

MORNING GRAIN COMMENTARY

Morning Trends:

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as of 5:00 AM CDT

Corn 1 to 3 lower

Wheat 4 to 5 higher

Soybeans 7 to 10 lower

Soy Meal 1.5 to 2.0 lower

Soy Oil 95 to 100 lower

Short Range Weather: Major Hurricane Ian will approach the west coast of Florida into Wednesday. Life-threatening storm surge is likely with the highest risk from Naples to Sarasota. Devastating wind damage is expected near the core of Ian. Considerable flooding is expected with widespread, prolonged moderate to major river flooding expected across central Florida. Tornadoes are possible in central and south Florida.. **NWS**

Long Range Weather: There is a trough in the East, a ridge in the West, and another trough off the West Coast. The ridge is spreading east, starting to push the trough offshore. The western trough will move into the ridge Thursday and Friday and stall around the Rockies for several days, moving eastward later 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 above normal across most of the country. A brief shot of some cooler air may come through the Northeast next week, otherwise it should remain quite warm for early October. The remnants to Hurricane Ian will leave Mid-Atlantic and Southeast early next week. A small system will remain stuck in the Plains for a few days next week before pushing eastward through the Corn Belt. Only periods of isolated showers are forecast, otherwise dry conditions are expected next week for most areas. -DTN

NORTHERN PLAINS (LIVESTOCK/CORN/SOYBEANS): Dry conditions for the next couple of days with increasing temperatures. A small system will move into the region with a few showers on Friday that will last into early next week. There may be some disruption to the ongoing harvest. -DTN

CENTRAL/SOUTHERN PLAINS (CORN/SOYBEANS/WHEAT/LIVESTOCK): Warm and dry conditions continue this week, unfavorable for winter wheat planting and establishment, as well as pasture regrowth, but favorable for corn and soybean harvest. A weak system will move into the region this weekend and continue into early next week, bringing a few showers through. Showers should be very isolated and not have much of an impact on any operations. -DTN

The Stories of the Day:

Ukraine Russia [Advanced anti-aircraft weapons head to Ukraine in 2 months \(msn.com\)](#) [The CIA warned Germany weeks ago about a possible attack on the Nord Stream natural-gas pipelines, report says \(msn.com\)](#) [Over 194,000 Russians flee Putin's call-up to neighboring countries \(msn.com\)](#) [CIA director: Putin's military has many problems, "manpower only one of them" \(msn.com\)](#) [Russia Prepares to Annex Parts of Ukraine as Staged Votes End \(msn.com\)](#) [Ukraine Situation Report: Untrained Russian Draftees Reach The Front \(msn.com\)](#) [Japan pulls rug from under Russia with ban on chemicals as Tokyo issues nuclear warning \(msn.com\)](#) [Russians Fleeing Putin's Draft Stir Fears in Worried Neighbors \(msn.com\)](#)

Iran might see some new players on the national team??? [Iran cover country's badge for national anthem in protest against repression of women | Sport | The Times](#)

Brazil Election [Brazil's Election Goes Beyond A Battle Between Left And Right. Democracy Is Also On The Ballot \(msn.com\)](#)

Hurricane Ian and so it begins for FLA [Hurricane Ian updates: Florida Gulf Coast faces a catastrophic threat \(usatoday.com\)](#)

China Covid [Authorities in China investigate video of officials dumping rice and eggs during Covid-19 lockdown \(msn.com\)](#)

MIDWEST (CORN/SOYBEANS/WINTER WHEAT): A shot of colder air will be producing some frosts this morning and tonight across the north. Other than the cold, it should be dry, with harvest conditions mostly favorable for the next week. The remnants to Hurricane Ian are expected to stay south and east of the region but a few showers could sneak into the far eastern areas of the region this weekend. -DTN

DELTA (SOYBEANS/COTTON): Dry conditions are forecast for the next week. Harvest conditions continue to be quite good. -DTN

BRAZIL (CORN/SOYBEANS/WHEAT): Recent showers have continued to provide good soil moisture for Brazil as planting increases. Scattered showers continue this week for most areas before drying out this weekend. The daily wet season showers in central Brazil will continue afterward, and another front is forecast to bring showers through the region mid-late next week. -DTN

ARGENTINA (CORN/SOYBEANS/WHEAT): Dryness continues this week, with unfavorable conditions for developing wheat and corn planting. Scattered showers may return next week but forecasts have turned much lighter with the precipitation. -DTN

EUROPE (WHEAT/CORN): Widespread showers continue this week but so are some cooler temperatures. Some patchy frosts may occur if clouds clear out at night, but that should be limited. Otherwise, conditions continue to favor winter wheat planting and establishment, but delay harvest of summer grains. -DTN

BLACK SEA (CORN/SUNFLOWERS/WINTER WHEAT): Recent showers have done well to fill soils in the region but have also delayed fall harvest. Periods of showers will continue across Ukraine this week, with more limited rainfall expected in western Russia until next week. Overall conditions are mostly favorable for winter wheat planting and establishment. Showers will disrupt the corn harvest, however. -DTN

AUSTRALIA (WINTER WHEAT/CANOLA): Recent showers have been favorable for maintaining abundant soil moisture for most of the country's growing areas. Outside of some colder temperatures, conditions continue to be good for reproductive to filling winter wheat and canola. -DTN

Headlines:

> Malaysian Dec Palm Oil Market down 298 Ringgits...Vegoil analysts say the premium of Sunflower oil over soyoil has started to narrow given the shipments from Ukraine, sunflower oil has dropped by nearly half from their record high in April. Crude sunflower oil has recently been offered at \$1,250/mt cif, compared to crude soyoil offers at \$1,145/mt. -QT

> Dalian Futures markets were mostly lower Jan Corn down 16 to the Yuan, Jan Soybeans down 9, Jan Meal up 24, Jan Bean Oil down 10, Jan Palm Oil down 96

> Asian Equity Markets were sharply lower Japan's Nikkei down 1.5% China's Shanghai down 1.6%

> European Equity Markets are sharply lower, German Dax down 1.3%, London FTSE 100 down 1.3%

> MATIF Markets are mixed Nov Corn up 1.0 to the Euro, Nov Rapeseed down 8.0, Dec Wheat up .75

> Save the Date...Sept 29th...2Q US GDP...Q/Q expected at -.6%

> Save the Date...Sept 30th...US Grain Stocks...average trade guess for wheat stocks 1.775 BBU, corn stocks 1.510 BBU, beans stocks 242 MBU

> Save the date...Oct 1st...National Golden Week in China

> Save the Date...Oct 2nd...Brazil goes to the poles... #reliablesuppliers

- > Save the Date...Oct 7th...US Employment Numbers
- > Save the Date...Oct 12th...USDA S&D
- > Save the Date...Oct 16th...The Chinese Communist Party's twice-a-decade leadership congress will begin
- > Save the Date...Nov 6th...In the US we fall back to standard time
- > FAW...if the pasture lands for the TX rancher was not bad enough already... [Texas forage producers battling fall armyworms - AgriLife Today \(tamu.edu\)](#)
- > Locust...well this is something to look forward to...[Climate change could mean more intense locust outbreaks and threaten food security \(phys.org\)](#)
- > ASF all quiet today
- > Bird Flu...when you have a bad quarter blame it on the Bird Flu [Cal-Maine says avian flu could continue to hit egg supplies after this year \(msn.com\)](#)
- > Chinese media reported the country's August sow herd at 43.2 mln head, that was up +0.6% from July and is 5.5% higher than normal levels. -QT

Commentary: One aspect of the Midwest drought this year has been the water drafts on the Mississippi River are way down...barge freight for soybeans delivered at the Port of New Orleans are screaming higher. In some cases, moving Midwest farm bushels to the Gulf cost just as much as moving US farm bushels from the Gulf to SE Asia. Given the low river flow throughout the US Farm Belt, trucks and rail will have to do a bigger percentage of the lift this year. Now, we have seen in the past, when a major hurricane hits, check books are opened, and work is done no matter the cost. This makes the US FED's job to cool the job market and wages all the harder. Rail workers and truck drivers in the Midwest, especially long haul and hazardous material drivers remain at a premium. Much like end users wanting to know the cost of replacement, people that move products by truck do you know where your drivers are?

Hurricane Ian its **Red** Alert Time



Key Messages for Hurricane Ian

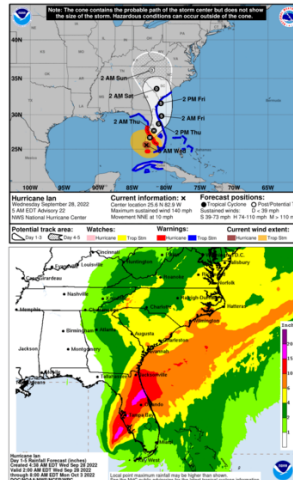
Advisory 22: 5:00 AM EDT Wed Sep 28, 2022



1. Life-threatening storm surge is expected along the Florida west coast and the Lower Florida Keys where a storm surge warning is in effect, with the highest risk from Naples to the Sarasota region. Residents in these areas should listen to advice given by local officials and follow any evacuation orders for your area.

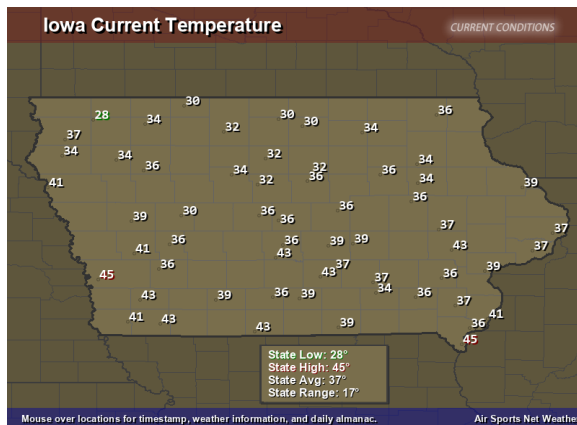
2. Hurricane-force winds are expected in the hurricane warning area in southwest and west-central Florida beginning Wednesday morning with tropical storm conditions expected overnight. Catastrophic wind damage is expected near the core of Ian when it moves onshore.

3. Heavy rainfall will spread across the Florida peninsula through Thursday and reach portions of the Southeast later this week and this weekend. Widespread, life-threatening catastrophic flooding is expected across portions of central Florida with considerable flooding in southern Florida, northern Florida, southeastern Georgia and coastal South Carolina. Widespread, prolonged major and record river flooding expected across central Florida.



For more information go to hurricanes.gov

Meanwhile baby its cold outside...the drying of corn is going up



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