

## MORNING GRAIN COMMENTARY

### Morning Trends:

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as of 4:30 AM CST

Corn 7 to 9 lower

Wheat 7 to 9 lower

Beans 10 to 12 lower

Soy Meal 3.0 to 3.5 lower

Soy Oil 10 to 15 lower

### The Stories of the Day:

They really do seem to work <https://www.msn.com/en-us/news/health/the-vaccines-are-working-amid-caution-and-concern-experts-celebrate-vaccine-efficacy/ar-BB1epE2N?li=BBnb7Kz>  
The checks in the mail...maybe... <https://www.msn.com/en-us/news/politics/janet-yellen-says-the-us-treasury-is-working-to-deliver-relief-aid-as-quickly-as-possible/ar-BB1er0wQ?li=BBnb7Kz>

**Weather:** An active and progressive pattern over the next 10 days will bring several storm systems through the country. The U.S. and European models are fairly similar, though they do disagree somewhat with how to develop a system early-to-mid next week. They have also been inconsistent with themselves. I will use a model blend but favor the European. For the outlook period, temperatures on Monday will be below normal from the West through the Central and Southern Plains and the Northeast and near to above normal elsewhere. Temperatures will likely become near to below normal across most of the country through the end of next week but remain quite cold over the heavy snowpack that occurs in the Plains. A system will move out of the Plains and through the Midwest early next week with moderate precipitation. The front to the system may not pass through the Southeast, hanging there instead and providing heavy precipitation potential through the end of next week as another system grabs onto the front. -DTN

**NORTHERN PLAINS (LIVESTOCK/SPRING WHEAT):** A system is moving across the southeast Wednesday with much-needed precipitation for South Dakota in the form of snow. Drier weather will take back control for the rest of the week, though there is potential for more moderate to heavy showers to occur late this weekend into early next week across the south. -DTN

**CENTRAL/SOUTHERN PLAINS (WINTER WHEAT/LIVESTOCK/CORN/SOYBEANS):** Scattered showers that fell late last week were beneficial for winter wheat that is starting to break dormancy. A frontal boundary and a few pieces of energy will try to bring more showers to the region over the next couple of days. A system this weekend will bring moderate to heavy rain and snow across the region, including for the areas in drought in the west. Blizzard conditions may be the result over the west. The track of this feature will be important for precipitation prospects. Cold air will fill in behind the system for next week, but temperatures do not appear to be cold enough to cause damage at this time. -DTN

**MIDWEST (WINTER WHEAT/CORN/SOYBEANS):** A frontal boundary will be pushed progressively eastward by a few storm systems this week. Each impulse could bring moderate precipitation to the region, benefiting soil moisture as we head into spring. A system that will impact the Plains this weekend could bring moderate precipitation to the region next week. -DTN

**DELTA (SOYBEANS/COTTON):** Dryness this week continues to aid producers trying to do early fieldwork and planting. A front will sag into the region with bouts of moderate to heavy rain across the north Thursday through

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Saturday. The system in the Plains may bring more moderate showers across the region Sunday and Monday, including severe weather. -DTN

**BRAZIL (CORN/SOYBEANS):** Dryness over the south will largely continue into next week, producing stress for remaining immature corn and soybeans and newly planted corn. Continued showers over the central and north will have plenty of gaps to get soybean harvest and corn planting progress farther along. Rainfall amounts will likely be lower than normal for much of the region this week outside of some isolated areas. -DTN

**ARGENTINA (CORN/SOYBEANS):** A front will move through with isolated showers across the south and west through this weekend, but dryness continues to be a concern for much of the region. A system next week could bring more widespread moderate to heavy showers, though models are not sold yet as to how much precipitation will occur. -DTN

**EUROPE (WINTER WHEAT/CORN):** Some dormancy has broken across France. Otherwise, crops continue to be mostly dormant across the north and east in good condition. Across the south, conditions have remained mostly favorable for vegetative wheat as showers move back into Italy. Scattered showers will impact southern areas in the front half of the week and a system will bring widespread showers to most of the continent later this week, benefiting crops across all areas. -DTN

**UKRAINE/RUSSIA (WINTER WHEAT/CORN):** Temperatures below freezing have kept wheat in dormancy so far this March and the pattern for below normal temperatures should continue to do so over the majority of this week. Precipitation over the winter has been near to above normal for most places, putting the region in better shape as we head toward spring when wheat does break dormancy. -DTN

**NORTHERN AFRICA (WINTER WHEAT):** Scattered showers fell over the weekend, particularly in Morocco and Algeria, and has improved conditions for reproductive wheat, especially in Algeria. Dryness in Tunisia is a little more concerning as showers early this week have mostly missed the country. -DTN

**SOUTH AFRICA (CORN/SUGARCANE):** Isolated showers over the next week will not bring much precipitation, but soil moisture continues to be adequate to surplus, benefiting developing sugarcane and reproductive to filling corn. -DTN

