

Hello Colorado Wheat.

Basketball was “interesting” ... but so were “the Markets”, especially wheat... as early Friday morning Russia said they were going to halt wheat exports, which is absurd. Russia is a commodity country, and if they don’t export their commodities, they don’t stay in existence. Their Ag Minister later said they didn’t really mean that...but were trying to say they are going to set a minimum price for their wheat, at \$275 mt, FOB. Most of their nonsense is pure propaganda, but...they might be able to actually pull this off.

The week ended with KC wheat, both May and July, up 12c. Chgo May wheat, on the other hand...was down 25c, while the Chgo Z wheat was “only” down 15c. May corn was up 9c, with the July only up a nickel, and the new-crop Z about unchanged. Soybeans, yikes! May was whacked almost 50c, while the other months weren’t down quite as much, but even the new-crop Nov beans were down more than 40c. Crude oil bounced off the recent lows while the stock market was steady.

	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
03/24	\$8.34	\$8.33	\$6.23	\$5.60	\$7.28	\$8.59	\$14.06	\$12.73	\$69.26	\$4001
03/17	\$8.23	\$8.26	\$6.18	\$5.61	\$7.43	\$8.58	\$14.61	\$13.14	\$66.74	\$3947
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
<i>Year ago</i>	\$8.01		\$5.93		\$7.70	\$9.79	\$13.40		\$75.57	\$4762

BIG REPORTS come out this week, and will help answer this question: “are we cheap enough?” You know I always lean to the Bear side, but I lean towards “**Yes, these prices are cheap enough for now.**”

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

Please re-read that statement before my boilerplate, and acknowledge the “for now” clause is important.

Grain Stocks-In-All-Positions has the potential to be a market mover, although it doesn’t have to be. Probably of more impact will be the Prospective Plantings report, although...I doubt that will be a big market mover either.

This article from Farm Progress shows their results of their recent farmer survey conducted March 4-14, via email.

<https://www.farmprogress.com/planting/2023-corn-acres-take-a-backseat-to-drought-soybean-expansion>

This table shows their results, plus what I guessed back in late January, AND it shows the March 31 previous Prospective Planting numbers, and then the actual final planting, yield and production numbers, and you can see that **with the exception of 2019/20**...the Prospective Planting numbers usually are very close to the “final” planted numbers used.

	1	2	3	4	5	6	7	maltby	farm futures	usda
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2023/24	2023/24
corn acres 3/31	93.6	90.0	88.0	92.8	97.0	91.1	89.5			
final planted	94.0	90.2	88.9	89.7	90.7	93.3	88.6	88.6	87.7	
final harvested	86.7	82.7	81.3	81.3	82.3	85.3	79.2	80.7	79.6	
final yield	174.6	176.6	176.4	167.5	171.4	176.7	173.3	176.7	177.6	
final production	15,148	14,609	14,340	13,620	14,111	15,074	13,730	14,260	14,133	
soybean acres 3/31	82.2	89.5	89.0	84.6	83.5	87.6	91.0			
final planted	83.5	90.2	89.2	76.1	83.4	87.2	87.5	90.5	89.6	
final harvested	82.7	89.5	87.6	74.9	82.6	86.3	86.3	89.3	88.5	
final yield	51.9	49.3	50.6	47.4	51.0	51.7	49.5	50.5	52.2	
final production	4,296	4,412	4,428	3,552	4,216	4,465	4,276	4,510	4,618	
wheat acres 3/31	49.6	46.1	47.3	45.8	44.7	46.4	47.4			
final planted	50.1	46.1	47.8	45.5	44.5	46.7	45.8	50.4	45.7	
final harvested	43.8	37.6	39.6	37.4	36.8	37.1	35.5	40.5	37.0	
final yield	52.7	46.4	47.6	51.7	49.7	44.3	46.5	44.5	48.6	
final production	2,308	1,741	1,885	1,932	1,828	1,646	1,650	1,802	1,800	
milo acres 3/31	7.2	5.8	5.9	5.1	5.8	6.9	6.2			
final planted	6.7	5.6	5.7	5.3	5.9	7.3	6.3	6.8	8.5	
final harvested	6.2	5.7	5.1	4.7	5.1	6.5	4.6	6.0	7.5	
final yield	77.9	71.7	72.1	73	73.2	69	41.1	55.0	69.2	
final production	480	362	365	341	373	448	188	330	517.3	

The Annual Crop Production Summary of Jan '20 says “heavy rains in The Plains and Midwest lead to a record slow planting”...The “abnormally wet April”... was followed by “continued rainfall in May”.

