

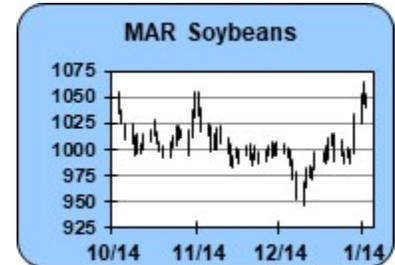
DAILY SOY COMPLEX COMMENTARY

1/16/2025

Relief for Argentine crops this weekend

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):
SOY BEANS -0.1, **BEAN OIL** +0.0, **SOYMEAL** -0.5

OVERNIGHT DEVELOPMENTS: Soybeans (MAR 25) prices overnight are down -13 3/4; Soymeal (MAR 25) down -5.10; and Soyoil (MAR 25) down -0.4. Soybean open interest as of January 15 was up 10,992 contracts, soymeal up 2,613 contracts, and soybean oil down 2,171. Chinese Dalian (MAY 25) Soybeans up 0.53%, Soymeal up 0.25%, Soyoil down 0.87%, Palm oil down 2.02%. Malaysian Palm was down 1.58%.



NEAR-TERM MARKET FUNDAMENTALS: Crop stress relief is on the way for Argentina this weekend and that is putting pressure on the soy complex to start the day. Conditions will remain hot/dry through tomorrow before temperatures moderate and showers moving in. The coverage and amounts of the precipitation will be important as follow-up rains next week are expected to be scattered. Crop cuts continue to come in and the Rosario Grain Exchange yesterday did not update their Argentine production number but said the crop would certainly be lower than their previous estimate of 53 million due to the recent dryness. December NOPA crush yesterday came in at a new all-time high for any month and bean oil stocks were slightly below estimates. Meal production was up 6% year-over-year in December. Weekly export sales this morning are expected in a range of 300,000 - 900,000 tonnes for beans, 100,000 - 300,000 for meal and 0 - 50,000 for bean oil. India's palm oil imports in January hit a 5-year low on negative margins and world vegoil values have not kept pace with the US soyoil rally lately. The current pullback on March beans has initial support at 1020 and more important 50% retracement support to the December lows is at 1006. Prices are unlikely to be able to rally much today with Argentine rains just around the corner. Look for the pullback to continue.

TODAY'S MARKET IDEAS:

Moisture is on the way for Argentina after an extended dry spell and showers this week and will be much needed as crop cuts have been rolling in this week on the hot/dry weather. The ongoing pullback should find initial buying support at the 0.382% retracement to the December lows, which stands at 1020 and aggressive speculators can try the long side there with a tight stop. Less aggressive buyers may want to wait and see if prices reach the 50% retracement level at 1006 before probing the long side.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None

SOYBEAN COMPLEX TECHNICAL OUTLOOK:

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SOYBEANS (MAR) 01/16/2025: Daily stochastics have risen into overbought territory which will tend to support reversal action if it occurs. The close above the 9-day moving average is a positive short-term indicator for trend. The market's close below the pivot swing number is a mildly negative setup. The next upside target is 1059. The next area of resistance is around 1049 3/4 and 1059, while 1st support hits today at 1035 3/4 and below there at

1030 3/4.

SOYBEAN OIL (MAR) 01/16/2025: 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. It is a mildly bullish indicator that the market closed over the pivot swing number. The near-term upside objective is at 47.72. The market is approaching overbought levels with an RSI over 70. The next area of resistance is around 46.96 and 47.72, while 1st support hits today at 45.58 and below there at 44.96.

SOYMEAL (MAR) 01/16/2025: The downside crossover (9 below 18) of the moving averages suggests a developing short-term downtrend. Stochastics trending lower at midrange will tend to reinforce a move lower especially if support levels are taken out. The close under the 18-day moving average indicates the intermediate-term trend could be turning down. The swing indicator gave a moderately negative reading with the close below the 1st support number. The next downside target is 295.8. The next area of resistance is around 305.9 and 311.5, while 1st support hits today at 298.1 and below there at 295.8.

DAILY CORN COMMENTARY

1/16/2025

Some long liquidation expected before weekend rains in Argentina

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):
CORN -0.3

OVERNIGHT DEVELOPMENTS: Corn (MAR 25) prices overnight are down -3 1/4. Corn open interest as of January 15 was up 11,187 contracts. Chinese Dalian (MAY 25) Corn was up 0.44%.



