

**MORNING GRAIN COMMENTARY**

Morning Trends:
<b>Morning Trends</b>
as of 5:00 AM CDT
Corn 2 to 4 higher
Wheat 13 to 15 higher
Soybeans 6 to 8 higher
Soy Meal 5.0 to 5.5 higher
Soy Oil 10 to 15 lower

**Short Range Weather:** Strong high pressure will bring another day of unusually warm temperatures across the West. In Alaska, warm temperatures and a deep snowpack continues to produce significant ice jam and snowmelt flooding. Locally heavy rain continues to bring flooding to south Texas and the Mid-South. Critical fire weather threats remain in place for parts of the Tanana Valley in Alaska -NWS

**DTN's Long Range Weather and**

**24-Hour National Temperatures and Rainfall Extremes:** 106 AT DEATH VALLEY, CA LOW SUN...19 AT MT WASHINGTON, NH...OKLAHOMA CITY, OK 1.70 INCHES

There is a ridge through most of North America, though particularly strong in western Canada with a trough in eastern Canada. The two will battle for North America for the next week. The eastern trough will give way next week, allowing the ridge to shift eastward, while a trough moves into western Canada, essentially flipping the pattern. The U.S. and European models are similar, but shift the western ridge around more next week, making the forecast more uncertain. I will use a blend but favor the European. For the outlook period, temperatures on Saturday will be above normal in the West and near to below normal in the Central and East. Temperatures east of the Rockies will moderate and go above normal for most areas next week. Showers will be moving out of the East on Saturday or Sunday, with drier conditions for areas east of the Rockies going into next week. Some areas of the Plains may see some isolated showers and thunderstorms next week, as well as the West.

**NORTHERN PLAINS (LIVESTOCK/WHEAT/CORN/SOYBEANS):** Heavy rain fell across the region late last week and weekend, improving soil moisture for some areas, but also interrupting planting progress. A front will bring scattered showers through Wednesday and Thursday. More showers may be possible next week, an overall favorable pattern for reducing drought and supporting crop establishment.

**CENTRAL/SOUTHERN PLAINS (WHEAT/LIVESTOCK/CORN/SOYBEANS):** Waves of showers went through the region over the last week, helping to improve soil moisture and reduce drought in some areas. Some areas of flooding were noted, however. Showers continue on Monday and a front moving through later this week

**The Stories of the Day:**

**Russian/Ukraine:** [Collaborators flee en masse from occupied Ukraine's south \(msn.com\)](#)[Leak reveals Russian oligarch Yevgeniy Prigozhin's major offer to Ukraine: report \(msn.com\)](#) [Ukraine hails its first offensive success in defence of Bakhmut \(msn.com\)](#)[Two Russian colonels eliminated in Bakhmut during the past day \(msn.com\)](#) [Ukraine is making serious gains in their Bakhmut offensive \(msn.com\)](#)

**US Debt Ceiling Talks, the dance continues and its own pace** [Biden expected to meet with Hill leaders Tuesday following 'productive' debt limit meetings among staff \(msn.com\)](#)

**Turkey** [Why Turkey's tight election race resonates far beyond its borders \(msn.com\)](#) [Turkey faces runoff election for president | Watch \(msn.com\)](#) and in Thailand [Thailand opposition crushes military parties in election rout \(msn.com\)](#)

**Sudan** [Sudan conflict rages on after a month of chaos and broken ceasefires - CBS News](#)

**Pakistan in crisis???** [Exclusive: Pakistan's 'Entire' Political System Is at Risk, Minister Warns \(msn.com\)](#)

**Belarus** [Belarus leader Lukashenko absence at ceremony sparks health speculation \(nbcnews.com\)](#) [Russian State Duma confirms information on Lukashenko's illness \(msn.com\)](#)

should bring additional showers to much of the region, which may further improve soil moisture, including some of the deepest drought areas in the southwest. With additional showers being possible next week, the pattern remains favorable for early crop development.

**MIDWEST (WINTER WHEAT/CORN/SOYBEANS):** Widespread showers went through late last week through the weekend and continue Monday and Tuesday across the south. Drought areas found some rainfall. A front will move through later this week with additional scattered showers and thunderstorms. Temperatures will be up and down this week, but nothing too drastic. Conditions are mostly favorable for early development, though there are some wet pockets that could use some dry weather to continue planting.

**DELTA (SOYBEANS/COTTON):** Scattered showers went through over the weekend and will be possible through most of the week. Wetter soils in the region are mostly favorable for developing crops. Drier conditions are likely to set in by the weekend and continue next week.

**CANADIAN PRAIRIES (SPRING WHEAT/CANOLA):** Scattered showers went through over the weekend and were heavier in parts of Saskatchewan and Manitoba. Drier conditions are expected for at least this week with a ridge over most areas. A front will go through on Tuesday and Wednesday, but showers will be unlikely for most areas and the dip in temperatures that follows will be very short-lived. Conditions are mostly favorable for continued planting, though more showers are needed across the region's drought, which is fairly widespread. Models are supporting more rainfall for next week.

**BRAZIL (CORN/WINTER WHEAT):** Dry conditions are expected for most of this week, but that is typical for this time of year. A front will move into southern areas this weekend and may produce some showers, but additional rainfall would be helpful for reproductive to filling safrinha corn. Soil moisture is much-improved for winter wheat planting and establishment. Temperatures remain warm with no risk of frost.

**ARGENTINA (CORN/SOYBEANS/WINTER WHEAT):** It remains dry in Argentina, unfavorable for winter wheat planting and establishment. More rain is needed. A front may go through with showers late week, and the pattern will favor additional fronts moving through to end May. Precipitation coverage and intensity is uncertain, however.

