

**MORNING GRAIN COMMENTARY**

Morning Trends:
<b>Morning Trends</b>
as of 5:00 AM CDT
Corn 4 to 6 lower
Wheat 13 to 15 lower
Soybeans 5 to 7 lower
Soy Meal 6.0 to 6.5 lower
Soy Oil 15 to 20 lower

The Stories of the Day:
<p><b>Russia/Ukraine</b> <a href="#">Putin convenes major Federation Council meeting to discuss occupied Ukrainian territories (msn.com)</a>  <a href="#">Ukrainian defenders hit 11 clusters of Russian manpower and 3 command posts – General Staff report (msn.com)</a>  <a href="#">Western countries are speeding up tank deliveries to Ukraine, but tanks aren't what Ukrainian troops need to get around Russian forces (msn.com)</a>  <a href="#">Putin sacks top general over disastrous failed assault (msn.com)</a></p> <p><b>China Taiwan</b> <a href="#">U.S. Embraces Taiwan's President as China's Shadow Looms Large (newsweek.com)</a>  <a href="#">Taiwan's Ma Ying-jeou Says Meeting with Chinese President Would Be 'Premature' (chinadigitaltimes.net)</a></p> <p><b>North African Drought</b> <a href="#">Water ban in drought-stricken Tunisia adds to growing crisis   Global development   The Guardian</a>  <a href="#">Drought ravages durum crop in North Africa   The Western Producer</a></p>

**Short Range Weather:** Tornadoes, severe thunderstorm gusts, and large hail are likely tonight and

Wednesday from the Great Lakes to central Texas. There is also a flash flooding threat from the Southern Plains into the Ohio Valley. Strong winds and heavy snow will create whiteout conditions and significant drifting snow through Wednesday. [NWS](#)

**DTN's Long Range Weather and 24-Hour National Temperature and Rainfall Extremes:** HIGH TUE...102 AT FAITH RANCH, TX...LOW TUE...4 BELOW ZERO AT BOCA RESERVOIR, CA 2...FLINT, MI 1.14 INCHES

There is a trough in the West and Central and a ridge in the East. The trough will be pushed northeast into Canada while a ridge expands into the West later this week that should last well into next week. Eventually though, a trough will build off the West Coast again, perhaps by the middle of next week, which will create more storm systems. The U.S. and European models are similar. I will use a blend but favor the European. For the outlook period, temperatures on Monday are generally forecast to be near to above normal across the majority of the country. Significantly warm temperatures are expected to continue for most areas, though the northern snowpack may hold them down locally. A weak front will go through northwestern areas early-mid next week and may leave a front across the Central Plains and Upper Midwest where showers may continue through the weekend.

**NORTHERN PLAINS (LIVESTOCK/WHEAT/CORN/SOYBEANS):** A blizzard is winding down Wednesday which has brought another round of hefty snow to an already heavy snowpack. Winds with the system continue to be strong after the snow ends on Wednesday, continuing blizzard conditions for those with fresh snow. A cool shot follows the system going through the weekend but a quick warmup is expected next week, which will cause significant melting of the snowpack, but will also lead to flooding.

**CENTRAL/SOUTHERN PLAINS (WHEAT/LIVESTOCK):** A cold front continues across southeastern areas Wednesday with scattered showers and thunderstorms developing, but most areas stayed dry from the system this week. Instead, strong winds whipped through southwestern drought areas, causing blowing dust. Some showers continue over Texas through Friday, but the region will be on a drier path well into next week before the next chance for precipitation enters.

**MIDWEST (WINTER WHEAT/CORN/SOYBEANS):** A strong storm continues to move through Wednesday with a risk for widespread severe storms and strong winds. It will get much quieter after this storm going into next

week. Warmer conditions are also forecast for next week, getting more of the northern snowpack melted, and allowing folks to get out into their fields if not too wet.

**DELTA (SOYBEANS/COTTON):** More thunderstorms with severe potential move through on Wednesday. The front to this system will likely stall in the region, continuing showers through Saturday, especially across the south. Wet soils are keeping fieldwork and planting slow. Quieter weather next week will help soils to drain and allow for more fieldwork.

**BRAZIL (CORN):** Wet season showers continue to be isolated through central Brazil through April, though may be enhanced later this week by a front moving up from Argentina. Still, precipitation is forecast to be below normal, leaving some concern for enough available soil moisture for developing safrinha corn. The system moving through the south may be able to keep soil moisture in a good position for the rest of the month. Overall conditions for corn thus far are good, but the question is for how long?

