

**April 1, 2024**

**Weather:**

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- Unusually warm temperatures occurred in eastern Europe and the western CIS Sunday and more of the same was expected this week
- U.S. Plains and western Midwest are wetter today than Sunday for the second week of the forecast and some of this may be a little overdone, although the trend is correct
- Western Canada Prairies are wetter today than Sunday especially in central and southern Alberta and far western Saskatchewan – some of this is overdone
- U.S. severe weather potentials are rising for parts of the lower eastern Midwest tonight and Tuesday and in the Tennessee River Basin Tuesday afternoon as well as the Carolinas and parts of Georgia Wednesday
- Strong wind speeds are expected in the Great Plains Friday into Saturday
- North America cold surge suggested near the middle of April on the 06z GFS model run was too cold, although World Weather, Inc. believes a cold surge will evolve in the second half of April
- Unusual warmth will impact much of Asia during the next ten days to two weeks
- South Africa is wetter in today's forecast model runs relative to that of Sunday or last Friday
- World Weather, Inc. predicts above normal Rainfall in center west and interior southern Brazil for April.
- Rain will return to the previous flooded areas of southeastern Argentina and Uruguay later this week raising more concern over some crops – especially rice, not only in those areas, but in western and southern Rio Grande do Sul as well
- Partial relief from dryness is still expected in Mato Grosso do Sul early this week with more during the middle to latter part of next week
- Improved soil moisture has occurred from Mato Grosso to Goias, northern Sao Paulo and Minas Gerais in the past several days
- Heavy rain fell in north-central Morocco during the weekend inducing some flooding
- Flooding also occurred in a part of western France during the weekend and more is expected as the stormy pattern continues this week

## News:

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- Grain trade sources reported 795,000 mt of Wheat was bought by Saudi Arabia in a tender that closed on Monday. The wheat is expected for delivery between June and July 2024.
- Soybean oil used to produce biofuels in the U.S. fell to 960 million lbs. in January according to EIA data. That's the first time it was below 1 billion lbs. since crossing that threshold in May of last year.
- The EU Commission projects 2024/25 common wheat production of 120.8 MMT, well below the prior year's 125.6 MMT of production as they cite lower planted acres. Despite the large estimate reduction, the Commission projects 2024/25 common wheat exports to be unchanged year over year at 31.0 MMT. Also, because of an influx of Ukrainian grain, the Commission lowered their projection for soft wheat imports to fall from an expected 7.5 MMT this year to only 4.4 MMT in 2024/25. Soft wheat ending stocks in 2024/25 are expected to fall from a projected 19.9 MMT this year to 12.1 MMT in 2024/25.
- The EU Commission projects 2024/25 corn production of 69.0 MMT, which compares with 62.3 MMT in the 23/24 crop year. Even with the increase in production, the Commission forecasts 2024/25 corn imports of 17.4 MMT, down slightly from 17.5 MMT in the 23/24 marketing year.
- Ahead of this afternoon's monthly USDA soy crush report, analysts are forecasting the February 2024 crush at 5.89 mln tons, that compares with January's crush at 5.844 mln tons. If realized, that would be +0.8% over January, and up +11.0% over February 2023. End of February soyoil stockpiles are seen at 2.244 billion lbs that compares with the 2.029 bln lbs at the end of January. February 2023 ending stocks were 2.364 bln lbs.
- Russia has decided to focus on reducing oil output rather than exports in the second quarter in order to evenly spread production cuts with other OPEC+ member countries, the Deputy Prime Minister said. Earlier this month, Russia said it would cut its oil output and exports by an additional 471,000 barrels per day in the second quarter in coordination with some OPEC+ participating countries.
- U.S. crude oil production dropped in January to 12.5 million barrels per day, a 6% decline from December's record high, following freezing weather, data from the EIA showed. Crude oil output in top oil state Texas fell in January to 5.4 million bpd, down about 5% from the prior month, the data showed, while production in North Dakota fell nearly 13% to 1.1 million bpd.

