

Hello Colorado Wheat.

Last week seemed about 8 days long. The Beatles sang “I ain’t got nothing but love, Babe...8 days a week”. I’m pretty sure they were NOT singing about current global politics.

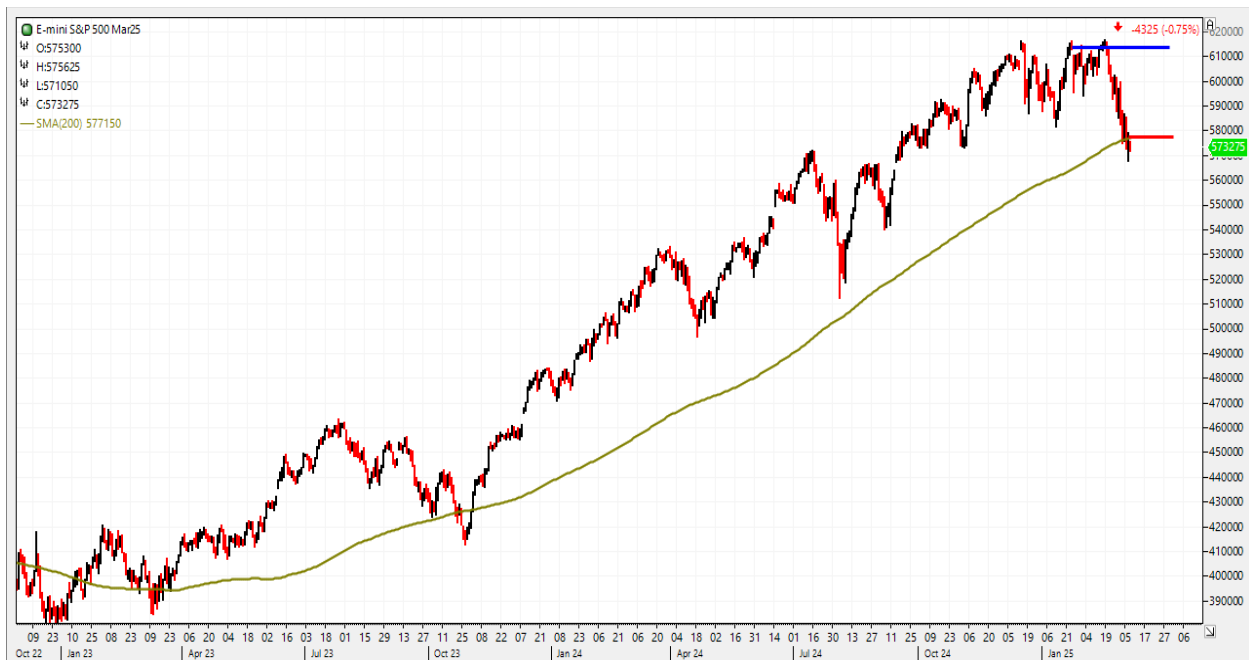
The Mexican and Canadian tariffs that were expected to take effect March 2 were postponed until April 2, but then on Friday Pres. Trump posted on his social media account “we may do Canada tariffs today, Monday or Tuesday” ... so actual cross-border trade screeched to a halt, again. SO far, the feeling is the tariffs Trump was talking about were on dairy and lumber, I think...this CNN update from Sunday afternoon doesn’t mention grain, specifically:

<https://www.cnn.com/2025/03/09/business/trump-tariffs-canada-mexico-recession/index.html>

All I know is it’s hard to do any business.

And you know who else knows it’s hard to do business? Wall Street.

Bob Dylan said the **S&P 500** (e-mini contract) is **seeking Shelter from the Storm**. Newborn babies are definitely wailing...this is a **new lower Red Line** (a new 11-week Closing Low) AND the 200-day moving average has been breached. Do I understand your question Man, is it helpless and forlorn?



Unfortunately, I’m leaning towards “Yes” to the helpless and forlorn question.

It’s been a great 2 years, but Wall Street HATES waffling and indecision.

Looks like we’re going to test that “dollar cost averaging” stuff Financial Advisors like to tout when the market is imitating a falling knife. Yikes.

*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***

Corn and beans were almost unchanged, just down a penny or so. KC Wheat set back 8c, but only a nickel in Chgo. Crude oil and the stock market both posted new 11-week Closing Lows.

