

Hello Colorado Wheat.

Last week's March WASDE update increased the USA soybean export forecast, decreased the USA corn export forecast, and left the USA all-wheat export forecast unchanged. Was any of that a big deal? I think not, as those were pretty much what we expected, based on the weekly export loading pace scorecard.

How about this? Is this a big deal?

SVB Financial's stock slumps as investors fear bank run



Source: Refinitiv Datastream

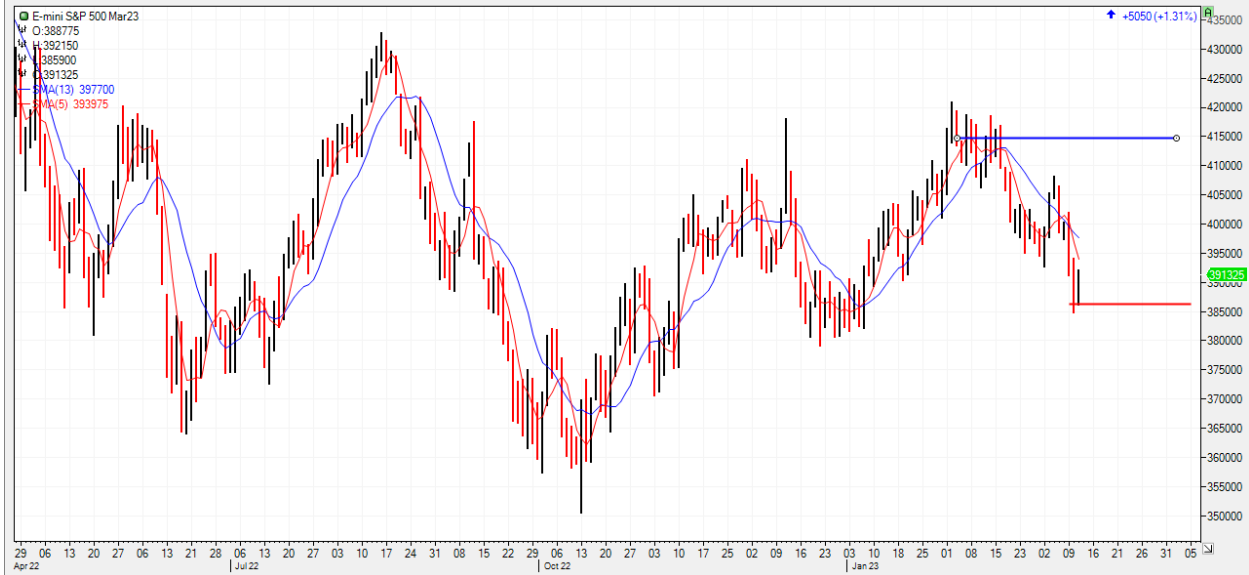
That price chart of Silicon Valley Bank Financial Group, the parent company of the Silicon Valley Bank, which failed Friday, is ominous to say the least, and after hours trading showed it down another \$20.

So...is this a big deal? If it is, are we looking at another big meltdown in the stock market?

