

Hello Colorado Wheat.

First glance at this 11-week Closing Table says...corn is down 10% and the Stock Market is up 10% in 3 months.

BUT... corn appears to have stabilized (quit going down, at least for now) on continued wet weather, which is a little shaky, as it's hard for me to get bullish on too much water. BUT...it has been very wet, and the forecasts...are interesting.

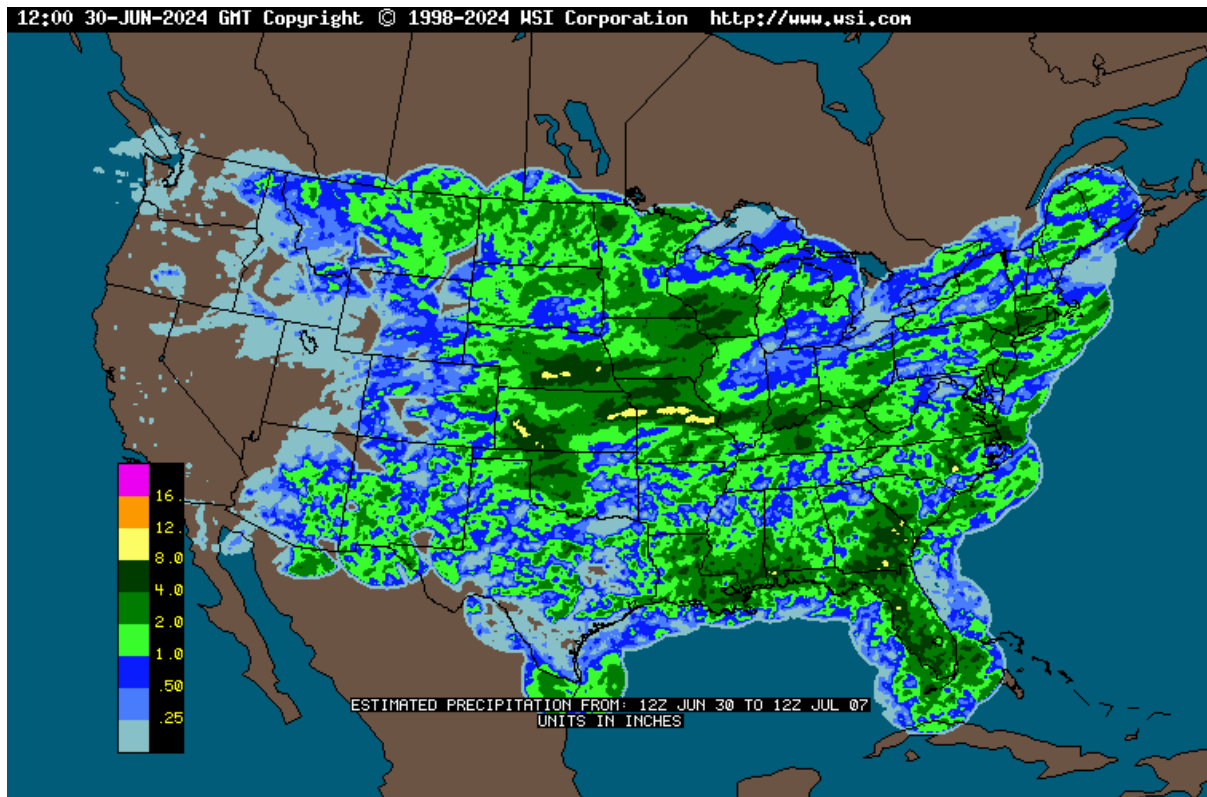
KC wheat up 11c, but unable to close above \$6.00, while spring wheat gained 20c (big weekly USA wheat Export Sales this week in most wheat classes, but springs led the group), and November soybeans bounced off of the \$11.00 mark on and old-crop beans did even better, on some new sales to China.