	KC MAY HRW	DEC 25 HRW	May CORN	DEC 25 CORN	Chgo K wheat	Springs MAY (K)	MAY'25 BEANS	NOV BEANS	Crude oil	S&P (H)
CLOSE	KWK25	KWZ25	CK25	CZ25	WK25	MWK25	SK25	SX25	CRD24	ES24
03/07	\$5.65	\$6.12	\$4.69	\$4.54	\$5.51	\$5.93	\$10.25	\$10.26	\$67.04	\$5776
02/28	\$5.73	\$6.21	\$4.70	\$4.55	\$5.56	\$5.98	\$10.26	\$10.30	\$69.76	\$5963
02/21	\$6.22	\$6.65	\$5.05	\$4.75	\$6.04	\$6.47	\$10.57	\$10.60	\$70.40	\$6029
02/14	\$6.33	\$6.72	\$5.09	\$4.73	\$6.14	\$6.49	\$10.53	\$10.52	\$70.38	\$6132
02/07	\$6.14	\$6.53	\$5.01	\$4.66	\$5.96	\$6.38	\$10.66	\$10.58	\$71.00	\$6050
01/31	\$5.89	\$6.27	\$4.93	\$4.60	\$5.72	\$6.23	\$10.58	\$10.51	\$72.53	\$6067
01/24	\$5.70	\$6.08	\$4.97	\$4.61	\$5.59	\$6.06	\$10.68	\$10.49	\$74.66	\$6133
01/17	\$5.59	\$5.97	\$4.93	\$4.56	\$5.51	\$5.93	\$10.45	\$10.28	\$77.39	\$6034
01/10	\$5.61	\$5.99	\$4.80	\$4.50	\$5.44	\$5.93	\$10.38	\$10.31	\$75.75	\$5866
01/03	\$5.47	\$5.86	\$4.58	\$4.41	\$5.41	\$5.87	\$10.04	\$10.08	\$73.96	\$5990
12/27	\$5.63	\$6.00	\$4.62	\$4.41	\$5.57	\$6.03	\$10.01	\$10.05	\$70.60	\$6027

Crude oil did set a new Red number, but looking at a daily chart suggests to me that selling the new Red number expecting a lot of follow through might not work. This is the April crude oil chart:

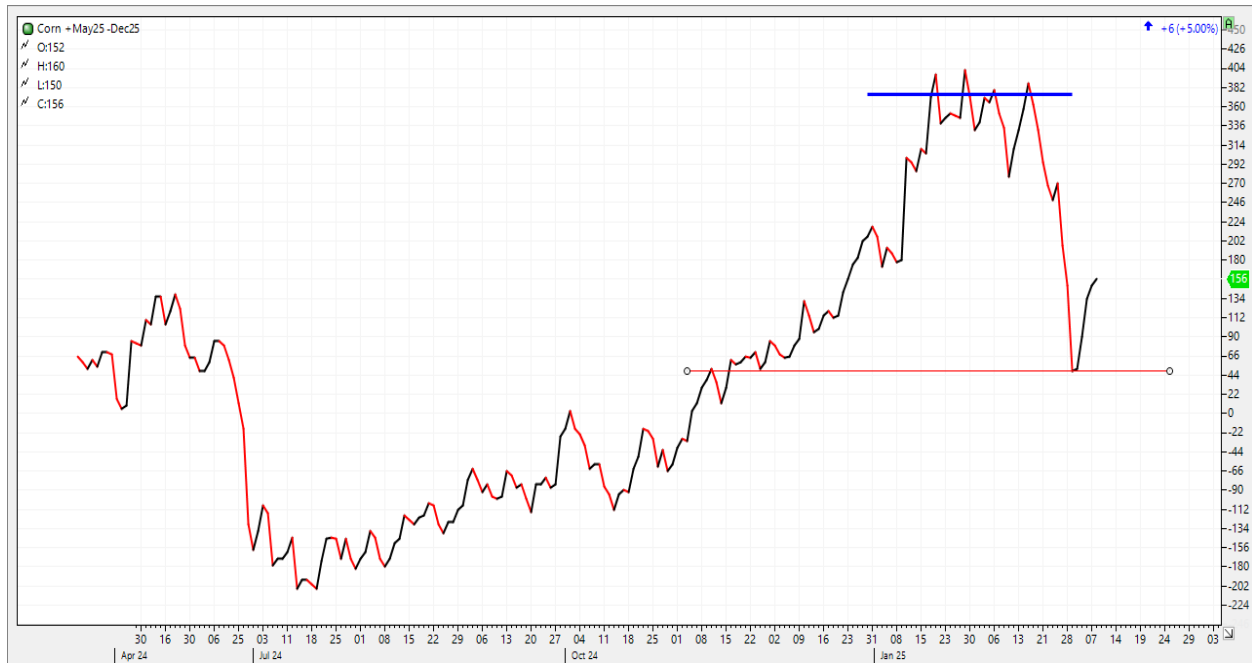


The USDA's March WASDE update this Tuesday isn't expected to be a big market mover.

The USA Export Pace Scorecard is still chugging along pretty well, and importantly, Export Sales rebounded a little. I'm not expecting any changes to the USA forecasted exports, although if I had to nitpick, both USA wheat and milo exports need to be revised lower.

WEEK ENDED (02/27/25)	Weekly loadings	Accumulated in season (FGIS)	Estimated fudge factor	Total loaded est*	USDA projection	Amount needed	Weeks to go	Bu per week needed
Corn	53.2	<b>1073.1</b>	243	<b>1316</b>	2,450	1134	27	<b>42.0</b>
Soybeans	25.5	<b>1381.2</b>	52	<b>1433</b>	1,825	392	27	<b>14.5</b>
All wheat	14.3	<b>574.2</b>	19	<b>593</b>	850	257	14	<b>18.4</b>
Milo	0.6	<b>58.4</b>	5	<b>63</b>	170	107	27	<b>4.0</b>
LAST update								
Corn	44.7	<b>1018.6</b>	243	<b>1262</b>	2,450	1188	28	<b>42.4</b>
Soybeans	31.6	<b>1354.9</b>	52	<b>1407</b>	1,825	418	28	<b>14.9</b>
All wheat	13.8	<b>559.4</b>	19	<b>578</b>	850	272	15	<b>18.1</b>
Milo	0.1	<b>57.7</b>	5	<b>63</b>	170	107	28	<b>3.8</b>

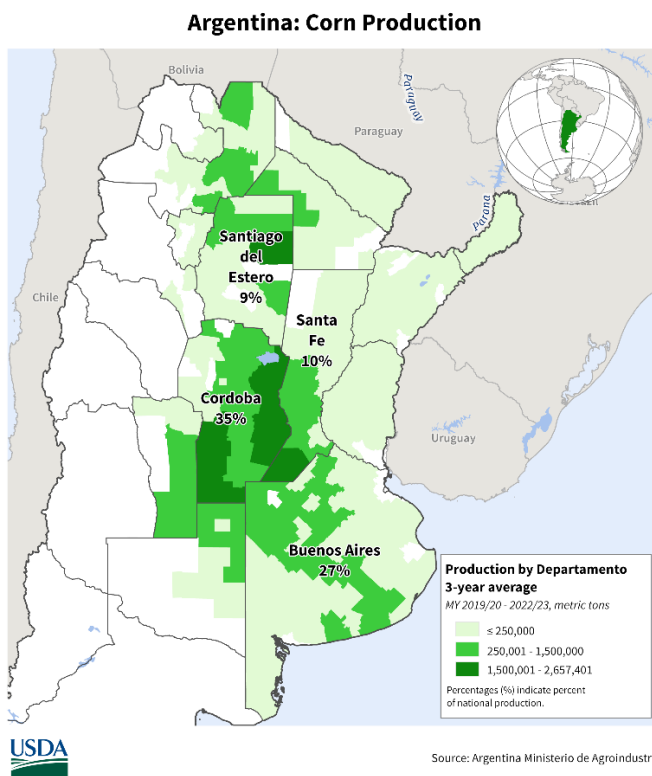
Mexico bot a chunk of corn again last week, and that has helped the May corn – Dec corn (old-crop/new-crop) spread stabilize and bounce a dime off last week's intra-week lows:



I don't expect big changes to the World balance sheets either.

There was a chance the Argentine corn export forecast needed a major revision lower, but conditions have improved down there.

Bahia Blanca is on the coast of the Buenos Aires province, a major corn growing region.