NEAR-TERM MARKET FUNDAMENTALS: The market is pulling back this morning on the potential for beneficial moisture in Argentina this weekend. The recent hot/dry conditions have prompted declines in production estimates for the country this week and the Rosario Grain Exchange yesterday lowered their anticipated production number to 48 million tonnes, down from 50 million previously and below USDA at 51. The Buenos Aires Grain Exchange will offer their update later today. Weekly export sales morning are expected in a range of 500,000-1 million tonnes. Icy conditions on the upper Mississippi is pushing up river barge freight costs. Canada yesterday said they are ready to impose \$105 billion worth of tariffs on US goods if Trump goes ahead with his tariff plans. Mexico's drought continues in the northern part of the country and the state of Sinaloa has been the hardest hit. The average capacity of Sinaloa reservoirs is 16% and the most important reservoir for agriculture production stands at 2.1% capacity. Expect Mexico to continue to be a significant importer of US yellow corn. Strategie grains pegged EU production at 58.8 million tonnes, up from their previous forecast last month of 57.9. Ag Sec Vilsak announced climate smart agriculture guidance yesterday to make it easier for farmers to qualify for biofuel subsidies but since it is interim guidance, the Trump administration will likely come in with their own policies next week. We have noted the sharp jump in open interest since late last week and OI gained another 11,000 contracts yesterday. Tomorrow afternoon's Commitment of Trader's data will show a very large increase in fund net longs. March corn has not yet reached major retracement resistance at 487 and prices may pull back as Argentine rains move in and profit taking hits before the weekend.

Ethanol average daily production for the week ending January 10 averaged 1.095 million barrels. This was down 0.6% from last week and up 3.9% from last year. The 5-year average for this week is 1.030 million barrels per day. Ethanol production for the week was 7.665 million barrels. Ethanol stocks were 25.008 million barrels. This was the highest since April 26, 2024. This was up 3.6% from last week and down 2.7% from last year. The 5-year average stocks for this week is 23.877 million barrels. The amount of corn used for the week is estimated at 110.48 million bushels. Cumulative corn use for the crop year has reached 2.052 billion bushels. Corn use needs to average 103.58 million bushels per week to meet the USDA's marketing year forecast of 5.500 billion bushels.

TODAY'S MARKET IDEAS:

The coverage and amounts of rainfall in Argentina over this coming weekend will be very important to price

direction next week. Trading volume has slipped this week and may be an indication the upward momentum is fading and the market is ready for at least a minor pullback. Long liquidation is likely to be a factor before the weekend but look for good buying support on any break below 464 on March.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

CORN TECHNICAL OUTLOOK:

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CORN (MAR) 01/16/2025: Momentum studies are trending higher but have entered overbought levels. A positive signal for trend short-term was given on a close over the 9-bar moving average. The market setup is supportive for early gains with the close over the 1st swing resistance. The next upside objective is 483 1/4. The market is becoming somewhat overbought now that the RSI is over 70. The next area of resistance is around 481 1/2 and 483 1/4, while 1st support hits today at 476 and below there at 472 1/4.

CORN (MAY) 01/16/2025: Momentum studies are trending higher but have entered overbought levels. 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 492. The market is becoming somewhat overbought now that the RSI is over 70. The next area of resistance is around 490 1/2 and 492, while 1st support hits today at 485 1/2 and below there at 482 1/4.

DAILY WHEAT COMMENTARY

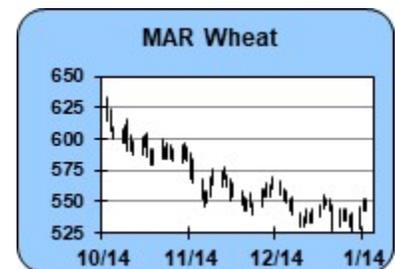
1/16/2025

Russian ending stocks this season 50% lower than previous year

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):

WHEAT -0.65

OVERNIGHT DEVELOPMENTS: Chicago wheat (MAR 25) prices overnight are down -7 3/4; Kansas City (MAR 25) down -9 1/2; and Minneapolis (MAR 25) down -4 3/4. MATIF Milling Wheat(MAR 25) was down -0.5%. Chicago wheat open interest as of January 15 was down 2,688 contracts and KC wheat was up 695 contracts.



