

April 29, 2024

Weather:

BRIEFS

- Too much rain fell during the weekend from portions of the eastern U.S. Plains into the heart of the Midwest. Some flooding resulted from 2.00 to more than 5.00 inches of rain that was common and local totals that ranged from 5.00 to more than 9.00 inches
- Additional wet weather is expected over the next week and possibly ten days in the central United States from the eastern Plains into the heart of the Midwest which will delay fieldwork into mid-May for some areas
- The southeastern U.S., eastern U.S. Midwest and west central through the southwestern Plains will not get much moisture. West Texas will be dry this week and may get some rain during the weekend or next week
- Canada's Prairies are expected to get some needed moisture this week and during the weekend delaying farming activity, but improving topsoil moisture
- Flooding rain will occur in Rio Grande do Sul, Santa Catarina, southern Paraguay, Uruguay, and eastern Argentina during the coming week to ten days causing some concern over crop quality
- Center west, center south and northeastern Brazil will be seasonably dry and warmer than usual the next ten days. Western Argentina will see a good mix of rain and sunshine while eastern areas are a little too wet
- Southern France, northwestern Italy, northern Spain and northwestern Portugal are expected to be wet this week and some of those areas already received significant weekend rain
- Rain is expected in Krasnodar and near the Georgia border in Russia, but other Russia Southern Region crop areas may only get scattered light showers. Net drying is expected in Ukraine this week
- China is facing heavy rain in the south this week and some rapeseed areas that have not been harvested may experience a threat to quality. Some rain fell in Inner Mongolia, China that

was in a part of the dry region offering some short-term relief. The North China Plain continues in need of greater rain

- India will be dry biased this week with some pre-monsoonal showers next week
- Philippines dryness will continue for another ten days
- Mainland areas of Southeast Asia will slowly see scattered showers increasing over the next two weeks
- Indonesia and Malaysia rainfall will remain frequent and sufficient to support crop needs
- New South Wales and Western Australia will get some rain this week improving the wheat, barley, and canola planting outlook

News:

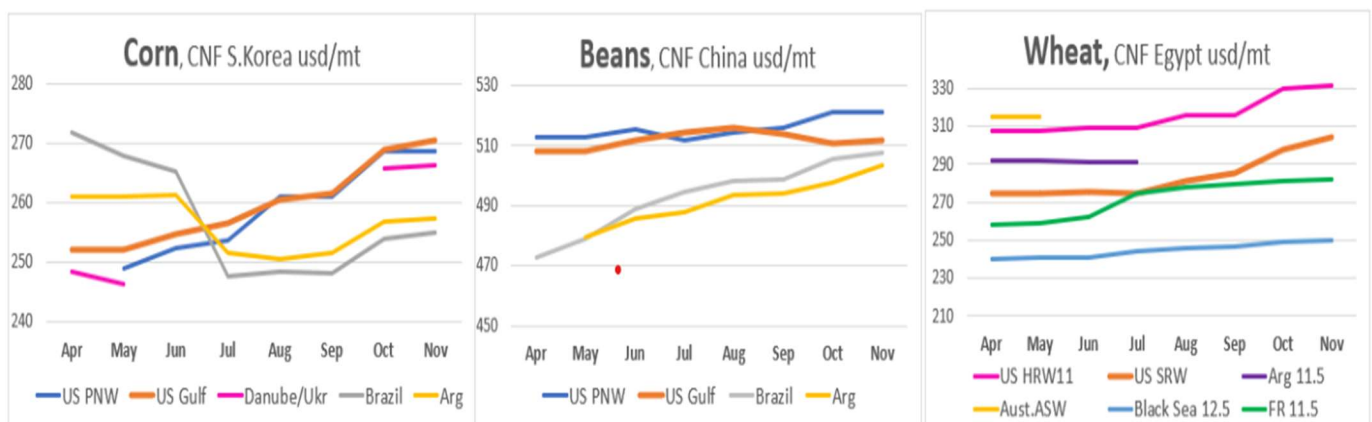
- **President of Cargill's Brazil unit on Monday said they expect the 23/24 Soybean crop production estimate to be upwardly revised**, citing better harvest prospects in the Matopiba region and in Rio Grande do Sul. Conab's latest soy production forecast is 146.52 mln mt. He also said that Brazil's grain exports will pick up in the second half of this year amid ample supplies, though he did not predict actual volumes. For safrinha corn, Sousa noted: "The second-corn crop is not going to be a record like last year, but it is looking very good."
Note—Cargill's ability to estimate in Brazil is respected among traders.
- With EPA Administrator Michael Reagan appearing twice this week before congressional panels, earlier predictions that updated news about the model used to implement the Sustainable Aviation Fuel program was at hand proved true. **Word is the info will come Tuesday. Of note, USDA Secretary Tom Vilsack says the coming info is just a "placeholder" for likely further changes ahead. Some say that is code for some producers may not like the coming news.**
- Heavy rains are expected this week across southern China, the country's top rice producing region. Low-lying areas face the risk of additional flooding, China's weather bureau said. Early rice varieties, usually planted in March and harvested in July, account for about 14% of China's total output of the grain.
- Asian based grain trade sources suggest US soybean exports to China will continue to concede ground. They believe higher Argentina soy production will increase competition, taking away US market share in China.
- After productive talks with Polish officials resulted in agreement, the Ukraine farm minister said he welcomed an end to border blockades by Polish protestors.

