

MORNING GRAIN COMMENTARY

Morning Trends:

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as of 5:00 AM CST

Corn 1 to 2 higher

Wheat 2 to 4 higher

Beans 1 around

Soy Meal .5 to 1.0 lower

Soy Oil 40 to 45 higher

The Stories of the Day:

New era for assassination attempts [Iraqi prime minister survives assassination attempt with armed drones \(msn.com\)](#)

To help with climate change we need to be better miners [In a lithium squeeze, biggest producer 'going as fast as we can' \(msn.com\)](#)

Australia says coal is here to stay [Australia vows to sell coal 'for decades' \(msn.com\)](#)

If you can find them you might want to get some new winter tires, because what is also in short supply [Winter worry: A shortage of snowplow drivers could spell trouble for motorists in 11 states \(msn.com\)](#)

Weather: There is a ridge in the East and a trough off the Pacific Coast moving into the West. The trough will move through the country this week, taking until next week to push offshore. A ridge will develop behind the trough across the West and will do its best to shield the country from systems moving through. Models are mixed on whether or not it will succeed but will likely be too weak and another trough will move into western North America by the middle of next week. The U.S. and European models are in fair agreement through the weekend but have significant differences for next week. I will use a blend but favor the European For the outlook period, temperatures on Saturday will be near to below normal across the middle of the country and generally above normal in the West and East. Cooler temperatures will push through eastern areas while the middle of the country should see temperatures rise above normal. Some cooler temperatures may make their way into the Pacific Northwest next week. A system will be clearing the eastern portions of the country over the weekend, and we may see another system move through Canada next week. If the western ridge is weak, it could bring some precipitation to the Corn Belt around the middle of next week. -DTN

NORTHERN PLAINS (LIVESTOCK/CORN): A system will move through Wednesday mostly with scattered moderate rain. The system should wrap up over Minnesota on Thursday, then bring snow to the region Thursday night into Friday. There is still uncertainty with this system. Strong winds may also coincide with the snow, causing blizzard conditions and significantly impacting the remaining corn harvest. -DTN

CENTRAL/SOUTHERN PLAINS (LIVESTOCK/CORN/SOYBEANS/WINTER WHEAT): Hot and dry conditions over the weekend continued to draw moisture out of the soil and negatively impacted winter wheat establishment. A system will move through on Wednesday, bringing scattered showers through, but mostly to eastern areas while western areas remain dry. Strong winds may also develop, helping to dry out soils further. There is a small chance for showers across western areas late in the week, but overall conditions continue to be unfavorable for winter wheat. -DTN

MIDWEST (CORN/SOYBEANS/WINTER WHEAT): Warm and dry conditions over the weekend helped soils to drain and favored the remaining harvest. There will be some isolated showers that move through the region late Monday and Tuesday. Mostly light showers are expected but there could be a string of moderate showers across northern Indiana and Ohio that could cause some localized issues. But the real storm comes a day later as widespread showers will move through the region Wednesday and Thursday. Snow is likely to wrap around the backside of the system around Minnesota with potential accumulation that could impact the remaining corn harvest. Winds will also be an issue with the system and some lake-effect showers may continue into the weekend. -DTN

DELTA (SOYBEANS/COTTON/WINTER WHEAT): Warm and dry conditions over the weekend favored harvest. A system will bring scattered showers through the area Wednesday night into Thursday, benefiting winter wheat establishment but could impact the remaining harvest. -DTN

SOUTHEAST (COTTON/LIVESTOCK): Scattered showers moved through Friday into Saturday and were heavy in spots, impacting cotton harvest. Dry weather is expected for the next few days, but a front will slowly move through late this week with scattered showers possibly into the weekend that could impact harvest some more. -DTN

PACIFIC NORTHWEST (WINTER WHEAT): Some showers moved through over the weekend but mostly occurred in the mountains. Several waves will move through over the next week, each bringing potential for helpful showers. But most areas are likely to only see light precipitation and cooler temperatures through the week will also slow growth on wheat. -DTN

BRAZIL (WINTER WHEAT/CORN/SOYBEANS): Daily scattered showers will continue across central areas for the next week. Dryness over Rio Grande do Sul is expected this week as the only area with detrimental conditions for the foreseeable future. The dryness will help with the remaining wheat harvest. But scattered showers are likely to move through southern areas over the coming weekend. -DTN

ARGENTINA (WINTER WHEAT/CORN/SOYBEANS): A front moved through over the weekend and put an end to the good rainfall pattern. However, isolated showers will still pop up through the week, especially for the drier western areas. A system should push through the country over the weekend and bring widespread scattered showers, which would be favorable for corn and soybean planting and early growth. -DTN

EUROPE (WINTER WHEAT/CORN): Scattered showers moved through a good portion of the continent over the weekend and has been overall favorable for winter wheat development. A low pressure system in the Mediterranean will continue to produce occasional showers for Spain and Italy through the week while northern areas should be drier, helping to finish up fall harvest. -DTN

UKRAINE/SOUTHWEST RUSSIA (WHEAT/CORN/SUNFLOWERS): Some showers went through Ukraine and northern Russia over the weekend, but most areas remained unfavorably dry. A front moving through the region will be somewhat active early this week with some showers activity, but dryness will follow for the rest of the week. The incoming rainfall will be somewhat helpful but likely not enough before wheat goes dormant.