NEAR-TERM MARKET FUNDAMENTALS: The market can't seem to sustain any upward momentum and prices are lower again this morning. Cold temperatures moving into the Plains over the weekend and into next week have not been enough to encourage a weather rally. Weekly export sales today are expected in a range of 100,000 - 400,000 tonnes. SovEcon says Russian shipments in the 1st half of January were 900,000 tonnes, compared to 1.4 million in the 1st half of January last year and similarly, Ukraine's shipments for the same period were 800,000 tonnes, down from 1.6 million last year. Russian ending stocks are now pegged at 10 million tonnes, down from 20.2 million last year. Strategie grains says EU SRW planted area is expected to be 4.51 million ha up 9% year-over-year and production was bumped higher to 127.2 million tonnes, up from 126.6 last month. The 6-10 day outlook for the US Plains calls for below normal precipitation in the southern Plains and better chances for moisture in the far northern Plains. Temperatures next week will be very cold but week 2 shows normal temperatures moving into the upper half of the Plains and below normal temperatures in the southern half. March Chicago wheat has been range-bound since mid-December and traders are waiting for a breakout to offer direction. With corn and beans pulling back from their recent rallies, wheat is unlikely to get

much upside momentum today. Look for more choppy/sideways trade.

TODAY'S MARKET IDEAS:

Pressure on US wheat prices continues despite slow exports out of Ukraine and Russia and Russian ending stocks at half the level of last season. But overall good conditions in the US winter wheat crops and slow US exports have capped rallies. March Chicago's downtrend remains in place until the market can move above the December 30th high at 554 3/4.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

WHEAT TECHNICAL OUTLOOK:

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WHEAT (MAR) 01/16/2025: 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 closing price reversal on the daily chart is somewhat bullish. The market has a slightly positive tilt with the close over the swing pivot. The near-term upside target is at 556 1/4. The next area of resistance is around 551 3/4 and 556 1/4, while 1st support hits today at 542 1/4 and below there at 537 1/2.

KC WHEAT (MAR) 01/16/2025: 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. It is a slightly negative indicator that the close was lower than the pivot swing number. The next upside target is 567 1/4. The next area of resistance is around 562 1/2 and 567 1/4, while 1st support hits today at 553 1/2 and below there at 549 1/4.

MINN WHEAT (MAR) 01/16/2025: Positive momentum studies in the neutral zone will tend to reinforce higher price action. The market's short-term trend is negative as the close remains below the 9-day moving average. The market tilt is slightly negative with the close under the pivot. The next upside target is 596 1/4. The next area of resistance is around 591 1/4 and 596 1/4, while 1st support hits today at 583 3/4 and below there at 581 1/2.

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	478 3/4	75.60	71.95	88.84	91.45	475.06	464.08	457.67	445.68	442.05
CNAK25	488	76.77	73.07	90.06	91.74	484.75	472.81	465.38	452.81	449.29
SSAH25	1042 3/4	68.62	64.31	81.08	81.22	1042.13	1016.53	1002.92	1000.29	1003.43
SSAK25	1055 1/4	68.39	64.22	81.82	82.34	1055.25	1028.67	1014.07	1011.84	1015.83
SMAH25	302.0	47.05	48.81	45.82	38.19	303.48	303.71	305.57	299.64	301.34
BOAH25	46.27	83.18	72.49	78.97	89.97	46.02	43.32	41.78	42.66	43.22
WHAH25	547	55.21	50.85	46.31	57.89	542.25	539.06	540.32	550.48	560.60
WHAH25	558 3/4	55.69	51.35	49.23	61.23	554.31	551.08	551.67	560.69	570.94
RCAH25	14.830	70.69	60.50	58.99	78.55	14.63	14.31	14.21	14.79	14.85
KWAH25	558	54.28	51.79	60.83	66.65	557.75	553.28	551.94	554.86	563.14
MWAH25	587 1/2	46.39	45.70	42.89	45.46	588.69	587.56	589.90	594.88	603.48
OTAH25	349 3/4	60.35	54.17	41.42	60.64	344.13	333.58	334.18	352.19	360.16

Calculations based on previous session. Data collected 01/15/2025
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	472 1/4	476	477 3/4	481 1/2	483 1/4
CNAK25	Corn	482	485 1/2	487	490 1/2	492
SSAH25	Soybeans	1030 1/2	1035 1/2	1044 3/4	1050	1059
SSAK25	Soybeans	1042 1/4	1047 1/2	1057 1/2	1063	1072 3/4
SMAH25	Soymeal	295.7	298.0	303.6	305.9	311.5
BOAH25	Soybean Oil	44.96	45.58	46.34	46.96	47.72
WHAH25	Wheat	537 1/2	542 1/4	547	551 3/4	556 1/2
WHAK25	Wheat	550	554 1/2	558 3/4	563	567 1/2
RCAH25	Rice	14.543	14.707	14.788	14.952	15.033
KWAH25	KC Wheat	549 1/4	553 1/2	558 1/4	562 1/2	567 1/4
MWAH25	MINN Wheat	581 1/2	583 3/4	589	591 1/4	596 1/2
OTAH25	Oats	337 1/2	344	349 1/4	355 1/2	361

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