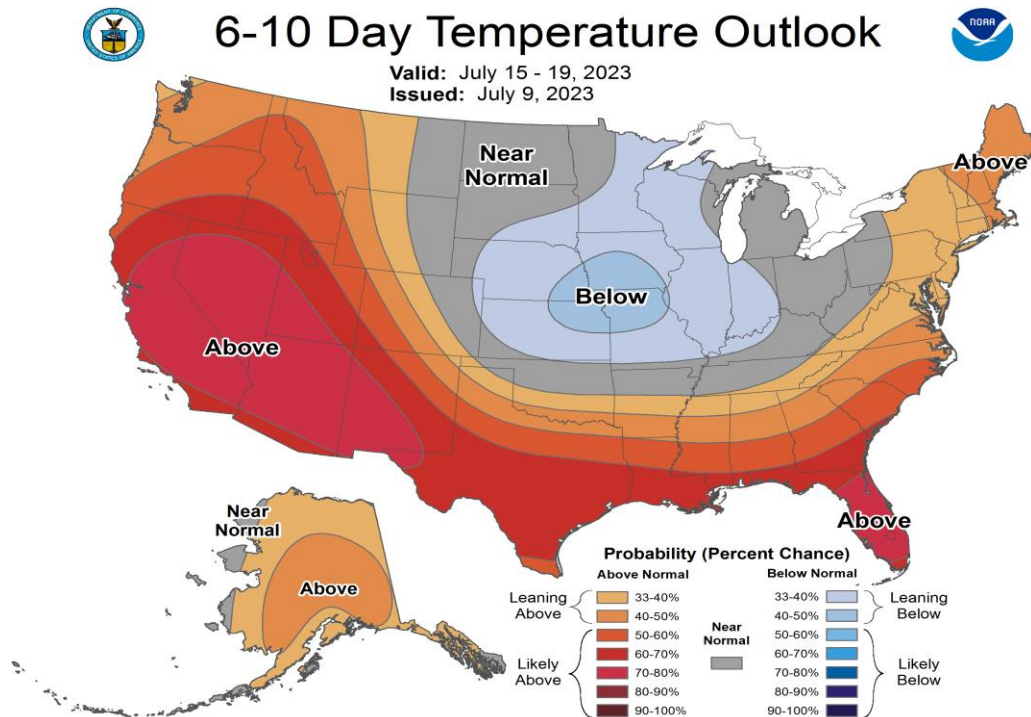


Hello Colorado Wheat.

This was a big wheat harvest weekend in Europe...it could have been in the USA too, but...using the word “big” is a key disqualifier. USA’s HRW harvest has recently been rain-delayed repeatedly, and poor yields due to previously dry weather and possibly a record “abandonment” (unharvested acres) eliminated the possibility of a big harvest this season in any given weekend. Anyway...I doubt we see any true wheat “hedge pressure” until maybe (hopefully) about a year from now. Corn and soybean “hedge pressure” is still likely, in about 3 months.

The July WASDE update will be issued Wednesday July 12, and it will be a market mover incorporating the new June 30 acreage and grain stocks numbers AND...some updated yield numbers, and probably some updated demand ideas, which means...after we get the updated Monday afternoon Crop progress and conditions report traded away Monday night...Tuesday should be quiet. After the expected chaotic Wednesday session, we’ll be back to “normal”, which is trading...the weather, which IF this temperature outlook is what really happens...then most everyone will say USA corn pollinated under almost ideal conditions.



What does that mean?

I think it means whatever corn numbers we get Wednesday will be the numbers we live with for a very long time.

*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***

Corn and beans closed the week a little lower, but not decisively. KC Z wheat gained 20c, and Minny Z spring wheat gained almost 30c.

Crude oil bounced \$3.00, showing the \$70 Support area is legitimate. I'm not showing a crude oil chart this week, but \$70 to \$78 is the range, and the table suggests the new Blue Line will be just under \$77...It might be too early to write about the oil market's death.