	<b>KCSEPT HRW</b>	<b>DEC '24 HRW</b>	<b>SEPT CORN</b>	<b>DEC '24 CORN</b>	<b>Chgo U wheat</b>	<b>Springs SEP (U)</b>	<b>AUG'24 BEANS</b>	<b>NOV 24 BEANS</b>	Crude oil	S&P (M)
<i>CLOSE</i>	<i>KWU24</i>	<i>KWZ24</i>	<i>CU24</i>	<i>CZ24</i>	<i>WU24</i>	<i>MWU24</i>	<i>SQ24</i>	<i>SX24</i>	<i>CRD23</i>	<i>ES23</i>
<b>07/05</b>	<b>\$5.99</b>	<b>\$6.16</b>	<b>\$4.11</b>	<b>\$4.24</b>	<b>\$5.91</b>	<b>\$6.33</b>	<b>\$11.66</b>	<b>\$11.30</b>	<b>\$83.16</b>	<b>\$5622</b>
06/28	<b>\$5.86</b>	<b>\$6.03</b>	<b>\$4.08</b>	<b>\$4.21</b>	<b>\$5.74</b>	<b>\$6.13</b>	<b>\$11.34</b>	<b>\$11.04</b>	\$81.54	<b>\$5522</b>
06/21	<b>\$5.87</b>	<b>\$6.03</b>	<b>\$4.41</b>	<b>\$4.53</b>	<b>\$5.76</b>	<b>\$6.17</b>	<b>\$11.47</b>	<b>\$11.20</b>	\$80.73	<b>\$5534</b>
06/14	\$6.36	\$6.55	\$4.57	\$4.70	\$6.29	\$6.66	\$11.68	<b>\$11.50</b>	\$78.45	<b>\$5458</b>
06/07	\$6.79	\$7.00	\$4.55	\$4.67	\$6.49	\$7.04	\$11.77	<b>\$11.58</b>	<b>\$75.53</b>	<b>\$5356</b>
05/31	\$7.23	\$7.42	\$4.54	\$4.67	\$7.00	\$7.50	\$12.04	\$11.85	<b>\$76.99</b>	\$5299
05/24	<b>\$7.36</b>	<b>\$7.53</b>	\$4.75	\$4.88	<b>\$7.18</b>	<b>\$7.63</b>	<b>\$12.45</b>	<b>\$12.20</b>	<b>\$77.72</b>	\$5322
05/17	\$6.76	\$6.97	\$4.63	\$4.77	\$6.72	\$7.22	<b>\$12.25</b>	\$12.03	\$80.06	<b>\$5327</b>
05/10	<b>\$6.86</b>	<b>\$7.05</b>	<b>\$4.80</b>	<b>\$4.92</b>	<b>\$6.83</b>	<b>\$7.27</b>	<b>\$12.21</b>	<b>\$12.06</b>	\$78.26	<b>\$5246</b>
05/03	\$6.63	\$6.83	<b>\$4.69</b>	<b>\$4.83</b>	<b>\$6.43</b>	<b>\$7.20</b>	<b>\$12.16</b>	<b>\$12.01</b>	<b>\$78.11</b>	\$5155
04/26	<b>\$6.66</b>	<b>\$6.85</b>	\$4.59	\$4.74	<b>\$6.42</b>	<b>\$7.10</b>	\$11.81	\$11.75	<b>\$83.85</b>	<b>\$5132</b>
04/19	\$5.94	\$6.12	<b>\$4.51</b>	<b>\$4.66</b>	<b>\$5.84</b>	\$6.62	<b>\$11.67</b>	<b>\$11.61</b>	\$82.22	<b>\$5004</b>

