

February 2, 2023

Weather:

• Today's 06z GFS model run was wetter for the second weekend of the two week outlook from Mato Grosso do Sul into Sao Paulo and drier from western Parana and Paraguay into northern Rio Grande do Sul relative to the previous model run

• The 06z GFS model was also wetter in southern Argentina from San Luis and parts of Cordoba through northeastern La Pampa to Buenos Aires and Entre Rios late next week into the following weekend

• The ECMWF was wetter for northern Argentina and central and northern Paraguay during the second week of the forecast

• Overall, World Weather, Inc. believes there will be greater rain in northern Argentina late next week and into the following weekend, but not many other changes are anticipatedThe greatest relief from Argentina dryness will occur late next week into the following weekend, though follow up moisture will be imperative Some showers will occur during mid-month in Argentina and southern Brazil to improve the moisture profile, but a general soaking may be hard to come by

• Not much change occurred in the North America outlook through mid-week next week relative to that of Thursday's forecast with the Midwest and northeastern Plains dry along with the southwestern Plains

• A storm system is still slated for the U.S. Midwest during the second weekend of the two week outlook

• A new precipitation event impacts central hard red winter wheat areas during the second weekend of the forecast, but misses the southwestern Plains once again

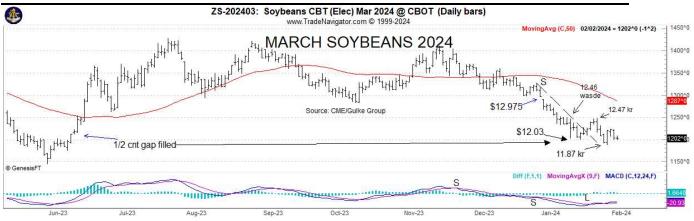
• North America temperatures relax to a more typical El Nino bias in week two of the forecast and precipitation will also be more El Nino like with drier conditions resuming in the Midwest and northern Plains as well as Canada's Prairies while the southern U.S. see most of the precipitation

News:	
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	• Grain trade sources reported 89,650 mt of US origin mill grade Wheat was bought by Taiwan Flour Millers' Assn.
	• The U.S. ag attaché in Argentina projects the country's corn crop at 57 MMT, 2 MMT more than USDA's forecast last month, due mostly to larger planted area. The attaché forecasts the Argentine wheat crop at 15.4 MMT, 400,000 MMT higher than USDA, as yields were stronger than expected.
	 Shippers say continued attacks on Red Sea shipping lanes have diverted grain vessels from the Suez Canal to routes around Cape of Good Hope. Analysts say around 7.0 mln mt of grain passes through the Suez Canal, but so far this week about 700,000 mt have rerouted. Thursday's USDA Fats & Oils: December 2023 Soybean crush 6.128 mln tons; expected 6.185 mln tons; December 2023 ending Soy crude oil stocks 1.823 bln lbs; expected 1.76 bln lbs. Weekly Buenos Aires Grain Exchange report pegged Argentina Soybean conditions at 36% good to excellent, 50% fair, and 14% poor, last week's conditions were 44% good to excellent, 48% fair, and 8% poor. They estimated the Argentina Corn planting progress at 98.4% complete, 7.085 mln hectares planted out of the 7.200 mln expected. The UN Food and Agriculture Organization global food price index dropped another 1.2% from December as decreases in the price for cereal grains and meat more than offset an increase in sugar, while vegoils and dairy were nearly unchanged. The January index was
	down 10.3% from last year and the lowest since February 2021. Com- pared to year-ago, prices declined 1.2% for meat, 17.8% for dairy, 18.6% for cereal grains and 12.7% for vegoils, while sugar prices rose 15.8%.

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. Brian Phillips has agreed to preset his views via computer. We've added a special session/discussion for Thurs pm on bio-fuels. The conference will start at noon on Wednesday (Feb. 21) and conclude around noon on Friday (Feb. 23). Sign up by calling or texting Jamie at 707-365-0601. Call Jamie if you need a room.

