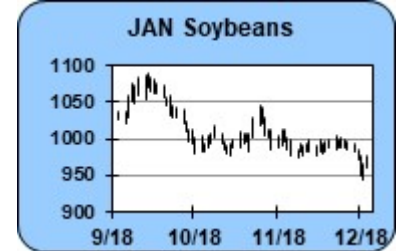


DAILY SOY COMPLEX COMMENTARY

12/23/2024

Gov't funding bill includes \$27.69 farmer payout per acre

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



OVERNIGHT DEVELOPMENTS: Soybeans (MAR 25) prices overnight are up 1 1/2; Soymeal (MAR 25) up 1.30; and Soyoil (MAR 25) up 0.44. Soybean open interest as of December 20 was down 11,520 contracts, soymeal down 8,816 contracts, and soybean oil down 8,273. Chinese Dalian (MAY 25) Soybeans up 1.08%, Soymeal up 1.04%, Soyoil up 0.77%, Palm oil down 0.78%. Malaysian Palm was up 2.46%.

NEAR-TERM MARKET FUNDAMENTALS: Market action has been quiet to start the week with just a nickel range overnight in March beans. Last week ended on a strong note with a significant rally in soymeal on Friday as prices got low enough to encourage end user buying. The key reversal higher last week from new contract lows has improved the technical picture on meal and beans. The government funding bill passed over the weekend included \$10 billion in farm aid with a farmer payment of \$27.69 per acre for beans. Argentina saw some beneficial rains over the weekend and cooler than average temperatures are expected this week. Argentina's November crush came out Friday at 3.432 million tonnes, the highest for November since 2016. Commitment of Trader's data showed funds increased their net short in beans to a 3-week high, increased their net meal shorts to their highest level since 2006 and decreased their net long in bean oil to a 12-week low. With a significant turn higher in meal last week and March meal hitting its highest level this morning since November 8, short funds are likely feeling the pinch. Short covering this week could be exacerbated by the thin holiday action and shortened trading hours. Grains will close at noon tomorrow and reopen Thursday morning at 8:30 AM. Open interest fell sharply across the soy complex Friday indicating short covering. Volatility may be higher than normal this week. March beans will encounter significant resistance in the 9.80 - 10.00 range and may struggle to break out of that zone this week. However, the reversals last week suggest the bear camp needs to pay attention to the improved technical picture.

TODAY'S MARKET IDEAS:

The significant purchase by Sinograin last week came at a time when there was little other bullish news and prices were leaning heavily to the bear side and sparked significant short covering. Key reversals higher in meal and beans late last week may push prices up towards expected strong resistance in March beans at \$10.00. Anything can happen on a low volume, shortened holiday week, but the bull camp has gained some traction with the improved technical outlook.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None

Commitment of Traders - Futures and Options - 12/10/2024 - 12/17/2024						
Grains	Non-Commercial		Commercial	Non-Reportable		
	Net Position	Weekly Net Change		Net Position	Weekly Net Change	
Soybeans	-96,342	-25,484	118,538	+26,427	-22,195	-943
Soymeal	-68,030	-16,433	40,194	+17,119	27,836	-686
Soyoil	26,233	-14,198	-28,635	+20,508	2,402	-6,310

SOYBEAN COMPLEX TECHNICAL OUTLOOK:

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SOYBEANS (JAN) 12/23/2024: The daily stochastics gave a bullish indicator with a crossover up. Positive momentum studies in the neutral zone will tend to reinforce higher price action. A negative signal for trend short-term was given on a close under the 9-bar moving average. With the close over the 1st swing resistance number, the market is in a moderately positive position. The next upside objective is 989. The next area of resistance is around 983 1/4 and 989, while 1st support hits today at 965 3/4 and below there at 954 1/4.

SOYBEAN OIL (JAN) 12/23/2024: Momentum studies are still bearish but are now at oversold levels and will tend to support reversal action if it occurs. The market's close below the 9-day moving average is an indication the short-term trend remains negative. The market's close below the pivot swing number is a mildly negative setup. The next downside target is now at 38.67. Some caution in pressing the downside is warranted with the RSI under 30. The next area of resistance is around 39.99 and 40.71, while 1st support hits today at 38.97 and below there at 38.67.

SOYMEAL (JAN) 12/23/2024: The cross over and close above the 40-day moving average indicates the longer-term trend has turned up. Positive momentum studies in the neutral zone will tend to reinforce higher price action. The cross over and close above the 18-day moving average is an indication the intermediate-term trend has turned positive. There could be more upside follow through since the market closed above the 2nd swing resistance. The next upside objective is 304.1. The next area of resistance is around 300.5 and 304.1, while 1st support hits today at 288.4 and below there at 279.8.

