

February 27, 2024

Weather:

• No major changes in South America overnight

 $_{\odot}~$ Interior southern Brazil will continue to experience restricted rainfall for the next week, although totally dry weather is unlikely

 $\circ~$ Greater rain falls in interior southern Brazil during the second week of the outlook

 <u>Southern Argentina rainfall is advertised greater in the last five days of</u> the two week outlook

• Not much change in North America was noted overnight in the first week of the forecast

 Livestock stress will be high in the U.S. Plains through the weekend due to wildly swinging temperatures, low humidity and both very warm to hot temperatures and bitter cold

 \circ Strong wind speeds in the high Plains may lead to some blowing dust

 $\circ~$ Most of the Plains and western Corn Belt will be dry biased over the next full week

 $\circ\;$ Canada's Prairies will receive another bout of widespread snow this weekend

- Eastern U.S. Plains and western U.S. Corn Belt weather may trend wetter in the second half of next week
- Eastern U.S. Midwest will see timely bouts of rain during the next two weeks along with the Delta and southeastern states

• West Texas precipitation will be limited over the next full week and "may" get "some" showers in the following week

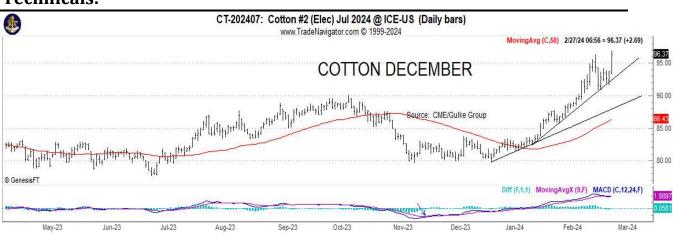
News:

- USDA reported private sale of 123,000 metric tons of soybeans for delivery to unknown destinations during the 2023/2024 marketing year.
- Dr. Cordonnier kept his Brazilian and Argentine crop estimates unchanged given rains last week and more in the forecast this week. Cordonnier estimates Brazil's production at 145 MMT for soybeans and 112 MMT for corn. He forecasts Argentina's production at 50 MMT for soybeans and 54 MMT for corn. He has a neutral to lower bias toward crops in both countries.
- Indonesia plans to double its palm oil replanting subsidy to boost farmer participation in the program, without giving a date of when the higher payments will be enacted. Farmers receive subsidies to buy palm seedlings and cultivate new palm trees to replace older, less fruitful trees. However, participation has been slow because of administrative hurdles and farmers' concerns over loss of income while they wait for the trees to mature.
- The Indonesia Palm Oil Association projected 2024 palm oil production up 5% to 57.6 mln mt, last year's output was 54.84 mln mt. They attributed the increase to additional acres with more mature plants bearing higher yields. They noted 2023 palm oil product exports were off -2.7% to 32.2 mln mt when compared to the 33.1 mln mt shipped abroad in 2022. The Indonesian government last year increased mandatory biodiesel blending requirement by five percentage points to 35%, in turn increasing domestic demand of palm oils. The group is forecasting 2024 palm oil exports around 32.0 mln mt.
- USDA's Cold Storage Report showed beef stocks declined contra-seasonally during January, while pork stocks rose less than average. Frozen beef stocks at the end of January totaled 475.4 million lbs., down 4.9 million lbs. from December, whereas the five-year average was a 2.9-million-lb. increase during the month. Beef stocks fell 59.8 million lbs. (11.2%) from January 2023 and were 40.1 million lbs. (7.8%) below the five-year average. Pork stocks rose 40.6 million lbs. during January to 468.0 million pounds. The five-year average was a 48.6-million-lb. increase during the month. Pork stocks declined 51.1 million lbs. (9.8%) from January 2023 and were 51.8 million lbs. (10.0%) lower than the five-year average.

