

MORNING GRAIN COMMENTARY

Morning Trends:

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as of 5:00 AM CST

Corn 4 to 6 higher

Wheat 9 to 11 higher

Beans 9 to 11 higher

Soy Meal 2.0 to 2.5 higher

Soy Oil 70 to 75 higher

The Stories of the Day:

China has some issues <https://www.msn.com/en-us/news/world/could-chinas-economy-collapse/ar-AAPypxS?li=BBnbfcl>

China supply chain [China's record factory inflation poses another threat to supply chains \(msn.com\)](https://www.msn.com/en-us/news/world/china-s-record-factory-inflation-poses-another-threat-to-supply-chains/msn.com)

STRIKE!!! [Here's Why More Than 10,000 John Deere Workers Are Striking \(msn.com\)](https://www.msn.com/en-us/news/world/here-s-why-more-than-10-000-john-deere-workers-are-striking/msn.com)

Covid update [FDA panel recommends Moderna booster for people 65 and older and adults at high risk of exposure or severe illness \(msn.com\)](https://www.msn.com/en-us/news/world/fda-panel-recommends-moderna-booster-for-people-65-and-older-adults-at-high-risk-of-exposure-or-severe-illness/msn.com)

In the Covid era we have a lot of backed up celebrations to get to [Chapel Of Love \(Remastered 2000\) - YouTube](https://www.youtube.com/watch?v=ChapelOfLove)

Weather: There is a ridge in eastern Canada down through the eastern

U.S., a trough in the Plains, a ridge developing behind it in the West, and another trough over the North Pacific. The Plains trough will continue eastward through the weekend while the ridge builds. A portion of the North Pacific trough will move across Canada and the U.S. next week and deepen across the East Coast late in the week, while the ridge pops back up over Canada and we see a trough-ridge-trough pattern for next weekend. The U.S. and European models are in fair agreement through the middle of next week but start to diverge with the pattern late next week and weekend. I will use a blend but favor the European. For the outlook period, temperatures on Wednesday will be near to below normal in the Plains and near to above normal elsewhere. The below normal anomalies should follow a weak system as it crosses the U.S. next week and weekend but rise across the Rockies and eventually the Plains. A system will move through the U.S. and could bring a few showers across the Corn Belt around midweek. Another piece of energy could bring showers to southern areas late week and weekend.

NORTHERN PLAINS (LIVESTOCK/CORN/SOYBEANS): Colder temperatures settling in will only stick around for a couple of days before warmer temperatures come back into the region over the weekend. Temperatures could go back below normal in the middle of next week, but not to any great extent. It may take a while for soils to recover from the past week's heavy rain and snow and allow equipment back into the fields to continue harvest. -DTN

CENTRAL/SOUTHERN PLAINS (LIVESTOCK/CORN/SOYBEANS/WINTER WHEAT): A cold front had gotten stuck across southeastern areas where some heavy rainfall and flooding has occurred earlier this week. That front is getting pushed eastward on Friday and drier weather should follow through the weekend. Rainfall has been fairly good for winter wheat areas except for these areas of flooding from central Texas to southern Missouri. -DTN

MIDWEST (CORN/SOYBEANS/WINTER WHEAT): A system moving through the region will bring moderate rainfall and potential for severe weather across southeastern areas into early Saturday before leaving. Widespread moderate rain recently has caused delays for corn and soybean harvest and will take some time to dry out as temperatures cool back closer to normal through next week. A system will bring some isolated showers in the middle of next week, but nothing that is currently expected to delay harvest any further. -DTN

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DELTA (SOYBEANS/COTTON/WINTER WHEAT): A front will bring showers on Friday that could cause some delays in the cotton and soybean harvest but provide good moisture for winter wheat establishment. Dry weather follows into next week and conditions are mostly favorable for harvest and winter wheat establishment. -DTN

SOUTHEAST (COTTON/LIVESTOCK): Dry weather continues into next week outside of a few isolated showers with a frontal passage on Saturday. The dryness favors drying soils and harvest. -DTN

PACIFIC NORTHWEST (WINTER WHEAT): Scattered showers moved through Idaho this week, but Washington and Oregon were left mostly dry. Colder temperatures in place will rise this weekend. Overall, conditions are still limiting for winter wheat establishment. A system that comes through Sunday into Monday may provide better precipitation, and showers may continue through next week at times, but that is not guaranteed. -DTN

BRAZIL (WINTER WHEAT/CORN/SOYBEANS): Scattered showers continue for the next week over central areas and over southern areas through early next week, overall good for full-season corn and soybean planting and establishment. Some drier weather moving into southern areas next week will be favorable for maturing and harvest of winter wheat. -DTN

ARGENTINA (WINTER WHEAT/CORN/SOYBEANS): A couple of systems have brought some scattered showers to the country this week, but amounts were not enough to reverse much of the dryness that has encompassed the country's primary growing regions. A stretch of drier weather is anticipated through the middle of next week which will continue to stress emerged corn and soybeans and create uneven emergence. -DTN

EUROPE (WINTER WHEAT/CORN): A few showers will continue over eastern areas through Saturday, but most areas will remain dry through the weekend. A more active pattern will develop across the northern half of the continent next week that should provide many opportunities for rain. Overall, conditions continue to be favorable for winter wheat establishment, but there could be additional delays for harvest next week. -DTN

