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WASDE REPORT AND QUARTERLY GRAIN STOCKS FRIDAY

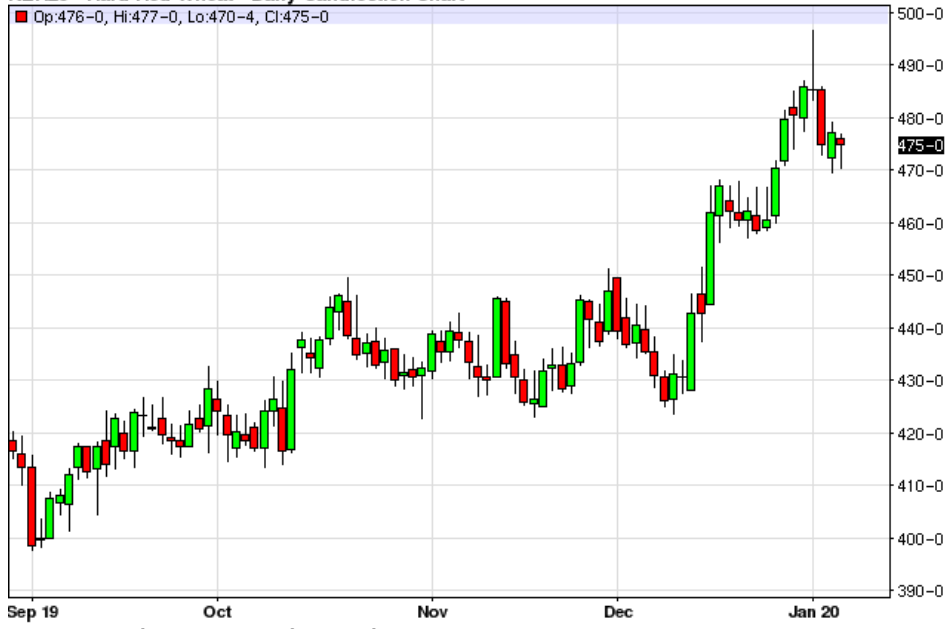
HAPPY NEW YEAR!

Higher closes for Chicago wheat, rough rice and soybean oil while lower for oats, corn, soybeans, soybean meal, soybean oil, Minneapolis and Kansas City wheat. EVERYONE WILL BE FOCUSED ON THE WASDE AND QUARTERLY GRAIN REPORTS THIS FRIDAY. EVEN WITH THE FIRST PHASE OF THE CHINA AGREEMENT SUPPOSEDLY DONE, IT'S STILL DIFFICULT TO TRADE THE GRAINS WITH THE VARIANCE OF NEWS OUT THERE AT THIS TIME. EXPORTS HAD BEEN DOWN UNTIL A SUBSTANTIAL INCREASE IN SOYBEAN EXPORTS TO CHINA TOWARDS THE END OF THE YEAR. ALSO, THE LOWEST TRADE DEFICIT IN THREE YEARS IS ONE OF THE BY PRODUCTS OF THE TARIFFS. WEATHER FORECASTS FOR BRAZIL REMAIN WITH MODERATE RAINFALL WHILE ARGENTINA HAS RAIN IN THE NORTH THEN DRY THIS WEEKEND. Minneapolis had reversal type action last Thursday with resistance above 550 and support around 450 still looking higher but bouncing off a decent resistance area. It's a tough call for me, though, in this area. KC also had REVERSAL TYPE ACTION last Thursday (best high since 10/21/19) with strong support also under 450 while looking higher at this time. Chicago has been making higher highs and lows since the middle of November while in an uptrend since the beginning of September. Watch 573 1/2 and the 460 area for near term breakouts no matter what trades you make. Oats are, can you believe, in a possible topping formation which I don't remember seeing very often at this time of the year. Therefore, I am removing my buy signal and watching to see if oats hold the 280 area. Rough rice had a nice run up since the middle of November before retracing this week but has been in a uptrend since February. Corn has been tough for me to call a direction while in a trading range (365 - 412) since the middle of August. Beans had a sharp run up since the beginning of December then bounced off good resistance last Thursday. I would prefer to stand aside in its present area. I also don't see much to do with meal that has been in a 296 - 307 trading range since around November 19th. On the other hand oil continues to look strong while consolidating over the last week. Finally, oil does have a GAP at 3425. Call me about a trade idea for this gap. BUY SIGNALS FOR KANSAS CITY WHEAT, ROUGH RICE AND SOYBEAN OIL. For additional charts, quotes, news, commentary & more, sign up for markethead.