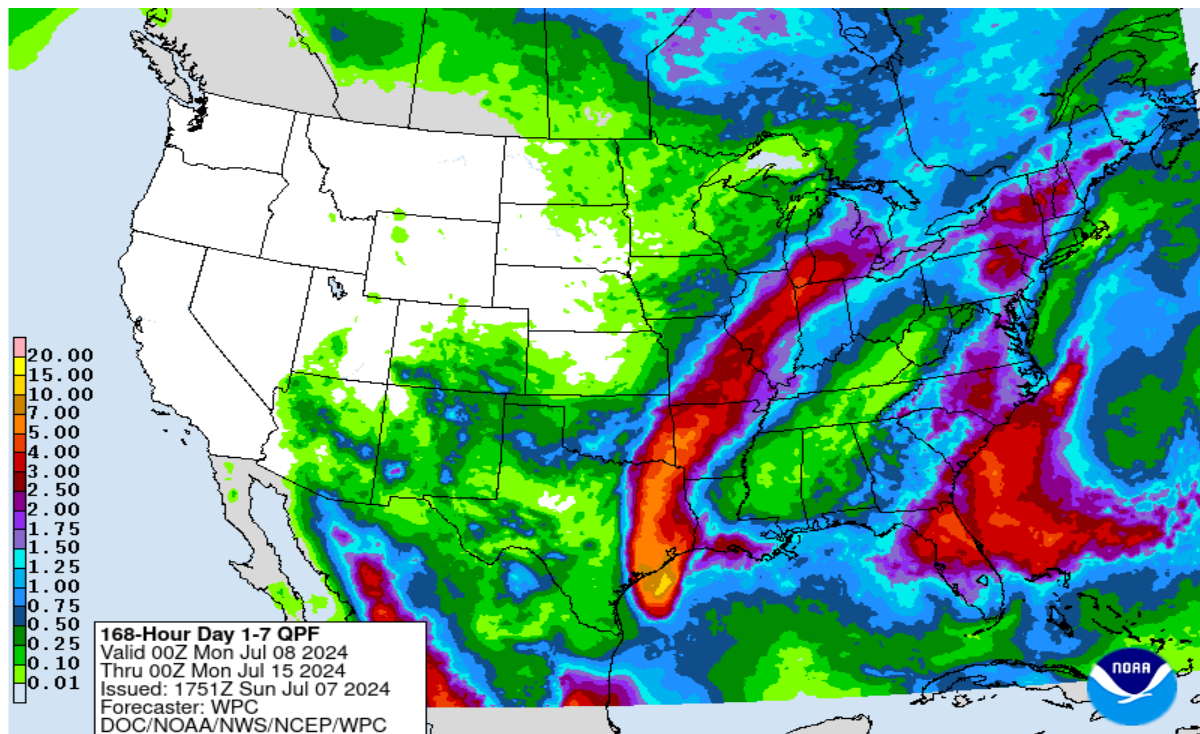
I mentioned the USA weather forecasts are “interesting”, which means no one is sure which way this summer will head into the finish, but world weather isn't quite ideal either, and we did see some sizable buying. So...I have to ask: Did we finally bottom?

*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*

Last week's precipitation fell about everywhere, but generally wasn't too bad...



This week's precipitation forecast map shows the expected coming "split", with the West drying out, but the East staying wet:



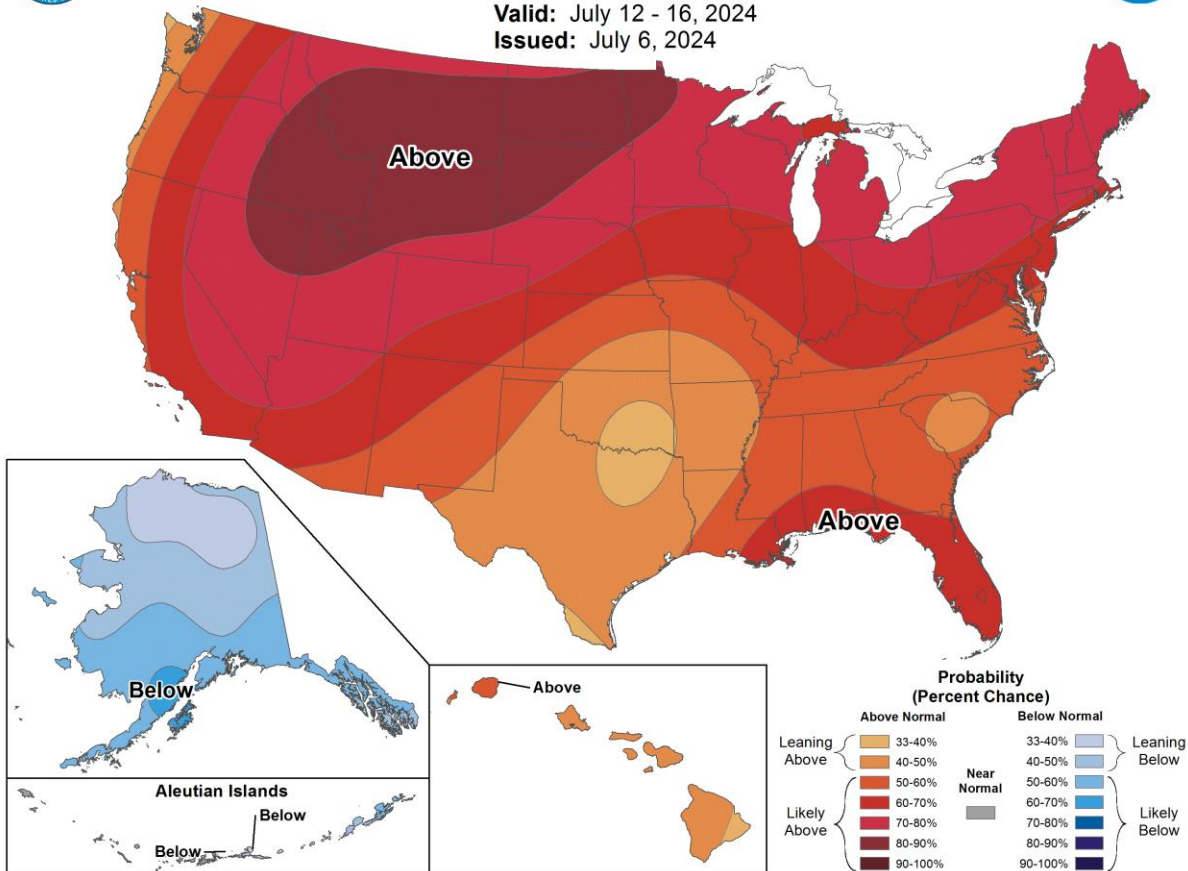
According to last week's Crop Conditions, Oklahoma was 100% finished with wheat harvest, which looks like a good thing. Kansas was 80% complete and Texas 87% done as of last Monday, so while last week's showers probably caused some delays, those 2 states are in the "wrap-it-up" stage. Colorado and Nebraska should make big progress this week. We saw ratings improved again in Montana, but it's possible Montana may have peaked...



## 6-10 Day Temperature Outlook



Valid: July 12 - 16, 2024  
 Issued: July 6, 2024



The July WADSE comes out this Friday, with a lot of wheat updates (by class, etc), and will incorporate the Acreage and Grain Stocks numbers we June 30.

I don't think we will see yield changes to USA corn or soybeans.

I do think we will see some updates on World crops, but I DO NOT expect to see a big change in the USDA's Russian wheat crop estimate again. Remember in June the USDA dropped their Russian wheat estimate to 83 mmt, down from 88 mmt. I don't expect a change to India's 114 mmt wheat production estimate either. It will be interesting to see if the USDA ups their Indian wheat import forecast.

It's possible we could see some USA minor domestic usage changes, but the current export loading pace doesn't show a need for any changes yet:

<b>WEEK ENDED (06/27/24)</b>	Weekly loadings	Accumulated in season (FGIS)	Estimated fudge factor	Total loaded est*	USDA projection	Amount needed	Weeks to go	Bu per week needed
Corn	32.2	<b>1672.3</b>	<b>175</b>	1847	<b>2,150</b>	303	<b>09</b>	<b>33.6</b>
Soybeans	11.1	<b>1526.2</b>	<b>60</b>	1586	<b>1,700</b>	114	<b>09</b>	<b>12.6</b>
All wheat	11.4	<b>50.1</b>	<b>67</b>	117	<b>800</b>	<b>683</b>	<b>48</b>	<b>14.2</b>
Milo	2.2	<b>204.7</b>	<b>5</b>	210	<b>245</b>	35	<b>09</b>	<b>3.9</b>
LAST update								
Corn	44.0	<b>1638.6</b>	<b>175</b>	1814	<b>2,150</b>	336	10	<b>33.6</b>
Soybeans	12.6	<b>1514.8</b>	<b>60</b>	1575	<b>1,700</b>	125	10	<b>12.5</b>
All wheat	12.6	<b>38.6</b>	<b>67</b>	106	<b>800</b>	<b>694</b>	49	<b>14.1</b>
Milo	0.05	<b>202.4</b>	<b>5</b>	207	<b>245</b>	38	10	<b>3.8</b>

We saw another good week of USA wheat Export Sales (24.5 mil bu) but I think it's too early to raise the USA wheat export forecast. We'll see US Gulf to-arrive wheat bids stayed unchanged last week. HOWEVER, there were another 3 small boats (90 mmt) of HRW sold to Brazil...