AUSTRALIA (WINTER WHEAT/CANOLA/COTTON/SORGHUM): Scattered showers moved through over the weekend, maintaining mostly good moisture supplies for summer cotton and sorghum, but putting some pressure on wheat and canola harvest. A couple more systems moving through this week are likely to create more harvest and some quality issues. -DTN

Headlines:

> Malaysian Jan Palm Oil Markets closed up 15 Ringgits

> Dalian Futures mixed Jan corn up 14 to the Yuan, SF down 88, Jan meal down 16, Jan bean oil down 340, Jan Palm oil down 382

> Asian Equity Markets were mixed, Japan's Nikkei down .4%, China's Shanghai up .2%

> European Equity Markets are mixed, German Dax down .1%, London FTSE down .1%

> MATIF Markets are mostly lower, Jan Corn down 1.25 to the Euro, Feb Rapeseed up .50, Dec Wheat down .50

> Save the Date...Oct 31st– Nov 12th ...Glasgow for COP26...

- > Save the Date...Some time in Nov...Brazilian Government expected to decide if they will allow Argentina GMO wheat into their country
- > Save the Date...Nov 9th...USDA S&D numbers...average trade guess for corn yield/production 176.9 BPA/15.050 BBU...beans 51.9 BPA/4.484 BBU...US Carryouts wheat 581 MBU...corn 1.480 BBU, beans 362 MBU...World Carryouts, wheat 276.50 MMT, corn 301.74 MMT, beans 104.57 MMT
- > Save the Date...Nov 15th...NOPA Crush
- > Save the Date...Nov 25th...US Thanksgiving
- > Save the Date...Dec 2nd...OPEC + meetings
- > Save the Date...Dec 3rd...US employment numbers
- > Save the Date...Dec 14th...FOMC Meeting results
- > Save the Date...Dec 14th...NOPA Crush
- > Covid is not going away anytime soon 2.0 [German COVID infection rate at new high as vaccinations slow - ABC News \(go.com\)](#)
- > Sudan update [Sudan internet cuts complicate civil disobedience campaign against coup \(msn.com\)](#)
- > Ethiopia update [People fleeing Ethiopia allege attacks, forced conscription \(msn.com\)](#)
- > Political drama in Kuwait [Kuwaiti govt resigns, possibly helping to end political standoff \(msn.com\)](#)
- > Bird Flu, France over the weekend moves to high risk [Bird flu in Europe: France moves to 'high risk' - Outbreak News Today](#)
- > Locust, much like Covid the war on bugs, no time to let our guard down [War on desert locust far from over, says IGAD \(the-star.co.ke\)](#)
- > FAW/ASF kind of quiet today
- > Australia to date no quality or quantity impact but will we be able to say that much longer? [Australia weather: NSW, Queensland, Victoria to endure week of rain and storms | Daily Mail Online](#)
- > Russian media on Monday reported Russian government officials are considering cutting import taxes on specific frozen beef and pork imports to zero percent. The move is seen as means to stabilize domestic meat prices. The tax free import quota is seen at 200,000 mt for beef, and 100,000 mt for pork. -QT
- > Weekly CFTC MM Fund Position Report as of the close of 11/2 found that the MM Funds were long 5,900 W, long 57,315 KW, long 17,389 MW, long 324,560 C, long 42,651 beans, short 6,334 SM, and long 88,748 BO...of note MM funds own a little over 24% of the open interest in KW and a little over 22% of the MW open interest

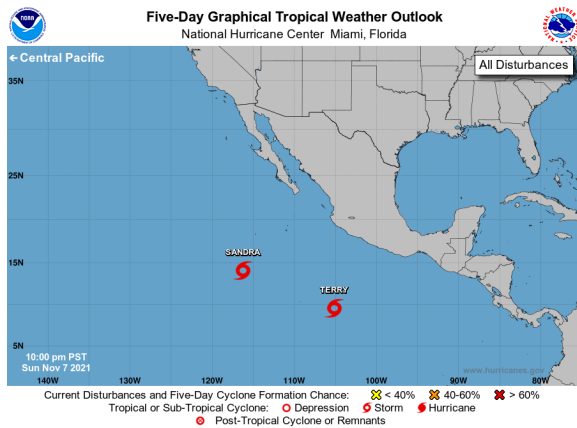
Commentary

Let the spinning begin, again. Much like the sun rising in the East, the bulls and bears for the next 24 hours will go into pre report spin mode. It is pretty clear that the trade expects increases in the world and US carryouts for corn and beans. This means the bull pre report is trying to convince the market as well as themselves that big carryout numbers are already in the marketplace. They will go on to point out the real wild card in all this is long term demand. They will point out that last week the Chinese pointed out that their hog herds are about 6%

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bigger than the target for the country. Market bears are pointing out it is hard to have a demand market when the biggest consumer of beans, China took the least amount of beans from the world since March of 2020. Both the bull and the bear post the report will be laser focused on S. American weather, as we all know Dec will make or break the first season Brazilian crops as well as the Argentina corn crop. Bring on the numbers please my head already hurts from all the spinning.

Tropical activity still popping in the Eastern Pacific



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