The stock market didn't do anything...just taking a breather

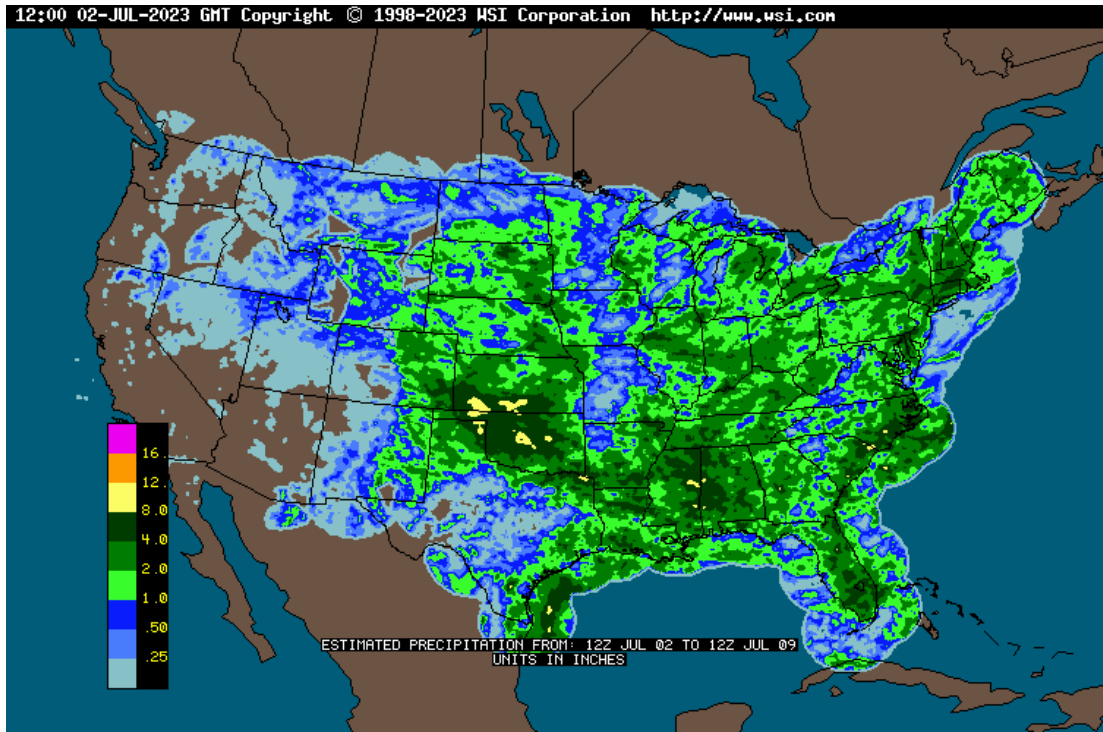
	Sept '23 HRW	Dec '23 HRW	Sept'23 corn	Dec '23 corn	Chgo Z wheat	Springs Dec (Z)	Aug'23 soybean	Nov '23 Soybean	Crude oil	S&P
CLOSE	KWU23	KWZ23	CU23	CZ23	WZ23	MWZ23	SQ23	SX23	CRD22	ES22
07/07	\$8.18	\$8.20	\$4.87	\$4.94	\$6.67	\$8.55	\$14.28	\$13.18	\$73.86	\$4434
06/30	\$8.00	\$8.00	\$4.89	\$4.95	\$6.69	\$8.27	\$14.42	\$13.43	\$70.64	\$4488
06/23	\$8.62	\$8.63	\$5.85	\$5.88	\$7.62	\$8.80	\$14.04	\$13.10	\$69.16	\$4389
06/16	\$8.39	\$8.37	\$5.94	\$5.98	\$7.16	\$8.69	\$14.08	\$13.42	\$71.78	\$4454
06/09	\$7.94	\$7.93	\$5.25	\$5.31	\$6.58	\$8.18	\$12.96	\$12.04	\$70.17	\$4305
06/02	\$8.07	\$8.04	\$5.36	\$5.41	\$6.52	\$8.12	\$12.63	\$11.84	\$71.74	\$4288
05/26	\$8.14	\$8.10	\$5.29	\$5.35	\$6.48	\$8.25	\$12.61	\$11.90	\$72.67	\$4213
05/19	\$8.16	\$8.07	\$4.95	\$5.00	\$6.36	\$8.11	\$12.48	\$11.76	\$71.55	\$4205
05/12	\$8.61	\$8.47	\$5.11	\$5.09	\$6.64	\$8.51	\$13.18	\$12.24	\$70.04	\$4138
05/05	\$8.24	\$8.21	\$5.37	\$5.38	\$6.60	\$8.44	\$13.74	\$12.80	\$71.34	\$4150
04/28	\$7.74	\$7.77	\$5.29	\$5.28	\$6.63	\$8.15	\$13.62	\$12.64	\$76.78	\$4189
04/21	\$8.20	\$8.21	\$5.53	\$5.48	\$6.98	\$8.49	\$13.91	\$12.85	\$77.87	\$4157
<i>Year ago</i>		\$8.01		\$5.93	\$7.70	\$9.79		\$13.40	\$75.57	\$4762

What jumps out at me from this table?

