

DAILY SOY COMPLEX COMMENTARY

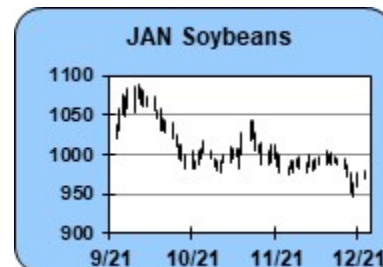
12/24/2024

Technical outlook improved but fundamental data remains bearish

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):

SOY BEANS +0.0, BEAN OIL +0.0, SOYMEAL +0.1

OVERNIGHT DEVELOPMENTS: Soybeans (MAR 25) prices overnight are up 3 3/4; Soymeal (MAR 25) up 1.30; and Soyoil (MAR 25) up 0.07. Soybean open interest as of December 23 was down 15,199 contracts, soymeal down 15,260 contracts, and soybean oil down 2,650. Chinese Dalian (MAY 25) Soybeans up 0.42%, Soymeal down 0.23%, Soyoil up 0.74%, Palm oil up 1.10%. Malaysian Palm was up 0.35%.



NEAR-TERM MARKET FUNDAMENTALS: The soy complex is starting off slightly higher on this shortened Christmas Eve session. Soy futures will close at 12:05 PM today Chicago time and reopen at 8:30 AM Thursday morning. Weekly export sales will be released on Friday this week. Prices are seeing some support following the bullish technical reversals late last week but significant overhead resistance looms just above the market. Brazil's weather is expected to remain ideal for the next 2 weeks and Deral said Parana bean production may reach 22.2 million tonnes, up 0.5% from their previous forecast but up 20% year-over-year. Crop areas in southeast Argentina will see a dry down which will increase urgency of rain and the 1st half of January. Weekly export inspections yesterday were strong at the top end of the range of guesses but typically inspections tend to trend lower from January into early summer as Brazil regains export share once harvest begins. Open interest dropped sharply in beans and meal yesterday as the improved technical picture forces short covering. Since early August, March beans have had several lows in the 982 to 992 range, which were subsequently taken out last week when prices fell to new contract lows. Now the market is back testing those previous lows, which should offer significant resistance. A rebound towards \$10 could be seen over the holidays but a sustained rally beyond that would require new bullish news. The next several trading sessions will be a test of whether last week's reversals are strong enough to trigger additional aggressive short covering.

Soybean export inspections for the week ending December 19 came in at 1,747,037 metric tonnes. Cumulative inspections year-to-date are 26,998,906 metric tonnes which is 21.1% above last year. This is 54.4% of the USDA's forecast for the 2024-25 marketing year versus the five year average of 48.1%.

TODAY'S MARKET IDEAS:

The age-old question whether markets are driven by fundamentals or technicals is on the table in the bean market as last week's bullish key reversals resulted in buying that pushed prices up into a heavy resistance band between 9.80 - 10.00. Managed Money traders are still heavy shorts in meal and beans, although open interest has declined significantly over the past 3 sessions, indicating some short covering has taken place. It will likely take a move over \$10.00 on March beans to trigger further aggressive fund short covering and we think that type of move is unlikely this week in thin holiday trade.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None

SOYBEAN COMPLEX TECHNICAL OUTLOOK:

Note: Data is collected using the closing values of the previous session and calculations and analysis are run at the same time. Technical 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.

SOYBEANS (JAN) 12/24/2024: Momentum studies are trending higher from mid-range, which should support a move higher if resistance levels are penetrated. The close below the 9-day moving average is a negative short-term indicator for trend. The daily closing price reversal down puts the market on the defensive. It is a slightly negative indicator that the close was under the swing pivot. The next upside target is 982 3/4. The next area of resistance is around 975 and 982 3/4, while 1st support hits today at 964 and below there at 960 1/2.

SOYBEAN OIL (JAN) 12/24/2024: 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 upside closing price reversal on the daily chart is somewhat bullish. A positive setup occurred with the close over the 1st swing resistance. The next downside target is 38.70. The next area of resistance is around 40.88 and 41.31, while 1st support hits today at 39.58 and below there at 38.70.

SOYMEAL (JAN) 12/24/2024: The close below the 40-day moving average is an indication the longer-term trend has turned down. Positive momentum studies in the neutral zone will tend to reinforce higher price action. The market's short-term trend is positive on the close above the 9-day 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 upside objective is 301.4. The next area of resistance is around 294.3 and 301.4, while 1st support hits today at 284.7 and below there at 282.1.

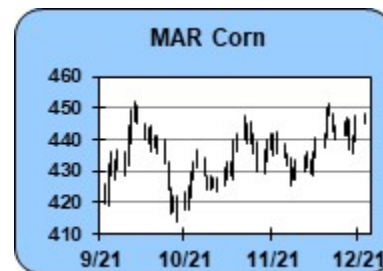
DAILY CORN COMMENTARY

12/24/2024

Year-round E-15 sales not included in gov't funding bill

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):
CORN +0.0

OVERNIGHT DEVELOPMENTS: Corn (MAR 25) prices overnight are up 1/4. Corn open interest as of December 23 was up 864 contracts. Chinese Dalian (MAY 25) Corn was down 0.23%. Reminder - the corn market will close at 12:05 PM Chicago time today and reopen at 8:30 AM Thursday morning.



