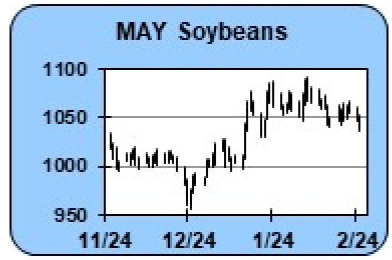
LAKEFRONT FUTURES

DAILY GRAINS COMMENTARY
Wednesday February 26, 2025

DAILY SOY COMPLEX COMMENTARY
2/26/2025

The bear camp retains the edge into the Outlook Forum



OVERNIGHT CHANGES THROUGH 6:06 AM (CT):
SOY BEANS -0.1, **BEAN OIL** +0.0, **SOYMEAL** -0.2

OVERNIGHT DEVELOPMENTS: Soybeans (MAY 25) prices overnight are down -5 1/4; Soymeal (MAY 25) down -1.50; and Soyoil (MAY 25) down -0.07. Soybean open interest as of February 25 was down 30,781 contracts, soymeal down 17,201 contracts, and soybean oil down 9,217. Chinese Dalian (MAY 25) Soybeans down 0.75%, Soymeal down 0.86%, Soyoil down 0.98%, Palm oil down 0.30%. Malaysian Palm was up 1.01%.

NEAR-TERM MARKET FUNDAMENTALS: A weak start for the soy complex this morning as the ongoing theme of Brazil harvest pressure, Outlook Forum just ahead, and improved moisture in Argentina keeps sellers active. Heavy rains are still expected across the central Argentine crop areas over the next 10 days, but the east and northeast regions will miss most of the precipitation. Brazil is expecting warm/dry conditions in the center west and south, while the north is cooler and wetter. Dr Cordonnier lowered his Brazil crop estimate 1 million tonnes to 170 million, slightly above USDA at 169, due to the drier conditions in the southern growing regions. Argentina was left unchanged at 48 million, slightly below USDA's 49. Deral estimates bean harvest in Parana has reached 40% complete. We mentioned a few days ago ABIOVE brought a lawsuit against a new grain and soy tax in parts of Brazil and this morning The Governor of the Para state in Brazil says he will propose a bill to revoke the tax after talking with farmers. The annual Outlook Forum will begin tomorrow and finish on Friday and US ending stocks are expected at 367 million bushels for the 2025/26 season, down from 380 for the current season. Open interest plummeted once again across the soy complex yesterday and trading volume in the beans was the 2nd-highest in the last month. Meal prices found support on the break early in the session yesterday and have fallen far enough to encounter consumptive buying. The tariff threat for early next week remains a significant headwind, as well as Brazil harvest, and rallies may be tough to sustain until the Outlook Forum is behind us.

TODAY'S MARKET IDEAS:
May beans yesterday probed below the bottom of the recent range but bounced back to close unchanged. There is little bullish news around the market and rallies have been met with harvest hedge selling out of Brazil. A test of retracement support at 1024 may be the next stop. Speculators already short can consider keeping their stop loss over yesterday's high at 1054.

NEW RECOMMENDATIONS:
None.

PREVIOUS RECOMMENDATIONS:
None

SOYBEAN COMPLEX TECHNICAL OUTLOOK:
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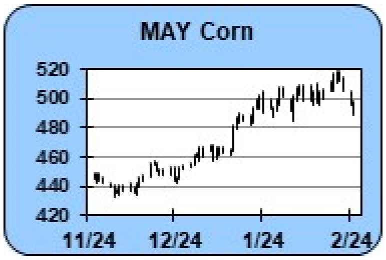
SOYBEANS (MAY) 02/26/2025: Momentum studies are declining, but have fallen to oversold levels. The close below the 9-day moving average is a negative short-term indicator for trend. The daily closing price reversal up on the daily chart is somewhat positive. It is a slightly negative indicator that the close was lower than the pivot swing number. The next downside objective is 1031. The next area of resistance is around 1056 3/4 and 1063, while 1st support hits today at 1040 3/4 and below there at 1031.

SOYBEAN OIL (MAY) 02/26/2025: Momentum studies trending lower at mid-range should accelerate a move lower if support levels are taken out. 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 downside objective is 45.16. The next area of resistance is around 46.59 and 47.31, while 1st support hits today at 45.51 and below there at 45.16.

SOYMEAL (MAY) 02/26/2025: Daily stochastics declining into oversold territory suggest the selling may be drying up soon. 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. With the close higher than the pivot swing number, the market is in a slightly bullish posture. The next downside target is 296.5. The next area of resistance is around 305.7 and 307.4, while 1st support hits today at 300.3 and below there at 296.5.

