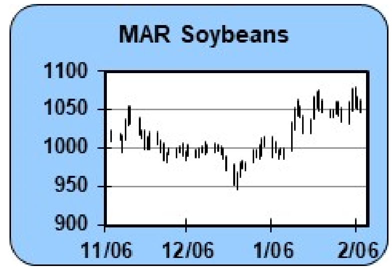
LAKEFRONT FUTURES

DAILY GRAINS COMMENTARY
Monday February 10, 2025

DAILY SOY COMPLEX COMMENTARY
2/10/2025

Improving trend for South American crop weather



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 down -1; Soymeal (MAR 25) down -0.60; and Soyoil (MAY 25) unchanged. Soybean open interest as of February 7 was up 2,956 contracts, soymeal down 3,505 contracts, and soybean oil down 2,575. Chinese Dalian (MAY 25) Soybeans up 0.15%, Soymeal up 0.79%, Soyoil up 0.64%, Palm oil up 1.48%. Malaysian Palm was up 1.98%.

NEAR-TERM MARKET FUNDAMENTALS: Light pressure to start the week on the soy complex is coming from an expected improving trend in South American weather over the next 2 weeks and new tariff threat worries. Trump said he will be putting tariffs on steel and aluminum imports and that raised fresh fears that retaliation against US exports could be imminent. Brazil's bean harvest is estimated by Patria at 16.78% done compared to 23.83% last year and Agrural pegs harvest at 15% complete. Brazil farmers have sold 39.4% of expected production, compared to 31.9% last year but below the 5-year average of 43.2%, according to Safras. Safras raised their Brazil estimated production last week to 174.88 million tonnes, up 14.8% from the year earlier and one of the higher private estimates we've seen. Argentina had a hot weekend with temperatures near 100 but showers are expected to move in tomorrow and another chance this coming weekend that should bring some relief. The pattern of regular rains in Brazil is expected to ease this week and allow for harvest to move ahead. CFTC data showed managed Money longs hit a 14-month high in beans and 11-week high in bean oil. Palm oil production in Malaysia hit its lowest in 9 years after heavy rain and flooding recently and stocks hit a 21-month low. This is likely to boost underlying support in bean oil this week. The USDA February supply/demand report will be released tomorrow morning and US bean carryout is expected at 374 million bushels, slightly down from the January report at 380. This report is not generally a big market mover. With South American weather seemingly on an improving track and the threat of retaliatory tariffs possible against US Ag products, the bear camp has the edge. The lack of talks between Trump and Xi is another negative for prices and the odds favor a further pullback.

Soybeans positioning in the Commitments of Traders for the week ending February 4th showed Managed Money traders added 533 contracts to their already long position and are now net long 57,029. CIT traders were net long 162,899 contracts after increasing their already long position by 3,395 contracts. Non-Commercial No CIT traders net sold 248 contracts and are now net long 7,609 contracts. Non-Commercial & Non-Reportable traders net bought 6,494 contracts and are now net long 23,226 contracts.

Soymeal positioning in the Commitments of Traders for the week ending February 4th showed Managed Money traders net bought 18,831 contracts and are now net short 33,460 contracts. CIT traders net sold 3,452 contracts and are now net long 100,572 contracts. Non-Commercial No CIT traders reduced their net short position by 25,817 contracts to a net short 43,574 contracts. Non-Commercial & Non-Reportable traders net bought 21,850 contracts and are now net short 763 contracts.

The February 4th Commitments of Traders report showed Soyoil Managed Money traders are net long 42,215 contracts after net buying 2,447 contracts. CIT traders are net long 136,030 contracts after net buying 6,320 contracts. Non-Commercial No CIT traders are net short 4,316 contracts after net selling 47 contracts. Non-Commercial & Non-Reportable traders are net long 60,503 contracts after net buying 5,217 contracts.

TODAY'S MARKET IDEAS:
The short-term technical outlook remains weak after last week's turn lower, following a brief move above the 200-day moving average resistance. Stochastics shows bearish divergence over the last few weeks and is still

pointing lower, suggesting further downside follow-through. With funds holding a significant long position and the threat of retaliatory tariffs, look for a potential further selloff to next significant support at 1025 on March. If you sold Friday at 1063, consider using a trailing stop of $0.14.

NEW RECOMMENDATIONS:
None.

