

Hello Colorado Wheat.

Last week I tried to sound fairly bearish...mainly as Chinese imports of about everything might be struggling and enough uncertainty about continued robust demand exists to cause uneasiness. Sometimes it feels like we take that steady demand for granted.

We've sold all our old-crop wheat and corn, and undeniably the week closed poorly...with KC wheat down 65c, and corn down 28c. We haven't sold all our beans...although the 11-week Closing Table shows there are 4, count 'em...4 of the 12 weeks shown closing within a couple cents of \$15.25/bu...going nowhere fast. Beans show a double-bottom of support at \$14.85ish, which I like, as it's going to be my red line in the sand. A weekly close below will be the sell-signal for the next chunk of beans, but who knows...beans still have a chance of setting new highs.

	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	<b>SH23</b>	SN23	CRD22	ES22
<b>02/24</b>	<b>\$8.42</b>	<b>\$8.28</b>	<b>\$6.50</b>	<b>\$6.39</b>	<b>\$7.08</b>	<b>\$8.86</b>	<b>\$15.29</b>	<b>\$15.09</b>	<b>\$76.32</b>	<b>\$3976</b>
02/17	\$9.07	<b>\$8.83</b>	\$6.78	\$6.66	\$7.66	\$9.30	\$15.27	\$15.14	\$76.34	\$4088
02/10	<b>\$9.09</b>	<b>\$8.82</b>	\$6.81	\$6.67	\$7.86	\$9.30	<b>\$15.43</b>	\$15.23	\$79.72	\$4100
02/03	\$8.73	\$8.58	\$6.78	\$6.65	\$7.57	\$9.22	<b>\$15.32</b>	\$15.17	\$73.39	<b>\$4148</b>
01/27	\$8.69	\$8.53	<b>\$6.83</b>	\$6.66	\$7.50	\$9.22	\$15.10	\$14.96	\$79.68	<b>\$4084</b>
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	<b>\$15.28</b>	\$15.25	\$79.86	\$4018
01/06	<b>\$8.32</b>	<b>\$8.24</b>	\$6.54	\$6.48	\$7.44	\$9.02	\$14.92	\$15.02	\$73.77	\$3915
12/30	\$8.88	\$8.77	\$6.79	<b>\$6.72</b>	<b>\$7.92</b>	<b>\$9.39</b>	<b>\$15.24</b>	<b>\$15.33</b>	<b>\$80.26</b>	<b>\$3868</b>
12/23	\$8.75	\$8.62	\$6.66	\$6.58	\$7.76	\$9.32	<b>\$14.85</b>	\$14.93	\$79.56	<b>\$3868</b>
12/16	\$8.44	\$8.32	\$6.53	\$6.48	\$7.54	\$9.10	<b>\$14.83</b>	<b>\$14.90</b>	\$74.30	<b>\$3872</b>
12/09	<b>\$8.33</b>	<b>\$8.22</b>	<b>\$6.44</b>	<b>\$6.41</b>	<b>\$7.34</b>	<b>\$9.02</b>	<b>\$14.87</b>	<b>\$14.96</b>	<b>\$71.02</b>	<b>\$3932</b>
<i>Year ago</i>	<b>\$8.01</b>		<b>\$5.93</b>		<b>\$7.70</b>	<b>\$9.79</b>	<b>\$13.40</b>		<b>\$75.57</b>	<b>\$4762</b>