That could happen again, but ...the odds say it won't.

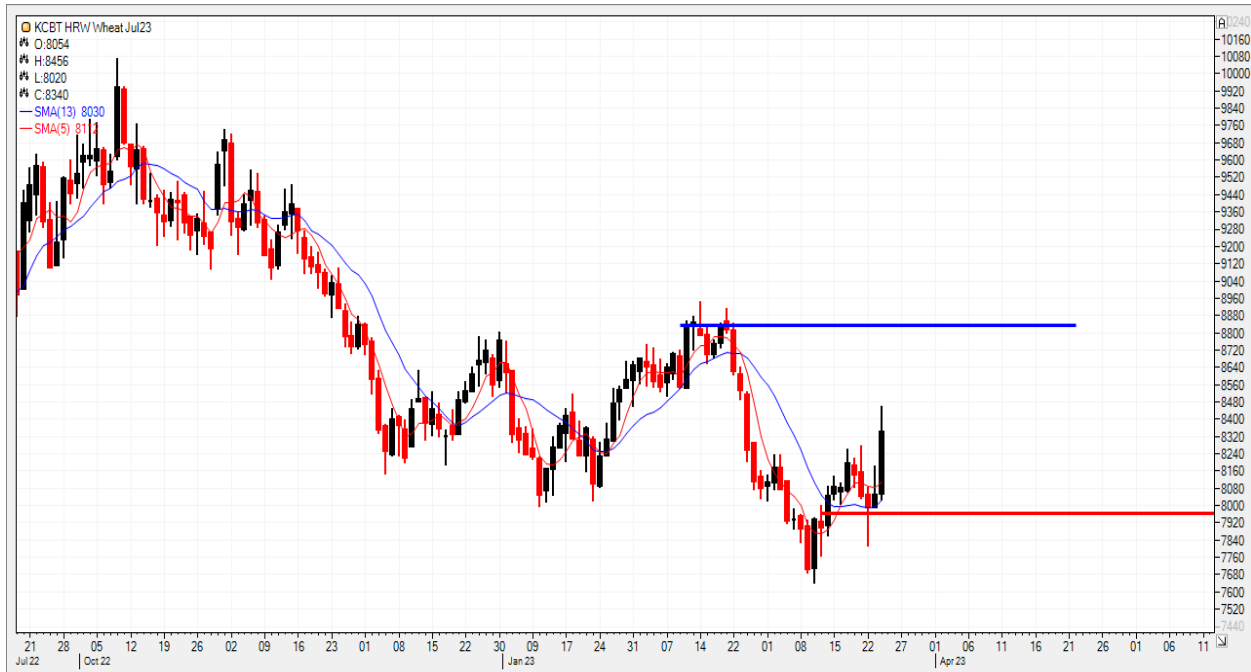
Anyway...these reports come out Friday, March 31, which is also the end of a calendar year quarter, plus a month end...and The Funds...probably will be active.

This could very easily be an interesting week.

