

June 14, 2024

Weather:

U.S. Midwest

Past Weather and Its Impacts and Large Rivers Update

- *An area of mostly beneficial rain occurred from northern and interior west-central Missouri to northern to eastern Indiana into southern Michigan and northwestern Ohio Thursday while most other areas were dry.*
 - Rainfall totals were 0.06 to 0.61 inch with local totals to 1.55 inches.
 - Rain also fell on parts of eastern South Dakota where totals were up to 0.25 inch while additional rain fell Thursday night into this morning in parts of central Missouri, southern Indiana, and southern Ohio.
 - High temperatures were in the 80s and lower 90s Fahrenheit most often with some middle and upper 90s from the southwestern Corn Belt to west-central Illinois and some 70s in the far northwestern Corn Belt.
 - Lows this morning were in the middle 50s to the lower 70s most often with some lower 50s and a few upper 40s in the north.

Forecast Overview and Crop Impacts

- *The southwestern to the eastern Corn Belt will see little rain and will often be warm to hot during the next ten days to two weeks allowing planting to soon be completed while the remainder of the western Corn Belt likely sees regular rain during the next week that will slow planting at times.*
 - *Soil moisture from the southwestern to the eastern Corn Belt will be much lower in two weeks than today, but enough soil moisture is in place today to favorably support crop development during the period.*
 - *Much of the region will need rain in the last days of June or early July to maintain high production potentials.*

- Some fieldwork will advance around the coming rain in the remainder of the western Corn Belt and planting should soon be completed in much of the region.
 - Temperatures will be milder than what the remainder of the Corn Belt sees and with favorable soil conditions production potentials should remain high.
- **Temperatures will be warmer than normal through the next week outside of portions of the west-central and northwestern Corn Belt.**
 - Highs will reach the middle 90s in some southwestern areas Saturday with some middle 90s common from the southwestern to the eastern Corn Belt Sunday into Tuesday with parts of the region warming to the upper 90s.
 - The western Corn Belt will be cooler Wednesday into next Friday while the eastern Corn Belt sees highs in the lower to middle 90s with some upper 90s in the east.
 - The eastern Corn Belt should become cooler near June 23.

Precipitation Forecast Details

- Most areas will be dry today with a few western areas and portions of Ohio seeing up to 0.30" of rain and locally more.
- Most areas from east-central South Dakota to eastern Nebraska through central and northern Wisconsin will receive 0.50-2.0" of rain and locally more tonight into Sunday with some pockets of lighter rain while lighter rain surrounds the region and most other areas are dry.
- Showers and thunderstorms will occur Monday through Wednesday from the eastern Dakotas and eastern Nebraska through Minnesota and Wisconsin where much of the region will receive 0.40-1.60" of rain and locally more while little rain falls elsewhere.
- Additional rain will fall Thursday into next Friday from east-central Nebraska to the eastern Dakotas through Wisconsin where most areas receive 0.35-1.50" and locally more while little rain falls elsewhere.
- Rain should increase across the Midwest June 22-24 when most areas see totals up to 0.75" and locally more with some pockets of dry weather and some bands of heavy rain while confidence for this event is low.
- June 25-28 will be drier with some showers possible each day.

Temperature Forecast Details

- High temperatures today and Saturday will be in the upper 70s and 80s with a few middle 70s in eastern Wisconsin today, some lower 90s in the south each day, some 70s in northern parts of the western Corn Belt Saturday, and a few middle 90s in the southwest Saturday.
 - Sunday into Tuesday's highs will be in the middle 80s to the middle 90s with a few upper 90s in the south each day, some 70s and lower 80s in the northwest Sunday, and some 60s to the lower 80s in the northwest Monday and Tuesday.
 - Highs Wednesday through next Friday will be in the upper 70s to the middle 90s with some upper 90s in the east and some middle 60s to the middle 70s in the northwest

News:

- The Buenos Aires Grain Exchange kept their 23/24 Argentina Soybean production estimate steady at 50.5 mln mt. They estimated the Argentina Soybean harvest at 96.0% complete, with 48.96 mln mt harvested so far, that compares with last week's harvest 92.2% complete, with 47.39 mln mt harvested.
- The Buenos Aires Grain Exchange kept their 23/24 Argentina Corn production steady at 46.5 mln mt. They estimated the Argentina Corn harvest at 40.3% complete, with 22.54 mln mt harvested so far, that compares with last week's harvest at 35.1% complete, with 20.52 mln mt harvested.
- Chinese companies have formally asked the government to apply anti-dumping duties on pork imports from the EU. Customs data shows China imported more than half their \$6 billion of pork last year from the EU. The request is seen as an escalation in tensions after the EU slapped 38% import duty on cheaper Chinese EVs.
- Over the Jan-May 2024 period analysts examining Russian oilseed data, shows they cut Soybean imports to 470,000 mt down from 30% from the 672,000 mt in the same 2023 period. They noted domestic Russian soybean output made up the shortfall. In the Jan-May period this year they imported only 341,000 mt of Brazil origin soybeans.
- U.S. purchases of Brazilian beef tallow climbed 377% versus year-ago in the first four months of 2024, accounting for nearly all of the 40% increase in overall tallow imports during that period. **U.S. biofuels makers are turning to cheaper overseas waste fat and used cooking oil to produce biofuels. "As long as the rules are the way they are these biofuel companies are going to use whatever is cheapest," John Baize, an independent analyst who also advises the U.S. Soybean Export Council, told Bloomberg. A bigger federal tax credit will also start next year, with tallow and used cooking oil generally more lucrative feedstocks than U.S.-based soyoil.**

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

- OPEC does not see a peak in oil demand in its long-term forecast and expects demand to grow to 116 million barrels a day by 2045, and may be higher, the secretary general said on Thursday. The International Energy Agency said in a report that it sees oil demand peaking by 2029, levelling off at around 106 million barrels per day towards the end of the decade.

Technically Speaking:

Market Fundamentals:

Yesterday's Trades: No New trades.

ADVICE: No New Advice

COMMENTS:

December corn is basically unchanged and a penny off the week's highs. The MACD is supportive with a chance to close above yesterday's highs which would also give two consecutive closes above the 50-day MA heading into some forecasted hot weather. On another positive note it looks like unless something drastic happens the USDA will be justified to increase the Export number on the S&D's for old crop.

November Soybean are down 5-6 have been unable to mount a move higher although some base building appears to be in play.

Wheat for all classes are in a move to the downside that does not appear to want to stop. Chicago seems to have the best technical hope as it has traded in a sideways trading pattern this week although currently it is trading at the low end of that range.

The weekly charts for Soybeans and Wheat look to be heading short with Corn holding ground.

Hogs are a falling knife while Cattle are on the upward side of some volatile trading as of late.

The Dow looks to be heading toward its May lows while the S&P is down a little and the Nasdaq is up slightly. The dollar is much higher today and has rallied the last two days after a hard down day on Wednesday. Rebalancing?

Temperatures in the Midwest appear to be getting hotter sooner than expected which is something to keep an eye on as it may increase the need for continued rains during the beginning of the growing season. China is still seeing record heat in some of the main growing areas.

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)			
	6/14/2024			Today's Stops		Current Position*	
	High	Low	Close	Buy	Sell	Long	Short
CN24	460 1/2	453 1/2	458 1/2	466	451	464 3/4	
CZ24	476 1/2	468 1/4	476	484 3/4	467 1/4	465 1/4	
SN24	1191 1/4	1171	1189 1/2	1210 1/4	1168 3/4	1194 1/4	
SX24	1161	1143 1/2	1160 1/4	1178 1/4	1142 1/4	1167 1/2	
SMN24	369.4	359.0	368.3	378.9	357.8	367.4	
SMV24	353.2	346.2	352.4	359.9	344.9	352.2	
BON24	44.00	43.32	43.86	45.04	42.68	44.53	
WN24	627 1/4	612 1/2	620	635 1/4	604 3/4	628 3/4	
KWN24	641 1/2	629	636 3/4	649 3/4	623 3/4		660 1/2
MWN24	675 3/4	665 3/4	667	677 1/2	656 1/2		692 1/4
LCQ24	179.675	176.850	179.500	182.825	176.175	179.375	
LCV24	181.875	179.600	181.700	184.175	179.225	181.375	
LHN24	94.575	92.475	92.775	95.075	90.475	94.200	
LHV24	77.500	75.325	75.725	78.100	73.350		86.900
FCQ24	258.300	254.350	257.475	261.625	253.325		255.075
CTN24	72.20	71.30	71.350	72.45	70.25		78.65
CTZ24	72.17	71.20	71.790	72.81	70.77		76.60
SBN24	19.64	19.05	19.590	20.23	18.95	19.61	
GCQ24	2342.4	2310.9	2319.60	2351.60	2287.60	2356.1	
NRN24	18.62	18.18	18.55	19.01	18.08	17.770	
DJM24	38770	38436	38677	39031	38323		38683
CLN24	78.89	77.67	78.62	80.04	77.20	75.78	
NGN24	3.091	2.898	2.959	3.167	2.751	2.708	
DXU24	104.88	104.225	104.825	105.68	103.97		103.487
USU24	120 4/32	118 19/32	119 27/32	121 20/32	118 2/32	118 30/32	

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 THIS 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

