

December 6, 2023

Weather:

- **Tropical Cyclone Jasper** formed south southwest of Honiara in the Solomon Islands of the southwestern Pacific Ocean Tuesday. The storm was expected to strengthen while over open water and then weaken as it approaches the upper Queensland Pacific Coast next week
- **Argentina** will experience drier biased weather in this first week of the outlook followed by a boost in rainfall and soil moisture during the second week maintaining a favorable outlook for summer crops. Favorable planting progress is expected during the drier days
- **Brazil weather** will be driest in the northeast while periodic showers and thunderstorms occur elsewhere
 - o Rainfall will be most frequent and significant in southern Brazil and most sporadic and light in Mato Grosso – at least in this first week of the outlook
- Paraguay rainfall will also continue frequent and abundant during the next ten days
- **South Australia and Victoria, Australia rainfall Friday through next week** may be too great and too frequent to protect unharvested wheat and barley crops
 - o Grain quality may decline in some areas
- **Eastern China** will experience three waves of snow and rain during the next ten days. The snow will protect dormant winter crops in the North China Plain and Yellow River Basin from colder weather expected next week and into the following weekend
- **Bitter Cold in Russia** will shift southeast into Kazakhstan and eventually to Mongolia and eastern China during the coming week to ten days. Winter crops are expected to be adequately protected from the cold by snow that covers the ground in the coldest areas
- **Europe temperatures will be warming up over the coming week to ten days**
- **Northwestern Europe** will experience waves of rain and strong wind during the coming week possibly leading to some flooding
- **Eastern Europe and the western CIS** will experience very little precipitation into the weekend and temperatures will be quite cold, but warming is likely thereafter and precipitation will increase once again as well
- **South Africa's summer crop region** that has been dry in recent weeks will get a boost in rainfall this weekend into next week that will improve planting prospects
- **India** will experience less rain now that Tropical Cyclone Michaung has dissipated, although rainfall of 1.00 to 3.00 inches may impact parts of Odisha, West Bengal, Chhattisgarh and Jharkhand as well as Bangladesh over the next couple of days
- **A snowstorm in Canada's Prairies** has been shifted to the south and expanded to the west for Thursday and Friday; the system seems to be overdone with snow accumulations

and moisture content likely too great. Snowfall of 3 to 9 inches is expected, although some computer forecast models suggest more than foot (12 inches) of accumulation is likely

- **U.S. Plains dryness will continue for another week and possibly longer**
 - o The overnight forecast models are trying to induce a new southern Plains storm for mid-month
- **Lower and eastern U.S. Midwest** is still advertised to get waves of precipitation over the next two weeks, though it is lighter than that advertised Tuesday
- **U.S. Delta and southeastern states** will see a good mix of weather in the next two weeks
- Stormy weather will continue along the **U.S. Pacific Northwest Coast** into next week

News:

- **USDA reported private sale of 136,000 metric tons of soybeans for delivery to China during the 2023/2024 marketing year and a sale of 372,000 metric tons of soft red winter wheat for delivery to China during the 2023/2024 marketing year.**
- Grain trade sources reported around 50,000 mt of Soymeal was bought in a private deal by South Korea's Major Feedmill Group, according to trade sources.
- Nonghyup Feed reportedly bought between 55,000 to 68,000 mt of feed Corn and around 65,000 mt of feed Wheat.
- Grain trade sources Tuesday afternoon reported 180,000 mt of Wheat was bought by Egypt's GASC. The total includes 120,000 mt of Russian origin and around 60,000 mt of Ukrainian wheat.
- Grain trade sources say between 450,000 to 500,000 mt of Durum Wheat was bought by Algeria's state grain buyer. The trade indicates somewhere between 50,000 and 100,000 mt of the total was of Mexican origin with the remainder was Canadian origin.
- Australia's weather bureau reported November rainfall was 37.8% higher than the average over 1961 to 1990, but the entire spring rainfall totals were -20.1% lower and at the lowest point since 2019. September rainfall was a record low and October's was the fifth lowest.
- Russia's winter crop conditions are better than average, with only 4% rated poor, a meteorological official said. The head of Russia's state weather center noted the five-year average is an 8% poor rating. World Weather Inc. says, "Bitter cold in Russia will shift southeast into Kazakhstan and eventually to Mongolia and eastern China during the coming week to 10 days. Winter crops are expected to be adequately protected from the cold by snow that covers the ground in the coldest areas.
- Brazil's ANEC projects 2023 Brazil Soybean exports will reach 101.1 mmt, that compares with the 77.8 mln mt export in 2022. Brazil 2023 Soymeal exports are projected at 22.34 mln mt, up from the 20.39 mln mt exported in 2022, according to the group. Corn exports are projected to reach 55.94 mmt, that compares with the 44.69 mln mt export in 2022.

5Disclaimer: Commodity trading and other speculative/ hedging investment practices involve substantial risk of loss. PAST RESULTS ARE NOT NECESSARILY INDICATIVE OF FUTURE RESULTS when utilizing the commodities markets. Gulke Group and its officers, directors, employees and affiliates may take positions for their own accounts that are the same or that are different to the positions and to the contracts referred to herein. This material and any views expressed herein are provided for informational purposes only and should not be construed in any way as an endorsement or inducement to invest. Prices used in trade recommendations are already reflective of known information

Source: WASDE and estimates by Reuters.

US Carryout 2023-24

	Wheat	Corn	Soybeans
Average trade estimate	0.673	2.226	0.252
Highest trade estimate	0.690	2.822	0.345
Lowest trade estimate	0.596	2.100	0.231
USDA November	0.684	2.156	0.245

World Carryout 2023-24

	Wheat	Corn	Soybeans
Average trade estimate	256.98	312.00	111.50
Highest trade estimate	262.00	315.00	116.80
Lowest trade estimate	241.42	309.50	106.23
USDA November	258.69	314.99	114.51

5Disclaimer: Commodity trading and other speculative/ hedging investment practices involve substantial risk of loss. PAST RESULTS ARE NOT NECESSARILY INDICATIVE OF FUTURE RESULTS when utilizing the commodities markets. Gulke Group and its officers, directors, employees and affiliates may take positions for their own accounts that are the same or that are different to the positions and to the contracts referred to herein. This material and any views expressed herein are provided for informational purposes only and should not be construed in any way as an endorsement or inducement to invest. Prices used in trade recommendations are already reflective of known information

South America production estimates 2023-24

	Argentina		Brazil	
	Corn	Soybeans	Corn	Soybeans
Average trade estimate	54.83	48.20	127.00	160.16
Highest trade estimate	55.00	50.00	129.00	161.90
Lowest trade estimate	53.50	46.00	125.00	156.00
USDA November	55.00	48.00	129.00	163.00

Gulke Group 2024 Winter Palm Springs Conference Rancho Las Palmas in Rancho Mirage, CA on Feb. 21-23. Current speakers include Drew Lerner on Weather, Roger Wallace on Livestock, Jamie Wasemiller on insurance, Michael Drury on economy and Jerry Gulke. New Addition: Brian Phillips has agreed to preset his views via computer.

The conference will start at noon on Wednesday (Feb. 21) and conclude around noon on Friday (Feb. 23). The fee is \$695 for the conference for clients and \$2000 for non-clients. A second person within the household/company \$555. Sign up by calling or texting Jamie at 707-365-0601.

GROUP RATES: Rooms for Tuesday-Friday will be \$299 + tax. Available on days before and after the conference. In case you want to extend your stay: **The cut-off date is January 16, 2024. Call the Omni at 1-800-843-6664 to make your room reservations and mention the Gulke Group.**

Technical:

Market Fundamentals:

5Disclaimer: Commodity trading and other speculative/ hedging investment practices involve substantial risk of loss. PAST RESULTS ARE NOT NECESSARILY INDICATIVE OF FUTURE RESULTS when utilizing the commodities markets. Gulke Group and its officers, directors, employees and affiliates may take positions for their own accounts that are the same or that are different to the positions and to the contracts referred to herein. This material and any views expressed herein are provided for informational purposes only and should not be construed in any way as an endorsement or inducement to invest. Prices used in trade recommendations are already reflective of known information

Yesterday's Trades: No new trades.

COMMENTS: No New Advice

Markets look about the same as yesterday's charts indicated. Pullbacks finding support with wheat on fire and likely leading corn. A LOT of media types look/sound confused and directionless and a rally in corn is not in their DNA. Information gathered from our long-time sources suggest crops in Brazil, including corn, are a bigger concern than market gives credit for. So we continue to be lacking in trading but long in bin and in the field for 2024/25 for now—see position matrix.

Livestock is very volatile and not for the faint of heart.

Economy outlook still rather positive but in an area where 5% interest rates on cash and even some stocks that will likely be sold in next 30 days when/if we see signal to do so.

Politically a lot of confusion both in US and globally also having an effect on outlook and inflation. Gasoline is now under \$3 at Costco in Rockford, IL

Planted acres for 2024 going to be important as S America gets more certain in Feb/March if not before as these are futures markets not passed markets.

PHONE MESSAGING--- if you are not on our daily phone messaging this is a year where you may want to be!

