

Hello Colorado Wheat. Wheat is sinking into the sunset, while corn holds on, barely. Beans are stable.

	Dec HRW	July '23 HRW	Dec corn	July '23 corn	Chgo wheat	Springs	Jan'23 soybean	N '23 Soybean	Crude oil	S&P
CLOSE	KWZ22	KWN23	CZ22	CN23	WZ22	MWZ22	SF23	SN23	CRD22	ES22
11/25	\$9.22	\$8.94	\$6.68	\$6.65	\$7.76	\$9.57	\$14.36	\$14.53	\$76.28	\$4033
11/18	\$9.34	\$9.11	\$6.68	\$6.63	\$8.03	\$9.52	\$14.28	\$14.42	\$80.37	\$3974
11/11	\$9.44	\$9.29	\$6.58	\$6.58	\$8.14	\$9.46	\$14.50	\$14.60	\$88.16	\$4000
11/04	\$9.53	\$9.40	\$6.81	\$6.82	\$8.48	\$9.55	\$14.62	\$14.78	\$91.45	\$3780
10/28	\$9.25	\$9.19	\$6.81	\$6.81	\$8.29	\$9.45	\$14.00	\$14.20	\$87.90	\$3911
10/21	\$9.48	\$9.40	\$6.84	\$6.84	\$8.51	\$9.62	\$14.05	\$14.23	\$85.05	\$3764
10/14	\$9.52	\$9.40	\$6.90	\$6.91	\$8.60	\$9.54	\$13.93	\$14.13	\$84.65	\$3598
10/07	\$9.69	\$9.51	\$6.83	\$6.87	\$8.80	\$9.68	\$13.79	\$14.02	\$91.35	\$3653
09/30	\$9.92	\$9.54	\$6.78	\$6.78	\$9.22	\$9.82	\$13.76	\$13.93	\$78.72	\$3602
09/23	\$9.51	\$9.32	\$6.77	\$6.76	\$8.81	\$9.49	\$14.32	\$14.37	\$78.25	\$3709
09/16	\$9.35	\$9.21	\$6.77	\$6.78	\$8.60	\$9.39	\$14.55	\$14.54	\$84.75	\$3890
09/09	\$9.29	\$9.16	\$6.85	\$6.84	\$8.70	\$9.28	\$14.18	\$14.21	\$85.75	\$4067

The reason this table hasn't rolled to the March's yet is MGEX spring wheat is expiring interestingly. It appears shorts overstayed their position, and are getting "helped through the fence"; this is an "ouchy":



Charts and discussions follow, with the goal of giving you useful information to help you with the business of marketing your crops. My disclaimer remains the same: these are my sometimes rapidly changing opinions. ALSO, USE THE BEST MANAGEMENT PRACTICES YOU CAN. STUDIES SHOW GOOD MANAGEMENT ADDS AN AVERAGE OF 13 BU/ACRE; IT PAYS FOR ITSELF

The 11-week Closing Table SHOULD SHOW the December trading months are gone, and I admit since I've recommended selling the wheat and corn, I was tempted to just show the July's as the lead month, and add the Dec 23's. I didn't, but I'm still thinking about it...so don't be too surprised when I do it.

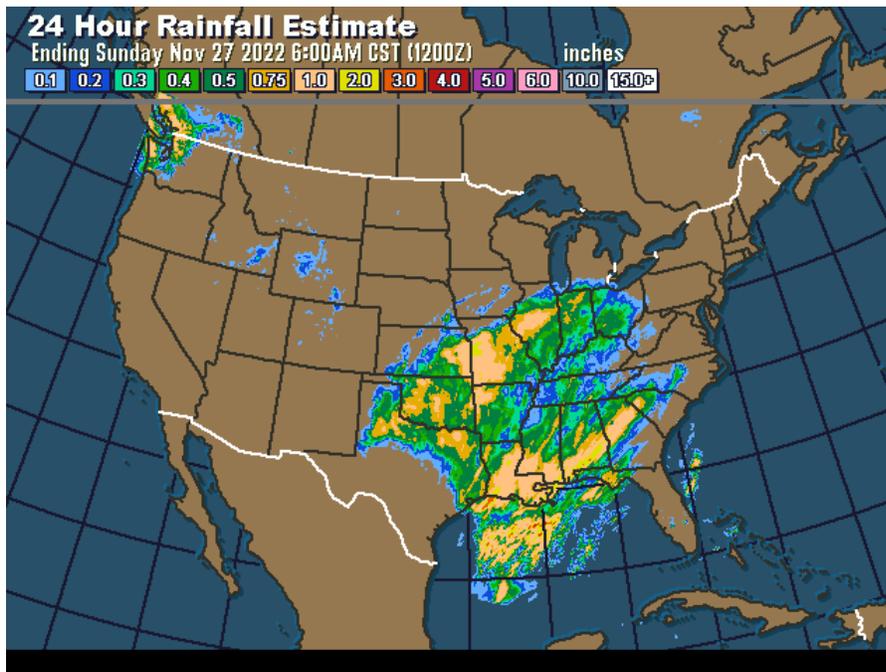
Probably what prevented me from doing that is I haven't pulled the trigger on soybeans.

