

To start the week wheat opened the overnight session mixed with Mpls and Chicago higher while KC opened steady. All three tried to rally soon after the opening bell, but the rally failed, and wheat extended session losses throughout the night. Early selling was tied to demand concerns as traders are not as optimistic that the US will garner much export demand now that Russia has agreed to extend the Black Sea Export Initiative. A sharply higher US dollar added pressure. Concerns of a potential railroad strike added to the selling pressure in wheat. Losses were trimmed late due to reports that Ukraine will likely leave most of their 2022 crop in the field and look to harvest in the spring. Fund selling was also evident as the COT report showed funds liquidation ahead of the holiday. Losses were trimmed by weather forecasts calling for cool dry weather for the US Southern Plains.

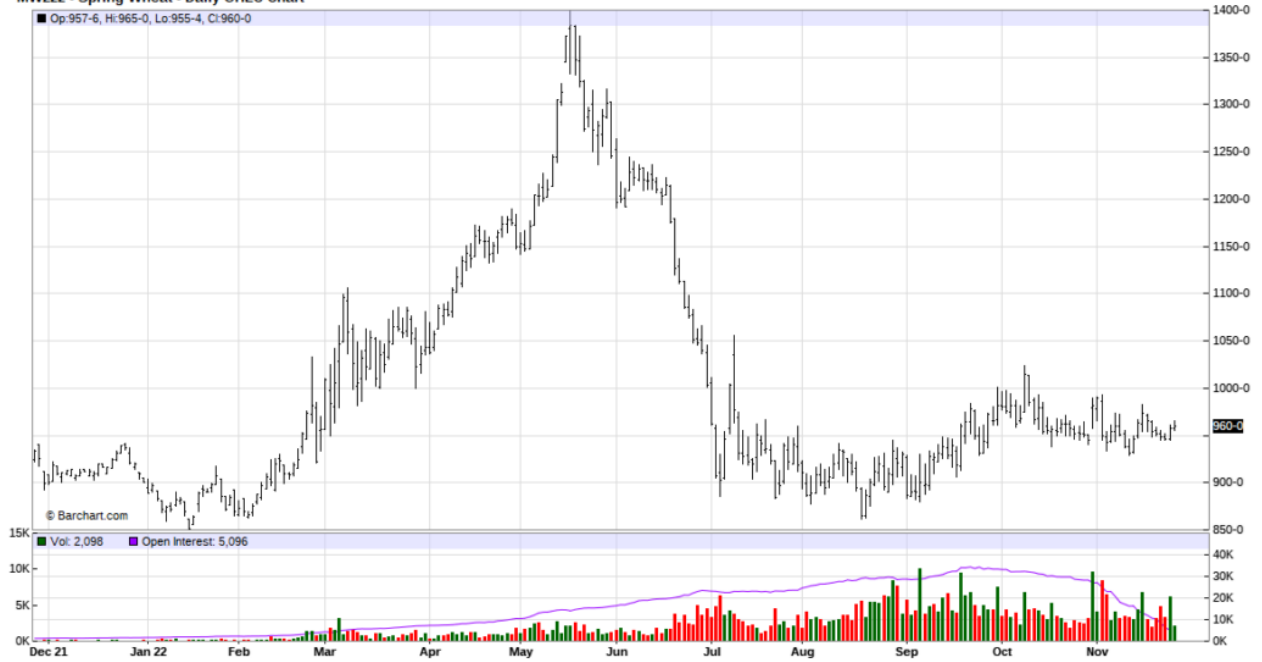
In Tuesday's session wheat opened the overnight session steady to lower but managed to shake off early selling pressure and push higher by the start of the day session. The day session had wheat trading on both sides of the fence as traders looked for direction. Trading in thin with most contracts trading in a range of 5 to 9 cents. By midsession wheat started to fade and without any buying interest, wheat was pushed to post double digit losses. Reports that China is implementing tighter covid lockdown rules added to the selling pressure as estimates has 20% of China's economy base in some stage of covid lockdown. Technically wheat is back to the low end of its trading ranges.

