

Hello Colorado Wheat.

Another rough week for KC wheat, down 22c in the Z, setting a new Red number on a breakdown below the \$6.40 area. Beans came off a little, waiting to see how the Brazilian weather goes; same thing for corn, although it finished the week a touch higher. Crude oil set a new 11-Week Closing Low, while the stock market posted a new 11-Week Closing High, helped by a lower Consumer Price Index. Lower consumer prices = lower inflation = (hopefully) no new interest rate increases.

	Dec '23 HRW	July '24 HRW	Dec'23 corn	July '24 corn	Chgo Z wheat	Springs Dec (Z)	JAN'24 soybean	July '24 Soybean	Crude oil	S&P
CLOSE	KWZ23	KWN24	CZ23	CN24	WZ23	MWZ23	SF24	SN24	CRD23	ES23
11/17	\$6.18	\$6.39	\$4.67	\$5.05	\$5.51	\$7.16	\$13.40	\$13.73	\$75.89	\$4528
11/10	\$6.40	\$6.64	\$4.64	\$4.98	\$5.75	\$7.31	\$13.48	\$13.74	\$77.17	\$4431
11/03	\$6.44	\$6.70	\$4.77	\$5.10	\$5.73	\$7.21	\$13.52	\$13.84	\$80.51	\$4376
10/27	\$6.43	\$6.70	\$4.81	\$5.09	\$5.76	\$7.20	\$13.20	\$13.54	\$85.54	\$4138
10/20	\$6.70	\$6.88	\$4.96	\$5.22	\$5.86	\$7.31	\$13.20	\$13.51	\$87.08	\$4248
10/13	\$6.69	\$6.88	\$4.93	\$5.22	\$5.80	\$7.22	\$13.00	\$13.33	\$87.69	\$4357
10/06	\$6.74	\$6.92	\$4.92	\$5.20	\$5.68	\$7.21	\$12.85	\$13.20	\$82.79	\$4342
09/29	\$6.64	\$6.81	\$4.77	\$5.06	\$5.42	\$7.09	\$12.95	\$13.27	\$90.79	\$4326
09/22	\$7.11	\$7.11	\$4.77	\$5.06	\$5.80	\$7.71	\$13.14	\$13.33	\$90.03	\$4361
09/15	\$7.47	\$7.36	\$4.76	\$5.04	\$6.04	\$7.89	\$13.56	\$13.70	\$90.77	\$4498
09/08	\$7.32	\$7.23	\$4.84	\$5.10	\$5.96	\$7.71	\$13.78	\$13.85	\$87.51	\$4462
09/01	\$7.23	\$7.18	\$4.82	\$5.09	\$5.96	\$7.60	\$13.83	\$13.88	\$85.55	\$4522
Year ago	\$8.01	\$8.01	\$5.93	\$5.93	\$7.70	\$9.79	\$13.40	\$13.40	\$75.57	\$4762

