



News this week...

- 2 – World milling-quality wheat supplies tighten.
- 3 – Cotton market has topped, sharp decline is possible.
- 4 – Wheat market trying to balance supply/demand.

Demand, Brazil dryness sparks soybean recovery – *Concerns with the new Omicron variant of Covid caused heavy long liquidation in risk-based markets early last week. But soybeans rallied amid a flurry of export sales to China and “unknown destinations,” along with concerns about dryness in far southern Brazil. While China bought multiple cargoes of U.S. soybeans, the export window could be closing as Brazil’s harvest will be early and prices for January forward are about equal to those out of the U.S. Gulf. Corn and wheat posted losses, but finished well off their weekly lows. Cattle futures also declined for the week, but came well off their lows as packers continued to raise cash prices amid tightening market-ready supplies. Price action in hog futures signaled traders anticipate a seasonal low is close.*

Dryness concerns in southern Brazil

Crop stress in far southern Brazil is building amid a warmer, drier pattern. While some rains are forecast around mid-month, Rio Grande do Sul is expected to stay dry. Brazil will still produce a record soybean crop, but some private estimates may start to decline if the drier pattern persists.

Canadian durum crop slashed

Total Canadian wheat production in 2021 is estimated at 21.7 million metric tons (MMT), down 38.5% from last year. StatsCan slashed the durum crop 891,000 metric tons (MT) from its previous estimate and raised the spring wheat crop by 688,000 MT. Canada’s canola crop at 12.6 MMT was down 188,000 MT from September and 35.4% below year-ago.

RFS proposals reportedly coming soon

Newswires reported late last week EPA would “within days” announce its proposed Renewable Fuel Standard (RFS) biofuels blending requirements for 2021 and 2022, along with revised levels for 2020. EPA missed the Nov. 30 “deadline” for the 2022 proposals and is over a year late for the 2021 levels.

Gov’t shutdown avoided with CR

Lawmakers passed a continuing resolution (CR) to keep the government funded through Feb. 18. It did not waive statutory pay-as-you-go (paygo) rules that could lead to deep spending cuts starting in January, including cutting farm subsidies and wiping out dozens of smaller programs. The paygo issue may be dealt with after the budget reconciliation passes or be attached to the FY 2022 defense authorization measure.

Huge miss on November payrolls

The U.S. economy added only 210,000 non-farm payrolls in November, far below the 573,000 economists expected. But the labor force participation rate rose to the highest since the pandemic began and the unemployment rate dropped 0.4 point to 4.2%. Evidence of labor tightness should allow the Fed to accelerate its tapering of monthly bond purchases, something Fed Chair Jerome Powell last week signaled was likely.

White House to target antitrust in ag

The White House is gearing up to be much more vocal in its efforts to connect inflation and rising prices for food and consumer goods to corporate consolidation. Officials plan to target anticompetitive behavior in industries like agriculture. They contend anticompetitiveness is allowing firms to charge consumers higher prices to make more profits, which they label as a “market structure problem.”

Higher prices fuel rise in farm income

U.S. net farm income is forecast to reach \$116.8 billion in 2021, up \$22.0 billion (23.2%) from 2020, according to USDA. Net cash farm income, including cash receipts from farming as well as farm-related income (including government payments) minus cash expenses, is forecast to increase by \$17.0 billion (14.7%) from last year to \$133.0 billion.

World food prices continue to rise

The food price index from the UN Food and Agriculture Organization (FAO) climbed another 1.2% in November and was 27.3% above last year and the highest since June 2011. Prices for cereals (up 3.1%) and dairy (up 3.4%) rose most significantly, followed by sugar (up 1.4%). Prices declined for meat (down 0.9%) and vegeils (down 0.3%).

Euro zone inflation record-high

Consumer inflation in the euro zone surged to 4.9% from year-ago in November, by far the highest level in the 25 years the data has been compiled. Excluding volatile food and fuel prices, euro zone inflation rose 2.6%.

China’s PMI data gives mixed signals

China’s official manufacturing purchasing managers index (PMI) rose to 50.1 in November, the first expansion in the country’s factory sector since August. However, China’s Caixin/Markit PMI, which gauges mostly smaller, privately-owned factories, signaled contraction. Economists fear there could be crackdowns on manufacturing activity due to the upcoming Winter Olympics and the Omicron variant of Covid.

Consultant cuts Brazil corn crop peg

Dry conditions in the far southern state of Rio Grande do Sul and extended forecasts calling for below-normal precip in southern Brazil are stressing the country's first corn crop. Crop Consultant Dr. Michael Cordonnier says half of Brazil's first corn crop, which makes up around one-quarter of the country's total corn production, has various moisture problems and 10% is severely stressed. As a result, he cut his Brazilian corn crop estimate by 1 million metric tons (MMT) to 117 MMT and has a neutral to lower bias.

Cordonnier kept his Brazilian soybean crop estimate at 144 MMT, as conditions in central and northern production areas remain favorable.

Record Aussie wheat crop, but...

The Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES) raised its official 2021-22 Aussie wheat crop estimate to a record 34.4 MMT. That is up 1.8 MMT from its estimate in September and would be 1.1 MMT bigger than the 2020-21 record crop. Some private crop forecasters indicate production could be as much as 3 MMT higher than the estimate from ABARES.

