

MORNING GRAIN COMMENTARY

Morning Trends:
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as of 5:00 AM CDT
Corn 9 to 11 higher
Wheat 19 to 21 higher
Soybeans 12 to 14 higher
Soy Meal 4.0 to 4.5 higher
Soy Oil 65 to 70 higher

The Stories of the Day:

Russian/Ukraine: [Ukraine attacked Crimean bridge with surface drones, Russia says \(msn.com\)](#)[Panicked Putin declares 'emergency' after major bridge key for army blown up in Crimea \(msn.com\)](#)[Russia accuses US of 'direct' involvement in Crimean bridge explosion with 'terror' claim \(msn.com\)](#)[Ukraine claims deadly blast on Crimea bridge \(msn.com\)](#)[Russia says Ukraine grain deal 'has been terminated' \(msn.com\)](#)[Putin Making Military Changes As Troops Disobey Orders \(msn.com\)](#)[East Ukraine fighting 'intensifies' as Putin dismisses offensive \(msn.com\)](#)[Putin 'plans to use Wagner fighters to invade land between Poland and Lithuania' \(msn.com\)](#)

China [One Reason China Is Willing to Engage Again: Its Troubled Economy - The New York Times \(nytimes.com\)](#)[Treasury yields slide as soft China data highlights disinflation trend \(msn.com\)](#)[China's quarterly report card is in, and it's bad — but Beijing is unlikely to step in and prop up the economy just yet \(msn.com\)](#)

Volcano Alert [Alaska Earthquake Triggers Tsunami & Volcano Alerts \(msn.com\)](#)

PNW Cougar Alert [Oregon wild cougar spotted on rock near shore, beachgoers urged to stay away: 'Unique situation' | Fox News](#)

Short Range Weather: The relentless heat impacts continue across the Southern States with more records set to be broken through Tuesday. Meanwhile, heavy rainfall across the Mid-Atlantic and Northeast will move off the coastline provide a well needed break to start the week. Upstream wildfires continue and bring poor air quality conditions from the Plains, Ohio Valley and reaching the Eastern Seaboard on Monday. NWS

DTN's Long Range Weather and 24-Hour National Temperatures and Rainfall Extremes: HIGH SUN...128 AT DEATH VALLEY, CA and STOVEPIPE WELLS, CA LOW SUN...30 AT PETER SINKS, UT...WILMINGTON, DE 2.39 INCHES

A ridge is centered across the Desert Southwest that extends into the southern Canadian Rockies. A trough is centered across the Great Lakes that extends into southern Canada and the Corn Belt. Another ridge also remains in eastern Canada. The trough across the Great Lakes will slowly weaken into the middle of this week while the ridge in the Southwest begins to expand into much of the southern U.S. Meanwhile, another trough will move into the Canadian Prairies and Northern Plains during the middle of this week and eventually shift east into the Great Lakes by Friday. The U.S. and European models are fairly similar. I will use a blend but favor the European. For the outlook period, temperatures will be below normal across the Central Plains and near to above normal temperatures are expected elsewhere. By next weekend, the Great Lakes trough will expand into much of the eastern U.S. while a ridge in the Southwest will extend into the Canadian Prairies. Into early next week, the eastern U.S. trough may weaken but persist across the southeast U.S. while ridging is expected across the western half of the U.S.

NORTHERN PLAINS (LIVESTOCK/WHEAT/CORN/SOYBEANS): Isolated showers tagged the area this past weekend, but most locations stayed dry. Spotty rain showers will continue into the middle of this week as one trough exits the area and another one from the Canadian Prairies enters by mid-week. Drier conditions return by the weekend. Cooler temperatures will continue across the region through much of this week. Some crops and pastures may start to see the stress of dry conditions, but cooler temperatures will keep the stress from accelerating too much.

CENTRAL/SOUTHERN PLAINS (WHEAT/LIVESTOCK/CORN/SOYBEANS): Scattered rainfall and strong storms hit some areas this past weekend. A fairly active weather pattern will remain in place through this coming week as systems pass through. Though the areas receiving rainfall are somewhat disorganized, the frequency is very good for this time of year. Temperatures are also mild for northern areas but will be above normal across Texas through this week. Conditions are mostly favorable for much of the region despite the continued drought, though the scattered rain may disrupt those finishing up their wheat harvest.