## Technically Speaking:

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### Market Fundamentals

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**Yesterday's Trades:** **Corn-** For 2023 Sold 15% CZ 480 calls at 28 ½, For 2024 Sold 15% CZ 480 Calls at 28/ ½. **Soybeans-** For 2023 sold 20% SN 1240 Calls at 27. **Canola-** For 2023 Sold 15% RSN 24 at 635 For 2024 Sold 15% at RSX 24 at 643.

**ADVICE :** no new advice –we added sort call options for the premium and that continues to have worked better than being short futures. A setback of sorts would be expected after a 12-15 cent move in corn and rebound in beans on Friday—the bias would be to exit those short call options but we'll give it a day unless we do mid-day. Market setback so far today looks more supportive moving forward.

Technically things held up well, charts tomorrow as we start a new month and new quarter where past tendencies have helped.

### COMMENTS:

Weather: Warm and wet expected in the central US over the next 10 days. S America seeing predicted rains with ideas last half of April to be better.

Overall acreage down as thought would happen with low prices. Corn acreage at low end extreme guesses while soy up and wheat down. The market reacted bullishly in corn and soybeans rallied off -15 before report with closes looking much better. Media guys still rather bearish but some discrepancies show up in corn offtake looking much better than analyst will admit. Perhaps as much as 300 mil-bu more than first glance for first 6 months of marketing year, putting yield increases shown in Jan 12 report in question. If so, USDA has to wrestle with that in April report S/D. More on the effect of the report tomorrow.

Acreage was less than feared and demand remains robust. Total cropped acreage across the country is down a few million acres, but when you consider likely winter wheat abandonment being less than last year and more CRP acres this year- it's not off that much.

The disappearance in the first 6 months of the marketing year was nearly 700 mb above year ago levels. Increased exports account for about 300 million of the total. The balance is either an error in the size of last year's crop or cheap grain means higher feeding rates.

MEATS: Hogs and pigs report had no big surprises – USDA increased litter while lowering sow numbers. Cattle slaughter shows still sufficient meat--- consumer resistance doesn't seem to be evident yet. Avian flu in cattle concerns appear to have eased last week.

Gulke Group Spec Table Buy/Sell Stops				(*New Positions in BOLD)			
	4/1/2024			Today's Stops		Current Position*	
	High	Low	Close	Buy	Sell	Long	Short
CN24	460	438 1/2	454 1/2	476 1/2	432 1/2	<b>446</b>	
CZ24	481	460 3/4	477 3/4	498 1/2	457	<b>468 3/4</b>	
SN24	1213	1191	1205 1/4	1227 3/4	1182 3/4		1203 1/4
SX24	1192 1/4	1167 1/4	1186 1/4	1211 3/4	1160 3/4	<b>1191 3/4</b>	
SMN24	343.0	336.8	341.0	347.4	334.7		<b>339.5</b>
BON24	48.74	47.80	48.48	49.92	47.04	48.36	
WN24	583 1/2	560 1/4	575 3/4	599 1/2	552	551 1/2	
KWN24	587 1/2	570 3/4	579 3/4	597	562 1/2	561	
MWN24	666 1/4	652 1/4	653	667 1/2	638 1/2	<b>665</b>	
LCM24	180.550	177.750	180.250	183.550	176.950		178.675
LCV24	181.650	179.000	181.375	184.225	178.525	<b>181.575</b>	
LHM24	102.850	100.675	101.450	103.825	99.075		101.600
LHV24	87.925	87.050	87.800	88.875	86.725	87.350	
FCK24	249.300	246.800	248.700	251.400	246.000		248.275
CTK24	91.97	90.51	91.380	92.89	89.87		91.12
CTN24	92.48	91.14	91.970	93.51	90.43		91.61
SBK24	22.59	22.06	22.520	23.10	21.94	22.41	
GCM24	2256.9	2207.5	2247.60	2297.50	2197.70	2199.2	
NRK24	16.72	16.34	16.36	16.77	15.95		17.310
DJM24	40240.00	40086.00	40176	40350	40002	39491	
CLK24	83.21	81.52	83.17	85.06	81.28	81.86	
NGK24	1.786	1.686	1.763	1.878	1.648		1.718
DXM24	104.45	104.030	104.275	104.90	103.66	102.983	
USM24	120 20/32	119 24/32	120 14/32	121 18/32	119 10/32		118 31/32

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.

