

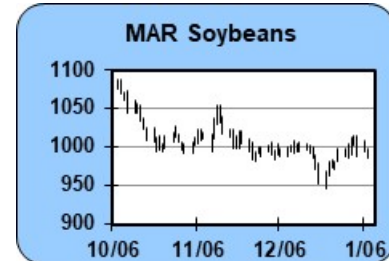
DAILY SOY COMPLEX COMMENTARY

1/8/2025

Argentina forecast remains a concern

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):
SOY BEANS +0.0, BEAN OIL +0.0, SOYMEAL -0.3

OVERNIGHT DEVELOPMENTS: Soybeans (MAR 25) prices overnight are up 1 3/4; Soymeal (MAR 25) down -2.30; and Soyoil (MAR 25) up 0.62. Soybean open interest as of January 7 was up 822 contracts, soymeal down 8,786 contracts, and soybean oil up 4,662. Chinese Dalian (MAY 25) Soybeans down 0.57%, Soymeal down 0.56%, Soyoil down 0.24%, Palm oil up 1.28%. Malaysian Palm was down 0.25%.



NEAR-TERM MARKET FUNDAMENTALS: Bean prices held in a tight range overnight ahead of Friday's supply/demand and quarterly stocks report. While the Argentine forecast remains concerning with rising temperatures and dry conditions for at least the next 10 days, another strong move up in the US dollar this morning is a significant headwind. The US currency rally is attributed to a report from CNN this morning that Trump is considering declaring a national economic emergency to provide legal justification for his tariff plans. The emergency declaration would give Trump much more freedom to enact universal tariffs by utilizing the International Economic Emergency Powers Act. US census exports in November for beans were 9.8 million tonnes, up 32% year-over-year and above inspections data of 9.4. Meal exports in November were 1.709 million tonnes, up from 1.509 last year and bean oil exports were the star of the show at 129 million pounds, up a whopping 842% from November a year ago. The Argentina and southern Brazil weather forecast remains unchanged with warmer and dry conditions through the end of next week but still hints of rain at the end of week 2. Dr Cordonnier left his Argentine and Brazilian crop estimates unchanged this week and said he has a lower bias for Argentina due to the weather conditions and a higher bias for the Brazil crop. There were 127 meal deliveries overnight and 89 bean oil. A week from now, US dockworkers at the East Coast and southern US ports will be deciding whether to strike as their union agreement expires and traders will need to watch this closely as export shipments could be affected. The dry Argentina forecast would likely be giving the market a bigger boost today except for the strength in the US dollar. Bean prices may be choppy today and tomorrow ahead of Friday's report and until rains show up in the extended forecast in South America, prices will find support on breaks.

TODAY'S MARKET IDEAS:

The strong rally in the US dollar this morning is offsetting the bullish South American weather forecast and prices are drifting sideways to start the day. Friday's USDA report is typically a significant market mover and volatility is expected to increase sharply post-report. Risk/reward doesn't look attractive at this level but if prices would fall below 980 on March, speculators may consider a long position with one eye on the Argentine forecast. Initial retracement support is 981 1/2 on March and then 973. Major resistance stands at 1018.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None

SOYBEAN COMPLEX TECHNICAL OUTLOOK:

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SOYBEANS (MAR) 01/08/2025: Momentum studies are trending higher but have entered overbought levels. The market's close above the 9-day moving average suggests the short-term trend remains positive. The market tilt is slightly negative with the close under the pivot. The next upside target is 1007 1/4. The next area of resistance is around 1003 1/2 and 1007 1/4, while 1st support hits today at 991 and below there at 982.

SOYBEAN OIL (MAR) 01/08/2025: Positive momentum studies in the neutral zone will tend to reinforce higher price action. The market now above the 18-day moving average suggests the intermediate-term trend has turned up. A positive setup occurred with the close over the 1st swing resistance. The next upside objective is 42.23. The next area of resistance is around 41.88 and 42.23, while 1st support hits today at 40.62 and below there at 39.70.

SOYMEAL (MAR) 01/08/2025: Declining momentum studies in the neutral zone will tend to reinforce lower price action. The market's close below the 9-day moving average is an indication the short-term trend remains negative. It is a slightly negative indicator that the close was under the swing pivot. The next downside target is now at 296.4. The next area of resistance is around 307.1 and 310.8, while 1st support hits today at 299.9 and below there at 296.4.

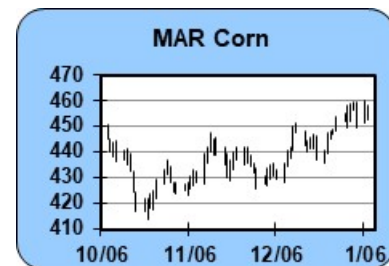
DAILY CORN COMMENTARY

1/8/2025

US Corn export sales up 28% over last 4 months

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):
CORN -0.1

OVERNIGHT DEVELOPMENTS: Corn (MAR 25) prices overnight are down -1/2. Corn open interest as of January 7 was up 11,911 contracts. Chinese Dalian (MAY 25) Corn was up 0.18%.



