

Hello Colorado Wheat.

Looking at these posted bids...what jumps out at me is... wheat bids are down almost a dollar/bushel in 2 weeks. Like always...climb up the stairs but take the elevator down.

Date	SE Colorado	Chey. Wells	Burlington	Holyoke area	Roggen area
03/03	\$7.35-\$7.86	\$7.96	\$7.66-\$7.76	\$7.61-\$7.66	\$7.88-\$8.29
02/24	\$7.62-\$8.12	\$8.22	\$7.85-\$7.95	\$7.82-\$7.92	\$8.22-\$8.48
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

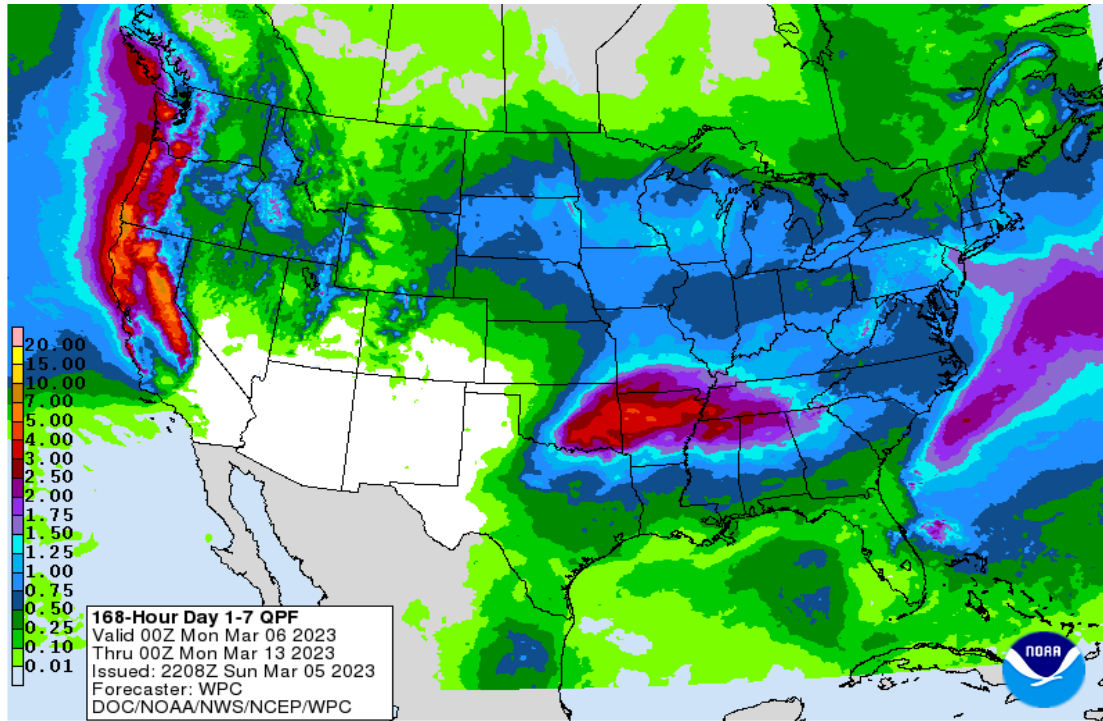
BASIS	SE Colorado	Chey. Wells	Burlington	Holyoke	Roggen area
03/03(K)	-80, -30	-20	-50, -40	-55, -50	-29, +12
02/24(H)	-80, -30	-20	-57, -47	-60, -50	-20, +06
02/17(H)	-80, -20	-20	-55, -45	-60, -50	-28, -03
02/10(H)	-80, -20	-20	-55, -45	-55, -50	-20, +35

Date	Concordia	Salina	Hutch/Wichita	Ark City
03/03(K)	-25	-30, -12	-36, -05	-39
02/24(H)	-30	-30, -12	-36, -12	-39
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

The old-crop wheat was sold long ago, but I haven't felt comfortable about selling all of the expected new-crop wheat production, which is too bad, as it's a nasty double-edged blade. My HOPE is prices won't continue cratering, and we'll be able to sell what unsold wheat we cut at a decent price, but admittedly...hope isn't a great strategy.