- **Effective Tuesday, April 30, for trade date Wednesday, May 1, the CME will reset price limits for grain and oilseed futures. WHY?**
 - Soy complex daily limits, big and mini soybeans contracts daily limits will be lowered from their current 95 cents/bu each day down to 85 cents/bu each day. The new expanded limits will be \$1.30/bu. Daily limits for soy meal are not changing - their daily limit is \$25/ton per day and their expanded limits are \$40/ton per day. In soy oil, daily limits will be lowered from their current 400 ticks each day down to 350 ticks each day, and their new expanded limits will be 550 ticks.
 - For both big and mini corn contracts, daily limits will be lowered from their current 35 cents/bu per day down to 30 cents/bu each day. The new expanded limits will be 45 cents/bu.
 - Both Chicago and KC wheat (big and mini contracts), daily limits will be lowered from their current 50 cents/bu each day down to 40 cents/bu each day. The new expanded limit will be 60 cents/bu.

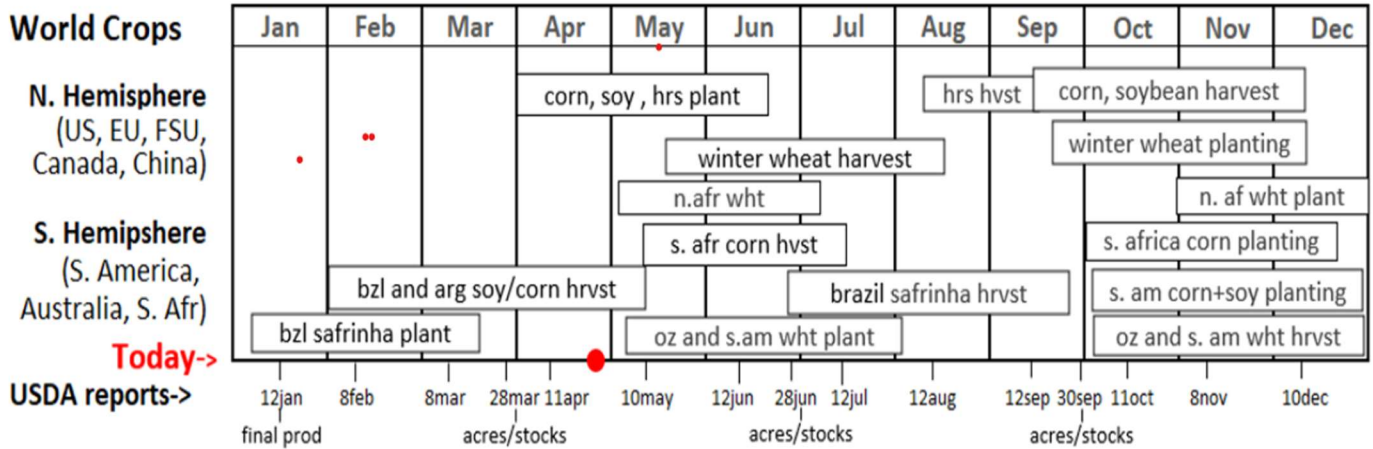
Technically Speaking:

Market Fundamentals:

CNF calculations: (which origin is cheapest)



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Yesterday's Trades: no new trades.