While the country will have record wheat supplies, heavy late-season rains have increased the amount of feed-quality wheat and reduced milling-quality supplies. Some private estimates suggest feed-wheat supplies will be two to three times bigger than the normal 25% of the crop.

Below-average U.S. winter wheat crop

USDA left its winter wheat crop rating at 44% "good" to "excellent," though there was a one-point reduction in the top category. The portion of crop rated "poor" to "very poor" increased a point to 23%. The crop will enter dormancy two points below last year's "good" to "excellent" rating of 46%.

On the weighted *Pro Farmer* Crop Condition Index (0 to 500-point scale, with 500 being perfect), the HRW crop goes into dormancy with a rating of 324.4, the lowest of the fall and 7.8 points below the five-year average. The SRW CCI rating stood at 361.3, 3.9 points below the initial level and 13.5 points under the five-year average.

Drought spreads in HRW states

Based on the U.S. Drought Monitor, USDA said 52% of U.S. winter wheat area was covered by drought as of Nov. 30. All of Colorado and Montana are covered by drought, with 87% of Oklahoma, 80% of South Dakota, 71% of Texas, 70% of Nebraska and 46% of Kansas facing moisture stress.

All-time record soy crush in October

U.S. processors crushed 196.9 million bu. of soybeans in November, according to USDA. That marked a new record for any month, topping the 196.5 million bu. crushed in October 2020 and was up 20% from September. Through the first two months of 2021-22, crush totaled 361.1 million bu., down 1.8% from the same period last year. USDA forecasts crush will rise 2.3% from last year to a record 2.190 billion bu., so the pace needs to quicken. But crush margins are strong through summer and there are plentiful supplies.

Soyoil stocks increased to 2.386 billion lbs. at the end of October, up 255 million lbs. from September and 418 million lbs. higher than last year. Our preliminary estimate for October soyoil use is 2.122 billion lbs., down from 2.188 billion lbs. last year. Soyoil exports were strong in October 2020 and those have largely dried up due to high prices. Implied domestic use was up modestly in October.

Big jump in corn-for-ethanol use

The U.S. used 469.3 million bu. of corn for ethanol production in October, up 15.3% from September and 8.1% higher than last year. Total corn consumed for ethanol and other industrial purposes totaled 521.0 million bu., up 14.1% from September and 7.9% higher than year-ago.

Energy Information Administration (EIA) data for November implies corn-for-ethanol use will decline about 40 million bu., though USDA's October corn use was low compared with weekly EIA ethanol production figures. One reason may have been stronger output as USDA's data implied a stronger yield from each bushel crushed in October. Corn-for-ethanol use needs to run 5.1% above year-ago over the final 10 months of 2021-22 to hit USDA's forecast of 5.250 billion bushels.

Brazil keeps lower biodiesel blend rate

Brazil decided to maintain a 10% biodiesel blend in diesel for 2022, citing "the interests of the consumer in terms of price, quality and supply of products." Earlier this year, the country cut its biodiesel blend rate from 13% amid soyoil shortages. Brazil's soy industry was hoping the rate would be returned to 13% and gradually increase to 15% in 2023. Brazil's soy crush association estimates the sector will domestically process around 6 MMT fewer soybeans next year with the reduced blending rate.

Brazil soy exports slow, corn increases

Brazil exported 2.6 MMT of soybeans during November, down from 3.3 MMT in October but well above the 1.4 MMT shipped in November 2020. The country's corn shipments increased to 2.4 MMT from 1.8 MMT the previous month, but that was well below the 4.7 MMT of corn the country shipped in November 2020.



Follow us on Twitter:

@ProFarmer @ChipFlory @TimHoskinsPF
@BGrete @BruceBlythe @DavisMichaelson

Cotton looks to have topped

Strong speculative buying amid hopes of active demand for U.S. cotton by China fueled a rally in cotton futures to the second highest levels ever. But price action in late November/early December suggests the market has topped.

Given sluggish 2021-22 U.S. cotton shipments due to supply-chain issues and expectations ending stocks will rise in 2022-23, the market could be set for an extended pullback, similar to previous times prices surged above 100.00¢ and became overextended.

The level of Chinese demand for U.S. cotton and how aggressive funds liquidate their long positions will largely determine the magnitude of the corrective pullback.

Monthly Cotton Futures



U.S. economic highlights

- The U.S. economy grew 2.1% in the third quarter. Growth was well below GDP of 6.3% and 6.7% in the first and second quarters of this year, respectively.

- The core personal consumption expenditures (PCE) price index, excluding volatile food and energy components, accelerated 4.1% from year-ago in October, up from a 3.7% year-on-year advance in September. The core PCE is the Fed's preferred inflation gauge.

- Consumer spending, which accounts for more than two-thirds of U.S. economic activity, jumped 1.3% in October.

- The University of Michigan's consumer sentiment index fell 6% in November. Expectations for one-year inflation rose to 4.9%, the highest since summer 2008.

- The U.S. trade deficit fell to \$82.9 billion in October, as exports rose \$15.3 billion and imports increased only \$1.1 billion.