**AUSTRALIA (COTTON/SORGHUM):** Dryness continued over the weekend, though most of the growing regions continue to be in good condition. Showers will be a little more widespread this week across Queensland and New South Wales, benefiting immature cotton and sorghum. -DTN

**MALAYSIA/INDONESIA (PALM OIL):** Showers have picked back up a bit in Indonesia, but continue to be isolated in Malaysia, where there continues to be concern for oil palm. Models are indicating better precipitation chances late this week and weekend, however. -DTN

## Headlines

- > Malaysian May Palm Oil up 60 Ringgits
- > Dalian Futures Exchange was lower May corn down 38 to the Yuan, May beans down 15, May meal down 57, May bean oil down 76, May palm oil down 84
- > Asian Equity Markets were mixed, Japan's Nikkei up .1%. China's Shanghai down .1%
- > European Equity Markets are mixed, German Dax up .1%, London FTSE up .6%
- > MATIF Markets are lower, June corn down 1.25 to the Euro, May Rapeseed down 3.50, May wheat down 1.0
- > **Save the Date...March 14th...US moves to Daylight Savings Time**

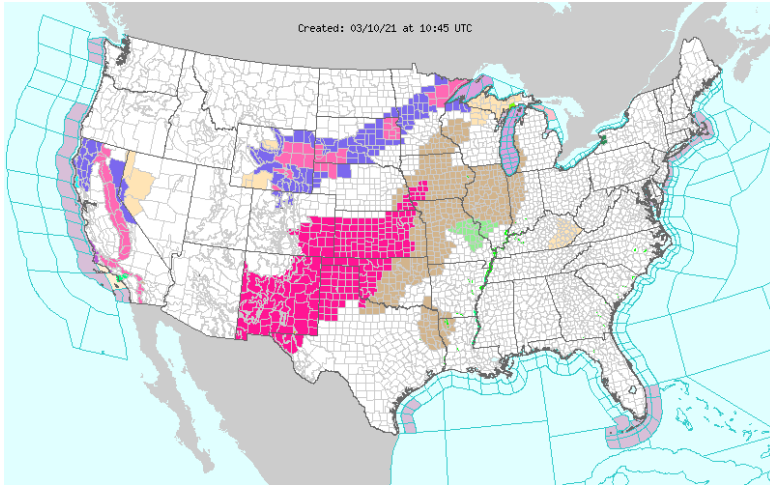
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- > Save the Date...March 15<sup>th</sup>...NOPA Crush
- > Save the Date...March 15<sup>th</sup>...CME expands position limits for Ags
- > Save the Date...March 17<sup>th</sup>...Happy FOMC Meeting Results
- > Save the Date...March 25<sup>th</sup>...4Q US GDP
- > Save the Date...March 31<sup>st</sup>...USDA Quarterly Grain Stocks/Perspective Plantings Reports
- > Save the Date...April 2<sup>nd</sup>...CME and other US financial institutions will be closed...but not the US Government...the monthly jobs report will be released...first time this has happened since 2015
- > COVID-19 no wonder Chinese and US trade negotiators talking about meeting in Alaska  
<https://www.msn.com/en-us/news/us/alaska-becomes-the-first-state-to-make-covid-vaccines-available-to-nearly-everyone/ar-BB1eqMbY>
- > Volcano Watch...the Congo? <https://www.msn.com/en-us/news/us/rising-magma-and-empty-coffers-raise-alarm-for-congos-volcano-watchers/ar-BB1ermsA?ocid=BingNewsSearch>
- > ASF the Philippines preparing to go to Red Alert <https://www.thestar.com.my/aseanplus/aseanplus-news/2021/03/10/philippines-braced-for-african-swine-fever-emergency>
- > Bird Flu India update <https://www.msn.com/en-in/news/localnews/avian-influenza-zoonotic-diseases-in-maharashtra/ar-BB1eq76Y?ocid=BingNewsSearch>
- > EIA weekly energy stocks at 9:30 AM CST...WoW crude oil stocks expected up 800,100 barrels, gasoline stocks down 4.2 million barrels...API numbers last night found WoW crude oil stocks up 295,000 barrels, gasoline stocks down 4.2 million barrels

## Commentary

Values so far overnight have been lower to sharply lower...at this point one can insert either you got to feed the bull everyday or neutral to bearish numbers sometimes takes two days to be digested. While values have been lower overnight wheat, corn, and beans board values for the most part are holding yesterday's lows. In the run up to the biscuit break it will be interesting to see if yesterday post USDA lows remain the lows for the day. We market bulls are working overtime to try to turn the narrative of the market back to the what if game. As in what if weather remains adverse for the second season Brazilian corn crop. Another fan favorite for us bulls what if China's only way around ASF in the short run is to out produce it. The bottom line price breaks from 1440 SK and 540 CK should be expected. That said until the world's stocks have been rebuilt to pre ASF levels, said breaks will remain shallow.

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