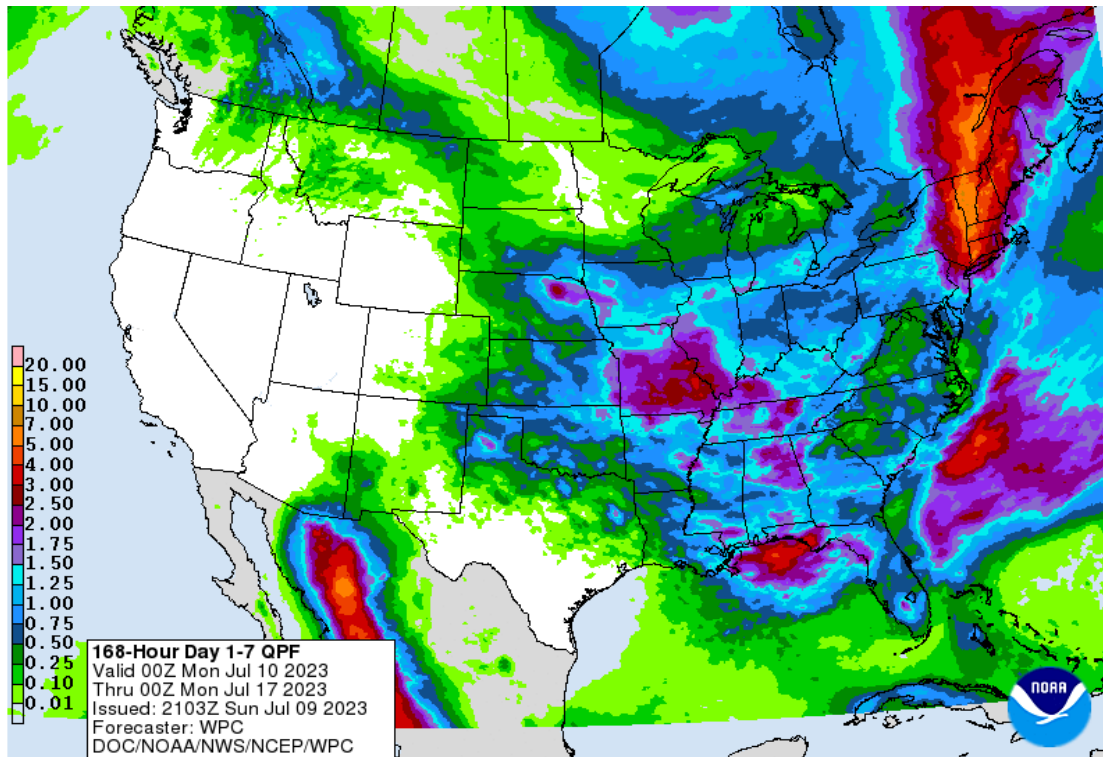
Corn technically barely set a new red number, but this looks like Z corn has set up a double-bottom of support just under Five Bucks, waiting on this report (and weather).

Will Wednesday's numbers change that outlook?

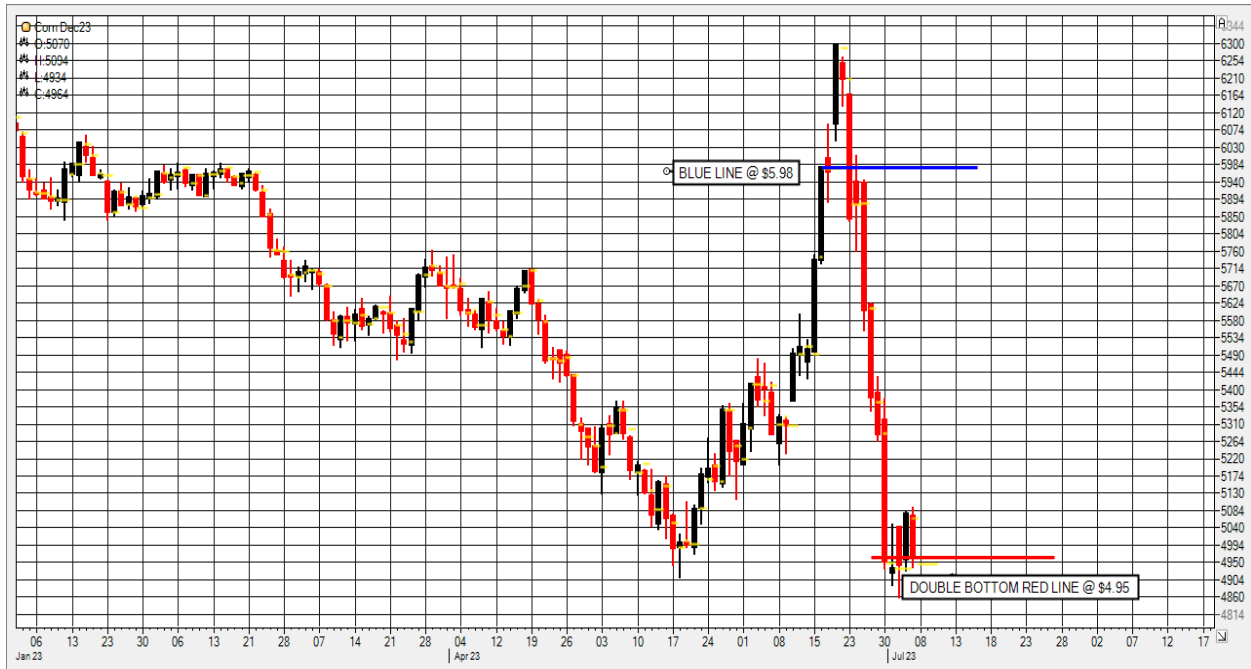
Before we look at a Z corn chart, this was last week's recorded precipitation, which looks like most everyone growing corn got something. Much of Missouri was missed, but the following forecast says they're gonna get plenty this week:



This week's forecast:



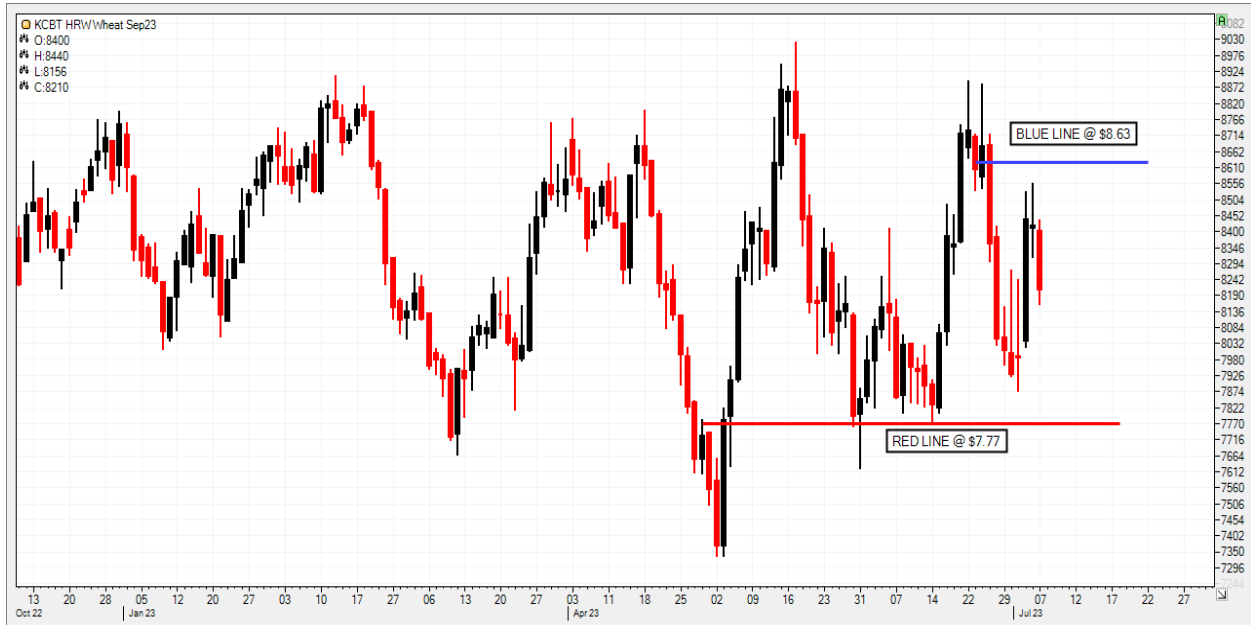
SO here's Dec corn heading into the big report, with the Blue Line below the spike high, and a double-bottom Red Line of key support at \$4.95; basically a dollar trading range, which is...basically untradeable.



