

Hello Colorado Wheat.

I hope everyone had a good Christmas. It was certainly a white Christmas up my way...plenty of snow on the ground, which is a major difference from much of the USA Hard Red Winter Wheat Belt. Temps were about the same, but snow depth was not.

The markets didn't ignore this either. KC Wheat led the way, up 30c or so for the week. This was because of the extreme cold, pretty much in all North America. Chgo and MGEX spring wheats were up 22c. Corn followed wheat, grudgingly, up 13c, while beans were once again unable to get up and above \$15.00. The table is now showing March soybeans, and we see 3 consecutive weeks of beans going nowhere. The easy call is expect gravity to weigh on soybeans ...one of these days.

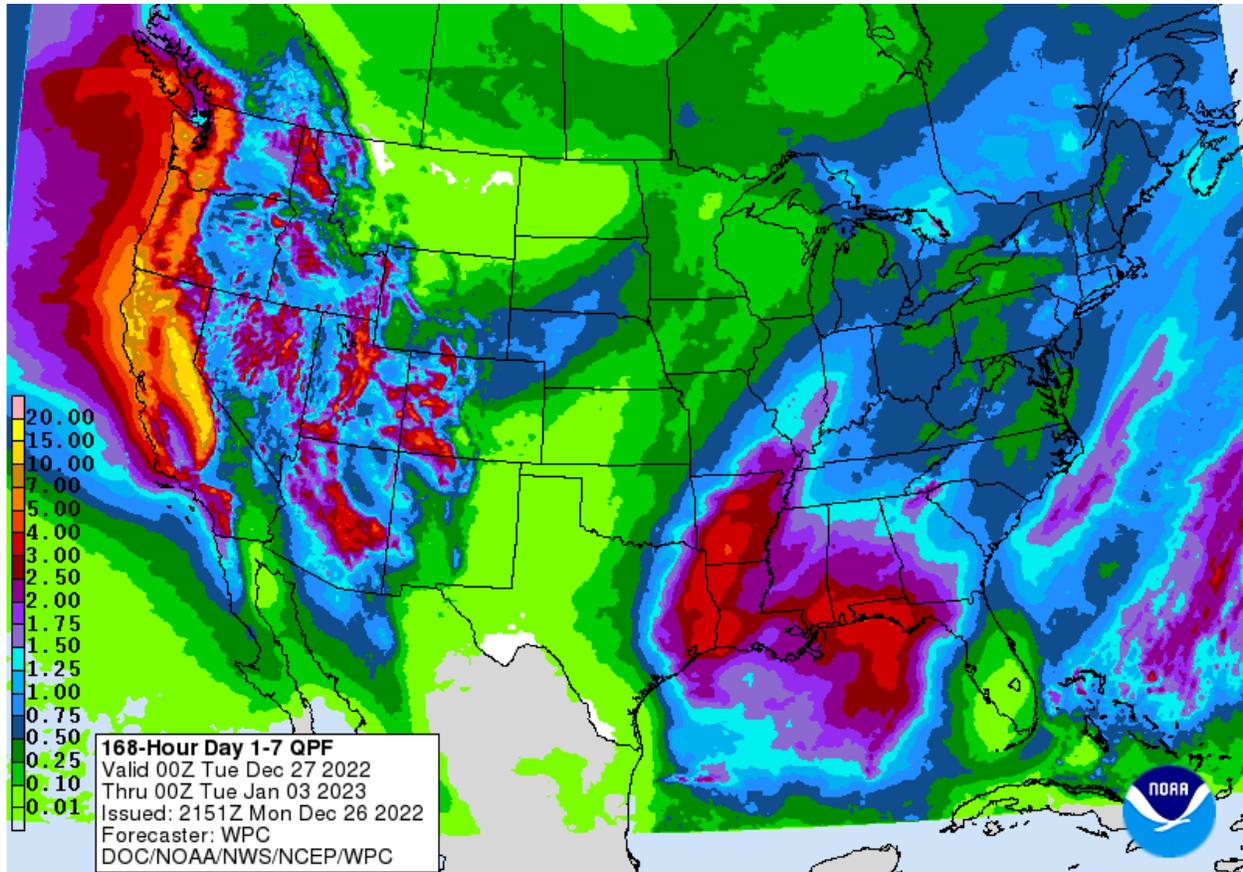
Crude oil bounced about Five Bucks. The cold weather is supportive, and we've had a couple weeks or so to get used to the European-imposed price cap on Russian oil, which I admit, seems like a lot of smoke and mirrors to me. The stock market was basically unchanged.

