

To start the week wheat opened the overnight session with all three wheat exchanges going their own direction. Mpls started lower, Chicago was steady, and KC was higher. But it did not take long for all three wheat exchanges to turn lower and extend session losses throughout the rest of the session. Early selling was tied to weather forecasts calling for rain in the US Southern Plains and Delta. Reports that vessels are lining up to haul grain out of the Black Sea region now that there is reasonably priced insurance to protect the vessels added pressure. Technical selling added to the negative mode in wheat as KC traded to another new contract low while Mpls and Chicago flirt with their low. Ukraine's Ag Minister is estimating producers planted 11 million acres of winter wheat which would be equal to production of about 18 to 20 MMT of wheat vs 22.5 MMT last year. Technically wheat is oversold and has virtually zero adversity premium built into its price. At some point wheat is going to have to start to show some strength, or it will soon start to see producers losing interest in raising wheat.

On Tuesday wheat opened the overnight session mixed with Mpls lower while the winter wheat exchanges opened higher. By the time the night session was drawing to a close all three exchanges were higher. Early support came from technical buying as all three wheat exchanges were closer to their lows than they are to resistance. Light support spilled over from the strength in corn and soybean complex. A lower US dollar helped support wheat early. Gains were kept in check by weather forecasts calling for more rain for the US Southern Plains. Wheat is entering the winter doldrums where the only news for traders to trade for US wheat comes from exports as domestic demand dries up after the holiday season and really won't pick up steam until spring.

In Wednesday's session wheat opened the overnight session mixed with Chicago higher while Mpls and KC were lower. By the time the night session was coming to a close all three exchanges were showing small to modest gains. But once the day session started, Mpls started to show weakness, which spilled over to the winter wheat exchanges, pulling them into the red by midsession. Technical buying was the main driver as after trading in the red for nine sessions, wheat finally posted a higher close Tuesday. Chicago was the best performer due to news that China was in and bought 110 TMT of SRW wheat overnight. Light support came from reports of Russian missile strikes on port Odessa. Informa is estimating all wheat acreage for 2024 at 48.9 million vs 49.6 million last year. Winter wheat acreage is estimated at 36.2 million vs 36.7 million last year. Other spring wheat is estimated at 11.0 million vs 11.2 million last year.

Dec Mpls support is at \$7.00 while resistance is at \$7.95.

For the week, Dec MW was at \$6.9675 down 18.75 cent, Mar Mpls was at \$7.145 down 17.25 cents, Dec Chicago was at \$5.5025 down 0.5 cent, Dec KC was at \$6.0525 down 12.75 cents.

MWZ23 - Spring Wheat - Daily OHLC Chart



MWH24 - Spring Wheat - Daily OHLC Chart



ZWZ23 - Wheat - Daily OHLC Chart



KEZ23 - Hard Red Wheat - Daily OHLC Chart



Corn started the week by opening the overnight steady but managed to brush off selling pressure and push to post small gains by the time the night session was coming to a close. Early support came from adverse weather in Brazil as slow soybean planting progress is leading to the expectation for lower corn acreage in Brazil. Light support was from news Mexico bought 104 TMT of US corn overnight. By the time the day session started, corn slipped lower with selling spilling over from a lower wheat complex. Slow planting progress in SA helped corn recover late in the session as it appears that the late soybean planting progress will result in producers only planting one crop this year. As of Nov 16, Argentina had 34% of their corn planted vs 44%

average. As of Nov 17, Brazil was reporting planting progress at 86% vs 88% average. Late session support spilled over from the rally in the soybeans, which helped to push corn back into the black on the close.

In Tuesday's session corn opened the overnight session lower but firmed to end the night session with gains. The buying was short lived as once the day session started corn traded in a back-and-forth fashion. Early support came from disappointing rains in Brazil. Gains were kept in check by reports that Dr Cordonnier left his corn production estimate for Brazil and Argentina unchanged this week. Current production estimates for Brazil remain at 121 MMT while Argentina is at 52 MMT. Corn is looking for direction, and a story for corn is likely being written in Brazil right now as delayed soybean planting progress will likely lead to lower safrinha corn acreage, but that won't be an issue until Jan. So, for now, corn is stuck in a tug of war between the higher soybean complex and 2 BB ending stocks estimate. Producers with Dec basis fixed contracts should not roll those to March, Cash out the corn and look to buy call options.