NEAR-TERM MARKET FUNDAMENTALS: March corn prices remain inside Monday's trading range but are only \$0.03 away from 6-month highs. The South American forecast is little changed from yesterday with dry conditions for southern Brazil and most of Argentina for the next 10 days with some precipitation potential forecast for the 11 to 15 day timeframe. If the extended forecast showers do not develop, the market could shift into a more aggressive bull trend. US November census exports were 4.7 million tonnes, up 31% year-over-year and above inspections data of 3.9 million. Dr Cordonnier left his Argentine and Brazil crop estimates unchanged but said the upcoming moisture stress is giving him a lower bias for Argentina. Weekly ethanol production today is expected at 1.093 million barrels and stocks are expected at 23.873 million Barrels. US ethanol exports in November were 188 million gallons compared to 143 in October and 115 a year ago and Canada was the top buyer. December 1, Ukraine implemented a new minimum price export system and that has slowed exports for the month of December dramatically. Ukraine's December corn exports were 2.498 million tonnes, down from 3.118 last year and total grains and oilseed exports for the month were 4.669, down from 7.177 last year. The slowdown in Ukraine's export pace has been beneficial for US corn exports which are up 28% year-over-year over the last 4 months. The US dollar is rallying sharply again today and testing the contract highs after a news report indicating Trump may issue a national emergency declaration to justify universal tariffs. Over the last 7 trading days, March corn has been unable to push through 460 but is showing resilience that prices are not backing off significantly. Any bullish data from the USDA on Friday may push prices up to retracement resistance at 468. South American weather will have to worsen for a sustained rally above that level, in our opinion.

TODAY'S MARKET IDEAS:

Private weather forecasters are flashing the warning flag regarding South American weather with temperatures and crop stress rising next week. If showers at the end of the extended forecast do not materialize, the current rally could accelerate. March corn.618% retracement resistance to the May highs stands at 468 and is the next upside target. Initial pullback support is 442-449 and speculators can consider buying in that zone.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

CORN TECHNICAL OUTLOOK:

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CORN (MAR) 01/08/2025: Momentum studies are trending higher but have entered overbought levels. The market's close above the 9-day moving average suggests the short-term trend remains positive. The market has a slightly positive tilt with the close over the swing pivot. The next upside target is 462 1/4. The next area of resistance is around 460 3/4 and 462 1/4, while 1st support hits today at 455 1/4 and below there at 451 1/2.

CORN (MAY) 01/08/2025: Rising stochastics at overbought levels warrant some caution for bulls. 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 objective is at 469 3/4. The next area of resistance is around 468 1/4 and 469 3/4, while 1st support hits today at 463 1/4 and below there at 459 1/2.

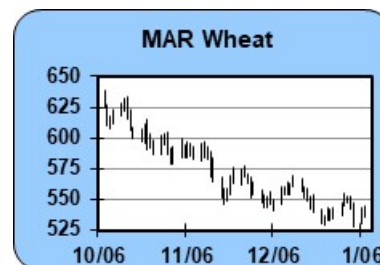
DAILY WHEAT COMMENTARY

1/8/2025

Census Nov US wheat exports up 11% year-over-year**OVERNIGHT CHANGES THROUGH 6:06 AM (CT):**

WHEAT -0.38

OVERNIGHT DEVELOPMENTS: Chicago wheat (MAR 25) prices overnight are down -3 1/2; Kansas City (MAR 25) down -3 1/2; and Minneapolis (MAR 25) down -3 1/4. MATIF Milling Wheat(MAR 25) was up 0.2%. Chicago wheat open interest as of January 7 was down 1,023 contracts and KC wheat was down 3,387 contracts.



NEAR-TERM MARKET FUNDAMENTALS: March Chicago wheat prices are slightly weaker this morning and the 1st half of this week prices have remained inside the range of last Friday when the market fell to new contract lows. Friday's USDA report will include Winter wheat planted acreage. US census November exports of wheat were 49 million tonnes, up from 44 in November of last year and June through November exports have reached 411 million bushels, up 30% year-over-year. State condition reports showed good/excellent conditions declined 8% in December in Kansas from the prior month, down 3% in Oklahoma, down 2% in South Dakota and down 11% in Illinois, while Colorado improved 2%. The Minneapolis Grain Exchange says Minnesota/Wisconsin HRS stocks this week were 12.73 million bushels down 24% from this week a year ago but up 406,000 from last week. LSEG left their Russian production estimate unchanged at 80.3 million tonnes but raised their EU27+UK estimate to 137.7 million tonnes up 2% from their prior forecast. Ukraine's December exports were 35% below December year ago, mainly due to the new minimum price export structure Ukraine implemented on December 1. Moisture in the Plains over the next 5 days will be limited to the eastern half of Texas and southeast Oklahoma with below normal temperatures continuing in the 8 to 14 day timeframe across the entire belt. March Chicago wheat remains in a neutral/lower trend until prices can move above 554 3/4 and fund shorts are unlikely to cover positions until that level is penetrated.