UKRAINE/SOUTHWEST RUSSIA (WHEAT/CORN/SUNFLOWERS): A system moved through Ukraine and northwest Russia with scattered showers this week, but southwestern Russia does not see much in terms of coverage or amounts where it is needed more. Only small isolated chances for showers continue through next week. Time is running out before colder temperatures settle in for the year and wheat goes dormant. -DTN

AUSTRALIA (WINTER WHEAT/CANOLA/COTTON/SORGHUM): A system with more widespread showers is moving through eastern areas through Saturday, helping to increase moisture for some of the drier areas of the country. Mostly favorable conditions continue for reproductive to filling winter wheat and canola along with providing beneficial soil moisture for cotton and sorghum planting. -DTN

CHINA (CORN/SOYBEANS/WHEAT/CANOLA): Conditions have been mostly favorable for corn and soybeans this season. Occasional showers on the North China Plain are prepping soils as winter wheat and canola planting increases. -DTN

INDIA (COTTON/SOYBEANS/WINTER WHEAT): Monsoon showers are waning over central India, as is typical for the monsoon to end over the region. They may come back this weekend into early next week, but that will only be temporary. Moisture should be good for the rest of filling cotton and soybeans. -DTN

Headlines:

> Malaysian Dec Palm Oil closed up 93 Ringgits

> Dalian Futures mix Jan corn up 19 to the Yuan, SF down 40, Jan meal up 27, Jan bean oil up 52, Jan Palm oil down 22

> Asian Equity Markets were mostly higher, Japan's Nikkei up 1.8%, China's Shanghai up .4%

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- > European Equity Markets are slightly higher, German Dax up .2%, London FTSE up .2%
- > MATIF Markets are higher, Nov Corn up 4.0 to the Euro, Nov Rapeseed up 7.50, Dec Wheat up 5.0
- > Save the Date...Oct 15th...NOPA Crush...expected 155.07
- > Save the Date...Oct 31st – Nov 12th ...Glasgow for COP26
- > Save the Date...Some time in Nov...Brazilian Government expected to decide if they will allow Argentina GMO wheat into their country
- > Save the Date...Nov 3rd...FOMC meeting results
- > Save the Date...Nov 4th...OPEC + Meetings
- > Save the Date...Nov 5th...US Employment numbers
- > Save the Date...Nov 7th...US falls back...US falls back to good old standard time
- > Inflation talk [Inflation in the economy today is different. Here are four charts that can explain why. \(msn.com\)](#)
- > Hey Brazil bank the rain when you can not when you have to...[Brazil power grid operator sees "very worrying" dry season in 2022 | Reuters](#)
- > Locust/FAW all quiet today
- > ASF, what's for dinner...a professional grade feed please [Garbage-Fed Pigs Present African Swine Fever Risk | Main Edition | lancasterfarming.com](#)
- > Bird Flu a new mutation a new threat [H7N9 Avian Influenza A Virus and the Perpetual Challenge of Potential Human Pandemicity \(nih.gov\)](#)
- > Time to revisit the classic movie Three Days of the Condor? [Exclusive-China looks to lock in U.S. LNG as energy crunch raises concerns- sources \(msn.com\)](#)
- > Turkey in economic turmoil? [Inflation, Rates, Purges: Just Another Day At Turkey's Central Bank - Bloomberg](#)
- > Weekly export sales at 7:30 AM CDT wheat expected between 300-500,000 MT, corn 800-1.2 MMT, beans 800-1.2 MMT, meal 100-300,000 MT and oil 5-25,000 MT
- > Weekly CFTC MM Funds Position Report at 2:30 PM CDT we feel as of the close of 10/12 the MM funds were short 300 or so W, long 45,000 KW, long 12,000 MW, long 232,596 corn, long 18,000 S, short 37,000 SM, and long 62,000 BO

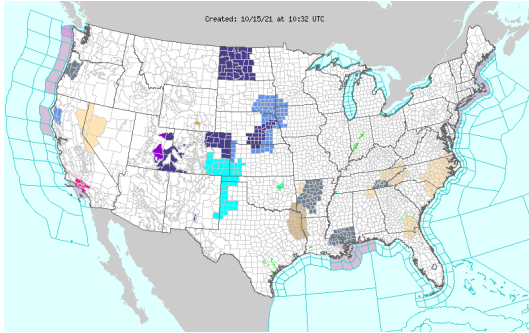
Commentary

This seems to happen once every 10 years or so, but it is time to review the difference between Agronomy world and Cash Grain world. The bottom line in grain world the marketing of grains is done with contracts. In Agronomy world the marketing of fertilizer and chemicals are done with commitments. In the real world it seems like when times get tough one has a harder time walking away from contracts than commitments. In the days and weeks ahead long term relationships will be valued and honored if we end up in tight supplies of key inputs this spring. So much like the baker and millers of wheat, the processors of corn/beans and end users everywhere the farmers of the world need to make sure of their supply chains. In this day and age of Amazon, where the world can be sourced and delivered to your door and at the same time saving a penny or two along

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the way, when commitments start to change the value of long term relationships could/will take on a whole new light.

That time of the year to take care of your tender plants, TX, KS, NE, SD



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