

## MORNING GRAIN COMMENTARY

### Morning Trends:

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as of 5:00 AM CDT

Corn 1 around

Wheat 1 to 3 higher

Soybeans 1 to 3 lower

Soy Meal .5 to 1.0 lower

Soy Oil 40 to 45 higher

**NWS Short Range Weather:** A cold front crossing the Eastern U.S. Friday will merge with a coastal storm Saturday and bring heavy rain, gusty winds, and perhaps some snow to the Northeast U.S. A Pacific storm will bring areas of rain and mountain snow to California and the Pacific Northwest Friday into Sunday.

#### DTN Long Range Weather: HIGH

THU...84 AT OCHOPEE, FL AND

FLORIDA CITY, FL LOW THU...16 AT COLVILLE, WA, TIGER, WA, BROWNING, MT, AND DUNKIRK,

MT...MIAMI BEACH, FL 5.52 INCHES

### The Stories of the Day:

**Russia/Ukraine** [Explosions heard in Russian-occupied Tokmak \(msn.com\)](#)  
[Finland to place barriers on Finnish-Russian border at midnight \(msn.com\)](#)

**Middle East** [Iran's betrayal leaves Hamas nowhere to go \(msn.com\)](#)

**China** [Xi's 'Heart-Warming' Pledge for Foreign Investors Clashes With China Reality \(msn.com\)](#)  
[Here's What Changed About the U.S. Relationship With China This Week \(msn.com\)](#)  
**the Charm Offensive Continues** [Japan PM tells Xi of 'serious concerns' in first talks in a year \(msn.com\)](#)  
**but so many people to placate** [India Chides China for Bullying at Sea: 'Clear and Present Danger' \(msn.com\)](#)

**The earth is waking up rather grumpy this morning** [Magnitude 6.7 earthquake rocks southern Philippines \(msn.com\)](#)  
**Iceland you remain on the clock** [Iceland volcano – live: Eruption likely scientists warn as country's 'biggest bulldozer' builds defences \(yahoo.com\)](#)

**Song of the Week...this week more video than song, but the ending to one of the great Thanksgiving Movies** [Planes, Trains, & Automobiles Dream Academy- Power To Believe \(1987\) - YouTube](#)

There is a ridge over the Central and Eastern U.S. with a disturbance near Florida, a trough in central Canada, and a larger trough off the West Coast. The Canadian trough will continue east, combining with the disturbance in the Gulf across the East this weekend. The western trough will finally shift eastward this weekend and next week while a ridge builds up in the West behind it. A trough is likely to head into the West later next week and then through the U.S. while a ridge builds back into the West. The U.S. and European models show the same sort of pattern, but are different in the details, especially with temperatures. I will use a blend, but favor the European. For the outlook period, temperatures will be below normal for the Thanksgiving weekend, reinforced by another cold front that moves through over the weekend. A system may form on that front, producing showers from the Plains to the East in a somewhat similar fashion to this weekend's storm system, but have more wintry precipitation potential.

**NORTHERN PLAINS (LIVESTOCK/WHEAT/CORN/SOYBEANS):** A system will track to the south this weekend, but could spread precipitation into the region, which may be a wintry mix in some areas. Cooler temperatures will follow it next week, and be significantly below normal. Some snow may fall in the colder temperatures.

**CENTRAL/SOUTHERN PLAINS (LIVESTOCK/WINTER WHEAT):** A system will move out of the Southwest and into the region this weekend, which should bring scattered showers to much of the region, helping winter wheat

where the showers hit. Not all areas will see needed rain, though. Cold temperatures will follow the system next week, which could be significantly cold and nudge winter wheat to dormancy.

**MIDWEST (CORN/SOYBEANS/WINTER WHEAT):** A front moving through Friday is bringing some rain to eastern areas while bringing a brief shot of some cooler air as well. Temperatures will rise over the weekend though. A system moving through early next week would be more likely to spread precipitation across the region and temperatures are forecast to fall more significantly thereafter. Cold air over the Great Lakes means risks for multiple days of lake-effect snow, which will slow down remaining fieldwork and harvest in these areas.

