1/4, while 1st support hits today at 453 3/4 and below there at 452.

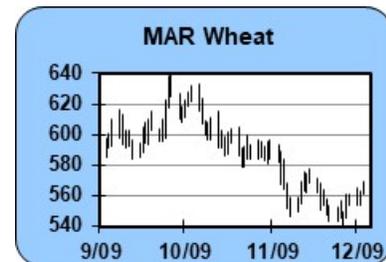
DAILY WHEAT COMMENTARY

12/12/2024

CONAB lowers Brazil crop, Argentina crop raised

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):
WHEAT +0.05

OVERNIGHT DEVELOPMENTS: Chicago wheat (MAR 25) prices overnight are up 3/4; Kansas City (MAR 25) unchanged; and Minneapolis (MAR 25) up 3/4. MATIF Milling Wheat(MAR 25) was up 0.1%. Chicago wheat open interest as of December 11 was down 2,891 contracts and Minneapolis wheat was down 2,153 contracts.



NEAR-TERM MARKET FUNDAMENTALS: Slightly friendly USDA data earlier this week did not give wheat much momentum to the upside, but March Chicago is holding above the 20-day moving average for the 1st time in 2 months. CONAB lowered Brazil wheat production slightly to 8.06 million tonnes, down from 8.11 last month. But the Rosario Grain Exchange raised Argentine's wheat crop to 19.3 million tonnes from 18.8 previously and harvest is now passing the halfway mark. There were 5 SRW deliveries overnight. Today's weekly export sales are expected in a range of 275,000-600,000 tonnes. Saudi Arabia is tendering for 595,000 tonnes of wheat. The US Plains remain in a dry pattern and the 6 to 10 and 8 to 14 day show below normal precipitation and above normal temperatures. Ukraine's Ag Union says winter crops so far in December have seen minimal threats. SovEcon said Russian exports in December may reach only 3.4 million tonnes, well below November's total of 4.1 million. India lowered their wheat stock limits that millers and retailers can hold by half, an indication they are worried about high domestic prices but there has been no indication of reducing exports or increasing imports at this time. March Chicago wheat has closed higher 5 of the last 6 trading sessions and open interest has dropped slightly over the last week, an indication of at least a minor short covering. Upside momentum will accelerate if prices can move above the November high at 577 1/2.

TODAY'S MARKET IDEAS:

Open interest has not fallen enough on the rally over the last week to indicate any significant fund short covering and Managed Money traders are likely waiting to see if March Chicago can move above the November high of 577 1/2 before throwing in the towel. Consider a pullback below 554 on a buying opportunity.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

WHEAT TECHNICAL OUTLOOK:

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WHEAT (MAR) 12/12/2024: Stochastics are at mid-range but trending higher, which should reinforce a move higher if resistance levels are taken out. 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 572 3/4. The next area of resistance is around 567 1/2 and 572 3/4, while 1st support hits today at 559 and below there at 555 1/2.

KC WHEAT (MAR) 12/12/2024: Momentum studies are rising from mid-range, which could accelerate a move higher if resistance levels are penetrated. The market's short-term trend is positive on the close above the 9-day moving average. The market has a slightly positive tilt with the close over the swing pivot. The near-term upside objective is at 574 1/4. The next area of resistance is around 569 3/4 and 574 1/4, while 1st support hits today at 562 1/4 and below there at 559 1/2.

MINN WHEAT (MAR) 12/12/2024: Positive momentum studies in the neutral zone will tend to reinforce higher price action. The close above the 9-day moving average is a positive short-term indicator for trend. With the close higher than the pivot swing number, the market is in a slightly bullish posture. The next upside target is 613 3/4. The next area of resistance is around 609 3/4 and 613 3/4, while 1st support hits today at 603 1/4 and below there at 600 1/2.

RICE (JAN) 12/12/2024: Momentum studies trending lower at mid-range could accelerate a price break if support levels are broken. A negative signal for trend short-term was given on a close under the 9-bar moving average. The defensive setup, with the close under the 2nd swing support, could cause some early weakness. The next downside target is 14.937. The next area of resistance is around 15.092 and 15.166, while 1st support hits today at 14.978 and below there at 14.937.

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										
CNAH25	448 1/4	71.27	64.93	67.83	83.10	444.75	437.97	436.39	432.97	433.78
CNAK25	455 1/2	72.72	65.67	63.63	81.42	450.94	444.06	443.01	440.26	441.70
SSAF25	995 1/2	53.12	49.79	41.56	52.64	993.50	990.89	990.81	998.74	1013.33
SSAH25	1002 3/4	52.92	48.99	37.13	49.14	999.44	996.75	998.28	1009.46	1024.85
SMAF25	291.1	47.31	44.18	31.23	35.15	290.03	290.37	291.19	300.05	307.64
BOAF25	42.44	46.59	46.50	30.96	39.33	42.73	42.22	42.69	43.67	43.48
WHAH25	563 1/4	55.33	48.20	39.93	50.34	560.25	554.47	558.14	578.86	586.05
WHAK25	572 3/4	55.49	48.26	38.83	49.48	569.00	563.22	567.35	589.02	596.56
RCAF25	15.035	45.70	48.67	64.44	55.55	15.08	15.16	15.13	15.01	15.11

KWAH25	566	61.79	53.11	44.42	59.30	561.38	551.50	556.56	576.92	583.24
MWAH25	606 1/2	58.16	50.87	46.08	60.54	603.19	596.69	598.40	618.28	625.41
OTAH25	357 1/2	42.42	43.80	31.41	23.31	356.19	363.94	365.46	373.24	373.98

Calculations based on previous session. Data collected 12/11/2024
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						
CNAH25	Corn	445 1/2	446 1/2	449	450	452 1/2
CNAK25	Corn	452	453 1/2	455 3/4	457 1/2	459 1/2
SSAF25	Soybeans	982	989	995	1002	1008
SSAH25	Soybeans	989	996 1/2	1001 1/2	1009	1014
SMAF25	Soymeal	288.4	289.6	291.3	292.5	294.2
BOAF25	Soybean Oil	41.54	41.92	42.58	42.96	43.62
WHAH25	Wheat	555 1/4	559	564	567 1/2	572 3/4
WHAH25	Wheat	564 1/4	568 1/4	573 1/4	577 1/4	582 1/4
RCAF25	Rice	14.936	14.977	15.051	15.092	15.166
KWAH25	KC Wheat	559 1/2	562 1/4	567	569 3/4	574 1/2
MWAH25	MINN Wheat	600 1/2	603	607 1/4	610	614
OTAH25	Oats	346 1/2	351 3/4	358	363 1/4	369 1/2

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