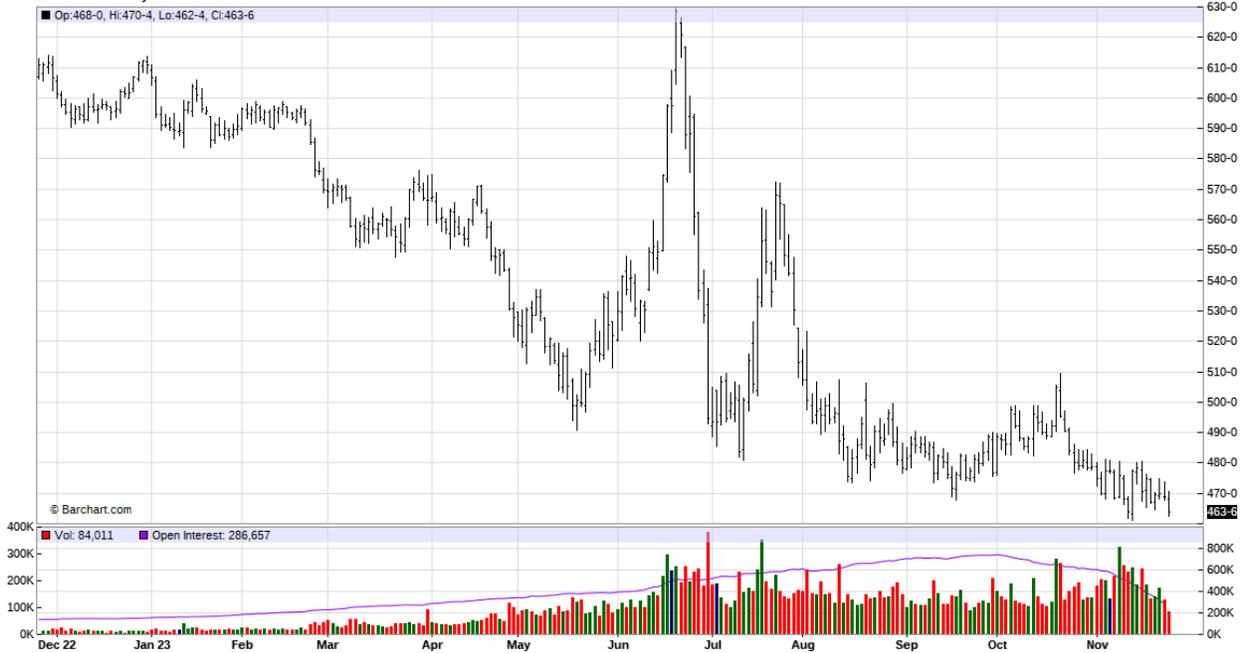
On Wednesday corn opened the overnight session lower and extended session losses but managed to turn and trade mixed once the day session started. Profit taking and position squaring ahead of first notice day was part of the driving force in corn. Open interest dropped 8000 contracts yesterday due to traders just looking to exit positions and waiting for a clearer direction. Uncertainty on the rains in Brazil added strength as did reports of a 128 TMT export sale of US corn to an unknown destination. Light selling pressure was tied to a sharply lower start to the crude oil, which was down over \$3 in early trading due to reports that OPEC has delayed their regular meeting 4 days. Informa is estimating 2024 corn acreage at 91.4 million vs 94.9 million last year.

Last week's ethanol production was estimated at 1.023 million barrels, down 24,000 barrels from the previous week. Stocks were estimated at 21.65 million, up 698,000 barrels from the previous week. Gas demand took a hit for the second week in a row and is now at the bottom of the 5-year average. Producers with Dec basis fixed contracts should not roll those to March, Cash out the corn and look to buy call options.

Dec corn support is at \$4.65 while resistance is at \$5.25.

For the week, Dec corn was at \$4.6375 down 3.25 cents. Mar corn was at \$4.8275 down 2.5 cents.

ZCZ23 - Corn - Daily OHLC Chart



ZCH24 - Corn - Daily OHLC Chart



Soybeans started the week by opening lower at the start of the overnight session but quickly turned higher and added to the gains in the day session to close sharply higher. The market opened lower on reports of rains of 0.5 to 2.0 inches falling in Brazil over the weekend. But the market soon turned higher as traders realized the northern parts of Brazil did not see much rain. And in the day session updated forecasts removed some rains from the 6 to 10 and 11-to-15-day forecasts. Planting progress in South America is still behind average pace as Brazil's soybean planting is estimated at 68% complete vs. 57% last week and 78% average while Argentina's soybean planting is at 19% complete vs. 8% last week and 26% average.

Rumors that China bought 12 cargoes of US soybeans late last week added support. Over the weekend Argentina elected a new president on the far-right who has pledged to abolish ag export taxes and peg their currency to the US dollar. This would be negative for US markets as it will make Argentina more competitive in the world export market. Last week's export shipments were in the range of trade expectations but were the lowest in six weeks.

On Tuesday soybeans were higher overnight, hit the highs for the session early in the day session and then pulled back a bit but still closed with solid gains. South American weather continued to support soybeans. While some areas of Brazil did see rain, other areas were missed, and forecasts see dry conditions returning after this week. Meanwhile, southern Brazil has been too wet and forecasts predict the area should see up to double their normal rainfall over the next 2 weeks. Dr. Cordonnier left his South American production estimates unchanged with Brazil at 158.0 MMT (USDA is at 163.0 MMT) and Argentina at 50.0 MMT (USDA is at 48.0 MMT). Spillover support came from the sharply higher soybean oil market. Farmers in Argentina supported the election of President Milei as he wants to cut export taxes on ag products. However, it remains to be seen what he can accomplish since his party holds only 10% of senate seats and 14% of house seats.

In Wednesday's session soybeans opened lower overnight and proceeded to extend session losses throughout the night and day session. Profit taking and the evening up of positions ahead of the holiday was the main driver in soybeans. Early support came from uncertainty of Brazil's weather forecast as most traders are not fully trusting current forecasts. Soybeans did accelerate the selling pressure at noon once the noon weather forecast was released as if verifies increased chances for rain in Brazil. Reports from a major grain buyer, Mato Grosso has received only 45% of normal rainfall for Nov and only 35% of normal rainfall in Oct. Technically soybeans were trading up against resistance so a bit of profit taking ahead of what will likely be a long weekend for many traders was not out of line and expected. Informa is estimating 2024 soybean acreage at 87.2 million vs 83.6 million last year.

Jan support is at \$12.95 while resistance is at \$13.50.

For the week, Jan soybeans were at \$13.3025 down 10.0 cents and March soybeans were at \$13.48 down 8.5 cents. Dec. soybean meal was at \$458.10 up \$4.80. Dec. soybean oil was at \$51.97 down 4 cents.

ZSF24 - Soybean - Daily OHLC Chart



ZSH24 - Soybean - Daily OHLC Chart



ZMZ3 - Soybean Meal - Daily OHLC Chart



ZLZ3 - Soybean Oil - Daily OHLC Chart