USDA February 2024 Monthly State-by-State Wheat Conditions

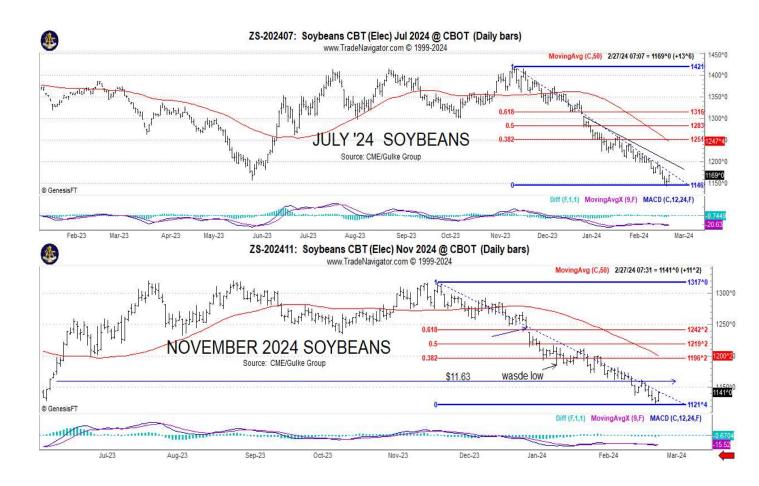
• Illinois February Winter Wheat conditions very poor-poor 4%, fair 30%, good 49%, excellent 17%, that compares with last month's very poor-poor 4%, fair 20%, good 57%, excellent 18%

- Colorado February Winter Wheat conditions very poor-poor 7%, fair 37%, good 49%, excellent 7%, that compares with last month's very poor-poor 5%, fair 11%, good 72%, excellent 12%
- Kansas February Winter Wheat conditions very poor-poor 13%, fair 30%, good 50%, excellent 7%, that compares with last month's very poor-poor 15%, fair 31%, good 46%, excellent 8%
- Nebraska February Winter Wheat conditions very poor-poor 7%, fair 33%, good 48%, excellent 12%, that compares with last month's very poor-poor 6%, fair 25%, good 58%, excellent 11%
- Oklahoma February Winter Wheat conditions very poor-poor 6%, fair 24%, good 61%, excellent 9%, that compares with last month's very poor-poor 9%, fair 28%, good 52%, excellent 11%
- Texas February Winter Wheat conditions very poor-poor 19%, fair 35%, good 36%, excellent 10%, that compares with last week's very poor-poor 19%, fair 41%, good 33%, excellent 7%
- Texas February Winter Wheat Headed crop progress latest week 8%, last week 5%, year ago week 10%
- South Dakota February Winter Wheat conditions very poor-poor 7%, fair 35%, good 55%, excellent 3%, that compares with last month's very poor-poor 5%, fair 42%, good 51%, excellent 2%
- North Dakota February Winter Wheat conditions very poor-poor 7%, fair 45%, good 47%, excellent 1%, that compares with last month's very poor-poor 3%, fair 37%, good 60%, excellent 0%



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

Technicals:



Market Fundamentals:

Yesterday's Trades: no new trades.

ADVICE: --no new advice--- eye on cotton, and soy complex-we are flat for now but cotton getting interesting---extra acres will need to be covered.

COMMENTS: Or positions are flat, long in the bin and long for 2024—we opted to accept price risk -so far so good—read options review below. Markets remain volatile and media hype is that fund short covering is to blame but they will sell again it is speculated. Whatever the hype used, this situation was discussed at length at PSP last Friday. The direction to start the week is good regardless of how the pundits want to spin it.

PRICE CHARTS: highlighted today is cotton, July and Nov soybeans. Pretty much self-explanatory especially if you attended the Psprings conference at

last Friday's close. Charts show some upside targets that give coincidence new respect.

Dr. Cordonnier is venturing into estimating 2024 US crops. He cites Farmdoc by saying B/E before land for corn is \$3.58 and for soybeans is \$7.16; prices with land rent (central Illinois) estimated at \$5.18 and \$12.22 respectfully. Conclusion is that there is <u>no incentive to plant either crop.</u> Also sighted is that US farmers on average own 45% of their land and rent 55%, which throws his "no incentive to plant" under the bus. If I had listened to land grand University economists, I would not be farming but still be working a 8-5 job. It continues to amaze me that those that don't (produce), have an influence. However, opinions are like noses, everyone has one.

