

MORNING GRAIN COMMENTARY

Morning Trends:

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as of 5:00 AM CST

Corn 1 to 3 higher

Wheat 7 to 10 higher

Beans 4 to 6 higher

Soy Meal .5 to 1.0 higher

Soy Oil 35 to 40 higher

The Stories of the Day:

Covid in the UK update and what they are doing [Winter COVID plan: Will there be another lockdown in England? \(yahoo.com\)](https://www.yahoo.com/news/winter-covid-plan-will-there-be-another-lockdown-in-england-120000000.html)

5th biggest economy in the world recall election update [Larry Elder Campaign Concedes Defeat and Claims Fraud – Before Election Day \(msn.com\)](https://www.msn.com/en-us/news/politics/story/5th-biggest-economy-in-the-world-recall-election-update-larry-elder-campaign-concedes-defeat-and-claims-fraud-before-election-day)

TX Hurricane update [Nicholas makes landfall as Category 1 hurricane in Texas: Latest forecast \(msn.com\)](https://www.msn.com/en-us/news/weather/stories/texas-latest-forecast) and this [Nicholas could bring "life-threatening" flash floods to deep South \(msn.com\)](https://www.msn.com/en-us/news/weather/stories/nicholas-could-bring-life-threatening-flash-floods-to-deep-south)

Super Typhoon Chanthu update [Flights restored as Typhoon Chanthu lingers off Shanghai - ABC News \(go.com\)](https://www.go.com/news/asia/super-typhoon-chanthu-flights-restored-as-typhoon-chanthu-lingers-off-shanghai)

Weather: There is a broad ridge across the southern half of the U.S.,

a trough leaving the Northeast, one moving into central Canada, and another in the Gulf of Alaska. The ridge will shift to the East, but the parade of troughs will continue to move through Canada through next week. The U.S. and European models have the same sort of pattern but with distinct differences in how to develop systems. I will favor the European with differences. For the outlook period, temperatures on Sunday will be near to above normal for most areas with some below normal temperatures spreading through the West and potentially the Plains during the period. A system will move through much of the country next week with scattered showers and potential for heavy rain. -DTN

NORTHERN PLAINS (LIVESTOCK/CORN/SOYBEANS): Scattered showers moved through on Monday with some pockets of moderate rainfall. Several systems will move through over the next 10 days, but showers look to be isolated for the most part. This should favor maturing crops and early harvest, but the drought continues. Showers early next week may be on the heavier side, but that is not certain yet. -DTN

CENTRAL/SOUTHERN PLAINS (LIVESTOCK/CORN/SOYBEANS/WINTER WHEAT): Some isolated showers will be possible through the next week, but most areas should stay dry while temperatures remain above normal. This will favor maturing corn and soybeans and harvest but deplete soil moisture for winter wheat establishment. A system early next week could bring some more widespread showers to the region but that is not certain yet. -DTN

MIDWEST (CORN/SOYBEANS/WINTER WHEAT): Isolated showers moved across northern areas this weekend and Monday with some pockets of moderate rainfall. Isolated to occasionally scattered showers will continue over the next 10 days as a few systems move through while temperatures will continue to be above normal. This will favor maturing corn and soybeans and early harvest. Soil moisture is still favorable for winter wheat planting and establishment as well. A system early-to-mid next week could bring some more widespread showers to the region but that is not certain yet. -DTN

DELTA (SOYBEANS/COTTON): Tropical Storm Nicholas could bring heavy rainfall to southern portions of the region through Thursday which could cause damage to maturing cotton and soybeans. Otherwise, isolated showers will be possible through the week. -DTN

SOUTHEAST (COTTON/LIVESTOCK): Tropical Storm Nicholas could bring heavy rainfall to portions of the region later this week. Otherwise, isolated showers will be possible and could affect maturing cotton as well. -DTN

PACIFIC NORTHWEST (WINTER WHEAT): Scattered showers fell over the weekend but amounts were light as drought continues to have a tight grip on the region. Winter wheat establishment is unlikely to find much success until more favorable moisture develops. Several storm systems will move through over the next couple of weeks but with only limited precipitation. -DTN

BRAZIL (WINTER WHEAT/CORN/SOYBEANS): Southern states will stay active over the next week as another system moves through and a front stalls. This will favor winter wheat and recharge soil moisture for corn and soybeans. Central states are still awaiting the start of the wet season. Soybean planting restrictions lift this week but will need more moisture for seed-to-soil contact in these central areas before planting picks up. Models are suggesting it to stay relatively dry through the end of September with only isolated showers in Mato Grosso at times. -DTN

ARGENTINA (WINTER WHEAT/CORN/SOYBEANS): Dry conditions are expected for the next week. Winter wheat has gotten some moisture lately but could use more as it gets further into reproduction. And more moisture is needed for corn and soybean planting as well. -DTN

EUROPE (WHEAT/CORN): Isolated showers moved through this weekend and another system will slowly move through the continent this week with scattered showers. Drier conditions would be favorable for maturing and harvest of crops to the north, but the showers will benefit winter wheat planting and establishment, especially over the south where it has been drier. -DTN

