

# Weekly Market Report

Monday, 13 November 2023

Proudly  
Sponsored by

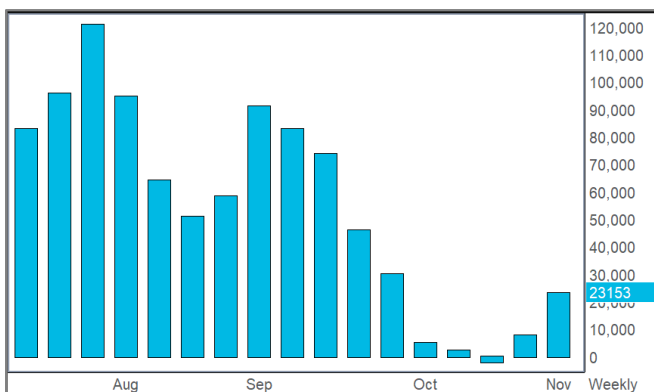


## Weekly Overview

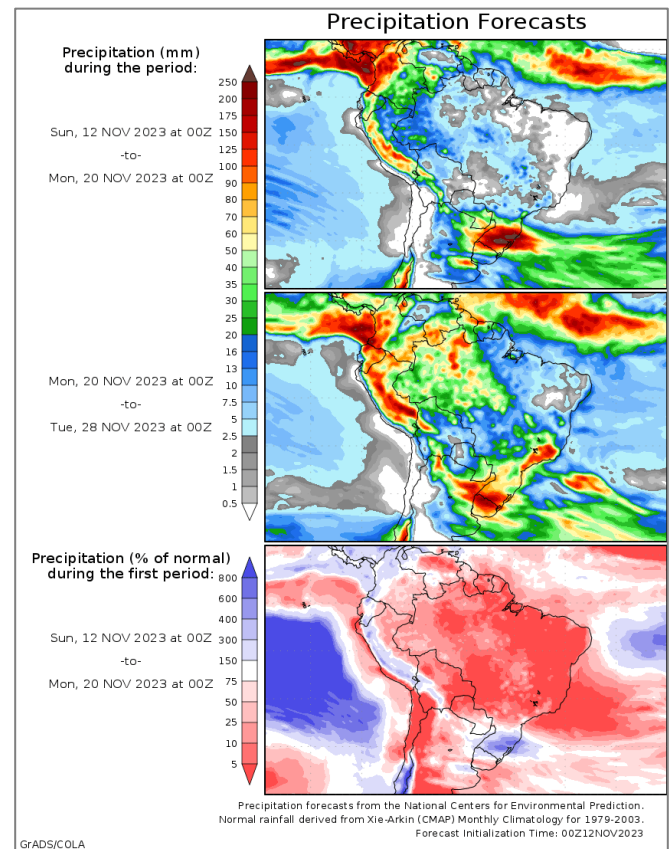
Price changes over the week.

	Price	Change	Change%	30 Day High	30 Day Low
CBOT Wheat	575.25	2.75	0.48%	604.50	554.50
Kansas Wheat	640.00	-3.50	-0.54%	688.00	625.50
Corn	464.00	-13.25	-2.78%	509.50	461.75
Soybeans	1347.50	-4.25	-0.31%	1384.50	1293.25
Soybean Meal	449.40	7.30	1.65%	464.20	386.90
Soybean Oil	51.20	1.84	3.73%	56.16	48.79
Crude Oil	77.17	-3.34	-4.15%	89.85	74.91
Palm Oil	819.75	14.50	1.80%	819.75	774.75

Grains and oilseed prices were largely rangebound this week, with the exception of soybean oil. The USDA report did not have any significant surprises that could have pushed the market significantly in either direction.



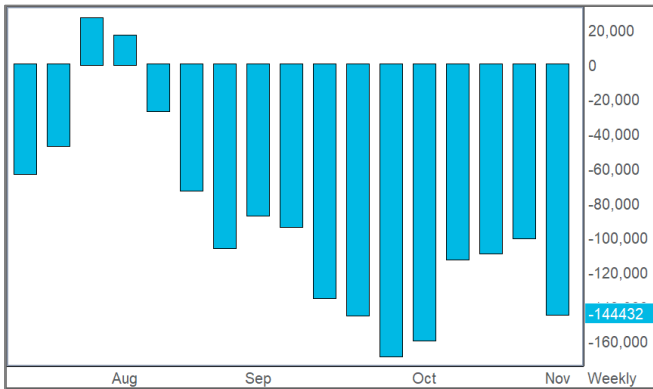
Soybeans Managed Money Fund Net Position (in contracts)



In the wheat market, Russia's uninterrupted supply keeps short-term price increases in check as global importers remain adequately supplied. Managed money funds are increasingly adding positions in soybeans and soybean meal, while adopting a short position on wheat and corn. Current focus areas for traders include U.S. export sales and assessing the crop size potential in South America.