OPTIOS PROFIT TAKING REVIEW: Based on Feb 18th report we did the following: Corn – For 2023, bot 20% CN 480 calls at 11 1/8 (ave. \$281.25 profit/contract). For 2024, bot 25% CZ 500 calls at 23 3/8(15% - \$643.75 profit/contract and 10% - \$218.75 profit/contract). **Soybeans** – For 2023, bot 20% SN 1260 calls at 21 ³/₄ (ave. \$721.875 profit/contract). **Wheat** – For 2022, bot 20% WN 640 calls at 14 5/8(\$1456.25 profit/contract). For 2023, bot 20% WN 640 calls at 14 5/8(\$1456.25 profit/contract). For 2023, bot 20% WN 640 calls at 14 5/8(\$1456.25 profit/contract). For 2023, bot 20% WN 640 calls at 14 5/8(\$1118.75 profit/contract) and bot 10% WN at 568(\$2187.50 profit/contract). For 2024, bot 20% WN 640 calls at 14 5/8(\$1118.75 profit/contract) and bot 10% WN at 568(\$2187.50 profit/contract) and bot 10% WN at 568(\$2187.50 profit/contract).

CONCLUSION: Our objective was to cover storage costs and capture some of the carry. I keep an unofficial tab on the plan and so far based on above since Jan 1, in my own personal situation, commercial storage has been covered through March and some of the carry. Depending on the extent of the current attempt to rally prices, the bottom line will look even better ==so mission accomplished so far.

	Gulke Grou	upSpec Table Bu	y/Sell Stops	(*New Positions in BOLD)						
	2/27/2024			Today'	s Stops	Current Position*				
	High	Low	Close	Buy	Sell	Long	Short			
CN24	434 3/4	422 1/4	433 3/4	446 3/4	420 3/4		490 1/2			
CZ24	457 3/4	446	457	469 1/4	444 3/4		456 3/4			
SN24	1160 1/4	1143 3/4	1155 1/4	1172 1/4	1138 1/4		1184 3/4			
SX24	1134 1/4	1122 3/4	1129 3/4	1141 3/4	1117 3/4		1186 3/4			
SMN24	334.4	328.8	331.4	337.2	325.7	341.6				
BON24	45.62	44.70	45.39	46.81	43.97		46.39			
WN24	578 1/4	562	577	593 3/4	560 1/4	575				
KWN24	567 3/4	550 1/2	566 1/2	584 1/4	548 3/4	568 3/4				
MWN24	659 3/4	646 1/2	657 3/4	671 1/2	644	671 1/2				
LCJ24	188.800	186.050	188.100	191.350	184.850		187.550			
LCV24	186.575	184.100	186.475	189.150	183.800		184.100			
LHJ24	87.050	85.525	86.275	88.000	84.550	85.225				
LHV24	84.575	84.000	84.500	85.275	\$3.725		82.825			
FCJ24	260.800	256.650	258.900	263.250	254.550	253.150				
CTK24	94.89	92.50	94.800	97.24	92.36	87.32				
CTN24	93.74	91.70	93.680	95.92	91.44	94.43				
SBK24	22.49	21.63	22.160	23.07	21.25		22.24			
GCJ24	2046.8	2034.1	2040.90	2054.10	2027.70	2017.7				
NRK24	18.94	18.57	18.65	19.05	18.25	18.760				
DJH24	39290.00	39070.00	39116	39356	38876	38785				
CLJ24	78.03	75.84	77.58	79.97	75.19		76.72			
NGJ24	1.834	1.716	1.744	1.877	1.611		1.701			
DXH24	103.95	103.630	103.700	104.22	103.18		104.080			
USH24	119 22/32	118 11/32	118 19/32	120 6/32	117	119 8/32				

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 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.

