

## MORNING GRAIN COMMENTARY

### Morning Trends:

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as of 5:00 AM CST

Corn 13 to 15 lower

Wheat 35 to 37 lower

Soybeans 25 to 27 lower

Soy Meal 4.4 to 4.6 lower

Soy Oil 1.90 to 2.0 lower

Short Range Weather: A winter storm will produce a swath of freezing rain into Friday over the northern Mid-Atlantic and a swath of heavy snow over upstate New York State and much of New England. Ice accumulations over 0.25" are most likely over west-central Pennsylvania where particularly hazardous travel and localized power outages are likely. Snowfall rates of 1-2" per hour will be possible in the Northeast -NWS

### The Stories of the Day:

**Russian Invasion:** [Ukraine's capital under threat as Russia presses invasion - ABC News \(go.com\)](#) Turkey might flex a bit [Turkey Considers Ukraine Request to Block Russian Warships From Entering Black Sea \(wsj.com\)](#) but in space peace reigns [Ukraine invasion divides U.S., Russia on Earth, but alliance in space remains stable for now \(msn.com\)](#)

**Covid Update:** Yikes [Over 5 million children have lost a parent or caregiver to COVID, study finds: Live COVID updates \(msn.com\)](#)

**Back in China** [China urges banks, insurers to support affordable rental housing \(msn.com\)](#)

**The Ghost of Kyiv** [Ghost of Kyiv: unconfirmed Ukrainian MiG-29 pilot credited with six kills \(msn.com\)](#) and not to be outdone [Garrison Of Ukrainian Soldiers Killed After Refusing Russian Demands To Surrender | HuffPost Latest News](#)

**Song of the week, well its not something you hear every day, but for the innocent citizens of the Ukraine...Ukrainian Folk Metal** [GeneZA - Karchata / Folk Metal from Ukraine 2015 - Bing video](#)

Long Range Weather: There is a ridge along the West Coast into Alaska, a trough in the Rockies, another moving into Hudson Bay, and a ridge in the Southeast. The two troughs will push southeast through the ridge through this weekend. Meanwhile, the western ridge will split into pieces with a large portion of it moving through the U.S. in waves next week. A trough will move into the Eastern Pacific over the weekend and eventually send a piece of energy into the West late next week. That should spread through more of North America next weekend into the following week. The U.S. and European models are fairly similar through the period but have some differences in the pattern for next week. I will use a blend but favor the European. For the outlook period, temperatures on Wednesday will be near to above normal for most of the country and near to below normal near the Canada border. Warmer temperatures will last a couple of days, but a storm system moving into the West will send temperatures back below normal again with those colder temperatures spreading through the Plains and Midwest next weekend into the following week. That will be due to a storm system bringing potential for widespread showers through the West, Northern Plains, and east of the Mississippi River on the latest forecasts. -DTN

**NORTHERN PLAINS (LIVESTOCK):** Temperatures will be moderating some over the weekend but not going up above normal until next week. Colder temperatures will return late next week or weekend with another trough of low pressure that could bring some significant precipitation as well. -DTN

**CENTRAL/SOUTHERN PLAINS (LIVESTOCK/WINTER WHEAT):** Hard red winter wheat areas were largely passed over by systems this week, while eastern Oklahoma and north-central Texas saw the most precipitation. A frontal boundary will get active again Friday night through early Sunday, mostly across eastern Texas. Drier

weather continues across the west and drought building ahead of spring. Wheat conditions continue to be poor going into March. -DTN

MIDWEST (WINTER WHEAT): Moderate to heavy mixed precipitation has fallen over a large portion of the region this week, leading to saturated soils and some flooding. Colder temperatures will moderate next week with above normal temperatures melting snowpack that has built up across some of the region. -DTN

PACIFIC NORTHWEST (WINTER WHEAT): Drought continues to be a concern going into spring. Periods of showers will move through the region next week with a larger storm system likely late next week that could provide some relief. -DTN

BRAZIL (CORN/SOYBEANS): Showers are becoming isolated across central and northern Brazil, benefiting fieldwork. Farther south, showers will be more scattered for the next week, which should help out any remaining immature soybeans and safrinha corn. The effect may be limited though as dryness follows behind this period of showers. -DTN

ARGENTINA (CORN/SOYBEANS): Scattered showers that have moved through the country this week have had some benefit to late-planted corn and soybeans. There is a stalled front in the country toward the north that should remain active going into next week. Precipitation amounts could be heavy in spots, which would be beneficial, but rainfall amounts are so far behind that the effect may be only localized. -DTN

CANADIAN PRAIRIES (LIVESTOCK): Temperatures will moderate this weekend, but go back below normal next week, especially late in the week as a large trough moves into the area. Stress to livestock will remain high overall. -DTN

EUROPE (WINTER WHEAT): A system moving into the Mediterranean will produce scattered showers for southern areas through the weekend and into the Balkans next week. Meanwhile, Spain will see some spotty showers over the next few days but will not be enough to turn around the dryness concerns that have built up there for vegetative winter wheat. Conditions are much better elsewhere on the continent. -DTN

NORTH AFRICA (WINTER WHEAT): Drought has been a concern for much of the region. Scattered showers are forecast to develop across the region over the next week and may be helpful, but the damage may already be done to vegetative to heading winter wheat. -DTN

