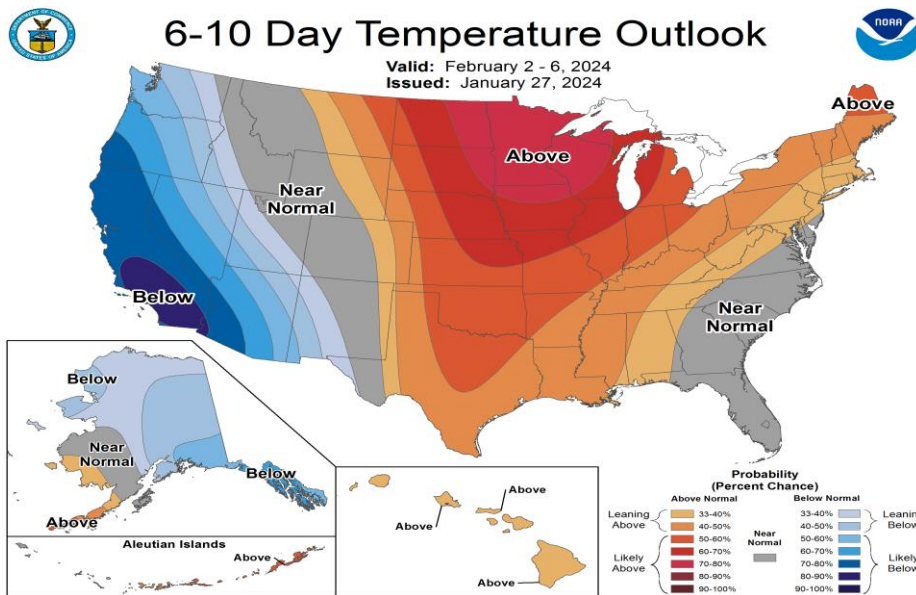
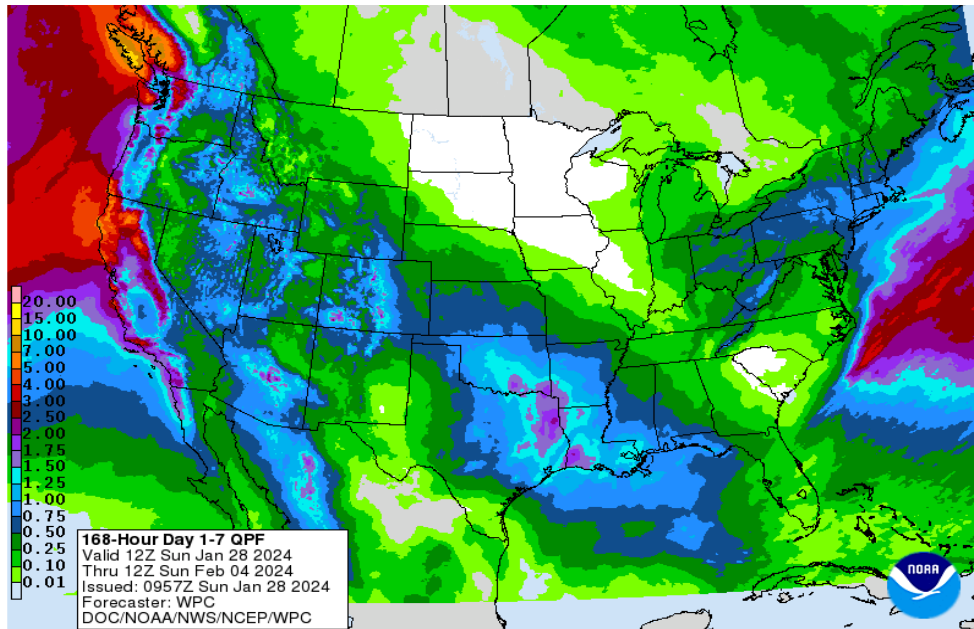


Hello Colorado Wheat.

These forecasts show more moisture coming next weekend...which probably won't be snow...



Is winter over already?

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**

Dreams of an early corn planting season and expected better yields are a bearish influence on the market, although...we all know rains after that will be the key to whether this Bear Market is over.