Corn exports sales of 21.3 mil bu were not good. Soybeans were ok at 10.4 mil bu.

Gulf to-arrive HRW bids:

GULF date	12 pro	<b>11's</b>	diff	
7/5/2024	120	105	15	
6/28/2024	<b>120</b>	<b>105</b>	15	<b>U</b>
6/21/2024	<b>115</b>	<b>100</b>	15	
6/14/2024	<b>110</b>	<b>90</b>	20	
6/7/2024	105	70	35	
5/31/2024	105	70	35	
5/24/2024	105	<b>70</b>	35	
5/17/2024	105	<b>80</b>	25	
5/10/2024	105	95	10	
5/3/2024	105	95	10	<b>N</b>

We've been watching that posted corn basis in North Central Colorado. It went up another dime last week, now at +125...(!)

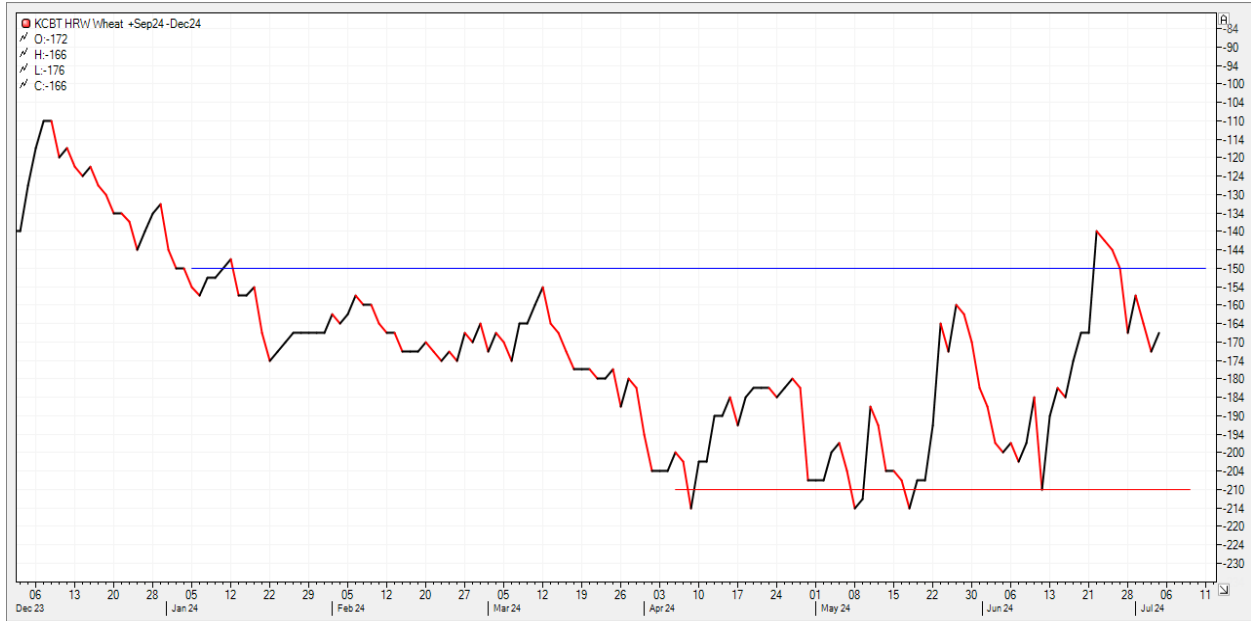
Posted basis wheat bids in the country didn't move much, (I am assuming the USDA made a mistake on that Cheyenne Wells bid) and this late in the harvest, I don't see much downside

potential remaining on the basis. Conversely, I think it will take much better exports to get the basis to move higher.:

Date	SE Colorado	Chey. Wells	Burlington	Holyoke area	Roggen area
<b>07/05</b>	<b>\$5.35-\$5.44</b>	<b>\$5.09</b>	<b>\$5.04-\$5.09</b>	<b>\$4.99-\$5.19</b>	<b>\$5.29-\$5.75</b>
06/28	\$5.23-\$5.31	\$5.48	\$4.96-\$5.06	\$4.86-\$5.03	\$5.13-\$5.68
06/21	\$5.21-\$5.26	\$5.41	\$4.81-\$4.91	\$4.76-\$5.01	\$5.16-\$5.61
06/14	\$5.48-\$5.73	\$5.78	\$5.28-\$5.38	\$5.23-\$5.48	\$5.58-\$6.08
06/07	\$5.71-\$6.11	\$6.16	\$5.66-\$5.76	\$5.61-\$5.86	\$5.61-\$6.46
BASIS	SE Colorado	Chey. Wells	Burlington	Holyoke	Roggen area
<b>07/05(U)</b>	<b>-64, -55</b>	<b>-90</b>	<b>-95, -90</b>	<b>-100, -80</b>	<b>-70, -24</b>
06/28(U)	-63, -55	-39	-90, -80	-100, -83	-73, -20
06/21(N)	-60, -55	-40	-100, -90	-105, -80	-65, -20
06/14(N)	-80, -55	-50	-100, -90	-105, -80	-70, -20
06/07(N)	-95, -55	-50	-100, -90	-105, -80	-105, -20
Date	Concordia	Salina	Hutch/Wichita	Ark City	
<b>07/05(U)</b>	<b>-35</b>	<b>-15, -05</b>	<b>-32, -03</b>	<b>-45</b>	
06/28(U)	-35	-15, -04	-32, -07	-45	
06/21(N)	-25	-10, -08	-27, -02	-40	
06/14(N)	-30	-15, -10	-30, -05	-40	
06/07(N)	-30	-20, -15	-35, -10	-40	

That move to **-03 for a futures delivery location** makes me think the KC calendar wheat spreads will stay tighter than most receiving elevators like. I'm sure they would like to see at least 8c/month (24c U/Z), but the posted basis probably won't allow that. There are some reports of damage (and discounts) but I don't believe it is a widespread problem.

This is KC Sept-Dec, off a freckle from the recent peak, but it looks like good support at -21c is expected (7c per month). Only 5c/month storage (15c carry) is shown as resistance:



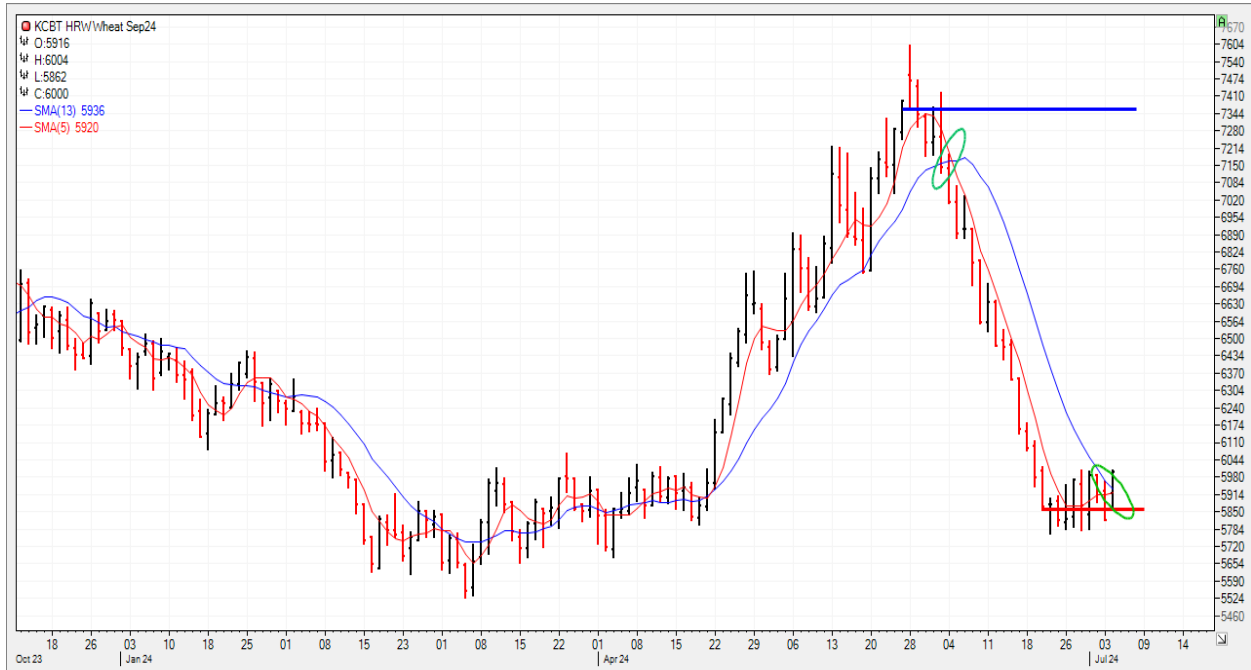
There was some twitter gab about the Russian crop so far struggling to make 12.5% protein as yields have improved over early supposed expectations, and as mentioned, we did see good spring wheat Export sales (mainly to the Philippines), but so far, the spring wheat/HRW futures spread is staying between +40 and +20. This is MGEX U – KC U, and the weather does still have a shot at moving this thing, especially if the “hot and dry in the West” gains traction:



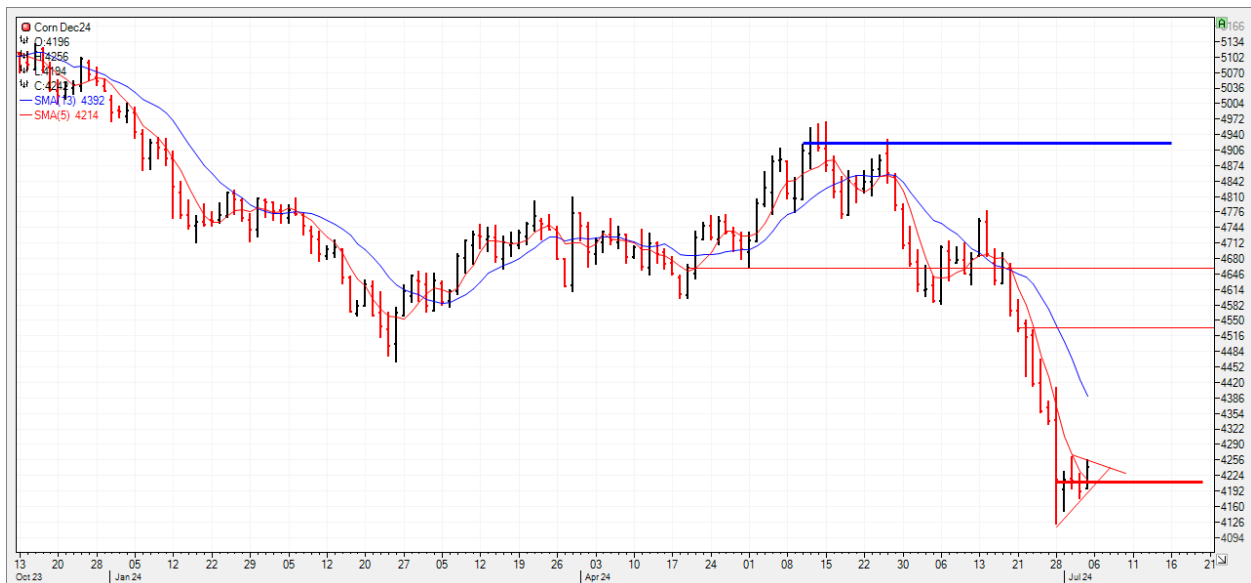


On page 1, I asked if we bottomed.

This is KC Sept, showing a double-bottom of support at \$5.86, plus...it looks like we'll see a moving average cross this week. If I was smart enough to be short this stuff, then **yes, I would go ahead and cover those shorts.** Although keep in mind a weekly close below \$5.86 will bring in a lot of new selling.

