

March 6, 2024

Weather

Again very little change occurred overnight

- Southern Argentina is advertised to get some welcome rain showers and thunderstorms briefly late this week and more significantly late Sunday into early next week. The remainder of Argentina is expected to be favorably moist with alternating periods of rain and sunshine likely
- 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
 - o Crop moisture stress will be rising in the driest areas from Mato Grosso to western Parana and western Sao Paulo
 - o Next week's rain will be welcome and good for crops, but subsoil moisture will likely stay low
- Southern Indonesia may experience localized flooding next week. Peninsular Malaysia is drying out. Mainland areas of Southeast Asia and the Philippines will experience restricted rain for ten days
- Eastern Australia will be dry with well above normal temperatures in the southeast during the next ten days
- · Canada's Prairies and much of the U.S. Plains will not get much "significant" precipitation in the next ten days, although snow will fall in the southeastern Prairies today
- · U.S. Midwest, Delta and southeastern states will receive waves of rain over the next two weeks keeping the soil wet
- · Heavy coastal rain and mountain snow will prevail from northern California to the British Columbia, Canada coast

News:

- Nonghyup Feed bought 133,000 mt of feed Corn, they had been seeking up to 138,000 mt.
- Indonesia Palm Oil Association told conference attendees they believe 2024 Indonesian palm oil exports will fall to 29.50 mln mt in 2024 compared to last year's 30.25 mln mt. However, they see domestic production up +2.3% to around 54.4 mln mt, however domestic consumption will rise on higher demand for biodiesel feedstock. The group is forecasting 2024 ending stocks at 5.25 mln mt.
- Palm olein imports by China could plunge in 2024 as the most widely used edible oil loses pricing edge over rival soyoil. "If we assume the current palm oil/soyoil spread in both cash and futures forward market stays throughout the year, 2024 olein import could drop to 3.1 MMT from 4.2 MMT in 2023," Ryan Chen, a director at Cargill Investments (China) Ltd, said at an industry conference in Kuala Lumpur. However, palm oil's premium over soyoil and sunflower oil is expected to wear off by early May at the latest, as their prices are also expected to rise, industry analyst Thomas Mielke said. Oil World said global palm oil exports are likely to fall 2.5 MMT to 51 MMT in the 2024 crop year.
- Rainfall in Argentina is set to become less frequent as the El Nino weather
 phenomenon subsides, giving way to a drier autumn and the possibility of a
 La Nina climate pattern, the Buenos Aires Grain Exchange said. El Nino is in
 its "dissipation stage," which will "give way to the development of a new
 state of the climate system," the exchange said in its monthly climate report.
 However, impacts from the transition may not happen until after this year's
 soybean and corn crops are harvested.

Snippet from Fed Chair Powell's Prepared Monetary Policy Report to Congress:

Current Economic Situation and Outlook

Economic activity expanded at a strong pace over the past year. For 2023 as a whole, gross domestic product increased 3.1 percent, bolstered by solid consumer demand and improving supply conditions. Activity in the housing sector was subdued over the past year, largely reflecting high mortgage rates. High interest rates also appear to have been weighing on business fixed investment.

The labor market remains relatively tight, but supply and demand conditions have continued to come into better balance. Since the middle of last year, payroll job gains have averaged 239,000 jobs per month, and the unemployment rate has remained near historical lows, at 3.7 percent. Strong job creation has been accompanied by an increase in the supply of workers, particularly among individuals aged 25 to 54, and a continued strong pace of immigration. Job vacancies have declined, and nominal wage growth has

been easing. Although the jobs-to-workers gap has narrowed, labor demand still exceeds the supply of available workers. The strong labor market over the past two years has also helped narrow long-standing disparities in employment and earnings across demographic groups.

Inflation has eased notably over the past year but remains above the FOMC's longer-run goal of 2 percent. Total personal consumption expenditures (PCE) prices rose 2.4 percent over the 12 months ending in January. Excluding the volatile food and energy categories, core PCE prices rose 2.8 percent, a notable slowing from 2022 that was widespread across both goods and services prices. Longer-term inflation expectations appear to have remained well anchored, as reflected by a broad range of surveys of households, businesses, and forecasters, as well as measures from financial markets.