*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***

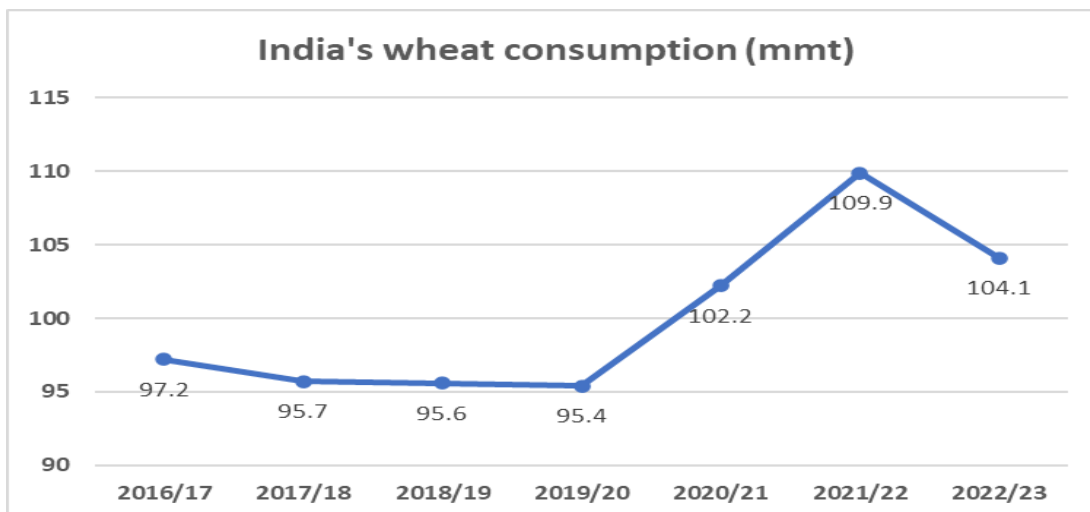
This week's forecast isn't a complete miss, except for The Panhandles and the SW KS and SE CO corners... It's not exactly wet, yet...damp enough to keep the futures in check for a few days.



