

## MORNING GRAIN COMMENTARY

### Morning Trends:

As of 4:45 AM CDT

**Corn: 1 around**

**Wheat: 8 to 10 higher**

**Soybeans: 1 to 3 higher**

**Soy Meal .5 around**

**Soy Oil: 15 to 20 higher**

### The Stories of the Day:

**In the Covid era having more stress dreams, you are not alone**

<https://www.msn.com/en-us/health/wellness/the-scary-covid-symptom-even-healthy-people-are-having/ar-BB19GHk0?li=BBnb7Kz&ocid=spartan-dhp-feeds>

**With WH in chaos agreeing to a Covid Relief Bill with House**

**Democrats gets pushed to the back burner** <https://www.msn.com/en-us/news/politics/coronavirus-relief-deal-elusive-as-pelosi-says-democrats-await-agreement-from-the-administration/ar-BB19H9eT?li=BBnb7Kz&ocid=spartan-dhp-feeds>

### Weather:

There is a ridge in the West, a trough in Canadian Prairies, and another leaving the East. The Prairies trough will replace the eastern trough for a few days this week, but the western ridge will expand and push the trough out of the way by the end of the week. A new trough will move into the West this weekend, then into the Central U.S. early next week. The U.S. and European models are similar for most of the period so I will use a blend of the models. For the outlook period, temperatures on Saturday above normal for the majority of the country. Temperatures will fall closer to normal over the West and Central as the trough pushes into the areas. [Tropical Depression 26 is likely to intensify into a hurricane in the Gulf of Mexico later this week. Its current track would put it near New Orleans at landfall on Friday with heavy rainfall in the Southeast for Saturday.](#) A system will follow with the trough, bringing periods of showers over the weekend in the West and into the Central early next week. -DTN

**NORTHERN PLAINS (CORN):** Showers fell in a band through eastern Montana and South Dakota over the weekend, but other areas were dry. Dryness and rising temperatures will be expected this week, benefiting harvest and fieldwork. A system late this weekend into early next week will likely bring strong wind gusts and periods of moderate to heavy showers, which could cause damage to stands and delay harvest activities. -DTN

**CENTRAL/SOUTHERN PLAINS (CORN/WINTER WHEAT):** A band of showers moved through Nebraska and far northeast Kansas this weekend, but other areas were dry. Dryness and rising temperatures will be expected this week. A system late this weekend into early next week will likely bring strong wind gusts and periods of moderate to heavy showers, which could cause damage to stand, and delay harvest activities, but the rainfall would be highly beneficial to winter wheat.

**MIDWEST (CORN/SOYBEANS/WHEAT):** Scattered showers over moved through over the weekend, causing harvest delays but boosting topsoil moisture for winter wheat. A system will bring some shower activity across the north Tuesday and Wednesday, but most of the region will be dry through the week with rising temperatures. A system early next week will bring periods of moderate to heavy showers and breezy winds, which could cause damage to stand, and delay harvest activities. -DTN

**DELTA (SOYBEANS/COTTON):** Dry weather occurred over the weekend and will continue through much of the week, benefiting harvest and fieldwork. Tropical Storm 26 is expected to make landfall near New Orleans and could spread moderate to heavy rainfall across the south Friday. A system early next week will bring periods of moderate to heavy showers and breezy winds, which could cause damage to stands and delay harvest activities. -DTN

**SOUTHEAST (COTTON):** Dryness over the weekend helped to drain saturated soils. Showers may occasionally drift north from the Gulf of Mexico over the next few days, but dryness is more likely, further benefiting drying of soils and allowing for fieldwork. Tropical Storm 26 is expected to make landfall near New Orleans and could spread moderate to heavy rainfall across the area Friday and Saturday. More showers will be possible next

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week as the system approaches from the west. Both features would likely cause harvest and fieldwork delays. -DTN

**BRAZIL (CORN/COTTON/WHEAT):** Scattered showers continued along a stalled frontal boundary across the south over the weekend, benefiting full-season corn and filling wheat in the region. Periods of showers will continue across the south through the week while dryness continues in the north. A front will move north into central areas this weekend and may stall, causing periods of showers to develop over Mato Grosso and the surrounding areas, which may be the start of the wet season as we head into next week. -DTN

**ARGENTINA (WINTER WHEAT):** Scattered showers fell across much of the country this weekend, boosting soil moisture for developing wheat and spring planting. This came with some frosty conditions over the far southern growing regions, limiting development on wheat. Some showers will develop this week, especially across the north, but the overall pattern looks dry for the next week. -DTN

**EUROPE (CORN/WINTER WHEAT):** Moderate showers spread from the west to the east over the weekend, boosting soil moisture for most winter grains areas, especially across the drier sections in France and the UK. The region will be in the storm track through the week, with periods of showers for most areas. Spain will be mostly left out, however, which could use more shower activity as winter planting increases. -DTN