On Wednesday wheat opened the overnight session steady, rallied slightly, but then slipped to trade with losses throughout most of the night session. Mpls was the best performer while both winter wheat exchanges lost ground. But by midsession wheat was able to stage a recover and rallied to post solid gains going into the second half of the session. Technical buying as wheat bounced off support was the main reason for the recovery. Thin light trading helped exaggerate the gains. Spread trading was also activity, which was evident in the Mpls market as Dec was up double digits while the deferred contracts traded with small gains. This pushed Mpls to go inverted, which is a sign of short supplies and the need for product. A weaker US dollar added strength as did reports that Russia was once again aggressively attacking Kyiv.

Dec Mpls wheat support is at \$8.65 while resistance is at \$10.05.

For the week, Dec MW was at \$9.5725 up 5.75 cents, Dec Chicago was at \$7.715 down 31.75 cents, and Dec KC was at \$9.2125 down 13.0 cents.

MWZ22 - Spring Wheat - Daily OHLC Chart



Minneapolis Wheat Dec. '22

ZWZ22 - Wheat - Daily OHLC Chart



Chicago Wheat Dec. '22



Kansas City Wheat Dec. '22

Corn started the week by opening the overnight session lower and continued to trade in a lackluster fashion overnight. Corn's trading range overnight was a tight 3 cents. Technical selling and the evening up of positions ahead of Thanksgiving pressured corn early in the session. Funds started to liquidate positions last week as the COT report showed the funds trimming long positions. Close to ideal growing conditions in Brazil and forecasts calling for more rain in Argentina added pressure. Reports that China had a major covid outbreak over the weekend that resulted in the lockdown of 3.7 million people added pressure. Selling pressure was also tied to option expiration as the Dec options are set to expire on Friday. Trading is thin enough that traders are maneuvering corn to the strike price that would likely result in the most options to expire worthless. A sloppy energy sector combined with a sharply higher US dollar to pressure.

In Tuesday's session corn opened steady and continued to trade in lackluster fashion throughout the night and start of the day session. Once wheat started to break lower at midsession, corn followed. Early support came from reports that Ukraine was halting harvest activity for the winter due to fuel shortages and intrusion from the war. Fund selling and China's covid lockdowns added to the pressure. Gains were also attributed to reports truckers in Brazil are back blocking roads in protest of the recent election. This is holding up movement of grain. Just as is the case in wheat, corn is taking the path of least resistance with the lack of volume the biggest negative.

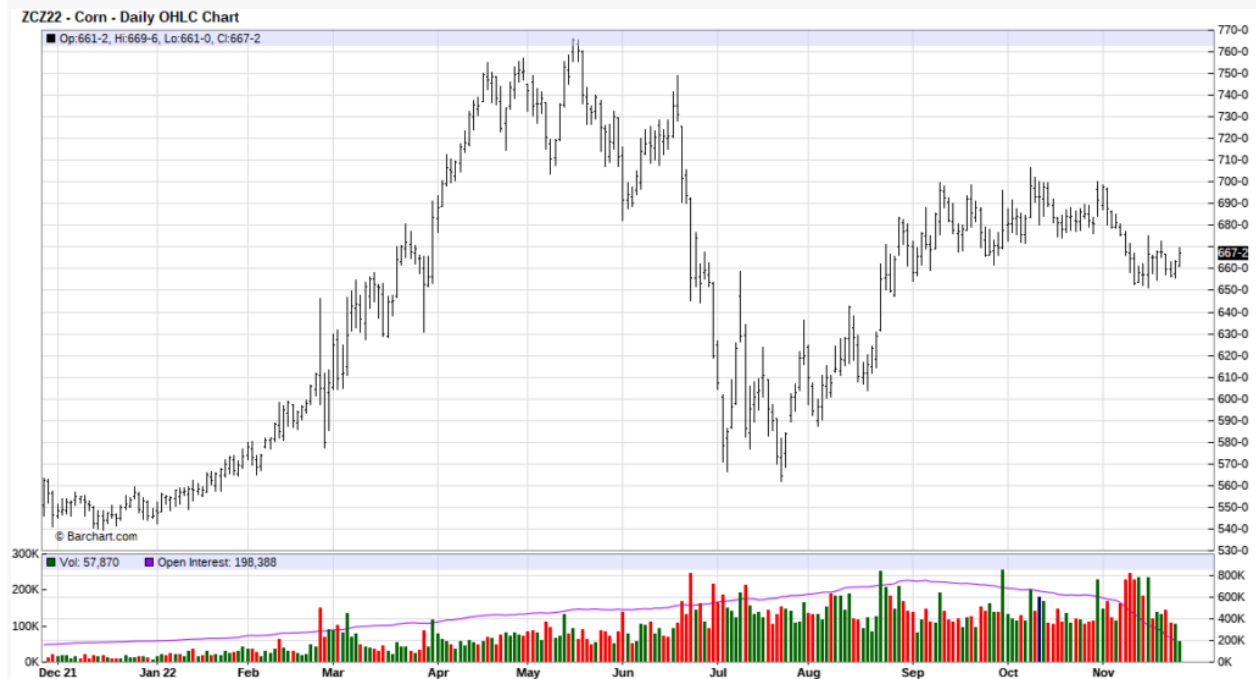
On Wednesday corn opened the overnight session higher and extended gains into the day. Technical buying was the main supporting factor as corn appears to have bounced off support and is ready to correct an oversold market condition. A sharply lower US dollar added support. Gains were kept in check from reports that Brazil has sold 61.7 TMT of corn to China with the

