

**April 16, 2024**

## **Weather**

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- Not many changes overnight
- Southern Brazil will see greater rain in the second week of the outlook; this favors Rio Grande do Sul, Santa Catarina and a few southern Paraguay locations
- Seasonal rains are ending in other parts of Brazil, though the next few days will still have some beneficial moisture in center west and the interior south
- Argentina will see a good mix of weather with some needed drying coming up over the next several days
  - o Portions of Argentina have been become too wet since late last week
- Interior northeastern Brazil and some northern center south crop areas will experience net drying for a while
- U.S. weather will be beneficially wet in the upper Midwest and a part of the western Corn Belt today and early Wednesday
  - o The moisture will improve topsoil conditions for use this spring
- U.S. Delta is drying down after too much rain last week
- Rain is still advertised for parts of West Texas this weekend with some of the driest areas in the southwest expecting moisture
- South Texas and parts of eastern Mexico and the Texas Coastal Bend will get some shower activity this weekend and next week improving the moisture profile for sorghum, corn and cotton
- Europe weather has not changed overnight with net drying in the far west and additional waves likely in the east for a while

- Russia's Southern Region and eastern Ukraine will continue dry biased for another ten days with warm temperatures leading to net drying
- Frequent rain will fall in western parts of the CIS along with eastern Europe in this coming week
- China's rapeseed area is still quite wet in the south and that will not change for a while; drier and warmer weather is needed
- Flooding rain is still advertised for far southeastern China Thursday through Monday with some damage to crops and property possible
- China's North China Plain still needs greater rain especially in Hebei, Shandong, Liaoning and central Inner Mongolia

## News:

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- Dr. Cordonnier cut his Argentine corn production forecast by 3 MMT to 50 MMT, noting impacts from corn stunt disease. He left his Argentine soybean crop peg at 51 MMT. **Cordonnier raised his Brazilian soybean crop estimate 2 MMT to 147 MMT**, due to the crop in Rio Grande do Sul finishing much better than anticipated. He kept his Brazilian corn crop forecast at 112 MMT.
- NOPA March 2024 US Soybean Crush: 196.406 million bushels; expected 197.8 mln bu.; prior month 186.194 mln bu; March 2024 US Soyoil Stocks: 1.851 billion lbs; expected 1.79 bln lbs; prior month 1.690 billion lbs
- German farm coop estimated the country's 2024 Rapeseed crop at 3.93 mln mt, if realized that would be off -6.9% from last year's crop, but the estimate was unchanged from their mid-March estimate. The group noted planted acres are expected to decline. They also estimated the country's 2024 Wheat crop at 20.16 mln mt, if realized that would be off -6.3% from last year's crop. The group noted planted acres are expected to decline.
- The Rosario Grain Exchange suggested fears have been growing for a delayed Argentina soybean harvest due to long lasting rains over the country's breadbasket. They say risks are growing from potential losses due to disease as heavy rains make it difficult to get machinery into the fields. **Last week the exchange lowered their crop outlook to 51.0 mln mt.** The Argentine state weather bureau said there is a chance of respite from the rains over the next five days.
- China produced 15.83 MMT of pork during the first quarter of 2024, down 0.4% from the same period last year. That was the first annual decline in quarterly production since the second quarter of 2020. China slaughtered 194.6 million hogs during the first three months of the year, down 2.2% from last year. China's hog

herd declined 5.2% from last year to 408.5 million head at the end of March, while the sow herd fell 6.9% to 40.42 million head.

- After China lifted restriction on Russian pork imports in September 2023, **the first shipments of Russian pork have begun to arrive in early April, according to Interfax.** China last fall said the risk assessment of African swine fever from Russia was enough to satisfy sanitary requirements for pork imports.
- Constanta port on the Black Sea coast of Romania has reportedly shipped 2.16 mln mt of Ukraine grain in the 1Q 2024, that was off -35% from the year ago period. The port authorities note the data does not include grain handled through the Danube River ports.
- France's ag ministry raised its winter wheat plantings forecast by 10,000 hectares to 4.37 million hectares. Total wheat area, including spring wheat, is forecast at 4.39 million hectares, which would be down 7.7% from last year and 7.4% below the five-year average.
- Ukraine's grain production is expected to fall to about 52 MMT this year, down 6 MMT (10.3%) from year-ago, due mostly to reduced plantings, according to the first official forecast from the ag ministry. The ministry expects the country to produce 27 MMT of corn, 19 MMT of wheat and 5 MMT of barley. Oilseed production is forecast at 12.5 MMT for sunseeds, 5.2 MMT for soybeans and 4 MMT for rapeseed. USDA's ag attaché in Ukraine expects production of 26.6 MMT for corn, 21.1 MMT for wheat, 6.6 MMT for barley and 260,000 MT for rye.
- **U.S. oil output from top shale-producing regions will rise in May to the highest level in five months,** the U.S. Energy Information Administration said in its monthly Drilling Productivity Report on Monday. Production from the top basins will climb by more than 16,000 barrels per day to 9.86 million bpd, the strongest output since December, the EIA said.