Here's how the week ended; KC led the way, up 17c, although on the daily chart we'll see it bumped up into resistance and backed off. Corn settled the week unchanged in both H and Z...so we will call it (at least for now) a double-bottom of support, while beans are lower for the week, but certainly seeing some support at \$12.00 on the daily chart too.

Crude oil pumped out a new Blue number as besides the Red Sea troubles, Ukraine successfully drone attacked some big Russian oil export facilities, which is a new wrinkle...and how 'bout that Stock Market?!

	MAR '24 HRW	DEC '24 HRW	MAR'24 corn	DEC '24 corn	Chgo H wheat	Springs MAR (H)	MAR'24 soybean	NOV '24 Soybean	Crude oil	S&P
CLOSE	KWH24	KWZ24	CH24	CZ24	WH24	MWH24	SH24	SX24	CRD23	ES23
01/26	\$6.25	\$6.51	\$4.46	\$4.76	\$6.00	\$7.04	\$12.09	\$11.85	\$78.01	\$4916
01/19	\$6.08	\$6.43	\$4.46	\$4.76	\$5.93	\$6.96	\$12.13	\$11.91	\$73.25	\$4870
01/12	\$6.15	\$6.49	\$4.47	\$4.82	\$5.96	\$7.00	\$12.24	\$12.02	\$72.68	\$4816
01/05	\$6.28	\$6.62	\$4.61	\$4.94	\$6.16	\$7.12	\$12.56	\$12.09	\$73.81	\$4735
12/29	\$6.42	\$6.70	\$4.71	\$5.04	\$6.28	\$7.24	\$12.98	\$12.46	\$71.65	\$4820
12/22	\$6.23	\$6.58	\$4.73	\$5.05	\$6.17	\$7.14	\$13.06	\$12.58	\$73.56	\$4805
12/15	\$6.43	\$6.75	\$4.83	\$5.12	\$6.29	\$7.31	\$13.32	\$12.76	\$71.43	\$4768
12/08	\$6.61	\$6.90	\$4.86	\$5.12	\$6.32	\$7.30	\$13.23	\$12.70	\$71.23	\$4608
12/01	\$6.47	\$6.82	\$4.85	\$5.14	\$6.03	\$7.30	\$13.46	\$12.82	\$74.07	\$4601
11/24	\$6.12	\$6.52	\$4.83	\$5.11	\$5.77	\$7.15	\$13.49	\$12.80	\$75.54	\$4568
11/17	\$6.28	\$6.62	\$4.85	\$5.12	\$5.76	\$7.32	\$13.57	\$12.83	\$75.89	\$4528
11/10	\$6.51	\$6.87	\$4.79	\$5.07	\$5.99	\$7.43	\$13.61	\$12.80	\$77.17	\$4431

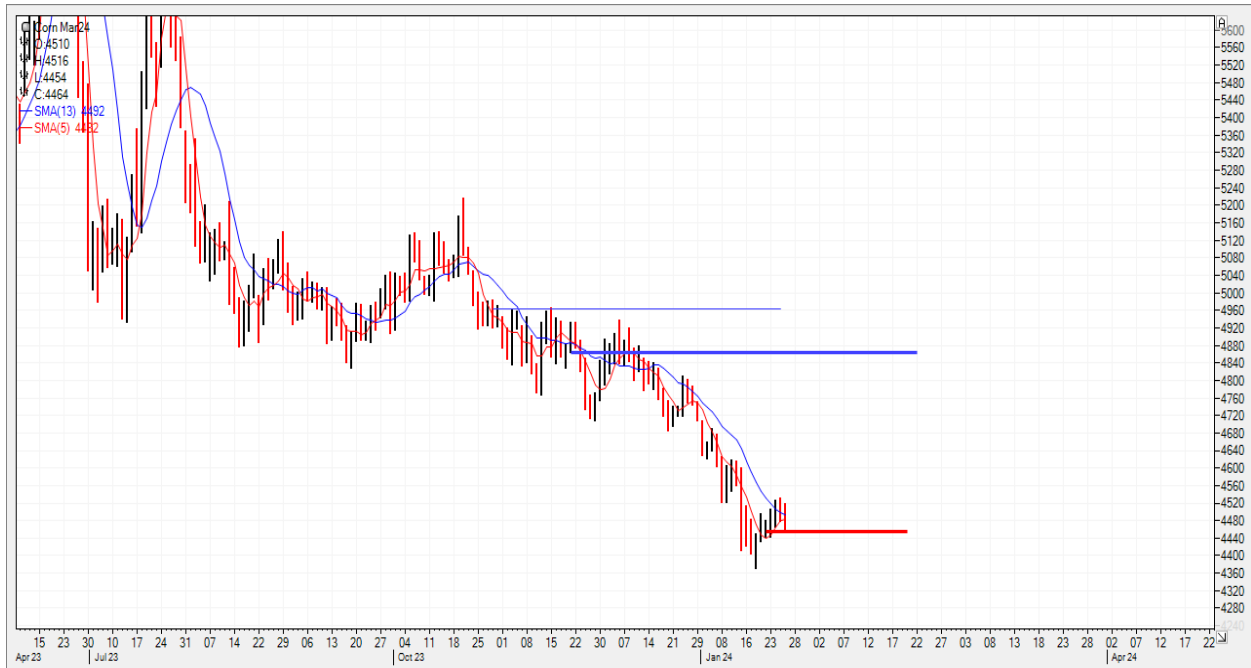
I admit I have a bias...but I liked reading this story from The Guardian about Ukraine hitting Russia where it hurts...in the pocketbook. <https://www.theguardian.com/world/2024/jan/27/ukraine-levels-up-the-fight-with-drone-strikes-deep-into-russia>