I showed my expected July balance sheet update last week, and...still am reasonably comfortable with the thought process. I might be too aggressive on that big drop to the beginning stocks, as it's hard to determine exactly what the June 30 stocks report implied. I'm ok with the sizable yield drop, and the slight demand reduction. **My bottom line is...\$5.00 is cheap enough for now BUT IF THE USDA DOES NOT DROP THE YIELD WEDNESDAY, LOOK OUT BELOW.**

	corn	
	June	JULY ?
	2023/24	2023/24
area planted	92.0	94.1
area harvested	84.1	85.9
% harvested	0.914	0.913
yield	181.5	175.0
beginning stocks	1,452	1,352
production	15,265	15,033
imports	25	25
total supply	16,742	16,410
feed and residual	5,650	5,650
food, seed and industrial (includes ethanol ...)	6,735	6,710
total domestic use	12,385	12,360
exports	2,100	2,050
total use	14,485	14,410
ending stocks	2,257	2,000
stox/use	15.58%	13.88%
NAFP	\$ 4.80	\$ 4.95

KC Dec wheat shown here, not doing much of anything, Similar to corn, the Blue and Red Lines are quite far apart. **The Blue Line feels very expensive with the expected big European wheat crop coming; we'll want to see what the USDA says about that Wednesday.**



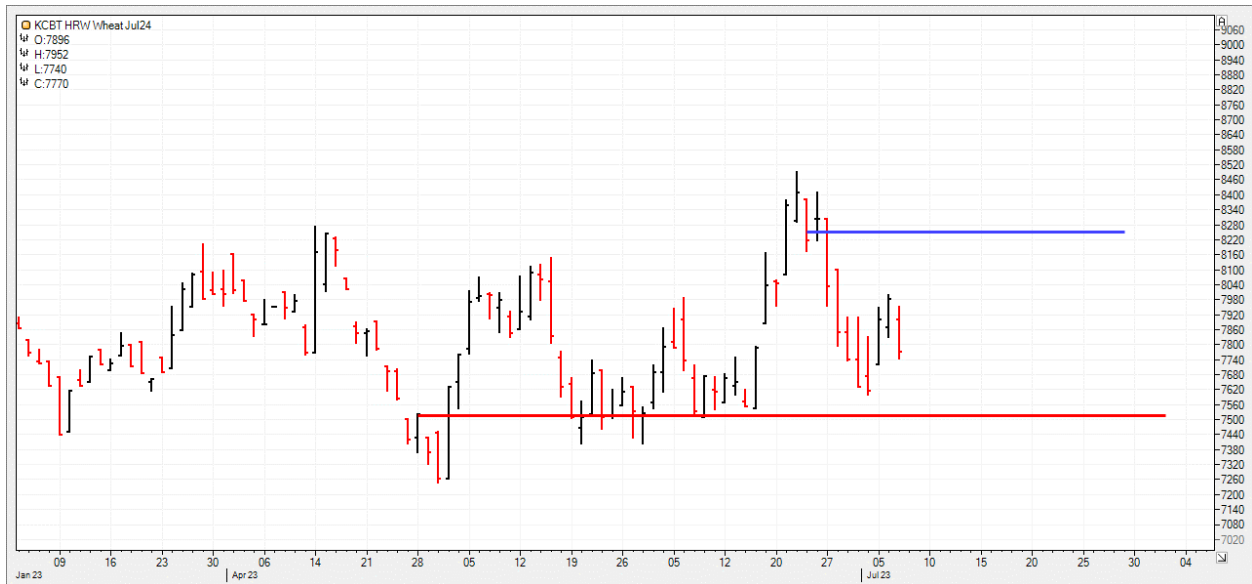
My expected July USA all-wheat balance sheet is NOT a market mover... **I suspect we'll find last week's intra-week spike high of \$8.55 was about as good as it gets for unloading unsold wheat.**

	wheat	
	June	July?
	2023/24	2023/24
area planted	49.9	49.6
area harvested	37.1	37.7
% harvested	0.74	0.76
yield	44.9	46.0
beginning stocks	598	580
production	1,666	1,734
imports	135	145
total supply	2,399	2,459
food	977	977
seed	65	65
feed/residual	70	70
domestic use	1,112	1,112
exports	725	715
total use	1,837	1,827
ending stocks	562	632
stox/use	30.6%	34.6%
NAFP	\$7.70	\$7.65

I KNOW it's early...but probably not too early...to start talking about next year, and in that regard...the two weather maps in this week's Weekly Wheat market Update...raise the question... "HAS THE WEATHER PATTERN SHIFTED?" in other words...Is the drought over? Will we get wheat planted under good conditions, get a rain to emerge it, and then timely spring rains? Maybe, and if so...ASSUMING all sorts of non-catastrophic things, no nuclear war, no killer drought Down Under, etc...then this long-term weekly continuous KC weekly charts asks the difficult question: **IS \$7.75 a good place to start with new-crop hedges? The answer is probably yes.**



