

Hello Colorado Wheat.

Friday's close was bad, real bad. But...it wasn't bad enough to wipe out the weekly gains, and new 4-week Closing Highs everywhere, except for Crude Oil setting a new 12 Week Closing Low (red number) and the stock market almost setting a new red number.

These green numbers are 4-week Closing Highs in all grains we track, and corn had it's second consecutive Green Number. New closing highs will bring in new buying, but ...it will take new Blue Numbers to really accelerate the Fund short-covering, which with the exception of July soybeans, we see the Blue numbers are still far away from the market.

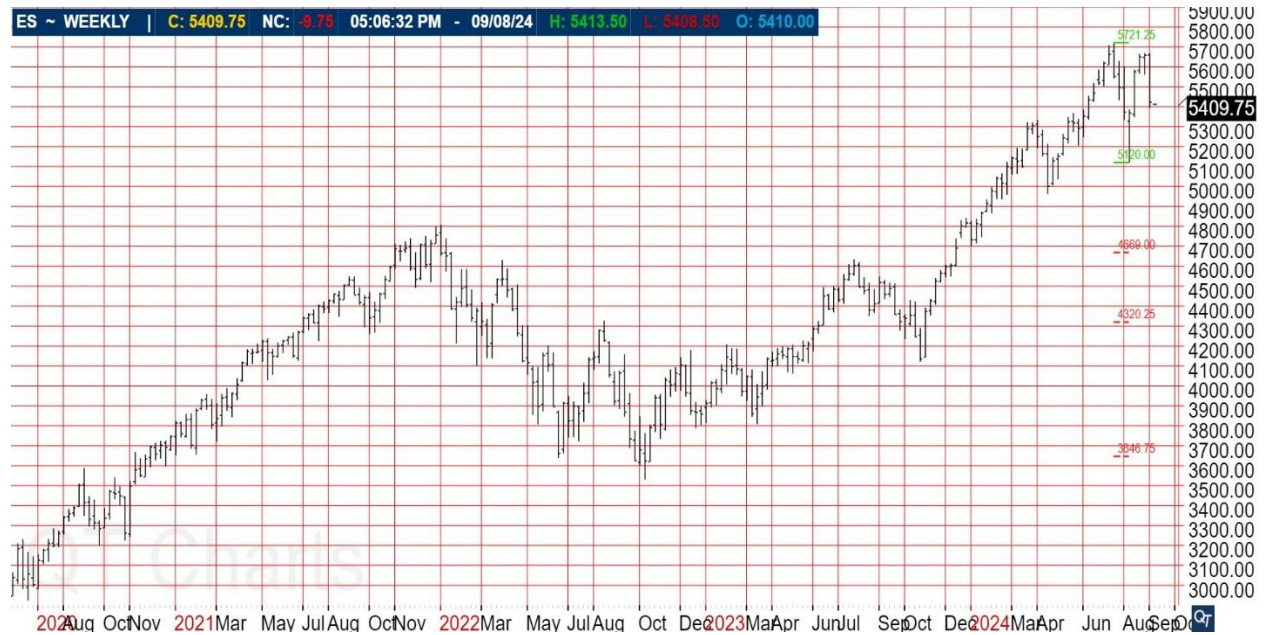
With almost perfect weather for USA corn and bean harvests and finishing Canadian spring wheat harvest, and massive USA crops staring us in the face...it seems unlikely we can actually even think about new Blue numbers.

Although...there are a couple of things that might be interesting. Funds are still long some equities against ag commodities, which might be on the verge of rolling over, and...it's dry in Brazil.