DAILY CORN COMMENTARY

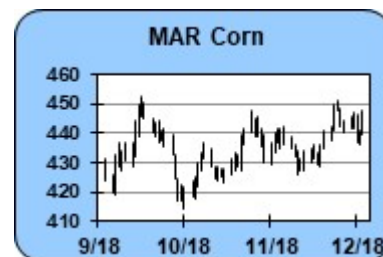
12/23/2024

WTO rules in favor of US on GMO corn dispute with Mexico

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):

CORN +0.2

OVERNIGHT DEVELOPMENTS: Corn (MAR 25) prices overnight are up 1 1/4. Corn open interest as of December 20 was down 305 contracts. Chinese Dalian (MAY 25) Corn was up 0.41%.



NEAR-TERM MARKET FUNDAMENTALS: The market is showing slight gains to start the week after a strong close Friday. The strength is coming from the WTO ruling in favor of the US in the GMO dispute, with Mexico now having 45 days to comply. Mexico says they disagree with the ruling but will abide by it and will continue to import GMO corn as they have been but will legislate a ban GMO planting in country. Mexico's corn production was pegged over the weekend at 23.4 million tonnes by private analysts, down from USDA at 25.0 and the 2nd lowest of the past 10 years. The state of Sinaloa has seen its worst drought in 50 years and their 11 reservoirs sit at an average capacity of 18.4% of normal. Record high egg prices have been in the news lately and November US egg production was down 3.6% year-over-year to 8.92 billion eggs. The government funding bill was passed over the weekend and included \$10 billion in farmer aid and a payment of \$42.94 an acre for US corn farmers. Commitment of Trader's data showed Managed Money reduced their net longs slightly as of Tuesday of last week but fund buying on the rally late in the week likely offset the decrease. The corn market continues to have the friendliest technical outlook of the grains and significant resistance is just a few cents away on the March contract. A move above this month's high at 451 1/4 would be a bullish technical sign, however, prices may be unable to carry much higher than that during this thin holiday shortened week.

TODAY'S MARKET IDEAS:

March corn is just a few cents under the highs of the last 6-months and the technical outlook remains positive. Major resistance sits at 451 1/2 and retracement resistance to the May high is 456. Speculators that are long from the mid-430's are encouraged to protect profits and move sell stops up to at least 444 this week as volatility could be increased. If prices hit 455 on March, consider exiting all long positions for the holidays.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

Commitment of Traders - Futures and Options - 12/10/2024 - 12/17/2024						
	Non-Commercial			Commercial		Non-Reportable
	Net Position	Weekly Net Change	Net Position	Weekly Net Change	Net Position	Weekly Net Change
Grains						
Corn	176,312	+5,385	-123,623	+9,354	-52,688	-14,737

CORN TECHNICAL OUTLOOK:

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CORN (MAR) 12/23/2024: Stochastics trending lower at midrange will tend to reinforce a move lower especially if support levels are taken out. A positive signal for trend short-term was given on a close over the 9-bar moving average. Since the close was above the 2nd swing resistance number, the market's posture is bullish and could see more upside follow-through early in the session. The next downside objective is now at 437. The next area of resistance is around 450 1/4 and 452 3/4, while 1st support hits today at 442 1/4 and below there at 437.

CORN (MAY) 12/23/2024: Declining momentum studies in the neutral zone will tend to reinforce lower price action. A positive signal for trend short-term was given on a close over the 9-bar moving average. There could be more upside follow through since the market closed above the 2nd swing resistance. The next downside objective is 442 1/2. The next area of resistance is around 455 3/4 and 458 1/2, while 1st support hits today at 447 3/4 and below there at 442 1/2.

DAILY WHEAT COMMENTARY

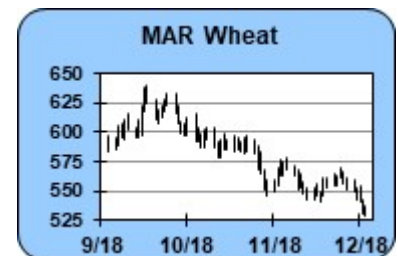
12/23/2024

Gov't funding bill includes \$19.07 farmer payout per wheat acre

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):

WHEAT +0.55

OVERNIGHT DEVELOPMENTS: Chicago wheat (MAR 25) prices overnight are up 4; Kansas City (MAR 25) up 4 3/4; and Minneapolis (MAR 25) up 5 1/2. MATIF Milling Wheat(MAR 25) was up 1.4%. Chicago wheat open interest as of December 20 was up 64 contracts and Minneapolis wheat was up 2,501 contracts.



NEAR-TERM MARKET FUNDAMENTALS: Market action is starting slightly positive to start this week after March Chicago wheat hit a new contract low on Friday. Wheat prices have not followed the other grains higher over the last several sessions as rains are forecast in parts of the southern Plains and good yields coming out of Argentina's harvest weigh on prices. The Rosario Grain Exchange says the wheat crop in Argentine is 93%

harvested with better-than-expected yields. Rains over the next 5 days are expected in the eastern two thirds of Oklahoma and Texas, along with southeast Kansas. The rest of the Plains are expected to see scattered light chances. The 8 to 14 day outlook shifts rains into the northern Plains. Rusagrotrans says Russia's wheat exports in the 1st half of the 2024/25 season hit 29.4 million tonnes, up from 27.7 for the same period last year. The reduced export quota for the 2nd half of the season announced last week of 10.6 million tonnes from the previous 11 million tonnes was due to the recent strong export pace. The US government passed a funding bill over the weekend which included a \$19.07 per acre payment for wheat producers. Commitment of Traders data showed funds added to their net short positions which now stand at an 8-month high. Once the market can make some kind of technical bottom, fund short covering will drive the next rally. A thin week this week is likely to keep conditions choppy and until the technical outlook improves, rallies are unlikely to extend.

