

Hello Colorado Wheat.

Do you like volatility? Some guys make a living on it. They saw plenty last week.

The Closing Table shows KC wheat and soybeans had 30c/bu gains, and corn kept a 20c gain, but those Friday closes are well off the intra-week highs. Crude oil set a new 11-week Closing High, but getting up and above \$80/bbl will be very difficult. The Stock Market bubbled higher, again, barely, but it indeed is bubbling.

	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
<b>07/21</b>	<b>\$8.60</b>	<b>\$8.67</b>	<b>\$5.27</b>	<b>\$5.36</b>	<b>\$7.18</b>	<b>\$8.97</b>	<b>\$15.01</b>	<b>\$14.02</b>	<b>\$77.07</b>	<b>\$4565</b>
07/14	\$8.29	\$8.34	\$5.07	\$5.14	\$6.81	\$8.90	\$14.80	\$13.71	\$75.42	\$4537
07/07	\$8.18	\$8.20	<b>\$4.87</b>	<b>\$4.94</b>	\$6.67	\$8.55	\$14.28	\$13.18	\$73.86	\$4434
06/30	\$8.00	\$8.00	<b>\$4.89</b>	<b>\$4.95</b>	\$6.69	\$8.27	<b>\$14.42</b>	<b>\$13.43</b>	\$70.64	<b>\$4488</b>
06/23	<b>\$8.62</b>	<b>\$8.63</b>	\$5.85	\$5.88	<b>\$7.62</b>	<b>\$8.80</b>	<b>\$14.04</b>	<b>\$13.10</b>	<b>\$69.16</b>	\$4389
06/16	\$8.39	\$8.37	<b>\$5.94</b>	<b>\$5.98</b>	\$7.16	\$8.69	\$14.08	<b>\$13.42</b>	\$71.78	<b>\$4454</b>
06/09	<b>\$7.94</b>	<b>\$7.93</b>	\$5.25	\$5.31	\$6.58	\$8.18	\$12.96	\$12.04	\$70.17	<b>\$4305</b>
06/02	\$8.07	\$8.04	\$5.36	\$5.41	\$6.52	\$8.12	\$12.63	\$11.84	\$71.74	<b>\$4288</b>
05/26	\$8.14	\$8.10	\$5.29	\$5.35	\$6.48	\$8.25	\$12.61	\$11.90	\$72.67	<b>\$4213</b>
05/19	\$8.16	\$8.07	<b>\$4.95</b>	<b>\$5.00</b>	<b>\$6.36</b>	<b>\$8.11</b>	<b>\$12.48</b>	<b>\$11.76</b>	\$71.55	<b>\$4205</b>
05/12	<b>\$8.61</b>	\$8.47	\$5.11	<b>\$5.09</b>	\$6.64	\$8.51	<b>\$13.18</b>	<b>\$12.24</b>	<b>\$70.04</b>	<b>\$4138</b>
05/05	\$8.24	\$8.21	\$5.37	\$5.38	<b>\$6.60</b>	\$8.44	\$13.74	\$12.80	\$71.34	\$4150
<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>

