

MORNING GRAIN COMMENTARY

Morning Trends:

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as of 5:00 AM CST

Corn 12 to 14 higher

Wheat 50 to 55 higher

Soybeans 16 to 18 higher

Soy Meal 2.5 to 3.0 higher

Soy Oil 50 to 55 higher

Short Range Weather: Severe thunderstorms capable of producing large hail, intense damaging winds, a few tornadoes, and flooding are possible over parts of the Great Plains through tonight. Elsewhere, thunderstorms and locally heavy rainfall could result in flooding over eastern Washington, Oregon, and northern Idaho, where flood watches are in effect. Intense heat will build over much of Texas the next few days-NWS

The Stories of the Day:

Russian Invasion: [Russian General Roman Kutuzov Killed In Luhansk, Ukraine Says \(msn.com\)](#) [Russia's Combat Power in Decline in Ukraine, Counterattack Suggests: Report \(msn.com\)](#) [Russia 'creeping advance' on Donbas region; NATO holds exercises with Finland, Sweden: Live Ukraine updates \(msn.com\)](#) [Russia's foreign minister called off a trip to allied Serbia because surrounding countries wouldn't let him use their airspace \(msn.com\)](#) [Russia Seeks Buyers for Plundered Ukraine Grain, U.S. Warns \(msn.com\)](#)

China a New Player: [With China's big political reshuffle looming, new No 2 propaganda chief is appointed from party academy \(msn.com\)](#)

Covid Update: [Between a rock and hard place Beijing City Reports Zero Local COVID Case During 15 Hours to 3pm Monday | World News | US News](#)

Kazakhstan [Kazakhstan: Voters back reforms to reject founder's legacy \(msn.com\)](#)

Our Old Friend Mr. Kim: [South Korea, US launch eight missiles in response to North Korea - CNN](#)

Long Range Weather: There is a trough across central Canada with several disturbances scattered about North America. The trough will guide the disturbances eastward throughout the week while a ridge builds briefly in the West. One of the larger disturbances will combine with the trough and deepen across the East later this week and weekend but will not stay long as it pushes east early next week. A larger trough will move into the Pacific Northwest this weekend and then through Canada next week. To the south, a ridge will start to build up by the end of next week. 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 Saturday will be near to below normal across the East and above to well above normal in the West. Warmer temperatures will spread across the South next week, while temperatures in the north will be much milder under a trough. One system will move off the East Coast this weekend while another moves into western Canada and along the border region this weekend into next week. A front will likely be left across the middle of the country, delineating cold north from hot south, and producing more rainfall through next week. -DTN

NORTHERN PLAINS (WHEAT/LIVESTOCK/CORN/SOYBEANS): Waves of showers will continue to move through the region this week in an active pattern. Eastern North Dakota will see relatively little precipitation from the events through the week, allowing it to continue to dry out and give some potential planting increases. A storm system this weekend into early next week is not likely to miss the region, however. -DTN

CENTRAL/SOUTHERN PLAINS (CORN/SOYBEANS/LIVESTOCK/WINTER WHEAT): Scattered showers went through much of the region over the weekend, bringing some good rains to portions of Kansas, Nebraska, and eastern Oklahoma. This week remains active as several disturbances move through the region, bringing good precipitation to most areas. It should dry out over the weekend and hot temperatures will spread north out of Texas going into next week as the pattern shifts. -DTN

MIDWEST (CORN/SOYBEANS/WINTER WHEAT): Showers moved through western and northern areas over the weekend, but the entire week should be pretty wet with several systems moving through. Soil moisture remains very good except too good for those with some planting still yet to do. Cooler temperatures will move back through the region this week going through the weekend and may remain mild next week. -DTN

DELTA (SOYBEANS/COTTON): The weekend was fairly dry as the region caught some drier time to finish up planting. Several disturbances will move through the region this week. They may not all have showers with them, but some showers will move through to keep much of the region in good shape. Southern areas could use more moisture but have the lowest chances for precipitation this week. -DTN

PACIFIC NORTHWEST (WHEAT): A trough brought widespread showers through the region this weekend, along with cooler temperatures. Showers exit on Monday while temperatures rise a bit over the course of the week. Another trough will move in this weekend with more showers and cooler temperatures again. Recent rainfall and soil moisture are mostly excellent across the region, favoring wheat, though development has been slower due to cooler temperatures. -DTN

BRAZIL (CORN/WHEAT): A front that has stalled over southern states continues to bring showers through the middle of the week. The front will finally move north through central growing areas late in the week with some showers, but time has mostly run out for showers to offer any benefit. Southern states will go drier, favoring maturing corn, while soil moisture is still good for vegetative wheat. Frosts will be possible this weekend, which could be widespread across southern areas and may cause damage to immature corn. -DTN

ARGENTINA (WHEAT): Dry weather is expected to continue for the next week across the southern wheat areas, which are in need of more rainfall through the winter months. -DTN

CANADIAN PRAIRIES (LIVESTOCK/WHEAT/CANOLA): Showers started to develop in the southwest this weekend, bringing some soil moisture to dry areas that desperately need it. Showers will continue in these areas throughout the week. Across eastern areas, dryness has favored draining soils and planting progress. While the southwest gets the showers, the east will remain dry throughout the week, though cool. A system coming through this weekend is not likely to miss many areas with showers. -DTN

EUROPE (WINTER WHEAT/CORN): Widespread showers moved through western Europe over the weekend, trying to reverse the trend of dryness that has been going on this spring that has hurt wheat and other winter grains. Spain and Italy have been mostly missed, where conditions continue to worsen. Eastern areas saw good showers as conditions continue to be mostly favorable in this area. The active pattern continues to bring showers to western areas through the middle of the week before drying out for at least a few days. Temperatures will remain above normal for the next week, with some areas across the south getting very hot which will stress crops further. -DTN