Technicals:



Market Fundamentals

Yesterday's Trades: No new trades.

ADVICE: A sideways to lower bias pricing allows call premiums to deteriorate even if prices don't. We'll add to short call options as follows for corn/beans and futures advice for wheat:

Corn: Sell the July 4.80 calls on another 10% of 2023 production-best can

Soybeans: Sell the July 12.60 calls on another 10% of 2023 production -best can.

Canola: Hedge 15% of 2023 production in July 2024 futures—best can.

Wheat Chicago: Place sell stops in July wheat at \$6.12 for 10% of 2023 and 2024 production for all classes.

COMMENTS: We still need responses of who will attend the Thursday night "mixer" at the Gulke Home during the Feb conference. Email jerry at <u>smsjgulke@aol.com</u> please!

Soybeans March: Have had a couple pricing milestones. The wasde report at 12.4675 high and 12.03 low followed by a key reversal low at 11.87 and a key reversal high of 12.4775. Now awaiting the Feb wasde on Feb 9th. The last two weeks have been dealing with S America and N America prospects. Feb 9th should offer more guidance. Both soy oil and meal suspect

Corn: A range of 4.40—4.50 and change with 50 day at about 4.48 offering further resistance along with the wasde high of 4.60 all overhead headwinds with little chance of seeing US acreage dropping by the needed 4-6 mil-ac

Wheat: Has better numbers as wasde didn't have the effect on it that c/b did.

Technically all look positive on a daily basis. On a weekly basis, not as good with moves out of the above mentioned trading ranges dictating. Longer term, technical agree with the negative monthly fundamentals of corn and beans with wheat a little better.

Crude Oil turned negative this week in spite of Saudis not increasing production---they've been ahead of global economic usage concerns for some time---ever since Biden begged for oil. Diesel and gas both down 5 cents today

Economic news better to much better regarding the labor front in wages and numbers likely putting on hold any rate cuts until last $\frac{1}{2}$ 2024 if then! The media continues to be shocked while not realizing what Trillions\$\$\$ added to an economy can do.

	Gulke Grou	pSpec Table B	uy/Sell Stops	(*New Positions in BOLD)						
		2/2/2024		Today'	s Stops	Current Position*				
	High	Low	Close	Buy	Sell	Long	Short			
CH24	448	443 1/2	447 1/4	452 1/4	442 1/4		445 1/2			
CN24	466 3/4	462 1/4	466	471	461		490 1/2			
CZ24	479 3/4	475 3/4	479	483 1/2	474 1/2		474 1/2			
SH24	1221 3/4	1199 1/2	1203 1/4	1226	1180 1/2		1205 1/2			
SX24	1199	1183	1185 1/2	1202	1169		1186 3/4			
SMH24	370.4	358.8	361.7	373.5	350.0		390.4			
BOH24	46.38	45.32	45.60	47.16	44.04		47.98			
WH24	603	587	601 1/2	618	585		601			
WN24	615	602 1/4	613 3/4	627	600 1/2		616			
KWH24	624 1/2	613	620 3/4	632 3/4	608 3/4		622 3/4			
MWH24	700 1/2	688	696	709	683		713 3/4			
LCM24	181.325	179.100	181.125	183.850	178.400	166.850				
LCV24	185.500	183.075	185.150	187.775	182.525	182.850				
LHM24	97.975	96.325	97.200	99.050	95.350		96.400			
LHV24	83.825	83.300	83.725	84.450	83.000	83.325				
FCH24	245.600	240.850	244.875	249.825	239.925	236.125				
CTH24	86.90	84.80	86.490	88.79	84.19	86.24				
CTK24	88.05	86.00	87.640	89.74	85.54	87.32				
SBH24	24.24	23.45	23.560	24.40	22.72		23.67			
GCJ24	2083.2	2046.4	2072.70	2110.00	2035.40	2044.6				
NRH24	18.19	17.89	18.11	18.44	17.77	17.540				
DJH24	38661.00	38212.00	38625	39094	38156		38334.00			
CLH24	76.95	73.7	73.82	77.27	70.37	75.09				
NGH24	2.168	2.033	2.050	2.200	1.900		2.477			
DXH24	103.66	102.840	102.890	103.91	101.88	101.620				
USH24	124 24/32	122 15/32	124 1/32	126 18/32	121 16/32	120 26/32				

