

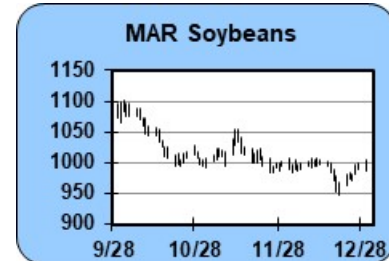
DAILY SOY COMPLEX COMMENTARY

12/31/2024

Funds hold record net short in meal

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):
SOY BEANS +0.1, BEAN OIL +0.0, SOYMEAL +0.4

OVERNIGHT DEVELOPMENTS: Soybeans (MAR 25) prices overnight are up 4 3/4; Soymeal (MAR 25) up 4.30; and Soyoil (MAR 25) down - 0.27. Soybean open interest as of December 30 was down 23,472 contracts, soymeal down 5,075 contracts, and soybean oil down 4,240. Chinese Dalian (MAY 25) Soybeans up 0.64%, Soymeal up 0.79%, Soyoil up 0.18%, Palm oil down 1.00%. Malaysian Palm was down 2.26%. The soy complex will have regular hours today and reopen at 8:30 AM Thursday morning.



NEAR-TERM MARKET FUNDAMENTALS: The bean market lost early upside momentum yesterday but managed to avoid a lower close which keeps the near-term uptrend intact. March prices did push briefly above the \$10.00 resistance mark before pulling back. Short covering and Argentine dryness have been the bullish market forces over the past week and open interest was sharply lower again yesterday on beans. Bean open interest has fallen more than 100,000 contracts since the low on December 9th. Today is 1st notice day for the January contracts and there were 109 bean deliveries overnight, 1116 meal and 425 bean oil. CFTC data showed managed Money traders increased their net short in beans by a little over 8000 contracts as of Tuesday of last week and increased their net short on meal to a record high. Fund sold over 22,000 contracts of bean oil, marking their most bearish fund positioning in 14 weeks. Assuming no massive net buying spree on the last day of 2024, Managed Money traders will have been net short soybeans all of 2024, the first time since the CFTC started tracking Managed Money trader position data in July 2006. China approved 2 more GMO bean varieties overnight for planting. Palmoil is set for an annual gain of 21% this year, the 1st yearly gains since 2021. March beans struggled to hold the rally yesterday above \$10.00 and that is likely be the case again today. The grains do not close early today but we suspect traders will be anxious to get on with their NYE plans and trading volume may be light. Selling is likely to surface again if prices test the upper end of yesterday's range.

The December 24th Commitments of Traders report showed Soybeans Managed Money traders are net short 67,883 contracts after net buying 8,369 contracts. CIT traders are net long 95,325 contracts after net selling 4,888 contracts. Non-Commercial No CIT traders are net short 90,090 contracts after net buying 12,868 contracts. Non-Commercial & Non-Reportable traders were net short 108,954 contracts after decreasing their short position by 9,583 contracts.

The Commitments of Traders report for the week ending December 24th showed Soymeal Managed Money traders hit a new extreme short of 96,371 contracts. Managed Money traders added 7,400 contracts to their already short position and are now net short 96,371. CIT traders are net long 90,325 contracts after net selling 2,344 contracts. Soymeal Non-Commercial No CIT traders hit a new extreme short of 95,730 contracts. Non-Commercial No CIT traders net sold 5,291 contracts and are now net short 95,730 contracts. Non-Commercial & Non-Reportable traders net sold 8,711 contracts and are now net short 48,905 contracts.

The Commitments of Traders report for the week ending December 24th showed Soyoil Managed Money traders went from a net long to a net short position of 19,561 contracts after net selling 22,200 contracts. CIT traders were net long 104,879 contracts after decreasing their long position by 9,589 contracts. Non-Commercial No CIT traders net sold 11,117 contracts and are now net short 37,897 contracts. Non-Commercial & Non-Reportable traders net sold 19,386 contracts and are now net long 9,249 contracts.

