

## MORNING GRAIN COMMENTARY

### Morning Trends:

#### Morning Trends

as of 5:00 AM CDT

Corn 3 to 5 lower

Wheat 8 to 9 lower

Soybeans 3-5 lower

Soy Meal 1.00 to 2.00 lower

Soy Oil 55 to 65 lower

### The Stories of the Day:

#### **Ukraine's Key Black Sea Crop Exports Resume After Latest Halt: Bloomberg** **Ship inspections resume Wednesday after two-day halt**

Ukraine has also been hit with import bans from some EU states

#### **Brazil Is Using More Corn to Make Biofuels Than Ever Before: Bloomberg** **Sugar supply may get boost from Brazil's shift to corn ethanol**

New corn buyers have changed market dynamics in top exporter

#### **China Is Boosting Imports of Ukrainian Corn Through Black Sea: Bloomberg** **Asian nation top destination under UN-brokered safe corridor**

About a fifth of crop exports under Black Sea deal go to China

#### **Heat Is Surging in India, Risking Blackouts and Even Deaths – Bloomberg** **Temperatures have soared above 40 degrees in several regions**

Local media says 11 died from heat after an event on Sunday

## US OUTLOOK AND MODEL DISCUSSION 6-10 DAY PERIOD:

There is a trough in the West but in several pieces. It will move through the U.S. in a few waves this week. Another trough will move into the Gulf of Alaska this weekend, sending pieces of energy southeastward through the U.S. next week as the active pattern continues for the rest of April.

For the outlook period, temperatures on Monday will be near to below normal across the country. Temperatures may rise across the West, but the colder look should continue eastward for the rest of April. A system or two will pass through the U.S. next week but likely be weaker. They could still produce widespread precipitation, however.

**NORTHERN PLAINS:** Another system is moving through this week with a few bursts of showers, including some areas of snow. Temperatures will fall back below normal and likely remain there for the rest of the month, which is unfavorable for fieldwork and planting. It will still be warm enough to continue melting the remaining snowpack, but be slow enough to reduce the impact of flooding, which is becoming a major issue in the Red River Valley.

**CENTRAL/SOUTHERN PLAINS:** A system moves through this week with a few bursts of showers, but little for the southwestern drought areas. Some snow is not out of the question in the northwest as colder air fills in behind the system throughout the week. Additional frosts may be more widespread over the weekend, which may have some impact on wheat. Colder temperatures will be unfavorable for corn and soybean planting.

**MIDWEST:** Colder temperatures and localized frosts are ongoing in the east Wednesday morning in the east, but impacts to winter wheat are not expected. A system will move through with several rounds of showers through the weekend, including potential for more snow. Another burst of cold air will move through as well, which is more likely lead to widespread frosts and freezes that could be troublesome for winter wheat, and be unfavorable for corn and soybean planting. The active pattern continues next week with several more days of rain chances.

**DELTA:** Another system is likely to produce widespread precipitation Thursday and Friday and more is expected next week. Many areas of the region are wet, limiting spring planting. Some areas that have been able to plan will find good conditions for germination and early growth, though temperatures will be on the cooler end of normal.

**BRAZIL:** A cold front is moving north over the next couple of days. After some good rainfall in many areas, drier conditions look likely afterward. The region is more dependent on systems moving through with wet season showers diminishing. But those are going to be in short supply for the rest of April.

**ARGENTINA:** Outside of a few showers next week, it will be drier across Argentina for the next couple of weeks. Overall, conditions are good for harvesting a damaged corn and soybean crop. Soil moisture is still sub-optimal for winter wheat planting and a drier stretch will not be helpful once planting starts at the end of the month. More rainfall is needed.

**EUROPE:** A system over Mediterranean will keep showers going in the southeast while another will travel westward with spotty showers for northern areas over the next couple of days. A system will bring showers to the continent over the weekend and into next week, which may produce more showers across the south, including Spain. Conditions for winter and spring crops are mostly favorable, but Spain continues to be too dry.

**BLACK SEA:** A system is drifting through the region with widespread precipitation for the next few days. More showers are expected with another system next week. Overall, conditions continue to be mostly favorable for winter wheat development and corn planting.

**CHINA:** Outside of some spotty showers, it has been rather dry on the North China Plain and in the northeast as well. Irrigation has been needed for developing winter wheat and oilseeds. Soils are rather dry for corn and soybean planting. Showers may pick up a bit more on the North China Plain later this week, but the country would prefer a more active weather pattern.

**AUSTRALIA:** 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 be starting up. A drier week favors the remaining summer crop harvest and winter crop planting. 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 July Palm Oil Market closed down 59 Ringgits
- > Dalian Futures were mixed July corn down 2 to the Yuan, July Soybeans down 3 , Sept Meal down 55, Sept Bean Oil up 64 , Sept Palm Oil up 140
- > Asian Equity Markets were lower, Japan's Nikkei down 0.18%, China's Shanghai down 23.203 pts
- > European Equity Markets are lower German Dax down 0.21%, London FTSE 100 down 0.39%
- > MATIF Markets are lower, June corn -4.75 to the Euro, Aug Rapeseed -11.75, May Wheat -6.25
- > 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 1Q GDP

