

MORNING GRAIN COMMENTARY

Morning Trends:
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as of 5:00 AM CDT
Corn 1 to 3 lower
Wheat 7 to 9 lower
Soybeans 1 around
Soy Meal .5 to 1.0 lower
Soy Oil 25 to 30 lower

Short Range Weather: A slow-moving storm system will continue rounds of low elevation rain showers and higher elevation rain/snow over the Ohio Valley and Northeast through midweek. Heavy wet snow on the backside of this storm could accumulate up to two feet through Monday across northern Wisconsin and the Upper Peninsula of Michigan. Dry, gusty winds will promote critical fire weather over southern Arizona Monday. -NWS

The Stories of the Day:
Russian/Ukraine: Thousands of Russian soldiers are on trial for desertion, what will happen to them? (msn.com) The Week That Made Russia Nervous (msn.com) How Ukraine Could Retake Crimea (msn.com) Russian Freight Train Derails After Hitting 'Explosive Device' (msn.com) Russians report electricity pylon blown up in Leningrad Oblast (msn.com)
Russia/Latvia Russian-speaking residents in Riga call on Putin "not to protect" them after Russian State Duma statement (msn.com)
Sudan New Sudan clashes despite truce, UN warns country at 'breaking point' (yahoo.com)
Labor Day Around the World On May Day, workers rally for better labor conditions - ABC News (go.com)
Bank Update: https://www.forbes.com/sites/siladityaray/2023/05/01/jpmorgan-chase-agrees-to-acquire-first-republic-banks-deposits-after-fdic-intervenes/
Let Farmers Farm Xi's Food Security Drive Could End Up Backfiring for Chinese Farmers - Bloomberg
Turkey Recep Tayyip Erdogan addresses supporters after reports of health concerns Euronews

DTN's Long Range Weather and 24-Hour National Temperatures and Rainfall Extremes: HIGH SUN...107 AT DEATH VALLEY, CA AND STOVEPIPE WELLS, CA LOW SUN...14 AT PETER SINKS...PROVIDENCE, RI 2.57 INCHES

There is a deep trough in the East and another in the West. A weak ridge is stuck in between the two across the Rockies. The pattern will not change much this week, but the ridge will drift eastward late in the week and shove the eastern trough offshore. Part of the western trough will weaken as it moves eastward over the weekend but will be reinforced by another trough in the West 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 Saturday will be below normal on both coasts and above normal in the Central. Warmth will slowly spread eastward next week. A weak storm system will likely move across the country over the weekend and into early next week. Showers may be disorganized. More showers may develop in the Plains next week as well.

NORTHERN PLAINS (LIVESTOCK/WHEAT/CORN/SOYBEANS): Temperatures are on the rise, favoring the melting of the last remaining piles of snow in the northeast while also warming soils. Temperatures will continue to rise this week and be quite warm, favoring some planting. Scattered showers will likely move in late in the week, offering some increase in soil moisture for some of the dry areas.

CENTRAL/SOUTHERN PLAINS (WHEAT/LIVESTOCK/CORN/SOYBEANS): It was frosty Saturday morning as far south as the Texas Panhandle, and a couple of frosty mornings are expected Monday and Tuesday, but temperatures should be on the rise this week. After some favorable rains last week, this week should offer

periods of showers as well, though less organized in nature. Still, the additional rains will be beneficial to wheat and early corn and soybeans.

MIDWEST (WINTER WHEAT/CORN/SOYBEANS): A big storm system moved into the region over the weekend and produced widespread precipitation, though amounts have been mostly light. The system will remain over or near the Great Lakes through Wednesday with showers continuing in spots and may be mixed with snow during the overnight periods. Some cold air will remain in place early this week with a gradual rise later in the week. Frosts are expected over northern areas and may dip down through parts of Iowa to Ohio over the next few mornings. Outside of that risk, conditions should be improving for planting. Another system moves through this weekend into next week with showers being possible.