This is the KC July '24 chart; Blue Line (11-week Closing High at \$8.25, and the Red Line is a double-bottom of support at \$7.51:

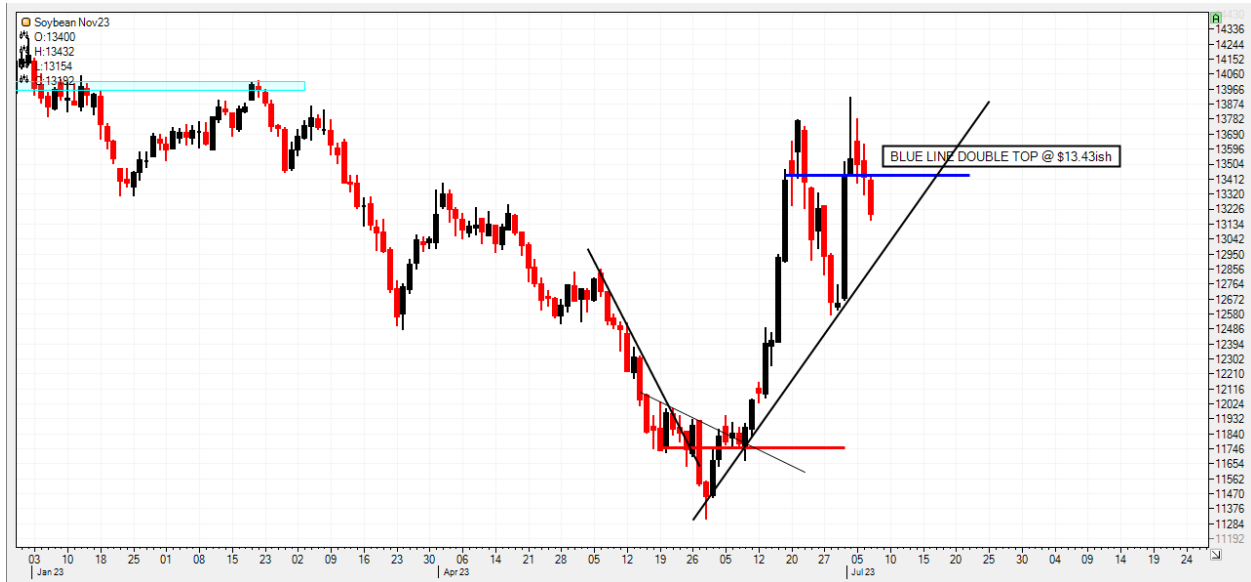


I'm putting in resting paper to sell 10% of expected production at \$8.00, and will use a sell-stop at \$7.50 to at least get started.

Soybeans...are the hardest to come up with the balance sheet, as...I think the USDA will be forced to fudge the numbers. What do I mean by that?

I mean they are going to have to reduce demand enough to not cause a panic, which would happen if they show a very low projected ending stocks number.

This is November beans; Blue Line is a double-top...I admit I think it will be attacked, and may not hold. (Keep in mind I'm not a good bull...)



The column on the right is where I think we'll see the USDA come in with their fudged numbers:

beans	June	JULY ? 2023/24	more probably
area planted	87.5	83.5	83.5
area harvested	86.7	82.8	82.8
% harvested	0.991	0.992	0.992
yield	52	51	51
beginning stocks	230	270	270
production	4,510	4,223	4,223
imports	20	20	20
total supply	4,760	4,513	4,513
crushings	2,310	2,310	2,310
seed	101	96	96
residual	25	25	25
total domestic use	2,436	2,431	2,431
exports	1,975	1,950	1,875
total use	4,411	4,381	4,306
ending stocks	349	132	207
stox/use	7.92%	5.42%	8.51%
NAFP	\$ 12.10	\$ 14.10	\$ 13.10

I've sold 35% of expected bean production, with more to sell, and am waiting.

Cash HRW bids at the Gulf were unchanged this week...

GULF date	12 pro	ords	diff
7/7/2023	73	73	0
6/30/2023	73	73	0
6/23/2023	65	65	0 U
6/16/2023	100	100	0

But I note the KC domestic milling basis was down 40c.

Posted basis bids in the country are mixed.