hopes of exporting a total of 5 MMT this year. On a positive note, Mexico's president has said that Mexico will continue to import yellow corn for animal feed, but not for human consumption. Light support came from the 6 to 10 day forecast which continues to call for Argentina to remain dry.

Last week's ethanol production estimate was neutral to corn as it showed production at 1.04 million barrels, up 30,000 barrels from the previous month. Stocks were estimated at 22.83 million, up 1.53 million barrels and the highest stocks estimate in 10 weeks. Gas demand drop sharply and is back at the bottom of the 5-year average.

Dec corn's support is at \$6.47 while resistance is at \$6.95.

For the week, Dec corn was at \$6.6725 down 0.5 cent.



Corn Dec. '22 To start the week soybeans opened lower and extended session losses throughout the night but managed to pop higher during the day session and end with gains. Early selling was tied to reports of a major covid outbreak in China that has resulted 3.7 million people being put in lockdown through Friday. This will slow down the reopening of the country. Additional selling was tied to improving weather conditions in SA. Technical selling was also evident as Friday's COT report showed fund long liquidation ahead of the holiday. Soybeans were able to bounce off support and trade with gains once the day session started. Support came from the morning's strong export inspections estimate which showed last week's soybean shipments coming in at the high end of expectations.

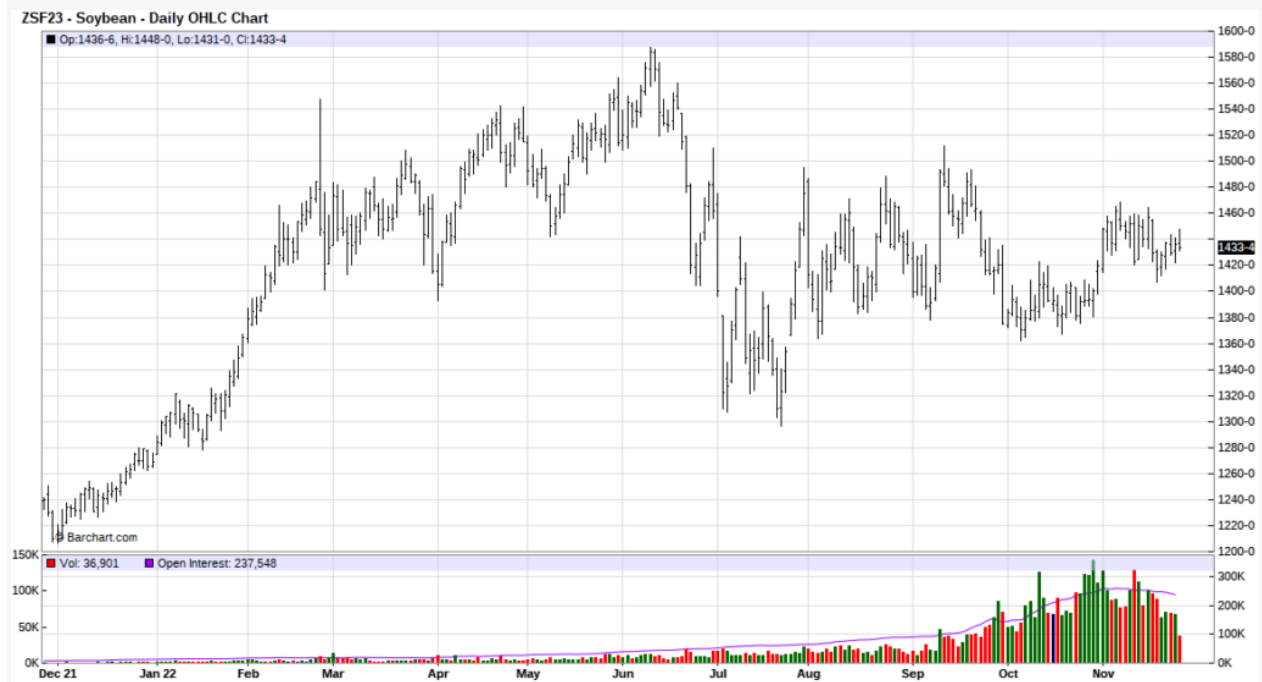
On Tuesday soybeans opened lower in the overnight session but managed to push higher once the day session started. Early selling was tied to rumors of increased covid restrictions in China.