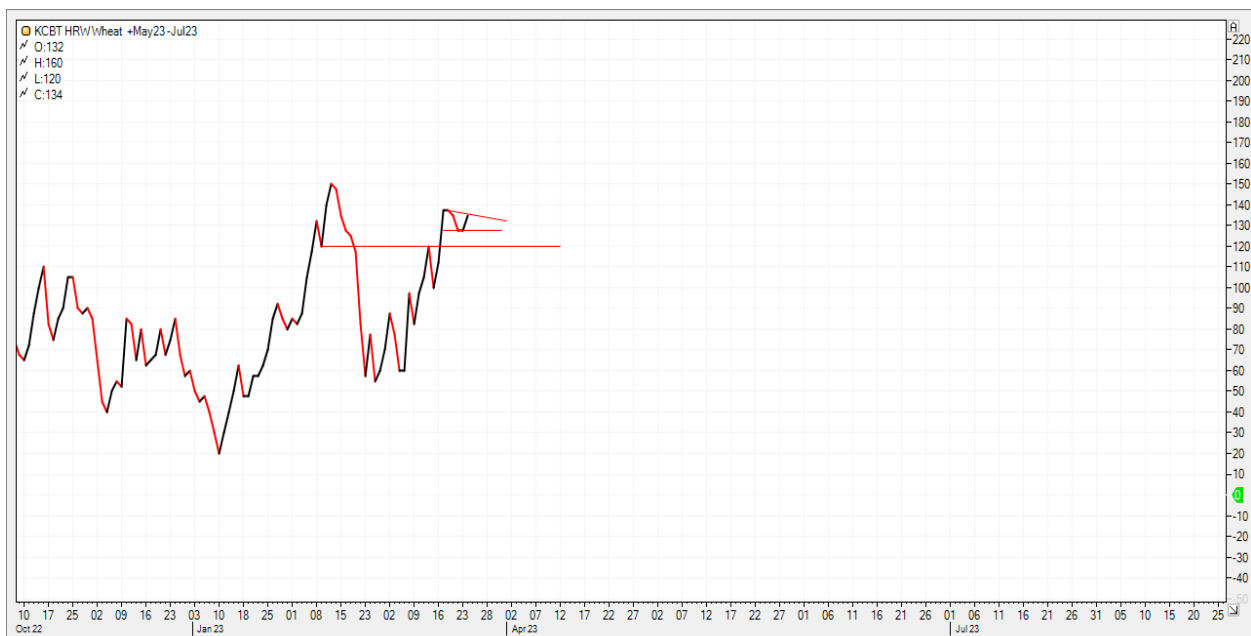
This Reuters article from the Nasdaq website sums up the Russian wheat news from Friday. The \$275/mt is also the recent low quote I've seen, so basically the Russians are drawing a red line on a chart at the current price.

<https://www.nasdaq.com/articles/russia-has-no-plans-to-halt-wheat-exports-sources>

This is KC July wheat, trying to create an \$8.00 floor.



This is the KC May-July calendar spread, settling at a 14c inverse. Last week created that bull flag formation and points higher. Expect Sell-stops if it breaks down and closes below a 12c inverse this week.



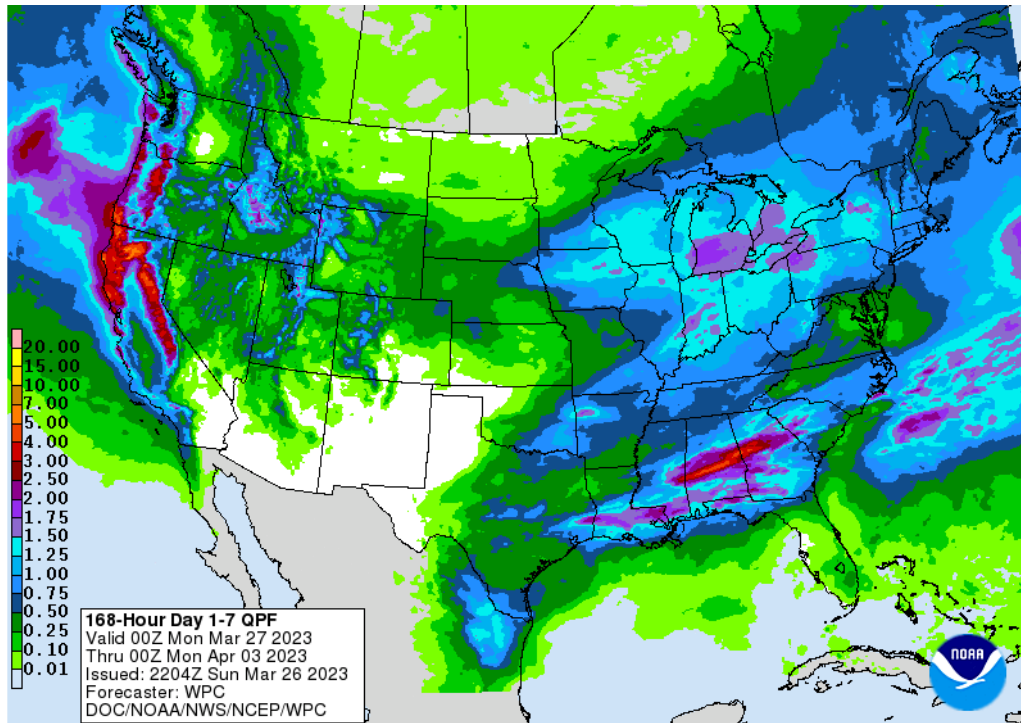
Texas Gulf posted bids popped up a bit last week:

GULF	12 pro	ords	diff
date			
3/24/2023	160	150	10
3/17/2023	151	147	4
3/10/2023	151	147	4
3/3/2023	151	147	4

Old-crop posted bids in the country mainly followed the board; nothing too exciting here, although these are the best prices in the last 5 weeks...**IF we had any unsold old-crop, we would wait to see how the Russian price floor holds. I would not add to new-crop sales either.**

Date	SE Colorado	Chey. Wells	Burlington	Holyoke area	Roggen area
03/24	\$7.68-\$8.18	\$8.28	\$7.98-\$8.08	\$7.93-\$7.98	\$8.13-\$8.54
03/17	\$7.56-\$8.06	\$8.16	\$7.86-\$7.96	\$7.81-\$7.86	\$8.01-\$8.43
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
BASIS	SE Colorado	Chey. Wells	Burlington	Holyoke	Roggen area
03/24(K)	-80, -30	-20	-50, -40	-55, -50	-35, +06
03/17(K)	-80, -30	-20	-50, -40	-55, -50	-35, +07
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
Date	Concordia	Salina	Hutch/Wichita	Ark City	
03/24(K)	-30	-25, -12	-36, -05	-39	
03/17(K)	-30	-30, -12	-36, -05	-39	
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	

This weekly forecast isn't bearish, with only the NW KS and NE CO corners having a chance at a quarter-inch or better. And too much rain...one day could indeed support corn and beans with the previously discussed 2019 reference coming to mind.



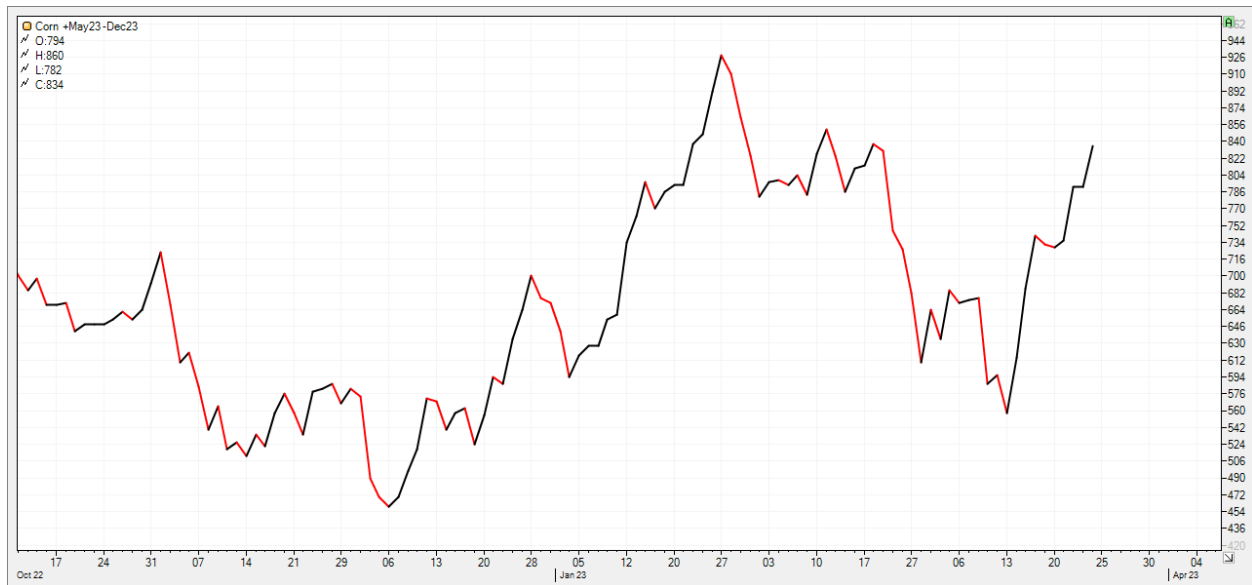
This is a May corn chart. Not everyone has sold all their old-crop corn, and take note I added an apparent uptrend. **Continued Chinese corn purchases are needed to keep that uptrend intact.**



The updated Export Pace scorecard offers hope the USDA will not be revising their USA corn export forecast lower on the April WASDE. It's way too early to ask them to increase their corn export forecast too, but announced corn export sales this week were 121.9 million bushels. That's a lot, but it's really 2.6 weeks of what we need. That's why I said continued corn sales, mainly to China...are needed to keep the prices from moving lower.