Source: NASS and Linn & Associates

### Winter Wheat Conditions

State	This Week's Condition		Change from last *WEEK*	
	Poor-VP	Good-Excel.	P-VP Chng	G-E Chng
Arkansas	7%	66%	+4%	+5%
California	0%	100%	+0%	+5%
Colorado	17%	53%	-4%	+0%
Idaho	3%	69%	-4%	+6%
Illinois	6%	78%	-7%	+13%
Indiana	4%	74%	+0%	+0%
Kansas	19%	43%	+5%	-6%
Michigan	4%	68%	-2%	+6%
Missouri	2%	75%	+1%	-1%
Montana	7%	56%	+2%	-7%
Nebraska	4%	70%	-2%	+2%
North Carolina	2%	85%	+0%	+8%
Ohio	4%	70%	+1%	+3%
Oklahoma	10%	60%	+2%	-8%
Oregon	2%	69%	-4%	-4%
South Dakota	7%	57%	-1%	-3%
Texas	19%	48%	-1%	+4%
Washington	15%	45%	+5%	+1%
<b>US Average*</b>	<b>13%</b>	<b>55%</b>	<b>+1%</b>	<b>-1%</b>
<b>US This week in 2023</b>	<b>39%</b>	<b>27%</b>	<b>xxx</b>	<b>xxx</b>

\*\*Represents 89% of 2023 U.S. Winter Wheat Acres

### Hard Red Wheat Weighted Average

State	This Week's Condition		Change from last *WEEK*	
	Poor-VP	Good-Excel.	P-VP Chng	G-E Chng
California	0%	100%	+0%	+5%
Colorado	17%	53%	-4%	+0%
Kansas	19%	43%	+5%	-6%
Nebraska	4%	70%	-2%	+2%
Oklahoma	10%	60%	+2%	-8%
South Dakota	7%	57%	-1%	-3%
Texas	19%	48%	-1%	+4%
<b>7 HRW State Average**</b>	<b>16%</b>	<b>51%</b>	<b>+1%</b>	<b>-3%</b>

\*\*Represents roughly 60% of est. US Winter Wheat acreage

### Soft Red Wheat Weighted Average

State	This Week's Condition		Change from last *WEEK*	
	Poor-VP	Good-Excel.	P-VP Chng	G-E Chng
Arkansas	7%	66%	+4%	+5%
Illinois	6%	78%	-7%	+13%
Indiana	4%	74%	+0%	+0%
Michigan	4%	68%	-2%	+6%
Missouri	2%	75%	+1%	-1%
North Carolina	2%	85%	+0%	+8%
Ohio	4%	70%	+1%	+3%
<b>6 SRW State Average</b>	<b>4%</b>	<b>74%</b>	<b>-1%</b>	<b>+5%</b>

\*\*Represents roughly 9% of est. US Winter Wheat acreage

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### Corn, Percent Planted

State	This Week	vs. last week	vs. last year	vs. five yr avg
Colorado	0%	0%	-1%	-1%
Illinois	3%	1%	-4%	-1%
Indiana	1%	1%	-1%	-1%
Iowa	4%	4%	-1%	+2%
Kansas	13%	9%	-1%	+3%
Kentucky	9%	4%	-2%	-2%
Michigan	0%	0%	+0%	+0%
Minnesota	3%	3%	+3%	+3%
Missouri	26%	19%	+3%	+16%
Nebraska	2%	2%	+1%	+1%
North Carolina	27%	19%	+4%	+1%
North Dakota	0%	0%	+0%	+0%
Ohio	0%	0%	+0%	-1%
Pennsylvania	0%	0%	+0%	+0%
South Dakota	1%	1%	+1%	+1%
Tennessee	13%	6%	-5%	-1%
Texas	63%	4%	-1%	+2%
Wisconsin	1%	1%	+0%	+1%
<b>US Average*</b>	<b>6%</b>	<b>+3%</b>	<b>-1%</b>	<b>+1%</b>

\*\*Represents 92% of 2023 acreage

### Spring Wheat, Percent Planted

State	This Week	vs. last week	vs. last year	vs. five yr avg
Idaho	39%	14%	+21%	+11%
Minnesota	3%	1%	+3%	+1%
Montana	2%	2%	+1%	-3%
ND	3%	3%	+3%	+0%
South Dakota	23%	18%	+22%	+10%
Washington	42%	21%	+20%	+2%
<b>US Average*</b>	<b>7%</b>	<b>+4%</b>	<b>+5%</b>	<b>+1%</b>