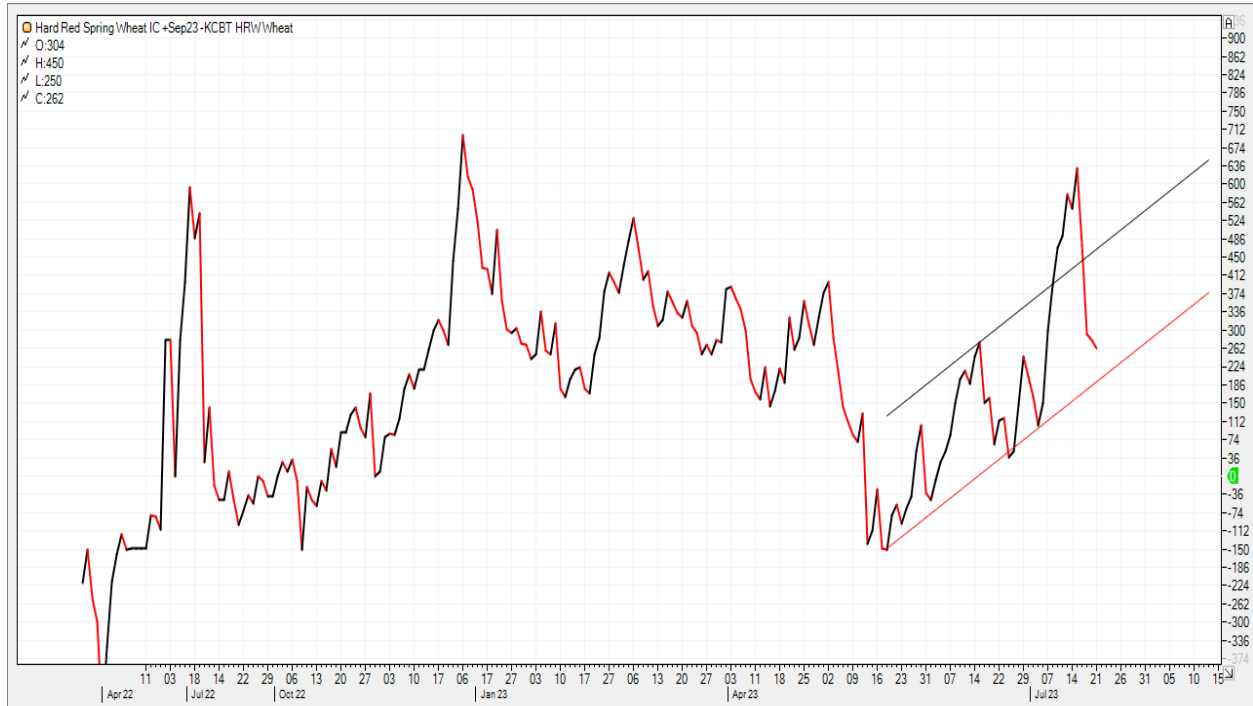
What grabs my attention? I see new-crop soybeans closed above \$14.00, as August beans got back to \$15.00. We still have plenty of new-crop beans to sell.

And Minny spring wheat did set another new Blue number, but only gained 7c, and stalled out unable to get up and above \$9.00. Makes me wonder "Just how tough is that resistance...?"

*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*

The break in the Minny spring wheat-KC hard red winter wheat spread was dramatic last week. I covered that spread fairly extensively in last week's wire...and said: *"IF I was smart enough to be long this spread, I'd be noticing the warning signs and move to lighten the load."*

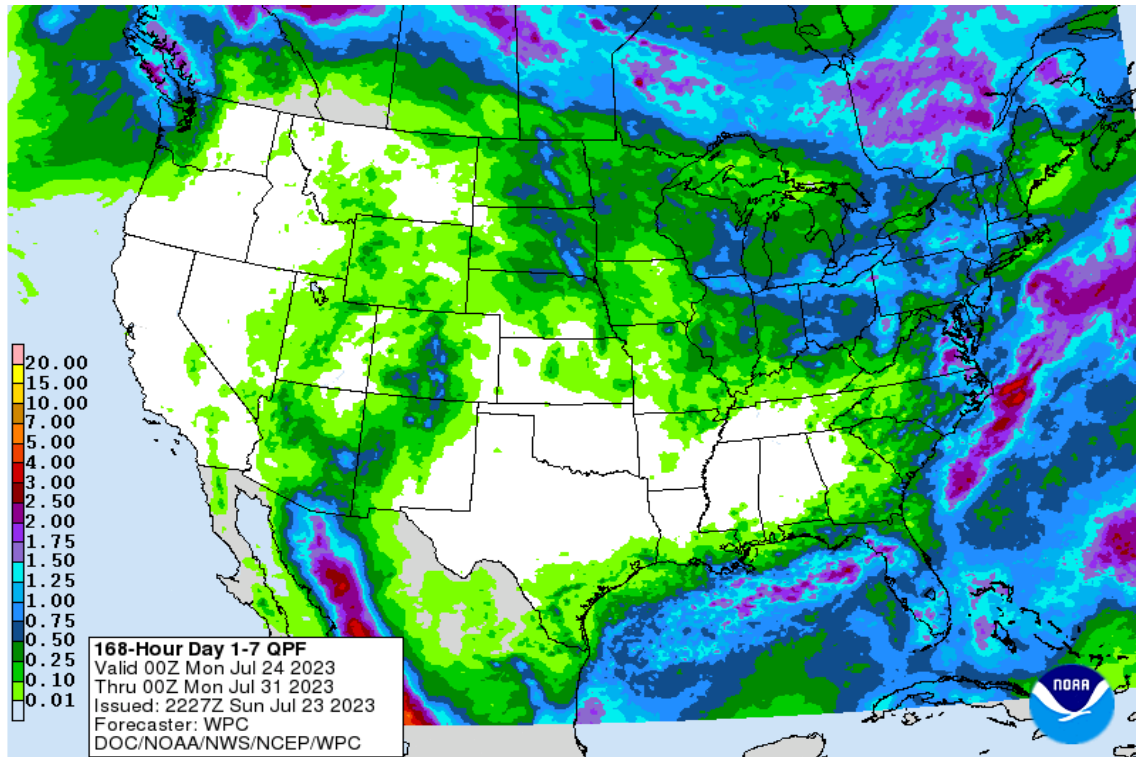
I assume someone out there made some dough on this move... down 40c in 3 days.