UKRAINE/SOUTHWEST RUSSIA (WHEAT/CORN/SUNFLOWERS): Isolated showers moved through on Sunday but there were many dry areas. Dry weather is anticipated for most areas this week. This will favor maturing and harvest of summer crops, but the region could use more moisture for winter wheat planting and establishment. This is especially true across Russia, where it has been overly dry this summer. -DTN

AUSTRALIA (WINTER WHEAT/CANOLA): Favorable conditions continue for reproductive winter wheat and canola in most areas. Showers would still be beneficial in northern New South Wales and Queensland, but irrigation supplies are adequate. -DTN

CHINA (CORN/SOYBEANS): Outside of some flooding which may have occurred in July, 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 moved back into central cotton and soybean areas, benefiting soil moisture for some areas that have seen erratic rainfall this year. Showers continue to be on a more sporadic nature through the next week. -DTN

Headlines:

> Malaysian Nov Palm Oil up 52 Ringgits

> Dalian Futures Exchange were mostly lower Jan Corn down 11 to the Yuan, Jan Beans down 12, Jan Meal up 7, Jan Bean Oil down 60, Jan Palm Oil down 14

> Asian Equity Markets were mixed, Japan's Nikkei up .7%, China's Shanghai down 1.4%

> European Equity Markets are mixed, German Dax up .1%, London FTSE down .4%

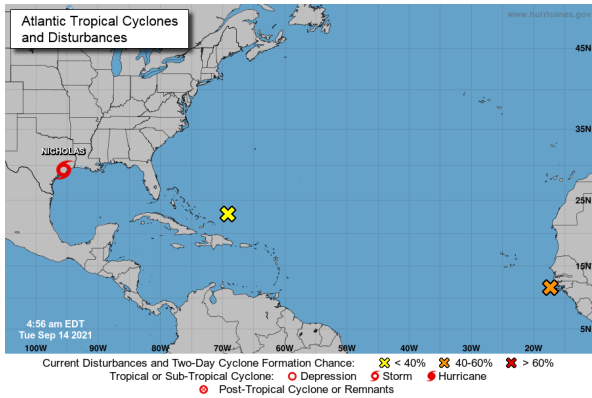
- > MATIF Markets are higher, Nov Corn up 2.50 to the Euro, Nov Rapeseed up 5.25, Dec Wheat up 2.50
- > Save the Date...Sept 15th...NOPA Crush Ahead of Wednesday's NOPA August report, analysts are forecasting US August soybean crush at 154.18 mln bushels, that compares to July's 155.10 mln bu and 165.06 mln bu in August 2020 -QT
- > Save the Date...On or about Sept 19th ...our good friends at the Weather Center Company suggest we might be dealing with another Gulf Tropical event
- > Save the Date...Sept 21st...Earth Wind and Fire Day
- > Save the Date...Sept 22nd...FOMC meeting results
- > Save the Date...Sept 30th...2Q US GDP
- > Save the Date...Sept 30th...USDA Grain Stocks
- > US CPI numbers will be out at 7:30 AM CDT MoM expected at .4%
- > StatsCan out at 7:30 AM with Sept crop updates all wheat expected at 21.9 MMT vs. August at 22.95 MMT, spring wheat 15.2 vs. 16.01, durum 3.8 vs. 3.99, canola 13.6 vs. 14.75, oats 2.8 vs. 3.07, barley 7.5 vs. 7.84
- > That time of year birds in motion means bird flu is in motion [Three western European states detect avian flu in poultry | WATTPoultry \(wattagnet.com\)](#)
- > China at best fighting ASF to a draw [African swine fever is spreading rapidly in China, again - Daily Monitor](#)
- > Grasshoppers/Locust/FAW all quiet today
- > La Nina Time...Philippines go from watch to alert [La Niña likely to prevail in last quarter of 2021 — Pagasa | Inquirer News](#)
- > USDA weekly crop updates found that 58% of the corn crop is rated at good/excellent WoW down 1%, bean ratings came in at 57% good/excellent, WoW unchanged...corn harvest at 5%, winter wheat plantings are at 12%
- > Late yesterday, JBS announced production at one of their Nebraska beef processing plants was halted due to fire but expects operations to resume later today. -QT

Commentary

Let the spinning begin. As we move deeper into this week, we will move ever closer to getting real harvest intel when it comes to national trends. Given the Chinese are at the cusp of their corn harvest which could be a bin buster to boot, we bulls will need to hear at worst variable yield results coming from the harvest. The other issue moving forward is we would like to keep drying cost with the corn harvest at a minimum. The run up this fall of natural gas and propane costs has been staggering. This is why we are going to be keeping a beady eye on last half Sept weather and first half Oct weather. Keep in mind as our good friends at the Weather Center Company always tell us this is the time of year where the repeating fall weather pattern is established. This means confidence in the 6-10 forecasts are lowered as the weather establishes its new fall/winter repeating patterns.

Well, it is Sept

Tuesday, September 14, 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.