PREVIOUS RECOMMENDATIONS:
None

Commitment of Traders - Futures and Options - 1/28/2025 - 2/4/2025

	Non-Commercial		Commercial		Non-Reportable	
	Net Position	Weekly Net Change	Net Position	Weekly Net Change	Net Position	Weekly Net Change
Grains						
Soybeans	60,170	+3,200	-23,226	-6,493	-36,944	+3,294
Soymeal	-20,469	+23,694	764	-21,849	19,706	-1,844
Soyoil	53,117	+3,819	-60,502	-5,215	7,386	+1,398

SOYBEAN COMPLEX TECHNICAL OUTLOOK:

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SOYBEANS (MAR) 02/10/2025: Momentum studies trending lower at mid-range should accelerate a move lower if support levels are taken out. The market back below the 18-day moving average suggests the intermediate-term trend could be turning down. The close below the 1st swing support could weigh on the market. The next downside objective is 1036 1/2. The next area of resistance is around 1057 1/2 and 1068 3/4, while 1st support hits today at 1041 1/2 and below there at 1036 1/2.

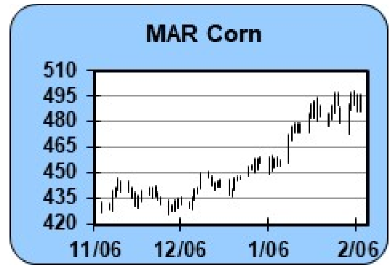
SOYBEAN OIL (MAR) 02/10/2025: The upside crossover of the 9 and 18 bar moving average is a positive signal. Momentum studies trending lower at mid-range should accelerate a move lower if support levels are taken out. The cross over and close above the 18-day moving average indicates the intermediate-term trend has turned up. The market setup is supportive for early gains with the close over the 1st swing resistance. The next downside objective is now at 44.75. The next area of resistance is around 46.52 and 46.92, while 1st support hits today at 45.44 and below there at 44.75.

SOYMEAL (MAR) 02/10/2025: The close below the 40-day moving average is an indication the longer-term trend has turned down. A positive indicator was given with the upside crossover of the 9 and 18 bar moving average. A bearish signal was triggered on a crossover down in the daily stochastics. Stochastics trending lower at midrange will tend to reinforce a move lower especially if support levels are taken out. The close below the 18-day moving average is an indication the intermediate-term trend has turned down. The close below the 1st swing support could weigh on the market. The next downside objective is 296.1. The next area of resistance is around 304.6 and 309.0, while 1st support hits today at 298.2 and below there at 296.1.

DAILY CORN COMMENTARY

2/10/2025

Fund long now highest since April of 2022



OVERNIGHT CHANGES THROUGH 6:06 AM (CT):
CORN -0.2

OVERNIGHT DEVELOPMENTS: Corn (MAR 25) prices overnight are down -1. Corn open interest as of February 7 was down 12,108 contracts. Chinese Dalian (MAY 25) Corn was up 0.18%.

NEAR-TERM MARKET FUNDAMENTALS: The corn market closed Friday near the lows of the day and is starting off steady this morning as South American forecasts show potential improvement this week and next. In addition, Trump's move to impose steel and aluminum tariffs on US metal imports is likely to trigger a harsher response and raise the odds for potential retaliatory tariffs against US Ag products. Trump is still waiting for China to make the 1st call to start tariff negotiations. CFTC data showed Managed Money added over 13,000 contracts as of Tuesday of last week and the net long now stands at 364,217 contracts, the largest fund long since April 2022. Brazil's January corn exports were down 26% year-over-year and safrinha planting is still behind, but the latest weather forecasts show less frequent rain across Brazil which should improve the planting pace over the next 2 weeks. However, a significant portion of the crop will still be planted outside the ideal window. Tomorrow morning USDA will release the February supply/demand report which will have some S&D adjustments but doesn't contain new US crop projections. US ending stocks are expected at 1.526 billion bushels, slightly below the January report at 1.540. Improving weather and tariff worries are negative factors to start the week and may be too much for the bull camp to overcome without something bullish in the USDA report tomorrow. In our opinion for the near-term, the bearish arguments point to potential further weakness.

The Commitments of Traders report for the week ending February 4th showed Corn Managed Money traders are net long 364,217 contracts after net buying 13,496 contracts. CIT traders were net long 479,902 contracts after increasing their already long position by 9,511 contracts. Non-Commercial No CIT traders are net long 220,822 contracts after net buying 12,603 contracts. Non-Commercial & Non-Reportable traders net bought 16,030 contracts and are now net long 340,719 contracts.

TODAY'S MARKET IDEAS:
Trump's steel and aluminum tariffs may bring fresh worries of retaliation against US Ag exports and along with the likelihood of improved South American weather over the next 2 weeks, the odds are growing for a further pullback. Aggressive speculators may consider the short side on a bounce to 492 or higher on March. First resistance is 500, with additional important 0.618 retracement resistance to the summer highs of 2023 standing at 507 1/2. Furthermore, there is a gap lower on the daily chart in early January 2024 that would be filled at 513 3/4.

NEW RECOMMENDATIONS:
None.

