

Hello Colorado Wheat.

You know I have to bring it up. You have about 2 days to find something for your better half.

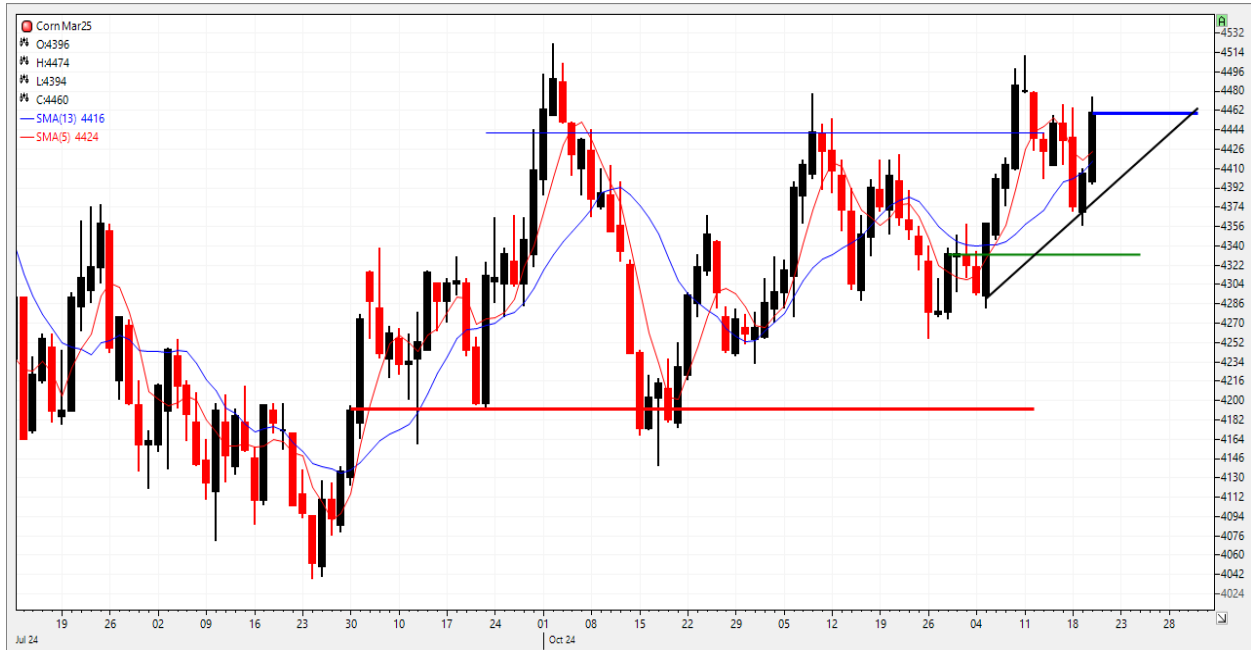
And on that note...which is about a B flat...Merry Christmas! I expect this week to be slow in the Grain business. The USA futures markets close early Tuesday (noon), and don't re-open until Thursday at 8:30 am. Friday is normal hours.

Last week wasn't exactly "fast markets" either, BUT...corn did print a new Blue number (by 2c), a new 11-week Closing High. Some Funds and Traders will treat that as a buy signal, although keep in mind it takes several buy signals to get Funds to truly commit to a "get long" program. I tend to think most markets do not trend, and thus feel corn producers should use these new highs as an opportunity to get something sold. **Especially** when we note Dec 25 corn did not set a new Blue number, and worse, Chgo and Mpls **wheat** actually **posted new Red** numbers (new 11-week Closing Lows) and **so did** old- and new-crop **soybeans (march beans is now the column)**. And similarly, those will be viewed as sell signals, with some weight, as previous Red numbers were in play. KC wheat barely avoided printing new red numbers. The **stock market** did post a new 4-week Closing low, which is at least a **warning sign**.

