

Hello Colorado Wheat.

Last week I wrote an 11-page Wheat Market Update (this 'Weekend Wire'...). Based on feedback, I'm reminded of the 1984 film "Amadeus" when Emperor Joseph II says to Mozart: "...too many notes".

OK, this wire will be shorter, possibly because **I'm saving my good stuff for this Friday's Kansas Commodity Classic in Salina!** I hope to see you there.

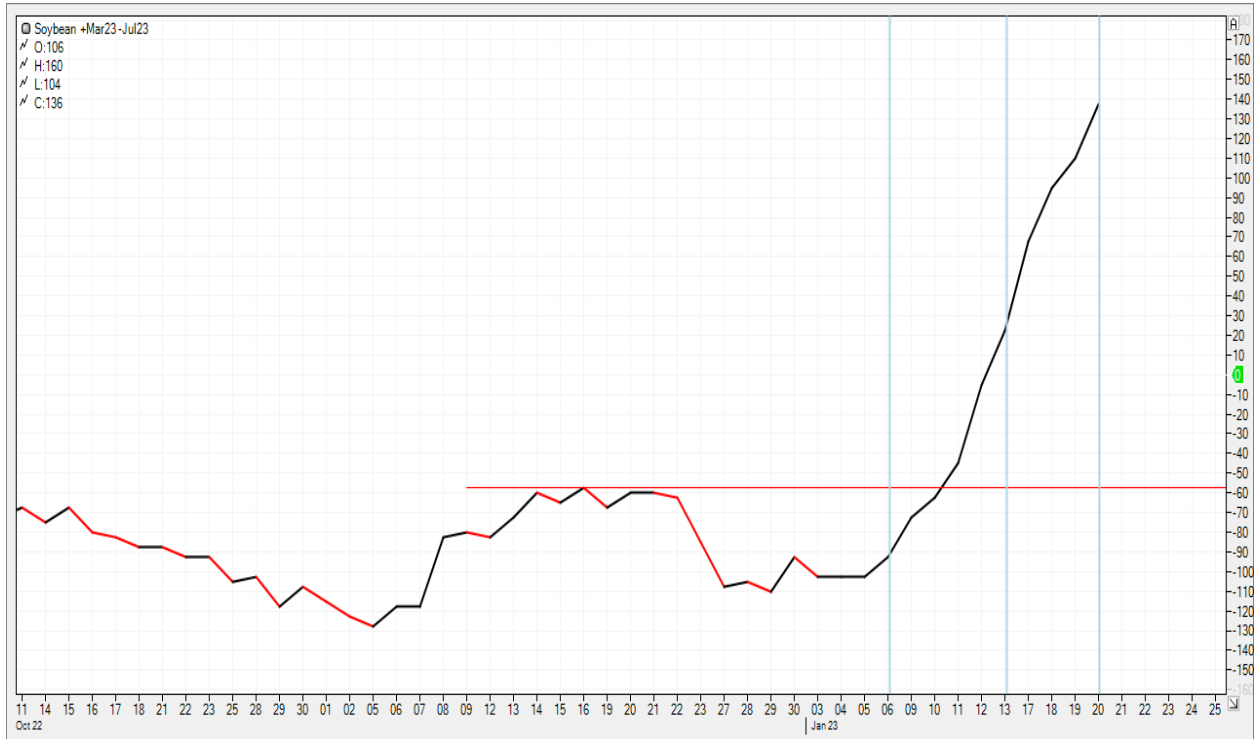
If we don't see each other Friday morning, bright and early..., I suspect there's a pretty good chance we'll see that "good stuff" in future Weekend Wires.

The week ended strangely mixed, with KC wheat up 4c, corn unchanged, while March beans broke 21c and the JULY beans broke 32c. I suspect it's a rare deal when a guy can lose money being bear spread beans with the front end down 21c for the week...:

	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
CLOSE	KWH23	KWN23	CH23	CN23	WH23	MWH23	SH23	SN23	CRD22	ES22
01/20	\$8.48	\$8.36	\$6.76	\$6.64	\$7.42	\$9.13	\$15.07	\$14.93	\$79.86	\$4018
01/13	\$8.44	\$8.35	\$6.75	\$6.64	\$7.44	\$9.12	\$15.28	\$15.25	\$79.86	\$4018
01/06	\$8.32	\$8.24	\$6.54	\$6.48	\$7.44	\$9.02	\$14.92	\$15.02	\$73.77	\$3915
12/30	\$8.88	\$8.77	\$6.79	\$6.72	\$7.92	\$9.39	\$15.24	\$15.33	\$80.26	\$3868
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
Year ago	\$8.01		\$5.93		\$7.70	\$9.79	\$13.40		\$75.57	\$4762

*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***

...but...that’s how the March – July soybean calendar spread closed, at a 13c inverse. In last week’s “too many notes” I missed this spread moving, because I mistakenly had March beans closing at \$15.02 on 01/16, and it should have been \$14.92. I apologize for that, and corrected my Closing Table.

