

MORNING GRAIN COMMENTARY

Morning Trends:

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as of 5:00 AM CST

Corn 1 to 3 lower

Wheat 14 to 16 higher

Soybeans 1 around

Soy Meal 2.0 to 2.5 higher

Soy Oil 20 to 25 higher

Short Range Weather: A slow moving storm system is expected to produce a multi-day heavy rainfall and flash flooding event across much of the Central to Southern Plains and Lower Mississippi Valley regions. Severe weather may produce large hail and high winds, but also a threat of tornadoes, across Texas and spreading on Wednesday into the Lower Mississippi, Tennessee and Ohio Valleys. -NWS

Long Range Weather: There is a ridge in the Southeast and another off the West Coast with a trough complex across much of North America. The southern half of the trough will shift across the U.S. through the week with the western ridge following behind it. Another trough will move into the West this weekend and spread into the middle of the country next week. Another trough should follow later next week, keeping the pattern fairly active going into June. The U.S. and European models are fairly similar with the overall pattern. I will use a blend, but favor the European. For the outlook period, temperatures on Sunday will be above normal across much of the country but near to below normal in the Pacific Northwest. The cooler temperatures will spread eastward, bringing below normal temperatures to the Plains and Midwest by the middle of next week. A system will move through the northern tier of the country this weekend into next week. A secondary system will develop along a front that gets left behind in the Northern and Central Plains in the middle of next week that pushes eastward for late in the week. -DTN

NORTHERN PLAINS (WHEAT/LIVESTOCK/CORN/SOYBEANS): Drier weather throughout the week may be enough to get planters rolling a little faster in North Dakota and the surrounding areas that are too wet. But the window is short as a system moves in this weekend with periods of scattered showers going into next week. -DTN

CENTRAL/SOUTHERN PLAINS (CORN/SOYBEANS/LIVESTOCK/WINTER WHEAT): Widespread showers fell on Monday and continue on Tuesday. Areas of heavy rain could bring some flooding. Another front and system should bring more showers through northern areas over the weekend and into next week. Wheat is likely too late

The Stories of the Day:

Russian Invasion: [Putin said he'll have a 'serious talk' with the West after being told he's to 'blame for everything' \(msn.com\)](#) [Futuristic Belgian F2000 Rifles Have Been Spotted In Ukrainian Hands \(msn.com\)](#) [Pentagon says more high-tech weapons going to Ukraine \(msn.com\)](#) [Russia likely running short on drones, hindering key war reconnaissance strategy: UK | Fox News](#)

Covid Update: [Between a rock and hard place China's bet on homegrown mRNA vaccines holds back nation \(msn.com\)](#) [China pledges support for ailing economy, analysts doubt impact \(msn.com\)](#) [Chinese Wisdom in Xi's Words: Food is first necessity of the people - China.org.cn](#)

China continues to show its muscle on Indian border [China-India Border Crisis Has Quietly Resulted In Victory For Beijing \(msn.com\)](#)

Indian wheat ban ramifications

<https://economictimes.indiatimes.com/news/economy/agriculture/suppliers-in-spot-as-itc-cargill-cancel-wheat-buying-contracts/articleshow/91753756.cms?from=mdr>

Smog Alert [White House weighs waiving smog rules on gasoline to lower pump price -sources \(msn.com\)](#)

to be able to use much of the moisture and the showers will only stabilize conditions at this point. But increases in moisture will benefit summer crops and pastures more. -DTN

MIDWEST (CORN/SOYBEANS/WINTER WHEAT): A system will bring more showers through the region through Friday with heavier rain and some severe weather. That is followed by another system this weekend into next week as the pattern stays active. The seed already in the ground will benefit, along with winter wheat. -DTN

DELTA (SOYBEANS/COTTON): Scattered showers are expected on Tuesday and Wednesday. A longer break will develop afterward, which may extend into June. Recent showers are benefiting seed in the ground, but some upcoming dryness could cause some stress if it lasts too long. -DTN

PACIFIC NORTHWEST (WHEAT): The region will be drier this week with rising temperatures. But another trough will move through the region Friday into next week with more showers and cooler temperatures again. Showers will benefit wheat, especially where dryness and drought remain concerns, but the cooler temperatures coming up will keep growth slower. -DTN

BRAZIL (CORN): It remains dry across central Brazil and continues to negatively effect corn. A cold front will move into southern states later this week and stall out going into next week, bringing widespread showers to benefit pollinating to filling corn. The front is not expected to bring showers to central states. -DTN

ARGENTINA (CORN/SOYBEANS/WHEAT): A cold front will slide through the country this week, bringing some showers to wheat areas, though amounts are likely to be light. Wheat needs more showers for good germination and early growth but will find cold temperatures instead, keeping both slow and uneven. -DTN

CANADIAN PRAIRIES (LIVESTOCK/WHEAT/CANOLA): Recent dryness in eastern areas is benefiting soil draining. Some spotty showers may move across the region through Thursday, but another system is likely to bring more widespread moderate showers Friday into next week. Western areas will welcome it but eastern areas will not. Some frosts may occur behind the system as well. -DTN

EUROPE (WINTER WHEAT/CORN): The heatwave across western Europe broke over the weekend and that came with some showers, but nothing widespread occurred. Drier areas from Spain to Germany likely dealt with some damage to winter wheat and possibly early corn as well. Scattered showers are moving through Europe this week, and will likely continue over eastern areas along with Italy over the weekend and going into next week while colder temperatures move in. Over the east, crop conditions are much better and continue to be so. -DTN

