

MORNING GRAIN COMMENTARY

Morning Trends:
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as of 5:00 AM CST
Corn 1 to 2 lower
Wheat 1 to 2 higher
Beans 3 to 5 lower
Soy Meal .5 to 1.0 lower
Soy Oil 20 to 25 lower

The Stories of the Day:
Debt Ceiling Update...taking us up to DefCon 4 GOP blocks bill to keep government going; new try ahead (msn.com)
China energy shortage an overview China is facing its worst power shortage in a decade. That's a problem for the whole world - CNN and this China Power Price Hike Sought Amid Supply Crunch: Energy Update (yahoo.com)
Not enough truck drivers not just a US thing U.K. relaxes antitrust rules, may bring in Army as gas pumps run dry Financial Post

Weather: There is a ridge developing over the middle of North America, a trough in the East, one in the West, and an upper-level low in the Southwest. The ridge will build across central Canada throughout the week and block the trough in the West from advancing but have a weakness across Plains and Midwest. This will allow a piece of one of the troughs to move into the Plains and then the Midwest this weekend into next week. The rest of the western trough will be shredded apart, and the ridge will expand across most of the continent this weekend into next week. A new trough looks to make its way to the West Coast toward the end of next week. The U.S. and European models are in fair agreement but differ on how and when to develop showers across the Midwest. I will use a blend but favor the European. For the outlook period, temperatures on Sunday will be near to above normal across most of the country, which looks to continue through the period. A system will try to escape under the ridge this weekend or early next week, bringing scattered showers from the Southern Plains into the Midwest. -DTN

NORTHERN PLAINS (LIVESTOCK/CORN/SOYBEANS): Dry and warm conditions were noted over the weekend, excellent for harvest progress, but worsening the drought. A system will move into the region on Wednesday and Thursday with scattered showers, but the effects should be short-lived. Meanwhile, temperatures will remain well above normal for the next ten days. -DTN

CENTRAL/SOUTHERN PLAINS (LIVESTOCK/CORN/SOYBEANS/WINTER WHEAT): Dry and warm conditions were noted over the weekend, excellent for harvest progress, but continuing to sap soil moisture for winter wheat. A weakness in a developing ridge will allow showers to bubble up on Wednesday and continue through at least this weekend. That could provide much better soil moisture for winter wheat but will hamper harvest progress a bit. Temperatures will remain elevated where showers do not occur, which may cause further heat stress. -DTN

MIDWEST (CORN/SOYBEANS/WINTER WHEAT): Drier conditions and increasing temperatures are helping soils that got soggy last week to dry out, promoting harvest. Showers will move into western areas late this week or weekend, then through the rest of the region this weekend or early next week. This could hinder harvest progress should this system be able to slip under the ridge in Canada. -DTN

DELTA (SOYBEANS/COTTON/WINTER WHEAT): Dry and hot conditions were noted over the weekend, benefiting harvest of cotton and soybeans. Some pop-up showers may develop over the next week that could hinder harvest progress but would benefit winter wheat should it occur. -DTN

SOUTHEAST (COTTON/LIVESTOCK): Warm and dry conditions over the weekend promoted maturing cotton and continued harvest progress. For the most part, these conditions should continue for the next week. -DTN

PACIFIC NORTHWEST (WINTER WHEAT): A system moving through early this week should provide at least some showers to the region. Benefits will be minimal as more moisture is needed for winter wheat establishment in the intense drought. -DTN

BRAZIL (WINTER WHEAT/CORN/SOYBEANS): Scattered showers developed over central states over the weekend, but more are needed to officially start the wet season in many places. Whether official or not, scattered showers over central areas this week should promote soybean planting. Scattered showers will come with a couple of systems across the south this week, which will be beneficial for all crops. -DTN

ARGENTINA (WINTER WHEAT/CORN/SOYBEANS): Dry weather was noted this weekend, and more is needed for corn and soybean planting and establishment. Two systems will develop with scattered showers this week, but some areas look like they will be missed. An active pattern is in place, however, and there will be more systems coming up. -DTN

EUROPE (WINTER WHEAT/CORN): Scattered showers moved through western areas this weekend while eastern areas dried out a bit. The continent looks to see a series of storm systems over the next week or two, with the greatest chances for rain across the west. This will be beneficial for those that have been planting winter wheat and grains but will hinder corn harvest. Areas in the east will have better harvest conditions, while soil moisture is still good for most places for winter wheat and grains. -DTN

UKRAINE/SOUTHWEST RUSSIA (WHEAT/CORN/SUNFLOWERS): Scattered showers moved through over the weekend, benefiting winter wheat development, but holding back progress on corn and sunflower harvest. A large blocking high pressure system will keep the region cool and dry this week and Russia continues to need more rain for winter wheat. -DTN

