

MORNING GRAIN COMMENTARY

Morning Trends:
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as of 5:00 AM CDT
Corn 1 to 2 lower
Wheat 1 to 2 lower
Soybeans 9 to 11 higher
Soy Meal 4.0 to 4.5 higher
Soy Oil 5 to 10 higher

Short Range Weather: A series of weather systems moving through the Northwest will bring locally heavy rain, heavy mountain snow, and areas of high winds. Heavy rain could cause localized flooding to parts of the Gulf Coast and the Southeast into late week. Anomalously warm temperatures may cause potential flooding from snowmelt across the Northern Plains to the Upper Great Lakes. - NWS

The Stories of the Day:

- Russia/Ukraine** [Ukrainian defenders killed over 179,000 Russian soldiers \(msn.com\)](#) [Airport of Russian Belgorod attacked by drone with bomb \(msn.com\)](#) [The Russian economy is much worse than it appears as Moscow's data is a 'collection of lies and distortions,' economist says \(msn.com\)](#) [UK Defence Intelligence expects greater participation of Russian airborne forces in offensive operations in Ukraine \(msn.com\)](#) [Russia May Have Canceled Victory Parades Due to Humiliating Tank Shortage \(msn.com\)](#) [Russia Moves to Simplify Military Summons, Prevent Conscripts from Fleeing Amid Fears of New Draft \(msn.com\)](#)
- China/Brazil** [Lula Says Will Invite Xi to Brazil as China Trip Approaches \(usnews.com\)](#)
- China/Taiwan** [Take That, Xi Jinping? Taiwan Air Force Delivers 'Punch' To China With Viral Badge Of Winnie The Pooh \(msn.com\)](#)
- India looking for friends, just not really close friends** [Why India, China's Bitter Foe, Won't Become a U.S. Ally \(msn.com\)](#)
- China Sandstorm** [Sandstorm hits Beijing and northern China for the fourth time in a month \(msn.com\)](#)

DTN's Long Range Weather and 24-Hour National Temperature and Rainfall Extremes: HIGH MON...101 AT DEATH VALLEY CA... LOW MON...2 AT PETER SINKS UT... SALEM, OR 1.21 INCHES

There is a ridge across most of North America and a trough moving down the West Coast. The trough will move through the U.S. this week and start a more progressive pattern again across North America through the end of April. Another trough will move through the U.S. next week. The U.S. and European models are similar. I will use a blend but favor the European. For the outlook period, temperatures on Sunday will be below normal in the Central and above normal in the West and East. A burst of colder air will move east through the country into next week but will likely be replaced by warmer air. A strong system will be on the leading edge of the cooler air this weekend with widespread showers through the Eastern U.S. Another system will move into the West next week and will likely be followed by another round of cooler air as it progresses through the country.

NORTHERN PLAINS (LIVESTOCK/WHEAT/CORN/SOYBEANS): Above-normal temperatures are melting the snowpack, causing flooding in some areas. The warmth will not last all that long, with a shot of colder air moving through behind a system later this week and weekend. Scattered mixed precipitation will be moving through during the temperature change. Another warm period is likely to move in by the middle of next week, which will increase the melting of the snowpack again. Even during the period will cooler temperatures, a high sun angle and clear skies will continue the melting, just at a slower pace. Though flooding is not favorable, the high amounts of water locked in the snowpack need to be released and worked through the system before fieldwork can start. The sooner the better for on-time planting.

CENTRAL/SOUTHERN PLAINS (WHEAT/LIVESTOCK/CORN/SOYBEANS): A disturbance went through the region Sunday and Monday and brought scattered showers, including across the Texas Panhandle with some very spotty areas of heavier rain. Most of the drought areas remained dry, but some have gotten needed rains. Additional showers may develop across the area Thursday and maybe Friday as a system moves approaches. Again, showers are likely to be spotty, but could be significant in some areas. A stronger burst is possible Friday into Saturday, mostly for northern areas. Otherwise, dry conditions remain a concern for winter wheat. The system this week could bring some strong winds, which would be unfavorable for all locations, and especially those that do get rain, as it would sap that moisture right out.

MIDWEST (WINTER WHEAT/CORN/SOYBEANS): Dryness and rising temperatures over the last several days are favorable for spring fieldwork. Snowpack in the north continues to melt off. A system will bring a few waves of showers through the region later this week and weekend. A burst of colder air will move through behind the system, stalling progress. Temperatures will be more on a seesaw, rising again next week.