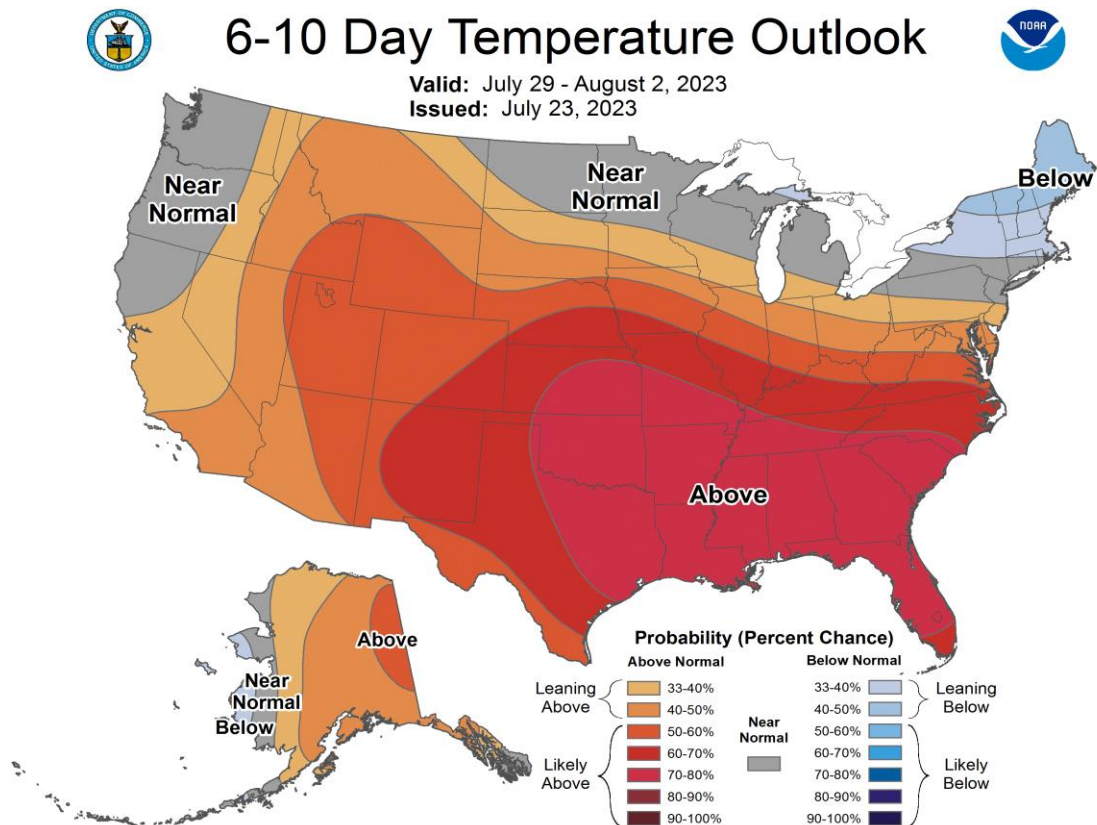
Part of that break came from this forecast, showing decent potential for the northern part of Canadian Prairies. If the forecast was like this for just above the 48<sup>th</sup> Parallel, instead of further north...Yikes! Minny would be down hard all this week too. As it is...The Wheat Quality Council's Spring Wheat Tour gets under way this week. I assume what's remaining of what was known as twitter will have interesting updates. I also assume #springwheattour23 will be the twitter handle.