	KC MAR HRW	DEC 25 HRW	March CORN	DEC 25 CORN	Chgo H wheat	Springs MAR (H)	MAR'25 BEANS	NOV BEANS	Crude oil	S&P (H)
CLOSE	KWH25	KWZ25	CH25	CZ25	WH25	MWH25	SH25	SX25	CRD24	ES24
12/20	\$5.45	\$5.90	\$4.46	\$4.38	\$5.33	\$5.90	\$9.79	\$9.87	\$69.46	\$6002
12/13	\$5.57	\$6.01	\$4.42	\$4.39	\$5.52	\$5.99	\$9.95	\$10.06	\$71.09	\$6056
12/06	\$5.54	\$5.97	\$4.40	\$4.37	\$5.57	\$5.97	\$9.99	\$10.05	\$67.20	\$6099
11/29	\$5.41	\$5.86	\$4.33	\$4.32	\$5.48	\$5.92	\$9.96	\$10.11	\$68.00	\$6052
11/22	\$5.66	\$6.08	\$4.35	\$4.36	\$5.65	\$6.01	\$9.92	\$10.09	\$71.27	\$5987
11/15	\$5.52	\$5.98	\$4.35	\$4.40	\$5.54	\$5.91	\$10.09	\$10.20	\$67.02	\$5897
11/08	\$5.78	\$6.23	\$4.44	\$4.49	\$5.88	\$6.17	\$10.44	\$10.53	\$70.38	\$6025
11/01	\$5.80	\$6.27	\$4.29	\$4.41	\$5.88	\$6.23	\$10.08	\$10.32	\$69.49	\$5758
10/25	\$5.86	\$6.28	\$4.30	\$4.41	\$5.89	\$6.28	\$10.09	\$10.33	\$71.78	\$5846
10/18	\$5.96	\$6.37	\$4.19	\$4.35	\$5.93	\$6.38	\$9.96	\$10.20	\$69.22	\$5906
10/11	\$6.21	\$6.63	\$4.33	\$4.50	\$6.22	\$6.65	\$10.35	\$10.56	\$75.56	\$5860

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 March corn chart by itself doesn't look bad, although the new Blue line is only by 2c, so realistically, there is a double-top in March corn, certainly a ceiling at \$4.46. IF somehow that ceiling can become a floor, I'd be impressed. But it does appear corn is trying to trend higher.



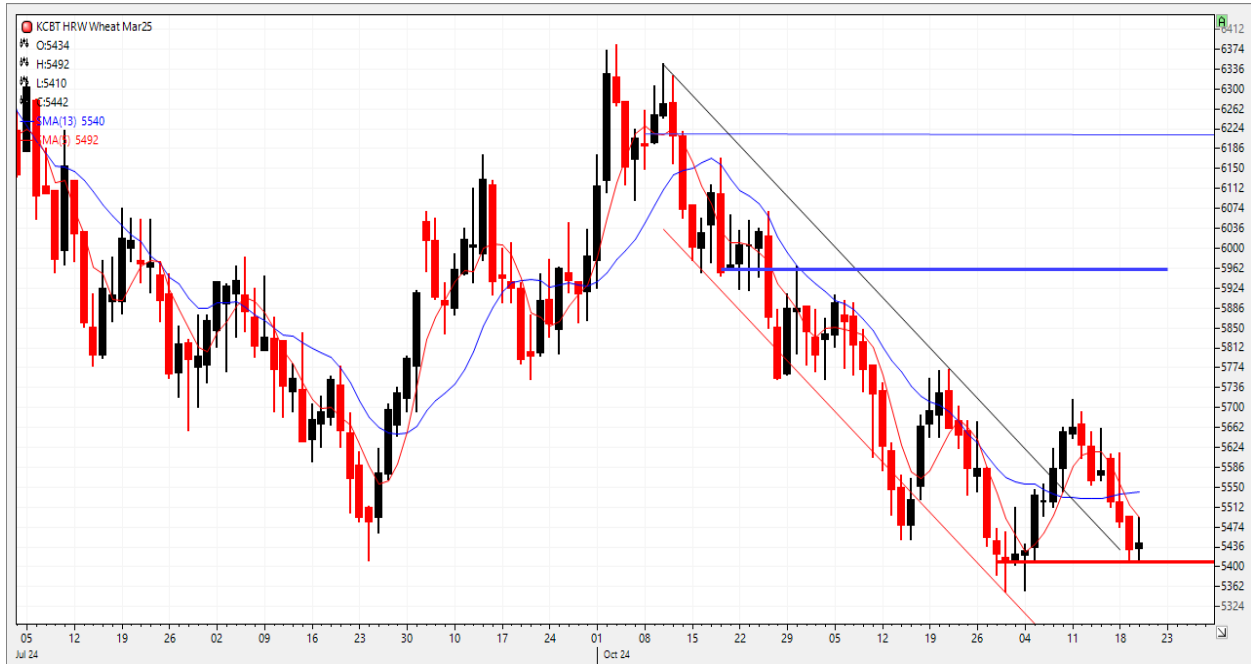
Last week we noted wheat bids in some places are a discount to corn and wondered if corn could be supportive to wheat. The answer so far is “no”.