WEEK ENDED (03/16/23)	Weekly loadings	Accumulated in season (FGIS)	Estimated fudge factor	Total loaded est*	USDA projection	Amount needed	Weeks to go	Bu per week needed
Corn	46.8	698.9	60	731	1,850	1119	24	46.6
Soybeans	26.3	1619.0	30	1635	2,015	380	24	15.8
All wheat	13.8	598.4	45	635	775	140	10	14.0
Milo	3.7	36.0	5	39	90	51	24	2.1
LAST WEEK								
Corn	39.3	642.4	60	674	1,850	1176	25	47.0
Soybeans	22.7	1592.1	30	1608	2,015	407	25	16.3
All wheat	9.1	584.4	45	620	775	155	11	14.1
Milo	2.9	32.3	5	35	90	55	25	2.2

This is old-crop K corn – new-crop Z corn nearing previous resistance at 85c/bu:



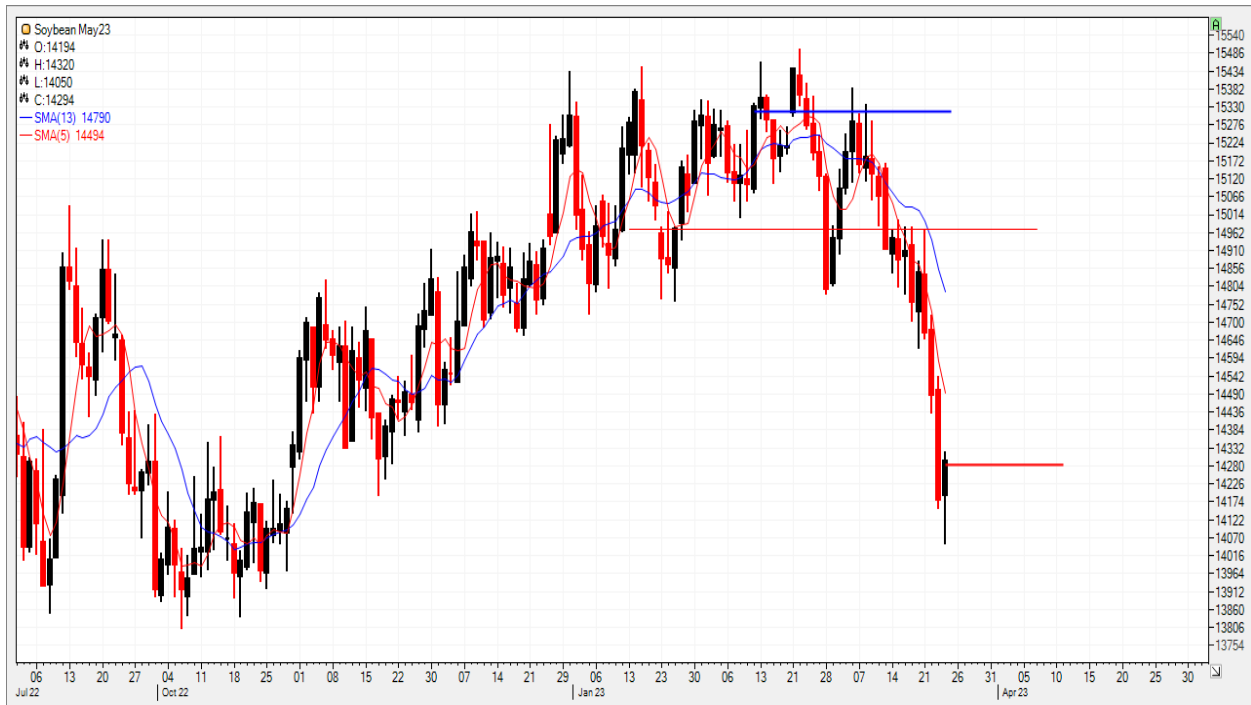
An 85c/bu inverse suggests quite clearly China needs the corn from the USA now, but as soon as they can get big quantities cheaper from Brazil, they'll head south.

Looking at the May corn chart again, I'd expect tough resistance around \$6.50.

New-crop corn...Z corn shown here, roughly bounded by \$6.00 to \$5.50. I don't think the Planting Report this week will be able to break new-crop corn, YET, especially with the too wet Deep South. I'm not adding to new-crop corn sales.