**DELTA (SOYBEANS/COTTON/TRANSPORTATION):** A system in the Gulf produced showers for southern areas recently, which may ease drought a little. More rain is needed farther north to keep the Mississippi River from falling back toward the record lows seen in October, which may occur this weekend and early next week with a system moving through. Cold air follows that system.

**BRAZIL (CORN/SOYBEANS):** Heavy rain continues over southern areas while central areas have been very dry with temperatures near or above 100 F. Dryness and heat in the central has been very stressful for developing soybeans and is causing a need for replanting while wetness across the south is causing flooding and associated issues for developing corn and soybeans. The pattern will start to change this weekend as a system in the south shifts into central states. This will cause more typical wet season showers in central Brazil, though they may not be long-lasting. Heavy rain is still forecast to occur at times in the south next week.

**ARGENTINA (CORN/SOYBEANS/WINTER WHEAT):** Scattered showers will move through the country over the next couple of weeks, though the amounts of rain are slowing down a tad to end November. The country is still recovering from drought and northwestern growing areas still have larger deficits, but most of the country has seen a positive turnaround in growing conditions in recent weeks.

**EUROPE (WINTER WHEAT):** The constant bombardment of an incredibly active pattern across the continent continues into early next week. The pattern may change a bit next week with a focus farther north and in the Mediterranean, which would include cooler temperatures as well. If so, that would put some northern areas into dormancy. Most areas are in good shape for soil moisture, with some areas of excess. Smaller areas of limited soil moisture are found in Spain and the far southeast, but that is not a large area of the continent.

**BLACK SEA (WINTER WHEAT):** Areas of showers continue to move through the region at times. Many areas have seen good precipitation over the last few weeks, which has improved conditions for winter wheat establishment. Warm temperatures have allowed much of the region to continue developing roots and extended the season. Some cooler temperatures are forecast this weekend, but crops are likely to stay active for a while yet, especially across the south.

**CHINA (WINTER WHEAT/CANOLA):** Winter crops continue to march toward dormancy in mostly good condition. More wintry precipitation is expected in the northeast, which the central growing areas are facing a run of drier weather heading into December.

**AUSTRALIA (WINTER WHEAT/CANOLA/COTTON/SORGHUM):** Wheat and canola have been finding mostly good conditions for harvesting their damaged crops. Showers should increase across the East this weekend next week, which would be helpful for cotton and sorghum planting and early development, though it will take a good amount of rain to reverse the El Nino dryness.

#### **Headlines:**

> Malaysian Jan Palm Oil closed down 68 Ringgits

> Dalian Futures Exchange were mostly lower, Jan Corn down 4 to the Yuan, Jan Soybeans up 39, Jan Meal down 60, Jan Bean Oil down 124, Jan Palm Oil down 104