2022 0	HYPOTHETICAL HED - margin= \$1425	Sing PU		INA	2/27/2024 2023 SOYBEANS - margin= \$2500					2022 WHEAT - margin= \$2600					
		Dries	Chatria	0/ Hadwad			Deine	Chatria	0/ Lladmad			Drine	Chatria	0/ Llades	
Date	Action	Price	Status	% Hedged	Date Oracle (feature	Action	Price	Status	% Hedged	Date Oach (father	Action	Price	Status	% Hedge	
	res price day of sale)	004.4/0	A0 100 10	5.00/		es price day of sale)	4007	0074.40	45.00/		price day of sale)	1001	A44.000.40	100/	
6/22/23	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		
					1/4/2023	Sold CASH vs. SX23	1389 1/2	\$999.16	5.0%	6/17/2022	Sold CASH vs. WZ22	1076	\$17,349.16		
		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	10%	
Futures/Op	tions				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	20%	
		1			3/13/2023	Sold CASH vs. SX23	1340 1/4	(\$1,463.34)	5.0%	9/16/2022	Sold CASH vs. WZ22	836 1/2	\$5,374.16	10%	
					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	10%	
	Futures/Options Hedged			0.0%	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)		5.0%	11/8/2023	Sold CASH vs. SF24	1366	\$7,974.16	25.0%			Total		75%	
2024 Corn	- margin= \$1075						Total	** 1**	80.0%	Futures/Optic	ons				
Date	Action	Price	Status	% Hedged	Futures/Opt	tions								-	
	res price day of sale)	THEE	otatao	70 Houged	T utureo/op						Futures/Options Hedged			0.0%	
ousinflutur	es price day of sale										Total Hedged(included CA			75.0%	
		Total		0.0%		Futures/Ontinue Hadward			0.0%	0002 MILIEAT	- margin= \$2600	эпј		10.076	
		TOLAI		0.076		Futures/Options Hedged							01.1		
Futures/Op	tions					Total Hedged(included CAS	5H)		80.0%	Date	Action	Price	Status	% Hedge	
						ans - margin - \$1725					price day of sale)				
					Date	Action	Price	Status	% Hedged	9/30/2022	Sold CASH vs. WN23	906	\$13,186.66		
	Futures/Options Hedged			0.0%	Futures/Opt	tions				12/2/2022	Sold CASH vs. WN23	785 1/2	\$7,161.66	10%	
	Total Hedged(included C/	SH)		0.0%								Total		25%	
End User Coverage - Corn										Futures/Optic	ons	1			
Date	Action	Price	Status	% Hedged										-	
1st Quarter			otatuo			Futures/Options Hedged	1		0.0%	-		1	1	+	
i si wuanter	2024					Total Hedged(included CAS			0.0%		Futures/Options Hedged	+	+	0.0%	
		Tabl		0.00/	0000 0		DH)		0.0%						
		Total		0.0%		a - margin = \$880CD					Total Hedged(included CA	5H)	I	25.0%	
2nd Quarte	r 2024				Date		Price	Status	% Hedged	2024 WHEAT	- margin= \$2400		~		
					Cash (futur	es price day of sale)				Date	Action	Price	Status	% Hedge	
	100000	Total		0.0%			Total		0.0%	Cash (futures	price day of sale)				
Live Cattle	- margin = \$1600				Futures/Opt	tions									
Date	Action	Price	Status	% Hedged	· · ·	Sold RSN	607.50	\$158.46	15%			Total		0%	
Spring 202		11100	otatao	70 Hougou	LILILULI	Futures/Options Hedged	001.00	0100.10	15.0%	Futures/Optic	ne	Total			
opining 202						Total Hedged(included CAS	201		15.0%	T dtures/optic			-		
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		Total		0.0%		HEAT - margin= \$3000	1							-	
Fall 2024					Date	Action	Price	Status	% Hedged		Futures/Options Hedged			0.0%	
						es price day of sale)					Total Hedged(included CA	SH)		0.0%	
		Total		0.0%	3/31/2022	Sold CASH vs. MWU22	1040	\$5,661.66	10%	2022 KC WHE	EAT - margin= \$2400		Status	% Hedge	
Feeder Cat	tle - Producer - margin = \$2	850			6/17/2022	Sold CASH vs. MWZ22	1188 3/4	\$12,424.16	10%	Date	Action	Price			