TODAY'S MARKET IDEAS:

Ongoing sideways price action week may continue until Friday morning's important USDA January

supply/demand report. March Chicago prices will need to move above 554 3/4 to turn the short-term trend back to positive. The bull camp needs to see a technical bottom formation before stepping in to buy.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

WHEAT TECHNICAL OUTLOOK:

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WHEAT (MAR) 01/08/2025: The daily stochastics gave a bullish indicator with a crossover up. 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. It is a mildly bullish indicator that the market closed over the pivot swing number. The next upside objective is 550. The next area of resistance is around 547 and 550, while 1st support hits today at 538 and below there at 532 1/4.

KC WHEAT (MAR) 01/08/2025: The cross over and close above the 40-day moving average indicates the longer-term trend has turned up. Stochastics are at mid-range but trending higher, which should reinforce a move higher if resistance levels are taken out. The cross over and close above the 18-day moving average indicates the intermediate-term trend has turned up. With the close higher than the pivot swing number, the market is in a slightly bullish posture. The next upside objective is 565 1/4. The next area of resistance is around 561 and 565 1/4, while 1st support hits today at 551 and below there at 545.

MINN WHEAT (MAR) 01/08/2025: Momentum studies are rising from mid-range, which could accelerate a move higher if resistance levels are penetrated. The market now above the 18-day moving average suggests the intermediate-term trend has turned up. With the close higher than the pivot swing number, the market is in a slightly bullish posture. The near-term upside target is at 603 1/2. The next area of resistance is around 599 1/2 and 603 1/2, while 1st support hits today at 590 and below there at 584 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	458	63.17	62.21	84.97	86.56	456.50	454.78	449.29	441.34	437.48
CNAK25	465 3/4	63.98	62.85	85.08	87.03	464.13	462.14	456.22	448.19	444.60
SSAH25	997 1/4	52.70	51.12	74.06	75.02	999.69	996.58	989.42	999.59	1002.24
SSAK25	1007 3/4	52.41	50.87	74.47	74.60	1011.31	1007.61	999.57	1011.46	1014.80
SMAH25	303.5	47.67	49.92	74.28	65.62	309.83	310.56	302.62	299.60	302.55
BOAH25	41.25	55.23	49.24	22.14	30.34	40.45	40.29	40.85	42.93	42.98
WHAH25	542 1/2	47.86	45.56	36.34	40.12	539.50	542.22	544.26	557.02	567.23
WHAK25	554 1/2	49.09	46.62	38.51	42.39	551.38	553.44	554.93	567.04	577.48
RCAH25	13.930	28.21	29.00	17.98	16.60	13.97	14.00	14.40	14.83	14.94
KWAH25	556	53.25	50.54	41.73	48.51	549.94	551.61	552.83	558.55	568.20
MWAH25	594 3/4	51.87	49.05	36.72	44.78	588.56	591.39	593.89	599.95	609.44
OTAH25	326	37.10	37.39	15.96	17.81	327.19	327.14	342.89	358.93	364.09

Calculations based on previous session. Data collected 01/07/2025

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

DAILY SWING STATISTICS

Contract	Support 2	Support 1	Pivot	Resist 1	Resist 2
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GRAIN COMPLEX

CNAH25	Corn	451 1/2	455 1/4	457	460 3/4	462 1/2
CNAK25	Corn	459 1/4	463	464 1/2	468 1/2	469 3/4
SSAH25	Soybeans	981 3/4	991	994 1/2	1003 1/2	1007 1/4
SSAK25	Soybeans	992 1/2	1001 1/2	1005 1/4	1014	1018
SMAH25	Soymeal	296.4	299.9	303.6	307.1	310.8
BOAH25	Soybean Oil	39.69	40.61	40.96	41.88	42.23
WHAH25	Wheat	532	538	541	547	550
WHAK25	Wheat	544 1/2	550 1/4	553	558 3/4	561 1/2
RCAH25	Rice	13.802	13.855	13.952	14.005	14.102
KWAH25	KC Wheat	545	551	555 1/4	561	565 1/2
MWAH25	MINN Wheat	584 1/4	590	594	599 1/2	603 3/4
OTAH25	Oats	317 3/4	320 3/4	328 1/4	331 1/4	338 3/4

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