

**MORNING GRAIN COMMENTARY**

**Morning Trends:**

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as of 5:00 AM CST

Corn 1 to 3 higher

Wheat 8 to 10 higher

Soybeans 1 around

Soy Meal .5 to 1.0 higher

Soy Oil 15 to 20 higher

Short Range Weather: Severe thunderstorms with tornadoes, damaging winds, hail, and heavy rainfall are expected over the southern Plains Wednesday, and Mississippi Valley on Thursday. Excessive rainfall with rainfall rates of two-inches per hour or higher could bring flash flooding. Critical fire weather conditions will continue in parts of the Southwest and southern Rockies through Wednesday.-NWS

**The Stories of the Day:**

**Russian Invasion:** [Western leaders predict speedy end to war as Putin signals surge \(msn.com\)](#)[In Ukraine's Russian-speaking east, Putin's war is tearing families apart \(msn.com\)](#)[The CIA is using Instagram to teach Russians how to share state secrets with it \(msn.com\)](#) Western Front Alert [Russia preparing to evacuate families of officers from Transnistria \(msn.com\)](#) Belarus [Belarus Prepares Troops as Ukraine Fears Putin Will Declare All-Out War \(msn.com\)](#)

**EU drops the hammer on Russia Crude Oil** [EU proposes ban on Russian oil imports, removes Sberbank from Swift \(msn.com\)](#) [EU's oil embargo will deal a 'devastating blow' to Russia, strategist says | Watch \(msn.com\)](#)

**Covid Update:** Covid 1 Shanghai 0...Beijing to be determined [Beijing Goes to Extreme Lengths to Avoid Shanghai Covid Woes \(msn.com\)](#) Hong Kong putting day light between their Covid policy and Beijing

**Mr. Kim what's up?** [North Korea fires ballistic missile amid rising animosities \(msn.com\)](#)

**May 9<sup>th</sup> an important in Russian history...this year an important day for a check on President Putin's health...how much makeup will he be wearing???** [Does Putin Have Parkinson's Disease? Russian President Seemingly In Poor Health \(ibtimes.com\)](#)

Long Range: There are troughs in the East, in the central Rockies, and in the Gulf of Alaska. The second system will move eastward the rest of the week while the deeper trough moves into the West from the Eastern Pacific this weekend. That system will weaken or turn into multiple pieces next week while a ridge builds across the eastern half of the country. The U.S. and European models are mostly similar with the overall pattern. I will use a blend but favor the European. For the outlook period, temperatures on Monday will be near to below normal in the far East, above to well above normal in the Central, and below normal in the West. The rest of next week the pattern of cool West and warm East will largely be stationary. The western trough will bring a system or series of systems through the West and Plains over the weekend into next week. It remains unclear how far east these systems will travel next week or how scattered showers will develop with these systems. -DTN

**NORTHERN PLAINS (WHEAT/LIVESTOCK/CORN/SOYBEANS):** Another system will pass by to the south to wrap up this week, leaving the region mostly dry. Warmer temperatures will move in by the weekend, allowing for a limited chance at planting this week. A system moving into the West this weekend will bring several days of scattered showers back through the region, however. -DTN

**CENTRAL/SOUTHERN PLAINS (CORN/SOYBEANS/LIVESTOCK/WINTER WHEAT):** Another system may bring rainfall to much of the region again on Wednesday into Thursday. Drought areas have their best chance for precipitation in weeks, but drought is incredibly deep in this area and will take massive amounts of rain over a long time to get the region out. More showers may be possible over the weekend going into next week, which may also offer some limited benefits. -DTN

**MIDWEST (CORN/SOYBEANS/WINTER WHEAT):** A system brought widespread rainfall through the region Tuesday. After a dry Wednesday, another system will bring more widespread rainfall Thursday and Friday. The system clips far southern Minnesota but otherwise misses much of that state. Planting windows continue to be short and brief. A system building in the Plains this weekend may move through the region next week. -DTN

**DELTA (SOYBEANS/COTTON):** Another frontal system will bring pockets of moderate showers around Thursday. Some areas that are too wet will stay wet, while other areas may get a break or needed precipitation. Overall though, planting progress is likely to be a little slower through this week. A system that develops in the Plains this weekend may move through next week. -DTN

**PACIFIC NORTHWEST (WHEAT):** Disturbances will move over the region prior to and over the weekend with more widespread showers. Temperatures will waffle up and down over the next couple of weeks, which may cause some slower growth for wheat. -DTN

**BRAZIL (CORN):** Scattered showers fell over a portion of the southern areas to start the week. Central Brazil continues to miss out on rainfall, which is leading to critical levels of soil moisture for corn that is going through pollination and grain-fill. A front across the south will move north through the region over the next couple of days, but showers will largely dissolve as they move into central Brazil sustaining worries for the rest of the season. -DTN

**ARGENTINA (CORN/SOYBEANS/WHEAT):** Dry weather will continue into early next week and showers later next week look unimpressive. The recent bump in soil moisture for wheat planting and early development trends drier over the next several days. More soil moisture will be needed before winter sets in. Precipitation is too late to offer any help for corn and soybeans as harvest continues to progress. -DTN

**CANADIAN PRAIRIES (LIVESTOCK/WHEAT/CANOLA):** Eastern areas are very wet and will be difficult to do any planting for a while as soils drain. Western areas are drier than optimal with very little sweet spots for planting this spring. A system this weekend into next week will offer better precipitation for western areas, which would help with planting, while adding on to eastern areas that are too wet. -DTN

