

MORNING GRAIN COMMENTARY

Morning Trends:

Morning Trends

as of 5:00 AM CST

Corn 1 to 3 higher

Wheat 1 around

Soybeans 10 to 12 higher

Soy Meal 3.5 to 4.0 higher

Soy Oil 30 to 35 higher

Short Range Weather: Dangerous heat is expected across areas in Texas and from Washington through California. Several daily high temperature records are expected to be either tied or broken in the West. Monsoonal showers and thunderstorms may result in flash flooding and debris flows over the Southwestern U.S. through Friday. Locally heavy rain is expected from thunderstorms in the Southeast.

NWS

Long Range Weather: There is a ridge in the West and a trough in the East. A small disturbance riding over the top of the ridge will cause the trough to slide westward later this week. A ridge may build over the top of the trough through Canada, but over the U.S., the pattern will remain the same through next week. The U.S. and European models are in fair agreement. I will use a blend but favor the European. For the outlook period, temperatures on Monday will be near to below normal in the Central and Southeast and above normal in the West and Northeast. This pattern is likely to hold through next week though we could see some warming across the north. Scattered showers will move across the Midwest, South, and East next week. -DTN

NORTHERN PLAINS (WHEAT/LIVESTOCK/CORN/SOYBEANS): Isolated showers continue to be possible across the Dakotas the next several days, but with little coverage. Temperatures will be fairly moderate except in Montana where heat is concerning. Drier conditions continue to raise concerns for declining soil moisture for corn and soybeans while showers in the east may start to affect wheat harvest. -DTN

CENTRAL/SOUTHERN PLAINS (CORN/SOYBEANS/LIVESTOCK): A cold front sliding south through the region this week will offer some chances for showers and much cooler temperatures. Showers are forecast to be isolated for all but Colorado, but the cooler temperatures will help to ease stress. Showers may also be possible next week as well as a little system moves through along a front. -DTN

The Stories of the Day:

Russia/Ukraine [Russia Strikes Ukrainian Ports After Crimea Blasts \(msn.com\)](#) [Crimea 'sabotage' highlights Russia's woes in Ukraine war - ABC News \(go.com\)](#) [Russia-Ukraine war: Russian shelling kills two civilians in Donetsk; Odesa region hit by Russian missile attack – live \(msn.com\)](#) [Russia-Ukraine War: Live Updates and Crimea News - The New York Times \(nytimes.com\)](#) [Russia-Ukraine War: Live Updates - The New York Times \(nytimes.com\)](#) [Russian Leaders Flee City, Abandon Troops, Amid Counter-Attack: Ukraine \(msn.com\)](#) [Zelensky, Erdogan, Guterres to meet Thursday in Ukraine \(msn.com\)](#)

China [Why China's economy is in trouble and what it means for you \(msn.com\)](#) [Xi Jinping Reemerges in Sign China's Secretive Summer Retreat Is Over \(msn.com\)](#) [China Tries to Find Right Tone on Taiwan After Latest U.S. Visit \(msn.com\)](#) <https://www.nytimes.com/2022/08/17/business/china-economy-real-estate-crisis.html?smid=tw-nytimes&smtyp=cur>

China Heat Wave [China heat wave pushes up prices as hens lay fewer eggs \(yahoo.com\)](#) [New lithium supply threat looms as heat wave forces China to cut electricity to factories \(yahoo.com\)](#)

Western US Drought [How Colorado River Cuts Will Impact National Food Supply \(msn.com\)](#)

Yikes [Nepal's holy Bagmati River choked with black sewage, trash \(msn.com\)](#)

MIDWEST (CORN/SOYBEANS): Cooler temperatures have filtered into the region and will mostly stay that way through the weekend. Temperatures could rise a few degrees next week, but overall it should stay seasonal. Good rains early this week occurred for a few spots in desperate need. An upper-level system will move through later this week and weekend with the best chance at any widespread showers, though there are likely to be areas that miss out on the rains. -DTN

DELTA (SOYBEANS/COTTON): A front will move south across the region through Thursday with scattered showers and cooler temperatures. The coolness will last quite a while and some additional showers will be possible next week as well. Although there is drought in the region, soil moisture is not too bad for filling soybeans and cotton. -DTN

PACIFIC NORTHWEST (WHEAT): Heat in the region continues for the next couple of weeks. Some monsoon showers may come up from the south at times, but overall, the region will be drier as well. Stress continues to mount for the end of the growing season for spring wheat while conditions are more favorable for harvest. -DTN

BRAZIL (CORN/WHEAT): A front will move through southern Brazil this week, keeping showers active for reproductive wheat but also bringing in much cooler temperatures. [There is a risk of frost behind the front Friday and Saturday, which could be damaging to wheat should it occur in any widespread fashion.](#) Showers may also get into central Brazil states, which would welcome any rainfall in advance of soybean planting that starts next month.

ARGENTINA (WHEAT): [Less than adequate showers recently moved through southern wheat areas and are followed by more cold air, which may produce frosts and continue poor conditions for wheat establishment and development.](#)

CANADIAN PRAIRIES (LIVESTOCK/WHEAT/CANOLA): Scattered showers continue through Thursday, mostly in the east. Temperatures remain fairly warm for this time of year and areas with ample soil moisture continue to find good conditions to finish up filling wheat and canola. Harvest weather is also favorable as that starts up in more widespread areas. -DTN

EUROPE (WHEAT/CORN): Heat from the west is pushing east this week, stressing filling crops. Western areas are getting a needed break in the temperatures as well as getting some showers, though damage has been done from the heat this summer. Temperatures are forecast to rise again next week as well. -DTN