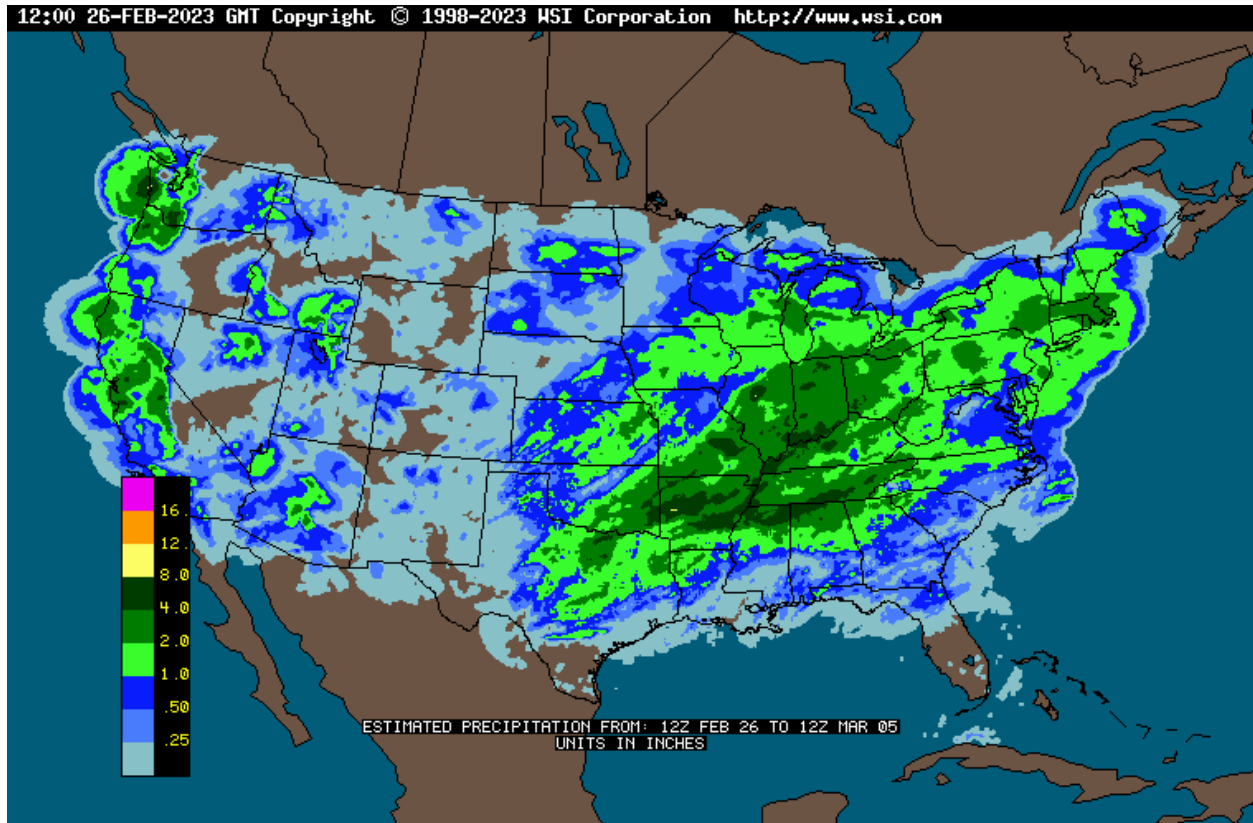
The March WASDE update will be released Wednesday am which should draw attention for a couple days...and then it'll be time to look at a new weather forecast. Soon St. Patty's Day will be upon us, and then the Great Plains weather will gather more scrutiny.

In the meantime, another weather situation and forecast is simmering...literally, over in India.

This Reuters article is pretty good; it says early expectations of 112 mt crop are now more likely 106 mmt, and a heatwave in March could take it down to 101 mmt., which is less than they've been using. <https://www.reuters.com/world/india/indias-wheat-output-dented-by-heatwave-could-limit-government-stock-building-2023-03-03/>



Last week wasn't bone dry in The Plains.



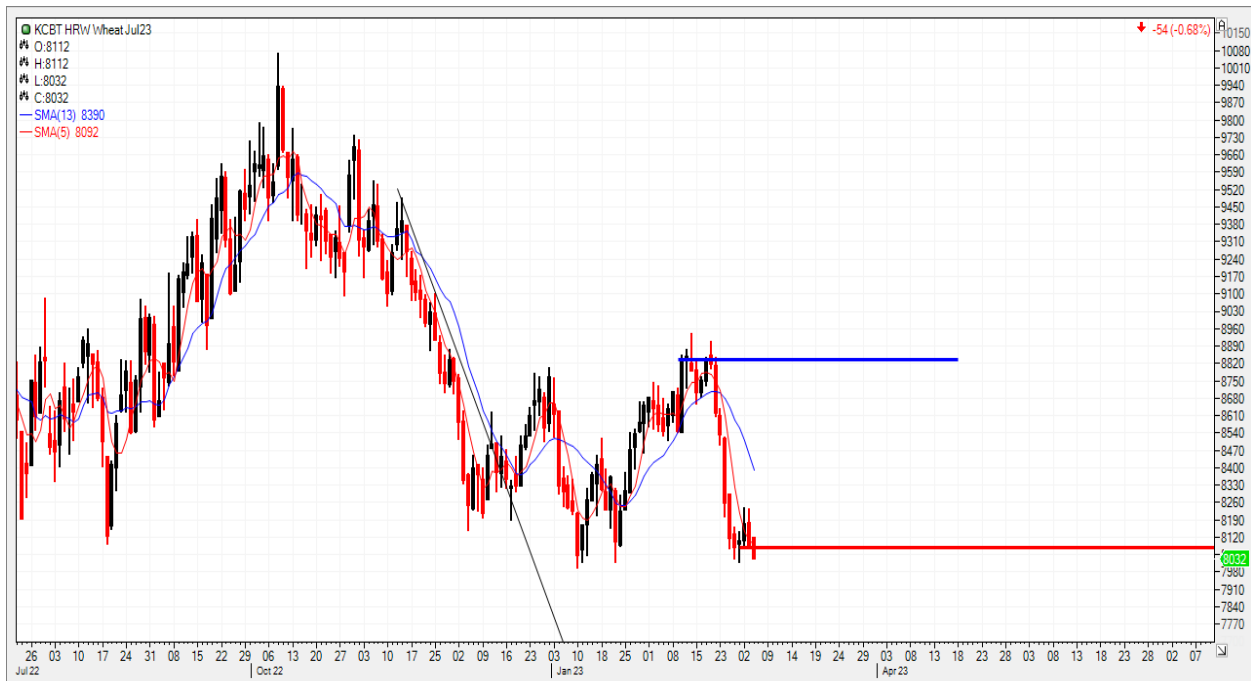
And that moisture helped push KC wheat futures lower and set new red numbers. Corn was off a dime, but beans were about unchanged.