	<b>KC DEC HRW</b>	<b>JULY '25</b>	<b>Dec CORN</b>	<b>July CORN</b>	<b>Chgo Z wheat</b>	<b>Springs DEC (Z)</b>	<b>NOV'24 BEANS</b>	<b>July BEANS</b>	Crude oil	S&P (U)
<i>CLOSE</i>	KWZ24	KWN25	CZ24	CN25	WZ24	MWZ24	SX24	SN25	CRD23	ES23
<b>09/06</b>	<b>\$5.78</b>	<b>\$6.01</b>	<b>\$4.06</b>	<b>\$4.42</b>	<b>\$5.67</b>	<b>\$6.14</b>	<b>\$10.05</b>	<b>\$10.59</b>	<b>\$67.67</b>	<b>\$5420</b>
08/30	\$5.65	\$5.88	\$4.01	\$4.34	\$5.52	\$6.01	\$10.00	\$10.55	\$73.55	\$5661
08/23	<b>\$5.35</b>	<b>\$5.61</b>	<b>\$3.91</b>	<b>\$4.27</b>	<b>\$5.28</b>	<b>\$5.72</b>	\$9.73	\$10.33	\$74.92	\$5663
08/16	<b>\$5.55</b>	<b>\$5.80</b>	<b>\$3.93</b>	<b>\$4.28</b>	\$5.53	\$6.09	<b>\$9.57</b>	<b>\$10.20</b>	\$75.19	\$5578
08/09	\$5.71	\$5.95	<b>\$3.95</b>	<b>\$4.32</b>	\$5.66	\$6.09	<b>\$10.03</b>	<b>\$10.57</b>	\$76.84	<b>\$5370</b>
08/02	\$5.76	\$5.98	<b>\$4.03</b>	<b>\$4.39</b>	\$5.62	\$6.15	<b>\$10.27</b>	<b>\$10.80</b>	<b>\$73.52</b>	\$5376
07/26	<b>\$5.62</b>	<b>\$5.83</b>	\$4.10	\$4.43	<b>\$5.49</b>	<b>\$6.08</b>	\$10.49	\$10.95	\$76.19	\$5499
07/19	<b>\$5.87</b>	<b>\$6.03</b>	<b>\$4.05</b>	<b>\$4.36</b>	<b>\$5.68</b>	<b>\$6.30</b>	<b>\$10.36</b>	<b>\$10.79</b>	\$80.13	\$5554
07/12	<b>\$5.87</b>	<b>\$6.12</b>	<b>\$4.15</b>	<b>\$4.42</b>	<b>\$5.76</b>	<b>\$6.17</b>	<b>\$10.66</b>	<b>\$11.13</b>	\$82.29	<b>\$5665</b>
07/05	<b>\$6.16</b>	<b>\$6.37</b>	<b>\$4.24</b>	<b>\$4.55</b>	<b>\$6.14</b>	<b>\$6.51</b>	<b>\$11.30</b>	<b>\$11.63</b>	<b>\$83.16</b>	\$5622
06/28	<b>\$6.03</b>	<b>\$6.23</b>	<b>\$4.21</b>	<b>\$4.51</b>	<b>\$5.97</b>	<b>\$6.33</b>	<b>\$11.04</b>	<b>\$11.38</b>	\$81.54	\$5522
06/21	<b>\$6.03</b>	<b>\$6.23</b>	<b>\$4.53</b>	<b>\$4.78</b>	<b>\$6.00</b>	<b>\$6.77</b>	<b>\$11.20</b>	<b>\$11.50</b>	\$80.73	<b>\$5534</b>

*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*

Here's a weekly continuous stock market (E mini S&P) chart, using QT Market Center's Price Count Down. The page 1 table shows a new 4-week Low in the E mini, a small sell signal, and this bearish price projection is based on that:



There's a 50% chance the stock market craters down to just below 3650 !! Yikes!!! Of course, we know from experience that stock market corrections turn out to be very good buys, but...they cause a lot of pain in the meantime. The Federal Open Market Committee (FOMC) next meets Sept 17-18, and is widely expected to reduce interest rates. If they don't, I imagine a blood bath will follow.

I'd bet some Funds are long equities and short beans/corn/wheat, so moves could be quite volatile.

Another wild card...is Brazilian weather. I know it's VERY VERY EARLY in their growing season, but I saw something on twitter said Brazil's August was the driest in 50 years.

