

MORNING GRAIN COMMENTARY

Morning Trends:

Morning Trends

as of 5:00 AM CDT

Corn 1 around

Wheat 1 to 2 higher

Soybeans 3 to 5 higher

Soy Meal .5 to 1.0 lower

Soy Oil 50 to 55 higher

NWS Short Range Weather: The Lower 48 remains very tranquil with no real weather hazards and this will continue into the weekend. However, the Pacific Northwest into northern California will be a bit unsettled the next few days through the weekend with rounds of heavy to excessive rain.

DTN Long Range Weather: HIGH THU...92 AT PALA, CA LOW THU...2 AT DAVIS, WV...SEATTLE, WA 1.25 INCHES

There is a large trough in Hudson Bay, a weak ridge in the West, and another trough in the North Pacific that will be sending lots of disturbances eastward over the next week. Later next week, that ridge will want to move into the Central and East while the Pacific trough orients itself more onto the West Coast, essentially flipping the current pattern for mid-November. The U.S. and European models show the same sort of pattern but are different in the details. I will use a blend but favor the European. For the outlook period, temperatures will be above normal in the middle of next week, but a trough digging into the East may bring a system through the country followed by cold air across the eastern half of the country. The cold is unlikely to last long with the ridge settling into the Central and East and the flipping pattern may induce a storm system in the middle of the country for next weekend or the week after.

NORTHERN PLAINS (LIVESTOCK/WHEAT/CORN/SOYBEANS): Heavy snow that fell across northern areas last week continues to be slow to melt and keep temperatures low. The pattern will stay fairly active with occasional periods of showers, including some snow, through the middle of next week. The colder and wetter conditions will continue to make remaining fieldwork difficult to accomplish.

CENTRAL/SOUTHERN PLAINS (LIVESTOCK/CORN/SOYBEANS/WINTER WHEAT): Temperatures will continue to moderate from the cold earlier this week, but frosts will be more common across the north going

The Stories of the Day:

Russia/Ukraine [Putin's Clout on the Decline? Strongmen in Russian Region Signal Power Transition: Report \(msn.com\)](#) [Russia dismisses new U.S. sanctions: 'You will never defeat Moscow' \(msn.com\)](#) [Russia prepares to attack Avdiivka Coke and Chemical Plant – ISW \(msn.com\)](#)

At the Intersection of Two Wars ['Russia has crossed all red lines in Gaza war' - Israeli expert to CNN \(msn.com\)](#)

Middle East [Hezbollah's Leader to Speak Publicly for 1st Time Since Hamas Attacked Israel - The New York Times \(nytimes.com\)](#) Expected start time for the speech 8:00 AM CDT [Hezbollah chief to break silence on Israel-Hamas war \(yahoo.com\)](#)

China [China Gives US Demands for Preventing Nuclear War \(msn.com\)](#)

UK/EU Storm [Here's what Storm Ciaran's wind strength looks like | Watch \(msn.com\)](#) the upside [Surprising occurrence: planes flying over the Atlantic at remarkable speeds \(msn.com\)](#)

FAO UN World Food Prices [World food price index falls in October -FAO \(aol.com\)](#)

Song of the Week why this song...why not [Jerry Jeff Walker - Sangria Wine - YouTube](#)

forward. Some rain may go through northern areas Friday and Saturday, but most of the region will be dry until the middle of next week, when a better chance for showers moves through with a potential storm system. Temperatures will be more variable for the next couple of weeks as well.

MIDWEST (CORN/SOYBEANS/WINTER WHEAT): Recent good rainfall has helped to reduce drought but is delaying the remaining fieldwork. Cold temperatures from earlier this week will moderate through the weekend and be above-normal early next week. But the pattern will stay active with additional showers possible this weekend and next week at times, followed by some cooler air for later next week, which will likely be brief.

DELTA (SOYBEANS/COTTON): Recent rain has helped with water levels on the Mississippi River but has not helped with drought in the Delta. Temperatures will continue to rise over the weekend. The chance for precipitation increases next week again as a system or two moves through, but the forecast is for lighter precipitation at this time.

BRAZIL (CORN/SOYBEANS/WINTER WHEAT): One last system is moving through southern areas Friday, which has created heavy rain this week and continued problems with flooding and developing corn and soybeans as well as damaging remaining wheat in the field. Southern areas will catch a dry spell this weekend into early next week, but it will be short with more heavy rain moving through mid-late next week. Central areas will see improved precipitation through the middle of next week which will help with soybean planting and establishment in most areas. Precipitation is still below normal in this area, however.

ARGENTINA (CORN/SOYBEANS/WINTER WHEAT): Scattered showers and areas of heavier rain moved through this week, favorable for immature wheat and developing corn, as well as additional planting of corn and soybeans. After a break this weekend, showers should move through with another system next week to continue to improve growing conditions in the country.

EUROPE (CORN/WINTER WHEAT): Wave after wave of precipitation continues to move through the continent through next week, keeping soil moisture high for winter wheat establishment, but making fieldwork difficult. Temperatures will largely stay above normal for most of the continent, with cooler temperatures moving into the west briefly next week. Rain and mild temperatures will keep winter wheat from going dormant.