DELTA (SOYBEANS/COTTON): A system brought scattered showers and thunderstorms through on Saturday, leaving most areas with good soil moisture, but somewhat difficult planting conditions. Though cool, conditions are mostly favorable for development. Scattered showers will move through later this week and again over the weekend with another couple of systems moving through.

CANADIAN PRAIRIES (SPRING WHEAT/CANOLA): Rising temperatures over the weekend helped to melt the remaining snowpack across the far north and east. Temperatures will continue to rise across eastern areas this week, favoring an increase in soil temperatures and planting activities. Most of the week should be dry, with a chance for showers over the weekend into next week, which are needed for some of the drier areas in the west.

BRAZIL (CORN/WINTER WHEAT): A front will drift into the south on Monday and stall there with scattered showers throughout the week. Showers may clip the far southern safrinha corn areas but will help to increase soil moisture for winter wheat. Safrinha corn areas have good soil moisture for now but would enjoy the front to slip farther north this weekend or next week with some showers. Temperatures remain warm with no risk of frost.

ARGENTINA (CORN/SOYBEANS/WINTER WHEAT): A front moved through the country on Sunday with scattered showers. The rains are helpful for conditioning soils for winter wheat planting, but more are needed. Outside of the far north early this week, it should remain drier, unfavorable for winter wheat, but favorable for corn and soybean harvest.

EUROPE (WINTER WHEAT/CORN): A fairly active storm track continues to move through the continent for the next week, favorable for bringing widespread rains to most areas. Spain remains very hot and dry and in desperate need of additional rainfall. However, it should miss out on most of the rainfall over the next week. A burst of colder air will sag south through northeastern areas of the continent later this week, which may produce some frosts. Otherwise, good weather conditions continue for winter- and spring-sown crops.

BLACK SEA (WINTER WHEAT/CORN): Showers have been consistent across much of the region over the last several weeks, favoring winter wheat development and corn planting. Showers will become less common by midweek as colder air settles into the region, which may produce some frosts across the northern end of the region. Outside of that potential, conditions for growth remain fairly good.

CHINA (WINTER WHEAT/OILSEEDS/CORN/SOYBEANS): Drier conditions have been in place for a while across the North China Plain into the northeast. Irrigation has been needed for developing winter wheat and oilseeds. A larger storm system may bring widespread rain to the drier areas later this week, favorable for increasing soil moisture.