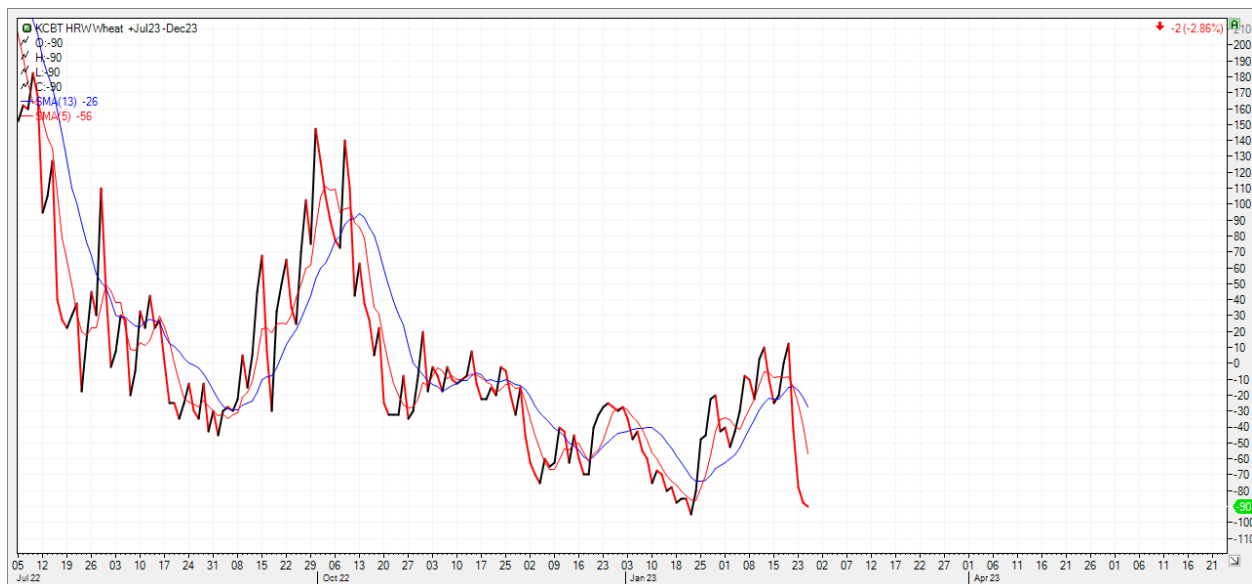
That's the old-crop situation. The hard part...which we haven't spent much time on...is what to do about new -crop corn and beans? We've sold up to half of our new-crop wheat, but...what about corn and beans?

*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*

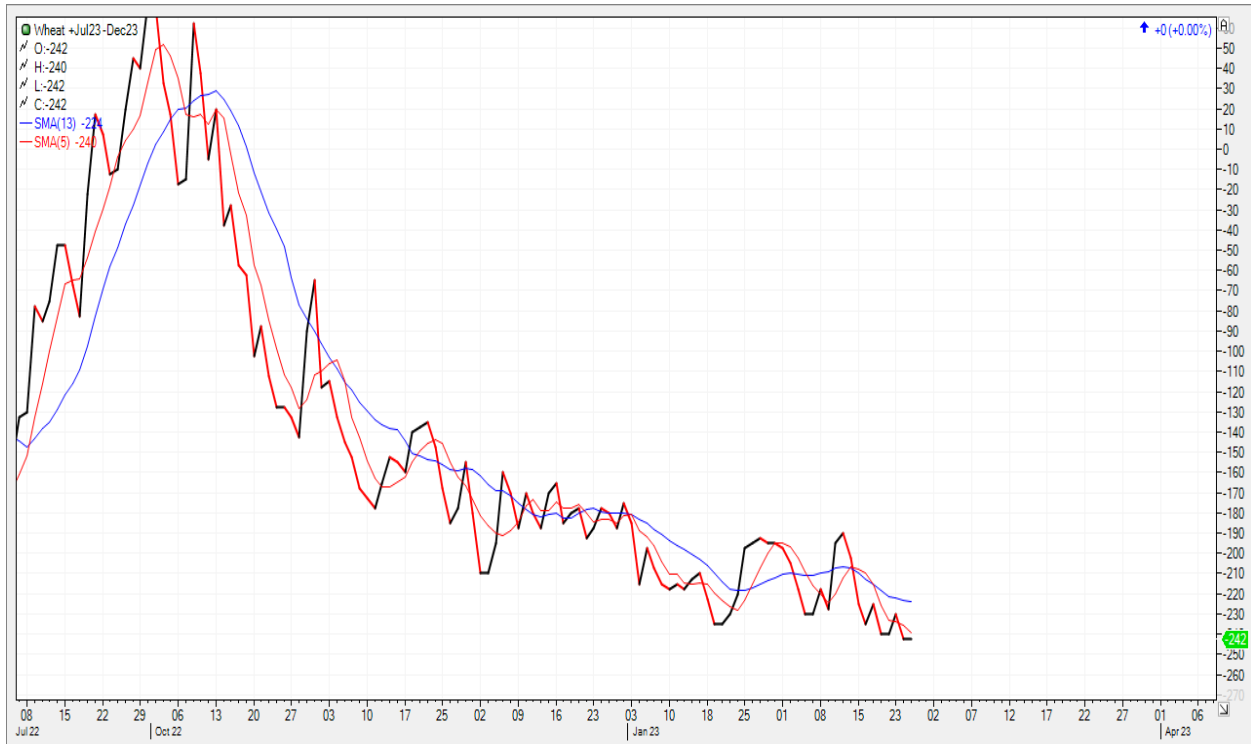
Let's take a look at the table with these columns, now showing July KC wheat, corn and beans and now added the Dec KC wheat, Chgo and MGEX Z wheats, and Dec corn and Nov beans.