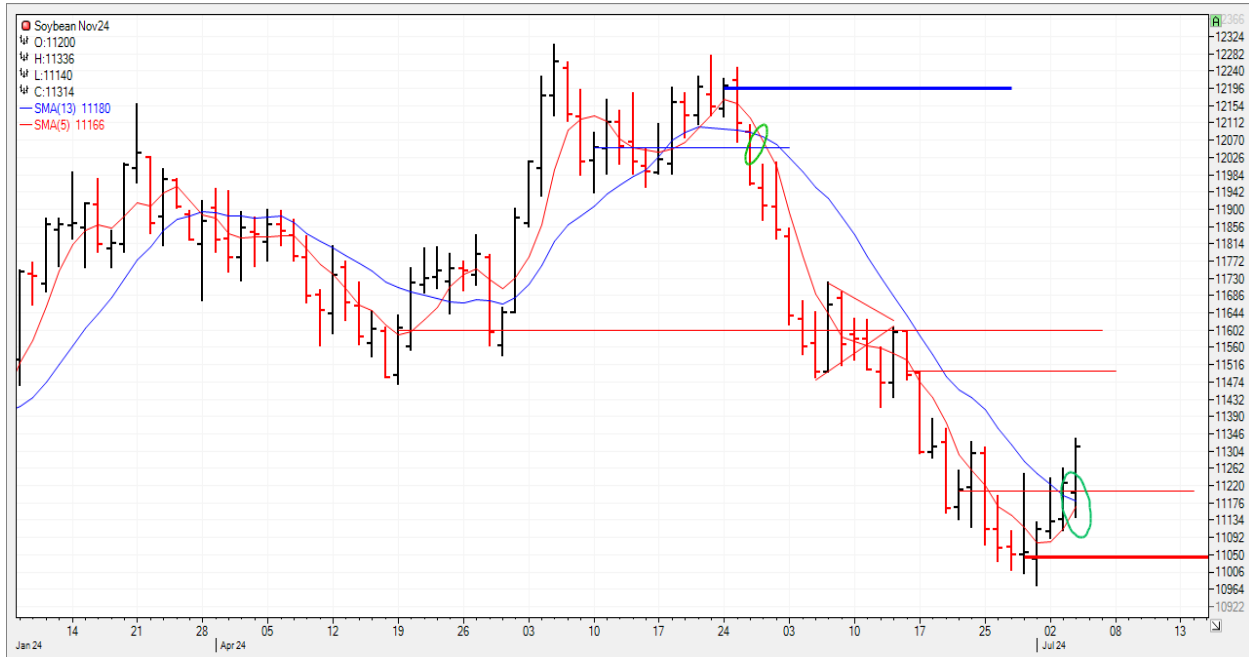


Dec corn...is not as convincing. I don't see any buy signals yet, and indeed, there is a Bear Flag pointing lower. IF for some reason that Bear Flag fails...and breaks out higher, then finally we could talk about corn showing the end of the Big Bear Move.



New-crop Nov beans show a (similar to wheat) moving average cross POTENTIALLY coming (hasn't yet), and a fairly convincing bounce off \$11.00, as this week's close is above a previous red line.

So here too, if I was smart enough to be short beans, I'd come away from those shorts. A weekly close below \$11.00 would bring in new selling, but I don't think we will see that.



Big report Friday, and USA winter wheat harvest is almost over, with "heat wave" headlines everywhere, so this could be a wild week.

Switching gears...I saw a blurb about how citrus growers in Florida (maybe elsewhere) could switch to this tree, which has the potential for fuel usage and food protein usage, etc. It supposedly grows with little water, or can handle flooding. Sounds a little too good to be true...but if you haven't heard of it, you now have. <https://www.msn.com/en-us/foodanddrink/foodnews/pongamia-trees-grow-where-citrus-once-flourished-offering-renewable-energy-and-plant-based-protein/ar-BB1pvmES?ocid=BingNewsVerp>

Have a good week. Stay Safe. Slow Down.

PS; Sunday night action saw wheat melt down. KC Sept touched \$5.85 ½, and Nov beans slumped hard, now down another 17c. But you know what matters to me is this coming Friday's close, so I wouldn't puke out those shorts I covered a dime or so ago. But now all that talk about the bottom sure looks dumb. Yikes.