Ag export outlook lowered

USDA projects U.S. ag exports in fiscal year (FY) 2022 at \$175.5 billion, down \$2.0 billion from the August forecast, but still a record if realized. USDA forecasts ag imports in FY 2022 at \$165.0 billion, up \$5.5 billion from the August forecast. If realized, this would leave the U.S. with a \$10.5-billion ag trade surplus in FY 2022, down from \$18.0 billion in the August forecast, but up from \$8.9 billion in FY 2021.

	ACTUAL			DOANE FORECASTS*		
	Year Ago	Last Week	This Week	Jan.	Jan.-March	April-June
(Monthly & quarterly avg.)						
CORN						
Central Illinois, bushel	4.11	5.67	5.55	5.70	5.75	5.80
Omaha, NE, bushel	4.12	5.73	5.70	5.75	5.80	5.85
Dried Distillers Grain, IA, \$/ton	204.94	150.71	153.75	--	--	--
SOYBEANS						
Central Illinois, bushel	11.53	12.54	11.98	12.25	12.20	12.00
Memphis, TN, bushel	11.83	12.89	12.54	12.50	12.45	12.25
Soymeal, 48% Decatur, ton	391.50	369.65	355.80	350	345	340
WHEAT						
Kansas City, HRW, bushel	5.56	--	--	8.55	8.65	8.50
Minneapolis, 14% DNS, bushel	6.84	11.66	11.83	12.00	12.25	12.25
St. Louis, SRW, bushel	5.99	--	--	8.00	8.10	8.00
Portland, Soft White, bushel	6.18	11.13	11.13	10.90	10.95	11.00
Durum, NE MT HAD, 13%, bu.	5.58	15.72	15.72	15.50	15.75	16.00
SORGHUM , Kansas City, cwt.	9.21	10.86	10.62	10.90	10.95	11.00
COTTON , 11/16 SLM, 7 area, ¢/lb.	67.69	113.02	103.77	105.0	105.0	105.0
RICE , nearby futures, cwt.	12.53	14.12	14.04	14.00	14.25	14.50
BARLEY , MT, G.T., malting, cwt.	7.25	7.50	7.67	7.75	7.80	7.85
OATS , Minneapolis No. 2 heavy, bu.	3.38	7.65	7.39	7.50	7.50	7.50
ALFALFA , NW Iowa, lg. sq. prem., ton	--	189.63	--	195	195	195
SUNFLOWERS , Fargo, ND, cwt.	18.70	32.15	32.35	32.00	32.25	32.00
HOGS , Nat'l carcass 51%-52% cwt.	65.59	71.96	68.43	79.00	88.00	105.00
FEEDER PIGS , 40 lbs., Nat. avg. head	50.00	69.93	71.59	74.00	76.00	77.00
CHOICE STEERS , feedlots, cwt.	110.27	133.11	138.17	137.00	142.00	140.00
FEEDER CATTLE , Oklahoma City						
Steers, 700-800 pounds, cwt.	135.69	157.94	162.04	160.00	158.00	156.00
Steers, 500-550 pounds, cwt.	151.98	178.44	182.82	167.00	170.00	170.00
Heifers, 450-500 pounds, cwt.	150.26	153.39	166.15	153.00	155.00	164.00
COWS , utility, Sioux Falls, SD, cwt.	55.52	67.37	68.51	68.00	70.00	72.00
MILK , Class III, CME spot month, cwt.	15.24	18.33	18.01	18.75	18.50	18.25
LAMBS , Slg., San Angelo, TX, cwt.	--	235.00	--	--	--	--
ENERGY						
Ethanol, IA, gallon	1.25	3.31	3.46	--	--	--
Farm diesel, U.S., gallon	1.87	3.09	3.09	3.02	3.07	3.13

*Average prices expected for the indicated time periods based on available information. Forecasts will be revised as necessary to reflect changing market conditions.