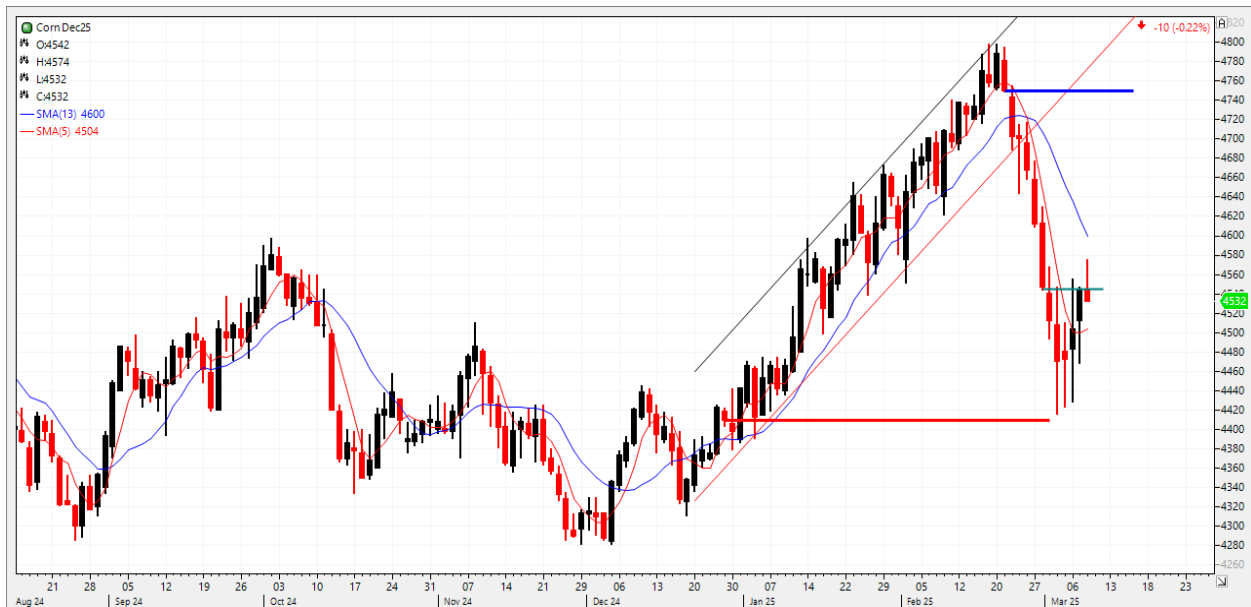


Thus we get an old-crop May corn chart with kindova mixed view. It looks like maybe we found a bottom, but the reality is that Green line is actually a 4-week Closing Low double bottom. There are 5 days of trading below the Green line, and the Red line (set in early January at \$4.58) and re-visited this week, but then bounced. This is an interesting chart.



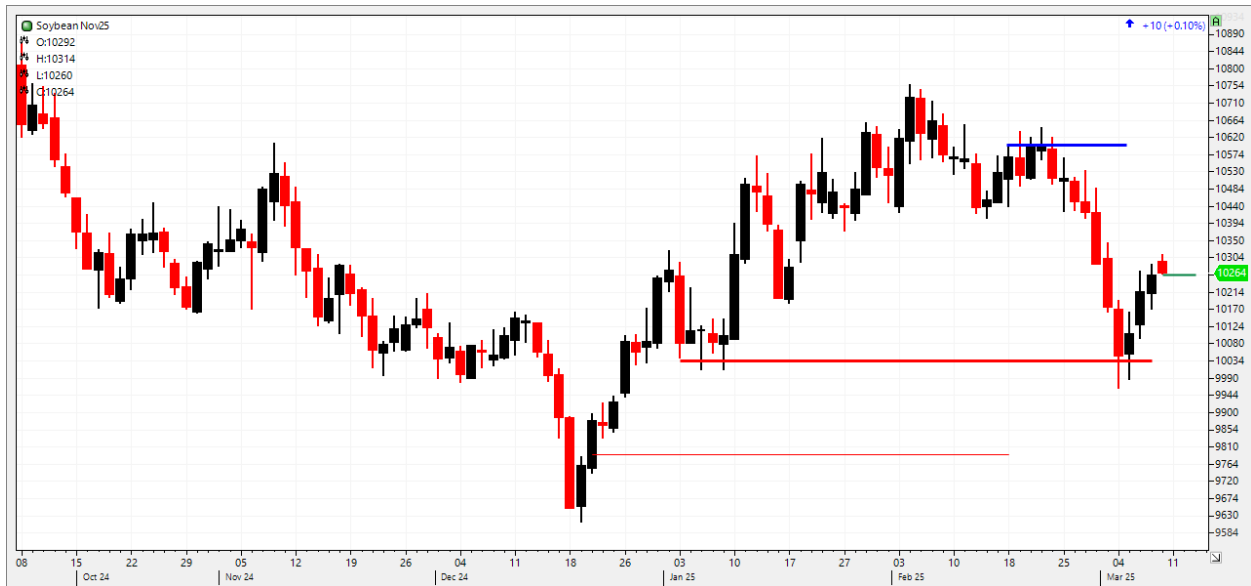
As long as Mexico keeps buying US old-crop corn, the market can IGNORE the **very bearish** setup in new-crop corn. The last time we planted 94 million acres of corn, the corn carryout increased 400 mil bu year-on-year.