Monetary Policy

After significantly tightening the stance of monetary policy since early 2022, the FOMC has maintained the target range for the federal funds rate at 5-1/4 to 5-1/2 percent since its meeting last July. We have also continued to shrink our balance sheet at a brisk pace and in a predictable manner. Our restrictive stance of monetary policy is putting downward pressure on economic activity and inflation.

We remain committed to bringing inflation back down to our 2 percent goal and to keeping longer-term inflation expectations well anchored. Restoring price stability is essential to set the stage for achieving maximum employment and stable prices over the longer run. To conclude, we understand that our actions affect communities, families, and businesses across the country. Everything we do is in service to our public mission. We at the Federal Reserve will do everything we can to achieve our maximum employment and price stability goals.

Source: WASDE and estimates by Reuters.

U.S GRAINS, COTTON & SOYBEAN COMPLEX CARRYOUT - 2023-24

	FEBRUARY	AVERAGE	RANGE OF	USDA
	USDA	ANALYSTS	ANALYSTS'	2022-23
	ESTIMATE	ESTIMATE	ESTIMATES	FINAL
CORN	2.172	2.159	2.075-2.250	1.361
SOYBEANS	0.315	0.319	0.295-0.350	0.268
WHEAT	0.658	0.657	0.648-0.692	0.582
SOYOIL	1.577			1.602
SOYMEAL	400,000			371,000
OATS	0.039			0.035
SORGHUM	0.022			0.024
RICE	42.5			30.3
COTTON	2.80			4.25

WORLD GRAINS, SOYBEAN & COTTON CARRYOUT - 2023-24 AND 2022-23

COMMODITY	FEB	AVERAGE	FEB 2024
	2024		
	2023-24	ANALYSTS	2022-23
	EST	EST	EST
WHEAT	259.44	259.12	271.21
CORN	322.06	320.39	300.25
SOYBEANS	116.03	114.27	103.57
SOYMEAL	15.15		13.64
SOYOIL	5.34		4.94
COTTON	83.70		82.97
RICE	167.18		176.35

ARGENTINA & BRAZIL - 2023-24 CORN & SOYBEAN ESTIMATES

COMMODITY	FEB 2024	AVERAGE	RANGE OF
	2023-24	ANALYSTS'	ANALYSTS'
	ESTIMATE	ESTIMATE	ESTIMATE
ARGENTINA CORN	55.00	55.00	54.00-57.00
ARGENTINA SOYBEANS	50.00	50.23	50.00-52.00
BRAZIL CORN	124.00	121.95	118.00-125.00
BRAZIL SOYBEANS	156.00	152.28	148.00-156.00

Technically Speaking:		
Market Fundamentals:		

Yesterday's Trades: no new trades.

ADVICE: No new advice---

COMMENTS: No news of significance to support grains at mid-week. The trade estimates regarding Friday's WASDE report will likely continue the theme of too much of everything even with an aggressive lowering of USDA's estimate of Brazil's soybean crop by 4mmt. Wheat has fallen into new lows and looks negative again. The soy complex has pressure on meal, soybeans but soy oil higher---see news for more details. Were it not for the potential for a surprise on Friday, we would likely chose to re-add short calls but we will wait another day and/or through the report Friday. A lower or sideways trading affair would further deteriorate call option premiums. Agriculture in general needs a friendly event especially if overall economy stalls in 2024—see equity comments below.

MEATS stable and Cotton getting action again in July but not Dec.---No new advice.

