

## May 30, 2024 Midday Update

End of month capitulation but uncertain if June will give support given excellent weather and economic demise. Weather and the global situation may change and if so we will change as well. If not used to using futures and options, it makes flexibility much more difficult. Insurance helps but is no replacement for price risk-management. ALL ADVICE DO BEST CAN

### CORN: OLD AND NEW CROP CORN SPREAD NARROWING

- Increase old and new crop coverage 15% by selling the DEC \$4.80 calls for both old and new crop

SOYBEAN & SOY COMPLEX: China exporting meal. 2023/24 exports behind needed to meet USDA

- Sell the \$12.20 calls on 15% of 2024 crop---old crop is gone

WHEAT: more confirmation of top at least short term

- Increase 2023 sales by 20% in the cash market basis the July futures for all classes.
- Increase 2024 sales by 15% in the cash market basis Dec futures for all classes.
- We will fight any bullish change in outlook using futures or options.

CANOLA:

- increase cash sales 40% for 2023 to get to 100% sold basis Nov futures
- Increase sales for 2024 crop by 15% in the cash market basis --we have only futures on now.

COTTON:

- 2023 increase cash sales by 15% basis July futures to get to 75% sold

2025—hedges should be made for 2025 crop but hard to sell another year when unsold for 2024. We may do so by selling out of the money calls for the premium. We'll see what next week brings.

RELATIVE STRENGTH ON WEEKLY BASIS--- nowhere near oversold compared to end of February at that capitulation timeframe.