

MORNING GRAIN COMMENTARY

Morning Trends:
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as of 5:00 AM CST
Corn 3 to 5 lower
Wheat 25 to 28 lower
Soybeans 2 to 4 lower
Soy Meal .5 to 1.0 lower
Soy Oil 35 to 40 lower

Short Range Weather: Strong to severe thunderstorms are possible on Wednesday in parts of the Ohio Valley, Upper Mississippi Valley and south-central Plains. These storms may produce heavy rain and flooding in the Ohio Valley. Meanwhile, a strong cold front will sweep through the Northwest U.S. with rain, mountain snow and high winds. Finally, heat and record high temperatures are likely across the Southern U.S. NWS

Long Range: The GFS model continues to want to develop a system in the extreme SW Caribbean Sea but there has been little continuity for where it might landfall between model runs. My first blog was motivated by the fact that the storm was right over Melbourne in 10 days' time. Since that time, the model has slowed the system down and now has it in the Central Gulf by next Friday morning as a hurricane. The system brushes the Yucatan from the east and briefly moves NW before turning back towards the NE. If that verifies it will be much more of a threat to the east-central and northeast Gulf...still too early. I will keep you posted. -Al Siegel

NORTHERN PLAINS (WHEAT/LIVESTOCK/CORN/SOYBEANS): A stronger system will move through with more widespread and heavier showers Thursday and Friday, potentially being cold enough for accumulating snow in some areas. Well below normal temperatures will then be in place going into next week. Some northern frosts will be possible, but the impact to agriculture will be quite low due to the delayed planting. Planting progress continues to be slow which looks to be the case for a while as the weather pattern remains active going into June. -DTN

CENTRAL/SOUTHERN PLAINS (CORN/SOYBEANS/LIVESTOCK/WINTER WHEAT): A couple of disturbances will bring showers through the region on occasion through next week. The driest areas in the southwest will have the least chance for showers, and also with fairly hot temperatures until the weekend. Colder air moving in could create snow in the Colorado foothills on Saturday. Stress continues to be high for wheat and for corn and soybeans where the showers miss. -DTN

The Stories of the Day:
<p>Russian Invasion: Putin is making low-level tactical decisions and 'micromanaging' Russia's war efforts, according to reports (msn.com) Ukraine hopes to swap steel mill fighters for Russian POWs (msn.com) NATO chief hails 'historic moment' as Finland, Sweden apply (msn.com) Will Turkey upend NATO expansion? US officials seek clarity (msn.com)</p> <p>While the gaze of Moscow is focused on the Ukraine regional issues are on the boil Cracks Are Emerging in Putin's Alliance Against the West (msn.com)</p> <p>Covid Update: Between a rock and hard place Goldman Sachs cuts its China GDP forecast on Covid controls (cnbc.com) WHO: Omicron makes China's 'zero-COVID' policy unsustainable AP News As Xi is set to secure 3rd term as China's prez, CCP members call on... World News - Hindustan Times</p> <p>India a flash point between Hindu and Muslims India mosque row could become a religious flashpoint (msn.com)</p> <p>And in Libya France: all parties in Libya must work together and find political solution to end violence Reuters</p> <p>Coors for Breakfast Coors' Unexpected New Beverage Is Made For The Breakfast Table (msn.com)</p>

MIDWEST (CORN/SOYBEANS/WINTER WHEAT): Scattered showers and thunderstorms will move through the region through Thursday and a stronger storm system will move through Thursday through Saturday. The late-week storm has the best chance to produce severe weather and organized showers. The rapid planting pace of last week will slow down in places due to weather this week. Colder temperatures will move through behind that stronger system, being coldest across the west going into next week. -DTN

DELTA (SOYBEANS/COTTON): Some showers may go through at times during the week, but overall, the region is in a drier stretch. A stronger cold front will move through Saturday and Sunday, bringing more organized showers through and also cooler temperatures, which will improve soil moisture and reduce stress in some of the somewhat drier areas across the south. -DTN

PACIFIC NORTHWEST (WHEAT): Another cold and wet trough will move through this week. The showers are benefiting soil moisture, but the cold temperatures are keeping growth for wheat slow. -DTN

BRAZIL (CORN): Soil moisture continues to be critical in central Brazil for safrinha corn in the pollination and grain-fill stages of growth. Cold air may lead to some frosts across the southern areas throughout the rest of the week, but clouds, wind, and some rainfall could keep temperatures up just enough. If it does get cold enough, frost would create significant damage to the crop that is pollinating to filling. -DTN

ARGENTINA (CORN/SOYBEANS/WHEAT): Dry weather has promoted additional harvest of corn and soybeans, along with planting of winter wheat. Wheat has seen lower amounts of moisture lately and could use more for good germination. There may be some coming next week. -DTN

