

MORNING GRAIN COMMENTARY

Morning Trends:
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as of 5:00 AM CST
Corn 2 to 4 lower
Wheat 1 to 3 lower
Soybeans 3 to 5 lower
Soy Meal 1.0 to 1.5 higher
Soy Oil 65 to 70 lower

Short Range Weather: Widespread heat and dangerous heat indices will stretch from Texas to the Northeast and across Montana. Record high temperatures are expected along the I-95 corridor from Boston to Washington, DC. Heavy rain may produce flooding across the Southwestern U.S. and across the Great Lakes and Ohio Valley. Fire weather and isolated dry thunderstorms are likely from the Interior Northwest to Montana. - NWS

Long Range Weather: A ridge across the U.S. remains the dominant force for August. Several disturbances will ride the top of the ridge through Canada, however. One that moves through next week could dig into the eastern portions of the U.S. late next week and weekend. The U.S. and European models are in pretty good agreement overall but are inconsistent with when and how deep to make the trough next week. I will use a blend but favor the European with any differences. For the outlook period, temperatures on Tuesday will be near to below normal in the middle of the country and above normal in the West and East. Temperatures will slowly moderate through the period. A front will continue to sag south through the country through the middle of next week with scattered showers, but it will be dry for much of the rest of the country through the end of next week. Another disturbance moving through Canada could bring a few showers to northern areas next weekend. -DTN

NORTHERN PLAINS (WHEAT/LIVESTOCK/CORN/SOYBEANS): Isolated showers will continue to move through the region for the next couple of weeks while disturbances ride the top of a ridge through Canada. When fronts and showers are not moving through, temperatures will be above normal and stress to crops will be more likely with declining soil moisture. -DTN

CENTRAL/SOUTHERN PLAINS (CORN/SOYBEANS/LIVESTOCK): With a ridge in the region for the next couple of weeks, hotter and drier conditions will be in the background for a while. There will be a couple of fronts

The Stories of the Day:
<p>Russia/Ukraine Russia is trying to fabricate evidence in Ukraine POW deaths, U.S. says (yahoo.com) NATO chief says Russia must not win in Ukraine Reuters Ukraine warns of new Russian offensive; Sweden, Finland move closer to joining NATO Reuters Why did the UN nuclear chief say a Ukrainian nuclear plant is 'out of control'? (msn.com) Zelensky Makes Public Plea to China's Xi Jinping After Calls Unanswered (msn.com) Belarus Tests Troop Readiness Near Ukraine Border: Kyiv (msn.com)</p> <p>Nuclear power the new green energy Nuclear power is on the brink of a \$1 trillion resurgence, but one accident anywhere could stop that momentum (msn.com)</p> <p>China Covid China's strict Covid-19 lockdown rules shows in alarming photo (nypost.com)</p> <p>China/Taiwan Why China is not sanctioning Taiwan's key chip industry (msn.com)</p> <p>Iceland Volcano Update Volcano Near Iceland's Main Airport Erupts Again (msn.com)</p> <p>Mexican Cave In Rescuers rush to save 9 miners trapped following cave-in in northern Mexico (msn.com)</p>

that move through that bring temperatures down a few degrees and offer some limited showers, but the overall hot and dry pattern will be stressful for both plants and animals. -DTN

MIDWEST (CORN/SOYBEANS): A front moving through the region will stall out near the Ohio River for a few days, continuing showers through Saturday. Another front will move through this weekend into early next week with more scattered showers and a brief break from the heat. The fronts will bring scattered showers that will be beneficial to some areas while others will be left out. Heat will continue for the next few days, but temperatures will fall several degrees behind the second front, bringing a few days of cooler temperatures before they increase again later next week. -DTN

DELTA (SOYBEANS/COTTON): Some isolated showers will be in the area through the weekend, but most areas will stay dry. When showers are not around, temperatures will be high, causing more stress. A front will sag through the region early next week with scattered showers and another respite from the overall heat that continues to be a concern for the region through August. -DTN

PACIFIC NORTHWEST (WHEAT): Excessive heat is relaxing for a few days, but the region could still use some moisture for filling spring wheat. Temperatures will rise again this weekend and the heat will continue through most of next week. Soil moisture continues to decline, causing crop conditions to drop for the rest of the season even though they are mostly excellent currently. Conditions are favorable for winter wheat harvest, however. -DTN

BRAZIL (CORN/WHEAT): A front will bring scattered showers to southern areas through the middle of next week, keeping soil moisture high as wheat continues to develop and approach reproduction. The showers may get into the states of Parana and Mato Grosso do Sul, which could disrupt the remaining corn harvest in these areas. -DTN

ARGENTINA (WHEAT): A system brought showers to northern areas this week but missed the primary wheat areas which are more in need. These southern areas may get some isolated showers over the weekend with a system developing in the region, but many areas are forecast to remain dry. -DTN

CANADIAN PRAIRIES (LIVESTOCK/WHEAT/CANOLA): With the storm track continuing through the region for a while, multiple chances for showers and mixed temperatures will be mostly beneficial for filling out wheat and canola. -DTN

EUROPE (WHEAT/CORN): Heat across much of the continent this week is causing more stress to summer crops. A cold front will bring temperatures down for northern areas over the course of the next few days, but heat could build right back in next week. Heat and a lack of showers will stress some corn areas, though wheat will continue to have more favorable harvest conditions. -DTN

BLACK SEA (WINTER WHEAT/CORN/SUNFLOWERS): An upper-level low has stalled out in the Black Sea region, bringing scattered showers all week long to eastern Ukraine and southwestern Russia. The upper low will retreat southward over the weekend, putting an end to the showers. A front will move into northwestern areas over the weekend and stall, with limited showers next week. The showers will continue to benefit developing to reproductive corn and sunflowers but make conditions more difficult for wheat harvest. Where showers do not occur, temperatures will be higher, hastening crop development. -DTN