PRETB PTE LTD



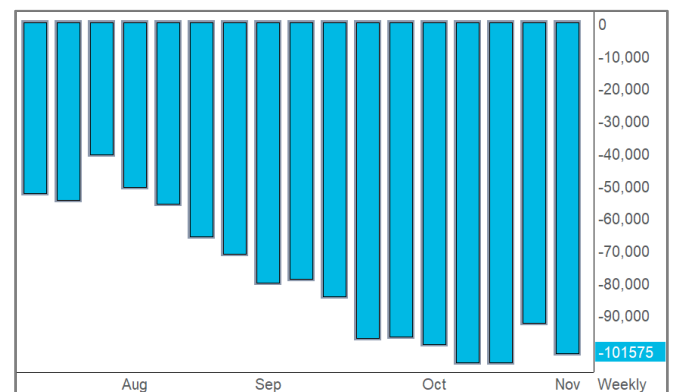
*Corn Managed Money Fund Net Position (in contracts).*



## Grains

Wheat futures have remained relatively unchanged since late summer. The market is feeling the pressure of readily available, inexpensive Russian wheat. However, factors like the rising US SRW basis, reduced Australian exports, and positive seasonal trends are lending some support.

The market is currently waiting for a catalyst to establish a new trading range. This could be influenced by factors such as actual Southern Hemisphere wheat yields or corn's response to South American weather in the coming months. Despite the geopolitical risks in the Black Sea region, wheat prices are expected to stay within a certain range until a new trend emerges.



*CBOT Wheat Managed Money Fund Net Position (in contracts)*

The recent missile attack on a Black Sea vessel has led to increased caution among shipowners about approaching Ukrainian ports. Nonetheless, forward wheat prices will likely be influenced by spring soil moisture levels in key regions like the US, Western Europe, and the Black Sea. Balance sheets in major wheat-producing countries are tight, but this might not impact prices until later in 2024.



December CBOT futures dipped to a new low in the corn market following the USDA's November WASDE report. This report brought bearish revisions to US and Black Sea corn supplies. The US corn production exceeded initial forecasts, while the combined output from Russia and Ukraine was also revised upwards.

The future of the corn market now heavily depends on the yields in South America. In Brazil, any significant yield losses could quickly add a supply premium to corn prices. The US remains a competitive global supplier, bolstered by strong ethanol production margins and competitive prices for winter/spring delivery.

Looking ahead, the market dynamics will be shaped by South American production,

which in turn will influence the strength of US corn exports in late spring and summer. Weather patterns in Argentina, potentially affected by El Niño, could introduce significant changes by adding precipitation.

Corn prices are expected to see a gradual recovery after the harvest period, supported by market seasonality

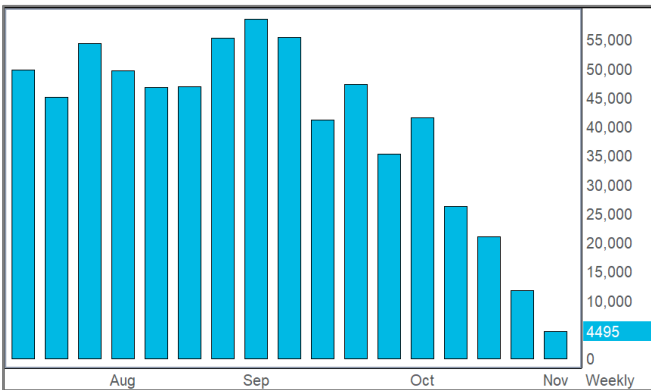
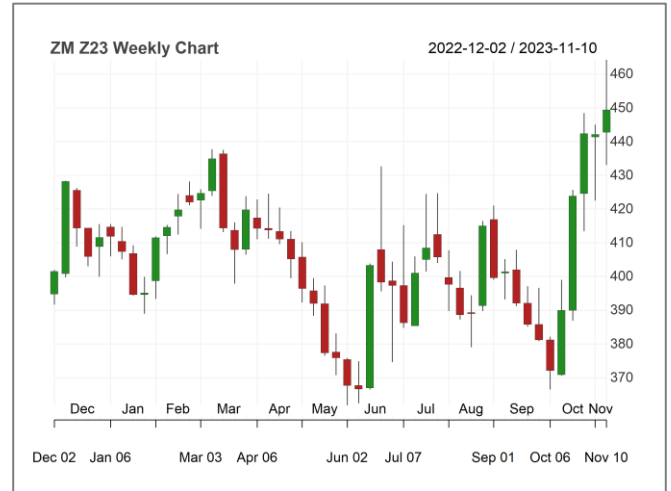
### Oilseed complex