DAILY CORN COMMENTARY
2/26/2025

Outlook Forum anticipated to show 3 million acre increase



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

OVERNIGHT DEVELOPMENTS: Corn (MAY 25) prices overnight are down -1/4. Corn open interest as of February 25 was down 29,461 contracts. Chinese Dalian (MAY 25) Corn was down 0.66%.

NEAR-TERM MARKET FUNDAMENTALS: The corn market was weak yesterday for the 3rd day in a row and open interest fell sharply again as funds pare down their significant long position. More downside action could be in store yet this week as the Outlook Forum is expected to show a 3 million acre increase in corn plantings this spring, a yield of 181.4 and ending stocks for the 2025/26 season at 1.910 billion bushels, up from the current season at 1.540. Crops in central Argentina will see significant rains over the next 10 days but the northeast regions will miss the majority of the precipitation. Dr Cordonnier left his Brazil production unchanged at 123 million tonnes, below USDA at 127, and said less of the crop will be planted outside the ideal window than was feared a few weeks ago. Argentina's production was left unchanged at 46 million, down from USDA's 51. Weekly ethanol production is expected today at 1.047 million barrels, down from 1.084 last week and stocks are anticipated at 26.087 million barrels, down from 26.218 last week. Kansas has asked the EPA for a 1-year delay in the implementation of sales of year-round E-15. Mexico's lower house passed a bill banning GMO corn planting in the country. Deral says 1st crop corn harvest in Brazil's Parana state has reached 42%, while 2nd crop safrinha planting in the area has hit 65% complete. Fundamental news favors the bear but once the Outlook Forum is behind us, more attention will be focused on US spring weather in March and whether dry conditions, especially in the western corn belt, can be relieved before planting. For the rest of this week, rallies are unlikely to carry very far.

TODAY'S MARKET IDEAS:
Although prices are unchanged this morning, bearish Outlook Forum numbers are anticipated on Friday and the current pullback may not yet have run its course. More significant support comes in on May corn at 480 1/2 and even a drop to 471 is possible if the pullback extends. Speculators that sold above 516 on May last week, consider keeping the stop loss to 503.

NEW RECOMMENDATIONS:
None.

PREVIOUS RECOMMENDATIONS:
None.

CORN TECHNICAL OUTLOOK:

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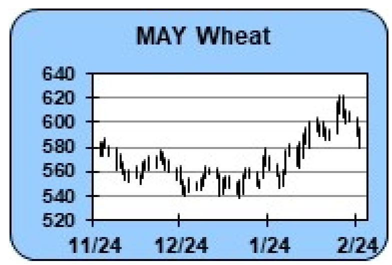
CORN (MAY) 02/26/2025: Declining momentum studies in the neutral zone will tend to reinforce lower price action. The close below the 9-day moving average is a negative short-term indicator for trend. It is a slightly negative indicator that the close was lower than the pivot swing number. The next downside target is 484. The next area of resistance is around 499 1/4 and 503 3/4, while 1st support hits today at 489 1/4 and below there at 484.

CORN (JUL) 02/26/2025: Momentum studies trending lower at mid-range should accelerate a move lower if support levels are taken out. A negative signal for trend short-term was given on a close under the 9-bar moving average. The market's close below the pivot swing number is a mildly negative setup. The next downside objective is now at 489 1/4. The next area of resistance is around 504 and 508 1/2, while 1st support hits today at 494 1/2 and below there at 489 1/4.

DAILY WHEAT COMMENTARY

2/26/2025

Trump announces aid for minerals deal with Ukraine



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

OVERNIGHT DEVELOPMENTS: Chicago wheat (MAY 25) prices overnight are down -2; Kansas City (MAY 25) down -1 1/4; and Minneapolis (MAY 25) down -3 3/4. MATIF Milling Wheat(MAY 25) was unchanged. Chicago wheat open interest as of February 25 was down 5,925 contracts and KC wheat was down 4,870 contracts.

NEAR-TERM MARKET FUNDAMENTALS: Wheat markets are steady this morning after prices extended the selloff yesterday and hit retracement support. The 6 to 10 day still shows above normal precipitation for parts of the Plains but the heaviest rain now has shifted slightly west, centered over eastern Colorado. The month of March is expected to feature mostly above-average temperatures across the Plains and the southeast Plains could see some precipitation over the next 5 days. Trump announced an aid for minerals deal with Ukraine that is expected to be signed next week. Trump also said he was willing to talk with Russia about a deal for rare earths. Algeria bought 150,000 tonnes of milling wheat but other export business has been routine. LSEG left their Ukraine winter wheat production unchanged at 20.3 million tonnes, saying a thin layer of snow has protected the crop from the recent cold. Prices bounced midmorning yesterday after SovEcon lowered their expectations for Russian exports for the 2024/25 season to 42.2 million tonnes, down from 42.8. However, they did raise the export forecast for next season to 38.9 million tonnes, up from 38.3 previously. The Outlook Forum later this week is expected to show increasing ending stocks for wheat and that may keep some pressure on prices through the end of the week. However, rains in the Plains will be critical this spring and a potential weather rally is still possible if better moisture does not develop soon..