This is the rain forecast for the next 7 days; those Spring Wheat Tour participants might get a little wet, but I lean towards their updates are NOT going to find dense, great looking wheat.

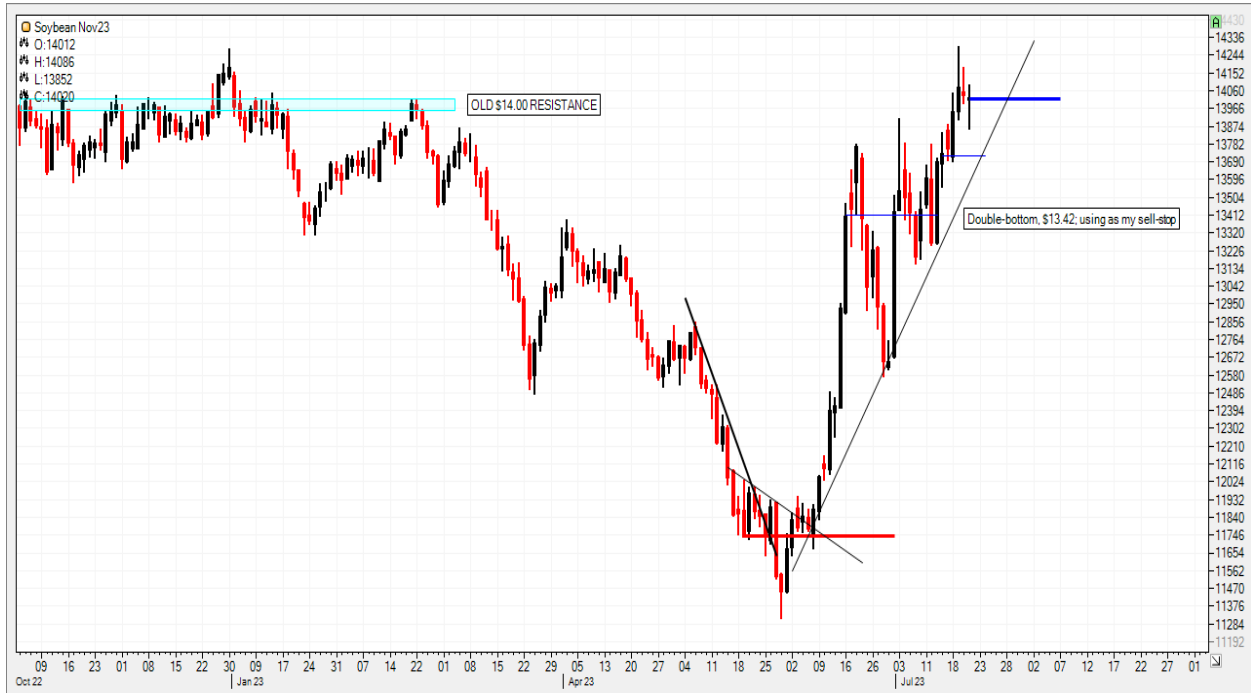
The good news for most readers is the HRW harvest in KS and CO should finally be able to finish up this drawn out harvest.



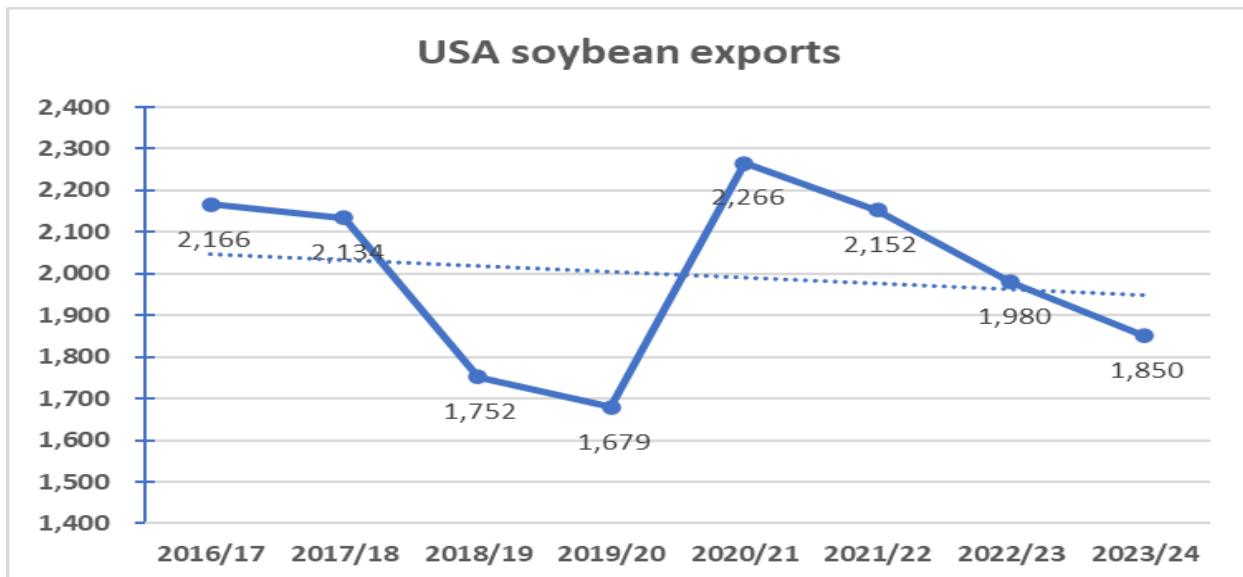
The Spring Wheat Tour at least won't be sweltering as bad as ...almost everywhere else. Yuck.