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HYPOTHETICAL HEDGING POSITION MATRIX					4/1/2024										
<b>2023 Corn - margin= \$1425</b>					<b>2023 SOYBEANS - margin= \$2500</b>					<b>2022 WHEAT - margin= \$2600</b>					
Date	Action	Price	Status	% Hedged	Date	Action	Price	Status	% Hedged	Date	Action	Price	Status	% Hedged	
<b>Cash (futures price day of sale)</b>					<b>Cash (futures price day of sale)</b>					<b>Cash (futures price day of sale)</b>					
6/22/23	Sold CASH vs. CZ	621 1/2	\$8,199.16	5.0%	12/1/2022	Sold CASH vs. SX23	1387	\$874.16	15.0%	3/31/2022	Sold CASH vs. WN22	1021	\$11,299.16	10%	
					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%	
					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%	
	<b>Total</b>			<b>5.0%</b>	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%	
					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%	
3/14/2024	Sold CN 450 calls (30%)	21	(\$85.09)	30.00%	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	10%	
3/28/2024	Sold CZ 480 calls (15%)	28 1/2	(\$285.09)	15.00%	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%	
					11/8/2023	Sold CASH vs. SF24	1366	\$7,974.16	25.0%		<b>Total</b>			<b>75%</b>	
	<b>Futures/Options Hedged</b>			<b>45.0%</b>		<b>Total</b>			<b>80.0%</b>						
	<b>Total Hedged(Included CASH)</b>			<b>50.0%</b>							<b>Futures/Options</b>				
<b>2024 Corn - margin= \$1075</b>					<b>Futures/Options</b>					<b>2023 WHEAT - margin= \$2600</b>					
Date	Action	Price	Status	% Hedged	Date	Action	Price	Status	% Hedged	Date	Action	Price	Status	% Hedged	
<b>Cash (futures price day of sale)</b>					<b>Cash (futures price day of sale)</b>					<b>Cash (futures price day of sale)</b>					
					3/28/2024	Sold SN 1240 Calls (15%)	27	\$27.41	15%						
											<b>Futures/Options Hedged</b>			<b>0.0%</b>	
	<b>Total</b>			<b>0.0%</b>		<b>Futures/Options Hedged</b>			<b>15.0%</b>		<b>Total Hedged(Included CASH)</b>			<b>75.0%</b>	
						<b>Total Hedged(Included CASH)</b>			<b>95.0%</b>	<b>2023 WHEAT - margin= \$2600</b>					
										Date	Action	Price	Status	% Hedged	
					<b>2024 Soybeans - margin- \$1725</b>					<b>Cash (futures price day of sale)</b>					
3/14/2024	Sold CZ 470 calls (30%)	34 5/8	(\$191.34)	20.00%	Date	Action	Price	Status	% Hedged	Date	Action	Price	Status	% Hedged	
3/14/2024	Sold CZ	467 1/4	(\$563.34)	10.00%	<b>Cash (futures price day of sale)</b>					9/30/2022	Sold CASH vs. WN23	906	\$13,186.66	15%	
3/28/2024	Sold CZ 480 calls (15%)	28 1/2	(\$285.09)	15.00%						12/2/2022	Sold CASH vs. WN23	785 1/2	\$7,161.66	10%	
					3/27/2024	Sold SX 1240 Calls (15%)	43	\$46.16	15%		<b>Total</b>			<b>25%</b>	
	<b>Futures/Options Hedged</b>			<b>45.0%</b>		<b>Futures/Options Hedged</b>			<b>15.0%</b>		<b>Futures/Options</b>				