This Dec corn chart is so far hanging in there...but getting back up past the imaginary line at \$4.75 will be difficult. The Blue Line is a double-top nominally at \$4.74.



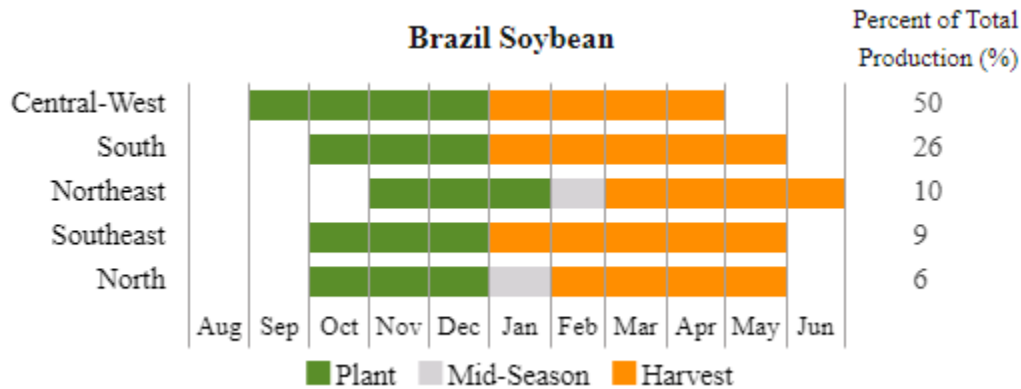
My “unable” sell order for 25% of expected production at \$4.80 remains “unable”, and nervous... as I haven’t sold any new-crop corn yet. See page 10 for an update from Mr. Nervous.

Speaking of interesting charts...New-crop Nov soybeans shown here:



The Red line moved up 3c to \$10.08 as the 12/27 week will roll off the table, AND THEN...after that, NEXT WEEK, the 1/03 date rolls off the table, and that new Red line basically be HERE, at Friday's \$10.26 close, which is the Green line (currently the 4-week Closing low).

China is still buying some USA old-crop soybeans. They bought 200,000 mt last week, even as the tariff threats ramp up. BUT it is important to note that China has NOT bought ANY USA new-crop soybeans, and Brazilian soybeans are becoming more readily available each day...



Which probably means one day we won't sell anymore old-crop beans to China, and then we will wait anxiously until the Number One customer returns.

By then, of course, we'll be well past North American spring planting season, and have a pretty good idea on how the spring and summer growing season went.

SO...the net conclusion is...new-crop corn and soybeans need to be sold, and rallies will indeed find some selling.

What about wheat?

We saw the Export picture looks a little shaky right now, although posted Gulf HRW to-arrive bids are fully steady:

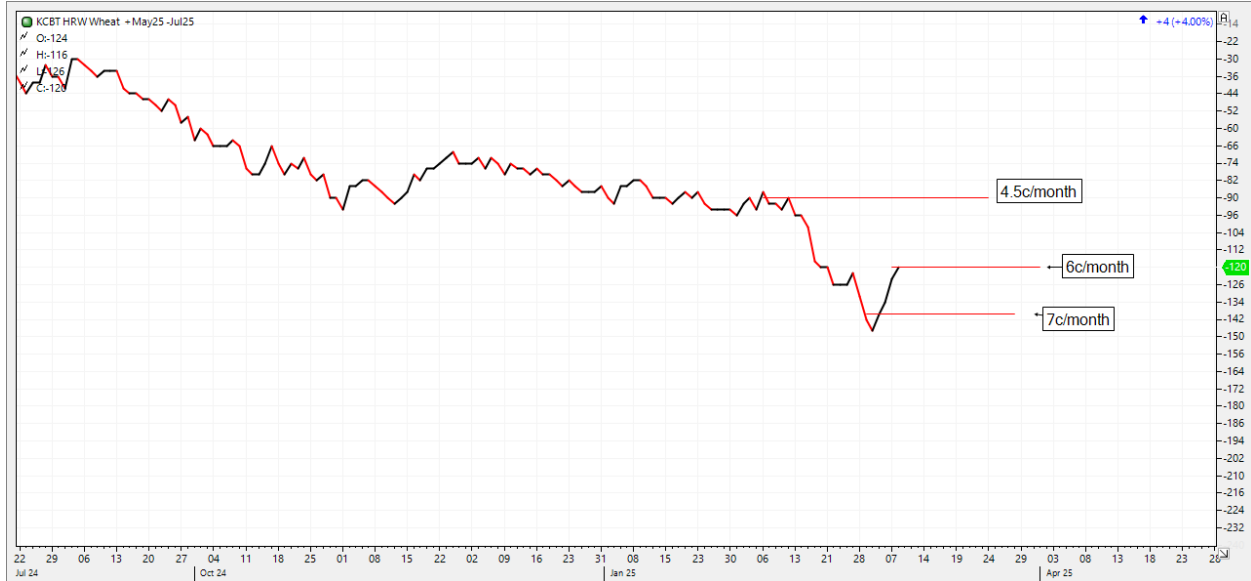
GULF date	12 pro	11's	diff	
3/7/2025	<b>105</b>	<b>100</b>	5	
2/28/2025	105	100	5	<b>K</b>
2/21/2025	105	90	15	<b>H</b>
2/14/2025	105	90	15	
2/7/2025	105	90	15	
1/31/2025	125	115	10	

Interestingly, we do see some improving basis bids, one in Colorado and in most of the big Kansas terminals:

Date	SE Colorado	Chey. Wells	Burlington	Holyoke area	Roggen area
<b>03/07</b>	<b>\$4.60-\$4.85</b>	<b>\$4.85</b>	<b>\$4.55-\$4.65</b>	<b>\$4.40-\$4.60</b>	<b>\$4.90-\$5.45</b>
02/28	\$4.68-\$4.93	\$4.93	\$4.63-\$4.73	\$4.48-\$4.68	\$4.91-\$5.53
02/21	\$5.14-\$5.39	\$5.29	\$5.11-\$5.21	\$4.94-\$5.14	\$5.41-\$5.89
02/14	\$5.26-\$5.51	\$5.26	\$5.21-\$5.26	\$5.06-\$5.26	\$5.53-\$6.01
02/07	\$5.09-\$5.34	\$5.09	\$5.04-\$5.09	\$4.89-\$5.09	\$5.36-\$5.84
BASIS	SE Colorado	Chey. Wells	Burlington	Holyoke	Roggen area
<b>03/07(K)</b>	<b>-105, -80</b>	<b>-80</b>	<b>-110, -100</b>	<b>-125, -105</b>	<b>-75, -20</b>
02/28(K)	-105, -80	-80	-110, -100	-125, -105	-82, -20
02/21(H)	-95, -70	-80	-98, -88	-115, -95	-68, -20
02/14(H)	-95, -70	-95	-100, -95	-115, -95	-68, -20
02/07(H)	-95, -70	-95	-100, -95	-115, -95	-68, -20
Date	Concordia	Salina	Hutch/Wichita	Ark City	
<b>03/07(K)</b>	<b>-70</b>	<b>-50, -30</b>	<b>-70, -35</b>	<b>-65</b>	
02/28(K)	-75	-55, -35	-76, -35	-70	
02/21(H)	-60	-40, -30	-53, -20	-55	
02/14(H)	-60	-40, -30	-50, -20	-55	
02/07(H)	-60	-40, -30	-50, -20	-55	

As the feeling is...own a little bit of protection, just in case the current “pretty good” crop conditions change to “fair” or worse. (And yes, that Scott City bid shows a big jump!)