EQUITIES: In December we suggested March would be a significant time frame for a top in equities. Yesterday looks like that time is at hand but more action is needed ---an attack on recent highs and subsequent failure would add to the premise. At any rate, certainly time to be diligent as significant reversals are starting to develop and its only March 6th. **It is rare if at all that we see the Ag and general economy both in retreat. Ag is already in the cellar and equities have been flying high.**

	Gulke Grou	ıpSpec Table Bu	y/Sell Stops	(*New Positions in BOLD)					
		3/6/2024		Today	s Stops	Current Position*			
	High	Low	Close	Buy	Sell	Long	Short		
CN24	441 3/4	436 1/4	437 1/2	443 1/2	431 1/2		490 1/2		
CZ24	463 1/4	458	459 1/4	465	453 1/2		456 3/4		
SN24	1168 1/4	1157 1/2	1159	1170 1/4	1147 3/4	1175 3/4			
SX24	1148 3/4	1139 3/4	1144 1/4	1153 3/4	1134 3/4	1141 3/4			
SMN24	336.3	332.4	333.1	337.2	329.1	341.6			
BON24	45.94	45.15	45.47	46.76	44.18		46.39		
WN24	568 3/4	551 3/4	555 3/4	573 1/4	538 1/4		566 3/4		
KWN24	568 1/2	555 3/4	557 3/4	571	544 1/2		562 3/4		
MWN24	665 1/4	652	657 1/2	671 1/4	643 3/4		655		
LCJ24	188.500	186.550	188.000	190.450	185.550	187.750			
LCV24	186.125	184.875	186.025	187.475	184.575		184.100		
LHJ24	86.350	84.625	85.175	87.100	83.250	85.225			
LHV24	86.200	85.625	86.150	86.925	85.375		82.825		
FCJ24	257.600	255.400	257.175	259.575	254.775	257.550			
CTK24	95.35	93.14	94.240	96.50	91.98		96.27		
CTN24	94.14	92.23	93.070	95.18	90.96		94.34		
SBK24	21.16	20.53	20.870	21.55	20.19		22.24		
GCJ24	2150.5	2118.5	2136.30	2168.80	2103.80	2017.7			
NRK24	18.42	18.09	18.11	18.46	17.75	18.550			
DJH24	38995.00	38478.00	38607	39144	38070		38783.00		
CLJ24	79.49	77.52	78.15	80.32	75.98	79.80			
NGJ24	2.009	1.890	1.957	2.091	1.823	1.928			
DXH24	103.90	103.520	103.740	104.32	103.16		104.080		
USM24	121 9/32	119 16/32	120 27/32	122 28/32	118 26/32	118 24/32			

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.

