

## MORNING GRAIN COMMENTARY

### Morning Trends:

Corn: 1 to 3 higher  
Wheat: 1 around  
Soybeans: 3 to 5 higher  
Soy Meal .5 to 1.0 higher  
Soy Oil: 25 to 30 higher

### The Stories of the Day:

Street Protest Continue <https://www.msn.com/en-us/news/world/belarusian-protesters-defying-army-flood-minsk/vi-BB18iz2M>  
Well it is 2020 <https://www.msn.com/en-us/news/technology/nasa-a-truck-sized-asteroid-is-headed-toward-earth-one-day-before-the-november-election/ar-BB18hF8R?li=BBnb7Kz>

**Weather:** A ridge is located in the Four Corners region with a disturbance in Hudson Bay and another in western Canada. The eastern disturbance will cause a deep trough to develop over eastern Canada this week. The other disturbance will slide through Canada through the week. Another disturbance will move across Canada in the middle of the week and reinforce the eastern trough this weekend. Another trough will develop over western Canada this weekend, slowly developing over the middle of Canada and into the northern U.S. next week. Two tropical storms/hurricanes will move through the Gulf Coast this week. The U.S. and European models do not agree on how to treat next week's trough. I prefer the European for now. For the outlook period, temperatures on Saturday will be above normal across the West and East Coasts, but near to below normal in the middle of the country. Temperatures are expected to fall as the trough works into the country next week, especially across the north. A front moving across the Midwest will produce moderate showers, enhanced if the remnants of Laura are still around. A strong front will move across the majority of the country next week with widespread moderate showers. -DTN

**NORTHERN PLAINS (SPRING WHEAT/CORN):** Isolated showers fell over the weekend, but most areas were dry. Isolated showers will turn more scattered this week, which will benefit filling corn but cause some harvest delays to wheat. -DTN

**CENTRAL/SOUTHERN PLAINS (CORN/COTTON):** Isolated showers fell in a few areas over the weekend, but most of the region was dry. Soil moisture continues to be favorable for filling corn most areas outside of northeast Nebraska and the far west. West Texas continues to have low rainfall chances, stressing remaining boll setting cotton and requiring further irrigation. -DTN

**MIDWEST (CORN/SOYBEANS/WHEAT):** Scattered showers fell across the northwest and far southeast portions of the region this weekend. Showers fell across Iowa but were isolated with amounts generally less than 1". Showers will be confined mostly to northern areas for the next few days, continuing to stress filling corn and soybeans in the drier central portions of the region. Relief may come late this week and into the weekend. A front will slip southward through the region and likely be aided by tropical moisture from the remnants of Laura. Depending on the speed of both features, moisture could make its way north of the I-80 corridor, but models are mixed on how far north this could go. -DTN

**DELTA (SOYBEANS/COTTON):** Scattered showers fell across much of the region early this past weekend, bringing some relief to filling cotton and soybeans. Two tropical storms will impact the region this week. Marco may increase showers over the south over the next couple of days, but Laura could bring much heavier precipitation and flooding. Its current track is west of the region and then across the north late this week, but a shift further east could cause her heavy bands to go right through the region. While filling crops would benefit from the moisture, it could be too much of a good thing and cause flooding. -DTN

**SOUTHEAST (COTTON):** Scattered showers fell across the region this weekend, benefiting filling cotton, especially in Alabama and across the Carolinas. Two tropical storms look to take a path just west of the region

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but increase moisture into the area and could bring heavier rainfall across northern areas as Laura's remnants move through over the weekend. -DTN

**BRAZIL (CORN/COTTON/WHEAT):** Showers dried up as a front lifted northward this weekend, but temperatures fell near to below freezing from Rio Grande do Sul to Parana and maybe in portions of Mato Grosso do Sul as well. This may have damaged developing to reproductive wheat in the region. Full-season corn is also being planted in the south. Soil moisture is looking good for germination, but limited shower activity is expected this week with only isolated showers late this week in Rio Grande do Sul. Showers are starting to pop up over the Amazon and a return to the wet season is on the horizon for central and northern growing areas as harvest wraps up and preparations for planting begin.

**ARGENTINA (WINTER WHEAT):** Dry and cold weather were noted across most of the country this weekend, keeping wheat stressed or dormant. Temperatures and precipitation will increase this week, including for the very dry interior and may be enough to coax the crop out of dormancy, though temperatures drop again late this weekend and into early next week. Still, the rainfall will be quite welcome across the country. -DTN

**EUROPE (SPRING GRAINS/CORN):** Scattered showers fell mainly across northern areas this weekend and will continue into the southeast early this week, benefiting filling crops. The storm track will be right through the continent this week, with a few storms lining up to bring showers to the region. Continued beneficial conditions for filling crops for all but the southwest growing areas, mainly Spain and Italy. Maturing crops will have to dodge multiple periods of showers and early harvest activities will likely be impacted. -DTN

**UKRAINE/WEST RUSSIA (SPRING GRAINS/CORN/SUNFLOWERS):** Scattered showers fell in eastern Ukraine and far western Russia this weekend, otherwise it was mostly dry. Dryness has been a concern for much of the region this summer. The drier areas from central Ukraine through southern Russia will be mostly dry this week until a storm system finally moves through with scattered showers late this week. Harvest activities will benefit while filling corn will continue to show stress in many areas. -DTN