Date	Action	Price	Status	% Hedged	9/2/2022	Sold CASH vs. MWZ22	896	(\$2,213.34)	10%	Cash (futures	price day of sale)				
Spring 202					12/2/2022	Sold CASH vs. MWH23	928	\$4,086.66	10%		Sold Cash vs. KWN22	1040	\$8,599.16	10%	
opining 202						Sold CASH vs. MWH23	903	\$2,836.66	5%		Sold Cash vs. KWZ22	1141	\$13,524.16		
		Total		0.0%	11412023	0010 0/10/11/3. 10/0/12/3	Total	ψ2,000.00	45%	9/2/2022	Sold Cash vs. KWZ22	878	\$374.16	10%	
E-II 0004		TULAI		0.076	Estant lon		TULAI		40 /0					-	
Fall 2024					Futures/Opt	aons					Sold Cash vs. KWH23	872	\$2,886.66	10%	
										1/4/2023	Sold Cash vs. KWH23	838 1/2	\$1,211.66	5%	
		Total		0.0%		Futures/Options Hedged			0.0%			Total		45%	
Live Hogs -	- margin = \$1600					Total Hedged(included CAS	SH)		45.0%	Futures/Optic	ons				
Date	Action Price Status % Hedged				2023 MN W	HEAT - margin= \$3000					the second second				
4th Quarter	2023			a la construction de la construc	Date	Action	Price	Status	% Hedged		Futures/Options Hedged			0.0%	
						es price day of sale)					Total Hedged(included CA	SH)		45.0%	
		Total		0.0%		Sold CASH vs. MWU23	944	\$9,524.16	15%	2023 KC WHE	EAT - margin= \$2400			40.070	
1st Quarter	2024	Total		0.076		Sold CASH vs. MW023	906 1/4	\$7.636.66	10%	Date	Action	Price	Status	% Hedge	
1st Quarter	2024				IZIZIZUZZ	SUIL CASH VS. NIVVUZS		\$1,030.00				FILCE	Status	70 Heuge	
		Tabel		0.00/	Future 10	 	Total		25%		price day of sale)	050	07.000.40	450/	
		Total		0.0%	Futures/Opt	uons					Sold CASH vs. KWN23	952	\$7,099.16	15%	
	n - margin = \$3500						L			12/2/2022	Sold CASH vs. KWN23	861	\$2,549.26	10%	
Date	Action	Price	Status	% Hedged								Total		25%	
3/31/2022	Sold CASH vs. CTZ22	111.53	\$11,529.76	15%		Futures/Options Hedged			0.0%	Futures/Optic	ons				
8/17/2022	Sold CASH vs. CTZ22	112.50	\$11,917.76	15%		Total Hedged(included CAS	SH)		25.0%					1	
	Sold CASH vs. CTH23	82.89	\$1,021.76	10%	2024 WHEA	T - margin= \$2600							1	1	
	Sold CASH vs. CTN23	81.35	\$21.76	10%		Action	Price	Status	% Hedged		Futures/Options Hedged		1	0.0%	
	Sold CASH vs. CTK23	79.50	(\$850.24)	10%		es price day of sale)				-	Total Hedged(included CA	SH)		25.0%	
12012020	Sold ONOT 13. OTIL	13.00	Total	60%	Sushifuuun	er prive day of sales	1				- margin= \$2175	,	1	20.070	
0002 0-4			iotai	00%			Tatal		0.04			Delet	04-4	0/11-1	
	n - margin = \$3500				-		Total		0%	Date	Action	Price	Status	% Hedge	
Date	Action	Price	Status	% Hedged	Futures/Opt	tions				Cash (futures	price day of sale)				
3/10/2023	Sold Dec Futures	80.20	\$541.76	10%		2011									
	Sold Dec Futures	81.65	\$1,121.76	10%								Total		0%	
	Sold Dec Futures	80.62	\$709.76	10%		Futures/Options Hedged			0.0%	Futures/Optic	ons				
	Sold Dec Futures	84.38	\$2,213.76	15%		Total Hedged(included CAS	SH)		0.0%					-	
01212023		01.00	Total	45%	Energy				0.070	-				+	
	Livesteek Trading Lives		rotai	4J /0		Action	Contract	Drive	Chatura		Futures/Ontions Hada	-		0.00/	
	Livestock Trading Hours	No. 12 11 1	The state of		Date	Action	Contracts	Price	Status		Futures/Options Hedged			0.0%	
	8:30 am to 1:05 pm CST	No Night 7	rading								Total Hedged(included CA	SH)		0.0%	
Mon - Fri					Onee										
Mon - Fri	Grain Trading Hours				Spec										
Mon - Fri Sun - Fri	Grain Trading Hours 7pm to 7:45am and 8:30am to 1:	20pm CST			Date	Action	Contracts	Price	Status						
		0pm CST				Action	Contracts	Price	Status						