

MORNING GRAIN COMMENTARY

Morning Trends:
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as of 5:00 AM CST
Corn 1 to 3 higher
Wheat 19 to 21 higher
Soybeans 11 to 13 higher
Soy Meal 2.0 to 2.5 higher
Soy Oil 15 to 20 lower

Short Range Weather: Severe thunderstorms are expected from eastern Texas into the mid Mississippi Valley Thursday. Storms will be capable of producing tornadoes, large hail, and damaging winds. Heavy rainfall may also lead to flash flooding. On Friday storms will shift over the lower Mississippi into the Tennessee Valleys, then Saturday into Monday from the central Plains into the Midwest..- NWS

Long Range: There is a cutoff in the Central and a trough in the Eastern Pacific. The cutoff will move eastward the rest of the week while the deeper trough moves into the West this weekend. Next week a ridge forms in the eastern Midwest and lower Mississippi region while the trough in the West cuts off and the Central cutoff that makes it into the Atlantic retrogrades into the Southeast. The U.S. and European models are mostly similar with the overall pattern. I will use a blend but favor the European. For the outlook period, temperatures on Tuesday will be near to below normal in the far East, above to well above normal in the Central, and below normal in the West. The rest of next week the pattern of cool West and warm East will largely be stationary. The western trough will bring a system or series of systems through the West and Plains over the weekend into next week. It remains unclear how far east these systems will travel next week or how scattered showers will develop with these systems. -DTN

NORTHERN PLAINS (WHEAT/LIVESTOCK/CORN/SOYBEANS): Another system will pass by to the south to wrap up this week, leaving the region mostly dry. Warmer temperatures will move in by the weekend, allowing for a limited chance at planting this week. A system moving into the West this weekend will bring several days of scattered showers back through the region, however. -DTN

CENTRAL/SOUTHERN PLAINS (CORN/SOYBEANS/LIVESTOCK/WINTER WHEAT): Another system is bringing rainfall to much of the region again Thursday. More showers are possible next week, which may also offer some limited benefits. -DTN

The Stories of the Day:

Russian Invasion: [Lavrov’s antisemitic Nazi remarks likely no accident \(msn.com\)](#) [Russia Just Lost Its Most Advanced Operational Tank In Ukraine \(msn.com\)](#) [U.S. intelligence helping Ukraine kill Russian generals -NY Times \(msn.com\)](#) [Biden Seeks New Aid for Ukraine as Russia Makes Slow Progress in Seizing East \(msn.com\)](#) [All the weapons the US has approved to send Ukraine to fight Russian invaders \(msn.com\)](#) [Ukraine repels Russian attacks; Mariupol plant battle rages \(msn.com\)](#)

Meanwhile in Moldova [Moldova’s Transnistria is another hotspot being exploited by Russia | The Independent](#)

Meanwhile in Georgia [Georgia presses US for support amid fears of Russian wars \(yahoo.com\)](#)

And in Kazakhstan this will not sit well in Moscow [Top Officials from Kazakhstan and EU Hold Talks on Cooperation, Support For New Kazakhstan Political Reforms - The Astana Times](#)

Covid Update: [Covid 1 China 0 China sees spending, travel tumble during Labour Day holiday hit by COVID-19 - CNA \(channelnewsasia.com\)](#) [China’s Covid Lockdowns Leave Millions Out of Work - The New York Times \(nytimes.com\)](#)

Talk about bringing a gun to a knife fight [French chef kills rival butcher in row over sausages | Watch \(msn.com\)](#)

MIDWEST (CORN/SOYBEANS/WINTER WHEAT): Another system will bring more widespread rainfall Thursday and Friday. The system clips far southern Minnesota but otherwise misses much of that state. Planting windows continue to be short and brief. A system building in the West this weekend will keep next week somewhat active but the western Midwest may see more showers than the east. -DTN

DELTA (SOYBEANS/COTTON): Another frontal system will bring pockets of moderate showers Thursday. Some areas that are too wet will stay wet, while other areas may get a break or needed precipitation. Overall, though, planting progress is likely to be a little slower through this week. After this late week rain ends, a ridge develops and may persist much of next week. The ridge will generally quash shower chances next week. -DTN

PACIFIC NORTHWEST (WHEAT): Disturbances will move over the region prior to and over the weekend with more widespread showers. Temperatures will waffle up and down over the next couple of weeks, which may cause some slower growth for wheat. -DTN

BRAZIL (CORN): Central Brazil continues to miss out on rainfall, which is leading to critical levels of soil moisture for corn that is going through pollination and grain-fill. The southern part of Brazil trends drier for the next several days and that area will now need to rely on the soil moisture recently built up. -DTN

ARGENTINA (CORN/SOYBEANS/WHEAT): Dry weather will continue into early next week and showers later next week look unimpressive. The recent bump in soil moisture for wheat planting and early development trends drier over the next several days. More soil moisture will be needed before winter sets in. Precipitation is too late to offer any help for corn and soybeans as harvest continues to progress. -DTN

CANADIAN PRAIRIES (LIVESTOCK/WHEAT/CANOLA): Eastern areas are very wet and will be difficult to do any planting for a while as soils drain. Western areas are drier than optimal with very little sweet spots for planting this spring. A system this weekend into next week will offer better precipitation for western areas, which would help with planting, while adding on to eastern areas that are too wet. -DTN

EUROPE (WINTER WHEAT/CORN): More showers are needed across northern areas as they have turned drier recently, but shower activity will be hit and miss over the weekend and next week. Scattered showers over France and Italy should help some areas that are a bit too dry, while missing others, offering mixed conditions for most other areas next week. -DTN