This is November soybeans, making a second consecutive Blue Number (new 11-week Closing High), bouncing into the old \$14.00 resistance. I've sold 35% of my new-crop beans. I'm using the \$13.42 area, which was a previous set of blue lines as my sell-stop on 15%. I'm hopeful the sell-stop doesn't get triggered and we'll eventually get \$15 and note that's where we sold last year's beans. Those were the days...



The KEY to whether we get \$15 is of course impacted by supply, as the beans will need rain for pod filling, but I think the determinant will be USA soybean exports, and so far...that makes me nervous, as new-crop USA soybean export sales have been underwhelming. ALTHOUGH...last week's new-crop bean sales were almost 28 mil bu! We'll need to export about 36 million weekly starting Sept.1. Total new-crop beans on the books are about 180 mil bu.

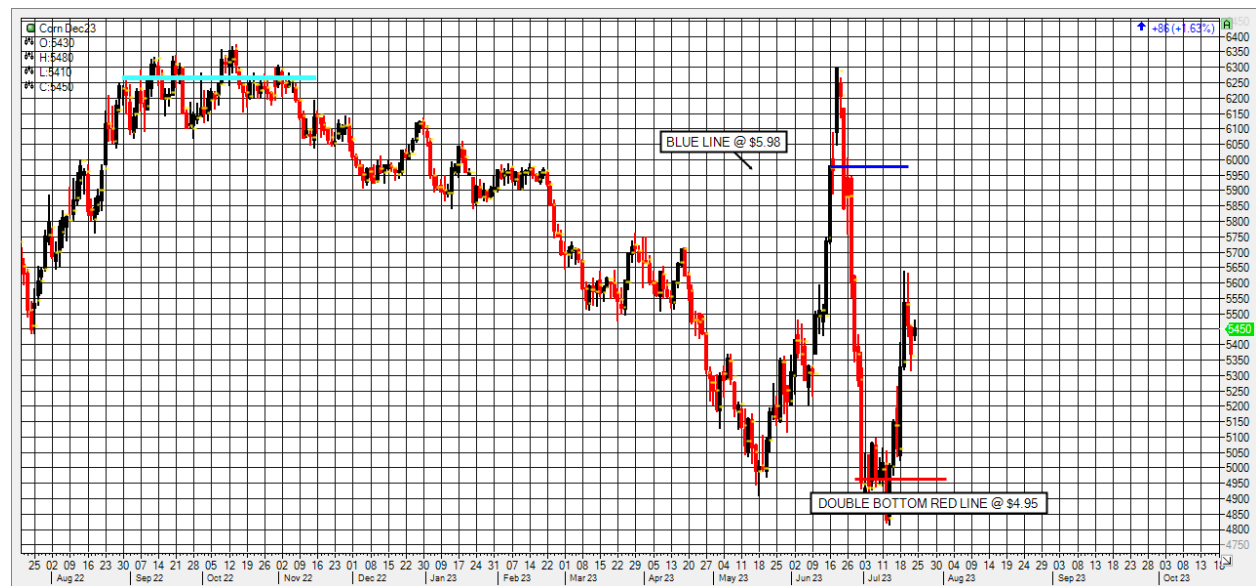


Early Sunday night action saw beans up about a dime on the hot and dry weather for this week.

