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Tuesday, May 10, 2022

## MORNING GRAIN COMMENTARY

**Morning Trends:**

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as of 5:00 AM CST

Corn 4 to 6 higher

Wheat 10 to 12 higher

Soybeans 9 to 11 higher

Soy Meal 2.5 to 3.0 higher

Soy Oil 50 to 55 higher

Short Range Weather: Strong and gusty winds, exceptionally low humidity, and above average warmth will bring prolonged critical fire weather conditions to the Southwest and Southern Plains. Scattered severe thunderstorms are forecast across the Upper Midwest and the southern High Plains into midweek. Record warmth continues across much of the central U.S., while the West remain below normal NWS

**The Stories of the Day:**

**Russian Invasion:** More Russian Soldiers Sabotage Vehicles to Avoid Going to Ukraine Front (msn.com) Russia-Ukraine war live updates: Missiles strike Odessa; Biden signs bill to expedite military aid (msn.com) No Sign of Top Russian General Valery Gerasimov at Victory Day Parade (msn.com) Analysis: Finland is on the verge of asking to join NATO. Here's why that's bad news for Putin (msn.com) Downed Russian fighter jets are being found with basic GPS 'taped to the dashboards,' UK defense minister says (msn.com)A Russian oil tycoon was found dead after reportedly being treated with toad venom to cure a hangover (msn.com) **maybe this is a war he can claim a victory** Putin tells officials to tackle Siberian forest fires, prevent repeat of last year (msn.com)

**Farmers solve problems…Ukraine Farmers just do it with vests** Body armor and blocked ports: Ukraine's farmers carry on in the midst of war (msn.com)

**While the gaze of Moscow is focused on the Ukraine regional issues are on the boil** US Senator condemns illegal elections in Russian-occupied Tskhinvali, vows support to Georgia's sovereignty (agenda.ge) Uzbekistan, Kazakhstan regulate crypto with eyes on energy deficits | Eurasianet

**Covid Update: Covid 1 China 0** China Tightens Covid Noose as Shanghai, Beijing Cases Linger (yahoo.com) China medical experts say zero-Covid strategy buys time to vaccinate more people, China News - AsiaOne China announces new restrictions on youth livestreaming and tipping (msn.com) Shanghai disinfects homes, closes all subways in COVID fight (msn.com)

**What is going on in SC** Fourth earthquake rocks Elgin Monday (msn.com)

Long Range: There is a trough in the West, a ridge in the East, and a cutoff low off the Carolina coast. The trough is weakening but will eventually be strong enough to push the ridge eastward this weekend as a trough builds behind it in the West next week. The cutoff low will move westward this week, eventually meeting up with the eastward advancing trough. The ridge may gradually expand eastward next week and another trough will move into the Pacific Northwest by late next week. The U.S. and European models are mostly similar with the overall pattern, but the GEFS becomes much more progressive with the pattern by the end of next week. I will use a blend, but favor the European. For the outlook period, temperatures on Saturday will be near to below normal in the North-Central and above normal elsewhere. Colder temperatures will spread eastward through the Northeast into early next week, but will stay warm in the South and Southwest. A system will slowly move eastward through the country over the weekend and next week. Scattered showers are likely but will likely be more isolated than we have seen over the last several weeks. More showers will be possible across northern zones next week as the next trough approaches. -DTN

NORTHERN PLAINS (WHEAT/LIVESTOCK/CORN/SOYBEANS): The region will be on the edge of warm and cold weather through the week, as systems will move through the region with scattered showers through Saturday before drying out. Limited planting is likely through the week. Showers will still be possible at times next week, but planting is more likely to increase anyway. -DTN

CENTRAL/SOUTHERN PLAINS (CORN/SOYBEANS/LIVESTOCK/WINTER WHEAT): Hot temperatures and occasional rain and thunderstorms will move through the region throughout the course of the week. All areas will have chances for brief showers. Drought remains a mainstay in the southwest, which continues to have negative impacts for developing wheat. Showers this week will only have limited benefits. -DTN

MIDWEST (CORN/SOYBEANS/WINTER WHEAT): A front is stalled out in the northwest corner of the region through much of the week, offering chances for scattered showers and thunderstorms. Heat and dryness to the east is likely to promote more planting opportunities. The system will slowly move eastward this weekend into next week, cutting temperatures back and offering occasional showers. It is unclear if the upcoming spreading of showers will be enough to limit planting but could be a nuisance for some. More showers will be possible later in the week. -DTN

DELTA (SOYBEANS/COTTON): A frontal boundary will remain parked well to the west this week, bringing in hot and dry conditions. This should promote additional spring planting. The frontal boundary will eventually move through the region this weekend, bringing in some showers. If the front gets held up in the region next week, we could see several rounds of showers. -DTN

PACIFIC NORTHWEST (WHEAT): A cold trough and several disturbances within it will keep temperatures cooler and showers around through the weekend. Showers are unlikely to produce widespread issues for remaining planting or decrease drought in the region. Colder temperatures will limit wheat growth, however. More showers will be possible next week with another trough moving in. -DTN

BRAZIL (CORN): Soil moisture continues to decline in central Brazil as corn continues to go through pollination and grain-fill with critical amounts of available moisture. Southern Brazil will see a couple of opportunities for some showers over the next week, which will be helpful for some of the crop, and allow soils from getting too dry overall. We will have to watch temperatures behind a system next week, as there could be some localized frosts in some areas. -DTN

