

# MIDWEST MARKET SOLUTIONS, INC

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## THE MARKET INSIDER WEEKLY NEWSLETTER

by: Brian Hoops, President

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### WHEAT

#### ANALYSIS

For the week, Chicago wheat closed \$.00 3/4 higher; Kansas City wheat closed \$.09 1/2 lower and Minneapolis wheat \$.12 1/2 lower. Last week, private exporters did not announce any export sales.

In the weekly export inspections report; U.S. wheat exports of 16.0 mil bu were the 3rd of the last 4 weeks in which shipments fell below the roughly 18.3 million bushel/week average needed to reach the USDA's 975 million bushel export projection. The USDA's export target certainly still appears on track to be reached, as weekly shipments can run roughly 12% below last year's pace through the end of May. Cumulative exports of 585 million bushels are still up nearly 14% from last year's 515 million bushels with 19 weeks remaining in the 2019/20 marketing year. Near term demand for US SRW has lifted the Chicago front month futures. This has spilled over to other months and the hard wheat contracts as well. February is the last month before the winter wheat crop breaks dormancy, and grows into the June harvest. Thus with winter wheat still in the dormant stage, price direction will come from demand. Demand trends have been consistent but unimpressive due to the large supplies of wheat worldwide.

#### STRATEGY & OUTLOOK

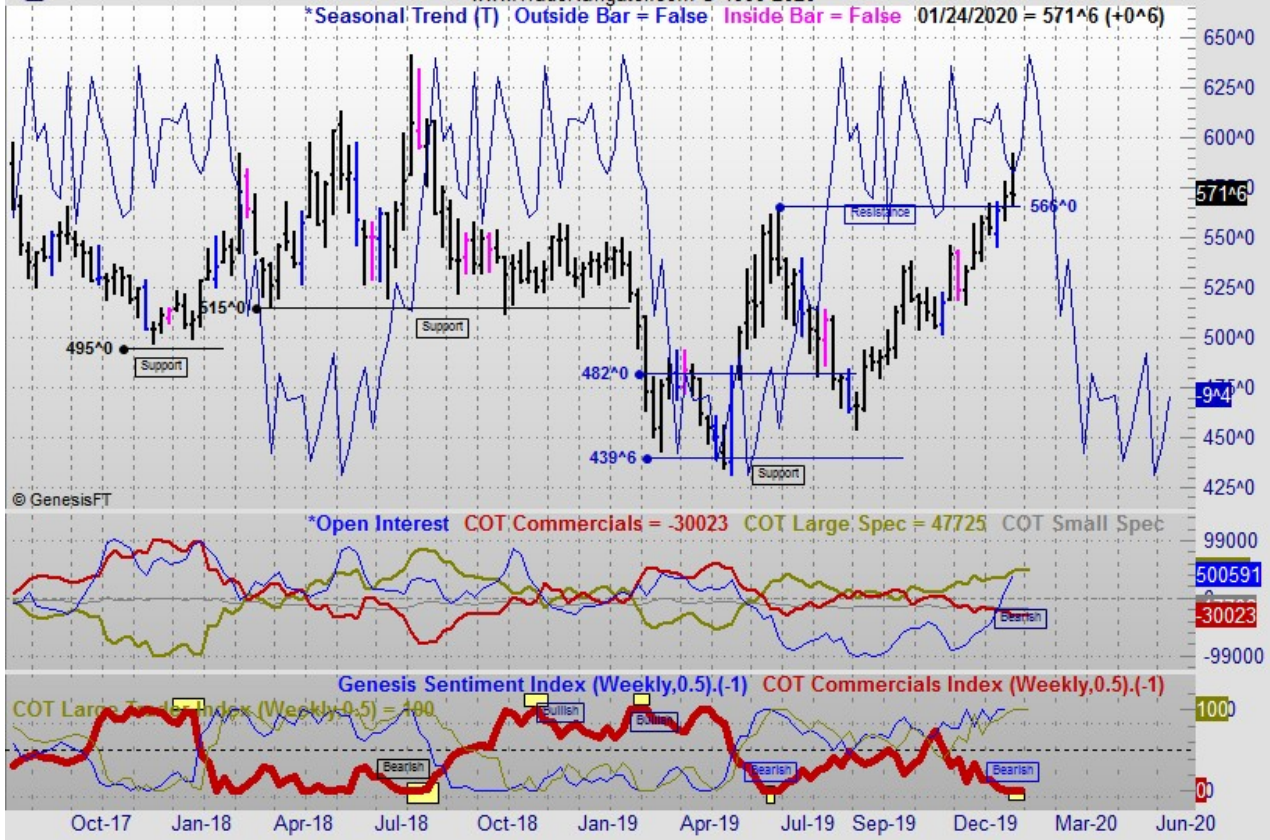
The fundamentals do not suggest current price levels will be sustained. Prices have moved higher amid large speculative buying.