AUSTRALIA (WINTER WHEAT/CANOLA/COTTON/SORGHUM): Drier weather continued for much of the country's wheat belt over the weekend. Still, winter wheat and canola development are progressing nicely with good irrigation reserves. Showers look to increase on Tuesday into Thursday for eastern areas, benefiting crops and planting of cotton and sorghum as we head into October. -DTN

CHINA (CORN/SOYBEANS/WHEAT/CANOLA): Conditions have been mostly favorable for corn and soybeans this season. Scattered showers in northeast areas will add to soil moisture but will not help crops as they mature. Occasional showers on the North China Plain are prepping soils for winter wheat and canola planting. -DTN

INDIA (COTTON/SOYBEANS): Monsoon showers continue over central cotton and soybean areas, benefiting soil moisture for some areas that have seen erratic rainfall this year. -DTN

Headlines:

> Malaysian Dec Palm Oil closed up 60 Ringgits

> Dalian Futures Exchange Jan corn up 2 to the Yuan, Jan beans down 70, Jan meal up 2, Jan bean oil down 146, Jan palm oil down 106

> Asian Equity Markets were mixed, Japan's Nikkei down .2%, China's Shanghai up .5%

> European Equity Markets are lower, German Dax down .8%, London FTSE down .4%

> MATIF Markets are higher, Nov Corn up 1.50 to the Euro, Nov Rapeseed up .50, Dec Wheat up 1.0

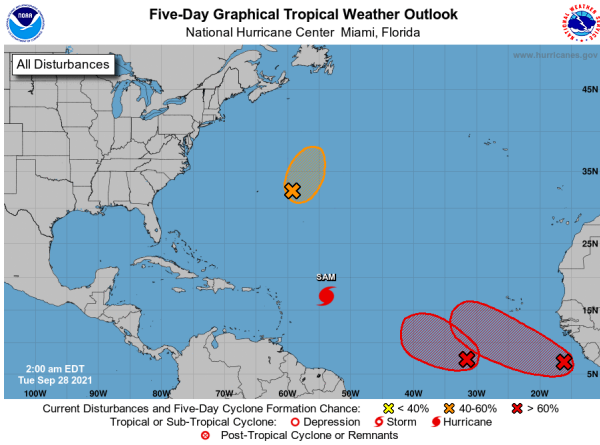
- > Save the Date...Sept 30th...2Q US GDP
- > Save the Date...Sept 30th...USDA Grain Stocks...expected wheat stocks at 1.855 BBU vs. 2.158 BBU Sept 1 2020, corn 1.153 BBU vs. 1.919 BBU, beans 174 MBU vs. 525 MBU
- > Save the Date...Oct 1st...Golden week begins in China
- > Save the Date...Oct 4th...OPEC + Meetings
- > Save the Date...Oct 8th...US Unemployment numbers
- > Save the Date...Oct 11th...Canadian Thanksgiving/Sports Day in Japan
- > Save the Date...Oct 12th...USDA Reports
- > Save the Date...Oct 15th...NOPA Crush
- > ASF back to you Russia [Russia reports swine fever outbreak at one of Miratorg's sites | Nasdaq](#)
- > Where is President Putin [Putin holidays in remote Russian wilderness fishing spot of Amur Oblast \(msn.com\)](#)
- > FAW in SD [Fall Armyworm Caterpillars Causing Issues in South Dakota | The Mighty 790 KFGO | KFGO](#)
- > World Covid update [Covid live news: lowest India deaths since mid-March; England parents warned over hoax vaccine letter | World news | The Guardian](#)
- > Locust/Bird Flu all quiet today
- > Weekly crop updates Monday found that 34% of the winter wheat crop has been planted, 16% of the bean crop has been harvested, 18% of the corn crop is in the bin, the corn and bean crop WoW ratings are unchanged in the good/excellent category

Commentary

The dance continues. It is said of US politics that nothing gets done until the last second. And even then, it sometimes need to go into overtime. This seems to be the case with this version of the US Debt Ceiling dance. The Senate Republicans and Democrats once again are playing with the credit ratings of the US and not to mention peoples lives as both sides try to game an advantage with this issue for the mid-term elections in 2022. The issue before the markets in this fraught time frame of the Covid Era can the US economy as well as the world economy withstand this political gamesmanship. Can the US and world economies withstand this political gamesmanship right as China seems to be embroiled with a major fallouts in their economy over Evergrande and high cost of coal and natural gas. Maybe later today the Sec of the US Treasury and the FED Chairman can talk some sense into US Senator's minds as they testify in front of the US Senate Banking Committee...we have our doubts...buckle up everyone it could be a wild risk off ride to end the month, and an ever wilder ride to start the 4Q.

Sam-I-Am needs to be watched but Africa seems to be pumping out the storm possibilities

Tuesday, September 28, 2021



An investment in futures contracts is speculative, involves a high degree of risk and is suitable only for persons who can assume the risk of loss in excess of their margin deposits. You should carefully whether futures trading is appropriate for you in light of your investment experience, trade objectives, financial resources, and other relevant circumstances. PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS.