

MORNING GRAIN COMMENTARY

Morning Trends:

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as of 5:00 AM CDT

Corn 1 around

Wheat 1 to 3 lower

Soybeans 8 to 10 higher

Soy Meal 2.5 to 3.0 higher

Soy Oil 55 to 60 higher

NWS Short Range Weather:

Locally heavy rain and a marginal risk for flooding is possible across the Pacific Northwest into far northern California over the next day. The heavy rain threat may return to the Northwest over the weekend. Meanwhile, widespread record low temperatures are likely Thursday morning from Texas to Maine and these below normal conditions will persist into the daytime across the East and South

The Stories of the Day:

Russia/Ukraine [A blow to the Russians. Ukrainian forces hit the 48Y6-K1 Podlet radar \(msn.com\)](#)[Ukrainian forces just downed another Russia fighter jet \(msn.com\)](#)[Ukraine's GPS-Guided Bombs Work Even When You Jam Their GPS \(msn.com\)](#)

Middle East [Showdown likely between House and Senate as congress remains divided on Israel, Ukraine aid \(msn.com\)](#)[Military challenges for Israel in its offensive against Hamas | Watch \(msn.com\)](#)

China [China's Male Leaders Push to Get Women to Stay Home for Family - The New York Times \(nytimes.com\)](#)[Li Keqiang funeral in China brings out crowds despite suppression effort | China | The Guardian](#)[China's Property Developers Cut Prices—and Homeowners Are Resisting \(msn.com\)](#)

New Hotspot [Myanmar rebels seize vital border town as China calls for ceasefire \(msn.com\)](#)

Rats [What happens to the thousands of dead NYC rats that are being exterminated with a wildly successful new method \(msn.com\)](#)

DTN Long Range Weather: HIGH WED...92 AT PALA, CA, YORBA LINDA, CA, AND SANTEE, CA LOW WED...2 AT PETER SINKS, UT...ERIE, PA 0.48 INCHES

A trough is moving through the East while a ridge is in the West. Lots of disturbances are out in the Pacific waiting to come eastward and one is moving into the Pacific Northwest. The pattern will be rather progressive as troughs and ridges move through rather easily with no really permanent features through the period. By the end of next week and over the weekend, we'll see a trough in the West with a ridge moving into the Central. 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 early next week, but a trough digging into the East may bring a system or two through the country followed by cold air across the eastern half of the country.

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

CENTRAL/SOUTHERN PLAINS (LIVESTOCK/CORN/SOYBEANS/WINTER WHEAT): Cold temperatures have been in place the last several mornings, making for widespread frosts and freezes, slowing growth for winter

wheat. Temperatures will continue to moderate, but frosts will be more common across the north going forward. Some rain may go through northern areas Friday and Saturday, and again early next week, but most of the region will be dry until the middle of next week, when a better chance for widespread showers moves through with a potential storm system.

MIDWEST (CORN/SOYBEANS/WINTER WHEAT): Recent good rainfall should help to ease drought on a widespread basis but is delaying the remaining fieldwork. Cold temperatures will moderate for the end of the week and above-normal temperatures are likely for the weekend into 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.

DELTA (SOYBEANS/COTTON): Recent rain has helped with water levels on the Mississippi River. Cold air will produce another morning of frost Friday before temperatures moderate and go above normal. The chance for precipitation increases next week again as a system or two moves through with some showers and more falling temperatures.

BRAZIL (CORN/SOYBEANS/WINTER WHEAT): Several systems moving through southern areas this week have been producing heavy precipitation, which creates problems with flooding and developing corn and soybeans as well as damaging remaining wheat. Southern areas will catch a dry spell this weekend into early next week, but it will be short with more showers moving through mid-late next week. Central areas will see improved precipitation for the next week which will help with soybean planting and establishment in most areas, as well as keeping temperatures from getting too hot.

ARGENTINA (CORN/SOYBEANS/WINTER WHEAT): Scattered showers continue Thursday, which have been very favorable for remaining filling winter wheat and developing corn as well as producing better soil moisture for early soybean planting. However, colder temperatures have also been a factor, which produced some limited frosts over southern areas throughout the rest of the week and slowed growth. After a break this weekend, showers should move through with another system next week.

EUROPE (CORN/WINTER WHEAT): Wave after wave of precipitation will continue 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 this week, with cooler temperatures moving into the west 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 make corn and soybean harvest more difficult at times, but also provide 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.

AUSTRALIA (WINTER WHEAT/CANOLA/COTTON/SORGHUM): Some showers will develop over eastern areas Friday through next week as the pattern gives these areas potential for some scattered showers, 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 up 92 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

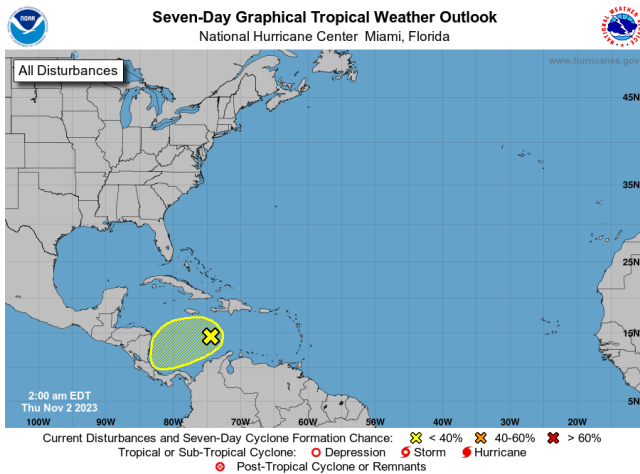
> Locust, ASF, Bird Flu, FAW all quiet today

> Weekly Jobless Claims at 7:30 AM CDT expected at 214,000 vs. last week's 210,000

> Weekly Export Sales at 7:30 AM CDT wheat expected between 400-600,000 MT, corn 700-900,000 MT, beans 900-1.2 MMT, meal 200-400,000 MT, oil 5-25,000 MT

Commentary: For generations kids of all ages, me included, have loved to go to carnivals to play the games along the midway. For us weather market bulls, one of the best games is Wack-a-Mole. A game where market bears smack down the weather worries of us bulls, only for us bulls to pop up somewhere else with another weather worry. This seems to be the case for Brazilian crop expectations. Just as the market bear is gaining traction with the idea that weather is improving in the drier areas of Central and Northern Brazil, the market bull is shifting Brazilian weather concerns back to the south where this spring some areas have seen over 300% of normal rainfall. As we turn the corner and make the run to the next USDA S&D data dump on Nov 9th, the headline numbers of US corn and bean yield number will switch to S. America production potential. USDA has Brazilian corn production at 129.0 MMT and beans at 163.0 MMT, for the rest of this week private estimates will start to be released...Dr. Cordonnier earlier this week started the parade of guesses putting for this week at least Brazilian corn production at 123.0 MMT and beans at 160.0 MMT.

Would It be Asking Too Much for a Tropical Event to Rain Itself Out Over Panama???



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