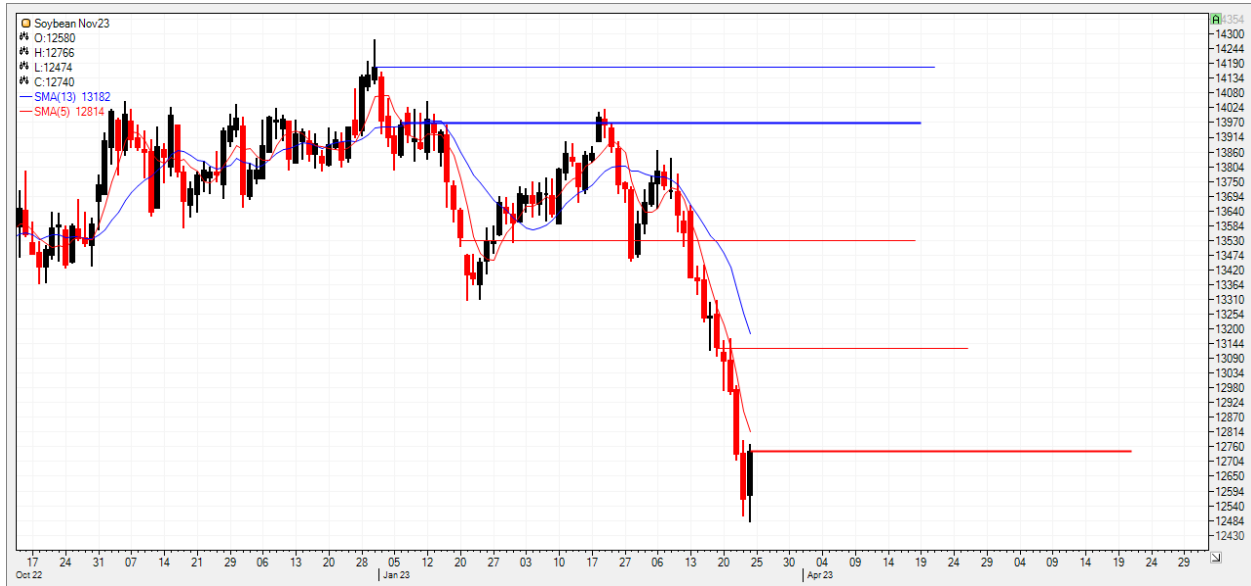


Soybeans...oh how the mighty have fallen...which is too bad, but this is why we sold the last of our beans a couple weeks ago. Sell-stops just below \$15.00 were brutal.



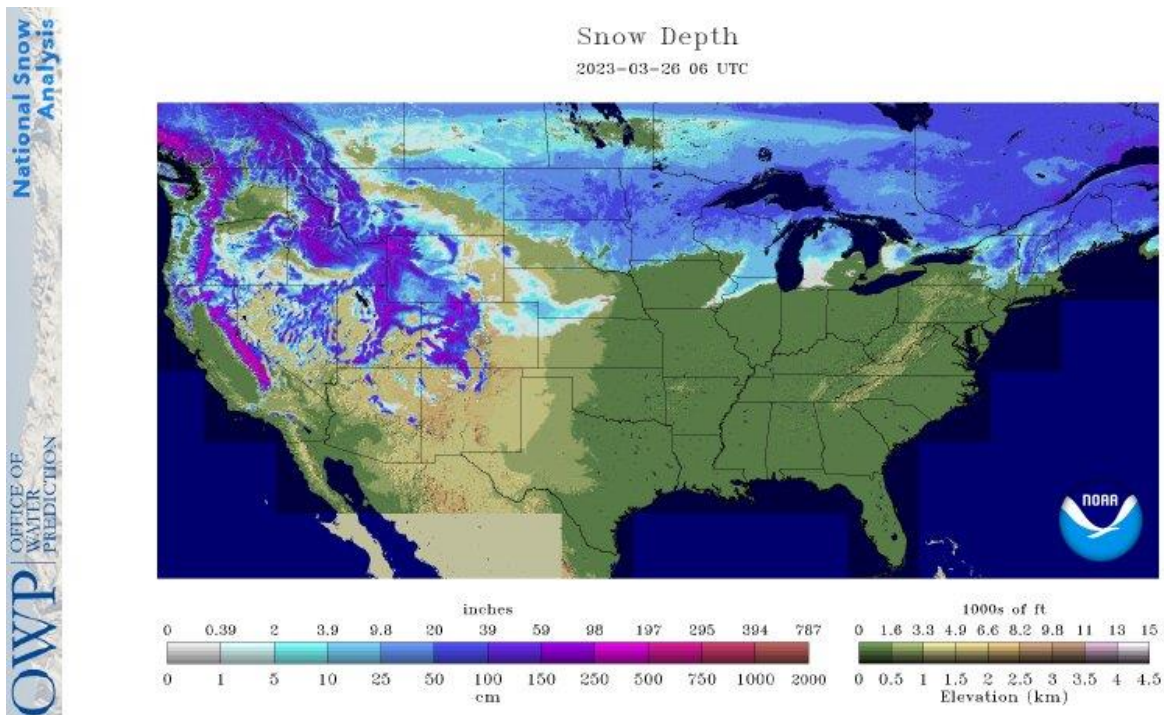
Now we hear rumors of Brazilian beans being cheap enough to come into the USA, as I read their FOB basis has crashed.