Anyway...the crude oil market finally noticed.

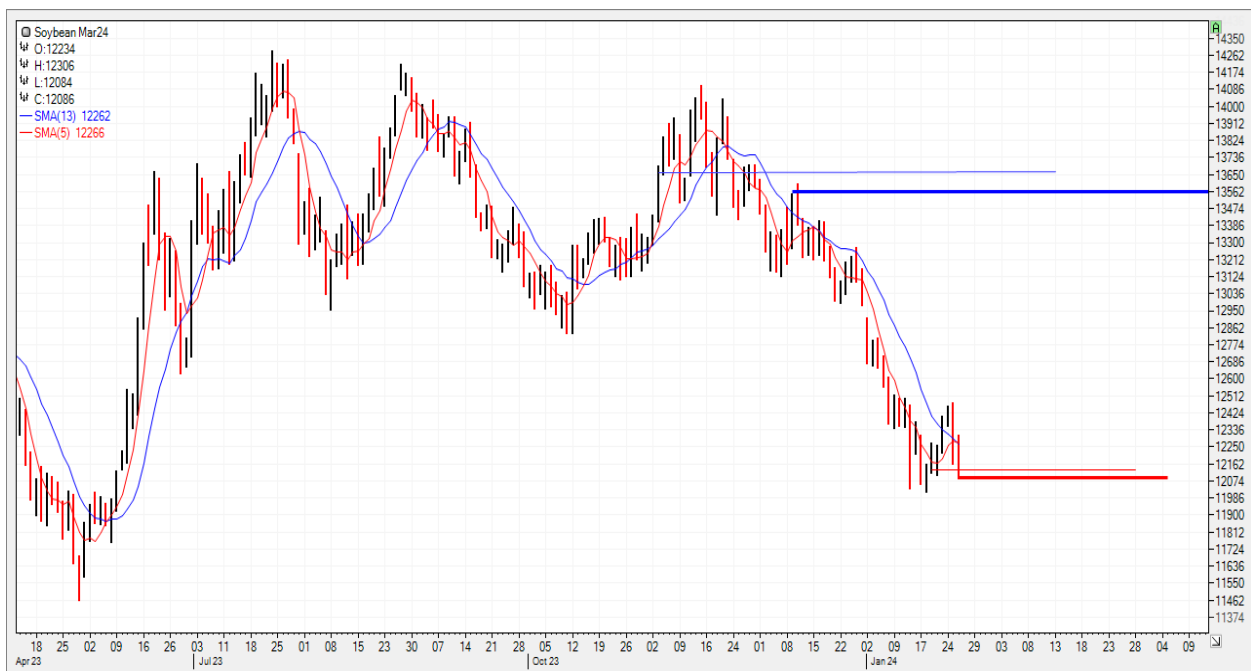
The weather forecast is good enough to make me plenty nervous about saying the Bear Market is over. We'll worry about a drought later.