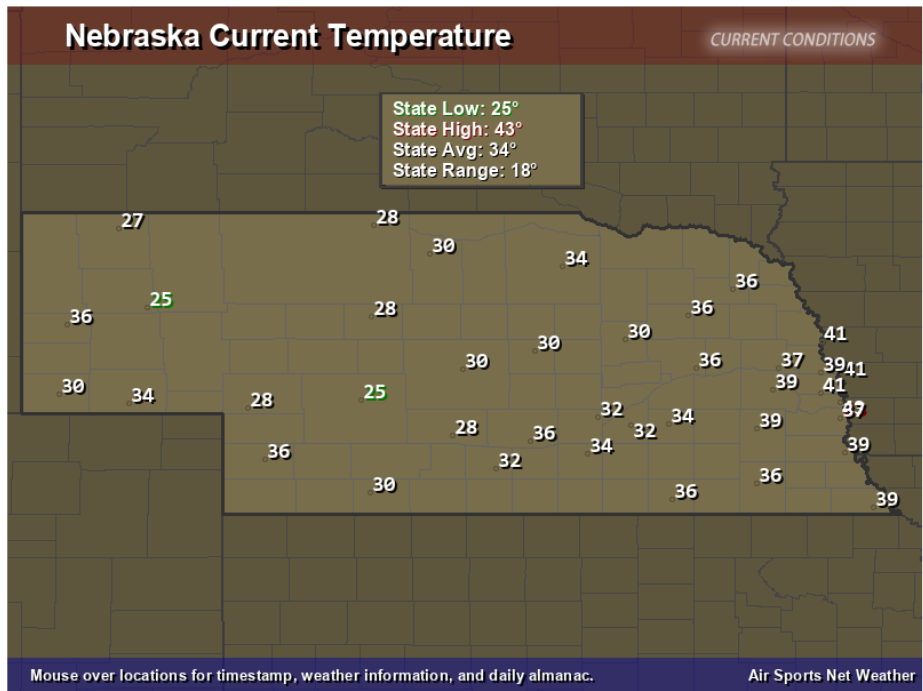
AUSTRALIA (WINTER WHEAT/CANOLA): Weather conditions over the summer and fall season have been favorable to keep soil moisture abundant prior to winter grain and oilseed planting, which is now increasing. Overall, conditions are good for winter crop planting. The likely occurrence of El Nino in the next 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 closed, XX Ringgits.
- > Dalian Futures, July corn XX to the Yuan, July Soybeans XX, Sept Meal up XX, Sept Bean Oil XX, Sept Palm Oil XX
- > Asian Equity Markets were higher, Japan's Nikki up .9%, China's Shanghai XX
- > European Equity Markets German Dax XX, London FTSE 100 XX
- > MATIF Markets are, June corn XX to the Euro, Aug Rapeseed XX, Sept Wheat XX
- > Save the date...thru May 3rd...China in holiday mode
- > Save the Date...May 1st...Labor Day celebrated in many parts of the world
- > Save the Date...May 3rd...FOMC Meeting Results...expected .25% increase
- > Save the Date...May 5th...US Job Numbers...expected 180,000 new non-farm jobs created in April, unemployment 3.6% vs. 3.5%...M/M hourly wages up .3%
- > Save the Date...May 10th...CPI/Real Earnings
- > Save the Date...May 11th...PPI Numbers
- > Save the Date...May 12th...USDA S&Ds + Crop Production
- > All quiet today for Locust/FAW
- > Bird Flu [Australia poorly prepared for deadly avian flu that kills millions of wild birds, experts warn | Bird flu | The Guardian](#)
- > ASF does it ever go away? [African swine fever spreading in Bulgaria — MercoPress](#)
- > CFTC report on Friday showed that as of the close of 4/25 the MM Funds were short 133,012 W, long 7,371 KW, short 3,410 MW, short 15,297 C, long 87,208 S, long 86,383 SM, short 19,555 BO
- > Egypt's supply ministry estimated the country's wheat reserves are sufficient for 2.6 months of coverage and has 4.3 months of veg oil coverage. -QT sounds like a GASC tender
- > Ahead today's USDA oilseed crush report, analysts are forecasting US March crush at 5.92 mln tons, that compares with last month's 5.306 mln tons. Ending March soyoil stockpiles are seen at 2.41 bln lbs, that compares with last month's 2.361 bln lbs. The data will be released at 2:00 pm CT, Monday, May 1st. -QT

Commentary: The WSJ pointing out over the weekend that the dollar has come under pressure as of late. According to the WSJ the dollar has fallen 8.6% from its Sept 2022 peak. The anticipation later this week is the Fed will raise interest rates by .25%, but signal they are hitting the pause button for the rest of the summer. There is a growing feeling that the FED could cut interest rates .25% late this year. As the WSJ points out this is seen as a good thing for countries that hold debt tied to the green back, "It's a release valve for global growth," said Mr. Wall. "Sixty percent of global liabilities are denominated in dollars; a lot of those are in emerging markets, and emerging markets are responsible for maybe two-thirds of global growth in the last decade." The biggest headwind to a lower dollar, international crisis. The dollar remains a currency of choice during high world tensions. The wild card for the greenback, will a divided US government be able to come up with a plan that raise the US debt ceiling and not put the full faith and credit of the US in jeopardy...keep watching this space.

A bit chilly in NE this AM



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