

MORNING GRAIN COMMENTARY

Morning Trends:
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as of 6:00 AM CST
Corn 2 to 3 lower
Wheat 3 to 4 higher
Soybeans 8 to 10 higher
Soy Meal 2.50 to 3.50 higher
Soy Oil 50 to 60 higher

The Stories of the Day:
US Stocks Set for Bounce After \$1.5 Trillion Inflation-Led Rout: Higher-than-expected August CPI rattled financial markets - Nasdaq 100 fell 5.5% in biggest drop since March 2020
Rail Strike Threat Is Set to Halt Shipments of US Crops, Autos: Norfolk Southern to halt bulk unit trains as of Thursday - Railway to stop taking autos for shipment late Wednesday
US Inflation Tops Forecasts, Cementing Odds of Big Fed Hike: Consumer prices rose 0.1% from July, defying estimate for drop - Shelter, food and medical care were among largest contributors

North America Weather Overview:

There is a trough in the East, a ridge in the Central U.S., and several small disturbances through the Pacific, Alaska, and the West Coast. The ridge will become anchored in the middle of the country while small disturbances move through the West and into central Canada. One will be stronger next week, going through Canada as it will be unlikely to push the ridge out of the way. With the trough moving through Canada, the ridge is likely to shift a bit farther west by late next week.

For the outlook period, temperatures on Monday will be near to above normal for most of the country, but cooler on the West Coast. Cooler temperatures could work east mid-late next week. A stronger storm system may be possible across the country in the middle of next week that would bring more expansive showers to the Plains, but models are unsure if that will happen.

NORTHERN PLAINS: Several disturbances will move through the region through next week, resulting in periods of showers. Rains may have some late benefit to filling soybeans, but not likely for corn. Temperatures may waffle, but be mostly above normal until possibly the middle of next week when a cooler shot may occur.

CENTRAL/SOUTHERN PLAINS: Drought continues to have a strong hold on the region while producers are thinking about winter wheat planting. Pieces of energy will move through the Northern Plains for the next week, but may be enough to produce some limited areas of rain, mostly in Nebraska. The larger wheat areas and pastures are not forecast to see much coverage or intensity while temperatures rise well above normal. The region will await potential for a cold front to become stalled in the region next week, which would bring rounds of heavier rain.

MIDWEST: Scattered showers moved across the region since late last week, providing some late relief for drier areas looking to fill some soybeans, but likely had no effect on corn. Soil moisture may have improved prior to winter wheat planting in some limited areas as well. Temperatures will rise well above normal going into the weekend, which should help to push crops toward maturity. Scattered showers will be possible over northwestern areas into next week while the southeast stays much drier.

DELTA: Dry conditions and rising temperatures over the next week should help crops reach maturity and improve quality for some of the wetter areas.

CANADIAN PRAIRIES: Fairly good harvest conditions over the last week or two are turning into a more active pattern this week as periods of isolated to scattered showers move through. Delays to harvest may occur through next week.

South America Weather Overview:

BRAZIL: A stalled front will continue to produce periods of showers and thunderstorms across southern Brazil through Thursday, but not in Rio Grande do Sul, which will help with wheat harvest. Some showers are making it into central Brazil this week, and more could be possible this weekend into next week, but should not be the start of the wet season, which typically comes at the end of the month.

ARGENTINA: Dryness this week is unfavorable as soil moisture is limited prior to the first round of corn planting, which is going to see some delays this year. Showers may come at the end of the weekend, which would help, but may again be followed by a round of cold air.

World Weather Overview:

EUROPE: Scattered showers are moving through this week, but will be followed by cold air for most areas. Some limited frosts will be possible in some areas, such as higher elevations and northern areas like Poland. Soil moisture has been critical this summer, damaging corn and other summer grains, but recent showers will help for winter grain establishment.

BLACK SEA: Periods of showers will be in the region going through next week, boosting soil moisture for winter wheat planting. Cooler air will settle in this weekend and next week, which may result in frosts in some areas. If it does, that would put an end to any corn or sunflowers that are still filling, and limit winter wheat establishment some.

AUSTRALIA: Cooler temperatures recently have been a little unfavorable, but any frosts have not been occurring in major agricultural areas. Another system moves through the country early this week, followed by another round of colder air. Outside of the cold, conditions are quite favorable for winter wheat and canola.

Headlines:

- > Malaysian Nov Palm Oil Market closed -40 Ringgits @ 3858
- > Dalian Futures markets closed higher Jan Corn -3.00 to the Yuan, Nov Soybeans +7, Jan Meal +1.00, Jan Bean Oil -14, Jan Palm Oil +46
- > Asian Equity Markets were lower Japan's Nikki down 2.78%, China's Shanghai Composite Index -26.255 @ 3237.542
- > European Equity Markets are lower, German Dax -0.48%, London FTSE 100 -0.96%
- > MATIF Markets are lower Nov Corn -2.25, Nov Rapeseed -8.50, Dec Wheat -1.75
- > Save the Date...Sept 16th...US Rail Strike?

- > Save the Date...Sept 21st... FOMC
- > Save the Date...Sept 29th...2Q US GDP
- > Save the Date...Sept 30th...US Grain Stocks
- > Save the date...Oct 1st...National Golden Week in China
- > Save the Date...Oct 2nd...Brazil goes to the poles... #reliablesuppliers...[Brazil's Bicentennial Celebrations: Bolsonaro says he will defeat evil — MercoPress](#)
- > Save the Date...Oct 7th...US Employment Numbers
- > Save the Date...Oct 12th...USDA S&D
- > Save the Date...Oct 16th...The Chinese Communist Party's twice-a-decade leadership congress will begin
- > FAW/Locust all quiet today
- > ASF [African swine fever: Over 480 pigs culled in Patiala district : The Tribune India](#)
- > Bird Flu [New bird flu wave in France raises fears deadly virus here to stay \(msn.com\)](#)
- > Another world hot spot [Greece warns another European war could be on the horizon as Turkey hints at the possibility of an invasion \(msn.com\)](#)

Today's Commentary

Relatively quiet overnight session... Soybeans and wheat favored the upside in quiet, two-sided trade overnight, while corn faced light selling pressure.

U.S. railroads poised to stop shipments of farm products, other key goods starting Thursday... Norfolk Southern Corp. said it plans to halt unit train shipments of bulk commodities on Thursday ahead of a potential U.S. rail worker strike the following day. The railroad also said it would stop accepting autos for transit at its facilities starting this afternoon. Other railways are likely to follow suit, according to one agriculture group. "We are hearing several rail carriers are tentatively planning to wind down shipments," said Max Fisher, chief economist at the National Grain and Feed Association, which represents most U.S. grain handlers. Railways are no longer shipping ammonia, an important component of about three quarters of all fertilizer, because it would be dangerous if the hazardous material was stranded during a potential rail strike, according to the Association of American Railroads. Railroads have until a minute after midnight on Friday to reach tentative deals with holdout unions representing about 60,000 workers.

White House looks for rail alternatives, will meet with union and rail companies today... With a railroad strike looming, the White House is studying whether other transportation providers can keep goods moving if rail companies and labor unions can't reach a deal. White House officials want to minimize disruptions for food, energy and public-health-related products in particular. Labor Secretary Marty Walsh plans to meet with union and rail company leaders today.

A tropical wave currently tracking across the central Atlantic will move into a region that could support gradual tropical development through the rest of the week and into the weekend,



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