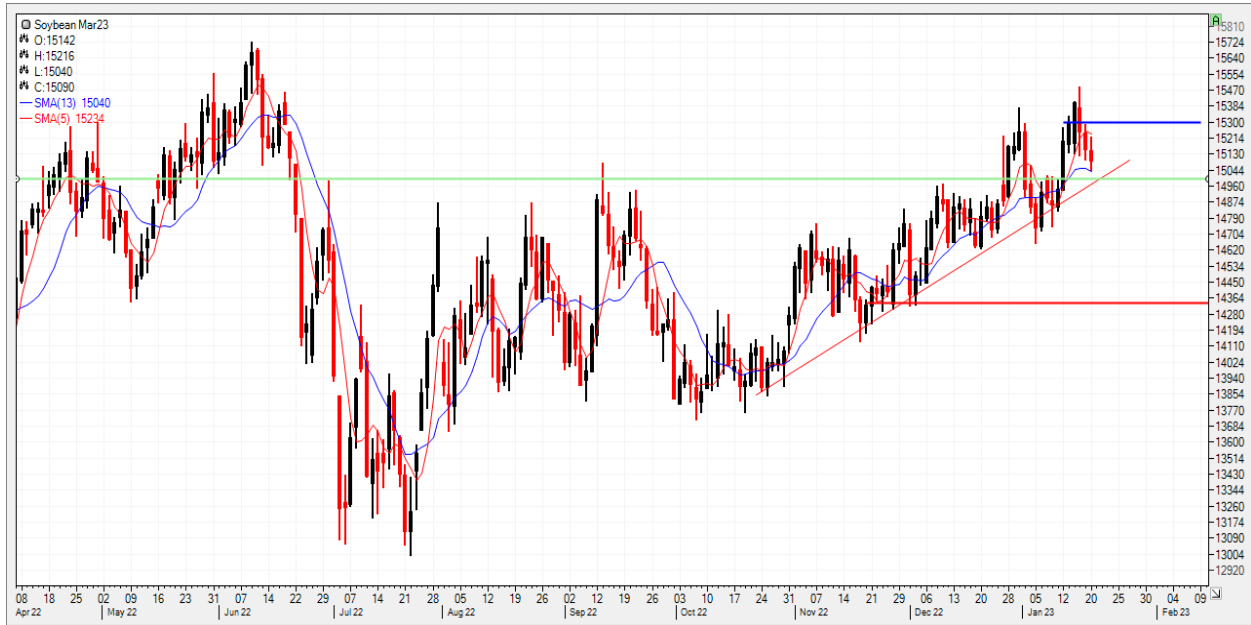


This H-N bean spread has moved about 23c in 2 weeks, from a dime carry to a 13c inverse.

Keep in mind last week I ranted a bit on the USDA reducing their USA soybean export forecast...and this week’s Pace Scorecard only reinforces my rant. Soybeans need to only load slightly more than 24 million bu the remaining 33 weeks in the bean crop year. We loaded 3X what is needed this week, and bean Export Sales were 36 million bu last week. Last year soybean export loadings slowed down in late May...that’s 4 months away. If I traded beans for a living, I wouldn’t feel great about being short bean calendar spreads.

WEEK ENDED (01/12/23)	Weekly loadings	Accumulated in season (FGIS)	Estimated fudge factor	Total loaded est*	USDA projection	Amount needed	Weeks to go	Bu per week needed
Corn	30.5	424.2	60	446	1,925	1479	33	44.8
Soybeans	76.3	1182.1	30	1193	1,990	797	33	24.2
All wheat	11.8	456.4	45	472	775	303	19	15.2
Milo	.1	16.6	5	18	100	82	33	2.5
LAST WEEK								
Corn	15.7	393.6	60	414	1,925	1511	34	44.4
Soybeans	52.8	1105.1	30	1115	1,990	875	34	25.7
All wheat	7.4	444.4	45	472	775	303	20	15.2
Milo	.4	16.5	5	18	100	82	34	2.4

This is the March soybean futures chart. I drew in a green line at \$15.00 to make that level easier to see. The uptrend is still intact. I read China is greatly on holiday this week, due to the Lunar New Year, so maybe beans will feel some pressure, but I'm not in a hurry to get more old-crop beans sold.



