

MORNING GRAIN COMMENTARY

Morning Trends:

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as of 5:00 AM CST

Corn 4 to 6 lower

Wheat 20 to 25 lower

Soybeans 3 to 5 higher

Soy Meal .5 to 1.0 higher

Soy Oil 5 around

Short Range Weather: Scattered severe thunderstorms are likely Thursday afternoon into Thursday night across portions of the Upper Midwest and from the Mid-Mississippi Valley into the Carolinas. Early season heat with likely record high temperatures will persist across the Southern tier of the U.S. today and will extend into the Ohio Valley, Mid-Atlantic, and Northeast on Friday and Saturday NWS

Long Range: The Gulf may have gone back to sleep, but rest assured

the Great AI Siegel has not: The area of disturbed weather in the SW Caribbean is now forecast to snooze in place through the next ten days, while drifting slowly west into Mexico. If the forecast validates, that will end the threat in the near term, and this will be the last update.

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. Another couple of disturbances will bring scattered showers through the region next week. 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): Stronger storms and some better than expected rain fell across the southwestern areas last night, but still was not enough to give many areas good amounts. A front will move through with areas of showers through the weekend. Colder air moving in could create snow in the Colorado foothills on Saturday. A disturbance may bring more widespread showers to the region on Monday and Tuesday, but it is unclear if the showers will be enough for stabilizing wheat. -DTN

MIDWEST (CORN/SOYBEANS/WINTER WHEAT): Scattered showers will fall ahead of and along a front through Sunday. Areas of severe weather and organized showers will slow down planting progress in places. Colder temperatures will move through behind that stronger system, being coldest across the west going into

The Stories of the Day:

Russian Invasion: [Russia-Ukraine war: 1,730 fighters have now surrendered from Azovstal, Kremlin claims; cover-ups hurting Russian military, says UK – live \(msn.com\)](#) [Russia-Ukraine war live updates: Biden to host leaders of Finland, Sweden after NATO bids \(nbcnews.com\)](#) [Russia touts new laser weapons, but Ukraine and U.S. are skeptical \(msn.com\)](#) [If NATO welcomes Finland and Sweden, Putin may head to Moldova \(msn.com\)](#) [Martin Schram: Is Putin’s off ramp finally under construction? \(msn.com\)](#)

While the gaze of Moscow is focused on the Ukraine regional issues are on the boil [Azerbaijan, Georgia, and Kazakhstan eye signing of draft agreement on transit facilitation \(trend.az\)](#) [Nine killed in clashes in Tajikistan’s restive eastern region \(msn.com\)](#) [Belarus' new death penalty law is 'politically motivated,' U.S. Sec. of State Blinken says \(msn.com\)](#)

Covid Update: [Between a rock and hard place Beijing students protest lockdown amid rising scrutiny of China’s ‘zero-Covid’ policy \(msn.com\)](#) [What Justifies China's Zero-COVID Policy? | The ASEAN Post](#)

Back in Brazil [Brazil's top court rejects leader's complaint against judge | AP News](#)

Hey Mr. Kim what’s popping [Kim Jong-Un Preparing To Welcome Biden With Nuclear, Missile Tests, US Warns \(msn.com\)](#)

next week. Another storm system will move through around the middle of next week with more widespread showers and causes for planting delays. -DTN

DELTA (SOYBEANS/COTTON): After a drier stretch this week, 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. More showers are anticipated next week as another system moves through, maintaining or improving soil moisture. -DTN

PACIFIC NORTHWEST (WHEAT): Another cold and wet trough is moving through this week. The showers are benefiting soil moisture, but the cold temperatures are keeping growth slow for wheat. The showers will dry up over the weekend with a drier stretch through much of next week, which may bring some better sunshine and some warmer temperatures for better growth. -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 through Saturday morning. 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. A front moving north through the country next week may provide some spotty showers, but northern areas of the country are likely to see better shower coverage. -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. A storm system moving through the region Thursday and Friday will bring more showers and could be cold enough to produce areas of accumulating snow. 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, and crops are overall in much better shape. Some better shower chances will occur over the continent next week with a couple of systems moving through. That includes across the northwest dry spots. -DTN

BLACK SEA (WINTER WHEAT/CORN): Colder temperatures continue in the region through next week. They may be cold enough to produce some patchy frost at times, more likely over Russia. Frosts may have some impact on some advanced wheat, though growth has been slower this spring, which continues with the colder air. Periods of showers will come with the colder air and 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 closes lower down 60 Ringgits