	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
03/03	\$8.09	\$8.19	\$6.28	\$5.71	\$7.44	\$8.67	\$15.06	\$13.73	\$79.68	\$4050
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
Year ago	\$8.01		\$5.93		\$7.70	\$9.79	\$13.40		\$75.57	\$4762

Anyway... "the market" doesn't seem too concerned yet, but if the headlines start blaring "India is tendering to buy wheat" ... we would get a hard bounce, no doubt.

AS it is...the KC July wheat chart is heavy, setting new red numbers (new 11-week Closing Lows). A new low Friday close will bring in new Fund selling. We've some of our new-crop wheat, and could very likely end up wishing we had sold it all, but...I don't have the stomach for that.



Posted Gulf bids are both up and down a little, depending on protein:

GULF date	12 pro	ords	diff
3/3/2023	151	147	4
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

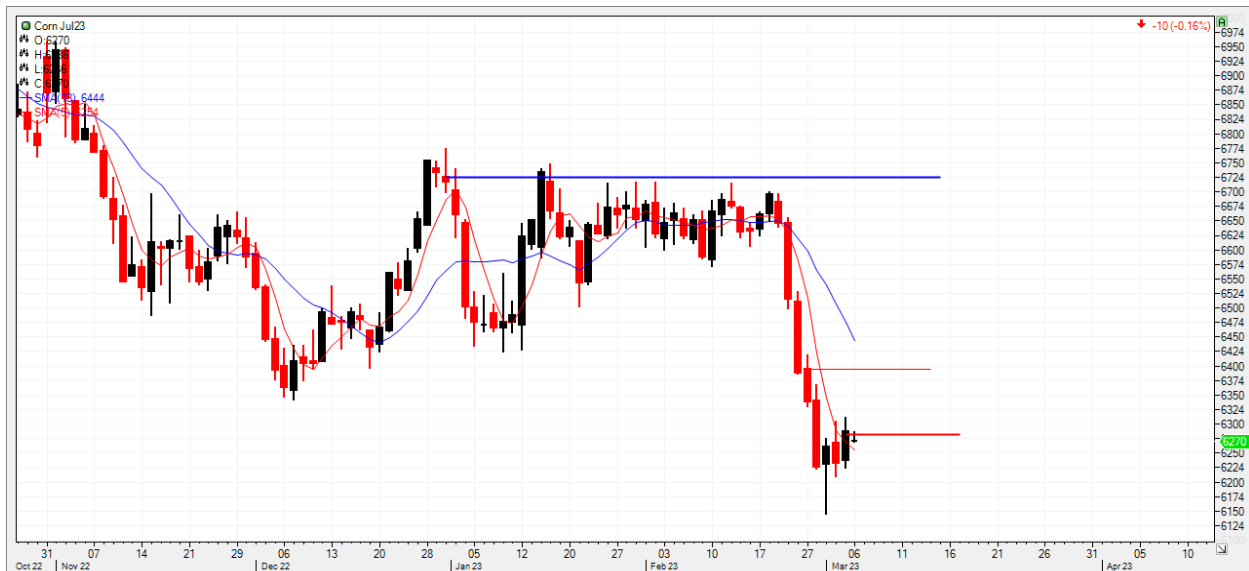
And it should be pointed out that actual wheat exports this week were pretty good, at almost 22 million, allowing the “amount needed” to decrease to about 14 million bu weekly. That was the good news; the bad news is wheat Export sales were only 10.4 mil bu. I DO NOT expect the USDA to make a change to their USA all wheat export forecast this week.