Gulke GroupSpec Table Buy/Sell Stops				(*New Positions in BOLD)			
	12/6/2023			Today's Stops		Current Position*	
	High	Low	Close	Buy	Sell	Long	Short
CH24	490 3/4	483 1/2	490 1/2	498 1/4	482 3/4	483	
CN24	510 1/4	504 3/4	510 1/4	516 1/4	504 1/4	504 1/2	
SF24	1315 1/4	1294	1305 1/2	1327 1/4	1283 3/4		1330
SN24	1358 1/4	1339 1/2	1350 1/4	1369 1/2	1331		1369 1/4
SMF24	418.8	406.5	417.8	430.3	405.4		434.1
BOF24	51.52	49.56	50.26	52.72	47.80		49.73
WH24	636 1/4	616 1/4	631 1/4	651 3/4	610 3/4	624 1/4	
WN24	656 1/2	639 1/4	651 1/2	669 1/4	633 3/4	647 3/4	
KWH24	670	653 1/2	662 3/4	679 3/4	645 3/4	619	
MWH24	745	730 1/4	739	754 1/4	723 3/4	727 3/4	
LCG24	169.500	166.775	168.975	171.900	166.050		171.900
LCM24	168.300	165.850	167.850	170.800	164.900		166.675
LHG24	70.500	68.900	69.350	71.150	67.550		73.125
LHM24	93.200	91.800	92.350	93.950	90.750		89.875
FCF24	215.600	210.175	214.700	220.325	209.075		236.600
CTH24	79.95	78.65	79.680	81.18	78.18		79.25
CTK24	80.58	79.40	80.270	81.50	79.04	81.69	
SBH24	25.90	24.81	24.960	26.10	23.82		27.40
GCG24	2059.6	2027.6	2037.70	2070.20	2005.20		2047.50
NRH24	17.26	17.07	17.08	17.30	16.86		17.510
DJZ23	36249.00	36066.00	36189	36392	35986	33799	
CLF24	74.12	72.02	72.32	74.62	70.02		76.79
NGF24	2.786	2.675	2.710	2.836	2.584		2.842
DXZ23	104.04	103.495	103.900	104.65	103.16	103.510	
USH24	119 17/32	117 27/32	119 13/32	121 11/32	117 15/32	118 9/32	

RESULTS HAVE MANY INHERENT LIMITATIONS, SOME OF WHICH ARE DESCRIBED BELOW. NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT WILL OR IS LIKELY TO ACHIEVE PROFITS OR LOSSES SIMILAR TO THOSE SHOWN. IN FACT, THERE ARE FREQUENTLY SHARP DIFFERENCES BETWEEN HYPOTHETICAL PERFORMANCE RESULTS AND THE ACTUAL RESULTS SUBSEQUENTLY ACHIEVED BY ANY PARTICULAR TRADING PROGRAM.

ONE OF THE LIMITATIONS OF HYPOTHETICAL PERFORMANCE RESULTS IS THAT THEY ARE GENERALLY PREPARED WITH THE BENEFIT OF HINDSIGHT. IN ADDITION, PROGRAM IN SPITE OF TRADING LOSSES ARE MATERIAL POINTS WHICH CAN ALSO ADVERSELY AFFECT ACTUAL TRADING RESULTS. THERE ARE NUMEROUS OTHER FACTORS RELATED TO THES IN GENERAL OR TO THE IMPLEMENTATION OF ANY SPECIFIC TRADING PROGRAM WHICH CANNOT BE FULLY ACCOUNTED FOR IN THE PREPARATION OF HYPOTHETICAL PERFORMANCE RESULTS AND ALL OF WHICH CAN ADVERSELY AFFECT ACTUAL TRADING RESULTS.

THE GULKE GROUP HAS HAD LITTLE OR NO EXPERIENCE IN TRADING ACTUAL ACCOUNTS FOR ITSELF OR FOR CUSTOMERS. BECAUSE THERE ARE NO ACTUAL TRADING RESULTS TO COMPARE TO THE HYPOTHETICAL PERFORMANCE RESULTS, CUSTOMERS SHOULD BE PARTICULARLY WARY OF PLACING UNDUE RELIANCE ON THESE HYPOTHETICAL PERFORMANCE RESULTS. This composite performance records are hypothetical and are used as a guide for position tracking purposes. Execution prices are an average execution price of the first ten trades recorded after advice has been posted and are net of average round turn commissions of \$33.00 for futures and \$36 for options and round turn fees of \$5.24 for grains and \$5.40 for livestock. In the event less than 10 trades are executed, prices will be determined by looking at fills, in relation to when the advice was given to clients, and a commonsense price will be determined. The closing price on the previous day is used to determine the P/L listed in the Morning Comments. One of the limitations of a hypothetical composite performance records is that client decisions relating to the recipient's advice may or may not elect to act upon such advice and timing of execution by clients of advice may create a difference in the execution price represented in the matrix below. Therefore, composite performance records may differ which may materially affect trading results.

5Disclaimer: Commodity trading and other speculative/ hedging investment practices involve substantial risk of loss. PAST RESULTS ARE NOT NECESSARILY INDICATIVE OF FUTURE RESULTS when utilizing the commodities markets. Gulke Group and its officers, directors, employees and affiliates may take positions for their own accounts that are the same or that are different to the positions and to the contracts referred to herein. This material and any views expressed herein are provided for informational purposes only and should not be construed in any way as an endorsement or inducement to invest. Prices used in trade recommendations are already reflective of known information