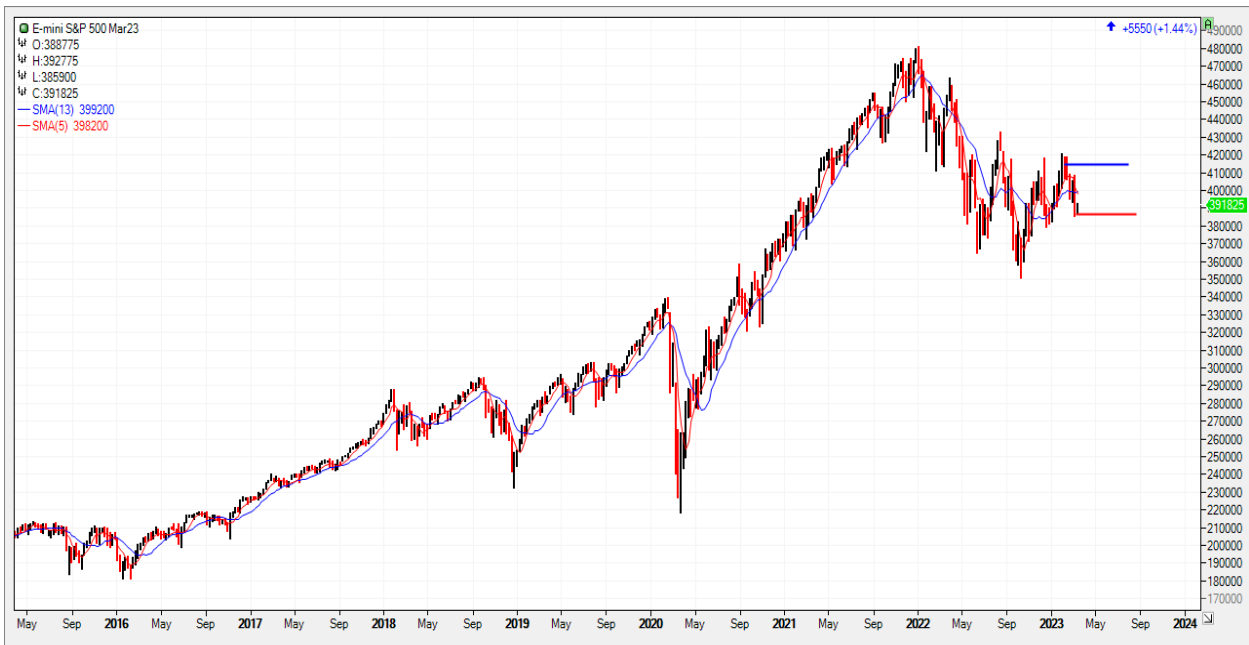
Let's take a look at that broad stock market index of Big Cap stocks, the S&P 500, which we can view and trade as a commodity, which we call the "E mini".

*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 is the E mini daily chart; this week it did set a new red line. A lower weekly close would be expected to bring in new selling. I do see some likely support developing about 60 points lower around 3800, but I do not like the moving average pattern at all, and thus is this week can't hold, seems like another 200 points below that, around 3600 wouldn't be out of the question, and a spike low at 3500 exists.



This is the same chart, but showing weekly data, and the spike low of 3500 stands out. IF THAT CAVES...then we might start thinking about a "disaster" that wipes out a third, down to the 2600 area...BUT I admit, I DO NOT THINK that's what we're dealing with. I think...this bank was a bank for Venture Capitalists, who bet on tech, which has been weak, and was hurt by rising interest rates, and ..."the little man" (guys like us)...don't give a hoot, and thus, no, this will not be a big deal.