	July '23 HRW	DEC '23 HRW	July'23 corn	DEC '23 corn	Chgo Z wheat	Springs Dec (Z)	july'23 soybean	NOV '23 Soybean	Crude oil	S&P
CLOSE	KWN23	KWZ23	CN23	CZ23	WZ23	MWZ23	SN23	SX23	CRD22	ES22
02/24	\$8.28	\$8.35	\$6.39	\$5.77	\$7.50	\$8.68	\$15.09	\$13.74	\$76.32	\$3976
02/17	\$8.83	\$8.83	\$6.66	\$5.96	\$8.03	\$9.01	\$15.14	\$13.85	\$76.34	\$4088
02/10	\$8.82	\$8.84	\$6.67	\$5.96	\$8.21	\$8.98	\$15.23	\$13.79	\$79.72	\$4100
02/03	\$8.58	\$8.62	\$6.65	\$5.96	\$7.94	\$8.90	\$15.17	\$13.70	\$73.39	\$4148
01/27	\$8.53	\$8.56	\$6.66	\$5.88	\$7.79	\$8.78	\$14.96	\$13.52	\$79.68	\$4084
01/20	\$8.36	\$8.45	\$6.64	\$5.96	\$7.76	\$8.80	\$14.93	\$13.54	\$79.86	\$4018
01/13	\$8.35	\$8.45	\$6.64	\$5.99	\$7.75	\$8.81	\$15.25	\$13.93	\$79.86	\$4018
01/06	\$8.24	\$8.29	\$6.48	\$5.91	\$7.77	\$8.92	\$15.02	\$13.96	\$73.77	\$3915
12/30	\$8.77	\$8.78	\$6.72	\$6.11	\$8.20	\$9.05	\$15.33	\$14.17	\$80.26	\$3868
12/23	\$8.62	\$8.64	\$6.58	\$6.02	\$8.05	\$9.02	\$14.93	\$13.95	\$79.56	\$3868
12/16	\$8.32	\$8.39	\$6.48	\$5.98	\$7.86	\$8.96	\$14.90	\$13.89	\$74.30	\$3872
12/09	\$8.22	\$8.26	\$6.41	\$5.93	\$7.68	\$8.91	\$14.96	\$13.98	\$71.02	\$3932
Year ago	\$8.01		\$5.93		\$7.70	\$9.79	\$13.40		\$75.57	\$4762

KC July and KC Dec wheats are almost the same price...but exhibits a weaker feel, now with a 9c carry; this is KC N – KC Z:



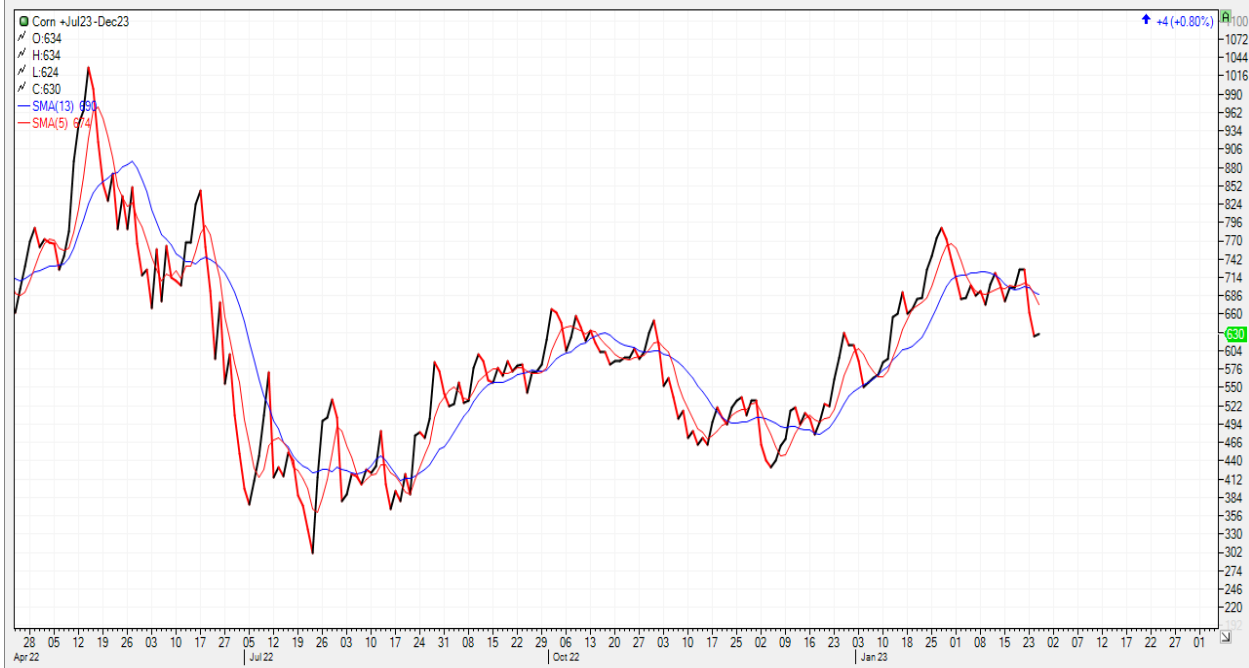
Chgo July-Dec wheat spread is even wider, showing a 24c carry, which is almost 5c a month carrying charge, and that will indeed pay for some storage. The chart does look kinda heavy, probing the lows...



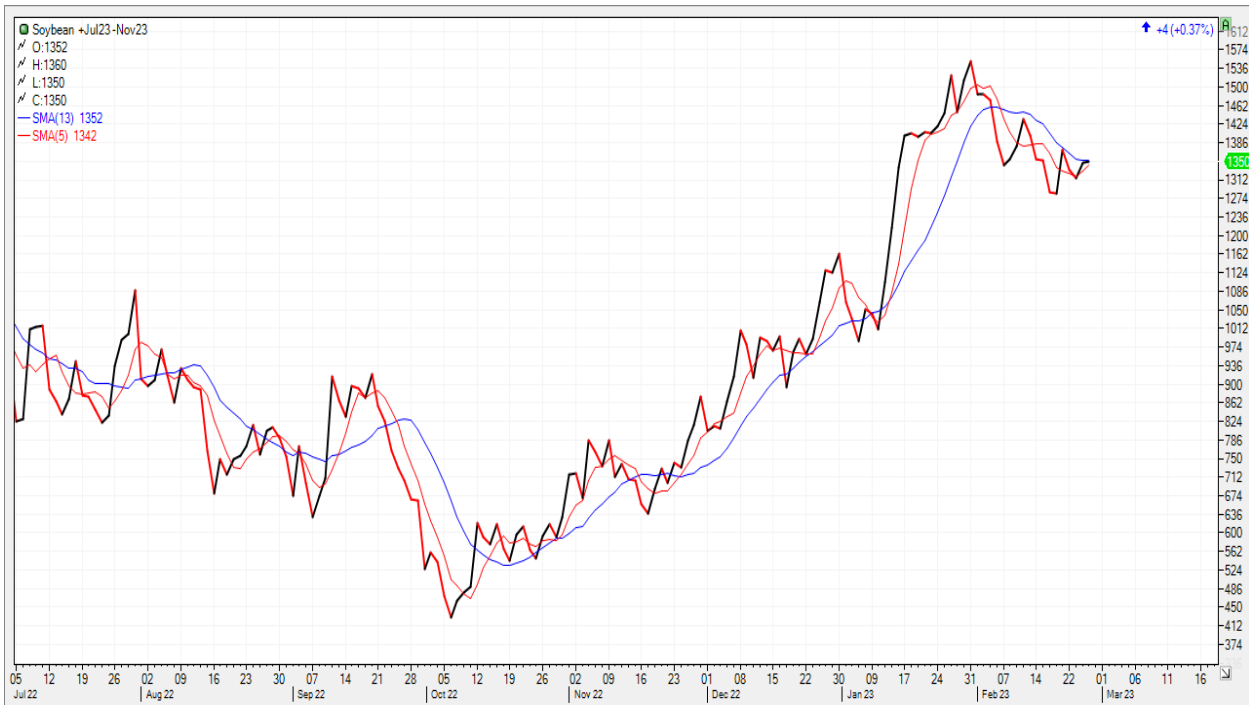
The July-Dec Spring Wheat is very illiquid, but certainly shows the inverse breaking down. A 30c inverse, broke to a 20c inverse, which is...now probing the lows, maybe making a move towards even money.