MIDWEST (WINTER WHEAT/CORN/SOYBEANS): Sporadic showers and storms tagged the area this past weekend. Widely scattered showers and storms will continue through the middle of this week as a trough moves out of the area early this week while another trough from the Canadian Prairies moves across the region by mid-week. Drier conditions return for the weekend. Rain is coming at enough of a frequency to maintain or boost soil moisture in some areas, though there are plenty that are also seeing disappointment and low soil moisture, creating mixed conditions for developing corn and soybeans.

DELTA (SOYBEANS/COTTON): Scattered showers and thunderstorms provided some moisture to the region this past weekend. More showers and storms are expected through the end of this week as systems work east from the Rockies. Any rainfall will benefit crops entering their reproductive stages, but for those who miss the more measurable rainfall, yield potential may decrease.

CANADIAN PRAIRIES (SPRING WHEAT/CANOLA): A few isolated showers were seen across the area this past weekend, but dry conditions prevailed for most. A trough from western Canada will enter the area early this week and provide more chances for isolated to scattered showers into mid-week. Drier conditions will return for the end of the week, although, a few sporadic showers cannot be ruled out. While periodic showers will help soil moisture increase for some, the isolated to scattered coverage of showers will likely lead to below normal precipitation for much of the area over the next seven days.

BRAZIL (CORN/WINTER WHEAT): Dry conditions favored the progression of safrinha corn harvest across central Brazil this past weekend. Recent rainfall last week improved soil moisture across southern Brazil, benefiting vegetative wheat and late-planted corn. More rainfall will develop across southern Brazil early this week, as a cold front tags state such as Parana and Sao Paulo. Another system may develop later this week and offer rainfall to Rio Grande Do Sul. Producers across southern Brazil will still be dodging showers as they continue to harvest their safrinha corn.

ARGENTINA (WINTER WHEAT): Dry and cool conditions prevailed this past weekend and soil moisture remains sub-optimal in Argentina as most of the precipitation has developed across southern Brazil lately. Mostly dry conditions will continue across the northern half of Argentina this week with high pressure in place. Below normal temperatures will also continue through the middle of this week, creating a moderate risk for frost during the mornings as low temperatures approach freezing for some areas. A warmup is expected to return by the end of the week.

EUROPE (WINTER WHEAT/CORN): A low-pressure system brought scattered showers to the continent this weekend. More scattered showers are expected through this week as low-pressure systems continue to enter northern Europe. Temperatures will be above normal across southern areas and near to slightly below normal for the north throughout this week. There may be some downtime between showers, but the pattern is overall favorable for most areas. [Killer heatwave Cerberus sweeps Europe as Saharan weather system puts Italy on red alert \(msn.com\)](#)

BLACK SEA (WINTER WHEAT/CORN): Mostly dry conditions prevailed this weekend. Scattered rain showers return throughout this week as a few cold fronts will sweep across the area. Rain may delay maturing winter wheat and harvest but is favorable for developing corn and sunflowers.

CHINA (CORN/SOYBEANS): Daily chances for isolated showers are possible this week along with some breaks in the activity. More widespread showers are possible in the northeast by this weekend. Some additional

showers will develop across the North China Plain as well. Periodic showers should be favorable for developing corn and soybeans.

AUSTRALIA (WINTER WHEAT/CANOLA): A few light showers tagged southern Australia this past weekend. Another cold front will tag southern areas early this week, providing scattered showers. Mostly dry conditions return later this week with seasonable temperatures. Despite a building El Nino, which favors heat and dryness in eastern Australia, that has yet to materialize. But the effects may be more pronounced later this year as the crop goes through reproductive and grain fill stages. Conditions continue to be favorable thus far, however.