\*\*Represents 100% of 2023 acreage

### Technically Speaking:

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### Market Fundamentals:

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GRAIN	WEEK ENDING			CURRENT	PREVIOUS
	04/11/2024	04/04/2024	04/13/2023	MARKET YEAR TO DATE	MARKET YEAR TO DATE
BARLEY	0	0	0	2,058	2,154
CORN	1,331,683	1,442,816	1,237,260	28,681,966	21,445,968
FLAXSEED	0	0	0	24	200
MIXED	0	499	0	572	0
OATS	0	0	0	3,994	6,486
RYE	0	0	0	72	0
SORGHUM	76,851	69,839	58,986	4,187,833	1,251,555
SOYBEANS	432,905	491,872	530,342	38,039,186	46,669,816
SUNFLOWER	312	0	0	4,421	2,408
WHEAT	551,278	516,835	277,402	15,921,298	17,526,921
Total	2,393,029	2,521,861	2,103,990	86,841,424	86,905,508

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

**ADVICE:** no new advice HOWEVER odds are increasing we'll have to add coverages via short far out calls into Dec for old and new crop corn where the premiums are the greatest. Soybeans caught in a huge discrepancy with USDA and SA production estimates. The larger stocks continue to weigh on prices on most everything—creating a big dilemma for the May WASDE

#### **COMMENTS:**

**WEATHER:** somewhat dry bias in KS for SRW, 1-2 in IA, SW MN areas and generally across Midwest into upper Midwest into Dakotas. SE to dry out. Generally, not extended wet to interrupt planting. Cool to cold weather remainder of this week.

Spec Table largely short but grains, stocks as markets continue a weaker bias with soy oil terrible. What was missed by the soy oil biofuels bulls is that those crushers continue to crush and accumulate stocks---and depressing edible oil prices. We'll monitor accordingly.

**MEATS** had a very volatile day with LC FC looking like good odds the collapse is over.

Equities had massive turnaround from 400 higher to 250 lower yesterday after the predicted rally earlier yesterday to rally 50% reset of recent collapse and then reversed quickly and continue down today with volatility. Bias still lower! A lot of activity around the underground silos in ND (the old minute man missiles), removing the missiles and put on trucks---to where ??? Odds are a heavy shoe is going to fall on Iran.

Gulke Group Spec Table Buy/Sell Stops				(*New Positions in BOLD)			
	4/16/2024			Today's Stops		Current Position*	
	High	Low	Close	Buy	Sell	Long	Short
CN24	447	442 1/4	444 1/4	449 1/2	439		440 1/4
CZ24	471 1/2	466 3/4	469 1/4	474 1/2	464		468 1/4
SN24	1188 1/2	1169	1172	1192	1152		1203 1/4
SX24	1177 1/4	1162 1/4	1167 1/4	1182 3/4	1151 3/4		1167 1/4
SMN24	343.9	337.8	339.6	345.9	333.4	342.8	
BON24	46.87	45.88	46.01	47.50	44.52		46.54
WN24	570 1/4	560	567 1/2	578 1/4	556 3/4	551 1/2	
KWN24	587 3/4	575	580 3/4	594	567 1/2	583 3/4	
MWN24	650	643	644	651 1/2	636 1/2		645 3/4
LCM24	175.625	172.325	173.825	177.625	170.025		178.675
LCV24	175.050	172.450	174.000	176.800	171.200		178.525
LHM24	102.800	101.075	102.450	104.375	100.525		101.600
LHV24	86.150	85.075	85.450	86.725	84.175		88.550
FCK24	239.500	234.700	238.000	243.000	233.000		248.275
CTK24	84.27	82.60	82.930	84.65	81.21		91.12
CTN24	86.20	84.43	85.150	87.12	83.18		91.61
SBK24	20.60	20.00	20.020	20.67	19.37		22.29
GCM24	2404.3	2340.2	2399.10	2463.70	2334.50	2199.2	
NRK24	18.33	17.25	18.33	19.44	17.22	16.420	
DJM24	38637	37911	37993	38739	37247		40002
<b>CLM24</b>	85.5	83.49	84.86	87.07	82.65	85.08	
<b>NGM24</b>	2.052	1.931	1.946	2.082	1.810		2.029
DXM24	106.05	105.640	106.025	106.63	105.42	102.983	
USM24	116 1/32	113 29/32	114 9/32	116 21/32	111 29/32		118 31/32

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