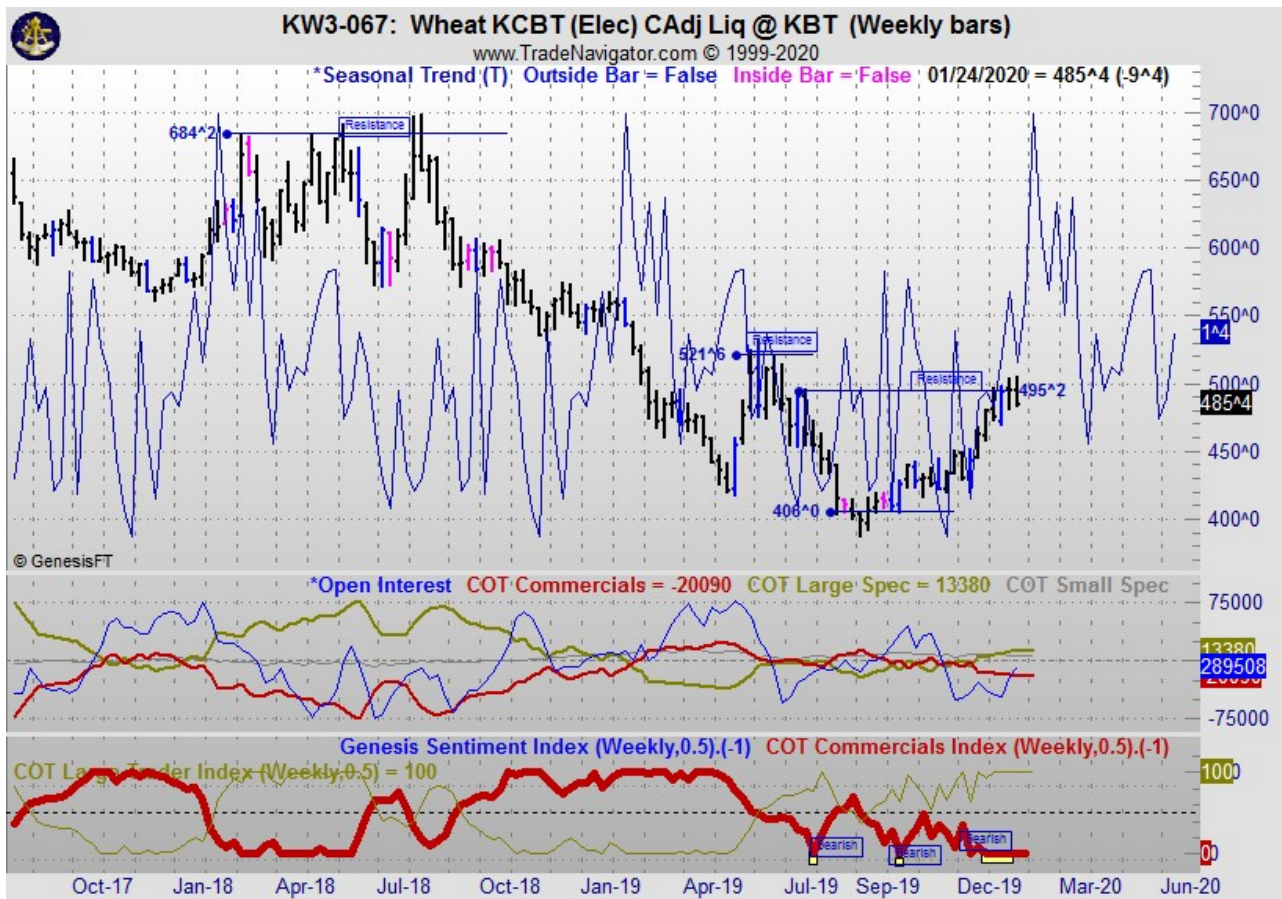


### ZW-067: Wheat CBT (Elec) Cadj Liq @ CBOT (Weekly bars)

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\*Seasonal Trend (T) Outside Bar = False Inside Bar = False 01/24/2020 = 571^6 (+0^6)





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