

**April 19, 2024**

## **Weather**

---

- A wetter bias is still slated for the U.S. Plains, Midwest and Delta beginning late next week and lasting into the early days of May; fieldwork will be slowed or delayed and a few areas will become excessively wet
  - The Delta may become too wet once again
- Waves of rain in the southern Plains will improve the cotton, corn and sorghum planting and establishment conditions
  - Texas will see much of this moisture; including west Texas cotton areas
- Western Kansas precipitation over the next ten days may be lighter than usual as it will be in the northern Texas Panhandle and across most of the northern Plains
- This week's eastern Canada Prairies storm is concluding today, but additional bouts of light precipitation are possible across the region in the coming two weeks
- Waves of rain in far southern Brazil during the next ten days to two weeks will induce flooding and raise some concern over the general condition of unharvested summer crops in Rio Grande do Sul and areas north into southern Parana
- Drying is likely in most other areas in Brazil excepting northern Mato Grosso and areas east to Maranhao where rain will continue frequent enough to maintain wet field conditions
  - Drying in center south and the northeast is normal at this time of year
- Argentina is wetter today relative to that of Thursday, especially in the northeastern half of the nation where some concern over the condition of cotton, unharvested rice and a few other crops is expected
- Excessive rain is expected this weekend in southeastern Queensland and far northeastern New South Wales where flooding could negatively impact a small part of the production region
  - Unharvested cotton will be most impacted
  - Flooding is most likely in sugarcane areas along the lower coast.
- Southern China is still expecting excessive rain in the coming week to ten days resulting in flooding that will likely damage rice and threaten sugarcane while maintaining concern over the condition of southern rapeseed
- Rain is still needed in a part of China's North China Plain
- Russia's Southern Region should get some relief from dryness in the second week of the outlook mostly near and beyond day ten of the forecast
- Portions of the Middle East continue abundantly moist with more waves of rain coming
- Morocco will get some needed rain this weekend, although it comes a little late in the growing season; other areas in North Africa will receive a restricted amount of rain

- West-central Africa rainfall should improve next week
- Colombia and Venezuela rainfall is increasing offering relief from dryness

## News:

---

- **USDA reported private sale of 121,500 metric tons of soybeans for delivery to unknown destinations. Of the total, 13,500 metric tons is for delivery during the 2023/2024 marketing year and 108,000 metric tons is for delivery during the 2024/2025 marketing year.**
- **USDA reported private sale of 216,500 metric tons of corn for delivery to Mexico. Of the total, 23,000 metric tons is for delivery during the 2023/2024 marketing year and 193,500 metric tons is for delivery during the 2024/2025 marketing year.**
- An estimated 137,000 mt of optional origin feed Corn was bought by Nonghyup Feed according to grain trade sources.
- Argentina's ag ministry projected the country's 23/24 Soybean production at 49.7 mmt (USDA is at 50 mmt).
- **Israel launched missiles at Iran late Thursday in retaliation for an April 13 attack.** An Iranian official told *Reuters* there were no plans to respond against Israel for the incident. This development may have contributed to a sense of temporary relief among investors, prompting a reversal of some earlier knee-jerk market movements.
- The Buenos Aires Grain Exchange estimated Argentina Soybean crop conditions at 30% good to excellent, 47% fair, and 23% poor to very poor. Soybean harvest at 13.9% complete, with 8.23 mln mt harvested so far. They also estimated the Corn crop conditions at 20% good to excellent, 44% fair, and 36% poor to very poor with harvest at 17.2% complete, with 10.84 mln mt harvested so far.
- **EPA today will announce plans to temporarily expand E15 sales beyond June 1 for the 2024 summer driving season, three sources familiar with the matter told Reuters. EPA has taken similar actions the past two years, then granting a 20-day waiver and repeatedly extending it through Sept. 15.**
- India's wheat stocks held in government warehouses dropped to their lowest level in 16 years after two straight years of reduced production prompted New Delhi to sell record volumes to tame inflation. Wheat reserves in state warehouses totaled 7.5 MMT at the beginning of April, down from 8.35 MMT last year, according to data compiled by the state-run Food Corporation of India. Over the past decade, wheat stocks on April 1 averaged 16.7 MMT. Despite the tight supply, New Delhi has resisted calls to encourage imports by cutting or removing the 40% tax.
- **China's hogs, sow and pig herds are declining amid government efforts to decrease production capacity, with prices expected to recover in the second quarter, the ag ministry said. China had 39.92 million sows at the end of March, down 500,000 head (1.2%) from the previous month and 7.3%**