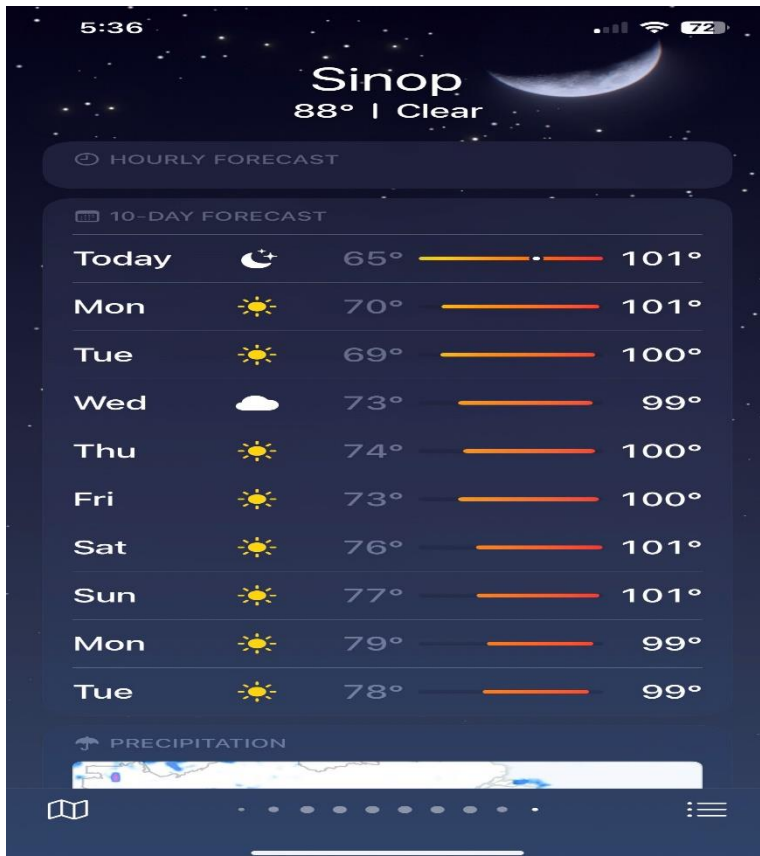
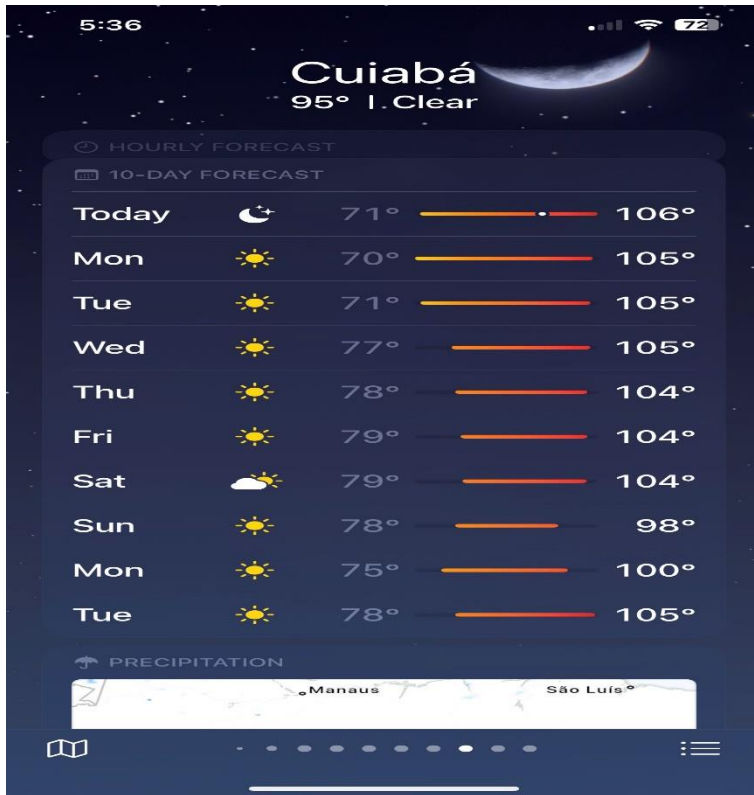
Reuters so far has only commented that planting delays are expected.

<https://www.reuters.com/markets/commodities/acute-dryness-brazils-top-soy-state-may-disrupt-planting-2024-09-05/>

Hmm. It's time to get out our phones, and make sure we have Cuiba and Synop (Matto Grosso is the biggest ag state in Brazil; I think it's like Iowa, Illinois and Indiana are combined into one state) available to look at quickly.