This is March corn. The Export Pace is still NOT good, although corn Export Sales at 44.6 mil bu were enough to offer hope the newly lowered USDA corn export forecast is reachable. Technically, March corn's blue line is 8c lower, nominally easier to push up through, but the other side is Blue Lines should be treated as expected (now lower) resistance... Brazil's weather so far has been good enough, and remember the USDA lowered China's Coarse Grain Import forecast 2 mmt on the Jan WASDE update.

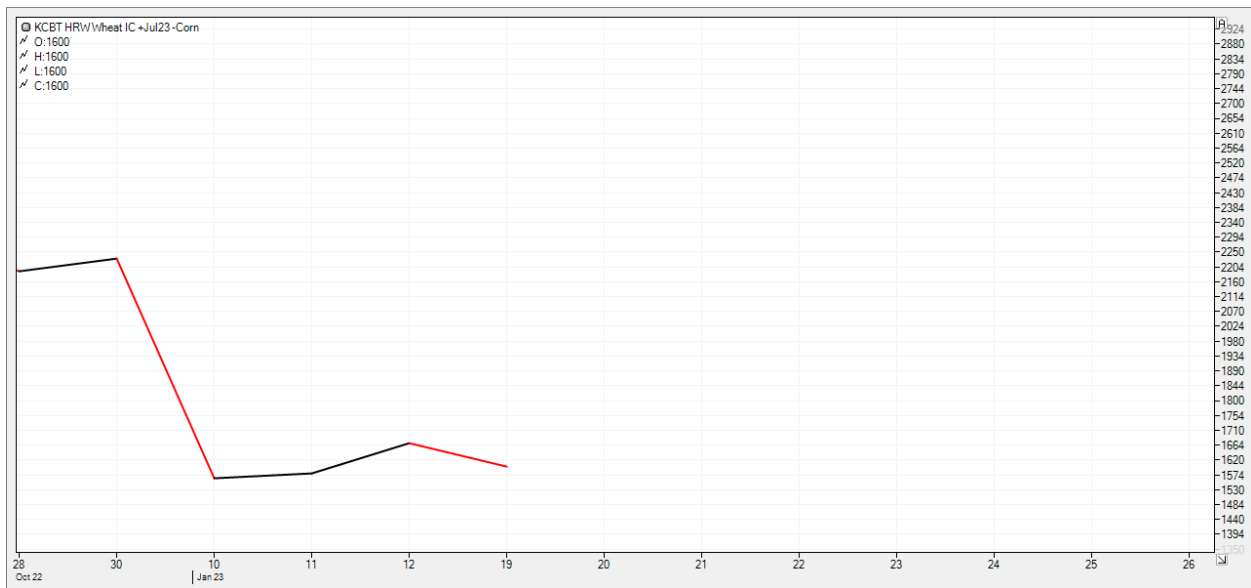


If I was a USA corn farmer, I'd sell my corn if I hadn't yet. I understand the strong corn basis, which probably doesn't break for several months, might offer a guy hope...but the other side is March corn is 75c/bu or so over Dec corn. Inverses should be a red-light warning signal to anyone sitting on unsold inventory.

The KC July wheat chart ...shows a lower Blue line this week, like corn, but not very close to the market.



The KC July wheat – July corn spread is doing nothing...we spent quite a bit of time rambling on about wheat feeding last week....



