

**MORNING GRAIN COMMENTARY**

Morning Trends:
<b>Morning Trends</b>
as of 5:00 AM CDT
Corn 1 to 3 lower
Wheat 1 to 3 higher
Soybeans 10 to 12 lower
Soy Meal 2.50 to 3.0 lower
Soy Oil 20 to 25 lower

The Stories of the Day:
<p><b>Ukraine/Russia</b> <a href="#">Reason for explosion in Belgorod is now known: piece of ammunition fell from Russian bomber (msn.com)</a><a href="#">Tanks As Old As Putin Are Being Sent Die in Ukraine (msn.com)</a><a href="#">Volodymyr Zelenskyy nixed Ukrainian strike on Russian troops in Syria: report (msn.com)</a><a href="#">Russia may discard Pyotr Velikii battlecruiser as there are no money for repairs (msn.com)</a></p> <p><b>Moldova/Russia</b> <a href="#">Moldova confirms gradual and selective withdrawal from CIS agreements (msn.com)</a></p> <p><b>Sudan</b> <a href="#">Shootouts in Sudan capital on Eid holiday, army moves in on foot (msn.com)</a></p> <p><b>Much of the Muslim world on Holiday</b> <a href="#">Amid Joy and Tragedy, Muslims Celebrate Eid Al-Fitr Holiday (usnews.com)</a> and in Brazil <a href="#">Tiradentes Day in Brazil in 2023   Office Holidays</a></p> <p><b>End of the World as we know it? New Theory Claims Solar Storms Will Cause 'End Of The World' On April 23, 2023 (msn.com)</b></p> <p><a href="#">Given the repeat of the story above there can only be one song of the week R.E.M. - It's The End Of The World As We Know It (And I Feel Fine) - YouTube</a></p>

**Short Range Weather:** Scattered severe thunderstorms capable of hail, damaging wind gusts, and heavy rain which could produce flooding are possible from parts of mid Mississippi Valley southwestward into the Ark-La-Tex and central Texas this afternoon and tonight. Heavy snow and some icing will continue across the Upper Midwest into early Friday as a low pressure system moves through the region. -NWS

**DTN's Long Range Weather and 24-Hour National Temperatures and Rainfall Extremes:** HIGH THU...101 AT RIO GRANDE VILLAGE, TX LOW THU...11 BELOW ZERO AT PETER SINKS, UT AND MACKAY, ID...KANSAS CITY, MO 1.94 INCHES

There is a trough in the Central U.S. It will drift eastward through early next week. Another trough will move into the Gulf of Alaska this weekend, sending pieces of energy southeastward through the U.S. next week. This will generally maintain a trough over the East going into May, an overall cooler look east of the Rockies. The U.S. and European models are similar. I will use a blend but favor the European. For the outlook period, temperatures on Wednesday 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 will dive down into the Southern Plains early next week, then eastward across the country with widespread showers including over the drought areas in the southwestern Plains. Another system will follow behind it later next week and weekend but farther north and with less precipitation.

**NORTHERN PLAINS (LIVESTOCK/WHEAT/CORN/SOYBEANS):** A system moving through this week has brought bursts of precipitation and some areas of heavy snow. Snow continues on Friday, but it will dry out over the weekend. The next system moves through for the back half of next week with scattered showers again. Temperatures are well 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 (WHEAT/LIVESTOCK/CORN/SOYBEANS):** A system that moved through this week brought some heavier showers to eastern areas but left the drought areas dry. Cold air filtering in behind

the system will lead to widespread frosts over the weekend, which may have some impact on wheat. Colder temperatures will be unfavorable for corn and soybean planting as well. Next week, a system will develop over the south with the promise of widespread moderate to heavy precipitation in the western drought areas. Rain would be beneficial, but only have a small impact on the outstanding drought.

**MIDWEST (WINTER WHEAT/CORN/SOYBEANS):** A system continues to move through the region with showers through the weekend, including potential for more snow across the north. 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 cold should stick around through the end of April. The active pattern continues next week with several more days of rain chances, though the trends are farther south.

**DELTA (SOYBEANS/COTTON):** A front is moving through with widespread precipitation Friday, and more is expected next week. Many areas of the region are wet, limiting spring planting. Areas that have been able to plant will find good conditions for germination and early growth, though temperatures will be on the cooler end of normal through the end of the month.

**BRAZIL (CORN):** A cold front brought some good rainfall to many areas this week, but the pattern will be drier moving forward. The region is more dependent on systems moving through with wet season showers diminishing. But those are going to be in short supply going into May. One small disturbance will bring limited showers to southern areas next week.

**ARGENTINA (CORN/SOYBEANS/WINTER WHEAT):** Outside of a few showers at times, 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 (WINTER WHEAT/CORN):** A few systems brought widespread showers to the continent this week, outside of Spain which remains in drought. Another system will bring showers to the continent over the weekend and into next week, which will bring a brief shot of showers to Spain, but will be very little help in reducing drought. Conditions for winter and spring crops are mostly favorable, but Spain continues to be too dry.