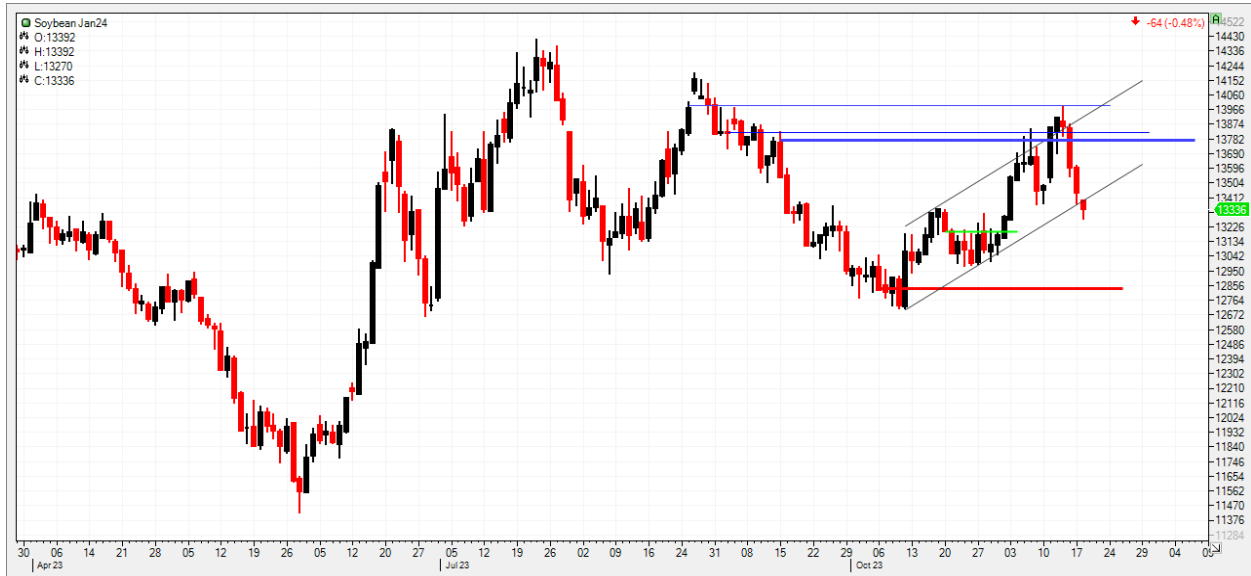
KC wheat was briefly supported by the announcement Food Aid would be resumed for Ethiopia <https://www.msn.com/en-us/news/us/us-will-resume-food-aid-to-millions-across-ethiopia-after-monthslong-pause-over-massive-corruption/ar-AA1jWZCP> until the market quickly figured out even if we donated 2 big boats of wheat monthly for a year...USA wheat exports wouldn't reach last year's total, and went back into Big Bear mode. Almost immediately after the Aid announcement, Russia announced they were finally shipping some "free" grain to Africa as well.

<https://www.reuters.com/markets/commodities/russia-begins-supplying-free-grain-african-countries-agriculture-minister-2023-11-17/>

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

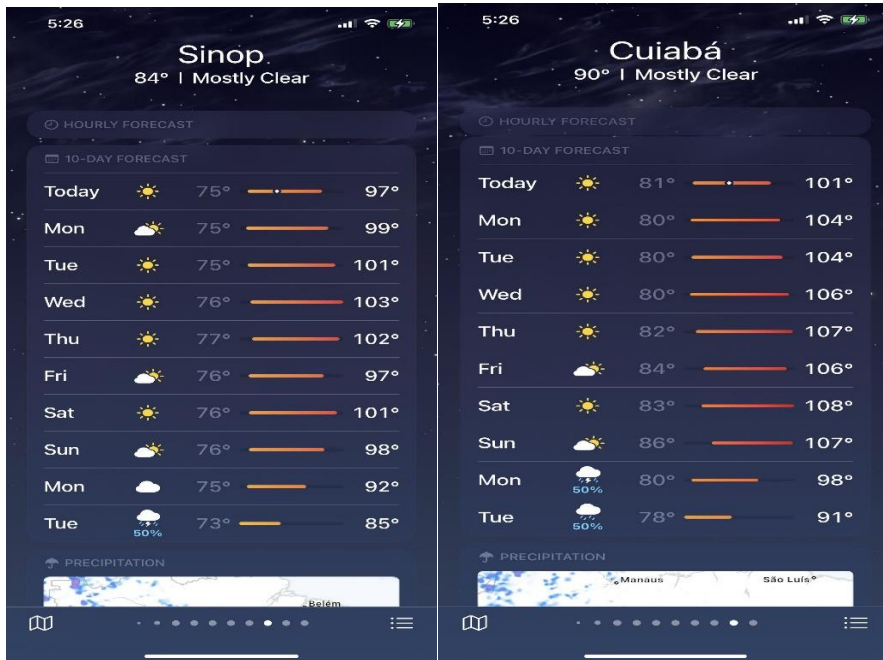
Markets opened Sunday where they left off, with KC still The Dog as my phone shows Wichita is indeed getting a little moisture. Corn is down a couple c and beans are off 8 and acting heavy.

This is Jan beans, with early Sunday action included.