When the facts are seen in these posted bids:

Date	SE Colorado	Chey. Wells	Burlington	Holyoke area	Roggen area
01/20	\$7.68-\$8.28	\$8.28	\$7.93-\$8.03	\$7.93-\$7.98	\$8.28-\$8.83
01/13	\$7.64-\$8.24	\$8.24	\$7.89-\$7.99	\$7.89-\$7.94	\$8.24-\$8.79
01/06	\$7.52-\$8.12	\$8.12	\$7.77-\$7.87	\$7.75-\$7.82	\$8.12-\$8.67
12/30	\$8.08-\$8.68	\$8.48	\$8.33-\$8.43	\$8.31-\$8.38	\$8.68-\$9.23
12/23	\$7.95-\$8.55	\$8.35	\$8.20-\$8.30	\$8.18-\$8.25	\$8.55-\$9.10

BASIS	SE Colorado	Chey. Wells	Burlington	Holyoke	Roggen area
01/20(H)	-80, -20	-20	-55, -45	-55, -50	-20, +35
01/13(H)	-80, -20	-20	-55, -45	-55, -50	-20, +35
01/06(H)	-80, -20	-20	-55, -45	-57, -50	-20, +35
12/30(H)	-80, -20	-40	-55, -45	-57, -50	-20, +35
12/23(H)	-80, -20	-40	-55, -45	-57, -50	-20, +35

Date	Concordia	Salina	Hutch/Wichita	Ark City
01/20(H)	-25	-15, -12	-36, -05	-39
01/13(H)	-25	-15, -12	-36, -05	-39
01/06(H)	-25	-15, -12	-36, -05	-39
12/30(H)	-25	-15, -12	-36, -05	-39
12/23(H)	-25	-17, -15	-36, -05	-39

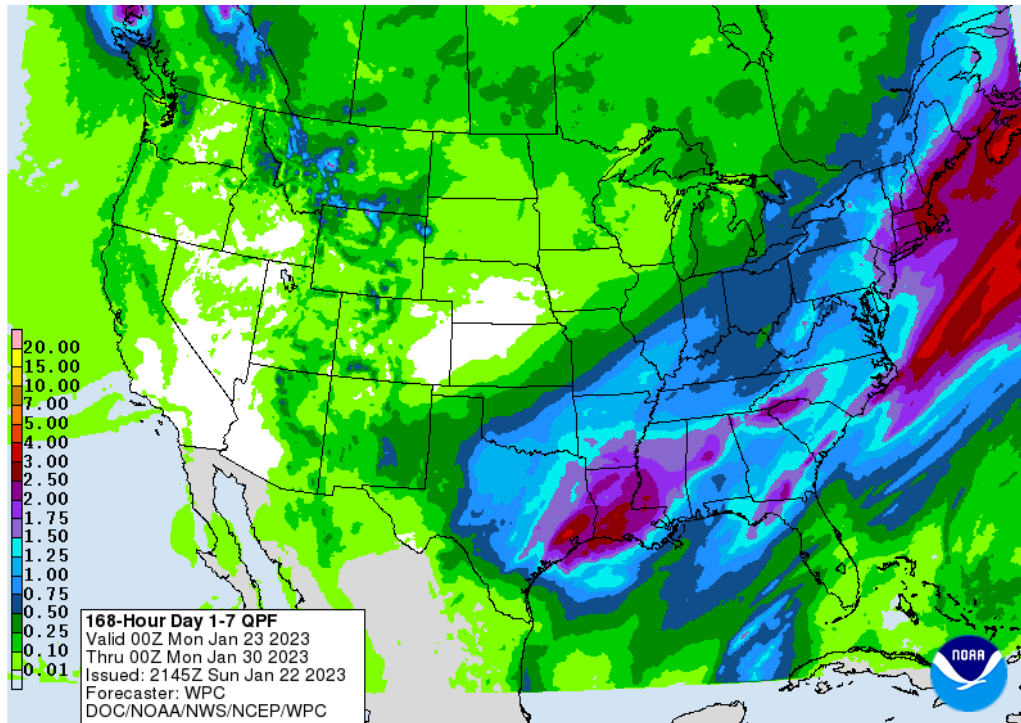
The average posted Colorado wheat bid is \$8.14/bu, whereas the best posted corn bid I see is +140, which is \$8.16/bu. I think we stay in these even-money doldrums for quite a while, where one grain can't move away from the other without some outside (currently unseen) impetus.

USA wheat export demand apparently isn't that impetus, as the Gulf dropped a dime.