On a somewhat related note (?)...I remember reading this story from early June...which said pork producers were losing \$57/head...<https://www.startribune.com/usda-buys-50-million-in-pork-to-aid-hog-farmers-in-possibly-the-worst-year-in-pork-production-ever/600281036/> ...but this chart of Lean Hogs makes me wonder if the pig farmers are doing better now? Up \$25 in 2 months...



Dec corn was up 20c last week, and early Sunday action saw another nickel or so. Corn is bounded by about \$6.00 and \$5.00. Corn has pollinated in pretty good shape, but rain would help with test weight and kernel size, no doubt. Russia pulling out of the Grain Corridor probably makes China pay more for corn, as recent numbers show China was Ukraine's main corn customer and at the risk of sounding somewhat cynical, is one of the reasons China hasn't been a backer of Russia, at least openly.



I've sold 50% of new-crop corn, and frankly doubt we'll get to sell \$6.00 the rest of this season. That chart says to expect resistance at \$5.75...

The updated Export Pace scorecard shows corn and beans limping home for the season...reminds me of a kokanee salmon after spawning...pieces just fall off of them. Looks like exporters missed reporting a milo boat last week by the deadline, and speaking of milo, last week's milo export sales of 9.4 mil bu were slightly more than corn's. Wheat...meh; probably will struggle all year long. High protein in the Western soft white due to drought and high temps is not a positive development...soft white wheat buyers want LOW protein and heavy test weight, and this year's crop is maybe looking like the opposite of that.

WEEK ENDED (07/06/23)	Weekly loadings	Accumulated in season (FGIS)	Estimated fudge factor	Total loaded est*	USDA projection	Amount needed	Weeks to go	Bu per week needed
Corn	14.3	1333.6	60	1386	1,650	264	07	37.7
Soybeans	5.7	1833.1	30	1859	1,980	121	07	17.3
All wheat	9.3	65.2	45	70	725	655	46	14.2
Milo	5.5	81.2	5	86	90	4	07	0.6
LAST WEEK								
Corn	13.4	1318.9	60	1369	1,650	281	08	35.1
Soybeans	8.7	1825.0	30	1850	1,980	130	08	16.3
All wheat	15.4	55.8	45	60	725	665	47	14.1
Milo	0.0	72.9	5	77	90	13	08	1.6

Posted Gulf to-arrive hard wheat bids are flat, unchanged, uncaring...

GULF date	12 pro	ords	diff	
7/21/2023	73	73	0	
7/14/2023	73	73	0	
7/7/2023	73	73	0	
6/30/2023	73	73	0	
6/23/2023	65	65	0	U

I saw KC domestic basis was posted down 15c this week.

IF there was a change to posted basis bids in the country, it was lower; mainly unchanged though.

Date	SE Colorado	Chey. Wells	Burlington	Holyoke area	Roggen area
<b>07/21</b>	<b>\$7.85-\$8.00</b>	<b>\$8.15</b>	<b>\$7.95-\$8.05</b>	<b>\$7.78-\$7.95</b>	<b>\$8.10-\$8.40</b>
07/14	\$7.64-\$7.69	\$7.89	\$7.69-\$7.79	\$7.54-\$7.64	\$7.84-\$8.09
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