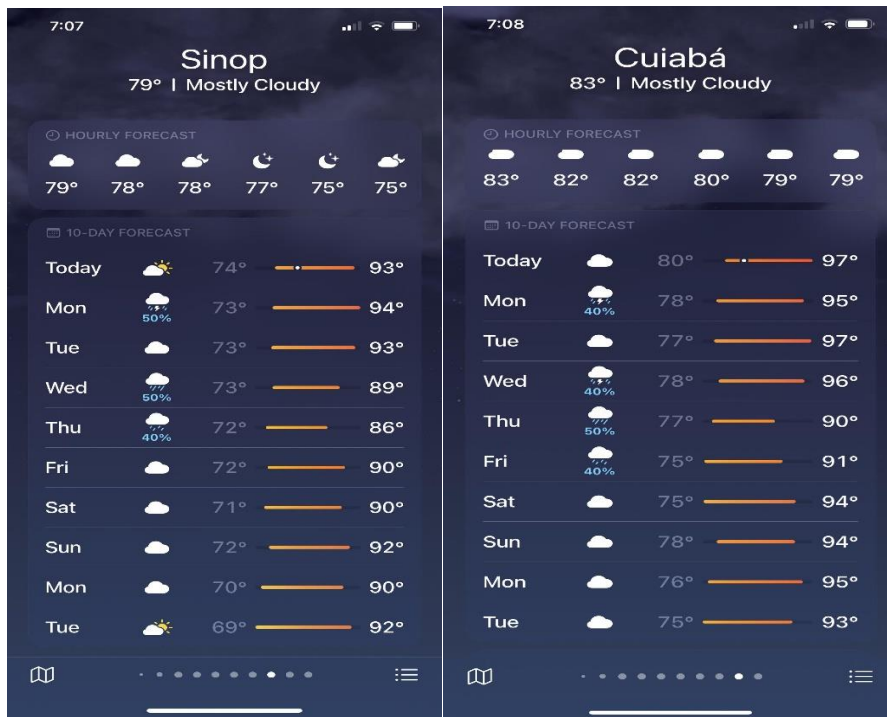


You may notice the Blue is down a few cents to \$13.78, and next week will drop to \$13.56 as the old blue numbers roll off the table. You probably noted that the upward channel trendline is in serious trouble, and it is becoming increasingly apparent the main feature of this chart is..."beans failed at \$14.00"...

Last week I showed these 2 screen shots of the 10-day forecast for two towns in Matto Grosso, Brazil:

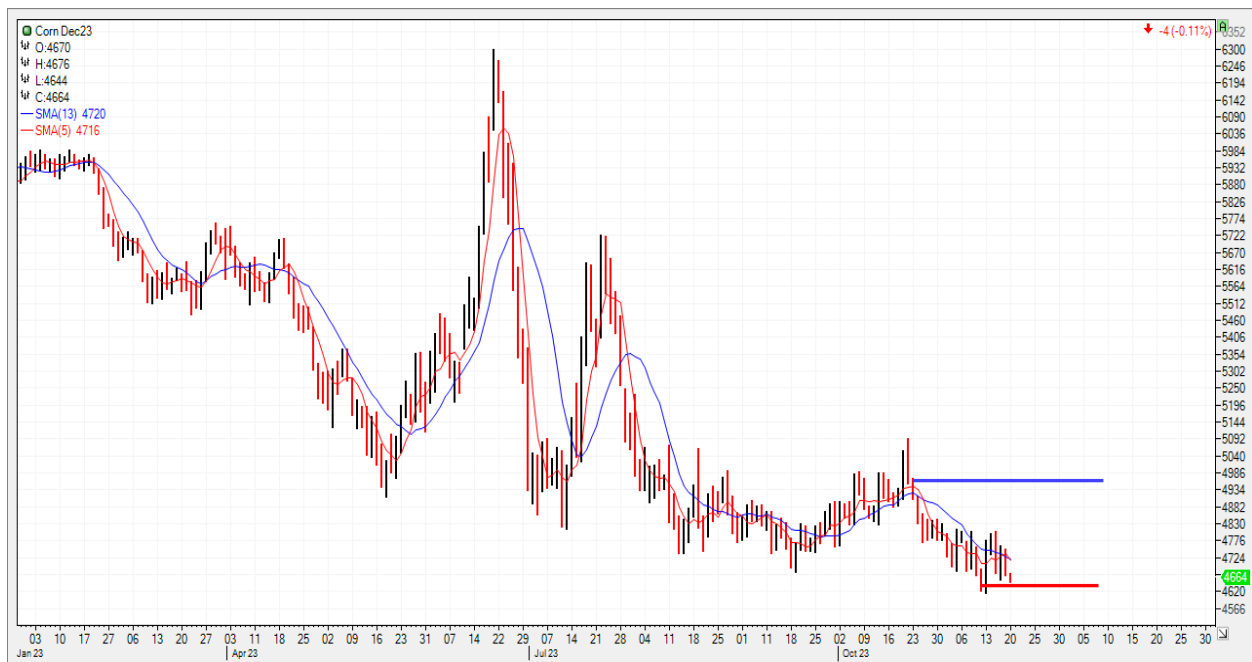


Contrast those with the updated phone forecasts; they look a little cooler and wetter:

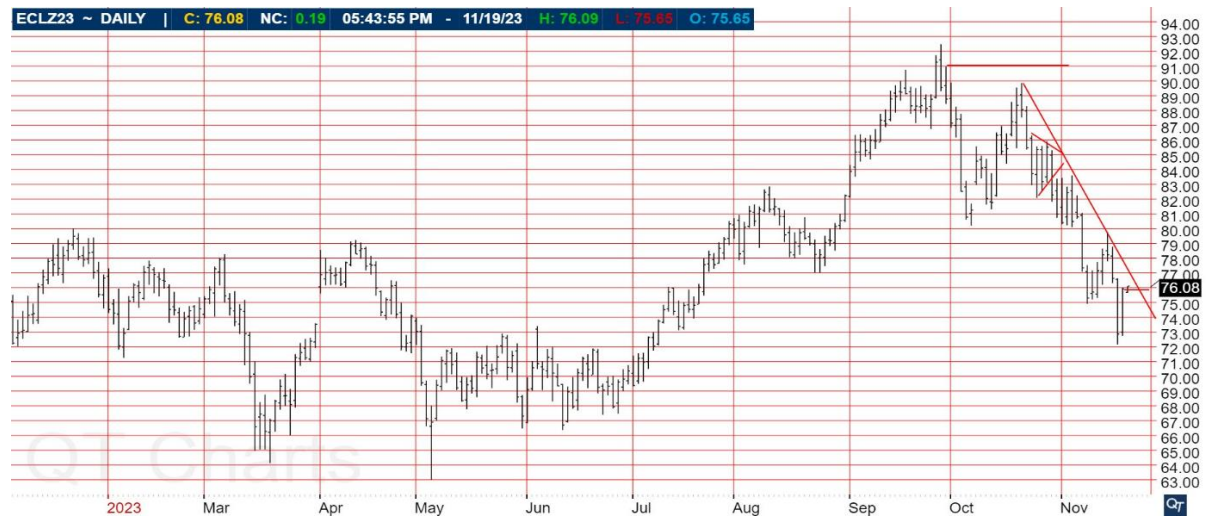


Right now, this is the sole market focus. 40% chances, highs in the 90's...Maybe not bullish, but not super bearish either. I suspect we're not finished talking about Brazilian weather.

Dec corn is glued to the screen, watching South American weather too, still in a 30c range, although prices are much closer to the bottom of the range than the top:



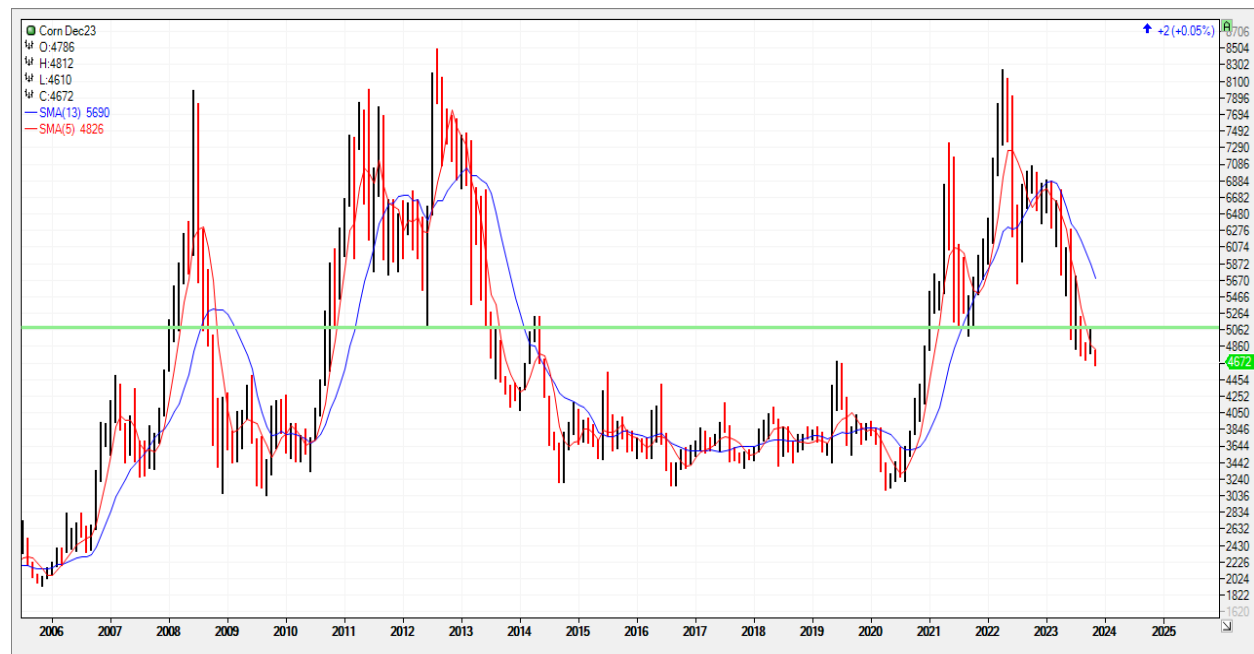
An interesting feature of the markets is crude oil dropping \$20 off the spike highs:



DTN ran an article saying input costs were weaker recently, and talked about beans still being more profitable than corn...https://www.dtnpf.com/agriculture/web/ag/crops/article/2023/11/15/cheaper-fertilizer-lowers-corn-costs?itm_source=parsely-api but I went up and down I-35 last week, I noticed a lot of Iowa guys working their ground (not no-til, and certainly not planting wheat as a cover crop...) and looked to me like they were applying fertilizer.

So...because I think the chances of USA corn stocks increasing next year are very likely, and obviously some guys are locking in their inputs...I think we better go ahead and get 10% of next year's corn on the books. **I am selling 10% of NEXT YEAR'S CORN, using Dec '24 futures at \$5.10.**

This is a monthly corn chart, with a green line drawn in at \$5.10. The DTN article said a guy would need \$5.08 to be profitable, so I'm getting started, and I bought some fertilizer and am spreading it now too.



Further proof that the main focus is South American weather...were this week's Export Sales, which were 1.8 mmt of corn (71.2 mil bu) and 3.9 mmt of soybeans ! (almost 144 mil bu). When we sell 144 mil bu of beans and the market drops 8c, you know the market is watching something else. (Wheat export sales were only 6.5 mil bu.)

The Export Pace is steady as she goes, about like it has been, and in that regard...wheat still is struggling.