BLACK SEA (WINTER WHEAT/CORN): Periods of showers and warmer temperatures over the weekend continued to favor reproductive to filling winter crops and early growth for summer crops. Temperatures will increase a bit over the course of the week and the showers will be hard to come by after Monday. There are pockets of the region that are a bit on the drier side, which could stress crops a bit, but overall, the region is in good shape. -DTN

AUSTRALIA (WINTER WHEAT/CANOLA): Cooler temperatures have built in behind some showers across eastern areas this weekend, which look to remain in the region over the next week. Soil moisture continues to be excellent, though the coolness will keep growth slow for winter wheat and canola. Western areas will see some good shower activity later this week, with good weather continuing for the country. -DTN

Headlines:

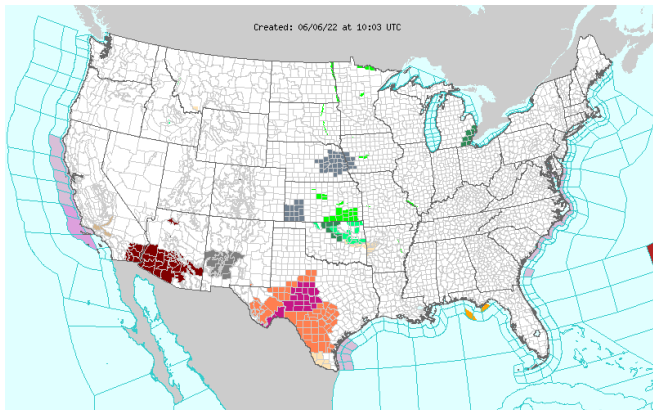
> Malaysian August Palm Oil Market closed for public holiday...Happy Birthday Agong

- > Dalian Futures markets were mostly higher Sept Corn up 16 to the Yuan, July Soybeans down 27, Sept Meal up 32, Sept Bean Oil up 142, Sept Palm Oil up 192
- > Asian Equity Markets were higher Japan's Nikki up .6%, China's Shanghai up 1.3%
- > European Equity Markets are higher, German Dax up .7%, London FTSE 100 up 1.3%
- > MATIF Markets are sharply higher Aug Corn up 11.50 to the Euro, Aug Rapeseed up 13.75, Sept Wheat up 15.00
- > Save the Date...June 10th...USDA Production Numbers
- > Save the date...June 15th...FOMC meeting results
- > Save the Date...June 15th...NOPA Crush
- > Save the Date...June 20th...US Holiday, Juneteenth
- > Save the Date...June 21st...Summer Begins
- > Save the Date...June 24th...New Home Sales
- > Save the Date...June 29th...Q1 US GDP
- > Save the Date...June 30th...Grain Stocks/Planted Acres
- > The Great White Combine Hits Germany [Hailstones pile up as heavy storms hit Germany | Watch \(msn.com\)](#)
- > Egyptian quarantine officials say they've turned away 55,000 mt India wheat origin vessel because it did not meet quarantine requirements. The cargo was originally destined for Turkey. -QT
- > GMO Wheat fields continue to expand: [Exclusive-Brazil tests genetically modified wheat as global supplies tighten \(msn.com\)](#)
- > Lula has Covid [Brazil presidential front-runner Lula isolated with COVID | Reuters](#)
- > That Time of the Year: [As more brown recluses start to appear, here's how to recognize them and stay safe \(msn.com\)](#)
- > The continue push from Just In Time Inventory Management to Just Enough: Grain trade sources say Rice users have been increasing their India rice purchases and seeking longer dated deliveries, some 1.0 mln mt of Rice for export has been contracted for the June to September period in the past couple weeks. Traders say the rush is in response to India's surprise wheat export ban last month. -QT
- > India has a Muslim problem [Muslim nations slam India over insulting remarks about Islam \(msn.com\)](#) and this [India rushes to quell outrage after insulting remarks on Islam \(msn.com\)](#)
- > Pay Me My Money Down: The West Coast Longshoreman [Three Imminent Threats at the Intersection of Geopolitics and Supply Chain | SupplyChainBrain](#)
- > ASF/Locust/FAW all quiet today
- > Bird Flu: [US bird flu outbreak: millions of birds culled in 'most inhumane way available' | Bird flu | The Guardian](#)

> CFTC Weekly MM Funds Positions Report on Friday found that as of the close of 5/31 the MM Funds were long 15,523 MW, long 40,650 KW, long 15,024 W, long 268,964 C, long 164,630 S, long 64,461 SM, long 47,362 BO

Commentary: The news for this week is back loaded. On Friday we will get the latest round of S&Ds from the USDA. But in reality, this news will pale in comparison to the end of the month reports from the USDA. At the end of the month the trade will be focused on planted acres from the USDA. But of importance for the old crop new crop spreads we feel we should not underestimate the importance of the stock's numbers. The way the cash basis has been trading as of late it feels like the USDA might have overstated US old crop corn stocks. Add to that any further reductions in S. American corn production numbers, well let's just say the trade from US old crop stocks to new crop stocks could be a bit shaky. As for tonight's weekly crop update, the focus of the trade will be on the maturity rate of corn. It is time to start the heat degree growing day clock, especially for the N. Plains. [Growing degree days guide corn growth \(farmprogress.com\)](http://farmprogress.com)

Deep in the Heart of TX it is hot



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