	HYPOTHETICAL HED	GING PO	SITION MA	TRIX		3/6/2024								
	- margin= \$1425			11117	2023 SOYB	EANS - margin= \$2500				2022 WHEAT	- margin= \$2600			
Date	Action	Price	Status	% Hedged	Date	Action	Price	Status	% Hedged	Date	Action	Price	Status	% Hedged
	res price day of sale)	1.1.00		g.u		es price day of sale)			70 THE MISSE		s price day of sale)			
	Sold CASH vs. CZ	621 1/2	\$8,199.16	5.0%		Sold CASH vs. SX23	1387	\$874.16	15.0%		Sold CASH vs. WN22	1021	\$11,299.16	10%
OIZEIZO	00id 0/1011 V3. 02	021112	ψ0,133.10	0.070	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	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	10%
Ft10	H	Total		5.0%										
Futures/Op	tions					Sold CASH vs. SX23	1352 1/2	(\$850.84)	5.0%	9/14/2022	Sold CASH vs. WZ22	860	\$6,549.16	20%
					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/	ASH)		5.0%	11/8/2023	Sold CASH vs. SF24	1366	\$7,974.16	25.0%			Total		75%
2024 Corn	- margin= \$1075						Total		80.0%	Futures/Option	ons			
Date	Action	Price	Status	% Hedged	Futures/Opt	tions				·				
	res price day of sale)	1		/orrouges	· mane core p						Futures/Options Hedged			0.0%
Casii (iutui	co price day or sale;	_		_	-						Total Hedged(included CA	NUIN .		75.0%
		Total		0.00/	-	F. d 10 - 11 - 1 1			0.00/	0000 14/1 15 4 7		опј		15.076
		Total		0.0%	-	Futures/Options Hedged			0.0%		- margin= \$2600			1
Futures/Op	tions					Total Hedged(included CAS	SH)		80.0%	Date	Action	Price	Status	% Hedged
					2024 Soybe	ans - margin - \$1725				Cash (futures	s price day of sale)			
					Date	Action	Price	Status	% Hedged	9/30/2022	Sold CASH vs. WN23	906	\$13,186.66	15%
	Futures/Options Hedged			0.0%	Futures/Opt					12/2/2022	Sold CASH vs. WN23	785 1/2	\$7,161.66	10%
	Total Hedged(included C/	(CLI)		0.0%	r ataroorop					IDDEVEL	00id 0/10/11/3. 111/20	Total	Ψ1,101.00	25%
Fud Hear C		NOTI)		0.070	-					Futures/Onti-		Total		20 /0
	Coverage - Corn				-					Futures/Option	ons			
Date	Action	Price	Status	% Hedged							1			
2nd Quarte	r 2024					Futures/Options Hedged			0.0%					
2/28/2014	Bot CK	428 1/4	(\$138.34)	35.00%		Total Hedged(included CAS	SH)		0.0%		Futures/Options Hedged			0.0%
2/28/2024	Sold CK 430 puts(15%)	16 1/4	(\$53.84)	15.00%	2023 Canoli	a - margin = \$880CD					Total Hedged(included CAS	SH)		25.0%
E/E0/E0E 1	cold off fee palo(1070)	Total	(000.01)	50.0%	Date		Price	Status	% Hedged	2024 WHEAT	- margin= \$2400			
2-4 0	- 2024	Total		00.070			1 1100	Otatus	70 Ticagea			Delas	Chahaa	0/ Hadaad
3rd Quarter		100.414	(0.100.01)	05.000/	Cash (rutur	es price day of sale)		-	2 20/	Date	Action	Price	Status	% Hedged
2/28/2014		428 1/4	(\$138.34)	35.00%			Total		0.0%	Cash (futures	price day of sale)			
2/28/2024	Sold CK 430 puts(15%)	16 1/4	(\$53.84)	15.00%	Futures/Opt									
		Total		50.0%	2/2/2024	Sold RSN	607.50	\$25.66	15%			Total		0%
Live Cattle	- margin = \$1600					Futures/Options Hedged			15.0%	Futures/Option	ons			
Date	Action	Price	Status	% Hedged		Total Hedged(included CAS	SH)		15.0%	· ·				
Spring 202				/orrougen	2022 MN W	HEAT - margin= \$3000	,		101070					
opining 202	•	_					In.	01-1	N/ Hadaad	-	F. 6 10 - 6 11 - 1 1			0.00/
					Date	Action	Price	Status	% Hedged		Futures/Options Hedged			0.0%
		Total		0.0%		es price day of sale)					Total Hedged(included CA	SH)		0.0%
Fall 2024					3/31/2022	Sold CASH vs. MWU22	1040	\$5,661.66	10%	2022 KC WH	EAT - margin= \$2400		Status	% Hedged
					6/17/2022	Sold CASH vs. MWZ22	1188 3/4	\$12,424.16	10%	Date	Action	Price		
		Total		0.0%		Sold CASH vs. MWZ22	896	(\$2,213.34)	10%	Cash (future	price day of sale)			