	Mar'23 HRW	July '23 HRW	Mar'23 corn	July '23 corn	Chgo wheat	Springs	Mar'23 soybean	N '23 Soybean	Crude oil	S&P
<i>CLOSE</i>	KWH23	KWN23	CH23	CN23	WH23	MWH23	SH23	SN23	CRD22	ES22
12/23	\$8.75	\$8.62	\$6.66	\$6.58	\$7.76	\$9.32	\$14.85	\$14.93	\$79.56	\$3868
12/16	\$8.44	\$8.32	\$6.53	\$6.48	\$7.54	\$9.10	\$14.83	\$14.90	\$74.30	\$3872
12/09	\$8.33	\$8.22	\$6.44	\$6.41	\$7.34	\$9.02	\$14.87	\$14.96	\$71.02	\$3932
12/02	\$8.71	\$8.59	\$6.46	\$6.44	\$7.61	\$9.21	\$14.48	\$14.59	\$80.05	\$4075
11/25	\$9.12	\$8.94	\$6.71	\$6.65	\$7.97	\$9.57	\$14.40	\$14.53	\$76.28	\$4033
11/18	\$9.24	\$9.11	\$6.70	\$6.63	\$8.22	\$9.52	\$14.33	\$14.42	\$80.37	\$3974
11/11	\$9.39	\$9.29	\$6.63	\$6.58	\$8.35	\$9.46	\$14.56	\$14.60	\$88.16	\$4000
11/04	\$9.51	\$9.40	\$6.87	\$6.82	\$8.67	\$9.55	\$14.70	\$14.78	\$91.45	\$3780
10/28	\$9.25	\$9.19	\$6.87	\$6.81	\$8.49	\$9.45	\$14.08	\$14.20	\$87.90	\$3911
10/21	\$9.47	\$9.40	\$6.91	\$6.84	\$8.70	\$9.62	\$14.09	\$14.23	\$85.05	\$3764
10/14	\$9.51	\$9.40	\$6.96	\$6.91	\$8.77	\$9.54	\$14.01	\$14.13	\$84.65	\$3598
10/07	\$9.66	\$9.51	\$6.91	\$6.87	\$8.95	\$9.68	\$13.87	\$14.02	\$91.35	\$3653

*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***

Will this wheat rally continue?

Temps have no way to go but up, thankfully, and I assume we're going to hear some grim outlooks, as anyone out looking at wheat won't like what they see, but this forecast is what matters. We see California and the PNW are expected to receive a LOT of moisture this coming week, as is the Gulf Coast, which should help eliminate Center Gulf grain shipments. BUT Hard Red Wheat country, which the exception of Northwest Nebraska, is expected to only get a tenth to a quarter inch. If Western Nebraska gets the forecasted inch or so, I'd say they are lucky.



There's always a chance the California moisture could slide easterly, and some moisture is better than none, but I don't think this forecast is enough to break wheat futures prices back significantly this week.