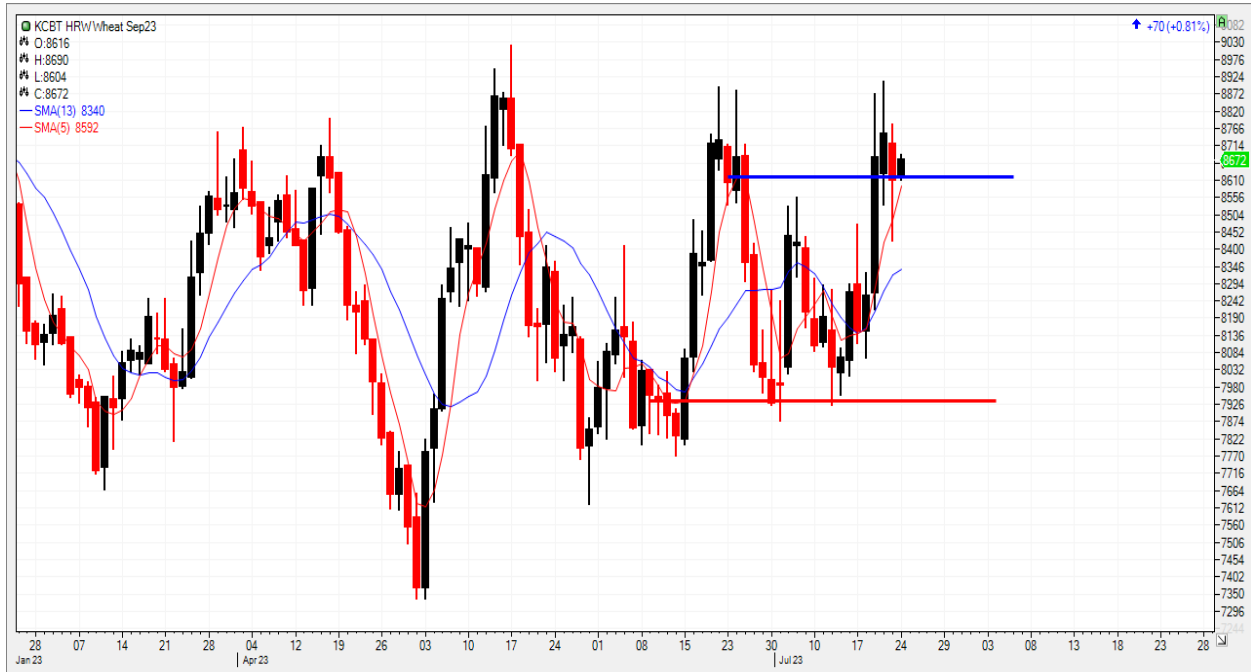
BASIS	SE Colorado	Chey. Wells	Burlington	Holyoke	Roggen area
<b>07/21(U)</b>	<b>-75, -60</b>	<b>-45</b>	<b>-65, -55</b>	<b>-82, -65</b>	<b>-50, -20</b>
07/14(U)	-65, -60	-40	-60, -50	-75, -65	-45, -20
07/07(U)	-65, -50	-40	-70, -60	-75, -65	-45, -20
06/30(U)	-65, -34	-39	-70, -60	-75, -60	-45, -20
06/23(U)	-65, -48	-43	-70, -60	-75, -60	-45, -20

Date	Concordia	Salina	Hutch/Wichita	Ark City
<b>07/21(U)</b>	<b>-35</b>	<b>-20, +05</b>	<b>-41, -10</b>	<b>-45</b>
07/14(U)	-30	-15, +05	-41, -05	-45
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

Concerning any unsold newly harvested wheat (50% sold previously...), last week I wrote: *“Looking again at the wheat chart on page 5 points out the expected resistance near \$8.85...certainly as KC nears \$9.00. I do NOT think we’ll be able to get up through it. If I had remaining wheat to sell, I’d put in a resting sell order at \$8.85 for half of that wheat.”*

Did that get executed?

Here's KC Sept, closing at \$8.60, just under the old Blue Line at \$8.62, BUT we see 2 intra-week Spike Highs, at \$8.87 on 7/19, and \$8.91 on 7/20... so **YES, we did sell half of whatever unsold wheat we had,** which would be maybe about 25% of normal expected production. **Nominally, I have another quarter of production to sell.** That's not a lot of unsold wheat remaining. I'm going to sit on it until we get a better clue.



New-crop July '24 did trade above \$8.00. We have sold nothing of the unplanted crop yet. I hope we get more rain. I hope the Russian invasion of Ukraine was over, and they had to pull back, defeated. Both of those would be bearish, but I'd take them in a heartbeat. As the guy says in the article below, "you have to have faith".

Here's an interesting story about farming in South Dakota, and what it takes to start out. I don't think the issues South Dakota faces are much different than what you deal with...I like the guy's finishing quote: "You have to have faith that this will work out." [https://rapidcityjournal.com/news/age-of-south-dakota-farmers-rise-along-with-land-and-input-costs/article\\_4527cf2a-271e-11ee-b35e-ab9bd6f366a6.html](https://rapidcityjournal.com/news/age-of-south-dakota-farmers-rise-along-with-land-and-input-costs/article_4527cf2a-271e-11ee-b35e-ab9bd6f366a6.html)

Have a good week. Stay Safe. Slow Down.

Drink plenty of water. Temps in the 100's most of this week.