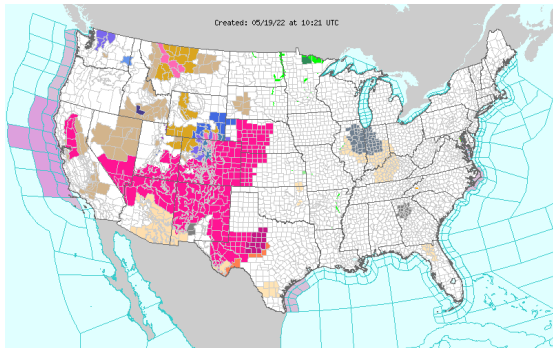
> Dalian Futures markets were lower Sept Corn down 8 to the Yuan, July Soybeans down 8, Sept Meal down 14 Sept Bean Oil down 66, Sept Palm Oil down 48

- > Asian Equity Markets were mostly lower Japan's Nikkei down 1.9%, China's Shanghai up .4%
- > European Equity Markets are sharply lower, German Dax down 2.0%, London FTSE 100 down 1.7%
- > MATIF Markets are lower Aug Corn down 5.25 to the Euro, Aug Rapeseed down 1.75, Sept Wheat down 4.25
- > Save the Date...May 23rd...Victoria Day, Canada
- > Save the Date...May 26th...US 1Q GDP
- > Save the Date...May 30th...US Memorial Day
- > Indonesia to lift Palm Oil export ban [Indonesia Lifts Palm Oil Export Ban in Relief to Global Market \(yahoo.com\)](#)
- > A win for sanctions [Asia-bound Biden gets welcome news on Russia-China trade \(msn.com\)](#)
- > Emerging markets debt management the story of the summer??? [Sri Lanka in first debt default in its history \(msn.com\)](#) and in Bangladesh [Is Bangladesh heading toward a Sri Lanka-like crisis? \(msn.com\)](#)
- > China feeling the pinch, lifts Canadian canola seed restrictions...no reason given [China lifts curbs on Canadian canola, demand seen muted \(msn.com\)](#)
- > U.N. Secretary-General Antonio Guterres said on Wednesday that he is in "intense contact" with Russia, Ukraine, Turkey, the United States, and the European Union to try and restore Ukrainian grain shipments and revive Russian fertilizer exports, news agency Reuters reports -QT
- > Health check on our old friend the Mekong River [Mekong flowing at highest in years but drought feared later - VnExpress International](#)
- > Pay Me My Money Down: [Striking Iowa CNH worker speaks out, as UAW floats ending strike without a contract - World Socialist Web Site \(wsws.org\)](#)
- > FAW/Locust all quiet today
- > ASF...[Nepal reports first African swine fever outbreak, OIE says | Reuters](#)
- > Bird Flu...[Opinion: Avian flu isn't something just for the birds. It reveals agriculture's ills. \(yahoo.com\)](#)
- > Arab Spring 2.0 or is this back to where it all began??? [Tunisia: Protests mean a rise in the price of poultry, eggs - Poultry World](#)
- > Weekly Export Sales at 7:30 AM CDT expected to find wheat sales between 200-400,000 MT, corn 700-900,000 MT, beans 600-800,000 MT, meal 100-300,000 MT, and bean oil 5-25,000 MT
- > Weekly Jobless Claims at 7:30 AM CDT expected at 200,000 vs. last week's 203,000

Commentary: War/Weather/Covid headlines keep taking up all the oxygen in the room. We started the week with weather inspired export bans on Indonesia Palm Oil and Indian wheat; the trade is nervous that more War/Weather/Covid export bans on key commodities could pop up to control domestic food inflation fears in exporting nations throughout the world. So it is of note that board values have relaxed this week in response to easing of export bans in Indonesia and India. But has board values set back to define where end user demand is which in turn will redefine fair value we should not forget about China and its needs. It is of note last week and at

the start of this week the Chinese government telling its wheat farmers that they need to harvest their wheat for food and not be tempted to cut wheat for feed silage. And the Chinese have told cattle producers that they should not be bidding for wheat silage. Kind of sound to us that China once again was hoping that robust S. America feed grain exports would help them bridge the gap between their old crop to new crop food/feed needs, but La Nina once again has upset their plans. So, it is of interest today that China has waived their bans on Canadian canola. In a lot of ways, it seems like we are discovering world has indeed chased the markets higher.

Red Flags Keep Flying



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