BLACK SEA (WINTER WHEAT/CORN/SUNFLOWERS): Scattered showers continue through most of the week in Ukraine, keeping soil moisture favorable for filling corn and sunflowers. Temperatures also remain above-normal region-wide. In Ukraine, conditions could not be much better for corn and sunflower filling, but dryness would be preferred for the remaining wheat harvest. In Russia, it's quite opposite. Conditions are good for wheat harvest, but dry spots scattered throughout the region are feeling stress of the heat and lack of rain. -DTN

AUSTRALIA (WINTER WHEAT/CANOLA): A system will move across the country this week. Showers will be better across the south, and Queensland could go for a bit more rain. But overall, conditions remain favorable for good yields for both winter wheat and canola that are headed toward reproductive stages. -DTN

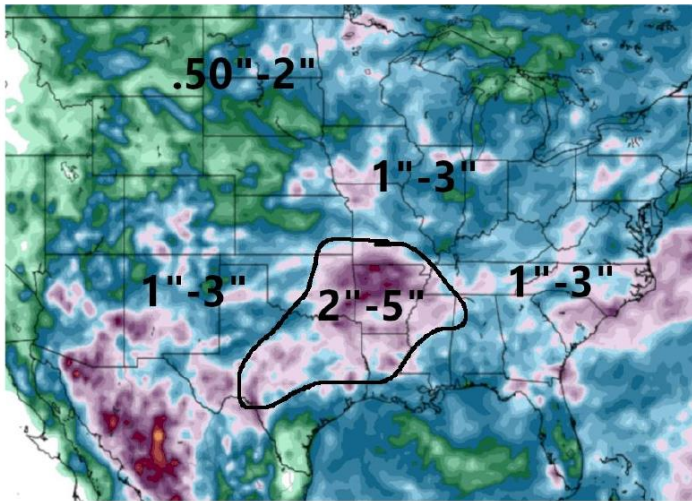
Headlines:

- > Malaysian Nov Palm Oil Market closed up 18 Ringgits
- > Dalian Futures markets were lower Sept Corn down 10 to the Yuan, Sept Soybeans down 80, Sept Meal up 12, Sept Bean Oil up 78, Sept Palm Oil down 30
- > Asian Equity Markets were higher Japan's Nikki up 1.2%, China's Shanghai up .5%
- > European Equity Markets are lower, German Dax down .5%, London FTSE 100 down .2%

- > MATIF Markets are mixed Nov Corn down 4.25 to the Euro, Nov Rapeseed up 2.0, Dec Wheat down 2.50
- > Save the Date...Aug 25th...2Q US GDP
- > Save the Date...Sept 2nd...US Jobs
- > Save the Date...Sept 5th...US Labor Day
- > Save the Date...Sept 12th...USDA S&Ds
- > Save the Date...Sept 13th...US CPI
- > Save the Date...Sept 21st... FOMC
- > Save the Date...Oct 2nd...Brazil goes to the poles... #reliablesuppliers ['Significant risk Brazil will live through its own version of January 6': Brazilian expert on upcoming election | Watch \(msn.com\)](#)
- > This week, Deal or No Deal? [Iran wants compensation if US pulls out of nuclear deal again, diplomatic source says \(msn.com\)](#)
- > US Railroad labor negotiations [Exclusive: Biden's emergency board calls for railroad wage hikes to resolve contract talks | Reuters](#)
- > Locust/ASF/FAW all quiet today
- > Bird flu [The spread of bird flu demands a sharper response | Financial Times \(ft.com\)](#)
- > China Drought [China Joins Europe in Facing Threats From Worsening Drought - BNN Bloomberg](#)
- > USDA's Farm Service Agency has put off publishing their failed acres and prevent plant acres data to Monday, August 22nd at 2:00 pm CT. The agency had originally was expected to release the data on Friday, August 12th. -QT
- > FED July meeting notes to be released at 1:00 PM CDT today
- > Weekly EIA Stocks report will be at 9:30 AM CDT today, WoW crude oil stocks expected to be down 100,000 barrels, gasoline stocks down 1.5 million barrels, diesel up 1.1 million barrels...API weekly numbers last night had crude down 400,000 barrels, gasoline down 4.5 million and diesel down 800,000 barrels
- > Despite private forecasters lowering wheat production figures from India on heatwave concerns, on Wednesday the Indian government raised its 2022 wheat production forecast to 106.8 mln mt compared to their previous forecast at 106.4 mln mt. Private forecasts are for production around 95.0 mln mt. -QT
- > Ministry of Water Resources Wednesday said they will increase downstream Yangtze River supplies by releasing 500 million cubic meters of water from the Three Gorges Dam over the next 10 days. The national climate center noted the country's heatwave has last 64 days, marking the longest stretch since 1961. -QT
- > Talk about discounts for FM...Yikes... [Ukraine's crops could be polluted for AT LEAST 100 years thanks to Russian bombs \(msn.com\)](#)

Commentary: It's that time of the year, time for the spring planted crop tours. There are already various traders out plying the backroads of the US Corn Belt to get a handle on the potential of the US corn crop (The biggest of these events, The Pro Farmer annual corn and soybean crop tour will kick off next week, the eastern leg will begin in Columbus, OH, and the western leg will start in Sioux Falls, SD. The tour will wrap up later next week in Rochester, MN). We suspect we will start to see a lot of national yield talk center around 173.0 bushels an acre for corn, like we saw from Dr. Cordonnier yesterday. But we feel the real kicker to the crop tours is what traders might think about harvested acres. It was of note yesterday that Dr. C lowered his harvested acres number by 500,000 due to increase of insurance write offs or chopped fields for silage. Now we get it a field chopped for silage is yielding something. That said if one believes in 500,000 less acres times by a national yield of 175 that is a draw of over 80,000,000 bushels of lost production...just saying.

Hey, Arkansas the sump pumps working...Jeff Penner 8/15-8/26 rain forecast



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.