ARGENTINA (CORN/SOYBEANS/WHEAT): Dry weather will continue for most areas throughout the week. Despite a couple of systems moving through, showers are likely to be limited to the far south wheat areas and northwestern corn and soybean areas. Showers are unlikely to add to the soil moisture profile for wheat development or hinder much of the corn and soybean harvest. Colder temperatures this weekend into next week could mean localized frosts again. -DTN

CANADIAN PRAIRIES (LIVESTOCK/WHEAT/CANOLA): Planting remains difficult to accomplish in eastern areas due to wetness. Western areas are drier, but too dry as soil moisture is limited. A trough will remain overhead through most of the week, providing widespread shower opportunities across the region but also coming with colder temperatures. Planting is likely to remain slow in the east but could slow down in the west due to the showers. The soil moisture benefits will likely outweigh the slower planting progress, however. -DTN

EUROPE (WINTER WHEAT/CORN): More showers are needed across northern areas as they have turned drier recently. Shower activity will come through occasionally this week, but not consistently as needed. Scattered showers may make it to France and Italy while missing others. A heat wave building into the continent will stress those areas that are drier for both reproductive winter crops and developing spring crops. -DTN

BLACK SEA (WINTER WHEAT/CORN): Conditions are favorable for winter wheat development and are fair for corn planting. A couple of storm systems moving through this week should add to soil moisture in some areas but will miss others as well. Overall, conditions are fair. -DTN

**Headlines:**

> Malaysian July Palm Oil Market down 97 Ringgits

> Dalian Futures markets were mostly lower Sept Corn down 19 to the Yuan, July Soybeans down 9, Sept Meal down 27, Sept Bean Oil down 136, Sept Palm Oil down 62

> Asian Equity Markets are mixed to lower Japan's Nikki down .6%, China's Shanghai up 1.1%

> European Equity Markets are higher, German Dax up 1.5%, London FTSE 100 up .6%

> MATIF Markets are higher Aug Corn up 4.25 to the Euro, Aug Rapeseed up 5.25, Sept Wheat up 3.75

> Save the Date…May 10th…US Sec of the Treasury Yellen in front of the US Senate Finance Committee

> Save the Date…May 11th…US CPI

> Save the Date…May 12th…USDA S&Ds

> Save the Date…May 15th…North America Lunar Eclipse Get ready for a total lunar eclipse, Chicago. Here's where you can view it (msn.com)

> Save the Date…May 16th…NOPA Crush

> 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: This one could get ugly, attacking the health care UPDATE: CNH to cancel striking workers' health insurance; union says it is covering for its members | Local News | journaltimes.com

> Bird Flu: in the wild Not just chickens: In Ontario, bird flu has killed bald eagles, Canada geese — and juvenile red foxes | CBC News

> Locust in Italy Locust swarms destroy crops in Sardinia's latest infestation | Italy | The Guardian

> ASF in Italy Italy to hold boar cull around Rome to stem African swine fever | Reuters

> FAW all quiet today

> CME is reporting that 72 Chicago wheat were put out for delivery, 2 KW, 50 meal, 0 for corn, beans, and oil

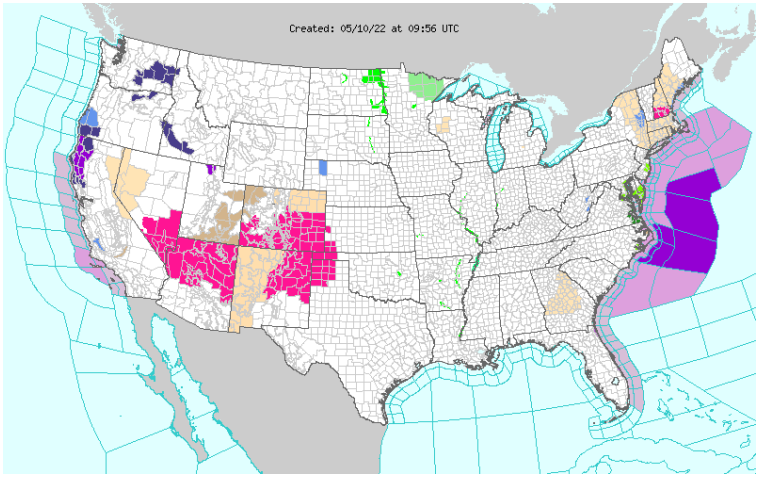
> This seems kind of early First tropical wave of 2022 Atlantic hurricane season forms near Africa

> Monday's USDA Weekly Crop Update found that 22% of the US corn crop has been planted, 12% of the bean crop is in the ground, 29% of the US winter wheat crops is rated good/excellent and 27% of the US Spring wheat crop is in the ground

**Commentary:** It is often said, corn is the engine that pulls the commodity train of prices. This seems to be especially true this planting season. The battle for acres this year depends on whether we can get corn in the ground in a timely fashion. Dr, C overnight points out that corn going in the ground after May 15th tends to yield at 95% of average, and that corn after May 20th 92%. Now, the good doctor points out that summer weather still will play a huge role if these statistics are to bear out. But it is pretty clear corn needs to go in the ground, now! Today is May 10th. The feeling is when pushed the US farmer can plant 10% of the nation's crop a day. The gut

slot of the Corn Belt this week should have at least 3-4 days of wide-open planting weather. So, by May 15th we should have 50% if not much more of the corn crop planted. That said, we are just entering the Rowdy Roddy Piper weather market zone. Of course, we all know that when the supply side bear answers a weather question, we supply side bulls change the questions. In this case, we bulls are going to live and die on the hill of total planted corn acres. The bull feeling is that if we are to achieve acres north of 91.0 million the bulk of these found acres will be in the N. Plains, an area that is not expected to start to dry out until next week.

Roll Planters Roll

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