BLACK SEA (WINTER WHEAT/CORN): While some isolated showers may move through this weekend, dryness is likely to be more widespread. Conditions are improved for corn planting. Soil moisture for wheat development is still rather good, but more would be preferred. -DTN

Headlines:

> Malaysian July Palm Oil Market down 348 Ringgits

> Dalian Futures markets were lower Sept Corn down 3 to the Yuan, July Soybeans down 41, Sept Meal down 24, Sept Bean Oil down 156, Sept Palm Oil down 210

> Asian Equity Markets are higher Japan's Nikkei down XX, China's Shanghai up .7%

> European Equity Markets are higher, German Dax up 1.6%, London FTSE 100 up 1.2%

> MATIF Markets are higher Aug Corn up 3.25 to the Euro, Aug Rapeseed up 6.25, Sept Wheat up 5.50

> Save the Dates...Japanese Holidays...May 3rd Constitution Day, May 4th Greenery Day, May 5th Children's Day

> Save the Date...May 5th...Cinco de Mayo Day...a brief history [Cinco de Mayo 2022: Facts, Meaning & Celebrations - HISTORY](#)

> Save the Date...May 5th...OPEC Meeting...OPEC+ is likely to stick to its existing deal and agree another small output increase for June when it meets on May 5 -Reuters

> Save the Date...May 6th...US Job Numbers...expected 400,000 new non-farm jobs created in April, unemployment rate falls to 3.5% from 3.6%

> Save the Date...May 8th...US Mother's Day

> Save the Date...May 9th...Victory Day is celebrated in Russia...On that day in 1945 Nazi Germany announced its capitulation to the Soviet Union...will Putin have a victory in E. Ukraine by this date or is the date he declares war in Ukraine Whatever happens the show must go on [Russian military rehearses for Victory Day | Watch \(msn.com\)](#)

> Save the Date...May 11th...US CPI

> Save the Date...May 12th...USDA S&Ds

> Save the Date...May 15th...North America Lunar Eclipse [Get ready for a total lunar eclipse, Chicago. Here's where you can view it \(msn.com\)](#)

> Pay Me My Money Down: This one could get ugly [Burlington union workers continue Case strike over wages, vacation \(thehawkeye.com\)](#)

> Bird Flu: [Avian flu detected in bird at Wichita County rehab center \(yahoo.com\)](#)

> Locust/FAW all quiet today

> ASF related, not really but we could not pass up a good boar story ["The people of Rome are being held hostage by wild boar" \(msn.com\)](#)

> CME is reporting that 78 Chicago wheat and 7 KW were put out for delivery, 0 for corn, beans, meal, and oil

> India Heat Wave putting added pressure on the fact that while the world has enough wheat, it just not have enough wheat in the right places [India's Heat Wave Could Worsen the Global Food Crisis - The Atlantic](#)

> Tunisia in looking for wheat and barley

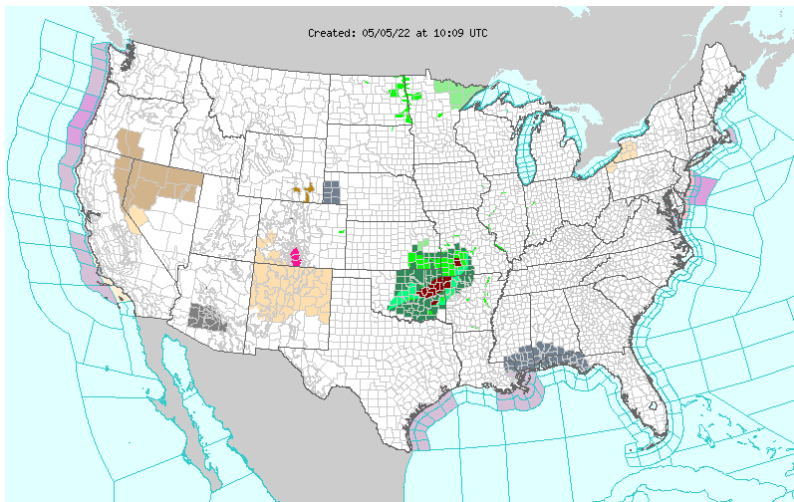
> Weekly Jobless Claims at 7:30 AM CDT expected at 180,000 vs. last week's 182,000 whatever the number it is expected to continue at historical lows

> Weekly Export Sales at 7:30 AM CDT is expected to find wheat sales between 300-500,000 MT, corn 1.2-1.5 MMT, beans 700-1.0 MMT, meal 100-300,000 MT, oil 5-25,000 MT

Commentary: The big event, the FOMC rate rise has come and gone. For a recap of its expected impact we turn to Bloomberg which wrote the following: "Stock Bulls Get Reprieve as Powell Signals a Limit to Austerity. Under no pressure to throw investors a bone, Jerome Powell nevertheless did, igniting the biggest stock market rally on the day of a Federal Reserve meeting in a decade...While stocks initially wobbled on confirmation the Fed had pushed up interest rates by 50 basis points, the S&P 500 took off when Powell said an even bigger increase is "not something that the committee is actively considering" for coming meetings. For stock bulls, if the response wasn't overtly dovish, it was at least interpretable as setting a limit...Taking out a left tail risk* is the

best bone a market can get right now,” said Max Gokhman, chief investment officer for AlphaTrAI. “ So, for macro market world it is on to the June 15th FOMC meetings where another .50 point rise is expected. But before we get to those numbers the markets will have a slew of weekly and monthly economic data to digest, none bigger than this Friday’s monthly US job reports.

* Left tail risk takes place on the left side of the bell, and it **shows the negative returns of a portfolio**. Right tail risk is dealing with the positive returns which could be generated. Tail risk meaning A tail risk event occurs when the investment value fluctuates away from its mean by more than three standard deviations.



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