**ARGENTINA (CORN/SOYBEANS):** Despite better weather in the last couple of weeks, corn and soybean conditions continue to be poor as the rains have been too late to have a positive impact on yield potential. The rains have been able to stabilize crop conditions, however. It will be drier through the weekend. A stronger cold front may move through next week, which would bring more showers and lower temperatures.

**EUROPE (WINTER WHEAT):** Colder air has settled into the continent this week, which is bringing widespread frosty mornings, but should not cause a lot of damage. Areas of mixed rain and snow will develop in the cooler air through the weekend. Spain and Italy continue to be drier. More is needed in these areas while the rest of the continent is in good shape so far this spring.

**BLACK SEA (WINTER WHEAT):** Periods of showers will continue to move through the region for the next week, with cooler temperatures for Ukraine, which may slow development of winter grains. Overall though, growing conditions are mostly favorable across the region.

**CHINA (WINTER WHEAT/OILSEEDS):** Heavier rain moved through the North China Plain over the past couple of days, where winter wheat and oilseed are breaking dormancy and developing. Despite these rains, precipitation deficits are large, and the region will need more. But another period of dryness is forecast.

**AUSTRALIA (WINTER WHEAT/CANOLA):** Weather conditions over the summer and fall season have been favorable to keep soil moisture favorable prior to winter grain and oilseed planting, which should start up in the next couple of weeks. The likely occurrence of El Nino later this year should have a detrimental effect on precipitation across eastern Australia at some point, but conditions are good for now.

**Headlines:**

- > Malaysian June Palm Oil Market closed down 100 Ringgits
- > Dalian Futures were closed today July corn down XX to the Yuan, May Soybeans down XX, May Meal up XX, May Bean Oil up XX, May Palm Oil up XX
- > Asian Equity Markets were lower, Japan's Nikki down 1.7%, China's Shanghai XX
- > European Equity Markets are Mixed German Dax down .3%, London FTSE 100 up .3%
- > MATIF Markets are lower June Corn down 3.75 to the Euro, Aug Rapeseed down 6.75, May Wheat down 3.50
- > Save the Date...April 5<sup>th</sup>...Qing Ming Jie Day in China
- > Save the Date...April 7<sup>th</sup>...US Employment Numbers...Multiple EU and US markets closed...March Jobs created 235,000, unemployment rate expected unchanged M/M at 3.6%..."ADP March US Private Sector jobs

net change data will be released Wednesday morning around 7:15 am CT. Analysts expect job gains/losses of +210,000 compared to the previous month's +242,000." -QT

> Save the Date...April 11<sup>th</sup>...USDA S&Ds

> Save the Date...April 12<sup>th</sup>...CPI and Real Earnings

> Save the Date...April 13<sup>th</sup>...PPI

Save the Date...April 17<sup>th</sup>...NOPA Crush

> Save the Date...April 25<sup>th</sup>...Anzac Day...as always if you need a professional spinner...

> Save the Date...April 27<sup>th</sup>...US GDP Q1

> All quiet today for Locust/FAW

> ASF [Smuggled pork seizure in Thailand sparks fears of African swine fever | Thaiger \(thethaiger.com\)](#)

> Bird Flu [Bird Flu Is So Bad That Japan's Running Out of Land to Bury Chickens | Time](#)

**Commentary:** Yesterday we started the comment this way, "It feels like the Ag markets are taking a moment this week. A moment to collect itself, knowing a summer of volatility lies ahead." Well it feels like break time is over and the volatility has begun. No better showcase of volatility than the wheat market. After making a short term low at 654 on 3/22, WK than rallied to make a short term high at 724 on 3/29. And today you ask, well overnight WK has traded back below the 680 level, and if it closes below this level, it will shift its chart momentum back to lower. Chart momentum back to lower will help the MM Funds, who we believe remain short close to 90,000 wheat contracts, to sleep well on this looming three-day weekend. Sleeping well, but nightmares of high heat returning to the S. Plains by the end of the month could still impact their weekend slumber. Keep in mind that Dr. Simon has been calling for a quick start to summer like temps for the Southern and Central Plains early this year, and right now traditional forecasters are starting to come around to that conclusion. Any fast market type sell off in HRW that takes KWN back down under the 680 level could be an area that end users could look at as scale down opportunity.