The spread narrowed again by wheat losing faster to corn. This is KC H wheat – March corn, probing for new lows and settling below a buck:



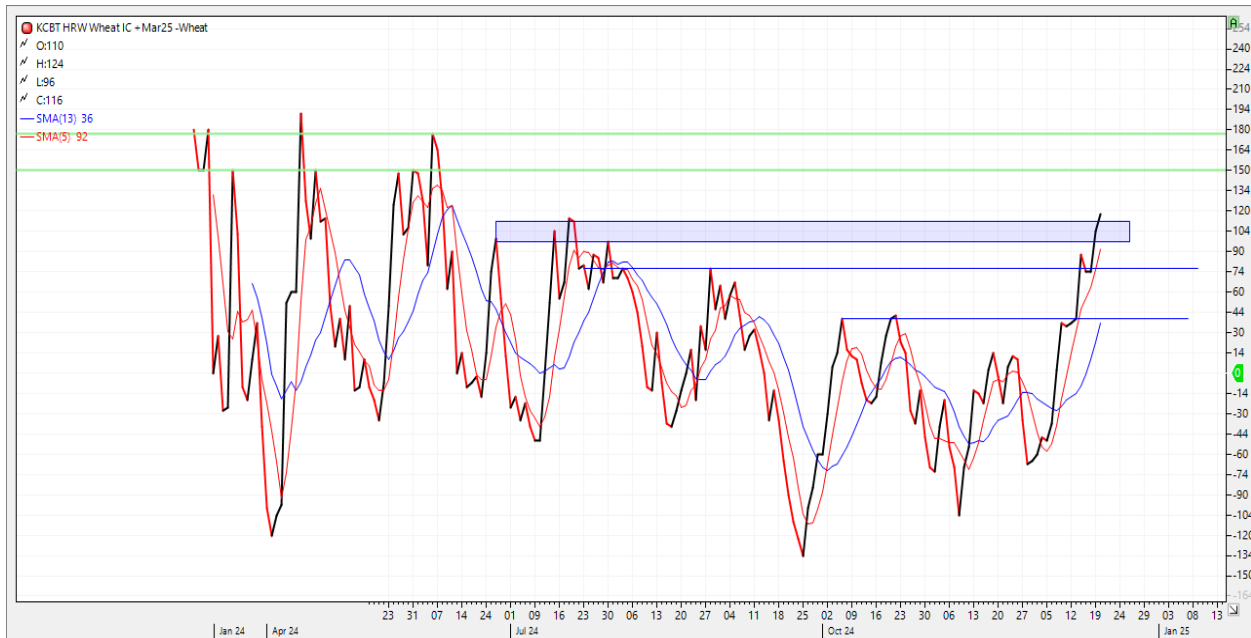
I wouldn't want to be in a hurry to pick a bottom on that thing, BUT... it did hit the psychological target of \$1.00...