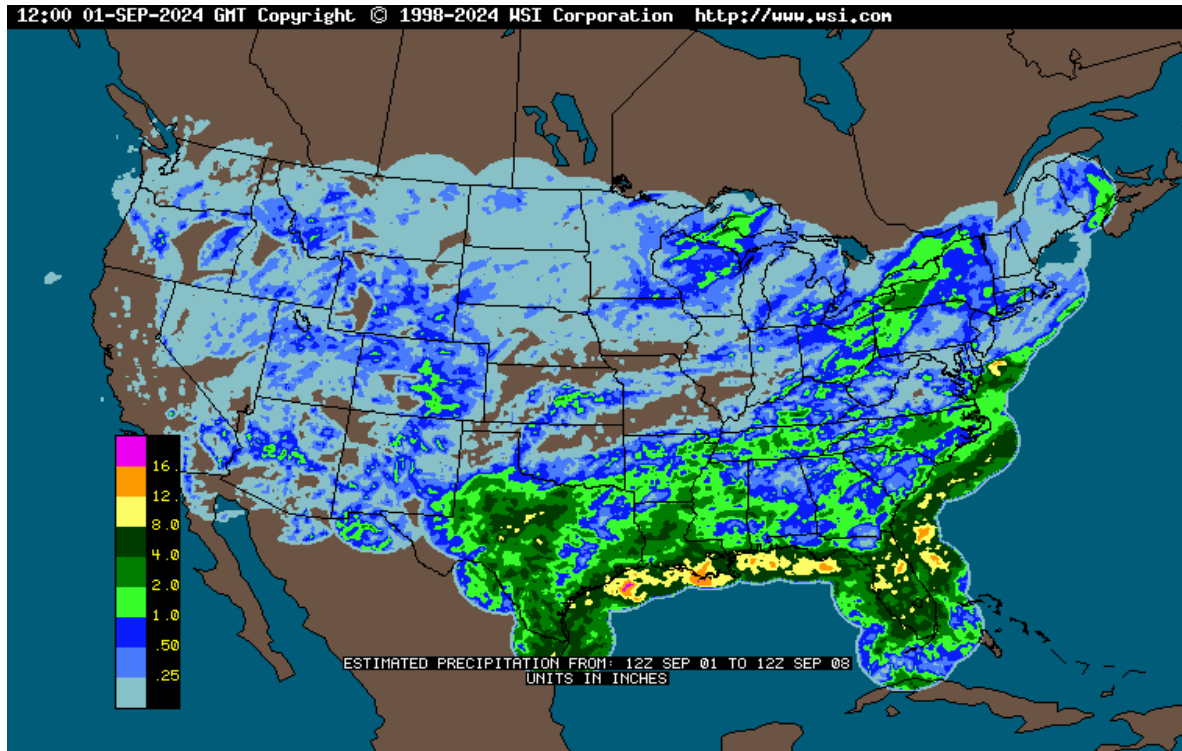
This is what my phone is showing for the next 10 days. Spoiler alert...I don't see any rain at all.

IF these iPhone weather forecasts start changing and get wet, it would be a bearish input.