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 N\O 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 commonsense. 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. If no trades are executed, prices are determined by looking at a 1 min chart to determine the tracking price. The closing price on the previous day is used to determine the P/L listed in the Morning Comments and are net of average round turn commissions of \$33.00 for futures and \$36 for options and round turn fees of \$5.34 for grains and \$5.50 for livestock (these fees may change at any time by the CME). One of the limitations of a hypothetical composite performance records is that client decisions relating to the recipient's advice may or delect 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.

2023 Corn	HYPOTHETICAL HED - margin= \$1425				2023 SOYB	2/2/2024 EANS - margin= \$2500				2022 WHEAT	- margin= \$2600			
Date	Action	Price	Status	% Hedged	Date	Action	Price	Status	% Hedged	Date	Action	Price	Status	% Hedg
	res price day of sale)	THEE	otatao	70 Houged		es price day of sale)	1 1100	otatao	70 Hougou		s price day of sale)	1 1100	otatuo	7011045
	Sold CASH vs. CZ	621 1/2	\$8,199.16	5.0%		Sold CASH vs. SX23	1387	\$874.16	15.0%	3/31/2022	Sold CASH vs. WN22	1021	\$11,299.16	10%
0/22/25	OUN CAULTYS. OZ	021112	ψ0,133.10	3.070		Sold CASH vs. SX23	1389 1/2	\$999.16	5.0%	6/17/2022	Sold CASH vs. WZ22	1021	\$17,349.16	10%
		Total		5.0%	1/5/2023	Sold CASH vs. SX23	1386 1/4	\$836.66	5.0%	9/2/2022	Sold CASH vs. WZ22	804	\$3,749.16	109
Futures/Op	ations	TULAI		5.0 %	1/20/2023	Sold CASH vs. SX23	1352 1/2	(\$850.84)	5.0%	9/14/2022	Sold CASH vs. WZ22	860	\$6,549.16	209
	Sold CN 480 calls(10%)	16 1/4	(\$153.84)	10.00%	3/13/2023	Sold CASH vs. SX23	1340 1/4	(\$1,463.34)	5.0%	9/16/2022	Sold CASH vs. WZ22 Sold CASH vs. WZ22	836 1/2	\$5,374.16	109
1/29/2024	5010 CIV 400 Calls(10%)	10 1/4	(\$100.04)	10.00%										
	E to a long to a long to a long to			40.00/	4/4/2023	Sold CASH vs. SX23	1317 1/4	(\$2,613.34)	10.0%	12/2/2022	Sold CASH vs. WH23	767	\$3,986.66	109
	Futures/Options Hedged	01.0		10.0%	10/3/2023	Sold CASH vs. SF24	1290	\$4,174.16	10.0%	1/4/2023	Sold CASH vs. WH23	745 1/2	\$2,911.66	5%
	Total Hedged(included C/	SH)		15.0%	11/8/2023	Sold CASH vs. SF24	1366	\$7,974.16	25.0%	F 1 10 1		Total		75%
	- margin= \$1075	-					Total		80.0%	Futures/Opti				
Date	Action	Price	Status	% Hedged	Futures/Op					1/5/2024	Sold WN24 640 Calls	43 3/4	\$546.16	20.0
Cash (futu	res price day of sale)		a brock d		1/29/2024	Sold SN 1260 calls(10%)	36 3/4	(\$141.34)	10.0%		Futures/Options Hedged			20.0