- > Asian Equity Markets were higher, Japan's Nikkei up .5%, China's Shanghai up .1%
- > European Equity Markets are higher, German Dax up .8%, London FTSE up 9%
- > MATIF Markets are mixed, March Corn up .25 to the Euro, Feb Rapeseed down 1.75, March Wheat up 1.0
- > Save the Date...Nov 17<sup>th</sup>...US Housing Starts...Expected Housing Starts M/M -.6%...Building Permits -1.6%
- > Save the Date...Nov 19<sup>th</sup>...Argentina runoff election for President...the one thing no matter who wins...trouble ahead for Argentina [Argentina on a knife-edge as presidential election offers clashing visions of the future \(msn.com\)](#) which means trouble for meal supplies [Argentina Running Out of Soy Adds to Next President's Economic Woes \(yahoo.com\)](#)
- > Save the Date...Nov 23<sup>rd</sup>...US Thanksgiving/Japan's Labor Day
- > Save the Date...Nov 29<sup>th</sup>...3Q US GDP
- > Save the Date...Dec 8<sup>th</sup>...US Employment numbers
- > Save the Date...Dec 12<sup>th</sup>...US CPI/Real Earnings...Dec FOMC meetings start
- > Save the Date...Dec 13<sup>th</sup>...US PPI...Dec FOMC Meeting Results
- > Save the Date...Dec 15<sup>th</sup>...NOPA Crush
- > Save the Date...Jan 19<sup>th</sup>...Next US Budget Deadline
- > FAW, ASF, Locust, Bird Flu all quiet today
- > CFTC MM Funds Report, we feel as of the close of 11/14 the MM Funds were short 92,000 W, short 34,000 KW, short 31,000 MW, short 170,000 C, long 82,000 S, long 122,000 SM, short 4,000 BO
- > When talking about El Nino good to have a score card of past events [El Niño and La Niña Years and Intensities \(ggweather.com\)](#)
- > Trouble brewing in the Caucasus...With Russia pulling out, everyone looking for new friends...[Armenia, Iran eye warming ties despite divergent interests \(msn.com\)](#)
- > Indian wheat planting progress <https://www.nasdaq.com/articles/indias-wheat-acreage-down-5.5-planting-likely-to-pick-up>

**Commentary:** Things have not changed since we wrote this yesterday, "There are two weather markets set to unfold next week. In the US will Aunt Sally make it to Thanksgiving Dinner. The US is on track to have its busiest travel week ever as friends and families will be on the move (this could mean your out of office responses could be at a record pace next week). For the Ag space the bigger weather question how will second half Nov weather unfold in S. America." Nothing seems to have changed. In the US the start of the travel period, this weekend should see wind and rain for the NE US Corridor travel delays and cranky people should be expected. For S. America, this weekend, we are expecting good coverage of 1-2 inches of rain for the dry areas of Brazil, with localized 3-4 inches. The question is what happens next. Some believe weather will revert back to wet in the south dry in the north, the balance of Nov weather solutions for Brazil will set price action next week. One thing to remember in dealing with the potential end of a drought...droughts are not the absence of rain but much below normal...damage has been done, the question can timely rains wash away the sins of the ongoing

drought? Our favorite comment about farming in Mato Grosso this week, due to their soil composition, “farmers do not buy the land they buy the weather.” We head into the weekend thinking that Brazil is on track to raise a 160.0 MMT bean crop but our question without improved weather, are we on are way to 155.0 MMT?

**We will take rain in any form for Panama...but hey EU the active weather pattern will continue**



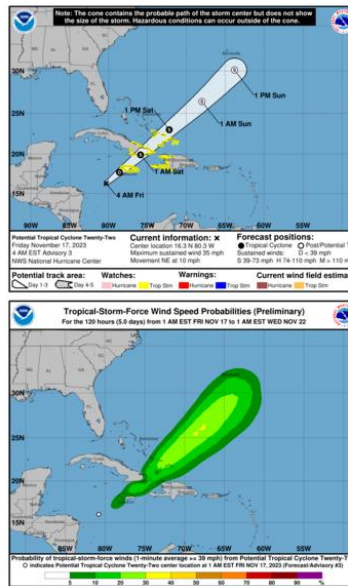
## Key Messages for Potential Tropical Cyclone Twenty-Two

Advisory 3: 4:00 AM EST Fri Nov 17, 2023



1. Potential Tropical Cyclone Twenty-Two is forecast to become a tropical storm later tonight. Tropical storm conditions are possible across Jamaica, southeastern Cuba, Haiti, the southeastern Bahamas, and the Turks and Caicos Islands through Saturday, and tropical storm watches are in effect for these areas.

2. Heavy rains from Potential Tropical Cyclone Twenty-Two will impact portions of Panama, Costa Rica, Jamaica, southeast Cuba, and Hispaniola through Monday morning. This rainfall is likely to produce flash flooding, along with mudslides in areas of higher terrain.



For more information go to [hurricanes.gov](https://hurricanes.gov)

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