Even new-crop beans have not been immune to the supposedly gigantic Brazilian crop on the way, plus the financial jitters didn't help. X beans here:



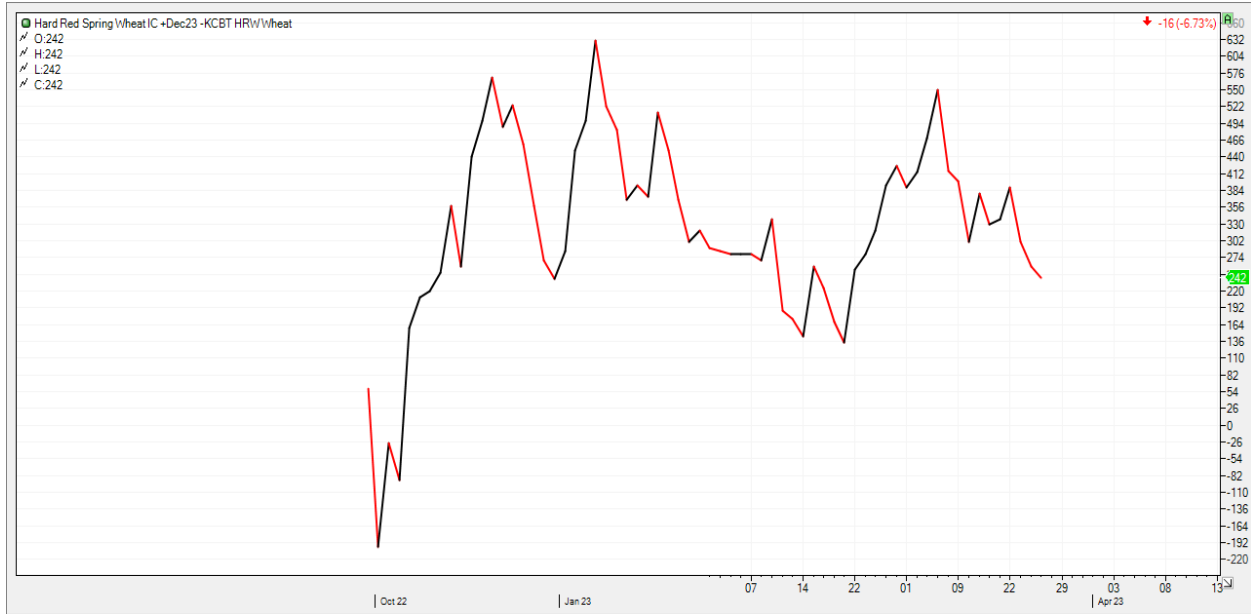
I am very resistant to adding to new-crop bean sales below \$13.00.

I don't know how the USA Planting season will go; I don't think anyone does. A pal up here in Chanhasseen works for the National Weather Service, and showed me this site, which he inputs and interprets the data ... This is current USA snowpack (he said the Canadian data is not optimized):



Anyway...when he showed me this, I said “there might be delays in North Dakota”, and he said “that’s exactly right!”

Here’s a price chart of Dec spring wheat (MWZ) at somewhere around a 25c premium over KC Z. The nearby K’s are only about a 12c premium (spring wheat currently is relatively very cheap compared to HRW), so paying +25c might be viewed as expensive...but it’s a way to watch for the planting delays, which may or may not materialize:



Keep in mind the back months in Minny can be very illiquid...I’m currently wearing this spread.

Have a good week; Big Reports out this Friday.

Stay Safe (which is best practiced when you Slow Down!)

See ya.