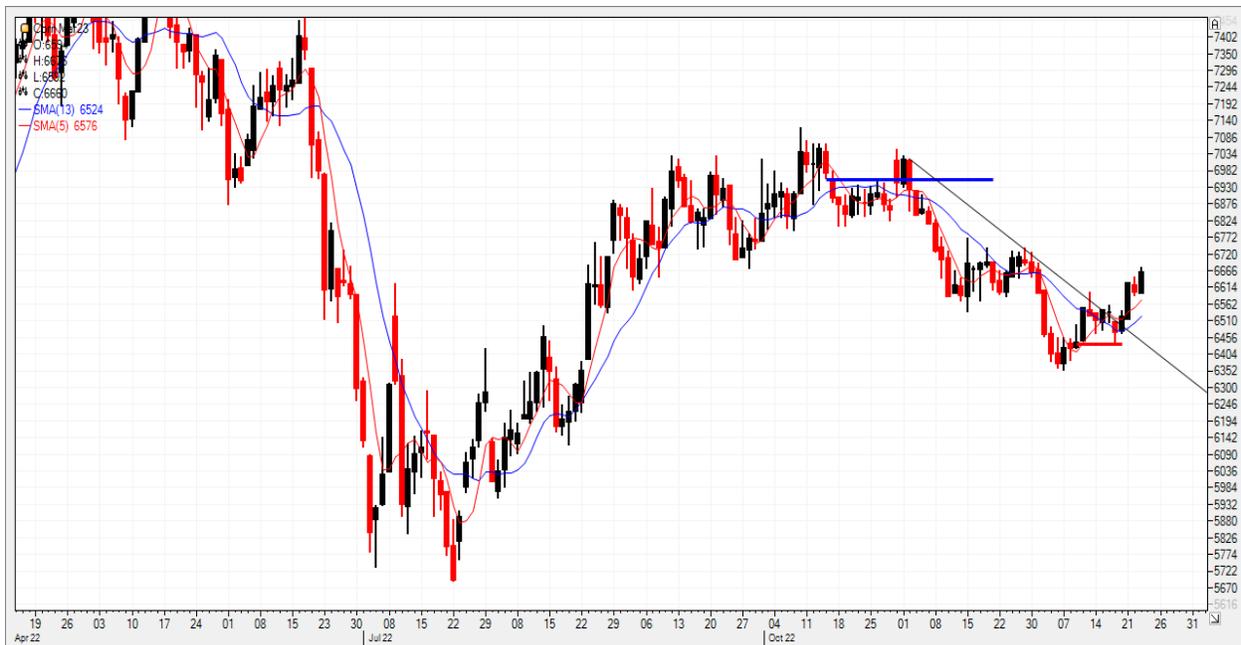
Other news is missing. USA Export Inspections and Export Sales did NOT have a good week, and as the markets will be barely staffed this week, the futures might be able to ignore this a bit longer, but one day, if these numbers don't improve, we're going to be facing significant down drafts.

Total loadings for the USA were about the same as the previous week, although I expect we'll see some slowing going into the 2 holiday weeks. The corn number is looking more and more unachievable, again, which would translate to another downward revision in the USDA's corn export forecast.