Wheat supply/demand fundamentals driving price discovery

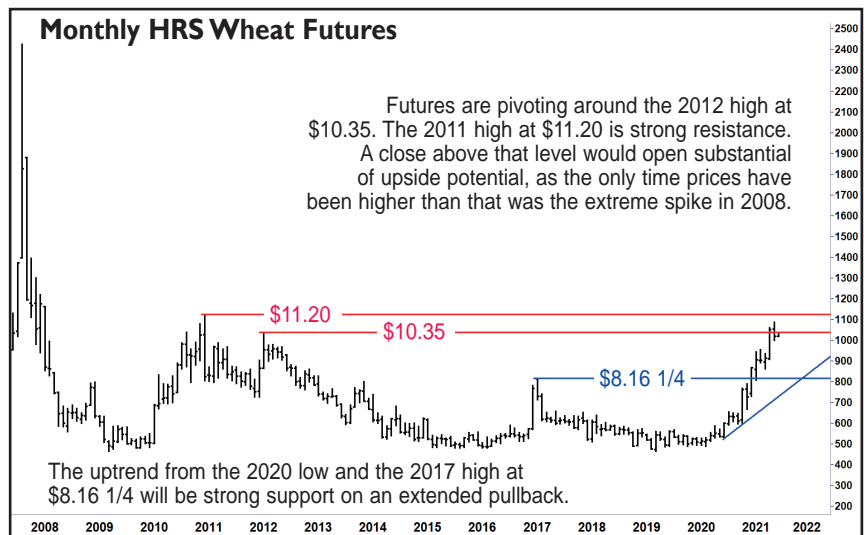
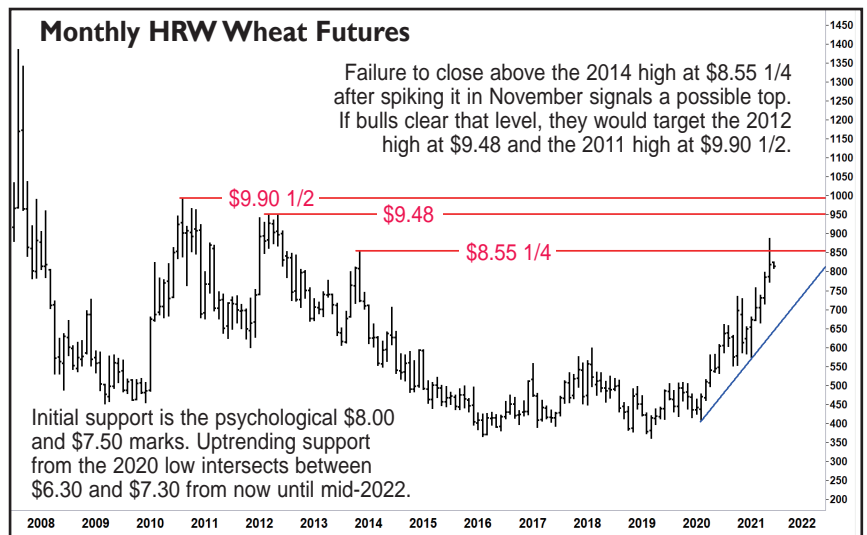
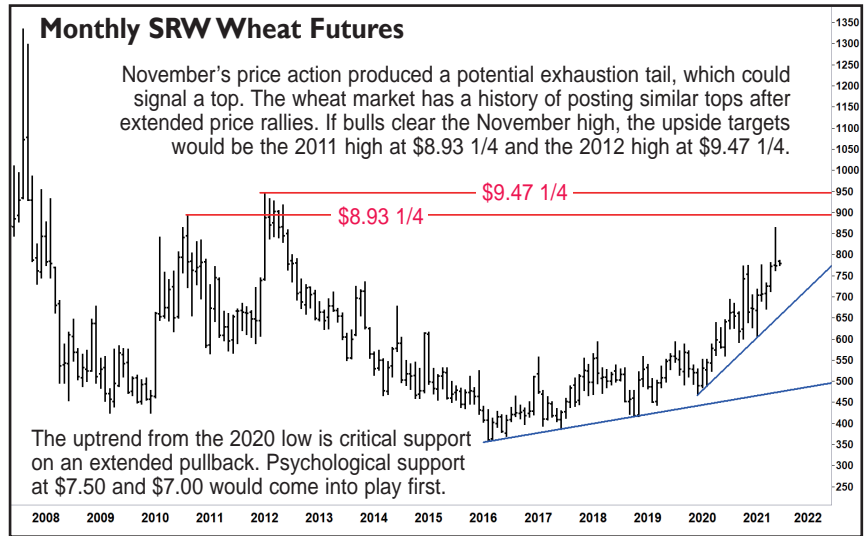
By Editor Brian Grete and Chief Economist Bill Nelson

Wheat prices recently exploded to multi-year highs amid supply concerns. European wheat futures reached record levels, while U.S. winter wheat markets surged to their highest levels since 2012 and the spring wheat market hit its highest price since 2011. While overall global wheat supplies are ample, there's a shortage of high-protein milling wheat after droughts in the U.S. and Canada, followed by heavy late-season rains in Australia that damaged crop quality.

Strong Chinese wheat use in feed rations was the demand driver in 2021-22 that helped reduce global stocks and started prices on an upward trajectory. The shortage of high-quality global wheat supplies is the current price driver as global end-users scramble to cover needs. Foreign wheat import demand excluding China is forecast to be record-large in 2021-22. Price rallies that are driven by wheat priced as food rather than feed are stronger.

But much of the strong foreign demand is being dominated by European and Black Sea shipments. Export demand for U.S. wheat has been paltry, with total commitments (exports + outstanding sales) off 21% from year-ago and 15% below the five-year average. U.S. wheat is being supported by strong international prices. Supply-scare rallies tend to be short-lived and tend to end with blowoff tops. Prices simply get too high to sustain demand, especially for a commodity that's widely produced around the world.

Current high prices will encourage "everyone" to increase production, including U.S. farmers. An increase in wheat acres and normal weather in 2022 could lead to the first U.S. wheat crop in excess of 2 billion bu. since 2016, which would increase stocks and weaken prices. But the U.S. winter wheat crop will enter dormancy in below-average condition and La Niña influences are expected to persist through winter. Unless demand for U.S. wheat dramatically improves during the second half of 2021-22, a crop scare would likely be needed to support prices, especially if markets retreat from this fall's sharp advances.