NEAR-TERM MARKET FUNDAMENTALS: March corn prices yesterday had their smallest daily trading range since October 30th at only \$0.03. The market is just a few cents below the 200-day moving average resistance at 450 and the December highs of 451 1/4. Farmer selling has been slow and is unlikely to pick up to any significant degree until after the 1st of the year. Weekly export sales will be delayed until Friday morning. Year-round E-15 ethanol sales did not make it into the government funding package last weekend in a disappointment to the ethanol lobby. China announced overnight they will embark on a 10-year drive to increase cereal grain consumption and highlight the health benefits of whole grains. Deral says Parana 1st corn production is expected at 2.64 million tonnes, up from 2.59 in their previous forecast and 95% of the crop in that state is considered good. Weather conditions remain good in South America overall, although southeast Argentina will need rain in early January as conditions are drying down. Yesterday's daily trading volume was the lowest since Black Friday and today's is unlikely to be any better with a shortened trading session. Significant long-term resistance is just a few cents above the market but if prices can move above 452 on March, next significant resistance is 456, the 50% retracement back to the May highs. Current fundamentals suggest it will be difficult for March to sustain a rally above 456 at this time.

Corn export inspections for the week ending December 19 came in at 1,122,861 metric tonnes. Cumulative inspections year-to-date are 14,435,547 metric tonnes which is 26.8% above last year. This is 23.0% of the USDA's forecast for the 2024-25 marketing year versus the five year average of 18.2%.

TODAY'S MARKET IDEAS:

Yesterday's trading volume was low with a minimal daily range and that may continue into today's shortened

session. Major resistance on March 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. If prices hit 455 on March, consider exiting all long positions for the holidays.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

CORN TECHNICAL OUTLOOK:

Note: Data is collected using the closing values of the previous session and calculations and analysis are run at the same time. Technical 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.

CORN (MAR) 12/24/2024: A bullish signal was given with an upside crossover of the daily stochastics. 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 near-term upside target is at 450 1/4. The next area of resistance is around 449 1/4 and 450 1/4, while 1st support hits today at 446 1/4 and below there at 444 1/4.

CORN (MAY) 12/24/2024: 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 positive signal for trend short-term was given on a close over the 9-bar moving average. With the close higher than the pivot swing number, the market is in a slightly bullish posture. The next upside objective is 456. The next area of resistance is around 455 and 456, while 1st support hits today at 452 and below there at 450.

DAILY WHEAT COMMENTARY

12/24/2024

SovEcon lowers Russia wheat export, some rains in S Plains

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):

WHEAT -0.1

OVERNIGHT DEVELOPMENTS: Chicago wheat (MAR 25) prices overnight are down -1/4; Kansas City (MAR 25) up 3/4; and Minneapolis (MAR 25) up 2 1/4. MATIF Milling Wheat(MAR 25) was down -0.2%. Chicago wheat open interest as of December 23 was down 3,138 contracts and Minneapolis wheat was up 358 contracts. Reminder - the wheat market will close at 12:05 PM today and reopen at 8:30 AM Thursday morning Chicago time.



NEAR-TERM MARKET FUNDAMENTALS: The wheat bulls gained a bit of traction yesterday with a minor rally off new contract lows on Friday. March Chicago wheat needs a convincing close back above 542 to relieve the bearish technical pressure. Support is coming from SovEcon lowering their Russian wheat 2024/25 export forecast 400,000 tonnes to 43.7 million tonnes and in their 1st forecast for the 2025/26 season, exports were pegged at 36.4 million tonnes, down 17% from the current year. Rains are moving through parts of the southern Plains this morning with central and eastern Oklahoma favored along with some light precipitation in Western Kansas and northwest Texas. Over the next 10 days, light showers are expected in the Plains with the northern areas favored. The 8 to 14 day outlook shows normal to above normal precipitation in the heart of the Plains and normal temperatures. Turkey says they will ease their import restrictions on wheat next year. Algeria is tendering for 50,000 tonnes of milling wheat but often buy significantly more than their initial tender amount. Russia's Ag watchdog says access to the Chinese wheat market is a priority for the Russian export program next year. Look for subdued volatility today as new market moving news is limited.

Wheat export inspections for the week ending December 19 came in at 403,719 metric tonnes. Cumulative inspections year-to-date are 11,943,285 metric tonnes which is 27.2% above last year. This is 51.6% of the USDA's forecast for the 2024-25 marketing year versus the five year average of 52.2%.