WEEK ENDED (02/23/23)	Weekly loadings	Accumulated in season (FGIS)	Estimated fudge factor	Total loaded est*	USDA projection	Amount needed	Weeks to go	Bu per week needed
Corn	22.5	563.3	60	592	1,925	1333	27	49.4
Soybeans	25.4	1546.3	30	1561	1,990	429	27	15.9
All wheat	21.7	560.4	45	594	775	181	13	13.9
Milo	4.2	26.6	5	29	90	61	27	2.3
LAST WEEK								
Corn	24.5	540.7	60	568	1,925	1357	28	48.5
Soybeans	58.0	1520.7	30	1534	1,990	456	28	16.3
All wheat	13.7	538.6	45	571	775	204	14	14.7
Milo	2.8	22.4	5	25	90	65	28	2.3

Soybean export loadings finally came to the expected, but still dreaded, crash this week, at only 25.4 mil bu, and soybean export sales were only 13.2 mil bu, which was a marketing year low. I’ve been expecting the USDA to raise their soybean export forecast, but now...am leaning towards they don’t change their USA soybean forecast this week either.

Corn...on the other hand...had another crummy week of loadings, at less than 23 mil bu, and a crummy week of export sales, less than 24 mil bu. A couple futures brokers wrote China was buying USA corn last week, but the rules allow some shenanigans, so if China did buy, it wasn’t reported. 27 weeks remain in the corn marketing year, and to hit the current USA corn forecast of 1.925 billion bu, loadings would have to reach not quite 50 mil bu, and there is NO WAY that is going to happen unless we see export sales of over 50 mil bu weekly. I expect the USDA to reduce their USA corn export forecast Wednesday.