BLACK SEA (WINTER WHEAT/CORN): Colder temperatures were noted over the weekend, bringing some frosts to northern Russia. Isolated to scattered showers came with the cold though, keeping soils in fairly good shape for winter wheat. The cold will stick around through the week across Russia, but Ukraine will waffle in and out of above and below normal temperatures. Showers will be better across Ukraine later this week into next. But overall, conditions are fairly good across the region for both wheat and corn. -DTN

AUSTRALIA (WINTER WHEAT/CANOLA): Some showers went through the main growing areas over the weekend but were not heavy enough to cause flooding. Instead, soil moisture continues to be excellent for most areas. Some periods of showers will continue throughout the week and into next week as well, with mostly favorable conditions. -DTN

Headlines:

> Malaysian August Palm Oil Market closes up 209 Ringgits

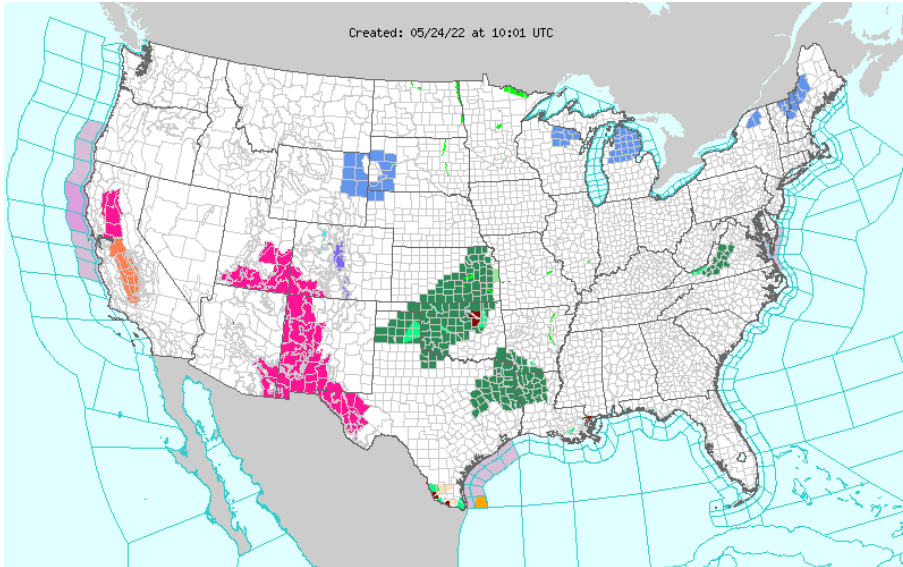
> Dalian Futures markets were mixed Sept Corn down 24 to the Yuan, July Soybeans up 46, Sept Meal down 82, Sept Bean Oil up 22, Sept Palm Oil up 118

> Asian Equity Markets were lower to sharply lower Japan's Nikki down .9%, China's Shanghai down 2.5%

- > European Equity Markets are lower to sharply lower, German Dax down 1.0%, London FTSE 100 down .7%
- > MATIF Markets are higher Aug Corn up .50 to the Euro, Aug Rapeseed up 3.0, Sept Wheat 3.25
- > Save the Date...May 26th...US 1Q GDP
- > Save the Date...May 30th...US Memorial Day
- > Save the Date...June 3rd...Dragon Boat Races China
- > Save the Date...June 3rd...Queen's Jubilee UK
- > Save the Date...June 3rd...US Job Numbers
- > Save the Date...June 10th...USDA Production Numbers
- > Save the date...June 15th...FOMC meeting results
- > Save the Date...June 20th...US Holiday, Juneteenth
- > Pay Me My Money Down: [West Coast Port Negotiations are Underway | Source Today](#)
- > FAW/locust/ASF all quiet
- > Monkey Pox [Tuesday briefing: Everything you need to know about monkeypox | Monkeypox | The Guardian](#)
- > Bird Flu...in Alaska not good [Avian influenza's arrival in Alaska signals danger for other parts of the world \(ktoo.org\)](#)
- > Main stream media catching on to the big issues of the day [Global food crisis looms as fertilizer supplies dwindle \(msn.com\)](#)
- > USDA weekly crop on Monday showed that the winter wheat crop is rated at 28% good/excellent, 49% of the spring wheat crop has been planted, 72% of the corn crop is in the ground, 50%, of which 39% has emerged vs. the 5-year average of 51%, of the bean crop has been planted

Commentary: This has a feeling of a throw away week. As we fast approach end of the month, a week from today it feels like traders are working on details and not new ideas. As we fast approach end of the month with a Monday US holiday it feels like trader details are focused on cleaning up positions. Farmers are intent on getting crops in the ground. Macro market traders are watching the Chinese economy and questioning if the Chinese government can manage the housing industry crisis. US markets are wondering the same about the US government and its ability to manage inflation. With that in mind macro markets are focusing once again on the remaining economic reports and how they might impact the FOMC meetings on June 14th and 15th. There are no bigger reports for the market then the June 3rd US monthly job reports. With people on US unemployment insurance falling to levels last seen in 1969 how the FED manages inflation in a time of full employment will be the main focus of the markets in the month of June. But for today and this week it feels like a throw away week, a week defined by lack of follow through.

Lot of water coming through OK and KS today



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