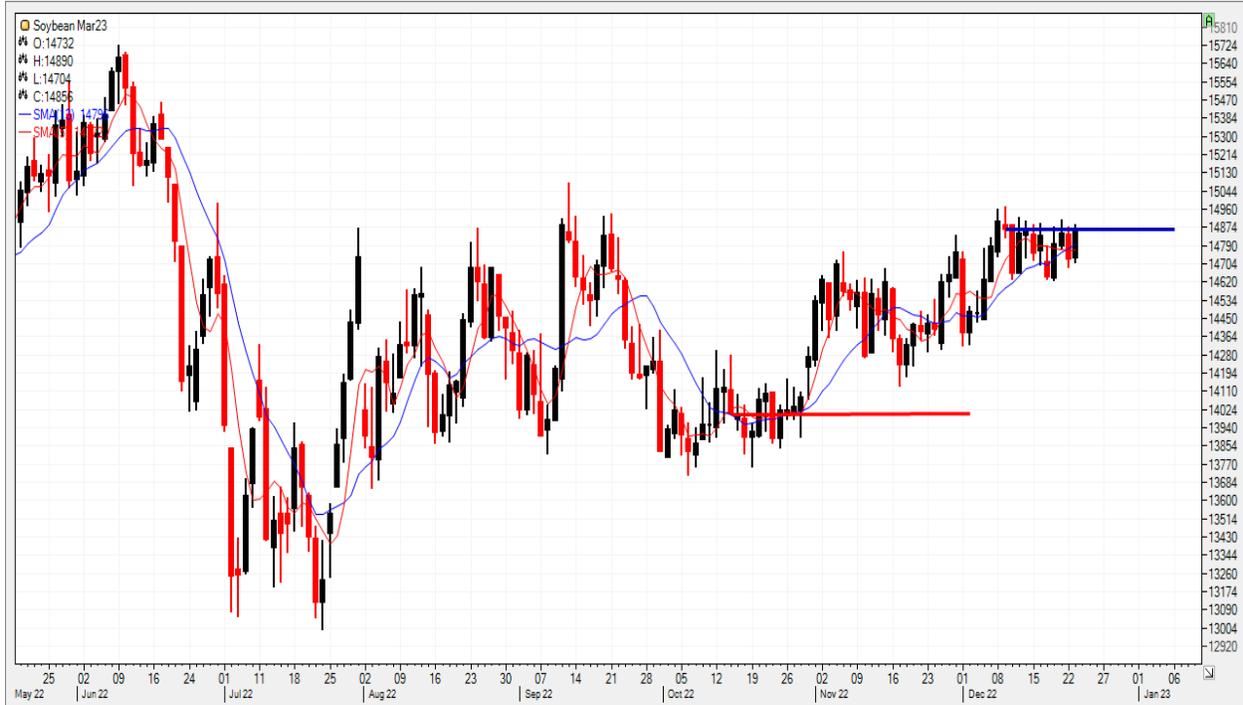
WEEK ENDED (12/15/22)	Weekly loadings	Accumulated in season (FGIS)	Estimated fudge factor	Total loaded est*	USDA projection	Amount needed	Weeks to go	Bu per week needed
Corn	29.2	311.1	60	328	2,075	1747	37	47.2
Soybeans	59.5	919.9	30	929	2,045	1116	37	30.1
All wheat	11.2	420.4	45	445	775	330	23	14.3
Milo	.1	14.2	5	16	175	159	37	4.3
LAST WEEK								
Corn	19.9	281.3	60	297	2,075	1778	38	46.8
Soybeans	67.6	858.8	30	867	2,045	1178	38	31.0
All wheat	8.0	409.1	45	433	775	342	24	14.3
Milo	.2	14.1	5	15	175	160	38	4.2

All export Sales had a really bad week. Corn was only 25 mil bu and beans were only 27 mil bu. Wheat saw 12 mil bu of sales, but sales were definitely affected by the holiday.

