



RICK ALEXANDER, MARKET STRATEGIST  
ZANER GROUP

11/20/2019

## 6-10 DAY WIDESPREAD RAIN/BELOW AVE. PRECIP. 3+ BILLION CORN \$ 300 MIL. BU. BEANS NOT YET HARVESTED

Higher closes for Kansas City and Chicago wheat, oats, corn, soybeans, soybean meal and soybean oil while unchanged for rough rice and Minneapolis wheat. THE DRAGGING ON OF THE CHINA - US TARIFF SITUATION CONTINUES TO OVERHANG THE MARKETS. WEATHER FORECASTS REMAIN ROUGHLY THE SAME BUT JAPAN HAS PASSED LEGISLATION THAT WOULD INCREASE TRADE OF MEATS AND OTHER AGRICULTURE PRODUCTS WITH THE UNITED STATES. SPREADING OF KC AND CHICAGO AGAINST MINNEAPOLIS WHEAT HAS COME TO THE FOREFRONT ONCE AGAIN as Minneapolis has been falling since Aug. 18th culminating in its worst low since Sept. 11th giving me a SELL SIGNAL on November 11th. I need to see Minneapolis hold the 500 area at this time. KC has been consolidating since Aug. 12th while Chicago continues to retrace since the middle of October. The former has good support down to 410 also. Oats continue to look strong making its second highest close since it came on the board. Rough rice has been falling steadily since Sept. 19th needing to close over 1220 and 1245 in order for me to feel good about a possible rally. Corn continues to fall since the middle of October with low exports but has over three billion bushels still not harvested. However, that number hasn't really helped the corn from not moving lower. The cash basis has been okay with farmers holding back from selling. With that being said corn has remained between 365 3/4 and 411 3/4 since August 12th. Soybeans have been trading between 865 and 959 1/2 except for three sessions since the middle of June. It does look like a possible top is forming but I don't like the idea of being short at this time and there is also the possibility of a deal with China always in the background to scare the shorts. Finally, in the long run I need the beans to hold the nine dollar area. Meal has been trading between 296.7 and 316.2 since late July. Just trade the range for now or stay out at this time. Meanwhile, oil has been holding up well making its best high since February on Nov. 11th. I don't like to see oil stronger than meal but the outlook for the bean complex remains promising for higher prices down the road. DON'T FORGET NO MATTER WHAT ANYONE SAYS, WHEN THE TARIFF SITUATION GETS RESOLVED WHO KNOWS WHAT COULD BE THE END RESULT. OF COURSE, CHINA COULD BE DRAGGING THE NEGOTIATIONS DOWN WITH THE HOPE TRUMP WON'T GET RE ELECTED OR AT THE WORST, TRY TO HOLD TRUMP HOSTAGE WITH BAD PRESS BECAUSE OF THE HARM IT CAN DO THE USA'S ECONOMY DOWN THE ROAD. BUY SIGNALS FOR KANSAS CITY AND CHICAGO WHEAT, OATS, CORN SOYBEANS, SOYBEAN MEAL AND SOYBEAN OIL. SELL SIGNAL FOR MINNEAPOLIS WHEAT. For additional charts, quotes, news, commentary & more, sign up for markethead.