Date	SE Colorado	Chey. Wells	Burlington	Holyoke area	Roggen area
07/07	\$7.53-\$7.68	\$7.78	\$7.48-\$7.58	\$7.43-\$7.53	\$7.73-\$7.98
06/30	\$7.35-\$7.66	\$7.61	\$7.30-\$7.40	\$7.25-\$7.40	\$7.55-\$7.80
06/23	\$7.97-\$8.14	\$8.19	\$7.92-\$8.02	\$7.87-\$8.02	\$8.17-\$8.42
06/16	\$7.74-\$8.02	\$8.07	\$7.69-\$7.79	\$7.74-\$7.99	\$7.94-\$8.19
06/09	\$7.33-\$7.57	\$7.78	\$7.39-\$7.49	\$7.29-\$7.54	\$7.54-\$7.79
BASIS	SE Colorado	Chey. Wells	Burlington	Holyoke	Roggen area
07/07(U)	-65, -50	-40	-70, -60	-75, -65	-45, -20
06/30(U)	-65, -34	-39	-70, -60	-75, -60	-45, -20
06/23(U)	-65, -48	-43	-70, -60	-75, -60	-45, -20
06/16(N)	-68, -40	-35	-73, -63	-68, -43	-48, -23
06/09(N)	-65, -41	-20	-59, -49	-69, -44	-44, -19
Date	Concordia	Salina	Hutch/Wichita	Ark City	
07/07(U)	-31	-10, +05	-41, -05	-45	
06/30(U)	-29	-7, +06	-29, -05	-44	
06/23(U)	-28	-13, -03	-33, -08	-48	
06/16(N)	-20	-10, -00	-30, -05	-40	
06/09(N)	-10	-10, -00	-30, -05	-40	

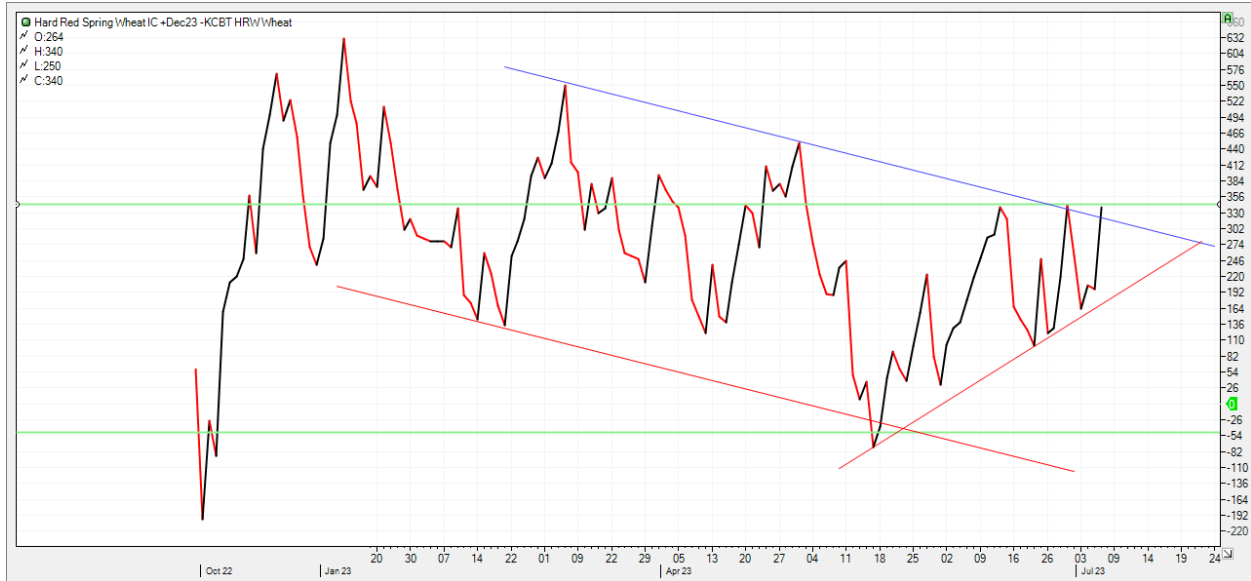
Updated Export Pace scorecard shows wheat, corn and beans rebounding a bit from last week...but not enough to change the fact that the old-crop corn and beans export forecast will be revised lower.

Weekly export sales of 14 mil were par for wheat. Corn sales were 16.5 mil (crummy, but better than previous week), while beans actually had a decent week of new-crop sales, at 21.8 mil bu.