											Total Hedged(included CA	SH)		95.0
		Total		0.0%		Futures/Options Hedged			10.0%		- margin= \$2600			_
Futures/Op	ptions					Total Hedged(included CAS	SH)		90.0%	Date	Action	Price	Status	% Hec
1/5/2024	Sold CZ 500 calls(15%)	36 1/4	\$258.66	15.00%	2024 Soybe	ans - margin - \$1725				Cash (future:	s price day of sale)			
1/29/2024	Sold CZ 500 calls(10%)	27 3/4	(\$166.34)	10.00%	Date	Action	Price	Status	% Hedged	9/30/2022	Sold CASH vs. WN23	906	\$13,186.66	159
	Futures/Options Hedged		and the second	25.0%	Futures/Op	tions				12/2/2022	Sold CASH vs. WN23	785 1/2	\$7,161.66	109
	Total Hedged(included CA	SH)		25.0%								Total		25
End User (Coverage - Corn						1			Futures/Opti	ons	1		
Date	Action	Price	Status	% Hedged			-	-		1/4/2024	Sold WN24 640 Calls	37	\$208.66	20.0
1st Quarter		1100	otatua			Futures/Options Hedged	+	-	0.0%	117/2024	USIN TTRET UTV URID	51	V200.00	20.0
i si waanter	1 2024					Total Hedged(included CAS			30.0%		Futures/Options Hedged	-		20.0
2nd Quarter		Tetal		0.0%	0000 0		sn)		30.0%			010		45.0
	0004	Total		0.0%		a - margin = \$880CD	D. S. S.	01.1	N/11 1 1	000414/11547	Total Hedged(included CA	511)		40.0
	er 2024				Date		Price	Status	% Hedged		- margin= \$2400	1		
					Cash (futur	es price day of sale)				Date	Action	Price	Status	% Hec
		Total		0.0%			Total		0.0%	Cash (future	s price day of sale)			
Live Cattle	- margin = \$1600				Futures/Op	tions								
Date	Action	Price	Status	% Hedged								Total		0%
Spring 202	24					Futures/Options Hedged			0.0%	Futures/Opti	ons			
						Total Hedged(included CAS	SH)		0.0%	1/4/2024	Sold WN24 640 Calls	37	208.66	20.0
		Total		0.0%	2022 MN W	HEAT - margin= \$3000					Futures/Options Hedged			20.0
Fall 2024					Date	Action	Price	Status	% Hedged		Total Hedged(included CA	SH)		20.0
						es price day of sale)				2022 KC WH	EAT - margin= \$2400	,	Status	% Hed
		Total		0.0%		Sold CASH vs. MWU22	1040	\$5,661.66	10%	Date	Action	Price	otatus	701100
Eagdar Cat	ttle - Producer - margin = \$2			0.076	6/17/2022	Sold CASH vs. MW022	1188 3/4	\$12,424.16	10%		s price day of sale)	THEE		-
		_	Otatus	0/ Lis due d			896		10%		Sold Cash vs. KWN22	4040	0.00.40	109
Date	Action	Price	Status	% Hedged	9/2/2022	Sold CASH vs. MWZ22		(\$2,213.34)		3/31/2022		1040	\$8,599.16	
Spring 202	4				12/2/2022	Sold CASH vs. MWH23	928	\$4,086.66	10%	6/17/2022	Sold Cash vs. KWZ22	1141	\$13,524.16	109
					1/4/2023	Sold CASH vs. MWH23	903	\$2,836.66	5%	9/2/2022	Sold Cash vs. KWZ22	878	\$374.16	109
		Total		0.0%			Total		45%	12/2/2022	Sold Cash vs. KWH23	872	\$2,886.66	109
Fall 2024					Futures/Op	tions				1/4/2023	Sold Cash vs. KWH23	838 1/2	\$1,211.66	5%