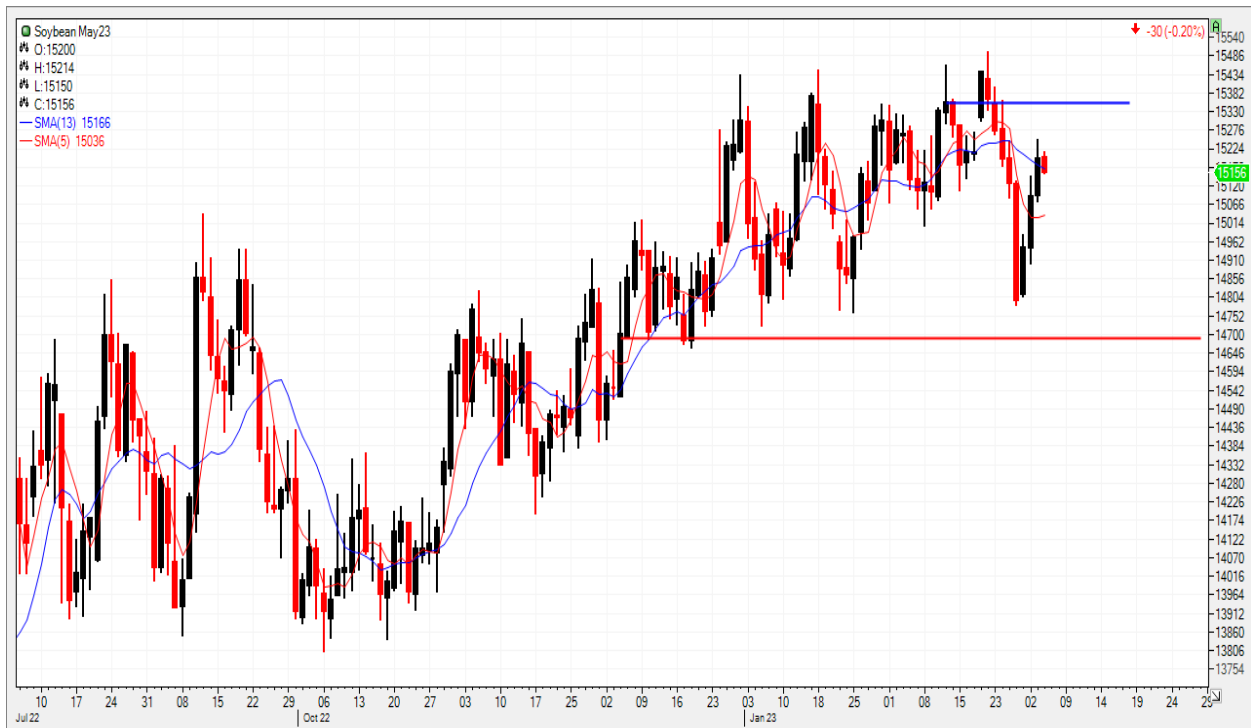
\$6.75 corn didn’t sell corn overseas, and \$6.50 isn’t getting the job done either. N corn shown here:



The new-crop Dec corn chart looks exactly like the July corn chart, although the prices are about 50c lower. I don't like the second consecutive week of a new red line. **SO I'm going to recommend selling 10% of your expected NEW-CROP CORN**



Last week I said I'd get started and sell 10% of my new-crop beans, and this week, because the export loadings almost came to a stop, and because this old-crop May bean chart has flatlined...I'm saying **SELL ANOTHER 25% of your old-crop beans**. This is a May soybean chart:



So we've sold all our old-crop wheat, up to half of our new-crop wheat, all our old-crop corn, and now 10% of new-crop corn, and now 50% of our old-crop beans, and 10% of our new-crop beans.

Switching gears a bit...even though no one has seen any published data, Brazil seems to have given further approval to Bioceres GMO wheat. This Reuters story says Bioceres is claiming a 43% yield increase compared to other varieties in drought conditions.

<https://www.reuters.com/world/americas/brazil-approves-gmo-wheat-food-supply-fears-help-convince-skeptics-2023-03-03/>

I personally doubt this is true. No one has seen any published data. BUT...if it was true, it could certainly change dynamics. Currently, the best posted corn basis is down a dime to +130 May corn futures, which equals about \$7.70, and the average Colorado wheat posted bid was \$7.78, so let's say wheat is a 10c premium to corn right now. But let's look at the math when wheat is a \$1.50/bu premium. Instead of 40 bu wheat, a 40% increase would be 56 bu/ac, but you have to sell it at corn price.

	price	yield	gross/ac
good milling wheat variety	\$7.75	40	\$310.00
corn price	\$6.25	56	\$350.00

I'm pretty sure the uproar about GMO wheat in the USA will be substantial, and almost certainly the millers and exporters would demand it be kept separate, so let's reduce the GMO wheat price by another 40c/bu to keep it separate.

	price	yield	gross/ac
good milling wheat variety	\$7.75	40	\$310.00
corn price	\$6.25	56	\$350.00
reduced price for IP	\$5.85	56	\$327.60

You can see it could be a game changer even if you have to jump through a lot of hoops initially.

Plenty to think about here, no doubt.

Have a good week.

Stay Safe. Slow Down!!