BLACK SEA (WINTER WHEAT/CORN): Active weather in Europe will make for occasional precipitation in the region for the next couple of weeks, which may help to keep enough soil moisture around for wheat to develop before going dormant later this month. Warm temperatures over the next couple of weeks will promote growth as well as delay dormancy.

CHINA (CORN/SOYBEANS/WINTER WHEAT/CANOLA): Some occasional showers moving through this week may have made corn and soybean harvest more difficult at times, but also provided more soil moisture for winter wheat and canola establishment. A burst of heavier precipitation, and some snow, is expected this weekend into Monday, which could cause major fieldwork delays. The pattern stays somewhat active next week with another couple of smaller systems moving through.

AUSTRALIA (WINTER WHEAT/CANOLA/COTTON/SORGHUM): Scattered showers will develop over eastern areas through next week as the El Nino pattern takes a break and gives these areas potential for decent rainfall amounts, but precipitation deficits remain large. Dryness elsewhere is unfavorable for immature wheat and canola as well as cotton and sorghum planting and establishment.

Headlines:

> Malaysian Jan Palm Oil closed down 22 Ringgits

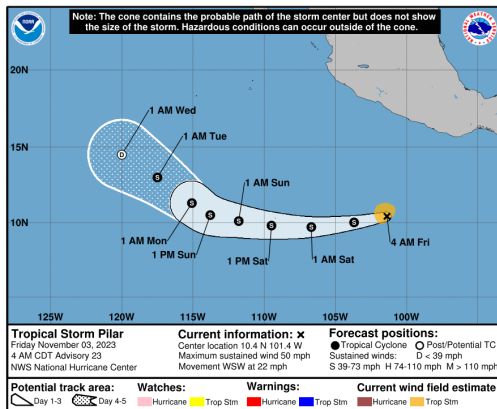
> Dalian Futures Exchange were mostly higher, Jan Corn up 3 to the Yuan, Jan Soybeans down 19, Jan Meal up 42, Jan Bean Oil up 82, Jan Palm Oil up 98

- > Asian Equity Markets were mostly higher, Japan's Nikkei up 1.1%, China's Shanghai down .5%
- > European Equity Markets are higher, German Dax up 1.1%, London FTSE up 1.0%
- > MATIF Markets are mixed, March Corn down .50 to the Euro, Feb Rapeseed up 1.75, Dec Wheat down .75
- > Save the Date...Nov 3rd...US Employment Numbers...expected 170,000 new non-farm jobs vs. 336,000 in Sept, unemployment rate expected unchanged M/M at 3.8%, hourly wages M/M up .3%
- > Save the Date...Nov 5th...US Daylight Savings Time Ends
- > Save the Date...Nov 9th...USDA S&Ds
- > Save the Date...Nov 14th...CPI/Real Earnings
- > Save the Date...Nov 15th...PPI/Retail Sales
- > Save the Date...Nov 19th...Argentina runoff election for President
- > Save the Date...Nov 23rd...US Thanksgiving/Japan's labor Day
- > Save the Date...Dec 13th...FOMC Meeting Results
- > N. American winter forecast??? [New maps reveal who could see more snow this winter during a strong El Niño \(msn.com\)](#)
- > Control/Alt/Delete who know??? [The Sun is rebooting \(msn.com\)](#)
- > Locust, ASF, Bird Flu, FAW all quiet today
- > Weekly MM Fund Position Report as of the close of 10/31 is expected to find the MM Funds were short 104,000 W, short 29,000 KW, short 26,000 MW, short 103,000 C, long 5,800 S, long 93,000 SM, long 13,000 BO

Commentary: "Much like the best TV show ever to explore the idea of advanced AI, Person of Interest, used to say, "the numbers just keep coming." That is right as we try to view Wednesday's FOMC data dump we are already looking at the news through the lens of more economic numbers and how that these numbers will play into the Dec 13th FOMC meetings." This is how we ended our comments last night. And indeed, the numbers will keep coming today with the US Oct employment numbers. Once again, the trade will be parsing weekly and monthly report as a way to gauge what the US FED might do in their Dec 13th meetings and how it will affect US equity markets as well as the Ag and Macro markets. If the Sept 20th FED meeting result to this week's results are any gauge, we could be seeing over the next 6-weeks markets going nowhere in a hurry. On Sept 22nd, the Friday after the Sept 20th FOMC meeting results dec S&Ps closed at 4361.00. The hawkish nature of the report led to a sharp correction in values that took Dec S&Ps lower and making move lows at 4137.75 on Oct 27th. As of this writing a post pressure relief reaction from the Nov 1st meeting has Dec S&Ps trading around 4325.00. 6-weeks of angst to end up with a modest 35 point break sure seems like the US Equity markets much like the Ags is waiting for a sponsor to take the markets in a new direction.

Pilar bouncing on out of here

Friday, November 3, 2023



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