TODAY'S MARKET IDEAS:
Central Plains rains in the 6 - 10 day forecast have shifted west and lighter amounts are now expected across the key producing state of Kansas. A cut to the Russian export forecast yesterday brought in buyers right at the 50% retracement support on May Chicago at 580. Ideally, the bull camp no doubt would have liked to see a reversal higher yesterday off support but if prices can move above yesterday's high at 595 3/4, that would be an initial sign the pullback may be over.

NEW RECOMMENDATIONS:
None.

PREVIOUS RECOMMENDATIONS:
None.

WHEAT TECHNICAL OUTLOOK:

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WHEAT (MAY) 02/26/2025: Momentum studies trending lower at mid-range should accelerate a move lower 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 market tilt is slightly negative with the close under the pivot. The next downside target is now at 571 1/2. The next area of resistance is around 595 3/4 and 603 3/4, while 1st support hits today at 579 3/4 and below there at 571 1/2.

KC WHEAT (MAY) 02/26/2025: Momentum studies trending lower at mid-range could accelerate a price break if support levels are broken. The close below the 9-day moving average is a negative short-term indicator for trend. The market's close below the pivot swing number is a mildly negative setup. The next downside target is now at 591 1/4. The next area of resistance is around 614 1/4 and 621 1/2, while 1st support hits today at 599 1/4 and below there at 591 1/4.

MINN WHEAT (MAY) 02/26/2025: Declining momentum studies in the neutral zone will tend to reinforce lower price action. The market back below the 18-day moving average suggests the intermediate-term trend could be turning down. The market's close below the 1st swing support number suggests a moderately negative setup for today. The next downside objective is 615 3/4. The next area of resistance is around 636 3/4 and 647 1/2, while 1st support hits today at 620 3/4 and below there at 615 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										
CNAK25	494 1/4	39.76	47.30	63.35	44.71	502.25	506.19	503.89	486.84	476.43
CNAN25	499 1/4	41.32	48.59	65.71	47.52	506.88	509.86	507.31	489.76	479.35
SSAK25	1048 3/4	44.53	48.02	26.08	22.78	1054.13	1051.75	1060.17	1042.17	1032.35
SSAN25	1063 1/2	44.09	48.15	27.70	23.73	1069.38	1067.36	1075.28	1055.08	1044.87
SMAK25	303.0	43.28	44.76	15.38	15.10	303.10	302.74	307.49	310.46	307.91
BOAK25	46.05	46.03	50.38	56.58	45.72	46.87	46.82	46.52	44.58	44.05
WHAK25	587 3/4	46.11	50.84	67.54	53.15	596.38	600.36	593.50	570.29	568.13
WHAN25	602 1/4	47.80	52.45	70.19	56.89	610.38	613.14	605.65	580.66	577.51
RCAH25	13.455	28.81	33.35	41.87	32.04	13.61	13.81	13.79	14.12	14.39
KWAK25	606 3/4	47.11	51.95	66.25	51.57	614.19	618.50	610.78	583.23	577.47
MWAK25	628 3/4	43.86	49.75	68.90	53.32	639.69	641.31	636.07	615.13	612.38
OTAK25	379	71.19	64.33	47.85	68.21	366.13	353.50	356.35	352.93	356.98

Calculations based on previous session. Data collected 02/25/2025
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						
CNAK25	Corn	484	489 1/4	494	499 1/4	504
CNAN25	Corn	489	494 1/2	498 3/4	504	508 1/2
SSAK25	Soybeans	1031	1040 3/4	1047	1056 3/4	1063

SSAN25	Soybeans	1046 1/4	1055 1/2	1062	1071 1/2	1077 3/4
SMAK25	Soymeal	296.4	300.2	301.9	305.7	307.4
BOAK25	Soybean Oil	45.15	45.51	46.23	46.59	47.31
WHAK25	Wheat	571 1/2	579 1/2	587 3/4	596	604
WHAN25	Wheat	587 1/4	594 1/2	602 1/2	610	617 3/4
RCAH25	Rice	13.157	13.305	13.457	13.604	13.757
KWAK25	KC Wheat	591 1/4	599	606 1/2	614 1/2	621 3/4
MWAK25	MINN Wheat	615 1/2	620 3/4	631 1/2	636 3/4	647 1/2
OTAK25	Oats	352 3/4	368 1/2	374	389 1/2	395 1/4

Calculations based on previous session. Data collected 02/25/2025

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