Soybean export inspections for the week ending December 26 came in at 1,569,439 metric tonnes. Cumulative inspections year-to-date are 28,595,705 metric tonnes which is 22.9% above last year. This is 57.6% of the USDA's forecast for the 2024-25 marketing year versus the five year average of 50.9%.

TODAY'S MARKET IDEAS:

Bean prices this year have fallen 23% but a dry down in Argentina has given prices a boost to finish 2024. Record fund shorts in meal have been exiting their positions, pushing meal prices higher for the last 8 days and the mid-December technical low is significant. However, Argentina can afford to lose some production without changing the overall supply picture in South America to any significant degree and weather must continue to stress the crop to have any chance for a sustained rally on beans above \$10.00 on March.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None

SOYBEAN COMPLEX TECHNICAL OUTLOOK:

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SOYBEANS (MAR) 12/31/2024: Momentum studies are rising from mid-range, which could accelerate 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 has a slightly positive tilt with the close over the swing pivot. The next upside target is 1011 1/4. The next area of resistance is around 1000 1/2 and 1011 1/4, while 1st support hits today at 983 and below there at 976.

SOYBEAN OIL (MAR) 12/31/2024: Daily stochastics declining into oversold territory suggest the selling may be drying up soon. A positive signal for trend short-term was given on a close over the 9-bar moving average. The close over the pivot swing is a somewhat positive setup. The next downside target is now at 39.56. The next area of resistance is around 40.64 and 40.91, while 1st support hits today at 39.96 and below there at 39.56.

SOYMEAL (MAR) 12/31/2024: Studies are showing positive momentum but are now in overbought territory, so some caution is warranted. 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 near-term upside target is at 320.5. The next area of resistance is around 315.6 and 320.5, while 1st support hits today at 308.0 and below there at 305.2.

DAILY CORN COMMENTARY

12/31/2024

Corn prices down 3.7% YTD

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):

CORN +0.3

OVERNIGHT DEVELOPMENTS: Corn (MAR 25) prices overnight are up 2 1/2. Corn open interest as of December 30 was up 9,880 contracts. Chinese Dalian (MAY 25) Corn was down 0.22%.



NEAR-TERM MARKET FUNDAMENTALS: March Corn prices finally backed off yesterday after 6 consecutive higher closes as prices probed further into the major resistance zone between 455 - 468. The corn market is down 3.7% this year but has rallied \$0.55 from the late summer lows, which can be attributed to a strong export pace, solid ethanol usage and

competitive US prices. CFTC data showed as of Tuesday of last week the managed money net long position only increased 1532 contracts, leaving funds long just under 161,000 contracts. That number certainly does not reflect anywhere near an extreme long position and funds have room to add more if prices continue to trend higher. However, as the calendar turns to January, farmer selling on rallies is likely to increase and the market will need to see continued bullish headlines to keep prices moving higher. China's January - November corn imports are down 39.9% year-over-year to 13.3 million tonnes, and October imports totaled only 251,000 tonnes, the lowest for the month since 2019. China approved another GMO corn variety overnight for planting. Brazil's forecast is unchanged with near ideal conditions in all but southern Brazil and spotty dryness in Argentina expanding over the next 2 weeks with rising temperatures. Rains will favor northern Brazil and Southwest Argentina, soil moisture conditions will deteriorate in the rest of the growing areas. Until Argentina's forecast shows signs of a pattern change, corn prices are likely to find support on breaks, but the upside may be capped by heavy technical resistance above 456 in March.

Corn positioning in the Commitments of Traders for the week ending December 24th showed Managed Money traders are net long 160,947 contracts after net buying 1,532 contracts. CIT traders net sold 5,962 contracts and are now net long 373,804 contracts. Non-Commercial No CIT traders added 9,390 contracts to their already long position and are now net long 30,318. Non-Commercial & Non-Reportable traders are net long 123,681 contracts after net buying 57 contracts.

Corn export inspections for the week ending December 26 came in at 878,380 metric tonnes. Cumulative inspections year-to-date are 15,359,105 metric tonnes which is 28.5% above last year. This is 24.4% of the USDA's forecast for the 2024-25 marketing year versus the five year average of 19.6%.