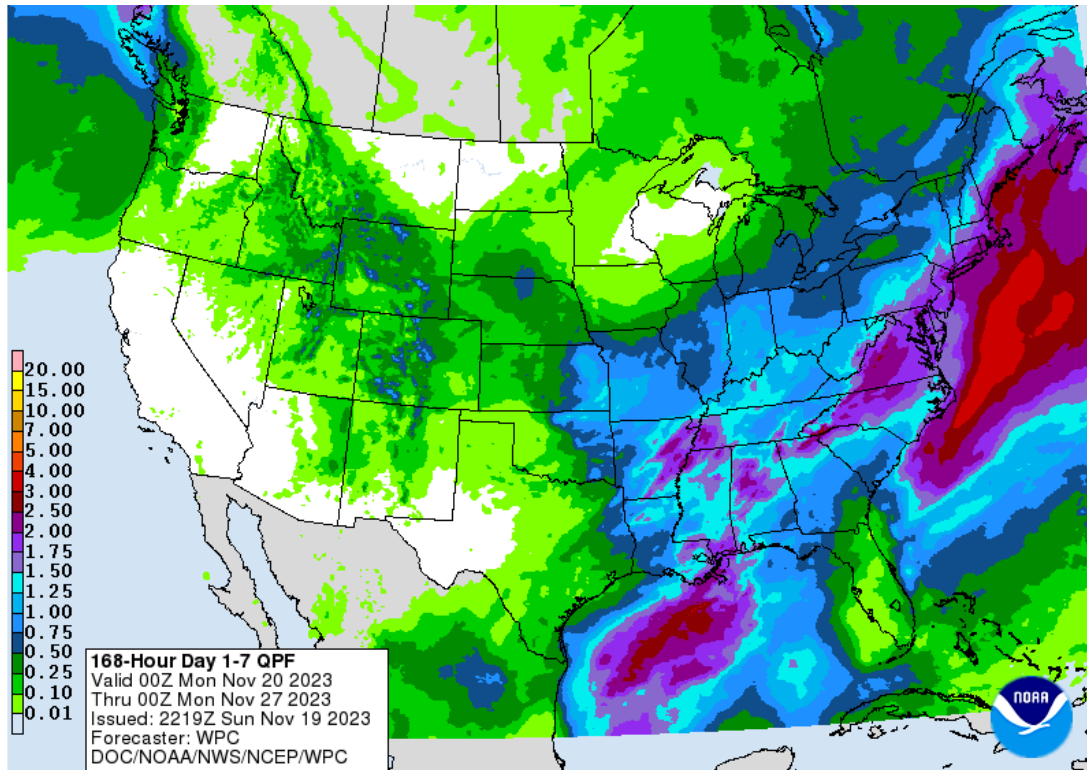
WEEK ENDED (11/09/23)	Weekly loadings	Accumulated in season (FGIS)	Estimated fudge factor	Total loaded est*	USDA projection	Amount needed	Weeks to go	Bu per week needed
Corn	24.0	242.5	175	418	2,075	1657	42	39.4
Soybeans	61.2	515.6	60	576	1,755	1179	42	28.0
All wheat	7.6	273.3	100	373	700	327	29	11.3
Milo	3.1	22.5	5	28	255	227	42	5.4
LAST WEEK								
Corn	21.1	216.1	175	391	2,075	1684	43	39.2
Soybeans	76.6	448.2	60	508	1,755	1247	43	29.0
All wheat	2.6	264.3	100	364	700	336	30	11.2
Milo	1.6	19.3	5	23	255	232	43	5.3

Here's a picture of that struggling wheat...with a new Red Line, again. Cascading Red Lines...brutal.