The other grains though are trickier, and thus make the decision about selling new-crop corn or beans far from easy. This is July-Dec corn, still with more than a 60c inverse. I know most farmers prefer the inverse to take care of things by the back-end rising up to the front end, but...often the reverse happens, and the front end just sinks on down to the new-crop prices:



And worse, the July-Nov old-crop/new-crop spread is inverted by a dollar and 35c.



This week was the Agricultural Outlook Forum, held annually in Washington, which offers the first “semi-official” look at what the USDA thinks about the prospects. I gave my own initial outlook on the new-crop situations a couple weeks ago in Salina, so for the heck of it, we’ll compare them to what the USDA showed this week. And of course, we all know the final results will be, or at least could be...very different. But for now, it’s a place to start.

My acreage totals agree almost 1:1 with the Ag Forum, ALTHOUGH...I took the bait of the buzz about the expected soybean processing expansion would need bean acres, whereas interestingly, the USDA ‘s Ag forum is more old-school, and thus heavy on corn acres:

			Maltby	Ag Forum	
2020/21	2021/22	2022/23	2023/24	2023/24	
44,450	46,740	45,738	50,400	49,500	wheat
90,652	93,252	88,579	87,579	91,000	corn
83,354	87,195	87,450	90,500	87,500	beans
5,880	7,305	6,325	6,500	6,500	milo
224,336	234,492	228,092	234,979	234,500	sum
310,407	317,119	312,111	322,000	322,001	

Similarly, comparing with what I guessed the National Average farm Prices would be...this table shows my guesses were dead on with corn and milo, but I was low on wheat, and high on beans:

				Maltby	Ag Forum		
	2020/21	2021/22	2022/23	2023/24	2023/24	fut prx	
wheat NAFP	\$5.05	\$7.63	\$9.10	\$7.75	\$8.50	\$8.35	KWZ
corn NAFP	\$4.53	\$6.00	\$6.70	\$5.65	\$5.60	\$5.77	CZ
beans NAFP	\$10.80	\$13.30	\$14.20	\$13.75	\$12.90	\$13.74	SX
milo NAFP	\$5.04	\$5.94	\$6.90	\$5.65	\$5.60		

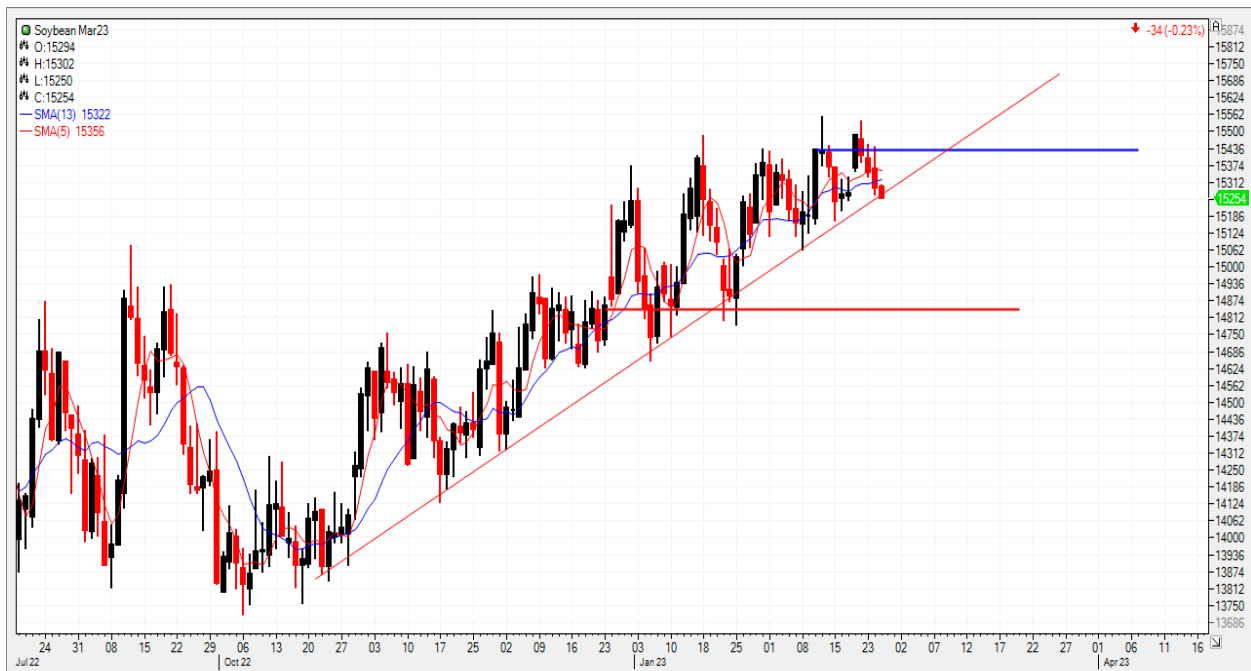
The table also shows where the current futures prices for these new-crop grains are, and what jumps out the most is...Nov beans are about 85c/bu over the Ag Forum soybean NAFP. Corn and wheat are a little overpriced compared to Ag Forum ideas.