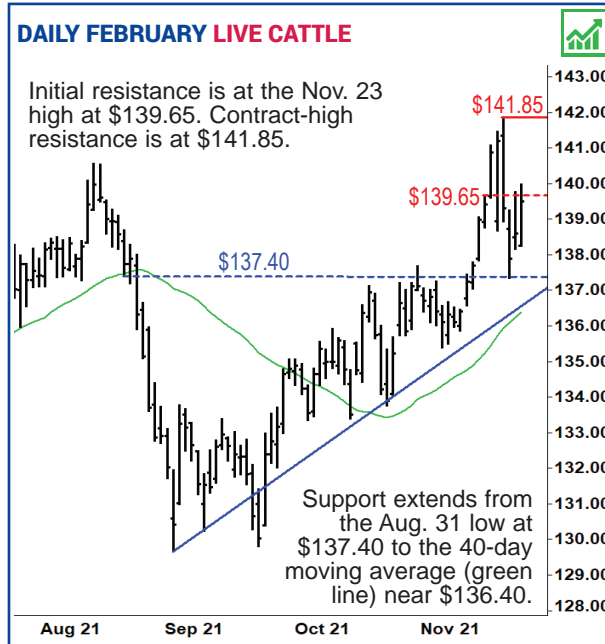
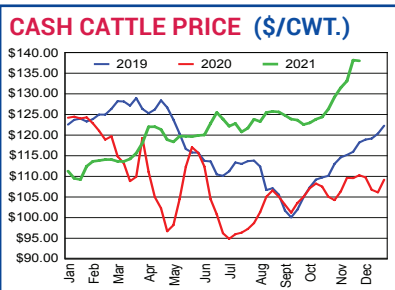


CATTLE - Fundamental Analysis

Despite fresh weakness in wholesale beef values last week, cash and futures prices for fed cattle remained quite firm. Indeed, direct market prices averaged approximately \$138.00 just before and after Thanksgiving, smashing the spring and summer highs around \$122.00 and \$126.00, respectively. Those contrast dramatically with mid-year highs for the Choice beef cutout over \$340 and current quotes under \$275.00. This clearly implies the situation has changed. We believe the market-ready supply of fed cattle is now much tighter and will remain so into spring, which improves the outlook significantly.

Position Monitor

Game Plan:	Feds	Feeders
Short-term	IV'21 0%	0%
defensive	I'22 0%	0%
hedges for	II'22 0%	0%
	III'22 0%	0%
fed cattle producers may be needed if support at the Nov. 30 low falters. Longer-term, we remain bullish.		

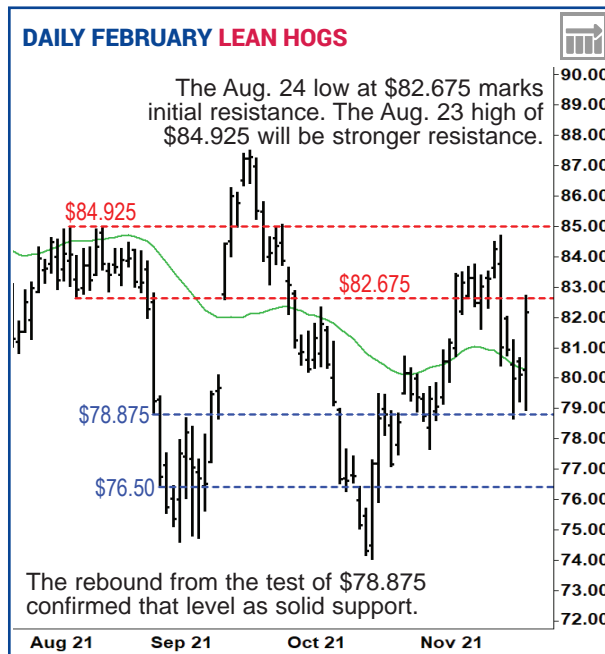
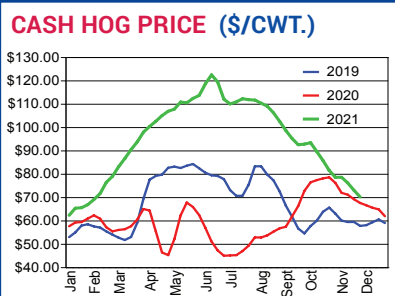


HOGS - Fundamental Analysis

After trading at sizable discounts for months, expiring December hog futures have climbed to a modest premium over the CME Lean Hog Index. This strongly suggests industry insiders expect a cash market rebound, which seemingly confirms our belief that the market has reached an early bottom. If USDA's September Hogs and Pigs Report was correct in implying a 6% annual reduction in winter hog supplies, the traditional mid-winter rally might easily be amplified. Improved cattle price prospects also favor a hog rally, as would a cut in retail meat prices faced by consumers.

Position Monitor

Game Plan:	Lean Hogs
The Nov. 30 lows are key near-term support levels.	IV'21 0%
	I'22 0%
	II'22 0%
	III'22 0%
If that support is violated, futures could retest the fall lows and short-term hedges may be needed.	