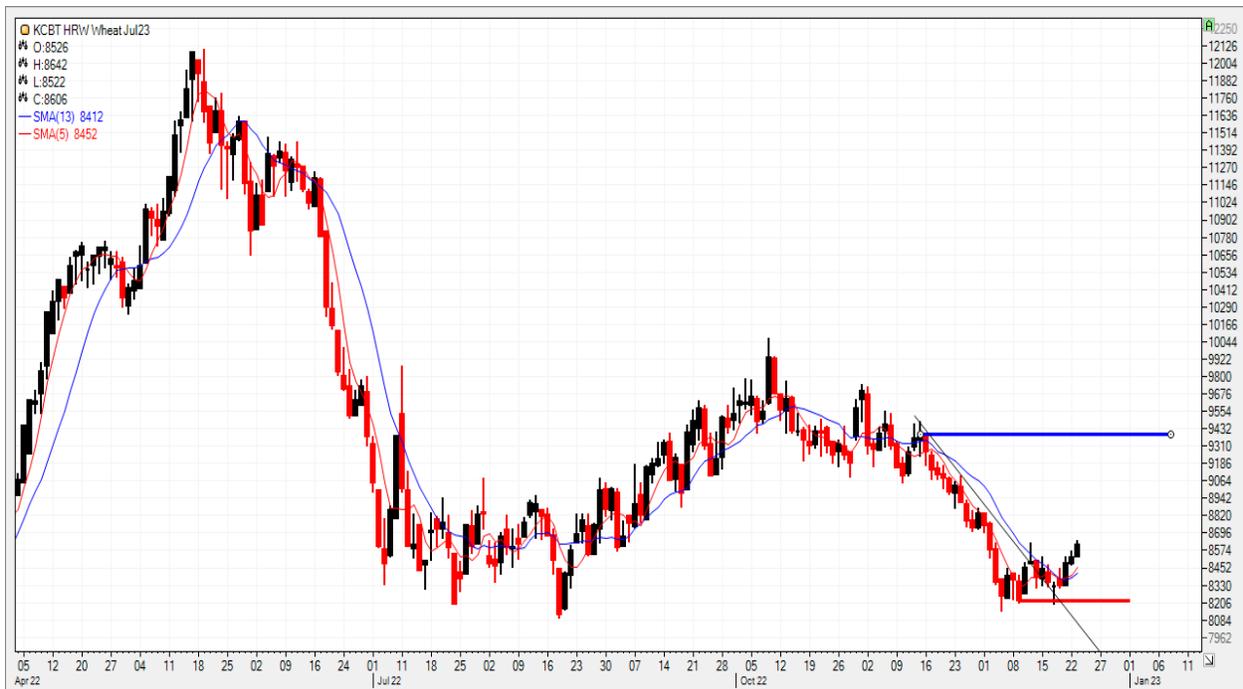
This is March corn. I show the Blue Line at \$6.96 and the Red Line at \$6.44, which puts \$6.70 at the halfway mark. I've asked if the \$6.50 area would stimulate export sales. It has not. I expect \$6.70 area to formidable resistance.



This is March soybeans. The Blue Line is about \$14.87; there have been 3 consecutive weekly closes from \$14.83 to \$14.87, and last week's poor export sales make me lean towards \$15.00 is too tough to get up and through. South American weather is "ok". Brazil is in much better shape as far as precipitation is concerned than Argentina, although Brazilian politics are currently "messy" at best, thus China has been still willing (forced?) to buy US beans...



KC July wheat...no changes to the Red line of support down at \$8.22, BUT I dropped the Blue Line to \$9.40. it's still quite a way above the market, but nominally, it's closer. The halway



This is old-crop (March) Spring wheat – KC hard wheat...now 20c off the peak. Hard winter export sales were more than spring wheat sales last week, but it's too early to say much with any conviction.



We did see the Texas Gulf HRW bids weaken a couple cents:

GULF date	12 pro	ords	diff
12/23/2022	157	153	4
12/16/2022	159	155	4
12/9/2022	159	155	4
12/2/2022	160	156	4 H