**The Great White Combine is on the loose**

[Day 2 Outlook >](#)

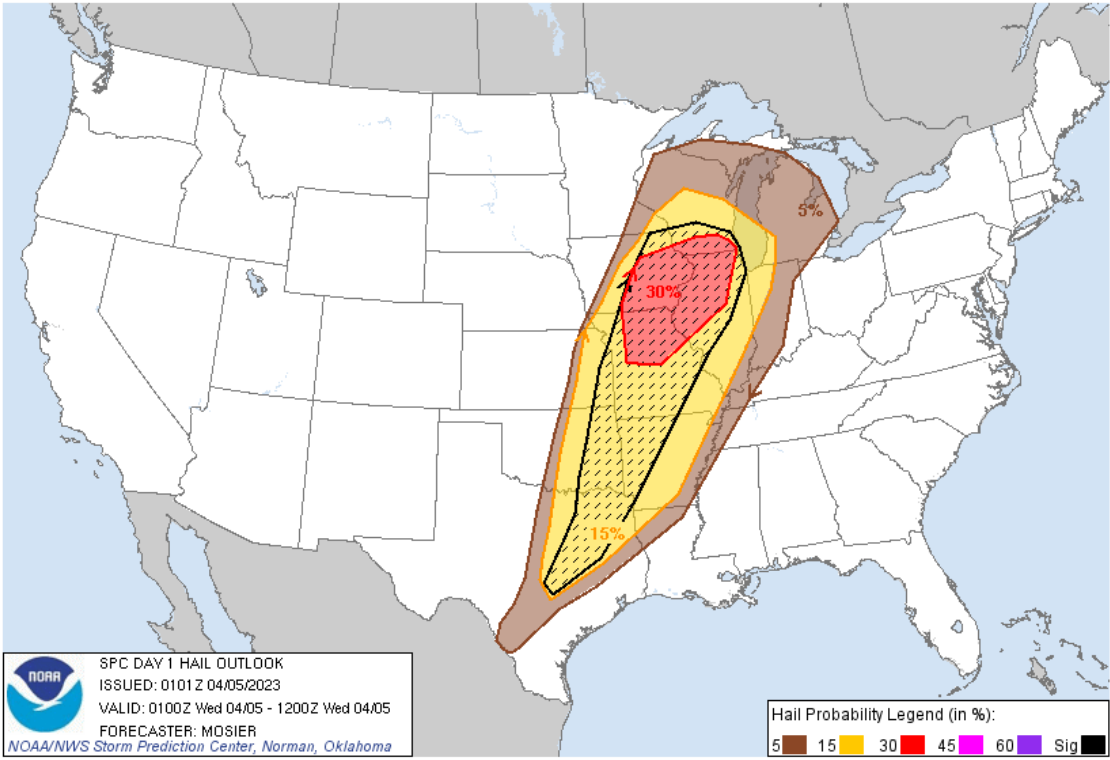
**Apr 5, 2023 0100 UTC Day 1 Convective Outlook**

[Click to see valid 1Z - 12Z Day 1 Convective Outlook](#)

Updated: Wed Apr 5 01:01:22 UTC 2023 ([Print Version](#) | [Feedback](#) | [Help](#))

[Probabilistic to Categorical Outlook Conversion Table](#)

Categorical  Tornado  Wind  Hail  Pop.  Cities  CWAs  RFCs  Interstates  Counties  ARTCC  FEMA  Tribal



**NOAA** SPC DAY 1 HAIL OUTLOOK  
 ISSUED: 0101Z 04/05/2023  
 VALID: 0100Z Wed 04/05 - 1200Z Wed 04/05  
 FORECASTER: MOSIER  
 NOAA/NWS Storm Prediction Center, Norman, Oklahoma

Hail Probability Legend (in %):  
 5 15 30 45 60 Sig

Probability of one inch diameter hail or larger within 25 miles of a point.  
 Hatched Area: 10% or greater probability of two inch diameter hail or larger within 25 miles of a point. ([More Info](#))

Day 1 Hail Risk	Area (sq. mi.)	Area Pop.	Some Larger Population Centers in Risk Area
SIG SEVERE	204,924	30,097,134	Chicago, IL...Dallas, TX...Austin, TX...Kansas City, MO...St. Louis, MO...
30 %	70,772	7,266,822	Madison, WI...Aurora, IL...Rockford, IL...Cedar Rapids, IA...Peoria, IL...
15 %	278,915	37,089,784	Chicago, IL...Dallas, TX...Austin, TX...Fort Worth, TX...Milwaukee, WI...
5 %	194,947	20,010,763	San Antonio, TX...Indianapolis, IN...Memphis, TN...Oklahoma City, OK...Fort Wayne, IN...

**Forecast Discussion**



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 consider 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