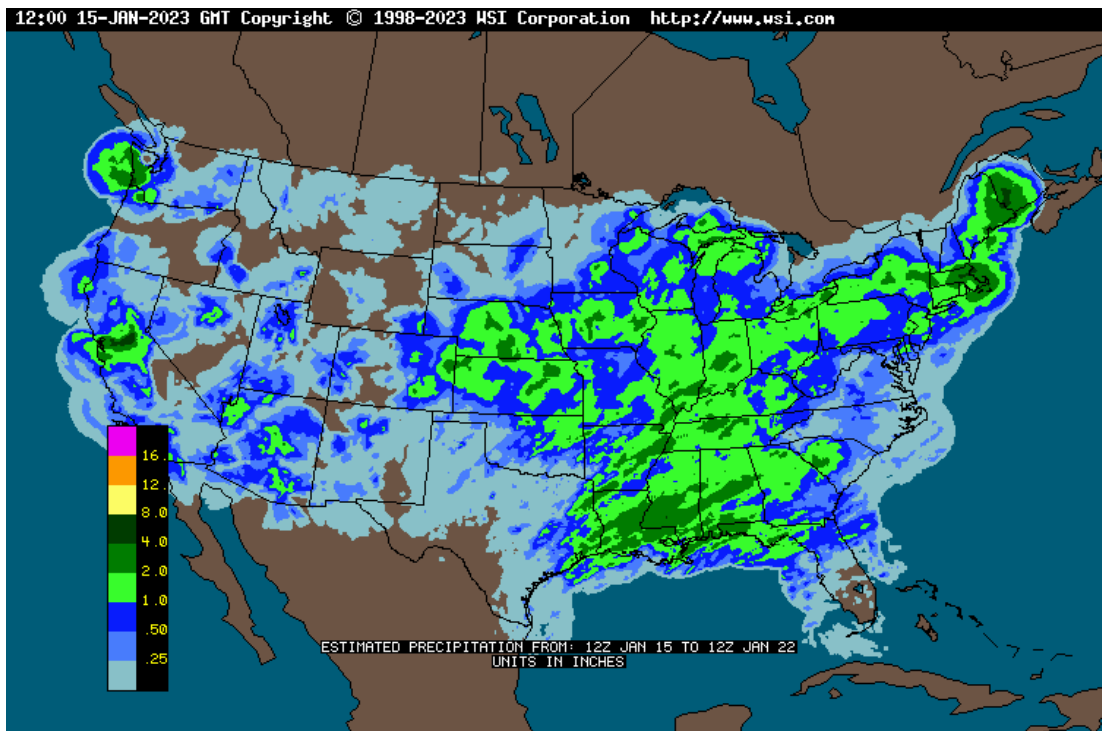
GULF date	12 pro	ords	diff
1/20/2023	155	150	5
1/13/2023	165	160	5
1/6/2023	162	160	2
12/30/2022	157	153	4

We didn't see any movement in the posted Colorado basis bids, even though the **Gulf bids dropped a dime last week**. Normally that would affect posted bids in the country, but right now, the wheat flour mills' competitor is the Cow, not the world wheat importer. Like, uh, Moo.

This 7-day Precipitation Forecast isn't wet for most of the USA HRW Belt:



BUT last week and through most of the weekend, the HRW Belt was indeed WET:



I don't think the market went home Friday night expecting that much much weekend precipitation, and the quiet Chinese buyers out on "holiday mode" probably cause a defensive posture starting Sunday night.

Speaking of maps and images ...have you guys seen this firm is offering a high-res satellite image almost ON DEMAND for \$175? <https://www.skyfi.com/pricing>

From their website... So, How Does SkyFi Technology Work?

Using just your phone, desktop or tablet, SkyFi empowers you to command a satellite's camera with just a few taps. From the app interface, you can choose any place on planet Earth and SkyFi will not only deliver a high-resolution image of that place, you can buy that image and keep it forever, whether you're using it solve real-world problems or memorializing it on your living room wall.

Looks interesting, no doubt, although I'm not sure how the demand will be.

Speaking of "interesting" ...here's a couple articles I can't resist...

The LA Times recently said those big recent storms out West were NOT due to "global warming". <https://www.latimes.com/environment/story/2023-01-19/california-storms-more-hype-than-climate-change>

And one more...The Guardian published an article questioning the value of Carbon Credits and the impact on deforestation...

<https://www.theguardian.com/environment/2023/jan/18/carbon-markets-credits-offsets-deforestation-aoe>

I admit I don't know what "the facts" truly are, but both of those articles are not what I expected from today's "mainstream media", which somehow seems refreshing.

Have a good week. Stay Safe, which means Slow Down!

I hope to see you Friday morning in Salina at the Kansas Commodity Classic.