Looks to me like...as we’ve sold up to 50% of our new-crop wheat, we can wait on that, and corn futures and Ag Forum ideas, and even my idea about new-crop corn prices are all currently aligned, ...I think we can wait for a technical signal or new fundamental input for new-crop corn, **but beans are the most troubling.**

This is the Nov beans chart. If you are still sitting on a big percentage of old-crop soybeans, I'd go ahead and get started selling some new-crop beans. IF you don't have a lot of old-crop beans, then just be comfortable with the idea that big sell-signals are expected under \$13.50 in Nov beans.



and speaking of those old-crop beans...the uptrend is still intact, but under attack, no doubt. If that uptrend gives way, then for some of you, depending on what percentage of beans you have remaining...that will be a sell-signal. This is March soybeans. The weather in Argentina is too dry, but Brazil seems pretty good.

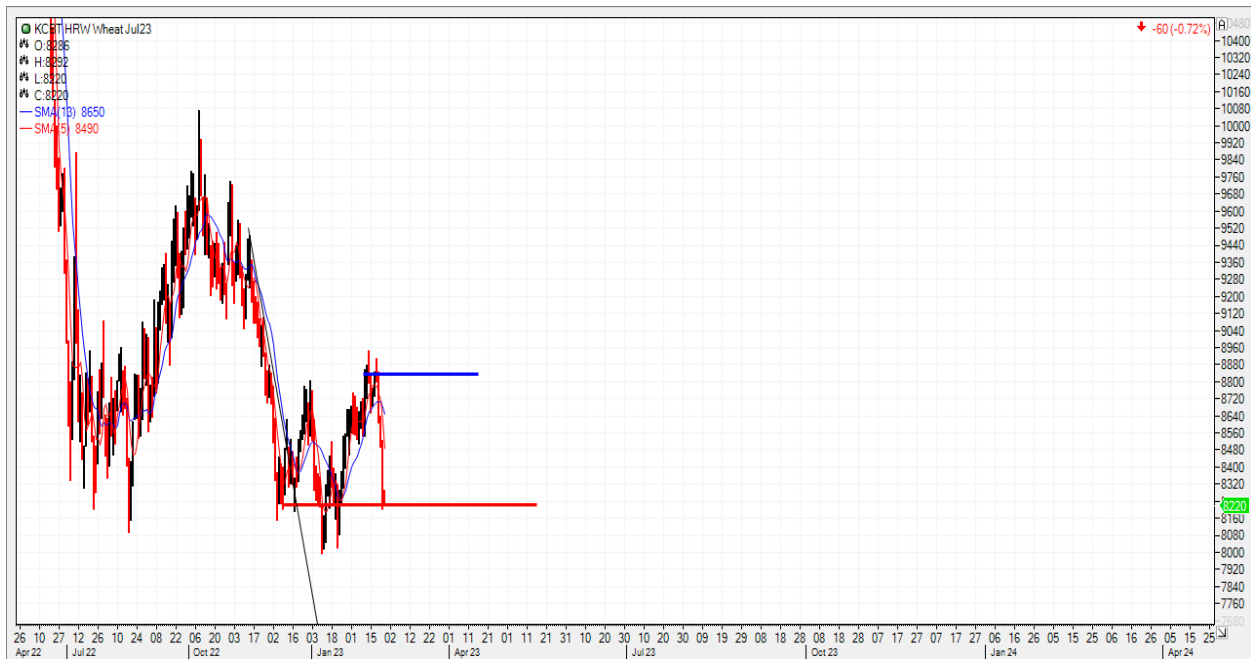


The March (old-crop) corn chart DID INDEED SET a NEW RED Line on Friday's close, as the old red line will be rolling off the chart. And a new lower weekly close will bring in more selling.