These are daily charts...

March corn now showing a double-bottom of support at \$4.46, although there is a WALL of resistance seen on the weekly closing table around \$4.85, with old highs just under \$5.00 above that Blue Wall:



March soybeans did set a new lower Red line, again, but...still closed above \$12.00:



And KC March wheat was plenty jumpy, spooked by some initial Fund short covering, although...Friday gave a chunk of that back.



Besides the weather...the fundamental input we see weekly is USA Export Sales, and Grain Inspections. For the record...Export Sales...were not great; 38 million corn, 20 million beans and 16 mil bu of wheat.

WEEK ENDED (01/18/24)	Weekly loadings	Accumulated in season (FGIS)	Estimated fudge factor	Total loaded est*	USDA projection	Amount needed	Weeks to go	Bu per week needed
Corn	28.1	578.8	175	723	2,100	1347	32	42.0
Soybeans	42.7	983.0	60	1043	1,755	712	32	22.2
All wheat	11.6	394.0	100	494	725	231	19	12.1
Milo	3.1	103.1	5	108	255	147	32	4.6
LAST update								
Corn	34.5	547.9	175	723	2,100	1377	33	41.7
Soybeans	46.5	939.8	60	1000	1,755	755	33	22.9
All wheat	8.6	379.8	100	480	725	245	20	12.2
Milo	11.7	100.0	5	105	255	150	33	4.5

Grain inspections were routine...ALTHOUGH...we do see CHINA LOADED a BOAT of SRW from the US center Gulf.

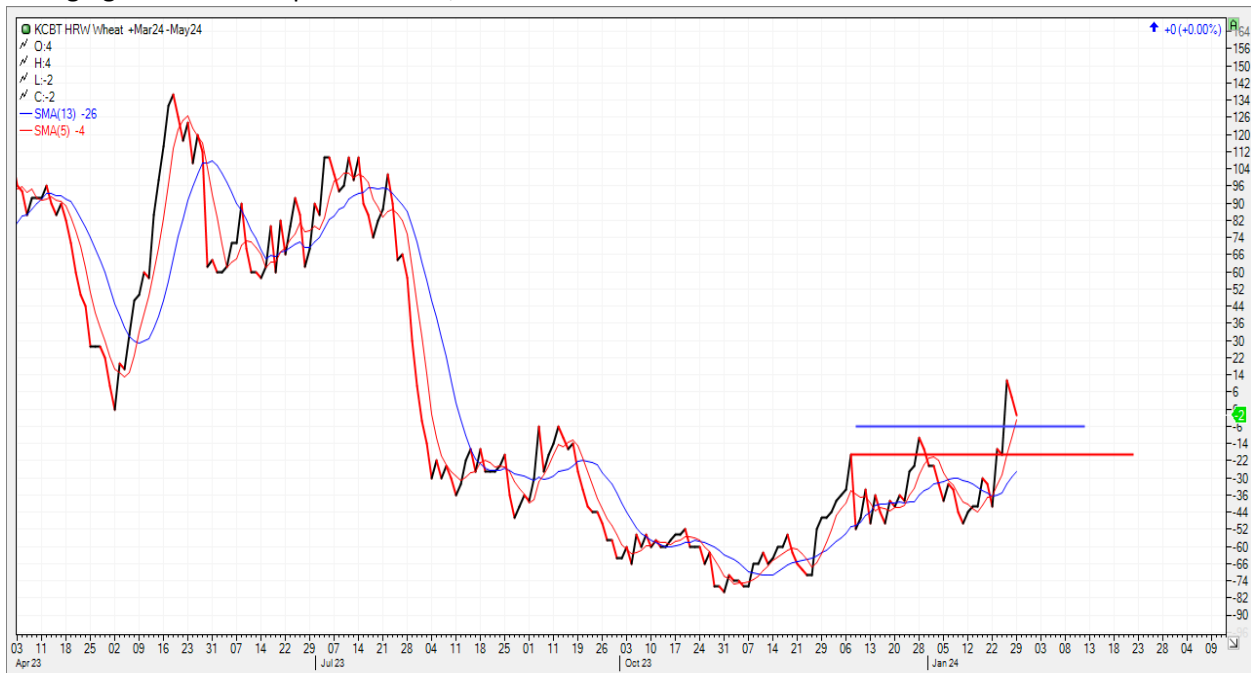
And thus...Last week's major feature seemed to be the three Mar-May wheat calendar spreads firming, which you don't necessarily see in the weekly closing table.