	<b>Total Hedged(Included CASH)</b>			<b>45.0%</b>		<b>Total Hedged(Included CASH)</b>			<b>15.0%</b>	3/14/2024	Sold WN 560 calls (20%)	30 7/8	(\$628.84)	20.00%	
<b>End User Coverage - Corn</b>					<b>2023 Canola - margin = \$880CD</b>					<b>2022 WHEAT - margin= \$2400</b>					
Date	Action	Price	Status	% Hedged	Date	Action	Price	Status	% Hedged	Date	Action	Price	Status	% Hedged	
<b>2nd Quarter 2024</b>					<b>Cash (futures price day of sale)</b>					<b>Cash (futures price day of sale)</b>					
	<b>Total</b>			<b>0.0%</b>		<b>Total</b>			<b>0.0%</b>					<b>0%</b>	
<b>3rd Quarter 2024</b>											<b>Futures/Options</b>				
					2/2/2024	Sold RSN24	607.50	(\$495.94)	15%	3/14/2024	Sold WN 560 calls (20%)	30 7/8	(\$628.84)	20.00%	
	<b>Total</b>			<b>0.0%</b>	3/28/2024	Sold RSN24	635.00	(\$55.94)	15%	3/19/2024	Bot WN	559 1/2	\$774.16	-10.0%	
<b>Live Cattle - margin = \$1600</b>						<b>Futures/Options Hedged</b>			<b>15.0%</b>		<b>Futures/Options Hedged</b>			<b>10.0%</b>	
Date	Action	Price	Status	% Hedged		<b>Total Hedged(Included CASH)</b>			<b>15.0%</b>		<b>Total Hedged(Included CASH)</b>			<b>35.0%</b>	
<b>Spring 2024</b>					<b>2024 Canola - margin = \$880CD</b>					<b>2024 WHEAT - margin= \$2400</b>					
					Date	Action	Price	Status	% Hedged	Date	Action	Price	Status	% Hedged	
	<b>Total</b>			<b>0.0%</b>	<b>Cash (futures price day of sale)</b>					<b>Cash (futures price day of sale)</b>					
<b>Fall 2024</b>															
					3/28/24	Sold RSX24	643	\$72.06	15%						
	<b>Total</b>			<b>0.0%</b>		<b>Total</b>			<b>15%</b>		<b>Total</b>			<b>0%</b>	
<b>Feeder Cattle - Producer - margin = \$2850</b>					<b>2022 MN WHEAT - margin= \$3000</b>					<b>2022 KC WHEAT - margin= \$2400</b>					
Date	Action	Price	Status	% Hedged	Date	Action	Price	Status	% Hedged	Date	Action	Price	Status	% Hedged	
<b>Spring 2024</b>					<b>Cash (futures price day of sale)</b>					<b>Cash (futures price day of sale)</b>					
					3/31/2022	Sold CASH vs. MWU22	1040	\$5,700.00	10%	3/31/2022	Sold Cash vs. KWN22	1040	\$8,637.50	10%	
	<b>Total</b>			<b>0.0%</b>	6/17/2022	Sold CASH vs. MWZ22	1188 3/4	\$12,462.50	10%	6/17/2022	Sold Cash vs. KWZ22	1141	\$13,562.50	10%	
<b>Fall 2024</b>					9/2/2022	Sold CASH vs. MWZ22	896	(\$2,175.00)	10%	9/2/2022	Sold Cash vs. KWZ22	878	\$412.50	10%	
					12/2/2022	Sold CASH vs. MWH23	928	\$4,125.00	10%	12/2/2022	Sold Cash vs. KWH23	872	\$2,925.00	10%	
	<b>Total</b>			<b>0.0%</b>	1/4/2023	Sold CASH vs. MWH23	903	\$2,875.00	5%	1/4/2023	Sold Cash vs. KWH23	838 1/2	\$1,250.00	5%	
<b>Live Hogs - margin = \$1600</b>						<b>Total</b>			<b>45%</b>		<b>Total</b>			<b>45%</b>	
Date	Action	Price	Status	% Hedged							<b>Futures/Options</b>				
<b>2nd Quarter 2024</b>					<b>Futures/Options</b>					<b>2023 KC WHEAT - margin= \$2400</b>					