**UKRAINE/WEST RUSSIA (CORN/SUNFLOWERS/WINTER WHEAT):** Scattered showers fell across Ukraine and the Caucus region of Russia over the weekend but most of Russia continued to be dry. The storm track will continue periods of showers in western Ukraine but little shower activity is expected in Russia this week, likely causing further delays to winter wheat planting. -DTN

**NORTHERN AFRICA (WINTER WHEAT):** Periods of showers are falling ahead of the winter wheat planting season, which will start up in the next few weeks. The main storm track will remain off to the north this week, and the region is looking for more rainfall to refill deficits caused from last winter's growing season. -DTN

**CANADIAN PRAIRIES (SPRING WHEAT):** Some isolated showers fell over the weekend, but most areas remained dry. Some isolated showers may move through over the course of this week, but dryness will continue to favor harvest progress, which should mostly wrap up this week outside of Alberta. -DTN

**AUSTRALIA (WINTER WHEAT/CANOLA):** Scattered showers fell across much of western and southeastern growing areas over the weekend. Showers will continue over southeastern areas early this week but Queensland will be mostly missed from the system, where deficits are mounting and soil moisture is being depleted while wheat and canola are moving into and through reproduction. -DTN

**CHINA (CORN/SOYBEANS/WINTER WHEAT/RAPSEED):** Scattered showers fell across northeastern growing areas this weekend, delaying corn and soybean harvest activities under saturated soils. Additional showers fell in the Yangtze River Valley, which may have caused some delays to ripening rice. The showers missed the North China Plain, where conditions have been more favorable for winter wheat and rapeseed planting recently. -DTN

**INDIA (SUGARCANE/RICE/COTTON/SOYBEANS/WINTER WHEAT):** Monsoon moisture continues to withdraw from the country and showers are becoming more confined to eastern rice areas as normal, benefiting all crops for their respective growth stages. Winter wheat areas in the northwest and Pakistan have favorable soil moisture, planting conditions, and irrigation reserves. -DTN

## Headlines:

- Malaysian December Palm Oil up 18 Ringgits
- Dalian Futures exchange closed for Autumn Holidays

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- Asian Equity markets were higher Nikkei up 1.2%, China's Shanghai closed for Autumn Holidays, will reopen on Friday
- European Equity markets start higher German Dax up .7%, London FTSE 100 up .5%
- MATIF markets are higher Nov Corn up 1.25 to the Euro, Nov Rapeseed up .75, Dec Wheat up 1.0
- Save the Date...thru Oct 8<sup>th</sup>...Golden Week China
- Save the Date...Oct 9<sup>th</sup>...USDA Crop Production and S&D reports...StoneX yield/production corn/beans 179.0/14.962, 52.4/4.351...IHS 177.8/14.812, 51.9/4.294 (note StoneX using Sept USDA acre numbers, IHS lowers corn acres by 216,000 and bean acres by 310,000) Sept USDA 178.5/14.900, 51.9/4.313
- Save the Date...Oct 12<sup>th</sup>...Canadian Thanksgiving
- Save the Date...Oct 15<sup>th</sup>...NOPA Crush
- Save the Date...Oct 29<sup>th</sup>...3Q GDP
- Save the Date...Nov 3<sup>rd</sup>...US Election Day
- FAW out of the headlines but not forgotten <https://thehimalayantimes.com/nepal/research-to-control-fall-armyworm-under-way/>
- ASF in Germany <https://www.reuters.com/article/germany-swinefever/germany-finds-three-new-african-swine-fever-cases-in-wild-boar-idUSL8N2GW0GV>
- Brexit, step one check...agree that there needs to be an agreement <https://www.bbc.com/news/uk-politics-54397942>
- Hot border war continues <https://www.msn.com/en-us/news/world/armenia-azerbaijan-clashes-resume-over-separatist-region/ar-BB19HSpw>
- CFTC on Friday said as of the close of 9/29 MM Funds were long 12,424 wheat, long 106,820 corn, long 229,043 beans, long 72,999 meal and long 94,098 bean oil

## Commentary:

We have seen the USDA Quarterly Grain Stocks, China is on holiday until Friday, the harvest in the US is on blast this week and on Friday we have USDA Oct S&D reports, and oh yeah the macro markets will remain nervous as the President of the United States pushes through a Covid infection. In other words, it is all here for the bear to take control of the market and push values lower. It is all here for the bear to take control of the market and push WZ/CZ/SX through the 556/370/1004 areas and turn chart momentum back lower. The problem for the seasonal harvest bear is that planting weather in S. Russia and The Ukraine winter crops are not going well, the same story of poor plantings but this time for spring crops in S. America is unfolding as well. With the fall harvest in the US running 2-3 weeks ahead of normal, harvest pressure will have to carry the day for the bear. That said harvest pressure must carry the day for the bear, but it must happen soon. By this time next week, we will be on the down hill slide as far as the bean harvest goes. End users up and down the supply chain know that once the bin door close this fall, originating grain off the farm may not happen until the New Year.

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