- > Save the Date...May 3<sup>rd</sup>...FOMC Meeting Results
- > Save the Date...May 5<sup>th</sup>...US Job Numbers
- > Save the Date...May 10<sup>th</sup>...CPI/Real Earnings
- > Save the Date...May 11<sup>th</sup>...PPI Numbers
- > Save the Date...May 12<sup>th</sup>...USDA S&Ds + Crop Production
- > USDA Weekly Crop Progress Report found that 8% of the US corn crop has been planted, 4% of the bean crop, 3% of the Spring Wheat crop and that 27% of the US Winter Wheat crop is rated good/excellent
- > All quiet today for Locust
- > FAW [Project develops guidelines to combat fall armyworm - Grain Central](#)
- > ASF [Pork shortage feared amid culling of hogs to contain African swine fever \(rappler.com\)](#)
- > Bird Flu [Free range eggs back as bird flu restrictions ease \(msn.com\)](#)

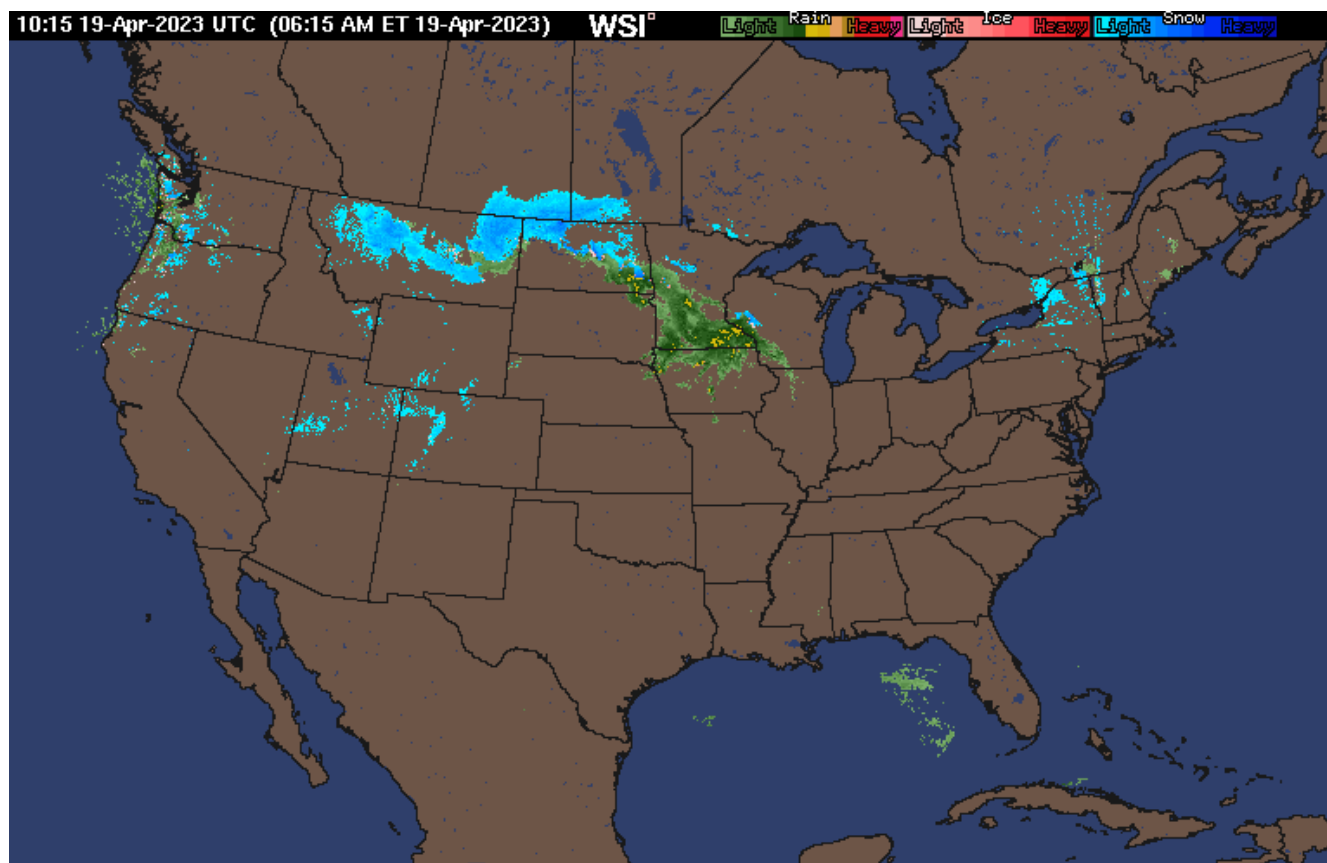
**Commentary:**

Corn, soybean and wheat pulled back from gains earlier this week amid corrective selling overnight and negative outside markets.

Ukraine says grain inspections resuming... Inspections of vessels carrying grains from Ukrainian ports have resumed at Turkey's Bosphorus Strait after two days of discussions between Kyiv and Moscow, a spokesperson for the Joint Coordination Center in Istanbul said on Wednesday. Ukrainian Agriculture Minister Mykola Solsky said Moscow was increasing difficulties for Ukraine at a time when three eastern European countries have banned imports of Ukrainian grain and food products. "Obviously, the Russians could not fail to take advantage of these nuances on the western (Ukrainian) border," Solsky said. RIA news agency quoted the Russian foreign ministry as on Wednesday as saying Ukraine and the United Nations were causing difficulties with the ship inspections.

Poland, Ukraine reach deal on grain transit... Poland reached an agreement on restarting transit of Ukrainian grains through its country as of Friday, Polish Agriculture Minister Robert Telus said. He noted trucks carrying Ukrainian grain will be sealed and monitored by GPS as they pass through Poland.

**Midwest Weather is Cold & Wet:**



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