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

**CHINA (WINTER WHEAT/OILSEEDS/CORN/SOYBEANS):** 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 through the weekend, but the country would prefer a more active weather pattern.

**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 be starting up. A system will move through with showers next week, but overall, conditions are good for winter crop planting. The likely occurrence of El Nino in the next couple of months should have a detrimental effect on precipitation across eastern Australia at some point, but conditions are good for now.

**Headlines:**

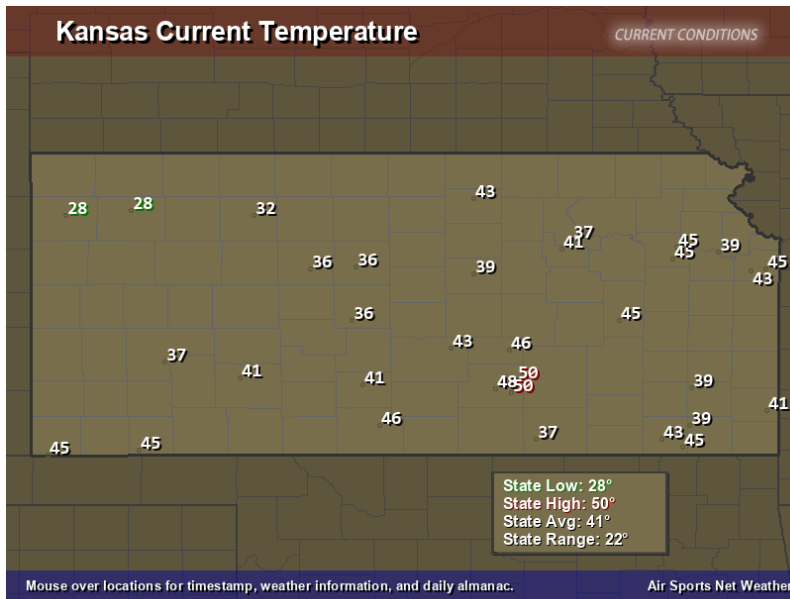
> Malaysian July Palm Oil market is closed on Friday, April 21 and Monday, April 24th for public holidays. -QT

> Dalian Futures were sharply lower July corn down 22 to the Yuan, July Soybeans down 111, Sept Meal down 14, Sept Bean Oil down 172, Sept Palm Oil down 138

- > Asian Equity Markets were lower, Japan's Nikki down .3%, China's Shanghai down 2.0%
- > European Equity Markets are mixed German Dax down .2%, London FTSE 100 up 0.3%
- > MATIF Markets are mixed, June corn up .50 to the Euro, Aug Rapeseed down 2.50, May Wheat up 1.0
- > 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
- > China drought [Northwest China on water alert as Yellow River supplies run low \(msn.com\)](#) and in SW China [Drought in China's Yunnan set to cap province's aluminium output | Reuters](#) and its not much better in N. Africa [In grim drought, Tunisians ration water in state-ordered ban - ABC News \(go.com\)](#) and in India and beyond [Deadly heat waves, drought warning in India; El Nino event on horizon \[read now\] - IBTimes India](#)
- > All quiet today for Locust/FAW/Bird Flu
- > ASF [Singapore halts import of live pigs from Pulau Bulan after African swine fever detected in carcasses - CNA \(channelnewsasia.com\)](#)

**Commentary:** It is that time of week we remind everyone that the real end of the week is at 2:30 PM CDT when we see the MM Funds Positions as of the close of 4/18 (One other reminder in a lot of ways tis the season when the work week will not begin until we see the weekly crop updates Monday at 3:00 PM CDT.). Only then can we start to get a read on what technical chart momentum might mean for next week's price action. It does feel like we are going to end the week with chart momentum pointing sideway to lower for wheat, corn, and beans. We feel as of the close of 4/18 the MM Funds were short 95,000 W, long 10,000 KW, long 1,500 MW, long 41,000 C, long 133,000 S, long 95,000 SM, and short 11,000 BO. Now we get it, it is a long time yet until Friday's closes. And as always Friday closes are much more important than some of the price noise of the trading week. That said it does feel like the grains and oilseeds are going to close the week out with their chart momentum pointing lower. To make that happen, CN needs to stay below the 630ish level. SN need to close the week out under the 1475 area. If this happens, we will open next week with downside targets for CN at 618 and again at 605, for beans 1450 and beyond will be the bear's hope. It would help the bear if Crude oil could stay below the 7870 area for the week as well. The only fear the wheat bear has if WN finishes the week out over 710 area?

**NW KS it is cold, but wheat should be okay**



Sponsored Links



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