KC March wheat by itself...not looking too great. The channel breakout and then re-vert to a parallel down trend has been a disappointment (at best) for any wheat bulls hoping to ride some type of “dry weather in Russia” or “India is really gonna need it” story...Even though both of those stories are true, so far, the timing is not right. Or something. We do note the Blue Line drops down to \$5.96 this week, down from \$6.21.



Here's KC H wheat – Chgo H wheat...KC easily blew through old resistance at +4c and then +7.5c, and now wondering if it likes being almost 12c above Chgo.

I assume the very old resistance at +15 and then +18 still exist; we might go see.



OK...I took a little football interlude ...and come back to see Sunday night action has KC H wheat up 6c. The July is kinda hanging in there with the March, also up 6c. March corn is up a penny right now.

This is the first time we've technically looked at **March '25** soybeans...we see a breakdown through the old harvest lows set back in August. Late last week set a spike low below \$9.50 and then a good 40c bounce to close the week, "only" down 16c for the week. Sunday nite action is up a couple cents.



Updated Export Pace...about unchanged, pretty good generally.

WEEK ENDED (12/12/24)	Weekly loadings	Accumulated in season (FGIS)	Estimated fudge factor	Total loaded est*	USDA projection	Amount needed	Weeks to go	Bu per week needed
Corn	44.5	523.6	243	767	2,475	1708	37	46.2
Soybeans	61.6	927.1	52	979	1,825	846	37	22.9
All wheat	11.0	423.9	19	443	850	407	24	17.0
Milo	5.8	51.4	5	56	220	164	37	4.4
LAST update								
Corn	41.3	477.6	243	721	2,475	1754	38	46.2
Soybeans	59.6	861.2	52	913	1,825	912	38	24.0
All wheat	8.3	412.2	19	431	850	419	25	16.8
Milo	2.9	45.6	5	51	220	169	38	4.4

Export sales for corn were 46.2 mil bu, weirdly exactly what is needed to load for the rest of the year. Before it can load, it has to be sold... Beans sales were still very strong at 52.3 mil bu. Going to zero any day now... And wheat sales of almost 17 mil bu were strong too.

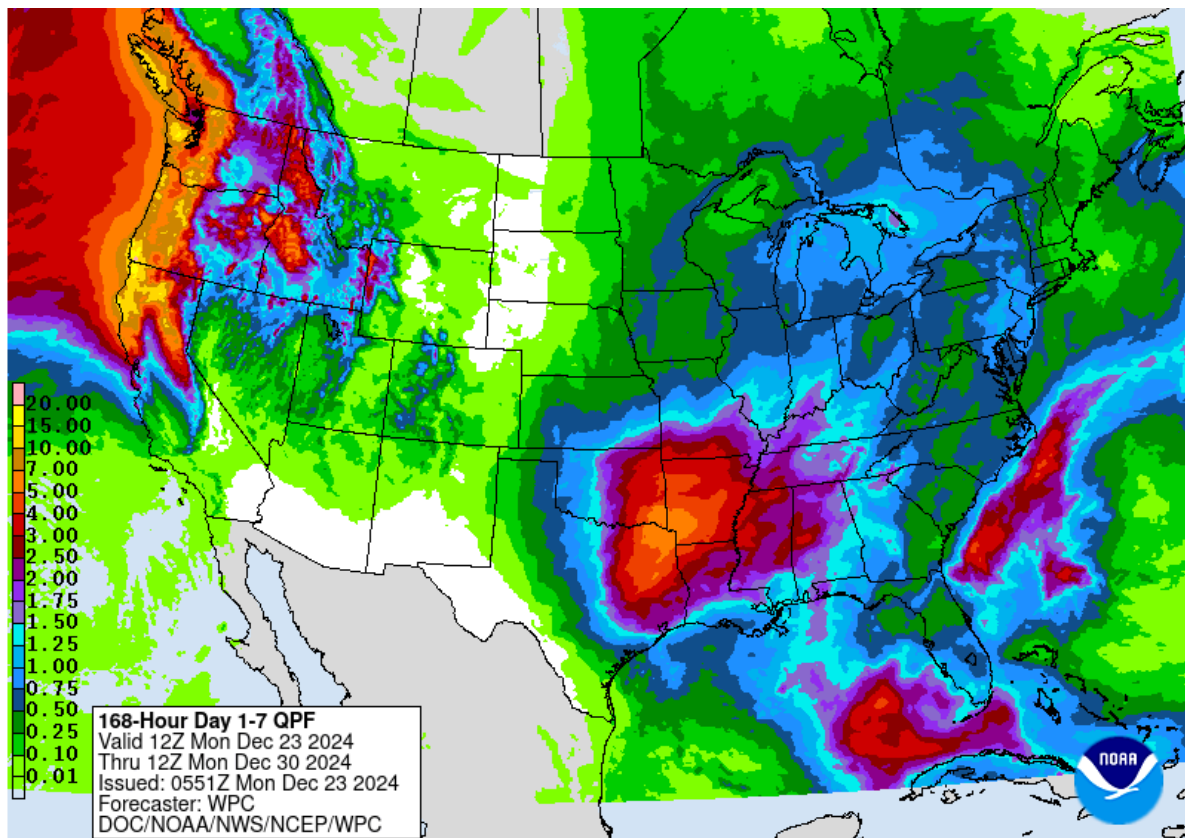
What we didn't like seeing was net milo sales reductions of 2.3 mil bu. Milo exports are pretty much all about China. When I see China sell something back, it always makes me uncomfortable.

