

### CORN: LOWER

After Rallying the past two trading sessions the corn market is seeing a little bit of a pull back this morning trading about a nickel lower as we close out the night session. In addition, the other grains as well as global markets are lower this morning too, part of this pressure lower is coming from the dissension in China and the protests from the citizens over the lockdown. Moving back more corn focused export sales released on Friday were the highest we've had all year coming in at 72.8 Mil. Bu. and we even had the first new crop sales of the year which helped feed the bulls on Friday. As we get back into the swing of things this week, we do have First Notice Day for the December contract on Wednesday and then not this Friday but next Friday is the December WASDE.

**At the break, CZ22 was 5 lower.**

### SOYBEANS: LOWER

The unrest in China is expanding. Zero tolerance is unrealistic and the measures to attempt it are inhuman. People are finally pushing back in force. That means there could be better times ahead, OR it could mean even more draconian measures to not only stifle the dissent, but to crush it. Either way it appears demand from China is not feared to a large extent. At least that fear is not reflected in market prices this a.m. SA weather has rains in Argentina mid-week, so let's see if they materialize. Argentina is also reupping on the program to pay a better exchange rate to producers to sell beans. That is supposedly good through the end of this year. Now will those go to direct bean exports or more to processors to produce meal and oil to export. Would think the latter will garner a bigger amount as the state needs to bring in more US\$ for their economy and bean oil domestically needed as well. US demand continues to crank along at a good clip and crushers continue to need nearby as well as continuing to pay for deferred months as well. While it feels like a bounce could give us a positive trade today, the overall feel is negative or at best status quo. Friday's volumes were dismal as expected. It was also option expiration, so we should see some OI come off today. Tomorrow is first position day and Wed. first notice day for deliveries on Thur. Dec. 1st. Be out of longs by the close tomorrow to avoid any surprises on taking delivery.

Beans: V-77,338/OI-624,223(+3,162) Meal: V-83,214/OI-389,151(-3,883) Oil: V-71,058/OI-449,055(-3,231)

**At the break, SF23 was 4 ¼ lower.**

### WHEAT: LOWER

Losses continued for KC and Chicago wheat overnight, facing pressure from weaker Paris wheat, lower crude oil and the Chinese lockdowns due to increasing COVID spread. The short session on Friday saw the downtrend continue for wheat, but MGEX found some support this morning. The market lacks major fear of a slowdown in Black Sea exports, and we have not seen enough export demand for U.S. wheat to hold prices higher in KC and Chicago. The milling wheat market in the U.S. continues to be supported, but buyers allowed basis to pull back from recent highs ahead of the holiday. The next couple of weeks will give insight on how mills will handle nearby needs, as well as, their concerns over the potential rail worker strike. Look for a weaker start to the week, as traders get back into the routine, with macro markets pressuring commodities this morning.

**At the break, KWZ22 was 2 ¾ lower.**

### CATTLE: MIXED

Nearby Dec LC futures finished exactly unchanged on net for the week, and deferreds mostly lower. Same for the feeders. That was a tepid/disappointing response to a \$3-4 sharply higher cash cattle trade and now leaves Dec futures at a discount to spot cash. Though a positive basis isn't all that uncommon in this timeslot, historical averages showing basis normally trading to seasonal highs right here in late Nov / early Dec, including last year when Southern market basis traded +\$4 during this week before trending back to +\$0 by Christmas. Our weekly slaughter total of 581K head wound up 13K head bigger than this same week last year. Even on a holiday week our slaughter is +2.4% vs year ago and we're still on pace for another record large quarterly production total, and further augmented by heavier carcass weights. Week ending Nov 12th slaughter data showed steer weights up 6 lbs vs the prior week and heifers up 1 lb, now 7 lbs and 6 lbs heavier than LY respectively. Big production continues to weigh on the cutout, and the trim markets especially.

Fund Position	Accumulative	Yesterday
Corn	163,847	2,000
Soybeans	85,579	-2,000
Soybean Meal	75,071	-1,000
Soybean Oil	104,094	-1,000
Chicago Wheat	-75,622	-12,000
KC Wheat	21,038	0



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