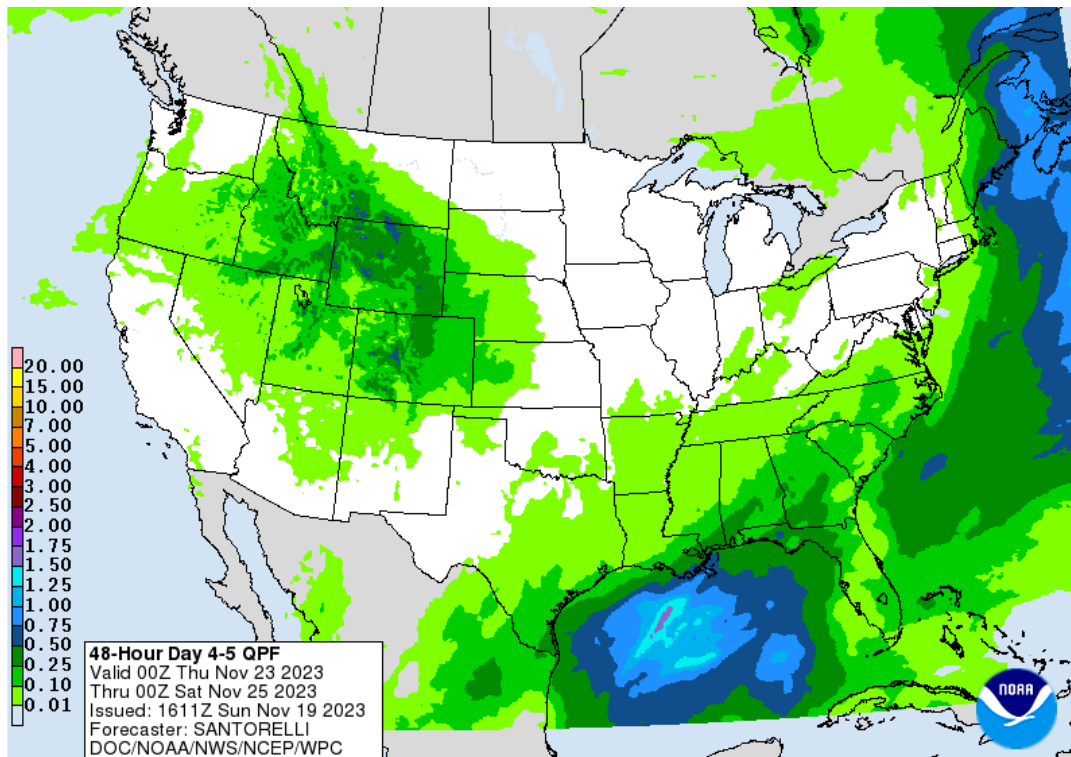


I'm going out on a limb here, but I think \$6.00 will hold.

I mentioned Wichita is getting wet...which affects this 7-day precip forecast...



Because we see after Day 3, it looks quite a bit drier, although not bone dry, and Colorado and NW Kansas might get damp:



Anyway...for the most part, the Market is NOT concerned at all about the new-crop winter wheat.

Gulf HRW to-arrive bids did change, kinda good news/bad news:

GULF date	12 pro	11's	diff
11/17/2023	110	105	5
11/10/2023	120	85	35
11/3/2023	120	85	35
10/27/2023	120	85	35
10/20/2023	120	80	40

Posted basis bids didn't move much, but one spot saw the Low Side raise up 9c, and the low end of some of the big KS Terminals crept up a nickel:

Date	SE Colorado	Chey. Wells	Burlington	Holyoke area	Roggen area
11/17	\$5.28-\$5.33	\$5.38	\$5.23-\$5.33	\$5.12-\$5.22	\$5.33-\$5.98
11/10	\$5.49-\$5.55	\$5.59	\$5.44-\$5.54	\$5.24-\$5.43	\$5.54-\$6.19
11/03	\$5.53-\$5.59	\$5.63	\$5.48-\$5.58	\$5.28-\$5.47	\$5.58-\$6.23
10/27	\$5.53-\$5.88	\$5.63	\$5.48-\$5.58	\$5.28-\$5.47	\$5.58-\$6.23
10/20	\$5.75-\$6.15	\$5.90	\$5.75-\$5.85	\$5.55-\$5.74	\$5.85-\$6.50
BASIS	SE Colorado	Chey. Wells	Burlington	Holyoke	Roggen area
11/17(Z)	-90, -85	-80	-95, -85	-106, -96	-86, -20
11/10(Z)	-90, -85	-80	-95, -85	-115, -96	-86, -20
11/03(Z)	-90, -85	-80	-95, -85	-115, -96	-86, -20
10/27(Z)	-90, -55	-80	-95, -85	-115, -96	-86, -20
10/20(Z)	-95, -55	-80	-95, -85	-115, -96	-86, -20
Date	Concordia	Salina	Hutch/Wichita	Ark City	
11/17(Z)	-45	-30, -20	-45, -15	-53	
11/10(Z)	-50	-35, -20	-45, -15	-53	
11/03(Z)	-50	-35, -20	-45, -15	-53	
10/27(Z)	-50	-35, -20	-45, -15	-53	
10/20(Z)	-50	-35, -20	-45, -15	-53	

The best posted Colorado corn bid is +30 CZ, which was \$4.97/bu, which could become a supportive input, but the following chart says "not yet"...

This is KC Z wheat – Dec corn, still probing for new lows, but I note the KC Z '24 – CZ '24 is also around \$1.50...so maybe the market is thinking wheat is almost maybe possibly getting cheap enough.



I didn't see a lot of wheat news that didn't talk about Argentina or Brazil slightly dropping their wheat crop production estimates, and in that same vein, here's a story from India worrying about their monsoon reducing wheat acreage...<https://www.msn.com/en-in/news/India/delay-in-sowing-of-wheat-likely-to-expose-crop-to-heatwave-fear-experts/ar-AA1kcEXw>

I think what I said about USA winter wheat growing weather applies to India, and Russia and South America...it could be better, but the market is not concerned.

Have a good week. Thanksgiving! Is my favorite holiday, and I admit, I eat as much as I can on Thursday, and then do it again on Friday.

Stay Safe. Slow Down.