The soybean market experienced a mixed week, with an initial rally followed by a correction, yet ending with a net gain. The USDA's recent report increased the US soy yield estimate, leading to a slight bump in production projections.

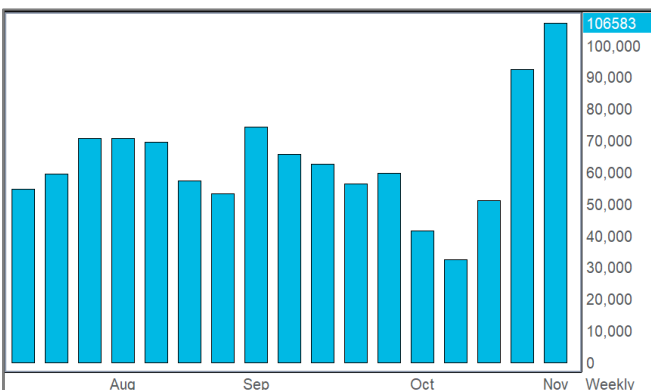
Currently, the focus is shifting towards export sales and the progress of the South American crop.

Low Argentine meal exports have led to a surge in US meal sales, pushing up domestic meal prices and crush margins. The weather in Brazil, especially in its Northern regions, is a critical factor for soybean futures.

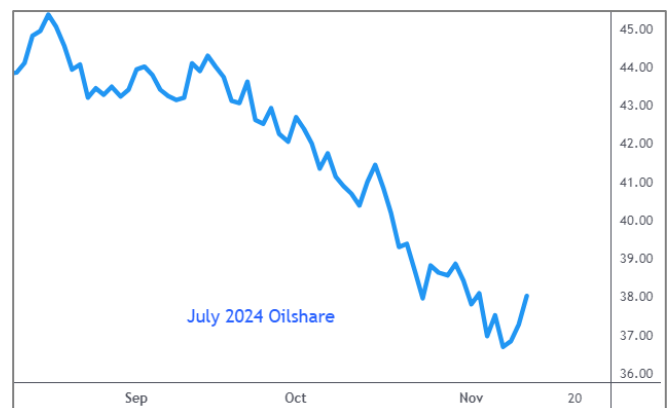
The ongoing strength in biofuel demand for soybean oil suggests a likely recovery in its prices



Soybean Oil Managed Money Fund Net Position (in contracts)



Soybean Meal Managed Money Fund Net Position (in contracts)



Soybean market dynamics will remain cautious until there's more clarity on Brazil's crop size, with significant implications for global production levels.

The US soy market continues to be supported by robust meal exports and strong cash crush margins. Moving forward, the size of the South American crop will be a crucial factor for market direction.