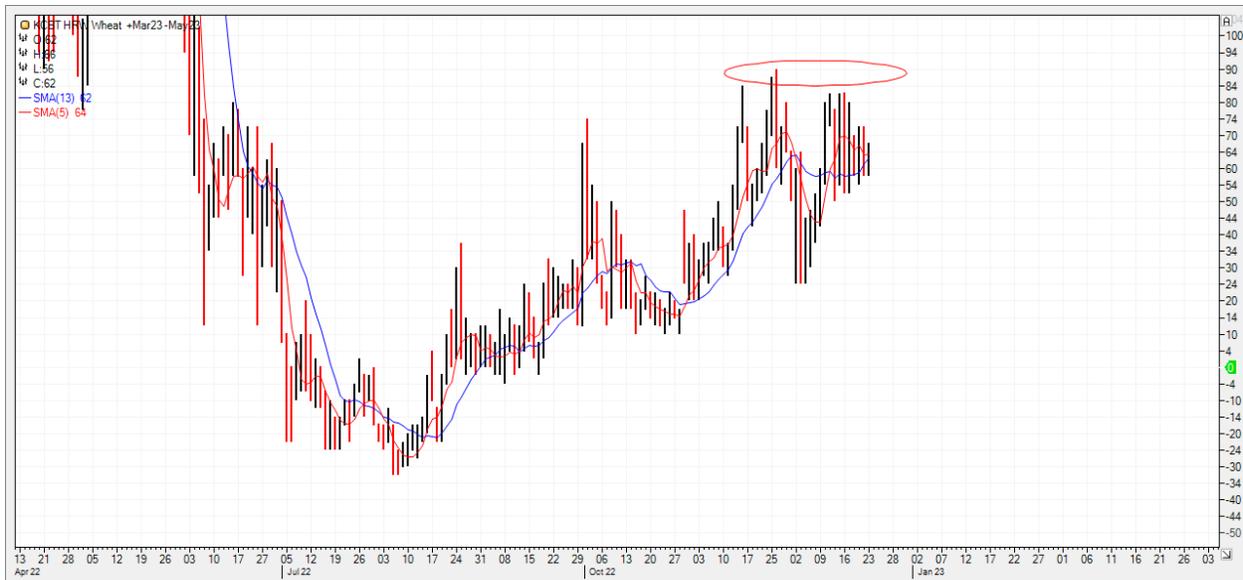
Posted bids mainly tracked the board, but there was some small basis movement:

Date	SE Colorado	Chey. Wells	Burlington	Holyoke area	Roggen area
12/23	\$7.95-\$8.55	\$8.35	\$8.20-\$8.30	\$8.18-\$8.25	\$8.55-\$9.10
12/16	\$7.74-\$8.24	\$8.04	\$7.89-\$7.99	\$7.87-\$7.94	\$8.24-\$8.79
12/09	\$7.53-\$8.13	\$7.93	\$7.78-\$7.88	\$7.76-\$7.83	\$8.13-\$8.68
12/02	\$7.91-\$8.51	\$8.31	\$8.16-\$8.31	\$8.14-\$8.21	\$8.51-\$9.01
11/25	\$8.42-\$8.92	\$8.72	\$8.67-\$8.72	\$8.57-\$8.67	\$9.02-\$9.42
BASIS	SE Colorado	Chey. Wells	Burlington	Holyoke	Roggen area
12/23(H)	-80, -20	-40	-55, -45	-57, -50	-20, +35
12/16(H)	-70, -20	-40	-55, -45	-57, -50	-20, +35

12/09(H)	-80, -20	-40	-55, -45	-57, -50	-20, +35
12/02(H)	-80, -20	-40	-55, -40	-57, -50	-20, +30
11/25(Z)	-80, -30	-50	-55, -50	-65, -55	-20, +20

Date	Concordia	Salina	Hutch/Wichita	Ark City
12/23(H)	-25	-17, -15	-36, -05	-39
12/16(H)	-25	-22, -15	-39, -05	-39
12/09(H)	-25	-22, -15	-39, -05	-39
12/02(H)	-20	-25, -05	-36, -02	-49
11/25(Z)	-25	-35, -15	-46, -15	-49

The slight upward revisions in the Kansas Central Terminals MIGHT be interesting...maybe. My feeling is this is a factor in the KC March-May calendar spread, now around a 6c inverse. Whether this spread can move up above the previous resistance at 8 to 9c inverse is debatable. My opinion is...without export help, I doubt it.



We'll quit here, and I'll wish everyone a sincere Happy New Year!

Stay Safe, and Slow Down.

Remember New Year's Eve is Amateur Night. Be alert.