Anyway...this then is the "expected" the 11-Week Closing Position, and it doesn't change the fact that wheats...are headed lower. Even the new-crop KC July is vulnerable, unfortunately.

KC March set a new red number; KC July set a second consecutive red number, as did Chgo March wheat. Corn is in a very tight range, even tighter than the Blue and Red numbers portray. Beans...as mentioned are still refusing to move. Crude oil set a new 11-week Closing Low, as the hard-to-explain, let alone expected -to-be effective Russian Oil Price cap is seemingly gaining momentum...(?) and don't look now, but the stock market is set up to catch everyone without a long position, even though WHY the stock market will rally is just as hard to explain, although...NO ONE is on board, and that might be reason enough.

	Dec HRW	July '23 HRW	Dec corn	July '23 corn	Chgo wheat	Springs	Jan'23 soybean	N '23 Soybean	Crude oil	S&P
CLOSE	KWH23	KWN23	CH23	CN23	WH23	MWH23	SF23	SN23	CRD22	ES22
11/25	\$9.12	\$8.94	\$6.71	\$6.65	\$7.97	\$9.57	\$14.36	\$14.53	\$76.28	\$4033
11/18	\$9.24	\$9.11	\$6.70	\$6.63	\$8.22	\$9.52	\$14.28	\$14.42	\$80.37	\$3974
11/11	\$9.39	\$9.29	\$6.63	\$6.58	\$8.35	\$9.46	\$14.50	\$14.60	\$88.16	\$4000
11/04	\$9.51	\$9.40	\$6.87	\$6.82	\$8.67	\$9.55	\$14.62	\$14.78	\$91.45	\$3780
10/28	\$9.25	\$9.19	\$6.87	\$6.81	\$8.49	\$9.45	\$14.00	\$14.20	\$87.90	\$3911
10/21	\$9.47	\$9.40	\$6.91	\$6.84	\$8.70	\$9.62	\$14.05	\$14.23	\$85.05	\$3764
10/14	\$9.51	\$9.40	\$6.96	\$6.91	\$8.77	\$9.54	\$13.93	\$14.13	\$84.65	\$3598
10/07	\$9.66	\$9.51	\$6.91	\$6.87	\$8.95	\$9.68	\$13.79	\$14.02	\$91.35	\$3653
09/30	\$9.85	\$9.54	\$6.84	\$6.78	\$9.32	\$9.82	\$13.76	\$13.93	\$78.72	\$3602
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09/16	\$9.34	\$9.21	\$6.83	\$6.78	\$8.75	\$9.39	\$14.55	\$14.54	\$84.75	\$3890
09/09	\$9.30	\$9.16	\$6.89	\$6.84	\$8.84	\$9.28	\$14.18	\$14.21	\$85.75	\$4067

SOME parts of USA HRW country got some moisture (it poured on national TV Saturday night...):



But the major fundamental affecting wheat is...once again, The Black Sea, and once again...it's an increasingly bearish development. We now the "Grain Corridor" was extended, but Ukraine has stepped it up a notch with their "Grain Initiative" where they will "concentrate" on shipping their wheat to the world's poorest countries.

<https://www.politico.eu/article/ukraine-initiative-send-grain-to-africa-gets-western-support-eu-nato-food-famine/>

This is about as slick of a political move I've seen in a while, truly offering a win-win scenario (although maybe not for actual wheat farmers). Yes, it's the definition of "propaganda", and "the news" is NOT talking about who's actually paying for the wheat, as there is no way Ukraine is in any economic position for massive wheat donations... **so this should be viewed as a direct wheat subsidy from Western Nations**...the article mentions the USA, France, Canada, and we know those countries are big wheat producing countries, and as always, DONATED WHEAT IS ALWAYS CHEAPER than merely letting the market work.

Thus...this KC July wheat chart is...printing nothing but sell signals. I've recommended selling 25% of expected 2023/24 production, and have been reluctant to add to that, but...this chart says lower prices are coming. The previous 11-week Closing Low of \$9.11 was set on the 11/18 close, and the 11/25 close of \$8.94 is 17c lower. KC July shown here, suggesting a test of \$8.50 is likely:



although to feel better about that statement, wheat bulls, or producers with unsold wheat, are watching intently how KC nearby (the March now) handles the \$9.00 level. This is the weekly KC wheat chart:



Based on the chart action, the little bit of rain, and the Ukraine “Grain Initiative”... if the old-crop KC March closes below the \$9.00 this week, I’d go ahead and sell another 25% of expected new-crop wheat production. That’s a big IF, but that’s what I’m going with.