Let's finish wheat. KC settled even cheaper against the European wheat futures last week. This spread is got even wider...

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11/29/2024	12/13/2024	12/20/2024	
\$ 221.50	\$ 229.25	\$ 227.25	matif
\$ 198.69	\$ 204.66	\$ 200.16	KC
\$ 22.81	\$ 24.59	\$ 27.09	diff

This week's forecast says there's a chance of moisture about midweek in the Plains, and maybe the PNW gets hammered, which might maybe slide this way next week;



Posted Gulf to-arrive HRW bids remain unchanged:

GULF date	12 pro	11's	diff
12/20/2024	120	115	5
12/13/2024	120	115	5
12/6/2024	120	115	5
11/29/2024	120	115	5 H

Most posted basis bids in the country are unchanged, with a firm tone::

Date	SE Colorado	Chey. Wells	Burlington	Holyoke area	Roggen area
12/20	\$4.55-\$4.75	\$4.45	\$4.45-\$4.45	\$4.30-\$4.40	\$4.77-\$5.25
12/13	\$4.67-\$4.87	\$4.57	\$4.57-\$4.57	\$4.42-\$4.52	\$4.89-\$5.37
12/06	\$4.64-\$4.84	\$4.54	\$4.54-\$4.54	\$4.39-\$4.49	\$4.86-\$5.34
11/29	\$4.51-\$4.71	\$4.41	\$4.41-\$4.41	\$4.08-\$4.36	\$4.73-\$5.21
11/22	\$4.74-\$4.94	\$4.59	\$4.59-\$4.59	\$4.44-\$4.54	\$4.94-\$5.34
BASIS	SE Colorado	Chey. Wells	Burlington	Holyoke	Roggen area
12/20(H)	-90, -70	-100	-100, -100	-115, -105	-68, -20
12/13(H)	-90, -70	-100	-100, -100	-115, -105	-68, -20
12/06(H)	-90, -70	-100	-100, -100	-115, -105	-68, -20
11/29(H)	-90, -70	-100	-100, -100	-133, -105	-68, -20
11/22(Z)	-80, -60	-95	-95, -95	-110, -100	-60, -20
Date	Concordia	Salina	Hutch/Wichita	Ark City	
12/20(H)	-60	-40, -30	-50, -20	-45	
12/13(H)	-60	-40, -30	-50, -21	-45	
12/06(H)	-60	-40, -30	-50, -21	-45	
11/29(H)	-58	-41, -36	-50, -21	-45	
11/22(Z)	-50	-30, -25	-39, -10	-50	

Recapping, the wheat charts look heavy, the soybeans look really bad, but the corn is trying to act like the worst is over.