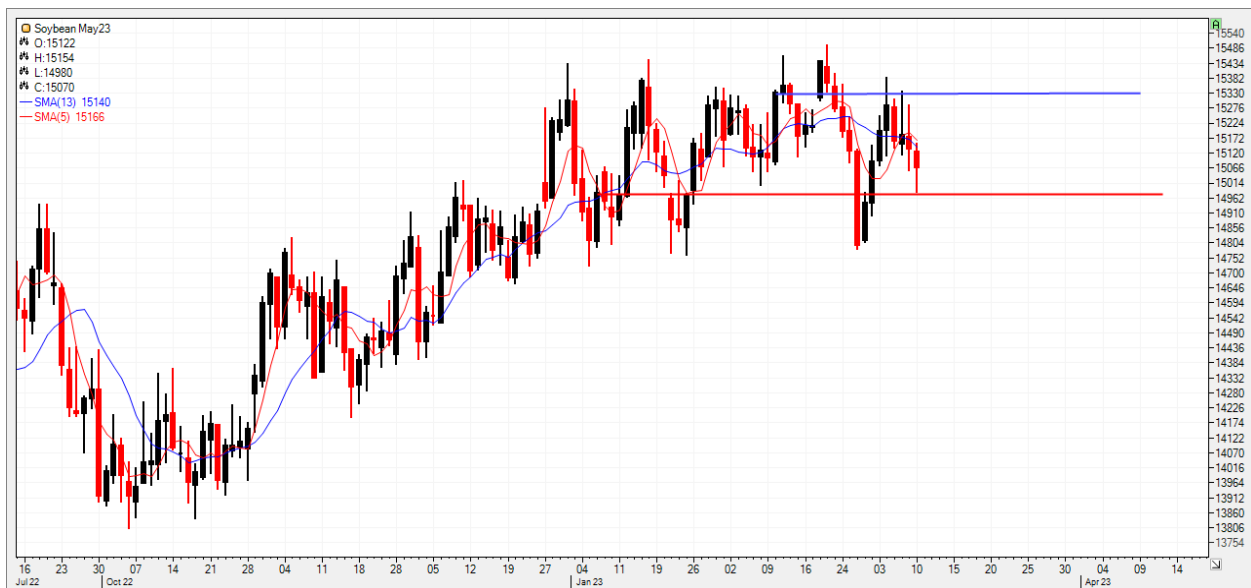


Having said that...if I had big time dough sitting on the sidelines, I wouldn't be a buyer just yet.

The market closed the week with new red numbers in wheat and corn, and beans are basically just hovering above the old red numbers.

	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
03/10	\$7.89	\$7.97	\$6.07	\$5.58	\$7.17	\$8.28	\$14.95	\$13.58	\$76.68	\$3863
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
Year ago	\$8.01		\$5.93		\$7.70	\$9.79	\$13.40		\$75.57	\$4762

Last week we moved old-crop bean sales up to 50%. **IF we close below \$14.98, and set a new red line, then we will sell the rest of our old crop soybeans.**



Last week's WASDE saw the USDA tighten the USA old-crop soybean balance sheet by increasing USA exports 25 million bu, BUT USA crushings decreased 10 million bu, and also, the USDA aggressively dropped Argentine soybean production 8 mmt to 33 mmt, BUT world bean demand decreased 5 mmt. SO IF...beans can't hold above \$15 with those inputs, then I won't hold them anymore either.

We've only sold minimal amounts of new-crop beans, and corn too, but the Closing Table shows new-crop beans are down to almost \$13.50, and new-crop corn is down to about \$5.50...and both of those numbers "sound kinda cheap"...so I think we'll wait on selling more to see how USA planting season develops (and how South America finishes).

This is a May corn chart.



We sold our corn in mid-November when it was apparent \$7.00 corn was not exportable, and since then we've seen the same thing about \$6.75 corn, and then \$6.50 corn.

However, now that we're sub \$6.25, we saw a BIG week of USA corn sales, 55.6 million bu. Corn export loadings were decent too, at 35 mil bu or so. It feels like...we're cheap enough on corn at least for now, although we need to keep in mind that May corn is about 60c/bu premium (inverse) over Dec corn.