Gulf posted HRW bids showed a little weakness, after last week's pounding. These bids are still basis the Z, but will be posted against the H Monday, probably at +158 H, which if so, would be a couple c lower:

GULF				
date	12 pro	ords	diff	
11/25/2022	155	153	2	Z
11/18/2022	155	155	0	
11/11/2022	175	175	0	
11/4/2022	175	175	0	

And these mainly unchanged posted "country" bids will also roll to the March, even as you are reading this. Technically, we do see a freckle of weakness from the Wichita area, maybe responding to the Gulf:

Date	SE Colorado	Chey. Wells	Burlington	Holyoke area	Roggen area
11/25	\$8.42-\$8.92	\$8.72	\$8.67-\$8.72	\$8.57-\$8.67	\$9.02-\$9.42
11/18	\$8.54-\$9.04	\$8.84	\$8.79-\$8.84	\$8.69-\$8.79	\$9.14-\$9.54
11/11	\$8.64-\$9.14	\$8.94	\$8.89-\$8.94	\$8.79-\$8.89	\$9.24-\$9.74
11/04	\$8.73-\$9.23	\$9.03	\$8.98-\$9.03	\$8.88-\$8.98	\$9.33-\$9.83
10/28	\$8.45-\$8.95	\$8.75	\$8.70-\$8.75	\$8.60-\$8.70	\$8.85-\$9.55

BASIS	SE Colorado	Chey. Wells	Burlington	Holyoke	Roggen area
11/25(Z)	-80, -30	-50	-55, -50	-65, -55	-20, +20
11/18(Z)	-80, -30	-50	-55, -50	-65, -55	-20, +20
11/11(Z)	-80, -30	-50	-55, -50	-65, -55	-20, +30
11/04(Z)	-80, -30	-50	-55, -50	-65, -55	-20, +30
10/28(Z)	-80, -30	-50	-55, -50	-65, -55	-40, +30

Date	Concordia	Salina	Hutch/Wichita	Ark City
11/25(Z)	-25	-25, -15	-46, -15	-49
11/18(Z)	-25	-25, -15	-46, -12	-49
11/11(Z)	-25	-25, -15	-46, -12	-49
11/04(Z)	-25	-25, -15	-46, -12	-49
10/28(Z)	-25	-25, -15	-46, -12	-49

I've been thinking about corn...while I think selling it is the right thing to do, MAYBE A BETTER WAY to play it is ONLY sell the futures, and remain long the basis. Seems like we saw quite a bit of +150 to +175 to even the +200 last year, and if that repeats, the current posted corn basis still has some upside. These futures might not respond to that local basis.

This is March corn futures, with the Blue line just below \$7.00 at \$6.96, and the Red line down at \$6.63. BUT when we study the Table, we can see the current range is even tighter, with a double-top at \$6.87, and a double-bottom at about \$6.70ish...:



The main thing wearing on corn, of course, is the terribly slow USA corn export pace. Last week's inspection numbers were revised higher, so I think it's more important to look at the cumulative total loaded, as that should incorporate revisions. As an example, last week's wheat inspections were revised to 6.3 million, up from the initially reported 2.8 million bu. The problem is false impressions are created...

WEEK ENDED (11/17/22)	Weekly loadings	Accumulated in season (FGIS)	Estimated fudge factor	Total loaded est*	USDA projection	Amount needed	Weeks to go	Bu per week needed
Corn	19.5	215.7	60	228	2,150	1922	41	46.9
Soybeans	85.6	629.4	30	636	2,045	1409	41	34.4
All wheat	10.3	377.7	45	399	775	376	27	13.9
Milo	2.1	10.8	5	12	175	163	41	4.0
LAST WEEK								
Corn	19.1	194.2	60	206	2,150	1944	42	46.3
Soybeans	68.3	539.8	30	545	2,045	1500	42	35.7
All wheat	2.8	364.0	45	385	775	390	28	13.9
Milo	0.1	8.7	5	10	175	165	42	3.9

Anyway...corn export loadings now need almost 47 million bu weekly to hit the current USDA target. Soybeans are doing great; wheat is still struggling about the same. In fairness, both corn and wheat had relatively good export sales, with corn about 73 million bu and wheat showed almost 19 million bu of sales. And conversely, soybean sales were way down from the recent sales pace, at only 25 million bu.

Here's the Jan soybean chart, with no changes to Blue or Red lines:



Corn and Bean News was subdued in last week's Thanksgiving week, as was trade. We'll see if this week is different. The trade is watching South American weather, but the dryness in Argentina is getting to be "old news".

We'll see if KC new-crop can stay above \$9.00 or not, and will use that as a guide concerning what to do about more new-crop sales. This week's forecast is not wet.

Have a good week; Stay Safe. Don't drive too fast.