I'm sorry for about what I'm about to do. The following will make last week's Grinch look like an amateur.

This is from a World Grain article talking about a recent Middle East IAOM meeting.

The Black Sea region, which produces 20% of the world's wheat (excluding China) and accounts for 30% of global exports, remains a critical player in the grain trade. Indrek Aigro, head of grains at Copenhagen Merchants, said wheat under production in the region had declined by some 9 million tonnes over the last year, mostly due to Russia, Ukraine, Bulgaria and Romania "performing relatively well."

This will result in an 11-million-to-12-million-tonne decline in exports this year, although this could rise to 15 million tonnes. The main feature of Russian exports over the last year has been the emergence of new sales destinations.

With lower demand from Turkey, Russian exporters are penetrating traditional EU destinations, including western Africa plus Morocco in the north, said Aigro. Another growing market for Russia is Latin America, where it now exports 2.5 million tonnes per year. Volumes are likely to grow in the future as a Donald Trump presidency in the United States alters the geopolitical landscape and increases the ties between BRICS nations.

"We see and believe that (Russia is) able to build up that market share to even 5 million or 8 million tonnes in the future within the BRICS framework with potential trade wars coming up with a new presidency in the US," he said.

"The wind is blowing in that direction and the logistics work quite well because Russian wheat is not only coming out of the Black Sea, but there is also a 4-million-tonne flow of Russian wheat out through the Baltic Sea and, logistically, South America is a very well placed for that wheat flow."

The Aussies making wheat export threats too...

*In Australia, **exports are set to climb to 33 million tonnes in 2024-25, up from just over 25 million tonnes** a year earlier, said Don Campbell, general manager-international at GrainCorp. Reflecting on the challenges posed by climate variability, Campbell likened the wheat season to a movie re-run, with "the usual bad guy – El Niño – and the usual actors like temperature, rainfall and frost."*

I see my old pal McPike got invited to speak (smart dude; I first traded with him in about 1983) ...

Colorado Wheat market update #675 danmaltby.riskmgmt@gmail.com 12/20/24 pg. 7

Canada also is maintaining strong export levels. Jeffrey McPike, broker/analyst at WASEDA Commodities, projected shipments of 25 million tonnes, similar to 2023 and significantly higher than 2022 levels of 14.8 million tonnes. Amid the bearish market, advice for buyers was in no short supply. McPike urged delegates to remain vigilant and act decisively.

“You have to listen to the market,” he said. “The market’s telling you it’s got too much supply. Russia is exporting using what’s their one tool they have? Price.”

And even Dan Basse, who never met a market that wasn’t a bull market, or certainly “one’s coming any minute now”, is changing his stripes and talking the Bear side. What the...

Basse was also on hand to offer his usual sage advice (see December World Grain for a [full-length exclusive interview with Basse](#)). He warned that the world was undergoing a dramatic geopolitical realignment as the era of US-led globalism comes to an end. Basse said Trump would impose a range of import tariffs, not least on China.

Retaliation would be traumatic for US farming exporters and would create new opportunities for alternative sources, Basse said.

As the world splits into two camps headed by China and the United States, and with disruption in agricultural markets from trade wars playing out against a background of extreme weather events like droughts and floods that impact production, ***the shift away from free trade is concerning***, said Basse, not least because globalization has helped lift millions out of poverty worldwide.

The point is...do not take US wheat exports for granted. **We will have to fight to keep what we have.**

Any way...I know you already know that. **I hope you can convey it effectively to the new incoming Administration.**

Take some time off this week, and enjoy being with your family.

Stay Safe. Slow Down.

Merry Christmas.