PREVIOUS RECOMMENDATIONS:
None.

Commitment of Traders - Futures and Options - 1/28/2025 - 2/4/2025

	Non-Commercial		Commercial		Non-Reportable	
	Net Position	Weekly Net Change	Net Position	Weekly Net Change	Net Position	Weekly Net Change
Grains						
Corn	437,855	+18,080	-340,719	-16,030	-97,136	-2,050

CORN TECHNICAL OUTLOOK:

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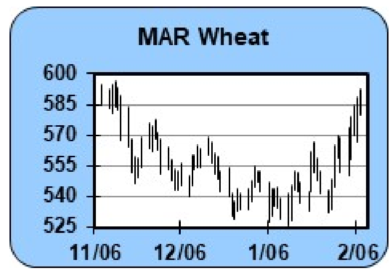
CORN (MAR) 02/10/2025: The daily stochastics have crossed over down which is a bearish indication. Momentum studies are trending lower from high levels which should accelerate a move lower on a break below the 1st swing support. The market's close below the 9-day moving average is an indication the short-term trend remains negative. The swing indicator gave a moderately negative reading with the close below the 1st support number. The next downside objective is now at 478 1/4. Bearish daily studies indicate selling minor rallies this session. The next area of resistance is around 493 and 500 1/4, while 1st support hits today at 482 and below there at 478 1/4.

CORN (MAY) 02/10/2025: The daily stochastics have crossed over down which is a bearish indication. Momentum studies trending lower from overbought levels is a bearish indicator and would 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. The daily closing price reversal down is a negative indicator for prices. The swing indicator gave a moderately negative reading with the close below the 1st support number. The next downside objective is now at 491 1/2. Short-term indicators on the defensive. Consider selling an intraday bounce. The next area of resistance is around 505 3/4 and 512 1/2, while 1st support hits today at 495 1/4 and below there at 491 1/2.

DAILY WHEAT COMMENTARY
2/10/2025

Snow to accompany the cold temps, winterkill risks low



OVERNIGHT CHANGES THROUGH 6:06 AM (CT):
WHEAT -0.25

OVERNIGHT DEVELOPMENTS: Chicago wheat (MAR 25) prices overnight are down -3; Kansas City (MAR 25) down -2 1/2; and Minneapolis (MAR 25) down -1/2. MATIF Milling Wheat(MAR 25) was up 0.6%. Chicago wheat open interest as of February 7 was down 15,011 contracts and KC wheat was down 8,833 contracts.

NEAR-TERM MARKET FUNDAMENTALS: March Chicago wheat hit a new high for the move Friday morning but closed weaker on strong trading volume. Stats Canada came out with a slightly bearish wheat stocks estimate Friday which may account for the lower close. Cold temperatures moving into the Plains this week will be accompanied by snow and private weather forecasters are indicating winterkill risk is low. Tomorrow morning USDA will release its February supply/demand report and US ending stocks are expected at 799 million bushels, near unchanged from the January number of 798. The report is not likely to hold a major surprise for wheat. CFTC data showed funds covered over 20,000 contracts of their short position but still hold a net short over 90,000 contracts as of Tuesday of last week. SovEcon estimates Russia's February wheat exports will be 2.0 million tonnes, down from 2.2 in January and IKAR says Russia's exports for the season will be 43.0 million tonnes, down from their previous estimate of 43.5. India's prime minister is expected visit the White House this week and any hint that India is willing to allow US wheat imports would be a significant bullish change. Trump's USTR nominee last week called out India specifically, saying the US needs reciprocal market access. We expect pullbacks to continue to find good support. However, tomorrow's USDA report will once again highlight the large US ending stocks which could result in some pressure the 1st half of this week.

The February 4th Commitments of Traders report showed Wheat Managed Money traders are net short 90,442 contracts after net buying 20,340 contracts. CIT traders are net long 63,070 contracts after net buying 11,835 contracts. Non-Commercial No CIT traders are net short 86,889 contracts after net buying 17,635 contracts. Non-Commercial & Non-Reportable traders net bought 17,164 contracts and are now net short 80,897 contracts.

The February 4th Commitments of Traders report showed KC Wheat Managed Money traders net bought 6,405 contracts and are now net short 35,981 contracts. CIT traders are net long 67,138 contracts after net buying 6,761 contracts. Non-Commercial No CIT traders net bought 8,172 contracts and are now net short 35,334 contracts. Non-Commercial & Non-Reportable traders are net short 17,234 contracts after net buying 11,802 contracts.

TODAY'S MARKET IDEAS:
Some wintry precipitation this week will give a very slight boost to soil moisture levels in the Plains and insulate the wheat from the anticipated cold temperatures. Funds are still holding a significant net short and with the short-term trend higher over the last 10 days, managed money traders may be looking to exit positions on a break. We still think there is a high chance the market can rally to longer-term resistance at 603 1/2 on March Chicago and a minor pullback early this week could set up a buying opportunity.

