

MORNING GRAIN COMMENTARY

Morning Trends:

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as of 5:00 AM CST

Corn 6 to 8 higher

Wheat 28 to 30 lower

Soybeans 17 to 20 higher

Soy Meal 6.5 to 6.8 higher

Soy Oil 1.00 to 1.05 higher

Short Range Weather: An arctic cold front will move south through the Central U.S. through Friday, before becoming a major storm in the East on Saturday. Heavy snow is expected across the central Plains into Mid Mississippi Valley today. A wide-range of hazards is expected Friday and Saturday across the Eastern U.S. including severe storms in the southeast and heavy snow from the Tennessee Valley to the Northeast.-NWS

Long Range: There is a ridge in the Eastern Pacific, a deep trough across much of North America, and a ridge on the East Coast. The two ridges will bottle up the trough over North America, where it continues to deepen. The eastern ridge will weaken and allow the trough to pivot out of central North America and into Greenland this weekend. Meanwhile, the western ridge will push east and fill the void going into next week but will not be strong, allowing weak disturbances to move through the country. The U.S. and European models are fairly similar through the period but have some differences late in the period. I will use a blend but favor the European. For the outlook period, temperatures on Tuesday will be near to above normal across the country. Above normal temperatures will continue for most of the country next week, though some colder temperatures may move into West by late next week. A couple of weak systems will move across country next week with light precipitation. A storm may develop late next week east of the Rockies. -DTN

NORTHERN PLAINS (WINTER WHEAT/LIVESTOCK): Cold air will remain in place for the next few days but rise above normal this weekend and continue next week. Melting snowpack in the Red River Valley could cause some flooding. -DTN

CENTRAL/SOUTHERN PLAINS (LIVESTOCK/WINTER WHEAT): An arctic front moving through over the next couple of days will bring in colder air, causing many areas to remain below freezing for more than a 24 hour period. The cold temperatures could cause frost damage to wheat that has been coming out of dormancy due to warmer temperatures recently. This front will produce some showers across the north and southeast, but largely

The Stories of the Day:

Russian Invasion: [Russia says its businesses can steal patents from anyone in 'unfriendly' countries \(msn.com\)](#)[Live updates: Kerry: War shows peace, climate links \(msn.com\)](#)[White House warns Russia could use chemical weapons in Ukraine, rejects false 'conspiracy' of U.S. biolabs \(msn.com\)](#)[White House eyes new sanctions on lawmakers in Russian parliament as part of financial attack on Moscow \(msn.com\)](#)[Opinions | Putin doesn't fear a coup by oligarchs. But he should fear his fellow spies. \(msn.com\)](#)

Covid Update: [COVID cases continue to plummet as America moves on \(yahoo.com\)](#)

China walking a tightrope [Xi's Europe Outreach Aims to Avert East-West Clash For China \(msn.com\)](#)

Iran Nuclear Talks [Iran offers mixed signals as nuclear talks deadline looms | AP News](#)

And in S. Korea [S. Korea's new president to teach 'rude boy' Kim Jong Un some manners \(msn.com\)](#)

And in Venezuela [Pressure builds on Biden to repay Venezuela's goodwill moves \(msn.com\)](#)

Too Soon??? [Sergei Shoigu - Vladimir Putin's likely successor \(msn.com\)](#)

skip over the southwestern drought areas. Chances for precipitation next week are low but not zero as a couple of weak systems move through the country. -DTN

MIDWEST (CORN/SOYBEANS/WINTER WHEAT): Recent precipitation continues to keep soils soggy and is preventing producers from getting into their fields. Temperatures are falling behind an arctic front, especially in the west, but will be short-lived as the cold spreads farther east over the weekend. More showers are anticipated with this system as well, being moderate to heavy in southeastern areas Friday into early Saturday. Temperatures will rise Sunday and continue above normal next week. A few weak systems could produce some occasional precipitation as well. -DTN

PACIFIC NORTHWEST (WINTER WHEAT): After a couple of dry days to end this week, more active weather is expected again starting this weekend and going through next week. The return to a more active pattern may support drought reduction as we get closer to spring planting. -DTN

BRAZIL (CORN/SOYBEANS): Scattered showers continue for most areas for the next few days, increasing soil moisture for safrinha corn development. Showers will move into central and northern areas over the weekend, returning southern states to dryness. The dryness that is forecast for the second half of March may undo some of the beneficial rainfall over the first half of the month. -DTN