MWH20 - Spring Wheat - Daily Candlestick Chart

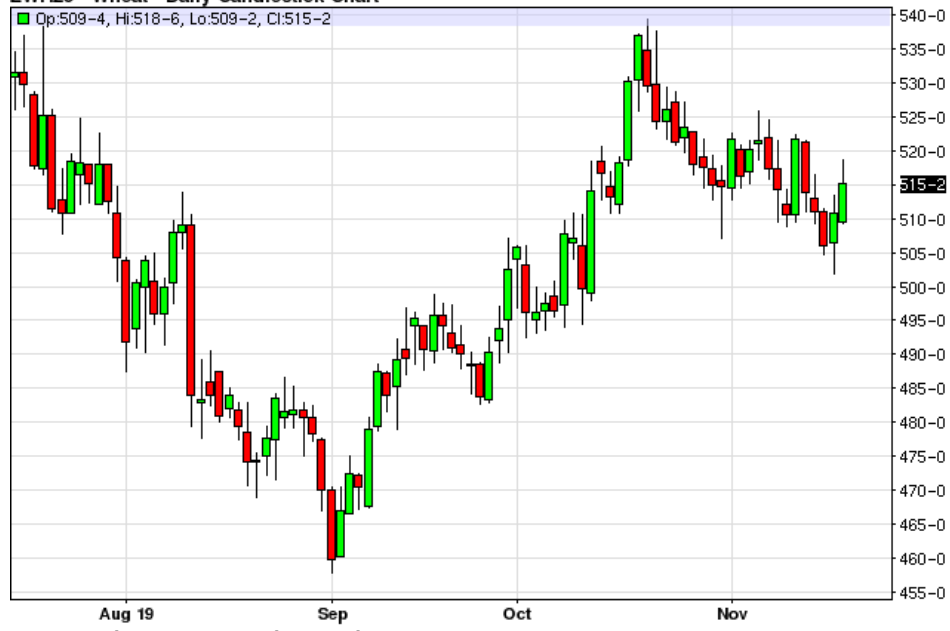


□

KEH20 - Hard Red Wheat - Daily Candlestick Chart



ZWH20 - Wheat - Daily Candlestick Chart



ZOH20 - Oats - Daily Candlestick Chart



ZRF20 - Rough Rice - Daily Candlestick Chart



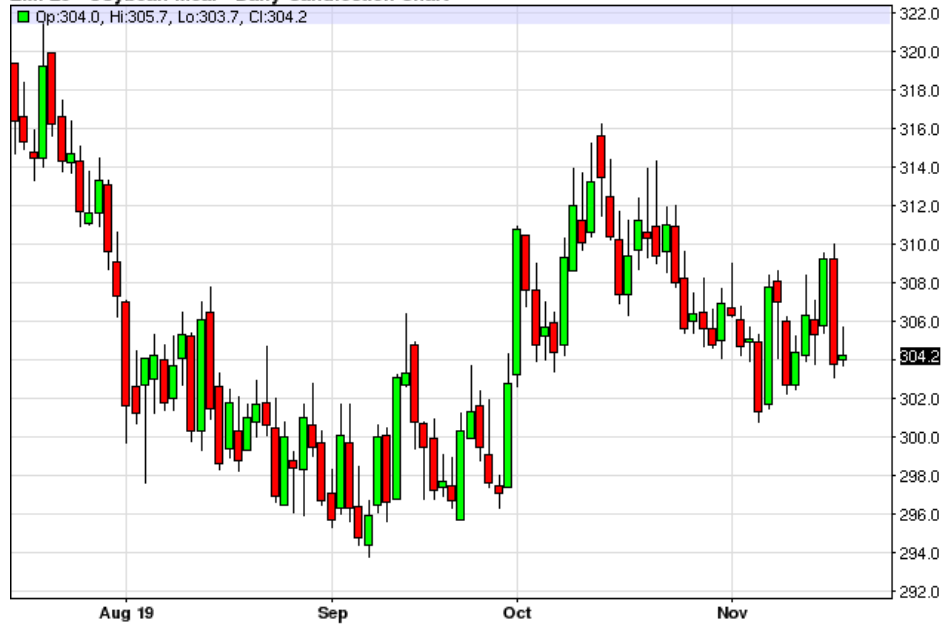
ZCH20 - Corn - Daily Candlestick Chart



ZSF20 - Soybean - Daily Candlestick Chart



ZMF20 - Soybean Meal - Daily Candlestick Chart



ZLH20 - Soybean Oil - Daily Candlestick Chart



ZRF20 - Rough Rice - Daily Candlestick Chart



**ZRF20 - Rough Rice - Daily Candlestick Chart**

To read more economic research reports like this one or subscribe to the mailing list, visit [www.zaner.com](http://www.zaner.com).

THIS MATERIAL IS CONVEYED AS A SOLICITATION FOR ENTERING INTO A DERIVATIVES TRANSACTION.

THIS MATERIAL HAS BEEN PREPARED BY A ZANER BROKER WHO PROVIDES RESEARCH MARKET COMMENTARY AND TRADE RECOMMENDATIONS AS PART OF HIS OR HER SOLICITATION FOR ACCOUNTS AND SOLICITATION FOR TRADES; HOWEVER, ZANER DOES NOT MAINTAIN A RESEARCH DEPARTMENT AS DEFINED IN CFTC RULE 1.71. ZANER, ITS PRINCIPALS, BROKERS AND EMPLOYEES MAY TRADE IN DERIVATIVES FOR THEIR OWN ACCOUNTS OR FOR THE ACCOUNTS OF OTHERS. DUE TO VARIOUS FACTORS (SUCH AS RISK TOLERANCE, MARGIN REQUIREMENTS, TRADING OBJECTIVES, SHORT TERM VS. LONG TERM STRATEGIES, TECHNICAL VS. FUNDAMENTAL MARKET ANALYSIS, AND OTHER FACTORS) SUCH TRADING MAY RESULT IN THE INITIATION OR LIQUIDATION OF POSITIONS THAT ARE DIFFERENT FROM OR CONTRARY TO THE OPINIONS AND RECOMMENDATIONS CONTAINED THEREIN.

THE RISK OF LOSS IN TRADING FUTURES CONTRACTS OR COMMODITY OPTIONS CAN BE SUBSTANTIAL, AND THEREFORE INVESTORS SHOULD UNDERSTAND THE RISKS INVOLVED IN TAKING LEVERAGED POSITIONS AND MUST ASSUME RESPONSIBILITY FOR THE RISKS ASSOCIATED WITH SUCH INVESTMENTS AND FOR THEIR RESULTS. PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE PERFORMANCE.

150 S Wacker Dr, Suite 2350 · Chicago, IL 60606 · Direct: 312-277-0050 Fax: 312-277-0150 · [info@zaner.com](mailto:info@zaner.com)

Copyright © 2010 Zaner Group LLC. All Rights Reserved.