Feeder Cat	tle - Producer - margin = \$2			0.070	12/2/2022	Sold CASH vs. MWH23	928	\$4,086.66	10%	3/31/2022	Sold Cash vs. KWN22	1040	\$8,599.16	10%
		_	04-4	0/ Hadaad	1/4/2023		903		5%					10%
Date	Action	Price	Status	% Hedged	1/4/2023	Sold CASH vs. MWH23		\$2,836.66		6/17/2022	Sold Cash vs. KWZ22	1141	\$13,524.16	
Spring 202	4						Total		45%	9/2/2022	Sold Cash vs. KWZ22	878	\$374.16	10%
					Futures/Opt	tions				12/2/2022	Sold Cash vs. KWH23	872	\$2,886.66	10%
		Total		0.0%						1/4/2023	Sold Cash vs. KWH23	838 1/2	\$1,211.66	5%
Fall 2024						Futures/Options Hedged			0.0%			Total		45%
						Total Hedged(included CAS	SH)		45.0%	Futures/Option	ons			
		Total		0.0%	2023 MN W	HEAT - margin= \$3000	21.17		40.070	T dtdi ooropa	1			
Live Henry		Total		0.076			Date -	04-4	Of Hedward	-	Future 10-th and Hadrand			0.00/
	- margin = \$1600	I			Date	Action	Price	Status	% Hedged		Futures/Options Hedged			0.0%
Date	Action	Price	Status	% Hedged		es price day of sale)	270.00	And the latest section			Total Hedged(included CA	5H)		45.0%
4th Quarter	2023					Sold CASH vs. MWU23	944	\$9,524.16	15%		EAT - margin= \$2400			
				2771701	12/2/2022	Sold CASH vs. MWU23	906 1/4	\$7,636.66	10%	Date	Action	Price	Status	% Hedged
		Total		0.0%		Average and the second	Total		25%	Cash (futures	s price day of sale)			
1st Quarter	2024				Futures/Opt	tions				9/30/2022	Sold CASH vs. KWN23	952	\$7,099.16	15%
										12/2/2022	Sold CASH vs. KWN23	861	\$2,549.26	10%
		Total		0.0%								Total	,- 10.20	25%
2022 Cotto	n - margin = \$3500	, out		V.0 /0	-	Futures/Options Hedged	1	1	0.0%	Futures/Option	nne	, o tul		2070
		D.:	04 1	0/11.1	-		1	-		i utures/Optio	/110	-		-
Date	Action	Price	Status	% Hedged		Total Hedged(included CAS	SH)		25.0%		-			-
3/31/2022		111.53	\$11,529.76	15%		T - margin= \$2600								
8/17/2022	Sold CASH vs. CTZ22	112.50	\$11,917.76	15%	Date	Action	Price	Status	% Hedged		Futures/Options Hedged			0.0%
3/8/2023	Sold CASH vs. CTH23	82.89	\$1,021.76	10%	Cash (future	es price day of sale)					Total Hedged(included CA	SH)		25.0%
	Sold CASH vs. CTN23	81.35	\$21.76	10%	.,					2024 WHF AT	- margin= \$2175		-	
	Sold CASH vs. CTK23	79.50	(\$850.24)	10%	_		Total		0%	Date	Action	Price	Status	0/. Unda
*12U/2U23	OUID OMOTT VS. UTNZ3	19.00			Francis In	l	TOTAL	-	U 70			LIICE	oldlus	% Hedged
0000 7 11	. 4		Total	60%	Futures/Opt	UOTIS		-		Cash (tutures	price day of sale)			
	n - margin = \$3500	_												
Date	Action	Price	Status	% Hedged								Total		0%
3/10/2023	Sold Dec Futures	80.20	\$541.76	10%		Futures/Options Hedged			0.0%	Futures/Option	ons			1
	Sold Dec Futures	81.65	\$1,121.76	10%		Total Hedged(included CAS	SH)		0.0%					
4/4//11/3				10%	Energy			_						
		80.62	\$709.76			A - 41	0		04.1	-	F-110-41	-		0.00
4/2/2023	Sold Dec Futures	0.000				Action	Contracts	Price	Status	H	Futures/Options Hedged	1	I	0.0%
	Sold Dec Futures Sold Dec Futures	84.38	\$2,213.76	15%	Date	7.00.011								
4/2/2023	Sold Dec Futures	84.38	\$2,213.76 Total	45%							Total Hedged(included CA	SH)		0.0%
4/2/2023		84.38			Spec						Total Hedged(included CA	SH)		0.0%
4/2/2023 8/2/2023	Sold Dec Futures	84.38 No Night	Total			Action	Contracts	Price	Status		Total Hedged(included CA	SH)		0.0%
4/2/2023 8/2/2023	Sold Dec Futures Livestock Trading Hours 8:30 am to 1:05 pm CST		Total		Spec Date	Action		Price	Status		Total Hedged(included CA	SH)		0.0%
4/2/2023	Sold Dec Futures Livestock Trading Hours	No Night	Total		Spec	Action Bot CK					Total Hedged(included CA	SH)		0.0%