Speaking of weekly export sales...**soybeans were net negative.**

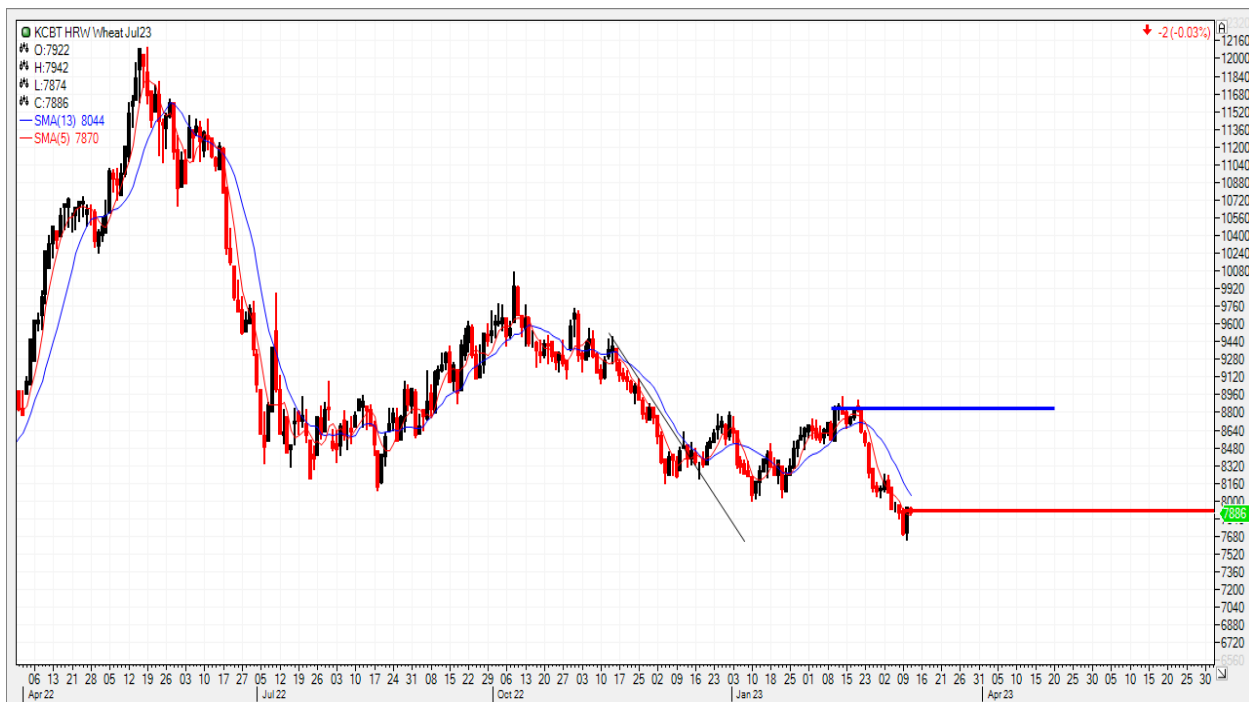
As mentioned earlier, the USDA dropped their USA corn export forecast, and upped their soybean export projection. And for the record, they up last week's weekly inspections 3 million bu for wheat, corn and beans, and those are shown in the updated cumulative totals.

This is the updated Export Pace scorecard; if we can keep selling corn like we did this past week, the new target will be reached. I think we will hit the new bean target, but...might need to drop below \$15.00 to do that...beans are highly inverted, about \$1.50/bu, and world buyers can see that.

Wheat limps along.

WEEK ENDED (03/02/23)	Weekly loadings	Accumulated in season (FGIS)	Estimated fudge factor	Total loaded est*	USDA projection	Amount needed	Weeks to go	Bu per week needed
Corn	35.4	601.7	60	632	1,850	1218	26	46.8
Soybeans	19.9	1569.0	30	1584	2,015	431	26	16.6
All wheat	9.9	572.5	45	607	775	168	12	14.0
Milo	2.8	29.4	5	32	90	58	26	2.2
LAST WEEK								
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