TODAY'S MARKET IDEAS:

Yesterday's lower close after the new 6-month high early in the session may be an indication prices have rallied far enough for the time being as March futures tests retracement resistance. Resistance at the 50% retracement to the May highs at 456 was penetrated briefly and the market could run to the 61.8% resistance at 468. But the market has reached a strong resistance zone and speculators are encouraged to wait for a pullback to buy.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

CORN TECHNICAL OUTLOOK:

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CORN (MAR) 12/31/2024: Rising stochastics at overbought levels warrant some caution for bulls. The market's short-term trend is positive on the close above the 9-day moving average. The daily closing price reversal down puts the market on the defensive. The market setup is somewhat negative with the close under the 1st swing support. The near-term upside objective is at 461 3/4. The next area of resistance is around 456 1/2 and 461 3/4, while 1st support hits today at 448 and below there at 444 1/2.

CORN (MAY) 12/31/2024: Daily stochastics have risen into overbought territory which will tend to support reversal action if it occurs. A positive signal for trend short-term was given on a close over the 9-bar moving average. The downside closing price reversal on the daily chart is somewhat negative. The swing indicator gave a moderately negative reading with the close below the 1st support number. The near-term upside objective is at 469 1/2. The next area of resistance is around 464 1/4 and 469 1/2, while 1st support hits today at 455 3/4 and below there at 452 1/4.

DAILY WHEAT COMMENTARY

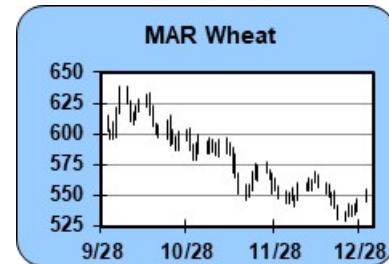
12/31/2024

6-10 day outlook holds promise for better moisture in US Plains

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):

WHEAT +0.28

OVERNIGHT DEVELOPMENTS: Chicago wheat (MAR 25) prices overnight are up 3 1/2; Kansas City (MAR 25) up 4 1/4; and Minneapolis (MAR 25) up 3. MATIF Milling Wheat(MAR 25) was up 1.4%. Chicago wheat open interest as of December 30 was down 1,790 contracts and KC wheat was down 404 contracts.



NEAR-TERM MARKET FUNDAMENTALS: Similar to corn and beans, the wheat market failed to carry higher yesterday and prices are starting the last day of the year with slight gains. Year-to-date Chicago wheat is down 12.7% and Kansas City down 13.4%, while spring wheat has fallen 17.8%. Some beneficial moisture fell in the north central plains this week and above normal precipitation is forecast for all the Plains in the 6 to 10 day outlook. Temperatures will be below normal with subzero readings in the northern Plains starting this weekend, although winterkill risks are expected to be limited as snow will accompany the cold. China approved another variety of GMO wheat for planting. CFTC data showed Managed Money added to their short positions as of Tuesday of last week and now hold a net short just above 95,000 contracts, which is an 8-month high in bearish positioning. If wheat prices can begin to move above resistance, fund short covering could be significant. Since early October, March Chicago wheat has had consistently lower highs and lower lows. If the market can move above 569 1/4, the December high, the pattern would shift bullish. Until then, prices may remain adrift waiting for a new market force.

The Commitments of Traders report for the week ending December 24th showed Wheat Managed Money traders are net short 95,009 contracts after net selling 7,608 contracts. Wheat CIT traders hit a new extreme long of 50,588 contracts. CIT traders reduced their net long position by 12,077 contracts to a net long 50,588 contracts. Non-Commercial No CIT traders were net short 103,785 contracts after increasing their already short position by 687 contracts. Non-Commercial & Non-Reportable traders added 4,340 contracts to their already short position and are now net short 88,572.

The December 24th Commitments of Traders report showed KC Wheat Managed Money traders are net short 34,936 contracts after net selling 1,869 contracts. CIT traders are net long 56,794 contracts after net selling 581 contracts. Non-Commercial No CIT traders were net short 40,237 contracts after increasing their already short position by 1,852 contracts. Non-Commercial & Non-Reportable traders added 2,388 contracts to their already short position and are now net short 20,919.