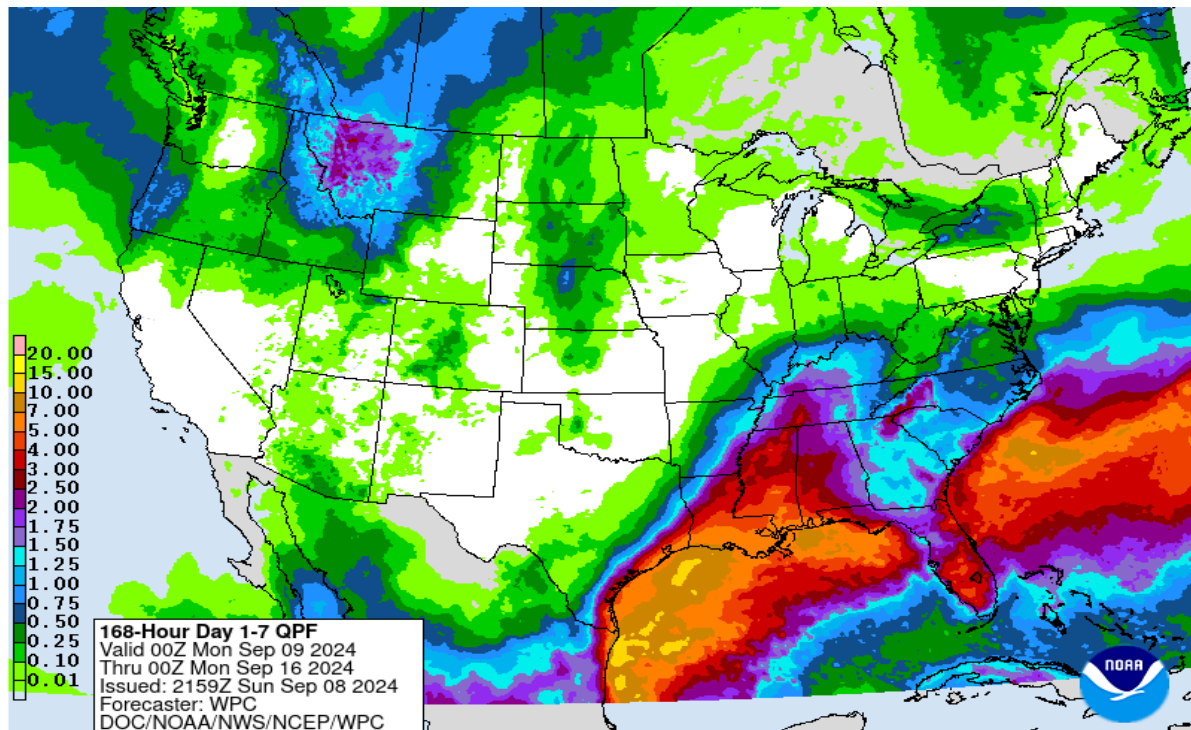


Anyway...like I said ...it's early to get too pumped up, BUT...it is a developing factor, that may ultimately be important.

In the meantime...USA weather for fall crops is great. Last week was dry.

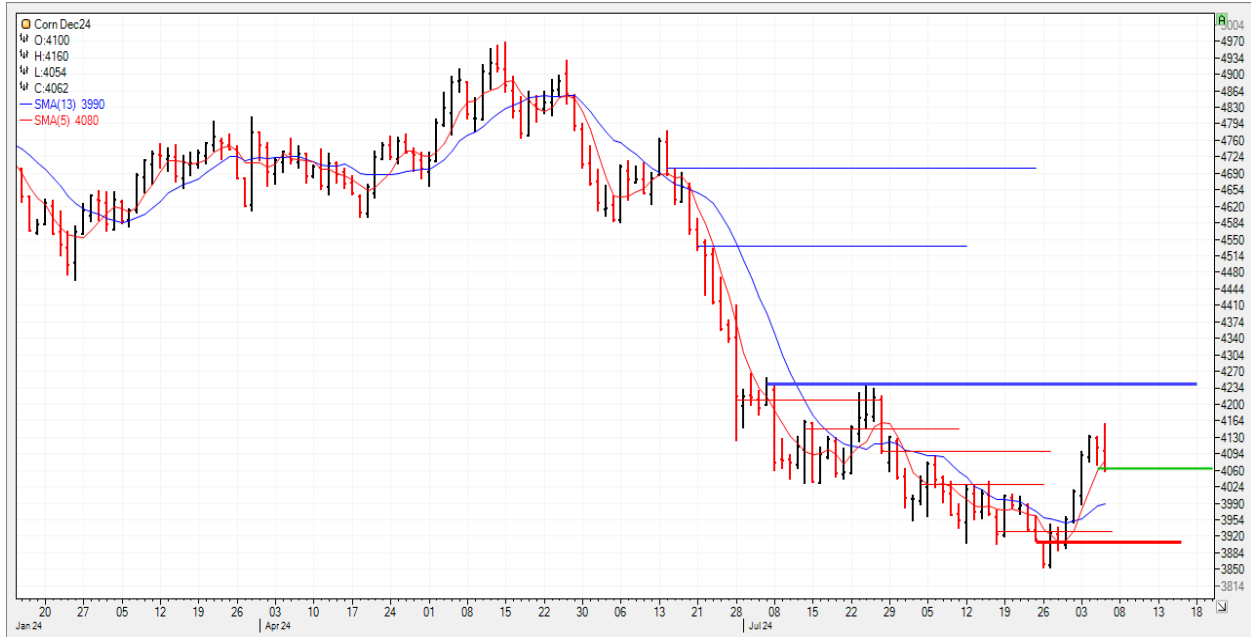


This coming week looks pretty good too, although MT hopes that storm stays on the western slopes:



I don't think USA harvest has made much, if any, progress yet, but it's coming, and that...is a seasonal bearish input that can't be ignored. More than likely this tug-of-war goes on for a while, and these little buy signals might ultimately fail, and unfortunately, new lows can't be ruled out either. We'll see.