AUSTRALIA (WINTER WHEAT/CANOLA): A system continues to move through eastern areas with scattered showers and some stronger winds. Periods of showers will linger in the east into the weekend. Another system will move through southern Australia next week with scattered showers. Scattered showers will benefit vegetative wheat and canola, which remain on pace for good yields this season. -DTN

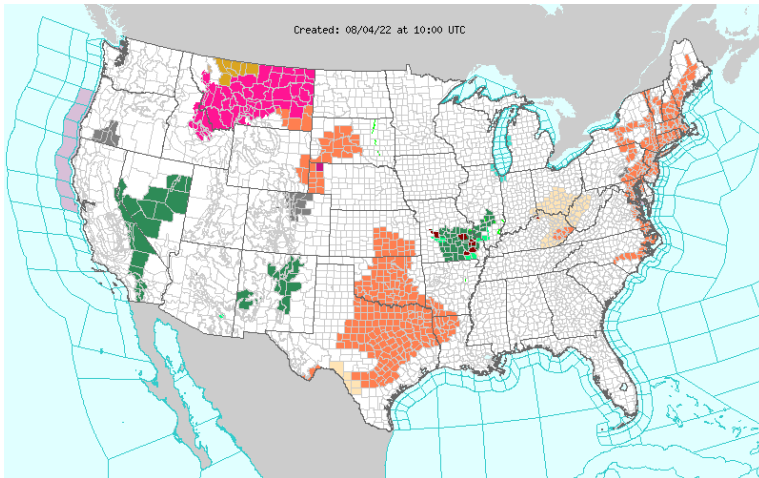
Headlines:

> Malaysian Oct Palm Oil Market closed down 46 Ringgits

- > Dalian Futures markets were mostly lower Sept Corn down 11 to the Yuan, Sept Soybeans down 66, Sept Meal down 9, Sept Bean Oil down 152, Sept Palm Oil down 152
- > Asian Equity Markets were mostly higher Japan's Nikkei up .7%, China's Shanghai up .8%
- > European Equity Markets are mostly higher, German Dax up .7%, London FTSE 100 up .3%
- > MATIF Markets are mixed to higher Nov Corn up .75 to the Euro, Nov Rapeseed up 3.25 Dec Wheat up .50
- > Save the Date...Aug 5th...US Employment Numbers...expected 250,000 non-farm job gain in July vs. 372,000 in June...unemployment rate MoM expected to be unchanged at historically low 3.6%
- > Save the Date...Aug 10th...CPI
- > Save the Date...Aug 12th...USDA S&D Report
- > Save the Date...Aug 15th...NOPA Crush
- > Save the Date...Aug 25th...2Q US GDP
- > Save the Date...Oct 2nd...Brazil goes to the poles... #reliablesuppliers [Brazil: Subsidies help Bolsonaro narrow electoral gap from Lula — MercoPress](#)
- > Putin Short??? On Thursday, a Kremlin spokesperson said the UN deal for Ukraine grain exports was not a "one off" mechanism, further saying they hope it continues to work effectively -QT
- > Pay Me my Money Down: Port issues will not go away [Southern California dockworker defies ILWU and calls for joint action with protesting port truck drivers - World Socialist Web Site \(wsws.org\)](#)
- > Crude oil on 6-month lows [Oil plunges to 6-month low after jump in U.S. crude inventories \(msn.com\)](#)
- > Best cure for high prices...high prices [Summer Gasoline Demand in US Drops Below Pandemic Levels \(yahoo.com\)](#)
- > Locust/ASF/Bird Flu all quiet today
- > FAW expanding in New Zealand [New pest blows in: Fall armyworm spotted in Northland - NZ Herald](#)
- > Argentina Economy [Argentina's new economy minister pledges to restore fiscal order | Financial Times \(ft.com\)](#)
- > China on the front lines of Climate Change [China warns that its temperatures are rising faster than global average \(msn.com\)](#) and yet we have a CO2 crisis here in the states [Craft breweries are starting to shut down due to nationwide carbon dioxide shortage \(msn.com\)](#)
- > Weekly Jobless Claims at 7:30 AM CDT expected at 260,000 vs. last week's 256,000
- > Weekly Export Sales at 7:30 AM CDT wheat expected to fall in between 300-500,000 MT, corn 300-500,000 MT, bean 400-600,000 MT, meal 100-300,000 MT, oil 5-25,000 MT

Commentary: On July 22nd CZ made a move low at 564 ¼, SX made a move low at 1288 ½. Adverse weather here in the states and in the EU helped form a “V” shaped bottom and sent CZ to a high of 636 ½ made on July 29th, while SX made a high on the same day at 1489. In the run up minor gaps were made in both markets. While the weather remains less to much less than ideal, concerns have eased. At the same time tensions between the US and China are at a boil over Taiwan. A lack of export demand and easing of weather concerns is why the bear has taken control of short-term price action. WoW CZ, at times, has moved over 25-cents lower, SX, at times, over a dollar lower. We start the day with CZ flirting with minor chart support at the 590ish level, and SX at the 1365 area. Closes through these chart points would shift chart momentum back lower. It does not hurt the bear that crude oil starts the day at 6-month lows. We start the day expecting another round of poor weekly export sales. The bottom line it is all here for the bear. An easing of weather concerns, tensions on the boil in China, a lack of new export demand and chart momentum poised to roll over, if the bear cannot achieve a low range close through minor support levels today, the lows of July just might hold up as the seasonal lows.

Flood waters on the rise in the Boot Heel of MO



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.