NEW RECOMMENDATIONS:
None.

PREVIOUS RECOMMENDATIONS:
None.

Commitment of Traders - Futures and Options - 1/28/2025 - 2/4/2025

	Non-Commercial		Commercial		Non-Reportable	
	Net Position	**Weekly Net Change**	**Net Position**	**Weekly Net Change**	**Net Position**	**Weekly Net Change**
Grains						
KC Wheat	-16,154	+11,365	17,233	-11,804	-1,080	+437
Wheat	-84,976	+19,524	80,896	-17,164	4,079	-2,360

WHEAT TECHNICAL OUTLOOK:

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WHEAT (MAR) 02/10/2025: 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 daily closing price reversal down puts the market on the defensive. The market has a slightly positive tilt with the close over the swing pivot. The next upside objective is 597. The next area of resistance is around 589 and 597, while 1st support hits today at 576 1/2 and below there at 571 3/4.

KC WHEAT (MAR) 02/10/2025: Studies are showing positive momentum but are now in overbought territory, so some caution is warranted. A positive signal for trend short-term was given on a close over the 9-bar moving average. The daily closing price reversal down is a negative indicator for prices. The market has a slightly positive tilt with the close over the swing pivot. The next upside target is 619 1/4. The next area of resistance is around 610 1/2 and 619 1/4, while 1st support hits today at 597 and below there at 592 1/2.

MINN WHEAT (MAR) 02/10/2025: Studies are showing positive momentum but are now in overbought territory, so some caution is warranted. The market's close above the 9-day moving average suggests the short-term trend remains positive. With the close higher than the pivot swing number, the market is in a slightly bullish posture. The next upside objective is 640. The next area of resistance is around 633 1/2 and 640, while 1st support hits today at 622 and below there at 616 3/4.

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	487 1/2	52.96	56.65	77.06	73.43	492.63	490.42	486.57	464.41	456.96
CNAK25	500 1/2	55.91	59.12	80.72	78.97	504.38	501.69	496.99	472.78	464.99
SSAH25	1049 1/2	50.78	53.32	67.03	60.77	1060.50	1054.64	1051.36	1017.54	1013.54
SSAK25	1065 1/2	51.95	54.34	70.90	65.07	1075.38	1069.58	1064.97	1029.28	1025.62
SMAH25	301.4	44.82	47.13	48.98	44.62	307.53	305.67	305.46	302.94	301.23
BOAH25	45.98	60.28	59.76	54.49	50.00	45.56	45.55	45.48	43.18	43.29
WHAH25	582 3/4	65.78	62.69	82.13	86.21	579.94	568.92	557.56	550.29	552.23

WHAK25	595 1/2	67.26	63.72	83.21	87.16	591.88	581.33	570.24	561.66	563.13
RCAH25	13.715	34.14	35.80	16.14	15.08	13.60	13.81	14.28	14.44	14.63
KWAH25	603 3/4	69.05	65.74	83.22	87.18	599.56	588.08	574.53	561.76	560.31
MWAH25	627 3/4	67.98	63.91	82.60	85.69	624.13	617.81	605.49	598.43	597.99
OTAH25	350 1/4	46.03	48.42	55.76	51.60	360.31	354.44	356.85	349.43	353.51

Calculations based on previous session. Data collected 02/07/2025
Data sources can & do produce bad ticks. Verify before use.

DAILY SWING STATISTICS

Contract		Support 2	Support 1	Pivot	Resist 1	Resist 2
GRAIN COMPLEX						
CNAH25	Corn	478 1/4	482	489 1/4	493	500 1/4
CNAK25	Corn	491 1/2	495 1/4	502	505 3/4	512 1/2
SSAH25	Soybeans	1036 1/4	1041 1/2	1052 1/2	1057 1/2	1068 3/4
SSAK25	Soybeans	1053	1057 3/4	1068 1/2	1073 1/4	1084
SMAH25	Soymeal	296.0	298.1	302.5	304.6	309.0
BOAH25	Soybean Oil	44.74	45.43	45.83	46.52	46.92
WHAH25	Wheat	571 3/4	576 1/2	584 1/2	589	597 1/4
WHAK25	Wheat	585 3/4	590	596 3/4	601	607 3/4
RCAH25	Rice	13.548	13.632	13.713	13.797	13.878
KWAH25	KC Wheat	592 1/2	597	606	610 1/2	619 1/2
MWAH25	MINN Wheat	616 1/2	622	628 1/4	633 1/2	640
OTAH25	Oats	338 1/2	343	353	357 1/2	367 1/2

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