**Trade-Ideas:**

**Soybeans:** Continue to Hold long on Sn4/SX4. Add long call options on SH4.

**Wheat:** Hold long WH4 call options

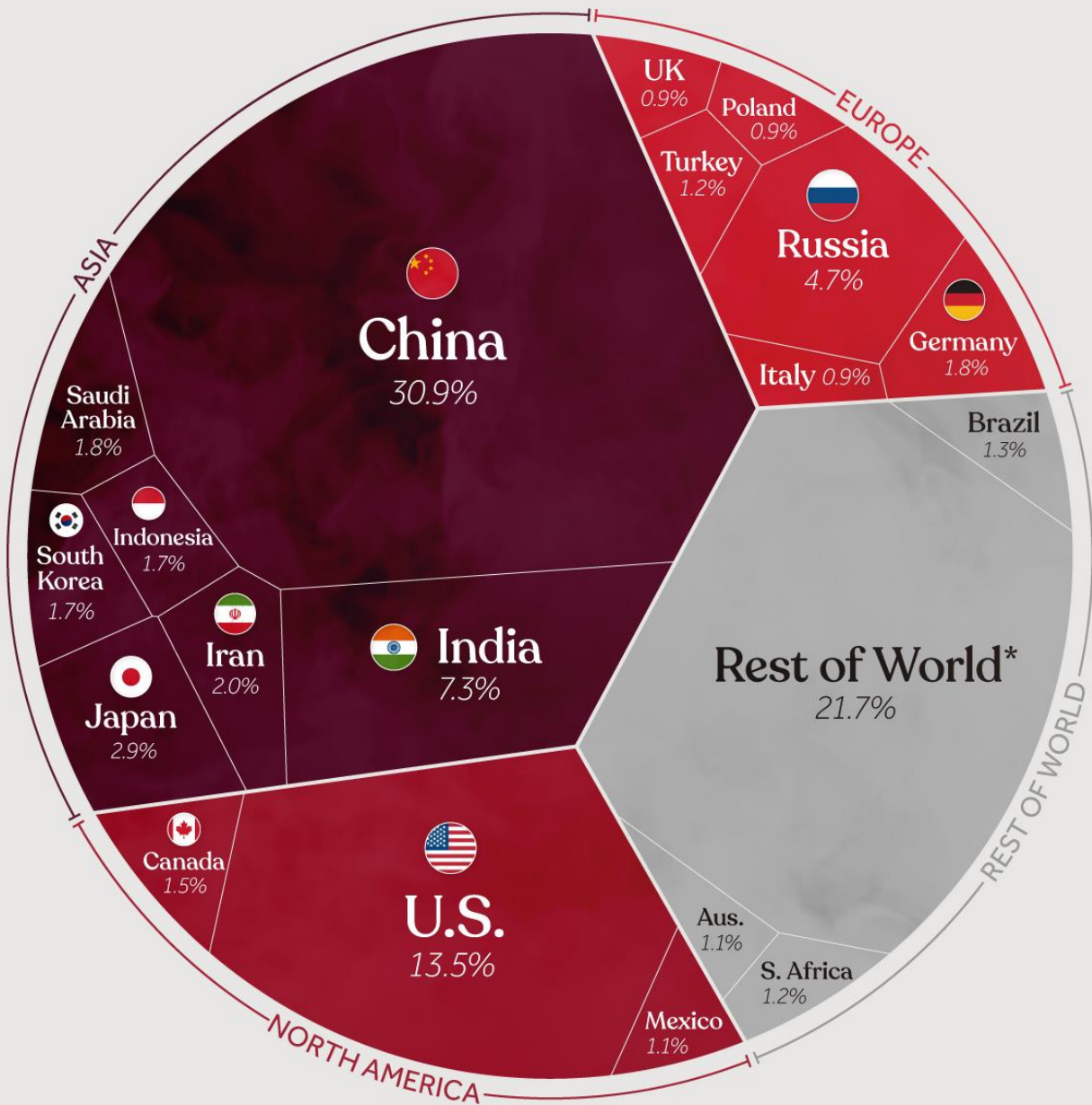
**Oilshare:** add long again on the oilshare at current levels.

**Food for Thought:** The worlds Carbon emissions per country



# All the World's Carbon Emissions

% of total global emissions in 2021



\*175 countries

Source: Global Carbon Atlas  
As of 2021



## Disclaimer and Important Disclosures

The information in this report is provided solely for informational purposes and should not be regarded as a recommendation to buy, sell or otherwise deal in any particular investment. Please be aware that, where any views have been expressed in this report, the author of this report may have had many varied views over the past 12 months, including contrary views. A large number of views are being generated at all times, and these may change quickly. Any valuations or assumptions made are based solely on the author's market knowledge and experience. Furthermore, the information in this report has not been prepared in accordance with legal requirements designed to promote the independence of investment research. The given material is subject to change, and although based upon information that we consider reliable, it is not guaranteed as to accuracy or completeness. PRETB Pte Ltd believes that the information contained within this report is already in the public domain. The material is not intended to be used as a general guide to investing or as a source of any specific investment recommendations. Investors with any questions regarding the suitability of the products referred to in this presentation should consult their financial and tax advisors.

This material does not constitute an offer or solicitation to any person in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation. Persons into whose possession this document may come are required to inform themselves of and observe such restrictions.

This document is confidential. It may not be reproduced, distributed, or transmitted without the express written consent of PRETB Pte Ltd, which reserves all rights.