

**March 5, 2024**

**Weather:**

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- Very little change occurred overnight
- Brazil's drier areas in the southwest and interior south will get rain a little more often and a little more significantly next week, but it will continue erratic and often light this week while temperatures are above normal. Crop moisture stress will be rising in the driest areas of Mato Grosso to western Parana and western Sao Paulo
- Canada's Prairies and much of the U.S. Plains will not get much "significant" precipitation in the next ten days, although some showers are possible
- U.S. Midwest, Delta and southeastern states will receive waves of rain over the next two weeks keeping the soil moist
- Heavy coastal rain and mountain snow will prevail from northern California to the British Columbia, Canada coast

**News:**

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- Grain trade sources indicated at least 65,000 mt of Ukraine origin feed Corn was bought by Chinese importers.
- Jordan's state grain buyer purchased around 60,000 mt of optional origin mill grade Wheat. Traders believe the origin will be Russian.
- Major Feedmill Group reportedly purchased 60,000 mt of feed grade Wheat in a privately negotiated deal, according to trade sources.
- Dr. Cordonnier maintained his neutral/lower bias toward Brazil's crops but kept his production estimates at 145 MMT for soybeans and 112 MMT for corn. Cordonnier kept his Argentine crop estimates at 50 MMT for soybeans and 54 MMT for corn, with a neutral bias toward both.
- Higher palm oil prices have pushed India's February palm oil imports down by -35% to 504,000 mt, traders say India importers have turned to Black Sea origin

sunflower oil as a replacement. India's sunflower oil imports in February jumped 35% to 295,000 mt. Soybean imports in February fell 8% to 174,000 mt.

- Indonesia will likely import larger volumes of wheat, driven by higher demand for flour and animal feed, a senior industry official said. Last year, the country imported 10.87 MMT of wheat. Indonesia's flour consumption is expected to increase 5%, while reduced corn output last year will increase feed wheat needs.
- Asia's exports of diesel slumped to a multi-year low in February, and while volumes may recover in March on rising shipments from China and India, it's likely prices will come under further downward pressure. A total of 6.6 million metric tons of diesel were exported from Asia in February, down from January's 8.13 million and the weakest monthly figure for at least two years.
- Winter Wheat Conditions:
  - Oklahoma Winter Wheat conditions very poor-poor 8%, fair 27%, good 56%, excellent 9%, that compares with last month's very poor-poor 6%, fair 24%, good 61%, excellent 9%
  - Texas Winter Wheat conditions very poor-poor 24%, fair 33%, good 36%, excellent 7%, that compares with last week's very poor-poor 19%, fair 35%, good 36%, excellent 10%
  - Kansas Winter Wheat conditions very poor-poor 13%, fair 34%, good 45%, excellent 8%, that compares with last month's very poor-poor 13%, fair 30%, good 50%, excellent 7%

## **Technically Speaking:**

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## **Market Fundamentals:**

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**China raises budget for grain stockpiles, farmer support...** China will sharply expand its budget to stockpile grains and edible oils this year and increase support and policies to boost agricultural production, aimed to improve food security.

**Malaysian exchange to launch soybean futures...** Malaysia's commodity exchange will launch a soybean futures contract on March 18 to help arbitrage between soybean and palm oil contracts. The exchange will use the settlement price of the soybean futures contract on China's Dalian Commodity Exchange as the basis for calculating the settlement price for its new U.S. dollar-denominated soybean futures.

**Yesterday's Trades: no new trades.**

**ADVICE: No new advice---**

**COMMENTS:** no new flash sales. March WASDE out Friday with private guesses suggesting a drop in Brazil soybean crop to 152 from 156 last month, Brz corn down 2 to 152

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vs last month. A private firm reportedly lowered their Brazilian soybean production estimate by 5.5 mmt to 143.9 mmt and lowered the total corn crop estimate by 3.5 mmt to 114.9 mmt. So still a wide range of guesses. Not a lot of new news to move the markets with short term daily still in a positive mode but lacking follow-through so lack of buying more of an influence than fresh new buying. Markets likely to want a big position either way going into report Friday. Wheat ratings drop 3-4% in KS, TX, OK

MEATS on defensive yesterday with LC and FC still biased negatively but volatile and hogs more positive posting new highs.

EQUITIES: FED SPEAK tomorrow likely viewed as keeping rates stable to high.

Gulke Group Spec Table Buy/Sell Stops				(*New Positions in BOLD)			
	3/5/2024			Today's Stops		Current Position*	
	High	Low	Close	Buy	Sell	Long	Short
CN24	444 1/4	435	441 1/4	451	431 1/2		490 1/2
CZ24	465	457	463	471 1/2	454 1/2		456 3/4
SN24	1175 1/2	1161 3/4	1165 1/4	1179 1/2	1151	<b>1175 3/4</b>	
SX24	1150 1/2	1139	1146 1/4	1158 1/4	1134 1/4	1141 3/4	
SMN24	339.1	334.6	335.6	340.3	331.0	341.6	
BON24	46.05	45.36	45.58	46.77	44.39		46.39
WN24	571	557	567 1/4	581 3/4	552 3/4		566 3/4
KWN24	568	552	567	583 1/2	550 1/2		562 3/4
MWN24	663 1/2	647	662 3/4	679 3/4	645 3/4		655
LCJ24	188.950	186.550	186.675	189.575	183.775	187.750	
LCV24	185.900	184.750	185.150	186.500	183.800		184.100
LHJ24	88.100	86.150	86.275	88.425	84.125	85.225	
LHV24	86.200	85.500	86.075	86.975	85.175		82.825
FCJ24	258.225	255.450	255.750	258.725	252.775	257.550	
CTK24	97.72	92.89	94.580	99.46	89.70		96.27
CTN24	96.37	91.81	93.370	98.13	88.61		94.34
SBK24	21.43	20.55	20.600	21.53	19.67		22.24
GCJ24	2128.4	2088.1	2124.00	2164.80	2083.20	2017.7	
NRK24	18.70	18.27	18.34	18.80	17.87	18.550	
DJH24	39125.00	38906.00	39022	39261	38783	38785	
CLJ24	80.41	78.56	78.74	80.79	76.69	79.80	
NGJ24	1.989	1.870	1.916	2.050	1.782	<b>1.928</b>	
DXH24	103.92	103.675	103.785	104.23	103.35		104.080
USM24	120	119 5/32	119 19/32	120 22/32	118 16/32	118 24/32	

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