ARGENTINA (CORN/SOYBEANS): One final system will push showers north into Brazil by Friday, returning the country to drier conditions. Recent rains may have some benefit to late-planted corn and soybeans, but the dryness that is forecast to follow will limit the benefits. -DTN

CANADIAN PRAIRIES (LIVESTOCK): Arctic cold temperatures will continue in the region for the rest of the week. Temperatures will moderate over the weekend with more seasonable temperatures going into next week. A couple of weak systems may bring some light showers through the region, but not enough to continue drought reduction. Warmer temperatures will likely cause snowmelt next week. -DTN

EUROPE (WINTER WHEAT): Recent showers across the west have increased some soil moisture across drought areas in Spain. Showers will continue to favor western areas throughout the next week, which should favor winter wheat either coming out of dormancy or in vegetative stages of development. Cold temperatures continue across the eastern half of the continent, keeping wheat dormant, but should rise next week. -DTN

BLACK SEA (WINTER WHEAT): Conditions for the wheat going into the winter were mixed and there are large concerns about production due to the war. Precipitation over the winter has been above normal and should set up plants in favorable shape for development once temperatures allow. Cold temperatures over the next week will keep wheat mostly dormant. -DTN

NORTH AFRICA (WINTER WHEAT): Showers have picked up recently, which has been favorable for some of the crop, but may be too late for most. Showers will come back in this weekend and continue next week, doing their best to improve soil moisture and developing to reproductive wheat. -DTN

Headlines:

> Malaysian May Palm Oil Market down 125 Ringgits

> Dalian Futures were mostly lower May Corn down 14 to the Yuan, July Soybeans down 32, May Meal down 63, May Bean Oil down 146, May Palm Oil up 136

> Asian Equity Markets, were higher, Japan's Nikkei up 3.9%, China's Shanghai up 1.2%

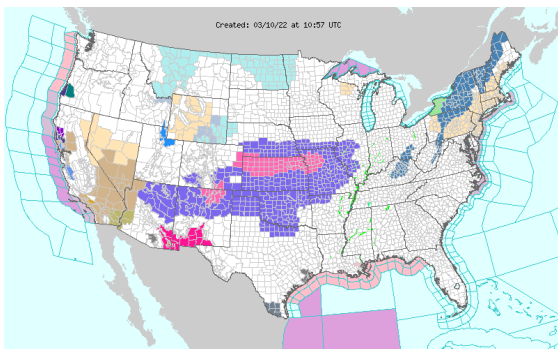
> European Equity Markets are lower German Dax down 1.9%, London FTSE 100 down .6%

- > MATIF Markets well there are mixed June Corn up 1.75 to the Euro, May Rapeseed down 3.75, May Wheat up 11.75
- > Save the Date...March 10th...CONAB Brazilian crop projection estimates...in February they were at 112.34 for corn and 125.47 for beans...their March number for corn is 112.34 MMT and beans 122.77 MMT
- > **Save the Date...March 13th...US returns to Daylight Savings Time**
- > Save the Date...March 16th...FOMC meeting results
- > Save the Date...April 4th Return of the weekly crop updates from the USDA
- > Save the Date...May 8th...US Mother's Day
- > US Birds in motion, bird flu in motion [Avian flu cases found in all of birds' flyways \(nwaonline.com\)](#)
- > ASF [African swine fever a growing concern in the UK | The Pig Site](#)
- > FAW/Locust all quiet today
- > Hey East Coast make sure you have that extra gallon of milk [Powerful winter storm threatens central US with snow and could become a bomb cyclone as it moves east - CNN](#)
- > Weekly Jobless Claims at 7:30 AM CST expected 225,000 vs. last week's 232,000
- > Weekly Export Sales at 7:30 AM CST wheat expected between 300-500,000 MT, corn 1.2-1.4 MMT, beans 1.8-2.0 MMT, meal 200-400,000 MT, bean oil 20-40,000 MT

Commentary:

Wheat doing its thing overnight. Wheat racing lower, filling the gap created back on March 3rd and March 4th, only to rebound and move back closer to unchanged. As always when a market is struggling to define fair value after a shock to the system like war in the Black Sea region it is not unexpected to see these kinds of 90 cent moves done in very light volume. End users, exporters, elevators, and MM fund have been reduced to being day traders. That said we find the overnight price range a hopeful sign we are getting closer to defining a new fair value area for wheat. New crop values under 10-dollars whether it is W, KW, or MW should be low enough for end users to start thinking about coming back to the market and look for 3Q and 4Q price protection.

Being Mid-March there is way too many winter colors on this map





Thursday, March 10, 2022

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 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.