**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

---

**below year-ago. China's pig herd fell 5.2% from year-ago to 408.5 million head.**

- Oil prices jumped as reports that Israel had attacked Iran roiled markets and sparked concerns that Middle East oil supply could be disrupted. Israel launched an attack on Iranian soil, sources told Reuters, the latest tit-for-tat exchange between the two countries that threatens to drag the region deeper into conflict. The benchmark contracts surged more than \$3 before easing slightly. At 0615 GMT, Brent futures were up \$1.40, or 1.61%, at \$88.51 a barrel. The most active U.S. West Texas Intermediate contract climbed \$1.38, or 1.68%, to \$83.48 per barrel.
- Russia became the top oil supplier to India during the fiscal year 2023/24 for a second year in a row, squeezing the market share of Middle Eastern and OPEC producers to historic lows, ship tracking data from industry sources showed. New Delhi has been gorging on Russian oil sold at a discount after Western nations shunned purchases and imposed sanctions on Moscow over its invasion of Ukraine. As a result, Russia is now the top supplier to the world's third-largest oil importer.

## **Technically Speaking:**

---

### **Market Fundamentals:**

---

**ROLLER COASTER RIDE LAST NIGHT IN STOCK MARKETS:** The DJIA chart below doesn't due the volatility justice but we can certainly get a glimpse of what added conflict will do –The dow was down about 500 pts in what was an already oversold market that was due for a dead cat bounce and when it was determined the attack was restrained, the market rallied back to unchanged this morning. Our focus proved beneficial and personally profits were taken on ½ of the put position last night shortly after the collapse. The blip on the chart (arrows) show the price itself is paltry in comparison to the rally since last November, the macd index still short and the RSI got to well below 30 and oversold in the short term. The DJIA will ascertain today if it wants to move higher ahead of a weekend!

Last night's extreme took the DJIA to the 38% retracement of the whole move from Nov to March, a 50% retracement would mean another 1,000 points below last night's low and full reset would mean another 1,000 points below that level. The next 1000 pts may be difficult to attain without a rally of sorts, FYI The DJIA for example has to rally 1,000 points by month's end to keep from posting a monthly key reversal down of which has caught CNBC attention.



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

**ADVICE:** No new advice---we saw the quick reaction last night --so risk is there and maybe we can build in a war and/or weather premium?

**COMMENTS:** Flash sales overnight 216,500 metric tons of corn for delivery to Mexico. Of the total, 23,000 metric tons is for delivery during the 2023/2024 marketing year and 193,500 metric tons is for delivery during the 2024/2025 marketing year. Also 121,500 metric tons of soybeans for delivery to unknown destinations. Of the total, 13,500 metric tons is for delivery during the 2023/2024 marketing year and 108,000 metric tons is for delivery during the 2024/2025 marketing year.

**FURTHER DISCUSSION ON WHAT TO DO WITH OLD AND NEW CROP:** Our scenario on putting hedges in new crop for both old and new crop corn, this after further discussions with a buyer who agreed that if there is a move higher it would likely come in old crop to narrow the carry. We'll let the market trade today to see if any of the concern for war or further concerns for the weekend will help. Selling far out calls for the premium still makes sense.