TODAY'S MARKET IDEAS:

Close-in support at 528 on March Chicago is still holding. Technical action was poor late last week as prices settled in new contract lows. However, some short covering this holiday week may give the market a slight boost, but some sort of base building or technical bottom formation is needed to shift the tide to the bull camp.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

Commitment of Traders - Futures and Options - 12/10/2024 - 12/17/2024						
	Non-Commercial		Net Position	Commercial		Non-Reportable
	Net Position	Weekly Net Change		Net Change	Net Position	
Grains						
KC Wheat	-18,407	+3,246	18,531	-3,875	-124	+629
Wheat	-84,307	-17,733	84,231	+14,063	75	+3,668

WHEAT TECHNICAL OUTLOOK:

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WHEAT (MAR) 12/23/2024: Momentum studies are declining, but have fallen to oversold levels. The market's close below the 9-day moving average is an indication the short-term trend remains negative. The market's close below the pivot swing number is a mildly negative setup. The next downside objective is 525 1/4. The market is approaching oversold levels on an RSI reading under 30. The next area of resistance is around 537 and 541, while 1st support hits today at 529 and below there at 525 1/4.

KC WHEAT (MAR) 12/23/2024: 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. It is a slightly negative indicator that the close was lower than the pivot swing number. The next downside objective is 536 1/2. The next area of resistance is around 548 1/4 and 552 3/4, while 1st support hits today at 540 1/4 and below there at 536 1/2.

MINN WHEAT (MAR) 12/23/2024: Momentum studies are declining, but have fallen to oversold levels. 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 objective is now at 581 3/4. The next area of resistance is around 594 1/2 and 599, while 1st support hits today at 586 and below there at 581 3/4.

RICE (JAN) 12/23/2024: Daily stochastics are trending lower but have declined into oversold territory. 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 objective is 13.604.

With a reading under 20, the 9-day RSI indicates the market is extremely oversold. The next area of resistance is around 14.342 and 14.673, while 1st support hits today at 13.808 and below there at 13.604.

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	446 1/4	60.18	58.43	65.73	65.62	441.94	443.94	438.67	435.35	435.39
CNAK25	451 3/4	58.83	57.34	64.52	63.55	447.94	450.50	445.04	442.33	442.83
SSAF25	974 1/2	44.19	43.67	32.65	34.57	966.50	980.25	984.57	992.86	1004.85
SSAH25	979 1/4	44.18	43.15	31.59	35.25	969.44	985.00	990.21	1002.12	1015.30
SMAF25	294.5	58.95	53.49	29.65	47.81	286.33	287.89	289.33	295.68	303.10
BOAF25	39.48	29.47	34.99	26.69	16.68	39.92	41.31	41.68	43.40	43.34
WHAH25	533	22.14	28.50	25.35	14.88	538.06	548.67	550.54	568.19	579.95
WHAK25	542 3/4	22.97	29.01	26.80	15.59	548.13	558.58	559.97	578.14	590.39
RCAF25	14.075	13.10	22.48	21.35	10.68	14.57	14.82	15.00	14.94	15.02
KWAH25	544 1/4	36.23	38.74	46.74	37.02	547.31	555.69	551.94	567.49	579.17
MWAH25	590 1/4	39.19	40.40	38.81	29.45	591.00	597.61	596.03	609.01	620.78
OTAH25	351 1/4	36.05	40.20	31.37	22.10	357.63	360.03	362.96	370.68	373.51

Calculations based on previous session. Data collected 12/20/2024

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	437	442 1/4	445	450 1/4	453
CNAK25	Corn	442 1/2	447 3/4	450 1/2	455 3/4	458 1/2
SSAF25	Soybeans	954	965 3/4	971 1/2	983 1/4	989
SSAH25	Soybeans	957	969 3/4	976	988 3/4	995
SMAF25	Soymeal	279.7	288.4	291.9	300.5	304.1
BOAF25	Soybean Oil	38.67	38.97	39.69	39.99	40.71
WHAH25	Wheat	525	529	533	537	541
WHAK25	Wheat	535 1/4	538 3/4	543 1/4	546 3/4	551 1/4
RCAF25	Rice	13.603	13.807	14.138	14.342	14.673
KWAH25	KC Wheat	536 1/2	540	544 3/4	548 1/2	553
MWAH25	MINN Wheat	581 1/2	586	590 1/4	594 1/2	599
OTAH25	Oats	344 3/4	347	353 1/4	355 1/2	361 3/4

Calculations based on previous session. Data collected 12/20/2024

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