This is Dec corn, with a slightly higher green line, and a 30c lower Blue line as the old highs roll of the table. I still have resting sell paper in at \$4.24 for 15% of expected corn production:



This is Nov soybeans. It doesn't look a lot different than last week, but the Green line showing a new 4-week Closing High now exists



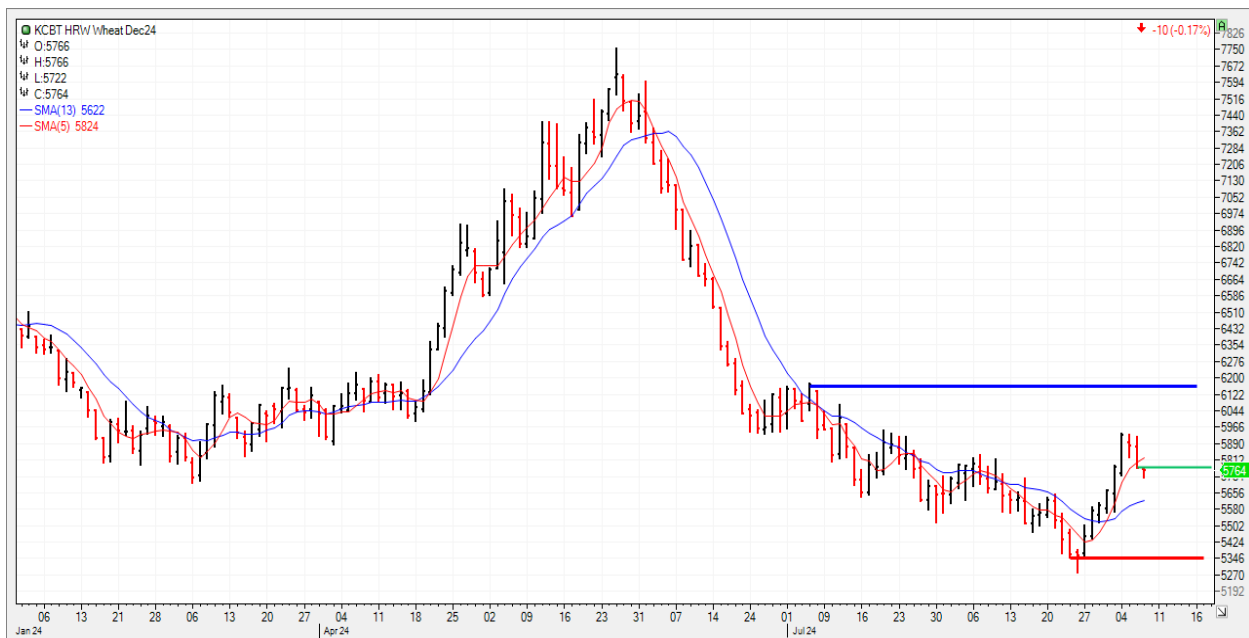
There is a new September WASDE update and NASS Crop Production report coming out Thursday morning. I think the trade is expecting only small changes to supply, and I doubt we see any demand changes until after the Grain Stocks report at the end of the month.

This Export Pace update is the last one for the 23/24 corn and soybeans (and milo) marketing year. When we get some official finals, we will update fudge factors. It sure looks like the corn export forecast is a little too high.