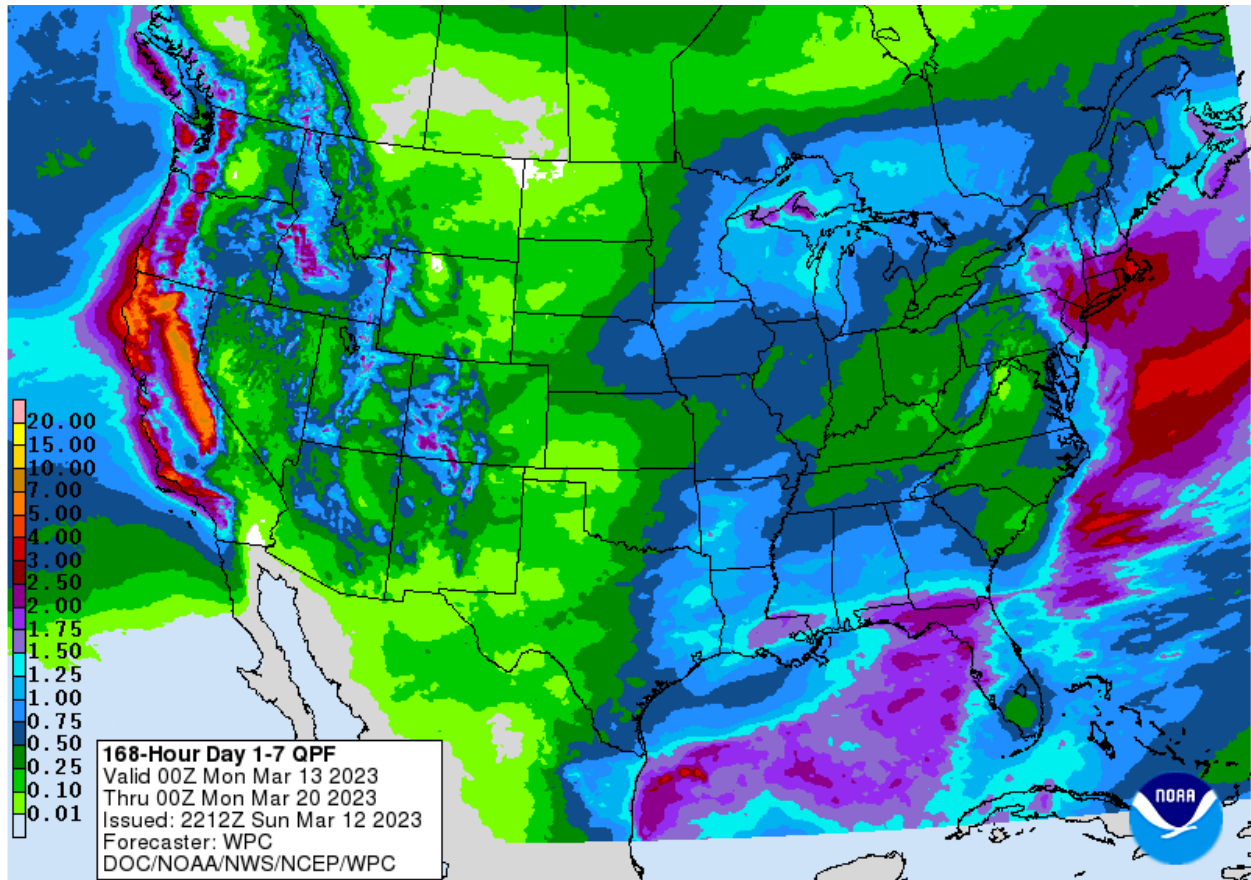
KC July wheat...set another red number, and downside risk exists (always), but the 20c bounce off the spike low might be saying “enough’s enough”, at least for now.



I believe the Ukrainian “Grain Corridor” extension is imminent, but should be “in the market” by now.

Some longer-term forecasts are supposedly calling for “above normal precipitation” in the Plains. I’ll believe it after it happens.

The weekly forecast is not wet. I know it’s green, but that means about a tenth out where it’s really dry:



The March WASDE world wheat outlook was nominally tighter, as beginning Chinese wheat stocks were cut by 5 million tonnes, but world production increases offset 3 million tonnes of that. Fine-tuning is rarely a market mover.

Posted Gulf bids are flat:

GULF date	12 pro	ords	diff	
3/10/2023	151	147	4	
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	

Posted basis bids in the country have a weaker tone...maybe cruising into new-crop. The flat price bids are now slightly below the pre-Russian invasion bids.

Date	SE Colorado	Chey. Wells	Burlington	Holyoke area	Roggen area
03/10	\$7.18-\$7.68	\$7.78	\$7.48-\$7.58	\$7.43-\$7.48	\$7.76-\$8.09
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
03/10(K)	-80, -30	-20	-50, -40	-55, -50	-22, +12
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
03/10(K)	-30	-30, -12	-36, -12	-39
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

Early Sunday night action was subdued, showing no signs of a global financial meltdown. Hopefully that not just the calm before the storm.

News out of India is subdued as well; February was hot no doubt, but so far, March has NOT been a killer over there, and the weather forecasts are unsettled, with some rain and cooler temps a possibility.

This is the latest I've seen about a very controversial proposed pipeline for carbon dioxide and burying it underground in a "carbon capture" scheme. <https://phys.org/news/2023-03-simmers-illinois-pipe-millions-tons.html> I personally am uncomfortable with the idea of eminent domain being used to force landowners to comply.

Have a good week.

Stay Safe, which is best translated as Slow Down.