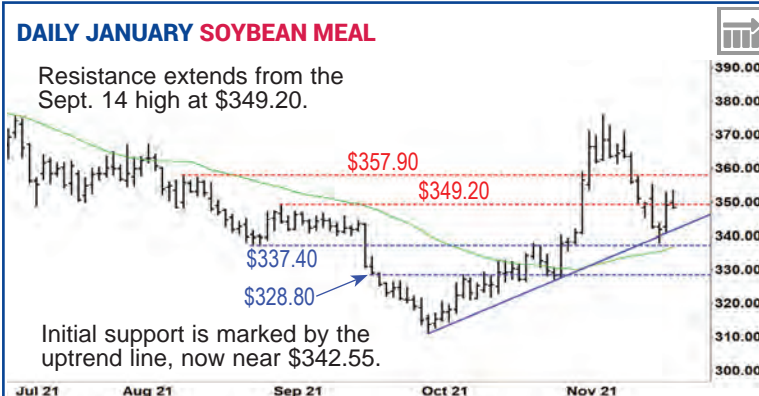
FEED

Feed Monitor

Corn	
IV'21	33%
I'22	0%
II'22	0%
III'22	0%
Meal	
IV'21	100%
I'22	0%
II'22	0%
III'22	0%

Corn Game Plan: You are hand-to-mouth on corn-for-feed needs. Don't chase the corn market higher with extended coverage. We'll wait on a sharp pullback to advance coverage.

Meal Game Plan: On Dec. 1, we advised covering all soybean meal needs in the cash market through December. Get current with that advice.



Position Monitor

	'21 crop	'22 crop
Cash-only:	50%	10%
Hedgers (cash sales):	50%	10%
Futures/Options	0%	0%

Game Plan: Get current with advised sales. Be prepared to make additional sales on a price rally near \$6.00. December seasonals are mildly friendly, especially the second half of the month, but \$6 seems too pricey. Don't panic with sales on a pullback into the lower end of the broad range, as we continue to feel the low-\$5.00 area is too cheap. Bottom line: Sell rallies and don't panic on price pullbacks.

DAILY MARCH CORN

Initial resistance at the Nov. 1 high of \$5.89 3/4 is backed by the extended trendline at \$5.94 1/2, as well as the Nov. 24 high at \$5.96 3/4.



DAILY MAY CORN

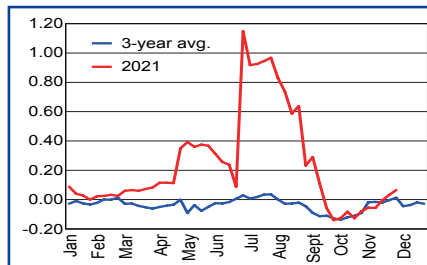
Bulls couldn't force a close above resistance at the Oct. 28 high of \$5.80 3/4 on the Dec. 2 rally.



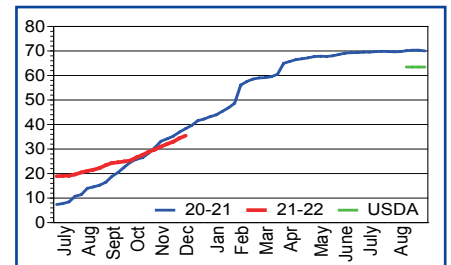
CORN - Fundamental Analysis

The narrower, but higher trading band forged recently could persist into the new year. USDA's Dec. 9 Supply and Demand update will likely hold modest balance sheet adjustments. Price dips near \$5.60 seem to generate fresh buying, while \$6.00 continues to cap upside. Lagging exports remain concerning but are being mitigated by robust biofuels demand, and with margins at 7 1/2-year highs, ethanol producers have ample incentive to keep running at high rates. But the past week illustrated corn's follower tendencies. With crude oil's nosedive, plus wheat and the S&P 500 looking topy, corn could face more headwinds, especially if concerns with the Omicron variant flare.

AVERAGE CORN BASIS (MARCH)



CORN EXPORT BOOKINGS (MMT)



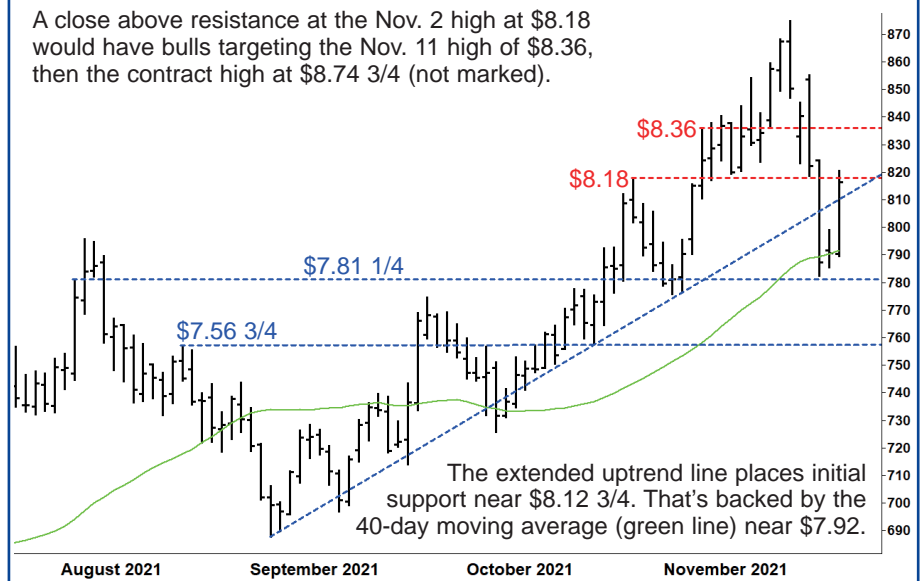
Position Monitor

	'21 crop	'22 crop
Cash-only:	70%	20%
Hedgers (cash sales):	70%	20%
Futures/Options	0%	0%

Game Plan: Get current with advised sales. It's appearing less likely the market will push to new highs, but the downside should be limited by tight global supplies of high-quality wheat. Focus on selling price rallies.