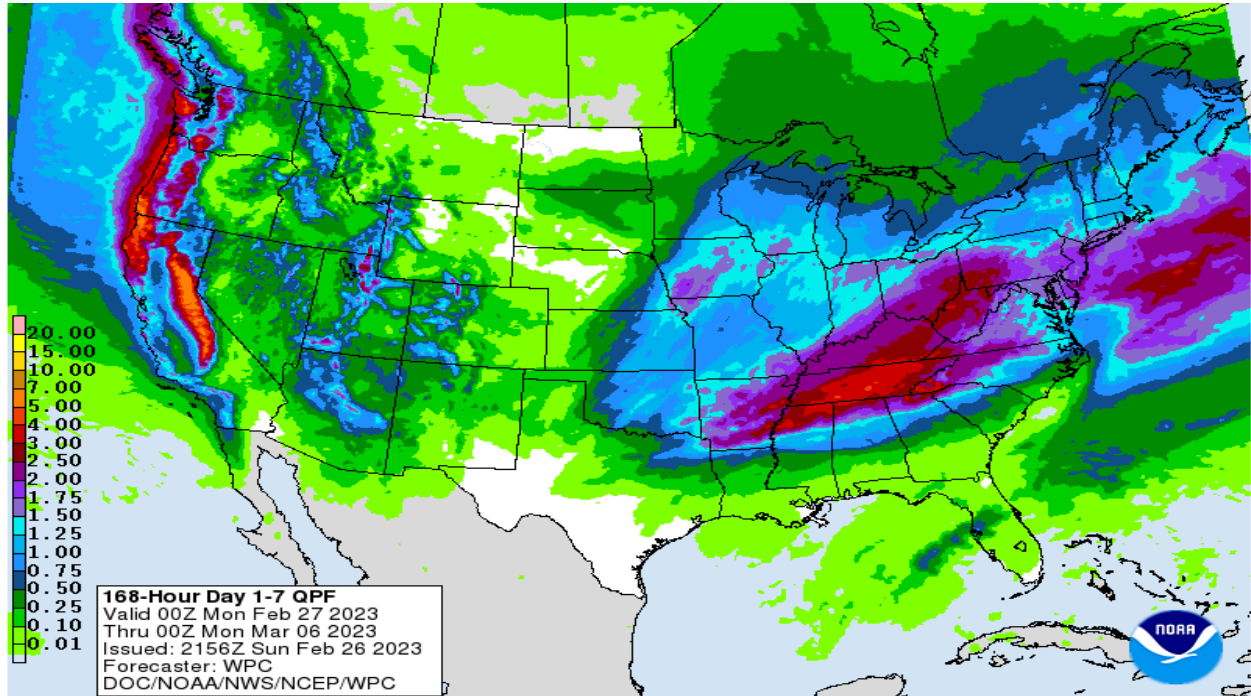
I recommended selling "my" corn a few weeks ago. I don't know if you did, but if you have unsold corn, you are certainly facing a decision. This is March corn, and in corn, the good Brazilian weather is more important than the dry Argentinian weather.



Technically, KC July wheat looks really heavy. I'm glad we sold what we did.



This current rain event is a bearish input, although last week's 60c price whack in wheat priced in much of it. And that's very apparent as the early Sunday night trading showed KC July wheat unchanged to a little higher...although whether that is sustainable is debatable. Go back and look at that chart again, and you'll see my concern, and we all know a new red number this week would bring in more technical selling.



Export loadings were better for corn, although corn export sales of 32.4 mmt were not good. Wheat had a little better sales, but export loadings were down (opposite of corn), and beans...well this is why old-crop soybeans have refused to break.