					1/5/2024	Sold WN24 640 Calls	43 3/4	\$546.16	20.0%			Total		45%
		Total		0.0%		Futures/Options Hedged			20.0%	Futures/Opti	ons			
Live Hogs	- margin = \$1600					Total Hedged(included CAS	SH)		65.0%	1/5/2024	Sold WN24 640 Calls	43 3/4	\$546.16	20.0
Date	Action	Price	Status	% Hedged	2023 MN W	HEAT - margin= \$3000					Futures/Options Hedged			20.0
4th Quarter				,	Date	Action	Price	Status	% Hedged		Total Hedged(included CA	SH)		65.0
						es price day of sale)				2023 KC WHEAT - margin= \$2400		••••		
		Total		0.0%		Sold CASH vs. MWU23	944	\$9,524.16	15%	Date	Action	Price	Status	% Hed
1st Quarter	- 2024	TOLAI		0.076							s price day of sale)	FILE	Status	70 FIEL
i si Quarter	1 2024			+	12/2/2022	Sold CASH vs. MWU23	906 1/4 Total	\$7,636.66	10% 25%			052	\$7,099.16	159
		Total		0.00/	Eutores/C-	liona	TOTAL		20%	9/30/2022	Sold CASH vs. KWN23	952		
0000 0 1		Total		0.0%	Futures/Op		07	0000.000	00.001	12/2/2022	Sold CASH vs. KWN23	861	\$2,549.26	109
	on - margin = \$3500				1/4/2024		37	\$208.66	20.0%			Total		25%
Date	Action	Price	Status	% Hedged		Futures/Options Hedged			20.0%	Futures/Opti				<u> </u>
	Sold CASH vs. CTZ22	111.53	\$11,529.76	15%		Total Hedged(included CAS	SH)		45.0%	1/4/2024	Sold WN24 640 Calls	37	\$208.66	
8/17/2022		112.50	\$11,917.76	15%		T - margin= \$2600					Futures/Options Hedged			0.0
3/8/2023	Sold CASH vs. CTH23	82.89	\$1,021.76	10%	Date	Action	Price	Status	% Hedged		Total Hedged(included CA	SH)		25.0
4/4/2023	Sold CASH vs. CTN23	81.35	\$21.76	10%	Cash (futur	es price day of sale)				2024 WHEAT	- margin= \$2175			
	Sold CASH vs. CTK23	79.50	(\$850.24)	10%						Date	Action	Price	Status	% Hec
			Total	60%			Total		0%		s price day of sale)			
2023 Cotto	on - margin = \$3500				Futures/Op	tions			- /0	Sact fratalo				-
Date	Action	Price	Status	% Hedged	1/4/2024	Sold WN24 640 Calls	37	\$208.66	20.0%			Total		0%
	Sold Dec Futures	80.20	\$541.76		1/4/2024		31	\$200.00	20.0%	Futures/On#		TUIdi		0%
				10%		Futures/Options Hedged				Futures/Option		27	\$200.00	00.0
	Sold Dec Futures	81.65	\$1,121.76	10%	-	Total Hedged(included CAS	5H)	L	20.0%	1/4/2024	Sold WN24 640 Calls	37	\$208.66	20.0
	Sold Dec Futures	80.62	\$709.76	10%	Energy	1					Futures/Options Hedged			20.0
8/2/2023	Sold Dec Futures	84.38	\$2,213.76	15%	Date	Action	Contracts	Price	Status		Total Hedged(included CA	SH)		20.0
			Total	45%		- C - C - C - C - C - C - C - C - C - C								
	Livestock Trading Hours				Spec									
	8:30 am to 1:05 pm CST	No Night T	Trading		Date	Action	Contracts	Price	Status					
Mon - Fri	0.30 81110 1.03 0111031													
Mon - Fri	Grain Trading Hours	ino nigin i												