MWH20 - Spring Wheat - Daily Candlestick Chart



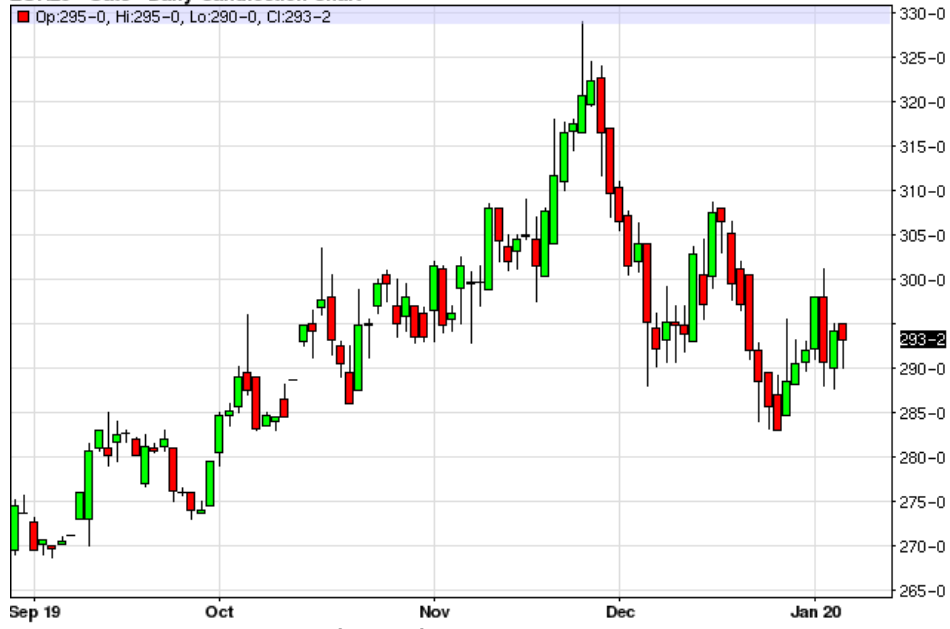
KEH20 - Hard Red Wheat - Daily Candlestick Chart



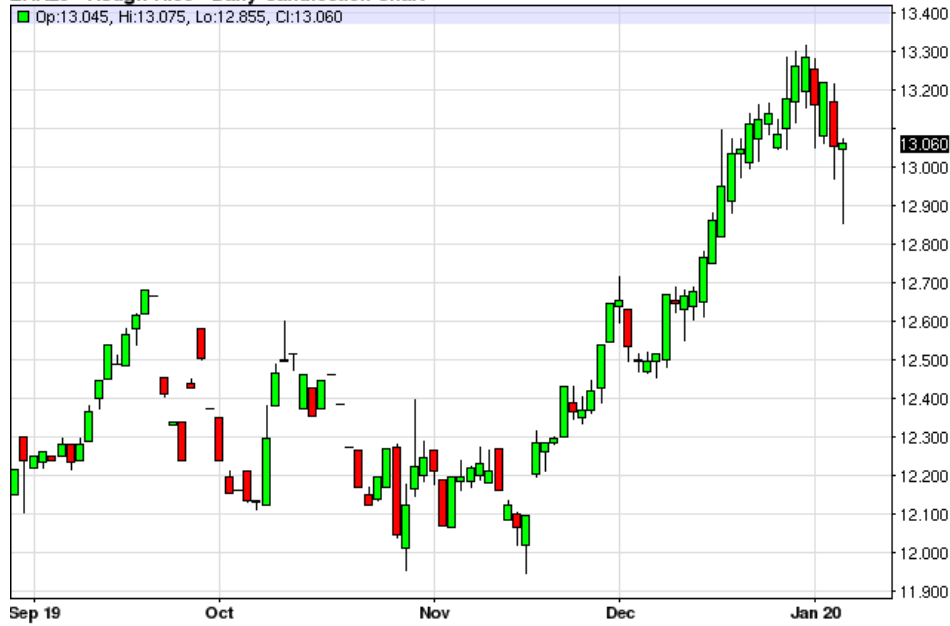
ZWH20 - Wheat - Daily Candlestick Chart



ZOH20 - Oats - Daily Candlestick Chart



ZRH20 - Rough Rice - Daily Candlestick Chart

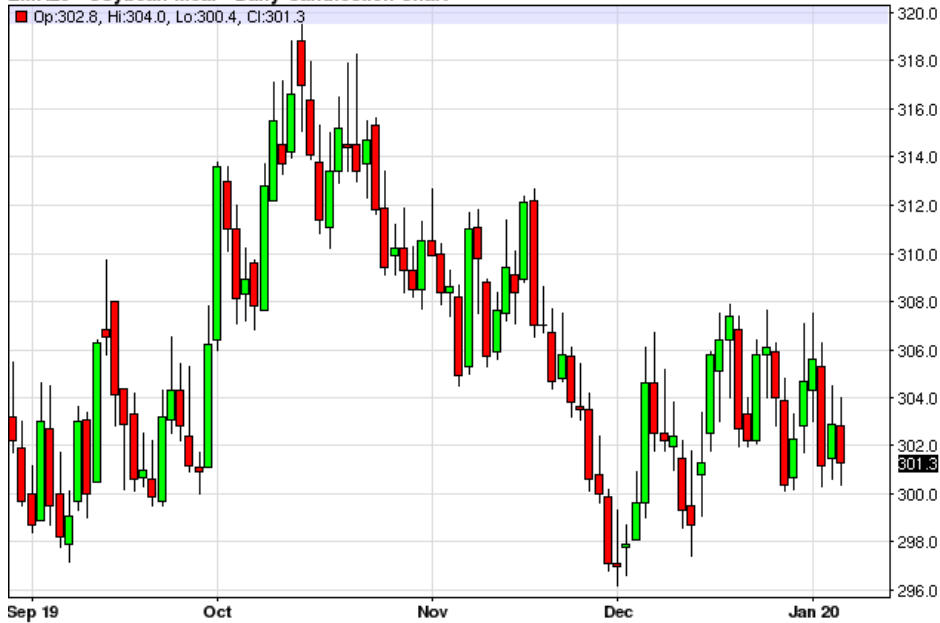


ZCH20 - Corn - Daily Candlestick Chart



ZSH20 - Soybean - Daily Candlestick Chart



ZMH20 - Soybean Meal - Daily Candlestick Chart**ZLH20 - Soybean Oil - Daily Candlestick Chart**

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