DELTA (SOYBEANS/COTTON): Showers will be unlikely for the front half of the week but will increase with a system in the Gulf of Mexico for the end of the week and another front moves through on Saturday. Many areas are fairly wet from recent rainfall, limiting fieldwork and planting. Precipitation is becoming less frequent, but still steady through the rest of April, which may cause some areas that are too wet, while others will find the proper conditions to get out into the field.

BRAZIL (CORN): Showers continue over central Brazil early this week. Another system will move north from Argentina late this week and weekend with another increase in showers. Overall, systems are providing adequate moisture for developing safrinha corn though wet season showers are diminishing. This pattern will need to be maintained for the late-planted crop.

ARGENTINA (CORN/SOYBEANS): A system will move through with scattered showers through Thursday but be more isolated over the main growing region. Soil moisture has improved recently, but crop conditions are still poor due to heat and drought over the summer. Systems are coming at a more frequent pace, which may help to condition soil prior to winter wheat planting by the end of the month.

EUROPE (WINTER WHEAT/CORN): Some showers and cooler weather over the weekend helped to improve soil moisture for winter wheat areas outside of Spain and Italy where soil moisture continues to be poor. A couple of systems will move through this week. Italy will see improved chances for rain, but Spain will likely miss out on most of it. Other areas of the continent will continue to see mostly good conditions. It may make it more difficult for early corn planting.

BLACK SEA (WINTER WHEAT/CORN): Periods of showers fell over the weekend and will continue to move through the region for the next week, with mild temperatures. Overall, growing conditions are mostly favorable across the region. Some areas may be too wet and cool to plant corn, however.

CHINA (WINTER WHEAT/OILSEEDS): Outside of some spotty showers, the week will be mostly dry again. Though these areas received heavy rainfall a week ago, most areas are showing precipitation deficits and are in need of more for the upcoming corn and soybean planting.

AUSTRALIA (WINTER WHEAT/CANOLA): Weather conditions over the summer and fall season have been favorable to keep soil moisture abundant prior to winter grain and oilseed planting, which should start up in the next week. 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.

India's state-run weather bureau on Tuesday suggested they expect this year's monsoon rains around 96% of average, that is within the normal range. The normal range is from 96% to 104% of the long-term average. If rains are within the normal range, it would mark the fifth consecutive year of normal to above normal. -QT

Headlines:

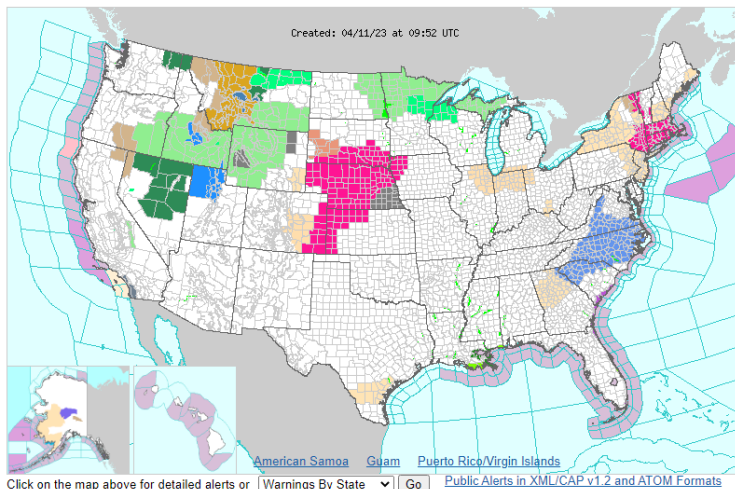
- > Malaysian June Palm Oil Market closed up 58 Ringgits
- > Dalian Futures were mostly lower July corn up 18 to the Yuan, July Soybeans down 47, Sept Meal down 16, May Bean Oil unchanged, May Palm Oil down 134
- > Asian Equity Markets were mixed, Japan's Nikkei up 1.1%, China's Shanghai down .1%
- > European Equity Markets are mostly higher German Dax up .5%, London FTSE 100 up .4%
- > MATIF Markets are mixed June Corn up .50 to the Euro, Aug Rapeseed down 6.50, May Wheat up .25
- > Save the Date...April 11th...USDA S&Ds...Reuters average trade guess for April US ending corn stocks 1.32 BBU vs. March USDA 1.342...world corn stocks 295.0/296.46 MMT...Argentina corn production 37.1/40.0 MMT...Brazilian corn production 126.1/125.0 MMT...US bean ending stocks 198/210 MBU...world 98.9/100.0 MMT...Argentina 29.3/33.0 MMT...Brazil 153.7/153.0 MMT...US wheat ending stocks 574/568 MBU...world 267.1/267.2 MMT
- > Save the Date...April 12th...CPI and Real Earnings [The Inflation Wave May Be Cresting. What's Next for Fed Rates. | Barron's \(barrons.com\)](#)
- > Save the Date...April 12th...FOMC March Meeting Notes
- > Save the Date...April 13th...PPI
- > Save the Date...April 17th...NOPA Crush
- > Save the Date...April 25th...Anzac Day...as always if you need a professional spinner...
- > Save the Date...April 27th...US 1Q GDP
- > All quiet today for FAW/Locust
- > ASF [S. Korea beefs up containment measures against African swine fever \(msn.com\)](#)
- > Bird Flu [Lab-created bird flu virus accident shows lax oversight of risky 'gain of function' research \(yahoo.com\)](#)
- > Weekly crop updates from the USDA showed that 27% of the winter wheat crop is rated good/excellent, 3% of the US corn crop has been planted, 1% of the spring wheat crop is in the ground
- > Volcano watch [Volcano eruption on Russia's Kamchatka spews vast ash clouds \(msn.com\)](#) and [Nevado del Ruiz volcano shows signs of increased activity \(nypost.com\)](#)
- > That's it...West Coast for me ['Flesh-eating' bacteria that kills almost one in five infected spreading up east US coast \(msn.com\)](#)
- > Kazakhstan government on Tuesday announced the ban on Russian wheat imports via truck. The move is to combat grain traders re-exporting the Russian grain as Kazakh to evade VAT taxes and other fees, and hurts the country's farmers. -QT
- > Algeria's state grain buyer set Wednesday, Apr 12th as the offer deadline in a tender seeking a nominal 50,000 mt of Durum Wheat, however, offers should remain valid until Thursday, Apr 13th. The grain is for shipment from May 1 through June 30th -QT

> Traders noted there were very few takers in Argentina's "soy dollar" exchange rate scheme that launched Monday. Analysts say the market and farmers are waiting for additional details about the program. -QT

> Late Monday, Mexico announced a group will be formed to investigate the impact GMO corn imports have on the country's tortilla industry. -QT

Commentary: As far as “No News Tuesdays” go, this is not one of them. Even though the USDA April S&D numbers are not expected to hold many surprises, “No News Tuesdays” should not have market resets within them. Speaking of the USDA numbers, if there are surprises to be had it will be with Argentina production numbers. The USDA in March had Argentina corn production at 40.0 and beans at 33.0 MMT. The average trade guess for the April number according to Reuters is corn at 37.12 and beans at 29.30...the guru of S. America production, Dr. Cordonnier has corn production at 36.0 and beans production at 26.0 MMT. Dr. C W/W actually bumped his Brazilian numbers a bit higher. As far as the US numbers go, all eyes are on HRW and corn. The tight carryout in HRW will mean corn will continue to work into the SW. Given the recent upticks in Chinese US corn demand, the feeling is the USDA will not trim their corn export number on this report and will leave domestic usage unchanged as well. If there is a bull story to be had coming out of the numbers it will be in old crop beans. The extended window of US bean exports due to the poor quality of the Argentina bean crop could mean the USDA takes the old crop carryout under 200 MBU, and that for the US end user, is a “No Go Zone.”

SD from snow pack to Red Flag warnings the state has it all



- High Wind Warning
- Avalanche Warning
- Coastal Flood Warning
- Flood Warning
- State Warning
- Red Flag Warning
- Winter Weather Advisory
- Flood Advisory
- Coastal Flood Advisory
- High Surf Advisory
- Heavy Freezing Spray Warning
- Dense Fog Advisory
- Small Craft Advisory
- Break Wind Advisory
- Wind Advisory
- Frost Advisory
- Rip Current Statement
- Beach Hazards Statement
- Gale Watch
- Winter Storm Watch
- Flood Watch
- Fire Weather Watch
- Extreme Fire Danger
- Special Weather Statement
- Marine Weather Statement
- Air Quality Alert
- Hydrologic Outlook



Tuesday, April 11, 2023

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