										Date	Action	Price	Status	% Hedged	
	<b>Total</b>			<b>0.0%</b>		<b>Futures/Options Hedged</b>			<b>0.0%</b>	<b>Cash (futures price day of sale)</b>					
<b>3rd Quarter 2024</b>						<b>Total Hedged(Included CASH)</b>			<b>45.0%</b>	9/30/2022	Sold CASH vs. KWN23	952	\$7,137.50	15%	
					<b>2023 MN WHEAT - margin= \$3000</b>					12/2/2022	Sold CASH vs. KWN23	861	\$2,587.50	10%	
	<b>Total</b>			<b>0.0%</b>	Date	Action	Price	Status	% Hedged		<b>Total</b>			<b>25%</b>	
<b>2022 Cotton - margin = \$3500</b>					<b>Cash (futures price day of sale)</b>					<b>Futures/Options</b>					
Date	Action	Price	Status	% Hedged	9/30/2022	Sold CASH vs. MWU23	944	\$9,562.50	15%	3/14/2024	Sold WN 560 calls (20%)	30 7/8	(\$628.84)	20.00%	
3/31/2022	Sold CASH vs. CTZ22	111.53	\$11,568.00	15%	12/2/2022	Sold CASH vs. MWU23	906 1/4	\$7,675.00	10%	3/19/2024	Bot WN	559 1/2	\$774.16	-10.0%	
8/17/2022	Sold CASH vs. CTZ22	112.50	\$11,956.00	15%		<b>Total</b>			<b>25%</b>		<b>Futures/Options Hedged</b>			<b>10.0%</b>	
3/8/2023	Sold CASH vs. CTH23	82.89	\$1,080.00	10%							<b>Total Hedged(Included CASH)</b>			<b>35.0%</b>	
4/4/2023	Sold CASH vs. CTN23	81.35	\$60.00	10%		<b>Futures/Options</b>				<b>2024 WHEAT - margin= \$2175</b>					
4/20/2023	Sold CASH vs. CTK23	79.50	(\$812.00)	10%	3/14/2024	Sold WN 560 calls (20%)	30 7/8	(\$628.84)	20.00%	Date	Action	Price	Status	% Hedged	
3/8/2024	Sold CASH vs. CTN24	94.50	\$5,188.00	40%	3/19/2024	Bot WN	559 1/2	\$774.16	-10.0%	<b>Cash (futures price day of sale)</b>					
	<b>Total</b>			<b>100%</b>		<b>Futures/Options Hedged</b>			<b>10.0%</b>						
<b>2023 Cotton - margin = \$3500</b>						<b>Total Hedged(Included CASH)</b>			<b>35.0%</b>		<b>Total</b>			<b>0%</b>	
Date	Action	Price	Status	% Hedged	<b>2024 WHEAT - margin= \$2600</b>					<b>Futures/Options</b>					
3/10/2023	Sold CASH vs. CTZ23	80.20	\$712.00	10%						3/14/2024	Sold WN 560 calls (20%)	30 7/8	(\$628.84)	20.00%	
4/4/2023	Sold CASH vs. CTZ23	81.65	\$1,292.00	10%		<b>Total</b>			<b>0%</b>	3/19/2024	Bot WN	559 1/2	\$774.16	-10.0%	
4/2/2023	Sold CASH vs. CTZ23	80.62	\$880.00	10%							<b>Futures/Options Hedged</b>			<b>10.0%</b>	
8/2/2023	Sold CASH vs. CTZ23	84.38	\$2,384.00	15%		<b>Futures/Options</b>			<b>10.0%</b>		<b>Total Hedged(Included CASH)</b>			<b>10.0%</b>	
3/27/2028	Sold CASH vs. CTN24	91.89	(\$32.00)			<b>Total Hedged(Included CASH)</b>			<b>10.0%</b>						
	<b>Total</b>			<b>45%</b>	<b>Energy</b>										
<b>Livestock Trading Hours</b>										Date	Action	Contracts	Price	Status	
Mon - Fri	8:30 am to 1:05 pm CST				No Night Trading	<b>Spec</b>									
<b>Grain Trading Hours</b>										Date	Action	Contracts	Price	Status	
Sun - Fri	7pm to 7:45am and 8:30am to 1:20pm CST														

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