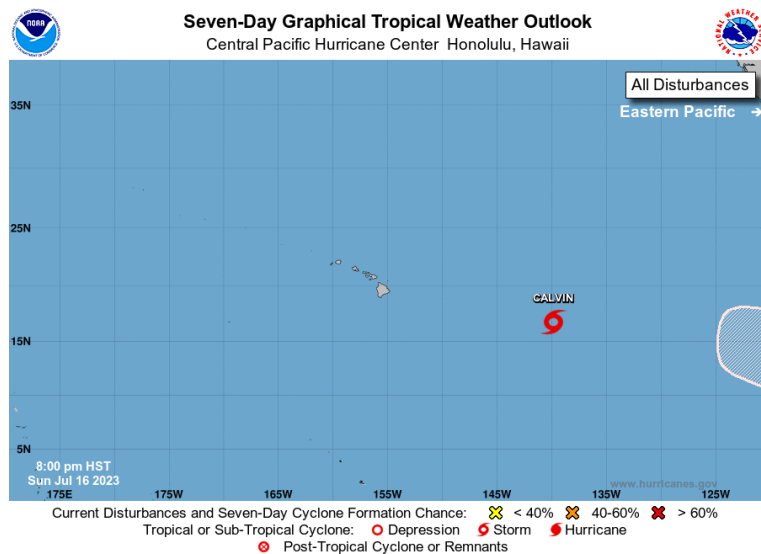
Headlines:

- > Malaysian Oct Palm Oil market closed up 34 Ringgits
- > Dalian Futures were mostly lower, Sept corn up 10 to the Yuan, Sept Beans down 18, Sept Meal up 10, Sept Bean Oil down 44, Sept Palm Oil down 20
- > Asian Equity Markets were mixed to lower, Japan's Nikkei closed for Sea Day, China's Shanghai down .9%
- > European Equity Markets are mixed, German Dax down .1%, London FTSE 100 down .1%
- > MATIF Markets are higher, Nov corn up 3.25 to the Euro, Nov Rapeseed up 9.25, Sept Wheat up 4.0
- > Save the Date...July 17th...NOPA Crush (Sea Day Japan)
- > Save the Date...July 26th...FOMC Meeting Results
- > Save the Date...July 27th...Q2 US GDP
- > save the Date...August 4th...US Employment numbers
- > Save the Date...August 10th...US CPI
- > Save the Date...August 11th...US PPI
- > Save the Date...August 11th...USDA Crop Production and S&Ds
- > All Quiet today for FAW, Locust, ASF
- > Bird Flu Poland Cat Update [Dozens of cats in Poland had bird flu but the risk to people is low, the UN health agency says - ABC News \(go.com\)](#)
- > The CFTC on Friday found that MM Funds Position Report as of the close of 7/11...were short 52,128 W, long 2,813 MW, long 14,584 KW, short 63,052 C, long 82,748 S, long 54,199 SM, long 49,572 BO
- > Turkey's President said his foreign minister and the Russian foreign minister will meet later today to discuss the Black Sea grain shipping deal. The Turkish president said he would try and reach out to Putin before their planned August meeting. -QT
- > T. Swift Economic Powerhouse [Taylor Swift's 'Eras Tour' is boosting the economy, Federal Reserve says | Watch \(msn.com\)](#)

Commentary: Weather and war, war and weather will continue to drive price action on a daily basis. Clearly the news that Russia has pulled out of the Safe Passage Deal is once again raising the fear that the Black Sea War is breaking stuff that will take years to fix. The overnight news that an attack was launched upon the Kerch

Bridge underscores that point. The good news for world grain flows is the attack does not seem to have come at the transit point for ocean vessels. The bad news, will the Russian withdrawal mean more aerial attacks upon Ukraine Ports? Once again infrastructure attacks on dams, elevators and other supply chain structures means reduced grain that could take years to correct. As far as the weather goes, maps in motion stay in motion. In the US, we knew all along that timely rains would be needed to push spring planted crops to trendline yield objectives. The flash drought of late May and early June, that gave ground to timely rains in late June and early July has pushed the conventional wisdom of what the national corn and bean yield could be in a roller coaster fashion. It feels as of this writing the USDA might be spot on with its 177.5 BPA for corn and 52.0 BPA for bean estimates. That said given the forecast ahead, it feels like tonight's weekly crop ratings will be the last W/W improved ratings that we will see. It also feels like Thursday's drought monitor update will show no W/W improvement.

Hawaii on Hurricane watch



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