**WEATHER:** While planting is progressing in mid-to southern America, wet and then cold looks like it will be on tap for another week in northern IL through IA and on north.

**For the week thus far changes are shown below:** Given the knee jerk reaction to commodity prices last night on war news, it would not be unusual to see profit taking today; wheat reacted more violently as one would expect. Crude oil was up \$3 but settled back on more calmer news.

**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

Commodity	Symbol	Weekly Net Change
May 24 Corn	CK24	-6
Dec 24 Corn	CZ24	-9 3/4
May 24 Beans	SK24	-37 3/4
Nov24 Beans	SX24	-23 1/2
May 24 Meal	SMK24	-4.20
May 24 Bean Oil	BOK24	-2.09
May 24 Canola	RSK24	-25.10
May 24 Kansas City	KEK24	-12 3/4
July Kansas City	KEN24	-10 3/4
May 24 Minneapolis	MWEK24	1
Sep24 Minneapolis	MWEU24	-1 1/2
May 24 Wheat	WK24	-14
July Wheat	WN24	-12 1/4
Jun 24 Live Cattle	LEM24	3.900
Jun 24 Hogs	HEM24	0.625
May Feeder Cattle	FCK24	8.350
May 24 Cotton	CTK24	-3.37
June Crude	CLM24	-3.38
June Heating Oil	HOM24	-0.1074
June Unleaded Gasoline	ERBM24	-0.1066
June Nat Gas	ENGM24	-0.030
June Dollar	DXM24	-0.082
June Dow	YMM24	-243.00
June Nasdaq	NQM23	-656.50
April 24 Gold	GCJ24	21.10
May 24 Bitcoin	BTCK24	-1930.00

**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**

---

Gulke Group Spec Table Buy/Sell Stops				(*New Positions in BOLD)			
	4/19/2024			Today's Stops		Current Position*	
	High	Low	Close	Buy	Sell	Long	Short
CN24	441	435 3/4	436 1/4	442	430 1/2		440 1/4
CZ24	464 1/2	459 1/2	460	465 1/2	454 1/2		468 1/4
SN24	1164 1/2	1147 3/4	1149	1166 1/4	1131 3/4		1203 1/4
SX24	1161	1148 1/4	1149 1/4	1162 1/2	1136		1167 1/4
SMN24	339.8	336.4	337.4	341.0	333.9	342.8	
BON24	45.83	44.36	44.66	46.63	42.69		46.54
WN24	559 1/2	550	553	563	543	551 1/2	
KWN24	579 1/2	567 3/4	575 1/4	587 1/2	563	583 3/4	
MWN24	650 1/4	639 1/4	643	654 1/2	631 1/2	<b>649 1/4</b>	
LCM24	176.275	174.725	175.375	177.425	173.325		178.675
LCV24	176.950	175.525	176.725	178.350	175.100		178.525
LHM24	102.825	101.175	102.700	104.550	100.850		101.600
LHV24	85.350	84.600	85.175	86.125	84.225		88.550
FCK24	242.800	239.475	242.550	246.075	239.025	<b>242.575</b>	
CTK24	79.93	77.41	78.100	80.67	75.53		91.12
CTN24	81.89	79.70	80.610	83.00	78.22		91.61
SBK24	19.77	19.25	19.590	20.16	19.02		22.29
GCM24	2408.0	2377.2	2393.10	2424.40	2361.80	2199.2	
NRK24	19.07	18.75	19.02	19.36	18.67	16.420	
DJM24	38317	37900	38007	38444	37570		40002
CLM24	82.84	81.06	82.10	84.08	80.12		83.25
NGM24	2.004	1.964	1.986	2.041	1.931		2.029
DXM24	106.01	105.570	106.000	106.64	105.37	102.983	
USM24	115 6/32	114 2/32	114 4/32	115 16/32	112 24/32		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. THE GULKE GROUP HAS HAD LITTLE OR NO 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.

**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**