**EUROPE (WINTER WHEAT/CORN):** Scattered showers fell across a lot of the continent over the weekend with a cutoff low meandering around. That includes portions of Spain, though shower coverage and intensity were low for these areas in drought. The cutoff low will continue to meander around the Mediterranean for at least the next week, which should continue showers around the Sea and occasionally other places as well. Overall, favorable conditions continue for most of the continent, though there are some limited areas of dryness and wetness.

**BLACK SEA (WINTER WHEAT/CORN):** It was dry over the weekend but an upper-low over the Mediterranean and a couple of fronts dipping into the region may provide at least some showers for the region. Soil moisture is still mostly favorable for crop development.

**CHINA (WINTER WHEAT/OILSEEDS/CORN/SOYBEANS):** A couple of fronts will move through the northeast corn and soybean areas with some showers this week, but nothing widespread or heavy is forecast. Dryness in central China's winter wheat and canola areas are unfavorable for filling crops. Corn and soybeans in the northeast could use some more moisture and increased temperatures for planting and establishment.

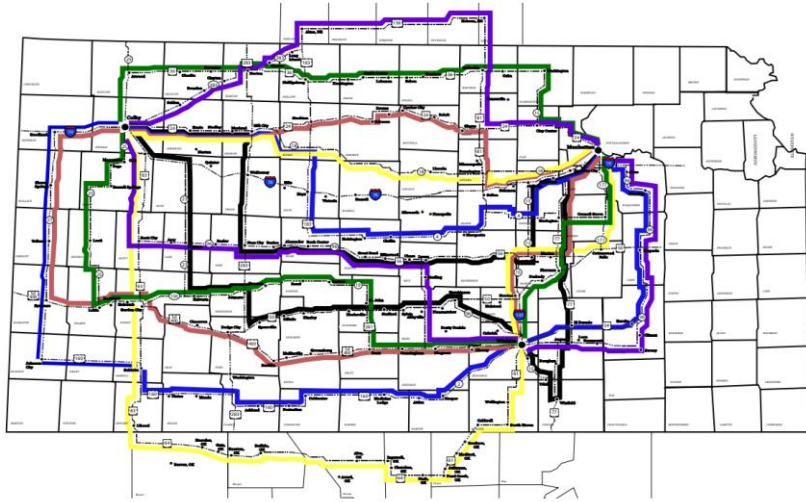
**AUSTRALIA (WINTER WHEAT/CANOLA):** Overall, conditions are good for winter crop planting with only isolated showers moving through at times for the next couple of weeks. Soil moisture is favorable for establishment for now. The likely occurrence of El Nino in the next several weeks should have a detrimental effect on precipitation across eastern Australia at some point this year, but conditions are good for winter crop establishment for now.

**Headlines:**

- > Malaysian July Palm Oil market closed down 31 Ringgits.
- > Dalian Futures were mostly higher, July corn up 10 to the Yuan, July Beans up 50, Sept Meal down 3, Sept Bean Oil up 16, Sept Palm Oil up 50
- > Asian Equity Markets were mostly higher, Japan's Nikki up .8%, China's Shanghai up 1.2%
- > European Equity Markets are higher, German Dax up .2%, London FTSE 100 up .3%
- > MATIF Markets are mixed, June corn unchanged to the Euro, Aug Rapeseed down 4.0, Sept Wheat up 2.0
- > Save the Date...May 15<sup>th</sup>-18<sup>th</sup>...KS Wheat Quality Tour (tour map below)
- > Save the Date...May 15<sup>th</sup>...NOPA Crush...expected at 174.1 MBU vs. March 185.8 MBU
- > Save the Date...May 22<sup>nd</sup>...Victoria Day in Canada
- > Save the Date...May 25<sup>th</sup>...Q1 US GDP
- > Save the Date...May 29<sup>th</sup>...Memorial Day US/Bank Holiday UK
- > The CFTC on Friday said as of the close of 5/9 the MM Funds were short 116,906 W, short 8,318 MW, long 7,446 KW, short 109,643 corn, long 48,459 beans, long 62,262 meal, short 13,484 bean oil
- > In a possible preview of the summer to come...much like our good friends in the PNW...China is having a heat wave [Chinese cities broil in heat, brace for more record temperatures \(msn.com\)](#) not much better in India [IMD warns of severe heat waves till May 17 as mercury soars to 46 degrees Celsius \(msn.com\)](#)
- > All quiet Locust/ASF/Bird Flu
- > FAW [Farmers switch to papayas as corn falls victim to armyworm attack in Thoothukudi - The Hindu](#)

**Commentary:** Now what? The USDA numbers have come and gone, so now what. As of this writing, overnight price action looks dramatic but in reality, so far wheat is just trading in an inside fashion, while corn and beans seem to have been able to hold the lows from Friday. It seems the spin from the report is that the USDA for the most part did a good job of acknowledging the issues ahead for food grains such as rice and wheat. The spin goes on to say that the USDA feed grain numbers are suggesting that these markets could be back in balance if all goes well for the N. Hemisphere growing season. We have no issues with either of those views, May numbers have always been Maybe numbers. A lot will change in the coming weeks ahead. We still have to get the Brazilian corn crop past the finish line. We still have to make crops in the two most populated countries in the world. We continue to have to manage the risk of the Black Sea war. And finally, there is a lot of weather risk ahead for crops in the EU, the US, Canada, N. Africa, Spain, and spring wheat areas of Russia. If all these questions are answered could feed grains break so that beans in the teens in 2024 is a distant memory, for sure, but as the quote from that great Australian Movie, Gallipoli says, "Let's see you do it." [Gallipoli: What are your legs... - Bing video](#)

KS Crop Tour Routes:



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