**Headlines:**

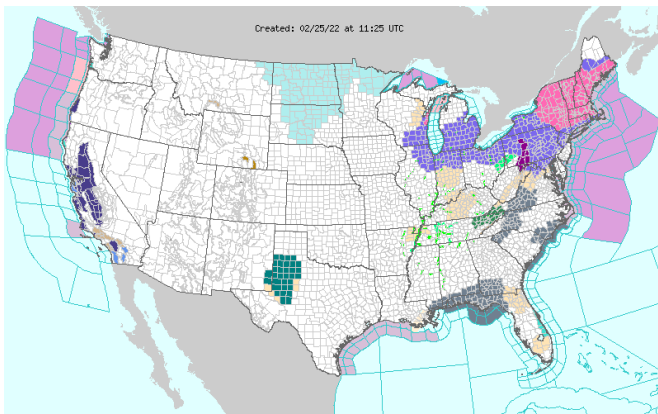
- > Malaysian May Palm Oil Market, what goes up must come down???, after being up 476 yesterday down 469 Ringgits today
- > Dalian Futures were mostly higher May Corn up 12 to the Yuan, May Soybeans up 198, May Meal down 19, May Bean Oil up 52, May Palm Oil up 126
- > Asian Equity Markets, were higher Japan's Nikkei up 2.0%, China's Shanghai .6%
- > European Equity Markets are higher German Dax up .2%, London FTSE 100 up 1.2%
- > MATIF Markets are mostly lower June Corn up .25 to the Euro, May Rapeseed down 8.0, May Wheat down 4.75
- > Save the Date...March 4<sup>th</sup>...US employment numbers
- > Save the Date...March 9<sup>th</sup>...USDA S&Ds
- > Save the Date...March 13<sup>th</sup>...US returns to Daylight Savings Time

- > Save the Date...March 16<sup>th</sup>...FOMC meeting results
- > Save the Date...April 4<sup>th</sup> Return of the weekly crop updates from the USDA
- > US Bird Flu...NYT on board... [Avian Flu Spread in the US Worries Poultry Industry - The New York Times \(nytimes.com\)](https://www.nytimes.com/2022/02/23/us/avian-flu.html)
- > African Swine Fever, some good news out of S. Africa [African swine fever outbreak in the Western Cape appears to be 'under control' \(iol.co.za\)](https://www.iol.co.za/news/african-swine-fever-outbreak-in-the-western-cape-appears-to-be-under-control-2022-02-23)
- > Fall Armyworms/Locust/ all quiet today
- > USDA Weekly Export Sales Report will be out at 7:30 AM CST wheat expected between 300-500,000 MT, corn 1.0-1.2 MMT, beans 1.5-2.0 MMT, meal 100-300,000 MT, bean oil 5-25,000 MT
- > CFTC Weekly MM Fund Position Report expected at 2:30 PM CST we feel as of the close of 2/22 that the MM Funds were long 8,000 MW, long 40,000 KW, short 5,638 W, long 364,014 C, long 219,872 S, long 96,920 SM, long 86,361 BO
- > CME Ag Limits for today, KW and W .75, C .35, S .90, SM 25.0, BO 4.0
- > Lebanese officials noted two wheat cargoes that had been loading in the Ukraine have been delayed due to the ongoing war and noted they have only about a month's wheat reserves. The country's Economics Minister said they are in talks with various other suppliers to replace the suspended Ukraine shipments. -QT

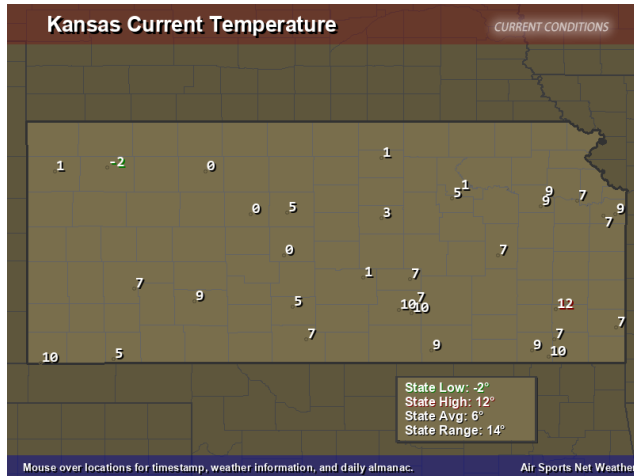
### Commentary:

Well, first and foremost our thoughts and prayers go out to all the innocence people impacted by the Russian Invasion of the Ukraine. The invasion as it unfolds this weekend will force more typical S&D news, chart price action and seasonal trades to take a back seat. In the coming days and weeks ahead, as Russia potentially consolidates its hold on another independent country, world commodities for Ags and their inputs as well as metal and energy products will start to develop a two tier price structure. In the West and countries that lean with the US and NATO will have one value to deal with while countries that lean towards Moscow will pay another. One takeaway from this week, is that wheat values moving forward for western leaning countries will now live in the realm of food grain values and not a feed grain. One last note, as the patriots on Snake Island showed, Putin and Kramer got it wrong, Ukraine is strong.

Well looks like Phil got it right this year



KS Temps as of 5:00 AM CST...b'rrrrrrrr...again



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