CANADIAN PRAIRIES (LIVESTOCK/WHEAT/CANOLA): The eastern half of Saskatchewan and Manitoba are too cold and wet for much planting progress to be done. Some recent showers across the western half of the region benefited soil moisture where drought still exists. Periods of showers will move through this week with a couple of systems. That will again be beneficial for western areas while the east will remain too wet. With cold temperatures following the system, that could also lead to some snow accumulation at least in Manitoba. The colder air will last into next week, continuing to keep soil drainage and subsequent planting slow in eastern areas. The cold will not be good for western areas either, where frosts would be a concern. -DTN

EUROPE (WINTER WHEAT/CORN): Temperatures will remain well above normal for the rest of the week across western areas. This coincides with drier areas and wheat will feel some stress. Some periodic showers will move through late this week in the northwest. Over the east, soil moisture and temperatures are much better. -DTN

BLACK SEA (WINTER WHEAT/CORN): Colder temperatures are moving through the region this week. They may be cold enough to produce some patchy frost at times, more likely over Russia on Friday or Saturday. Still, that would not have much of an impact on corn, maybe on some advanced wheat, though growth has been slower this spring. Periods of showers will come with the colder air throughout the weekend. Soil moisture may improve in spots. -DTN

AUSTRALIA (WINTER WHEAT/CANOLA): Heavy rain moved through the eastern states of Australia last week, causing some flooding in spots which may have had an impact on winter wheat and canola planting and early establishment. But the increased soil moisture for most of the region should be good in the long run. More wet weather is coming this weekend into next week. Showers do not look to produce widespread flooding, but may in spots. -DTN

Headlines:

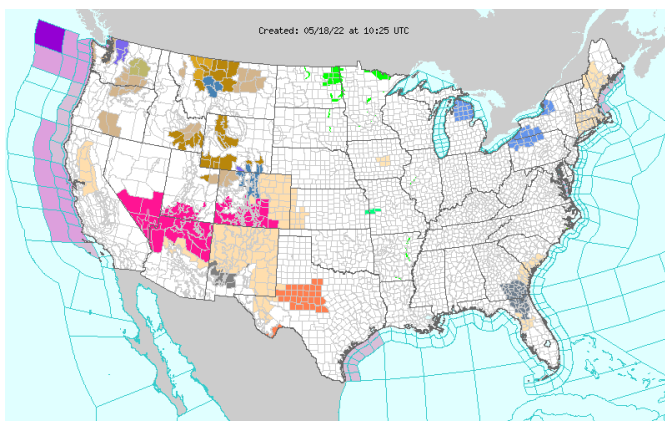
> Malaysian August Palm Oil Market closed up 20 Ringgits

> Dalian Futures markets were mixed Sept Corn up 3 to the Yuan, July Soybeans down 3, Sept Meal up 15, Sept Bean Oil down 6, Sept Palm Oil down 18

- > Asian Equity Markets were mixed Japan's Nikkei up .9%, China's Shanghai down .3%
- > European Equity Markets are slightly lower, German Dax down .1%, London FTSE 100 down .1%
- > MATIF Markets are lower Aug Corn down 3.75 to the Euro, Aug Rapeseed down 12.0, Sept Wheat down 3.25
- > Save the Date...May 18th...US Housing Starts and Permits
- > Save the Date...May 23rd...Victoria Day, Canada
- > Save the Date...May 26th...US 1Q GDP
- > Save the Date...May 30th...US Memorial Day
- > Pay Me My Money Down: [Apple accused of violating the National Labor Relations Act - MacTech.com](#)
- > FAW/Locust all quiet today
- > ASF...[Three more swine fever cases found in Rome - English - ANSA.it](#)
- > Bird Flu...[Highly pathogenic avian influenza identified in Marinette, Dunn counties; both flocks will be euthanized \(yahoo.com\)](#)
- > Arab Spring 2.0 or is this back to where it all began??? [Tunisia military court jails four opposition lawmakers, lawyer says | Euronews](#) and in Iran [Bloody protests in Iran are not just about food prices \(msn.com\)](#) and in Tajikistan [Tajikistan starts 'anti-terror operation' near China, Afghan borders - RIA \(msn.com\)](#)

Commentary: If things hold to form, today's morning wire might be used for the evening wire as well. Of course, you know the line, at least overnight and we expect during the US session the market has been and will be lacking passion. A market lacking passion usually lacks volume. A market that lacks volume usually does not have much follow through to moves. If this all holds to form, we should see a choppy two-sided trade in corn and beans, while the wheat market more through time then price starts to correct over bought conditions. Weather/War/Covid headlines have and will continue to turn prices on a dime. The bottom line as the market approaches and in the case of wheat exceeds the March highs, something more is needed besides the known weather concerns to take the Ag complex the next leg higher.

Roll Planters Roll





Wednesday, May 18, 2022

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