WEEK ENDED (02/09/23)	Weekly loadings	Accumulated in season (FGIS)	Estimated fudge factor	Total loaded est*	USDA projection	Amount needed	Weeks to go	Bu per week needed
Corn	24.5	<b>540.7</b>	<b>60</b>	568	<b>1,925</b>	1357	<b>28</b>	<b>48.5</b>
Soybeans	58.0	<b>1520.7</b>	30	1534	<b>1,990</b>	456	<b>28</b>	<b>16.3</b>
All wheat	13.7	<b>538.6</b>	45	571	<b>775</b>	204	<b>14</b>	<b>14.7</b>
Milo	2.8	<b>22.4</b>	5	25	<b>90</b>	65	<b>28</b>	<b>2.3</b>
LAST WEEK								
Corn	20.1	<b>514.1</b>	<b>60</b>	540	<b>1,925</b>	1385	29	<b>47.8</b>
Soybeans	57.1	<b>1452.9</b>	30	1466	<b>1,990</b>	524	29	<b>18.1</b>
All wheat	17.4	<b>524.9</b>	45	557	<b>775</b>	218	15	<b>14.5</b>
Milo	0.0	<b>19.6</b>	5	22	<b>90</b>	68	29	<b>2.3</b>

Pretty soon, March 8, we'll see the March WASDE update, and how the soybean export forecast won't be raised and the corn export forecast be lowered...is beyond me, but we'll see.



Posted Gulf bids were rolled to the May, at even money, even though the futures show a 7c inverse, which means in effect the Gulf bids are down 7c:

GULF date	12 pro	ords	diff	
2/24/2023	150	148	2	K
2/17/2023	150	148	2	H
2/10/2023	152	150	2	
2/3/2023	155	150	5	
1/27/2023	155	150	5	

And bids in the country are still mainly against the March, although some are moving to the May. The weaker Gulf has put a slightly weaker feel to these basis bids:

Date	SE Colorado	Chey. Wells	Burlington	Holyoke area	Roggen area
<b>02/24</b>	<b>\$7.62-\$8.12</b>	<b>\$8.22</b>	<b>\$7.85-\$7.95</b>	<b>\$7.82-\$7.92</b>	<b>\$8.22-\$8.48</b>
02/17	\$8.27-\$8.87	\$8.87	\$8.52-\$8.62	\$8.47-\$8.57	\$8.78-\$9.03
02/10	\$8.29-\$8.89	\$8.89	\$8.54-\$8.64	\$8.54-\$8.59	\$8.89-\$9.44
02/03	\$7.93-\$8.53	\$8.53	\$8.18-\$8.28	\$8.18-\$8.23	\$8.53-\$9.08
01/27	\$7.89-\$8.49	\$8.49	\$8.14-\$8.24	\$8.14-\$8.19	\$8.49-\$9.04
BASIS	SE Colorado	Chey. Wells	Burlington	Holyoke	Roggen area
<b>02/24(H)</b>	<b>-80, -30</b>	<b>-20</b>	<b>-57, -47</b>	<b>-60, -50</b>	<b>-20, +06</b>
02/17(H)	-80, -20	-20	-55, -45	-60, -50	-28, -03
02/10(H)	-80, -20	-20	-55, -45	-55, -50	-20, +35
02/03(H)	-80, -20	-20	-55, -45	-55, -50	-20, +35
01/27(H)	-80, -20	-20	-55, -45	-55, -50	-20, +35
Date	Concordia	Salina	Hutch/Wichita	Ark City	
<b>02/24(H)</b>	<b>-30</b>	<b>-30, -12</b>	<b>-36, -12</b>	<b>-39</b>	
02/17(H)	-30	-20, -12	-36, -12	-39	
02/10(H)	-25	-15, -12	-36, -05	-39	
02/03(H)	-25	-15, -12	-36, -05	-39	
01/27(H)	-25	-15, -12	-36, -05	-39	

**Recapping...based on the Ag Forum Outlook Conference...Nov soybean futures appear overpriced, and probably signal some new-crop beans should be priced, especially if you're sitting on a lot of old-crop unsold beans.**

New-crop wheat...we sold what we'll sell; new-crop corn...so far, I'm doing nothing.

News...about the same as usual, although India's new-crop wheat prospects might not be as great as the Indian government was saying...it's hot over there: <https://www.tribuneindia.com/news/punjab/wheat-growers-fear-crop-loss-as-temperature-hits-above-normal-range-483298>

OK, that's enough for now.

Have a good week. Stay Safe...Slow Down.