Every wheat trader in the world...thinks he's a great spreader.

This is the KC H24-KC K24 calendar spread. Last Thursday saw action on a move up below some intra-week highs at -3/4, moving on up to a 4c inverse or so early Friday, before fading badly to settle at about even money which continued into early Sunday action.



Changing that to a line spread format, it looks like this:



Where to from here? It's hard to say. I've seen some wires talking about huge short positions supposedly based on The Commitment of Traders Reports, implying those big short positions will need to be covered, creating big rallies. I think those wires are mainly trying to earn some commissions..., and the short open interest will be rolled forward with no issues, as ultimately "no one wants the delivery wheat". BUT...the one new input we did see last week was China actually loading some of the big SRW purchases. IF China keeps loading out the US Gulf SRW, the wheat calendar spreads won't relax much.

I'd say "if you bought those wheat calendar spreads last week, know where you will get out." When I look at the last chart on page 2, the Red line is at -2 (a 2c carry). A close below that would probably be an exit signal.

Posted Gulf HRW bids aren't yet screaming higher, nor are the posted basis bids in the Central Kansas Terminals (which are the big delivery houses)...

Date	SE Colorado	Chey. Wells	Burlington	Holyoke area	Roggen area
01/26	\$5.30-\$5.50	\$5.45	\$5.30-\$5.40	\$5.26-\$5.40	\$5.40-\$6.05
01/19	\$5.13-\$5.33	\$5.28	\$5.13-\$5.23	\$5.09-\$5.23	\$5.23-\$5.88
01/12	\$5.20-\$5.40	\$5.35	\$5.20-\$5.30	\$5.16-\$5.25	\$5.30-\$5.95
01/05	\$5.33-\$5.53	\$5.48	\$5.33-\$5.43	\$5.29-\$5.38	\$5.43-\$6.08
12/29	\$5.47-\$5.67	\$5.62	\$5.47-\$5.57	\$5.43-\$5.52	\$5.57-\$6.22
BASIS	SE Colorado	Chey. Wells	Burlington	Holyoke	Roggen area
01/26(H)	-95, -75	-80	-95, -85	-99, -85	-85, -20
01/19(H)	-95, -75	-80	-95, -85	-99, -85	-85, -20
01/12(H)	-95, -75	-80	-95, -85	-99, -90	-85, -20
01/05(H)	-95, -75	-80	-95, -85	-99, -90	-85, -20
12/29(H)	-95, -75	-80	-95, -85	-99, -90	-85, -20
Date	Concordia	Salina	Hutch/Wichita	Ark City	
01/26(H)	-30	-25, -20	-45, -15	-53	
01/19(H)	-30	-25, -20	-45, -15	-53	
01/12(H)	-35	-25, -20	-45, -15	-53	
01/05(H)	-35	-25, -20	-45, -15	-53	
12/29(H)	-35	-25, -20	-45, -15	-53	

Anyway...a good clue the Bear Market is over is when those wheat calendar spreads tighten up and the inverses persist, so we'll want to keep an eye on them.

World wheat news...is probably more bearish than Bulls would like to see.

Australia's wheat production was a little better than expected, and China is taking a big chunk of it ...
<https://www.agcanada.com/daily/australia-achieves-average-wheat-barley-harvests>

And along those lines, China announced they will now be open to using Argentina as a wheat supplier...<https://www.nasdaq.com/articles/argentina-gets-china-ok-for-wheat-exports-for-first-time>

So the good news/bad news continues...the good news is China is buying a lot of wheat. The bad news is...they are buying from many suppliers.

Even normally big importing countries have found some wheat for sale this year...which often happens when prices get high. <https://www.hellenicshippingnews.com/turkey-tenders-to-sell-and-export-150000-t-durum-wheat-traders/>

Sitting on large unsold grain inventories...hasn't been the best strategy for a while now, and last week didn't really change that view, although this PermaBear thinks those tighter wheat calendar spreads are a signal for wheat end-users to be alert.

Have a good week.

Stay Safe. Slow Down.