**CANADIAN PRAIRIES (SPRING WHEAT):** Isolated to scattered showers fell over the weekend but were drier in the southwest where soils are driest. Periods of scattered showers are expected this week as a couple of disturbances move through, being steadier and more likely over the north where the crop is still filling. Conditions look favorable for harvest in the south and remaining filling in the north. A strong storm this weekend into early next week will likely cause widespread heavy rainfall in the west, strong winds across much of the region, and falling temperatures into next week. -DTN

**AUSTRALIA (WINTER WHEAT/RAPSEED):** Scattered showers fell over southern portions of the growing region over the weekend. Queensland saw no rainfall and is the driest area of the country which could use more rainfall for developing to reproductive wheat and rapeseed. Very little rain is expected across the country this week. Otherwise, favorable conditions continue elsewhere across the country. -DTN

**CHINA (CORN/SOYBEANS/SUGARCANE/RICE):** Overall favorable conditions continue in the northeast for reproductive to filling corn and soybeans and in the south for rice and sugarcane. -DTN

**INDIA (SUGARCANE/RICE/COTTON/SOYBEANS):** Monsoon moisture continues to spread across the country but is lighter than normal in the south. Still, conditions are favorable across most of the region. The outbreak of locusts has started to become contained as swarms migrate westward and control measures are reported to be working. Extensive damage has still been reported for all crops in the region, however. -DTN

## Headlines:

- Malaysian November Palm Oil down 2 Ringgits
- Dalian Futures exchange Jan corn down 22 vs. the Yuan, Jan beans down 36, Jan meal up 2, Jan bean oil down 10

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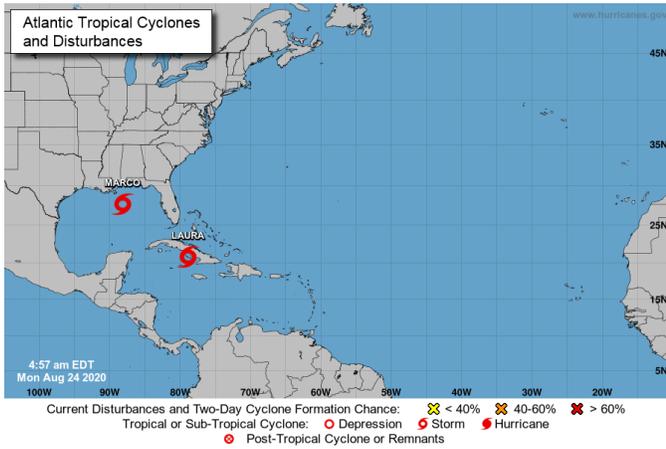
- Asian Equity markets were higher Nikkei closed up .3% China's Shanghai up .2%
- European Equity markets start higher, German Dax up 1.6%, London FTSE 100 up 1.5%
- MATIF markets are mixed Nov Corn up .25 to the Euro, Nov Rapeseed up .25, Dec Wheat unchanged
- Save the Date...Aug 27<sup>th</sup>...2Q US GDP
- Save the Date...Aug 31<sup>st</sup>...First Notice Day for Sept Ags CME/MGEX
- Save the Date...Sept 4<sup>th</sup>...US employment numbers
- Save the Date...Sept 7<sup>th</sup>...US Labor Day
- Save the Date...Sept 11<sup>th</sup>...US S&D numbers
- ASF on the rise in E. EU <https://www.agriland.ie/farming-news/outbreak-of-african-swine-fever-cases-in-pig-facilities-across-europe/>
- China flooding...rivers on the rise in the NW [http://www.china.org.cn/china/2020-08/24/content\\_76629345.htm](http://www.china.org.cn/china/2020-08/24/content_76629345.htm)
- Libya Civil War, UN backed Government calls for a cease-fire <https://www.ft.com/content/57e89990-a2bc-49cd-8002-6af650c07927>
- The CFTC on Friday said as of the close of 8/18 the MM Funds were short 12,474 wheat contracts, short 110,499 corn, long 107,058 beans, long 10,979 meal and long 57,524 oil contracts
- The trade expects drops in the good/excellent category for corn and beans of 2% tonight on the weekly crop update

## Commentary:

The Democratic National Convention wrapped up last week. It will be the Republicans turn this week. As expected last week during the DNC there was no progress on a new stimulus bill for the US. With the Republicans gathering virtually and in person, no progress is expected this week. That means if any chance of stimulus bill for this fall will get done it looks like it will be after the Sept 7<sup>th</sup> US Holiday. The trade just wants to clarity if more relief money might be headed to the US farmer. The dog's day of summer are here. There are questions that need to be answered so one can prepare and make plans for fall marketing ideas, but we do not look for a lot of needed answers this week. That said, fall is right around the corner; bushels of corn are being picked in the SE US, frost talk is in the weather for the Canadian Prairies all the way down to the N. Plains of the US by first week in Sept. Fall is coming and with it the eyes of the markets will shift south and start to talk about Brazilian bean planting conditions.

**The Mean Season: Marco not much of a storm, but Laura bears watching, and for some good news the X off the coast of Africa is gone on today's map**

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