TODAY'S MARKET IDEAS:

March Chicago wheat has done little to indicate a technical bottom at this time but if prices can close above 542, that would at least be the 1st sign of a short-term shift favoring the bull camp. Stochastics is sitting at oversold levels but has yet to turn higher. Close-in support is 528.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

WHEAT TECHNICAL OUTLOOK:

Note: Data is collected using the closing values of the previous session and calculations and analysis are run at the same time. Technical 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 (MAR) 12/24/2024: 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 market setup is supportive for early gains with the close over the 1st swing resistance. The next downside objective is now at 528 1/2. The next area of resistance is around 546 and 550 1/2, while 1st support hits today at 535 and below there at 528 1/2.

KC WHEAT (MAR) 12/24/2024: Momentum studies trending lower at mid-range could accelerate a price break if support levels are broken. The market's short-term trend is negative as the close remains below the 9-day moving average. With the close over the 1st swing resistance number, the market is in a moderately positive position. The next downside objective is now at 539 1/2. The next area of resistance is around 556 1/4 and 560 3/4, while 1st support hits today at 545 3/4 and below there at 539 1/2.

MINN WHEAT (MAR) 12/24/2024: 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. With the close over the 1st swing resistance number, the market is in a moderately positive position. The next downside target is 585 3/4. The next area of resistance is around 599 3/4 and 603, while 1st support hits today at 591 1/4 and below there at 585 3/4.

RICE (JAN) 12/24/2024: Daily stochastics declining into oversold territory suggest the selling may be drying up soon. The close below the 9-day moving average is a negative short-term indicator for trend. It is a slightly negative indicator that the close was lower than the pivot swing number. The next downside target is 13.404. With a reading under 20, the 9-day RSI indicates the market is extremely oversold. The next area of resistance is around 14.307 and 14.593, while 1st support hits today at 13.713 and below there at 13.404.

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	447 3/4	62.19	59.80	67.79	71.90	443.00	443.81	439.76	435.99	435.60
CNAK25	453 1/2	61.31	59.02	66.23	69.66	448.81	450.31	446.06	442.93	442.98
SSAF25	969 1/2	41.07	41.59	34.17	37.20	964.69	977.44	983.79	992.57	1002.95
SSAH25	975 1/2	41.99	41.69	34.22	39.47	968.63	982.25	989.18	1001.66	1013.30
SMAF25	289.5	50.40	47.81	36.51	50.23	286.90	287.61	289.23	295.16	302.18

BOAF25	40.23	38.40	40.04	24.38	19.75	39.82	41.04	41.54	43.37	43.30
WHAH25	540 1/2	37.25	37.17	23.45	19.66	536.94	546.31	549.57	567.03	578.95
WHAK25	551	38.73	38.17	24.69	20.46	547.25	556.42	559.01	576.97	589.38
RCAF25	14.010	12.34	21.57	19.28	15.15	14.33	14.70	14.93	14.91	15.00
KWAH25	551	45.93	44.43	44.21	39.14	546.94	554.06	551.51	566.50	578.49
MWAH25	595 1/2	47.83	45.53	37.38	34.53	591.13	596.39	595.69	608.07	620.20
OTAH25	341	28.53	34.86	25.69	14.33	351.88	358.64	361.32	369.83	372.82

Calculations based on previous session. Data collected 12/23/2024

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	444 1/4	446 1/4	447 1/4	449 1/4	450 1/4
CNAK25	Corn	450	452	453	455	456
SSAF25	Soybeans	960 1/4	964	971 1/2	975	982 3/4
SSAH25	Soybeans	965 3/4	970	977	981	988 1/4
SMAF25	Soymeal	282.0	284.6	291.7	294.3	301.4
BOAF25	Soybean Oil	38.69	39.57	40.00	40.88	41.31
WHAH25	Wheat	528 1/2	535	539 1/2	546	550 1/2
WHAK25	Wheat	539 1/4	545 1/2	550	556 1/2	560 3/4
RCAF25	Rice	13.403	13.712	13.998	14.307	14.593
KWAH25	KC Wheat	539 1/2	545 1/2	550 1/4	556 1/2	561
MWAH25	MINN Wheat	585 3/4	591	594 1/2	600	603 1/4
OTAH25	Oats	328 3/4	333	344 1/2	349	360 1/4

Calculations based on previous session. Data collected 12/23/2024

Data sources can & do produce bad ticks. Verify before use.

***This report includes information from sources believed to be reliable and accurate as of the date of this publication, but no independent verification has been made and we do not guarantee its accuracy or completeness. Opinions expressed are subject to change without notice. Any information or recommendation contained herein: (i) is not based on, or tailored to, the commodity interest or cash market positions or other circumstances or characterizations of particular investors or traders; (ii) is not customized or personalized for any such investor or trader; and (iii) does not take into consideration, among other things, risk tolerance, net worth, or available risk capital. Any use or reliance upon the information or recommendations is at the sole discretion and election of the subscriber. The risk of loss in trading futures contracts or commodity options can be substantial, and traders should carefully consider the inherent risks of such trading in light of their financial condition. Any reproduction or retransmission of this report without the express written consent of Lakefront Futures is strictly prohibited.