Selling increased on the news that Safras raised Brazil's 2023 export projection 1.5 MMT to 93 MMT vs 77 MMT last year. Their production estimate remained unchanged at 154.5 MMT. Soybeans were able to shake off early pressure from reports that Brazil was not going to make any adjustments to their biodiesel blend now, but that they were going to increase their mandate to 15% on April 1, 2023. Technically soybeans are holding up better than wheat and corn, but today's lower close (after trading higher early) did not do much to build confidence.

Soybeans traded back and forth on both sides of unchanged and closed with small gains on Wednesday. Positioning was seen ahead of the Thanksgiving holiday. Support was due to hot and dry conditions in the 6 to 10 day forecast for Argentina. Light support came from USDA's sales announcement of 110,000 MT of soybeans to China. Support also was due to the sharply lower US dollar (down over 1 cent today). Gains were limited by demand worries as covid cases continue to surge in China.

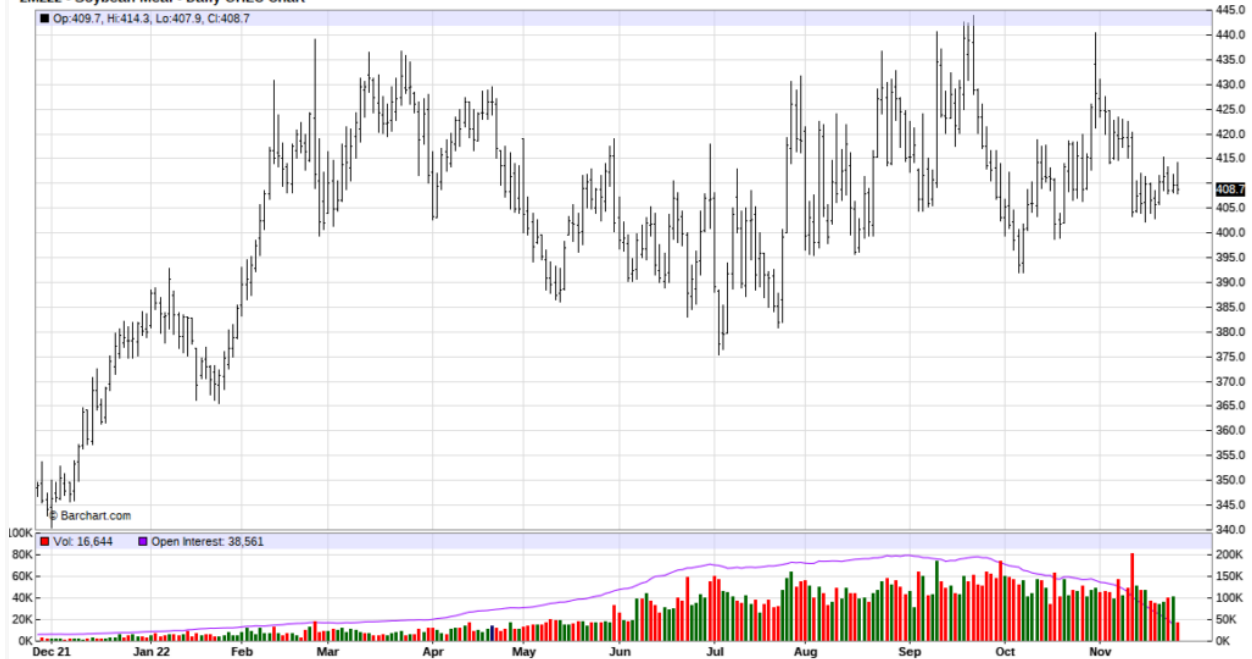
Nov soybean support is at \$13.75 while resistance is at \$15.15.