WEEK ENDED (06/29/23)	Weekly loadings	Accumulated in season (FGIS)	Estimated fudge factor	Total loaded est*	USDA projection	Amount needed	Weeks to go	Bu per week needed
Corn	25.3	1304.2	60	1354	1,725	371	09	41.2
Soybeans	9.2	1815.8	30	1841	2,000	159	09	17.7
All wheat	12.4	40.2	45	44	725	681	48	14.2
Milo	0.3	72.9	5	77	90	13	09	1.4
LAST WEEK								
Corn	21.4	1278.6	60	1327	1,725	398	10	39.8
Soybeans	5.2	1806.5	30	1831	2,000	169	10	16.9
All wheat	7.5	27.8	45	30	725	695	49	14.2
Milo	2.5	72.6	5	77	90	13	10	1.3

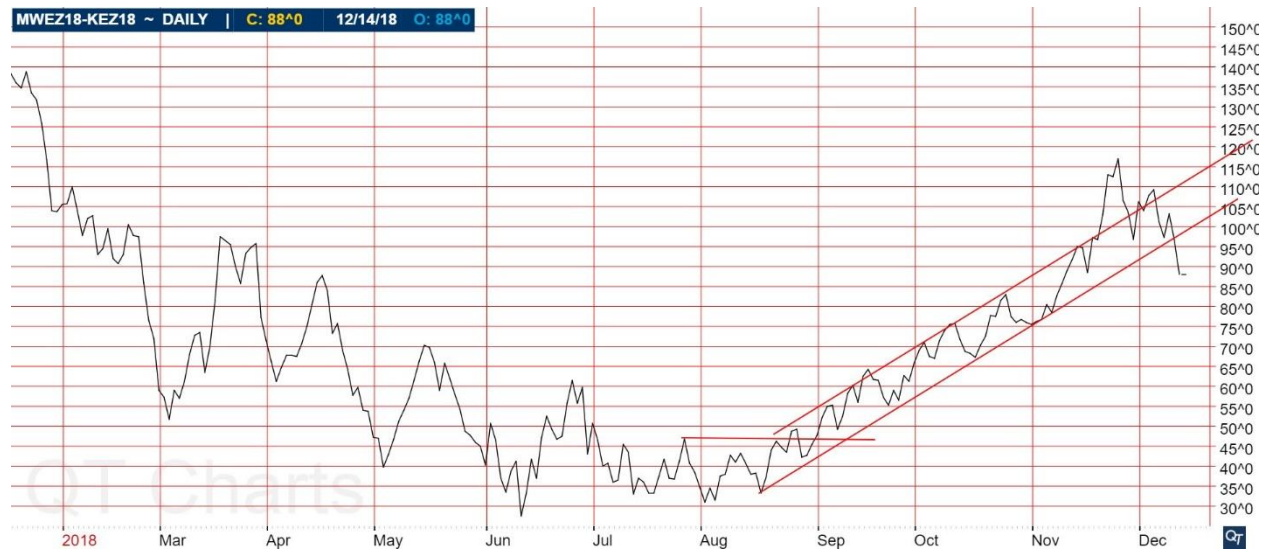
Early Sunday night trade saw beans and corn a few cents higher, with wheat acting kinda heavy. The Grain Corridor is set to expire July 18, with Russia saying it will not be renewed. However, Turkey came out and said the Turkish Navy would provide safety to grain boats, which is a new twist. We all know Turkey relies heavily on Russian wheat, so by keeping Ukrainian grain at least nominally available, it makes it easier for Russian wheat to keep moving to Turkey, and elsewhere. Interesting move, especially coming immediately after Turkey releasing the Ukrainian prisoners of war they holding as part of a deal which Russia received a Russian politician, Dmitry Medev in exchange for 215 Ukrainian POWs back in September. The prisoners held by Turkey were the “Azov commanders”, and Russia complained about it publicly.

Before we go, a spread I’m trading a little is the spring wheat premium over hard red winter. This is MGEX Z wheat – KC Z wheat...bumping into overhead resistance, but threatening to break out to the upside. KC’s HRW is being harvested, which removes the “unknown”...whereas spring wheat has a ways to go, and it’s recently been on the dry side in most of North Dakota and Canada. A friend told me he thinks the Canadian crop has lost 10% yield, and it could get worse. I’m a bear, thinking that spring wheat has to stay cheap as it’s under the same pressure from European wheat that HRW is facing, BUT...it’s not really a 1:1 equation. It’s more of a “how much premium can spring wheat get away with?”



The last thing I'd want to do is build a big short and get blown away by a northern drought.

The QT Market Center Platform does have access to historical quotes, which is a **VERY COOL** feature...here is a chart of what happened in the summer of 2018...MWZ18-KCZ18, and YIKES! comes to mind:



Have a good week. I hope you're able to get to cutting and finish up. Most of you haven't even started.

Slow Down and Stay Safe.

Big report Wednesday.