**EUROPE (WINTER WHEAT/CORN):** More showers are needed across northern areas as they have turned drier recently, but shower activity will be hit and miss over the weekend and next week. Scattered showers over France and Italy should help some areas that are a bit too dry, while missing others, offering mixed conditions for most other areas this week. -DTN

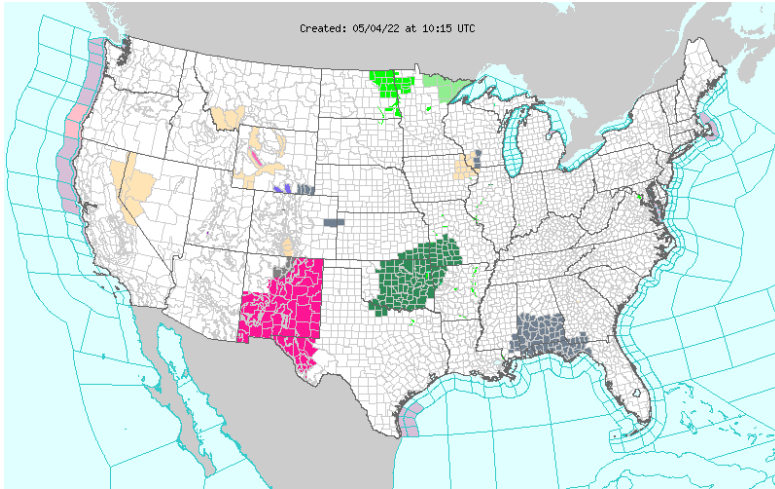
**BLACK SEA (WINTER WHEAT/CORN):** While some isolated showers may move through this week and weekend, dryness is likely to be more widespread. Conditions are improved for corn planting. Soil moisture for wheat development is still rather good, but more would be preferred. -DTN

**Headlines:**

- > Malaysian July Palm Oil Market XX Ringgits
- > Dalian Futures markets were closed Sept Corn XX to the Yuan, July Soybeans XX, Sept Meal XX, Sept Bean Oil XX, Sept Palm Oil up XX
- > Asian Equity Markets, the ones that were open mixed to lower Japan's Nikkei down XX, China's Shanghai XX%
- > European Equity Markets are mixed to lower, German Dax down .1%, London FTSE 100 down .3%
- > MATIF Markets are higher Aug Corn up 4.25 to the Euro, Aug Rapeseed up 13.25, Sept Wheat up 2.75
- > Save the Dates...Japanese Holidays...May 3<sup>rd</sup> Constitution Day, May 4<sup>th</sup> Greenery Day, May 5<sup>th</sup> Children's Day

- > Save the Date May 4<sup>th</sup>...China Youth Day
- > Save the Date...May 4<sup>th</sup>...FOMC meeting results
- > Save the Date...May 5<sup>th</sup>...OPEC Meeting...OPEC+ is likely to stick to its existing deal and agree another small output increase for June when it meets on May 5 -Reuters
- > Save the Date...May 6<sup>th</sup>...US Job Numbers...expected 400,000 new non-farm jobs created in April, unemployment rated falls to 3.55 from 3.6%
- > Save the Date...May 8<sup>th</sup>...US Mother's Day
- > Save the Date...May 9<sup>th</sup>...Victory Day is celebrated in Russia...On that day in 1945 Nazi Germany announced its capitulation to the Soviet Union...will Putin have a victory in E. Ukraine by this date or is the date he declares war in Ukraine [Western officials think Putin may formally declare war on Ukraine on May 9 — Russia's Victory Day — making his 'special military operation' bloodier \(msn.com\)](#)
- > Save the Date...May 11<sup>th</sup>...US CPI
- > Save the Date...May 12<sup>th</sup>...USDA S&Ds
- > Save the Date...May 15<sup>th</sup>...North America Lunar Eclipse [Get ready for a total lunar eclipse. Chicago. Here's where you can view it \(msn.com\)](#)
- > Pay Me My Money Down: Farm Equipment style [UAW on strike at Case and New Holland industrial plants | Equipment World](#)
- > Bird Flu: [Some birds back on display at Dallas Zoo after bird flu threat subsides \(dallasnews.com\)](#)
- > Locust/ASF/FAW all quiet today
- > CME is reporting that 55 Chicago wheat and 59 KW were put out for delivery, 0 for corn, beans, meal, and oil
- > India Heat Wave [India heat wave in pictures \(cnbc.com\)](#) and that begs this [India Considers Restricting Wheat Exports as Heat Destroys Crops - BNN Bloomberg](#)
- > Tunisia in looking for wheat and barley

**Commentary:** The big event is here, it is FOMC meeting day. Much like an USDA S&D report the, the FOMC rate decision will be the headline and move markets but the real reaction by the macro markets will be driven by the details of the meeting as well as Fed Chairperson Powell's press conference. The market lean going into the data dump as summed up by a Barrons.com: The market has comfortably priced in a half-point hike from the Fed, though an even larger increase of 75 basis points seems to be within the realm of possibility. Investors will be closely monitoring Powell's press conference and whether the Fed chair appears to be more "hawkish" in telegraphing future rate increases or the pace of quantitative tightening. "Markets are primed to react to whether Powell turns up the hawkish dial even higher at his press conference," said Han Tan, an analyst at broker Exinity. "Refusal to overtly rule out a 75 basis-point hike may be interpreted as a hawkish signal." In the run up to the number the macro markets have been in risk off mode for a while. It will be interesting to see if this is the biggest sell the rumor buy the fact reaction from world equity markets for the balance of the week.



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.