DAILY MARCH SRW WHEAT

A close above resistance at the Nov. 2 high at \$8.18 would have bulls targeting the Nov. 11 high of \$8.36, then the contract high at \$8.74 3/4 (not marked).



WHEAT - Fundamental Analysis

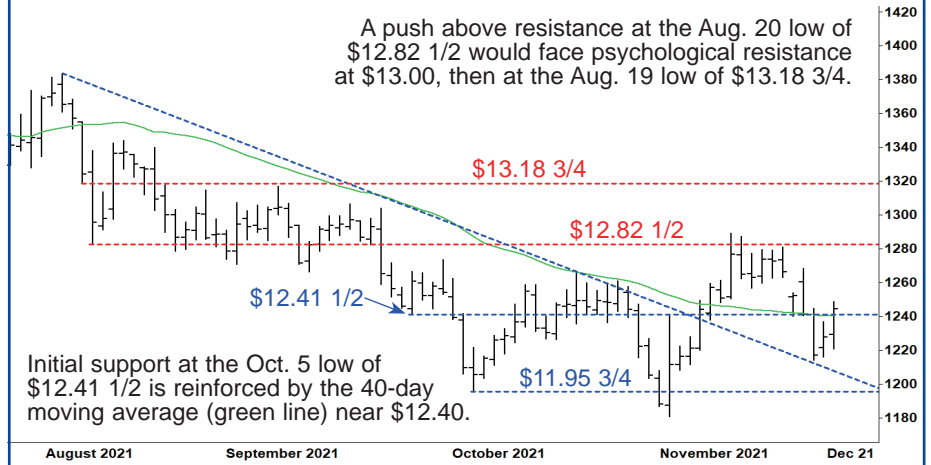
SRW – With the U.S. winter wheat crop shifting into dormancy and U.S. exports at a trickle, SRW futures will require a regular diet of bullish headlines to avoid an extended price pullback. The extent to which excess rain damaged Australia's crop quality will be key near-term.

Position Monitor

	'21 crop	'22 crop
Cash-only:	60%	10%
Hedgers (cash sales):	75%	10%
Futures/Options	0%	0%

Game Plan: Wait on a price recovery to get current. Seasonal price patterns are slightly negative for soybeans during December, but we feel like the downside is limited in the low-\$12.00 range. But the upside is also limited unless there's a South American crop threat that's more than a minor scare. You should focus on selling extended rallies and not panic on pullbacks toward the fall lows.

DAILY JANUARY SOYBEANS



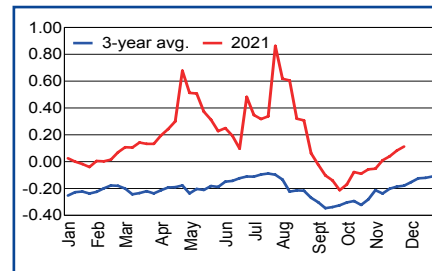
DAILY MARCH SOYBEANS



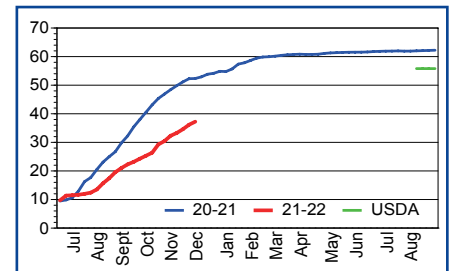
SOYBEANS - Fundamental Analysis

January futures' recent failed upside breakout implies the market may need fresh bullish news to push above the November highs. The recent bullish leadership displayed by soy meal prices offers some hope for sustained market strength and building dryness in far southern Brazil is drawing traders' attention. But Brazil will still grow a record crop and this year's harvest will be earlier than normal. China may continue to make near-term purchases of U.S. soybeans, though exports need to grow to keep prices elevated. Record domestic crushing and historically high crusher margins should help keep a floor under prices.

AVERAGE SOYBEAN BASIS (JANUARY)



SOYBEAN EXPORT BOOKINGS (MMT)



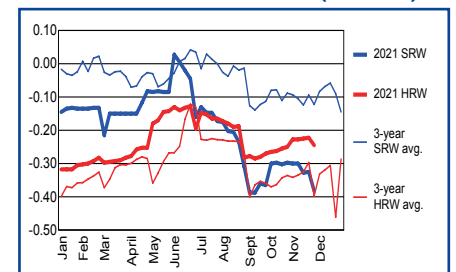
DAILY MARCH HRW WHEAT



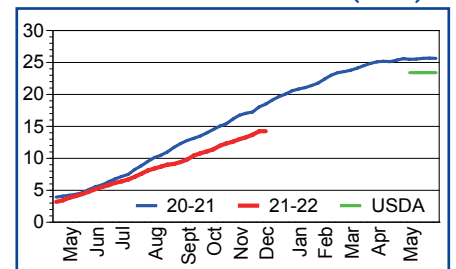
DAILY MARCH HRS WHEAT



AVERAGE WHEAT BASIS (MARCH)



WHEAT EXPORT BOOKINGS (MMT)



HRW — As of Nov. 23, large speculators held their largest net long position in HRW futures and options since July 2013. Some portion of those positions was probably liquidated in last week's selloff. If more speculators decide the top is in and it's time to head for the exits, selling seems likely to accelerate and send prices even lower (see *News* page 4).