Wheat export inspections for the week ending December 26 came in at 337,685 metric tonnes. Cumulative inspections year-to-date are 12,283,174 metric tonnes which is 27.1% above last year. This is 53.1% of the USDA's forecast for the 2024-25 marketing year versus the five year average of 53.7%.

TODAY'S MARKET IDEAS:

March Chicago wheat remains in a sideways/lower trend until prices can move above this month's high at 569 1/4. Market moving news is limited but potential moisture chances for the US Plains in the 6 to 10 day forecast are a headwind. Very cold temperatures be moving into the northern Plains but at this point private weather forecasters suggest winterkill risks remain low. Initial resistance stands at the 50-day moving average at 565.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

WHEAT TECHNICAL OUTLOOK:

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WHEAT (MAR) 12/31/2024: Momentum studies are rising from mid-range, which could accelerate a move higher if resistance levels are penetrated. 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 near-term upside target is at 559. The next area of resistance is around 553 1/4 and 559, while 1st support hits today at 543 1/4 and below there at 538 3/4.

KC WHEAT (MAR) 12/31/2024: The crossover up in the daily stochastics is a bullish signal. 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. The close over the pivot swing is a somewhat positive setup. The next upside target is 568. The next area of resistance is around 561 1/4 and 568, while 1st support hits today at 549 3/4 and below there at 545.

MINN WHEAT (MAR) 12/31/2024: Stochastics are at mid-range but trending higher, which should reinforce a move higher if resistance levels are taken out. 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 under the swing pivot. The next upside objective is 604 1/4. The next area of resistance is around 598 1/4 and 604 1/4, while 1st support hits today at 589 1/4 and below there at 586 1/4.

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	452 1/4	65.22	62.51	79.90	81.78	452.13	447.11	444.36	437.97	436.02
CNAK25	460	67.14	63.69	79.60	82.52	459.25	453.58	450.78	444.89	443.26
SSAH25	991 3/4	53.05	49.88	55.87	66.55	990.00	979.25	988.00	999.74	1006.86
SSAK25	1003	53.77	50.14	56.37	68.53	1000.25	988.53	997.74	1012.06	1019.65
SMAH25	311.8	65.43	61.53	71.88	81.43	309.70	301.08	298.44	299.04	303.50
BOAH25	40.30	39.68	40.42	17.99	16.56	40.12	40.26	41.48	43.31	43.27
WHAH25	548 1/4	51.74	46.69	27.76	35.24	542.63	540.36	548.42	562.21	573.67
WHAK25	559	52.55	47.38	29.08	36.87	553.25	550.72	558.21	572.19	584.02
KWAH25	555 1/2	53.51	49.50	37.58	39.71	551.38	549.53	553.63	562.19	574.01
MWAH25	593 3/4	46.94	45.31	35.93	37.20	593.13	592.44	596.35	604.09	615.80
OTAH25	324	26.66	31.14	10.10	7.07	326.25	341.83	352.38	365.28	368.88

Calculations based on previous session. Data collected 12/30/2024

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 1/2	448	453 1/4	456 1/2	462
CNAK25	Corn	452	455 1/2	460 3/4	464 1/2	469 1/2
SSAH25	Soybeans	976	983	993 3/4	1000 1/2	1011 1/2
SSAK25	Soybeans	989	995	1004 3/4	1011	1020 1/2
SMAH25	Soymeal	305.1	307.9	312.8	315.6	320.5
BOAH25	Soybean Oil	39.55	39.96	40.23	40.64	40.91
WHAH25	Wheat	538 3/4	543	549	553 1/2	559 1/4
WHAK25	Wheat	549 1/2	554	559 1/2	564	569 1/2
KWAH25	KC Wheat	545	549 3/4	556 1/2	561 1/4	568
MWAH25	MINN Wheat	586 1/4	589 1/4	595 1/4	598 1/4	604 1/4
OTAH25	Oats	312 1/2	317 3/4	325	330 1/4	337 1/2

Calculations based on previous session. Data collected 12/30/2024
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