For the week, Jan soybeans were at \$14.335 up 5.25 cents. Dec. soybean meal was at \$408.70 down \$1.60. Dec. soybean oil was at \$74.49 up \$1.75.



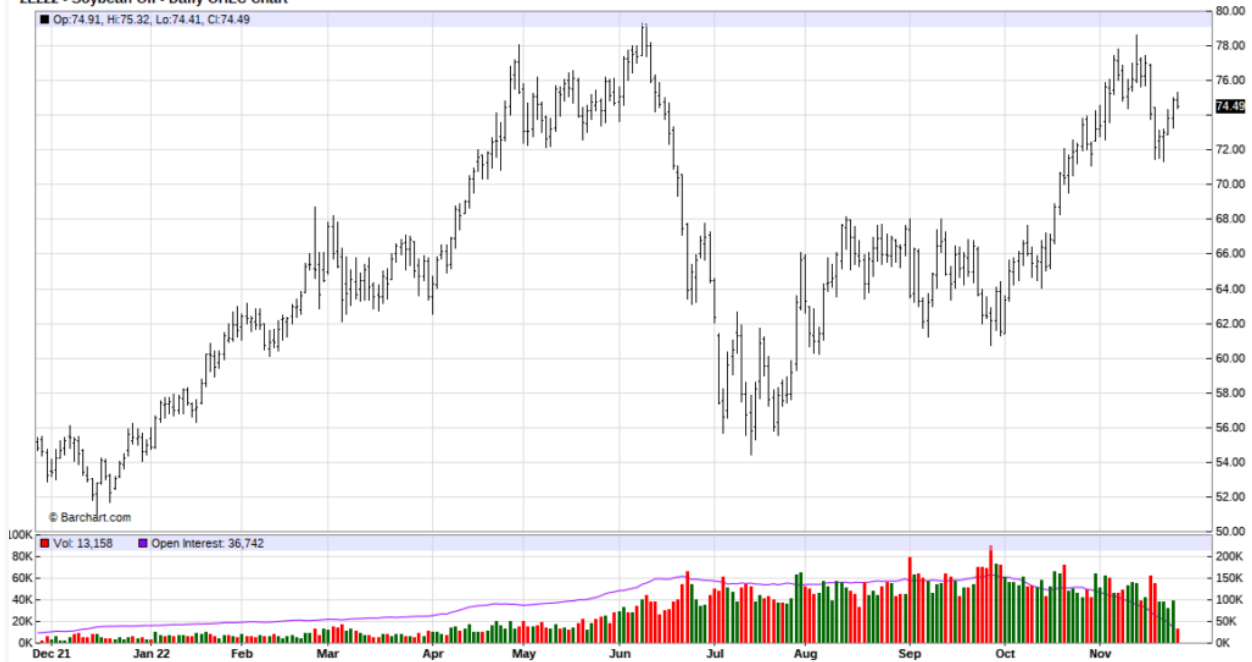
Soybeans Jan. '23

ZM22 - Soybean Meal - Daily OHLC Chart



Soybean Meal Dec. '22

ZL22 - Soybean Oil - Daily OHLC Chart



Soybean Oil Dec. '22

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