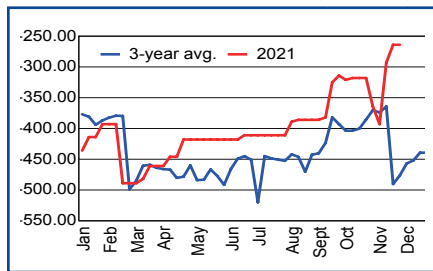
HRS — Spring wheat futures held up better than did their winter counterparts over the past week as the March contract extended a month-long sideways trade roughly bounded by \$9.90 and \$10.65. HRS will likely take its next directional cue from the winter wheat markets, with the most likely path sideways to lower barring fresh bullish news.

Position Monitor

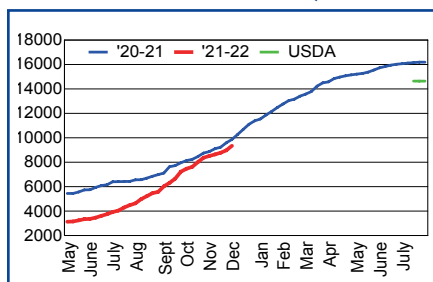
	'21 crop	'22 crop
Cash-only:	90%	40%
Hedgers (cash sales):	100%	40%
Futures/Options	0%	0%

Game Plan: On Dec. 1, hedgers exited the 2021-crop buyback and cash-only marketers increased sales by 5%. Both also increased 2022-crop sales by 10%.

AVERAGE COTTON BASIS (MARCH)



COTTON EXPORT BOOKINGS ('000 BALES)



DAILY MARCH COTTON



COTTON - Fundamental Analysis

Net U.S. cotton sales during the week ended Nov. 25 jumped to 374,900 bales, but shipments remained poor at 71,400 bales. Given the sluggish shipments pace and the sharp price losses suffered lately, bullish momentum has been lost and the rally seems over for now.

GENERAL OUTLOOK

Fed policy: Fed Chair Jerome Powell admitted what the markets have known for a while — surging U.S. inflation is anything but “transitory,” and taming it is likely going to require tighter monetary policy sooner. He noted a possible quicker end to the Fed’s monthly bond purchases, which will be discussed at the Dec. 14-15 monetary policy meeting.

The Fed leader’s relatively hawkish remarks, combined with Omicron vari-

ant fears, shook global markets. U.S. Treasuries, by contrast, were relatively subdued. The 10-year yield briefly fell to a two-month low around 1.40% but remained well above lows earlier this year, while 2-year yields climbed.

The spread between 2-year and 10-year yields narrowed to its smallest (or flattest) point since the beginning of the year, signaling investors see Fed rate hikes coming sooner in 2022.

WEEKLY 10-YEAR/2-YEAR T-NOTE YIELD SPREAD



FROM THE BULLPEN By Market Consultant Dan Vaught

Since 1980, March corn futures posted net gains 19 times and declined 22 times during December. Over the past ten years there has been an even 5:5 split. The Nov. 30 dive ended the streak of monthly gains in nearby corn futures, which was consistent with seasonal corn weakness in November. History suggests corn futures will find a low during the first half of December and then begin a gradual rally into spring.

Soybeans tend to drop during December, having advanced 17 times and falling 24 times since 1980. But in years when nearby soybeans suffered monthly losses in September, October and November, such as this year, January soybeans rose four times and

dropped three times in December. In the four “up” years, the average gain was 47¢ with a range of 18¢ to 89 1/4¢. In the three “down” years, futures slid an average of only 10 3/4¢.

The short- and long-term performance for SRW wheat futures in December match those for corn. Nearby wheat has scored net monthly gains each of the past three months. That has occurred nine previous times since 1980. Of those nine years, the March contract was also higher five times in December with an average gain of 21 3/4¢. The four losing years suffered an average drop of 14 1/4¢. Bulls have had a slight edge into spring, boosted by huge gains in 1996.

WATCH LIST

- 1 Chinese Trade Data** **MON 12/6**
Export, import data for November. 10:00 p.m. CT
- 2 U.S. Ag Trade Data** **TUES 12/7**
Ag exports, imports for October. 9:30 a.m. CT
- 3 Chinese November Inflation** **WED 12/8**
Producer, consumer prices. 8:30 p.m. CT
- 4 USDA Export Sales Report** **THUR 12/9**
Chinese purchases in focus. 7:30 a.m. CT
- 5 USDA December Crop Rpts.** **THUR 12/9**
No corn, soybean crop estimates. 11:00 a.m. CT

Pro Farmer on the Go

Download the *Pro Farmer* mobile app on your phone for easy access to daily news and reports while you’re on the go. Contact us if you need assistance at 1-800-772-0023.