WE see that mentality in the KC May-KC July classic “old-crop/new-crop” spread, where 7c/month is viewed as wide enough, and making a run up to 4.5c/month carry...is probably too tight:



KC Dec wheat by itself, looks similar to corn and beans in that for now, anyway, the Bear Slide is taking a breather. The Green line was Friday’s \$6.12 close; it is a 4-week Closing Low. It’s 60c/bu below the Blue line. Take the stairs up, and the elevator down...like always.



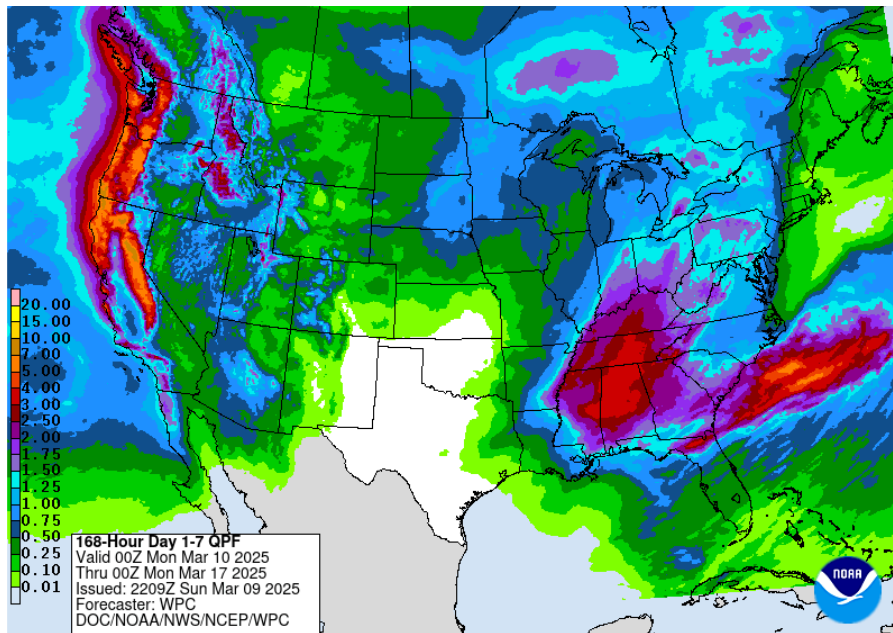
Anyway...day-by-day, but I think the Bear Sirens have quit blowing, at least for now.



Early Sunday action had KC wheat up 8c, but faded a bit to up 4. Corn opened up 3, but is now down a penny, and soybeans opened up 7c, but are now DOWN 2c.

The overall tone of the charts we looked at, and the fundamentals (with a gigantic corn crop expected...) is “sell any and all rallies”.

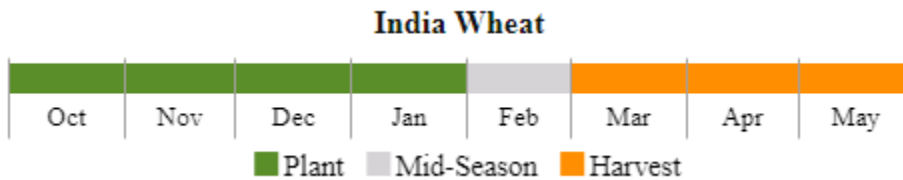
This week’s forecast looks like Nebraska, the Dakotas and Montana will see some moisture, along with the Canadian Prairies:



World wheat news...mainly blah.

India sold almost all of their old-crop wheat, and new-crop harvest is starting.

<https://www.thehindubusinessline.com/economy/agri-business/govts-wheat-sales-in-open-market-ends-as-new-crop-arrives-prices-are-still-high/article69303461.ece>



Morocco’s 6-year drought may not be over, but recent rains have helped a lot...<https://www.msn.com/en-xl/news/other/rainfall-boosts-water-storage-in-morocco-s-dams-enhancing-hydric-security/ar-AA1Atnnb>

Have a good week. Stay Safe, and Slow Down.

An expected boring Crop Report comes out Tuesday.

I missed selling the imaginary \$4.75 line, because I thought I was pretty smart...but I am not going to miss the \$4.50 imaginary line, **because I am selling 10% of my expected new-crop corn production RIGHT NOW. Dec corn is trading at \$4.55; I am selling at the MARKET.**



At least I got started.

Ok, now I can go back to sleep.