WEEK ENDED (08/29/24)	Weekly loadings	Accumulated in season (FGIS)	Estimated fudge factor	Total loaded est*	USDA projection	Amount needed	Weeks to go	Bu per week needed
Corn	38.0	<b>2048.5</b>	<b>175</b>	2223	<b>2,250</b>	27	<b>00</b>	<b>-27</b>
Soybeans	18.3	<b>1642.8</b>	<b>60</b>	1703	<b>1,700</b>	-3	<b>00</b>	<b>+3</b>
All wheat	21.2	<b>210.8</b>	<b>19</b>	230	<b>825</b>	595	<b>39</b>	<b>15.3</b>
Milo	4.8	<b>237.4</b>	<b>5</b>	242	<b>245</b>	3	<b>00</b>	<b>-3</b>
LAST update								
Corn	35.2	<b>2009.1</b>	<b>175</b>	2184	<b>2,250</b>	66	01	<b>66</b>
Soybeans	15.1	<b>1624.2</b>	<b>60</b>	1684	<b>1,700</b>	16	01	<b>16.0</b>
All wheat	19.7	<b>189.1</b>	<b>19</b>	208	<b>825</b>	617	40	<b>15.4</b>
Milo	4.5	<b>232.5</b>	<b>5</b>	238	<b>245</b>	7	01	<b>7.0</b>

Corn Export sales were 63 mil bu for next year after adjustments made from cancellations from last year, and soybean sales were 61 mil bu after adjustments. Those are both big numbers. Wheat sales slipped a bit to 12.5 mil bu.

This is KC Dec wheat. Wheat and beans are 50c off recent lows, unlike corn, which is only about 15c up from the recent closing lows.



I'm not ready to say dry weather in Brazil is supportive wheat, but USA winter wheat could use some more moisture for emergence after planting.

European wheat futures gained about \$3/mt more than USA KC Z wheat futures last week.

Gulf to-arrive HRW wheat bids are unchanged, but still showing a big premium for October, which will moderate as we get closer.

GULF date	12 pro	11's	diff
9/6/2024	100	100	0
8/30/2024	100	100	0 Z
8/23/2024	115	110	5 U
8/16/2024	115	110	5

Posted basis bids in the country show some interesting differences of opinions this week:

Date	SE Colorado	Chey. Wells	Burlington	Holyoke area	Roggen area
09/06	\$5.08-\$5.18	\$4.83	\$4.83-\$4.83	\$4.69-\$4.78	\$4.98-\$5.58
08/30	\$4.95-\$5.05	\$4.70	\$4.70-\$4.70	\$4.50-\$4.70	\$4.85-\$5.33
08/23	\$4.57-\$4.65	\$4.35	\$4.35-\$4.35	\$4.21-\$4.30	\$4.55-\$5.00
08/16	\$4.77-\$4.85	\$4.55	\$4.55-\$4.55	\$4.41-\$4.50	\$4.75-\$5.20
08/09	\$4.91-\$4.99	\$4.99	\$4.69-\$4.79	\$4.56-\$4.64	\$4.89-\$5.34
BASIS	SE Colorado	Chey. Wells	Burlington	Holyoke	Roggen area
09/06(Z)	-70, -60	-95	-95, -95	-109, -100	-80, -20
08/30(Z)	-70, -60	-95	-95, -95	-115, -95	-80, -33
08/23(U)	-63, -55	-85	-85, -85	-99, -90	-65, -20
08/16(U)	-63, -55	-85	-85, -85	-99, -90	-65, -20
08/09(U)	-63, -55	-55	-85, -75	-99, -90	-65, -20
Date	Concordia	Salina	Hutch/Wichita	Ark City	
09/06(Z)	-50	-25, -20	-40, -10	-50	
08/30(Z)	-50	-25, -18	-45, -16	-50	
08/23(U)	-40	-15, -05	-32, -03	-45	
08/16(U)	-35	-15, -05	-32, -03	-45	
08/09(U)	-35	-12, -05	-32, -03	-45	

Early Sunday night trading is about unchanged in wheat, and down a penny in corn but up a couple cents in soybeans. I expect we'll see a quiet week until at least Thursday morning's WASDE update, and it might stay quiet another week until we get the FOMC meeting.

I'm watching spring wheat lose some more premium over KC, and doubt this spread is done breaking (ok, I'm talking my position...):



World wheat news is scarce.

Australia is looking better. We might see that reflected Thursday am...This article says ABARES came out with a 31.8 Aussie wheat estimate recently; USDA was at 30.0mmt  
<https://www.grainews.ca/daily/australian-crop-production-estimates-rising-abares/>

Conversely, European wheat might be reduced again ... USDA last showed 128 mmt  
<https://www.euractiv.com/section/agriculture-food/news/poor-european-wheat-harvests-could-boost-russian-economy-warn-experts/>

Have a good week.

Stay Safe. Slow Down.