ADVICE:

CASH MARKET: Sell 10% in the Wheat cash markets for 2022, 2023, 2024 respectively for all classes best can!!

Enter a sell stop in Chicago July futures at \$6.10 after 10:30 am today for all classes for and all years 2022---2024 where applicable.

Corn is still competitive (see CNF Chart above) and concerns rise for Arg crop being 10 mt less than the lofty estimates of 60 mmt down to perhaps 50.

Soybeans heavy but Brazilian basis has narrowed but still more competitive than US. China key as their economy falters but rumors are they buying Brazil.

Soy Complex (crush) Smeal posting key reversal higher, however indications are soy oil trying to gain share. Something is going on in the soy meal market –we have no formal shorts and the sell meal guys have gotten hammered. All items in the complex are positive as well as Canola but Palm is not yet!

First notice day tomorrow so be out of longs. The market expects no deliveries in corn but heavy in beans. The rollover again for basis contracts looks a little different than that of March 1.

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Wheat has had a big rally since March 1 –and is overbought so a setback expected with a continued uptick a surprise.

Fundamentally trading adding some weather risk which we mentioned 7-10 days ago was due.

Technically: Markets biased positive ---wheat a concern due to 70 cent rally since March 1 but wheat is wheat and overbought can be misleading; Chicago trading 7-8 cents off overnight lows.

MEATS: No new advice

Economy: Stocks are acting supportive with two days left to hold above last month's lows.

Gulke Group Spec Table Buy/Sell Stops				(*New Positions in BOLD)			
	4/29/2024			Today's Stops		Current Position*	
	High	Low	Close	Buy	Sell	Long	Short
CN24	454	449 1/4	450	455 1/4	444 3/4	442	
CZ24	477 1/4	473	473 1/2	478 1/4	468 3/4	465 1/2	
SN24	1181	1172 1/2	1177 1/4	1186 1/4	1168 1/4		1168 1/2
SX24	1177 1/4	1169 3/4	1174 3/4	1182 3/4	1166 3/4	1162 1/2	
SMN24	347.6	344.0	344.7	348.5	341.0	342.8	
BON24	45.75	45.27	45.54	46.52	44.56		46.54
WN24	633 1/4	616 1/4	622 1/4	639 3/4	604 3/4	551 1/2	
KWN24	662 3/4	636 1/2	654 1/4	681	627 1/2	583 3/4	
MWN24	708 1/4	694 3/4	703 1/2	717 1/2	689 1/2	649 1/4	
LCM24	179.650	177.050	178.575	181.675	175.475		175.425
LCV24	181.575	179.475	180.600	182.900	178.300	178.050	
LHM24	104.550	102.225	102.475	105.000	99.950		105.650
LHV24	86.475	85.325	85.825	87.175	84.475		86.900
FCQ24	261.550	258.350	260.550	263.950	257.150		256.050
CTN24	81.67	80.66	80.900	82.11	79.69		91.61
CTZ24	78.10	77.25	77.310	78.21	76.41		77.69
SBN24	19.61	19.01	19.090	19.74	18.44		19.77
GCM24	2364.4	2338.0	2347.20	2374.10	2320.30	2354.7	
NRN24	19.34	18.86	18.98	19.49	18.47		19.080
DJM24	38535	38242	38441	38754	38128		40002
CLM24	84.46	83.35	83.85	85.16	82.54		83.25
NGM24	2.002	1.909	1.923	2.031	1.815		2.029
DXM24	106.06	105.270	105.935	106.93	104.95	102.983	
USM24	114 10/32	113 6/32	113 27/32	115 7/32	112 15/32		118 31/32

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