MORNING GRAIN COMMENTS

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StoneX

CURRENT TREND: Mostly Higher **REASON:** Corn and wheat follow through on Friday's post-USDA stocks/production rally

EXPORT INSPECTIONS @ 10 AM, FATS & OILS/GRAIN CRUSH @ 2 PM, CROP PROGRESS @ 3 PM

MORNING TRIVIA: Roughly how many pints of blood does the average adult have in their body?

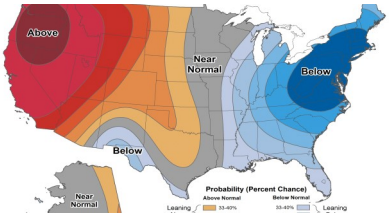
MARKET HEADLINES

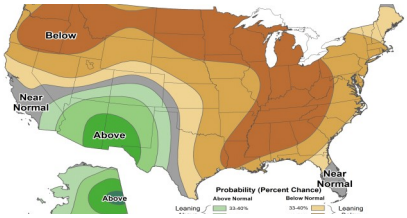
- *Quick Editorial:* the grain markets opened solidly across the board last night, with the soybean complex paring gains since, after receiving drastically different results from the feed grains in Friday's USDA data. Trade focus should return to harvest results and yield estimates in the next week-plus, with private and public corn yield numbers now even more crucial after the government shaved a quick ~150 million bushels off the domestic corn balance sheet
- Russia's SovEcon estimated September grain exports at 4.45 MMT, up from 4.20 MM in August, with wheat at 4.1 MMT, up from 3.5 MMT last month. The firm reported a pickup in pace of winter grain (mostly wheat) plantings as of late, standing at 9.4 million hectares (23.2 mln ac)—still down from 10.7 mln ha (26.4 mln ac) on this date last year, but gaining ground on 2021/22.
- Russia's Ag Minister said the country may start providing financing to their grain importers, after some issues with settlements. The number of importers paying with roubles or their local currency is rising with each month.
- Ukraine's Ag Ministry reported September grain exports at 4.28 MM, down 24% from last year but still the strongest month since the Russian invasion. That included 2.08 MMT of corn, 1.75 MMT of wheat, and 432k tonnes of barley. Cumulative '22/23 imports of 8.6 MMT are still down over 40% from last year's pace, including 4.8 MMT of corn, 3.0 MMT wheat, 762k barley.
- Friday afternoon's Disaggregated CFTC Report showed managed money funds selling 11.8k net corn contracts on the week ending last Tuesday (9/27), along with a –10.7k net in soybeans and –7.2k net meal; the funds added small amounts in bean oil and the wheats. Traders were expecting larger net overall declines on the week. Producers and merchants added 22.2k net corn with the soybean complex up 7-12k net on the week there as well.
- This afternoon's August USDA soybean crush is expected to come in at 175.4 million bushels, down from 181.3 mbu in July but above 168.2 mbu last August. Trade estimates range from 174.0-176.0 million bushels.
- *Export Inspections Estimates (000 tonnes):* **Estimate Range** / *Last Week*
  Corn: **400-700** / 459.4 Beans: **300-600** / *257.6* Wheat: **400-700** / *520.5*
- *USDA Sept 1 Stocks (bln bu):* **Sept 1 2022** / Avg Est / *Sept 1 2021*
  Corn: **1.377** / 1.512 / *1.235* Beans: **0.274** / 0.242 / *0.257*
  Wheat: **1.776** / 1.776 / *1.774*
- *2022 Wheat Production (bln bu):* **Sept 1 2022** / Avg Est / *Sept 1 2021*
  All Wheat: **1.650** / 1.778 / *1.783* Winter: **1.104** / 1.191 / *1.198*
  HRW: **0.531** / 0.573 / *0.576* SRW: **0.337** / 0.379 / *0.381*
  White: **0.236** / 0.238 / *0.240* Spring: **0.482** / 0.514 / *0.512*
  Durum: **0.064** / 0.074 / *0.074*

WEATHER UPDATE

- The Midwest/Plains were dry over the weekend with some light chances seen in the northern belt Mon-Wed, and the SW Plains later in the week, but conditions remain dry overall. Temps look closer to normal now going forward.

NWS 6-10 DAY OUTLOOK: TEMPS & PRECIP





CFTC MANAGED MONEY & RECORD (Since June 2006) POSITIONS:

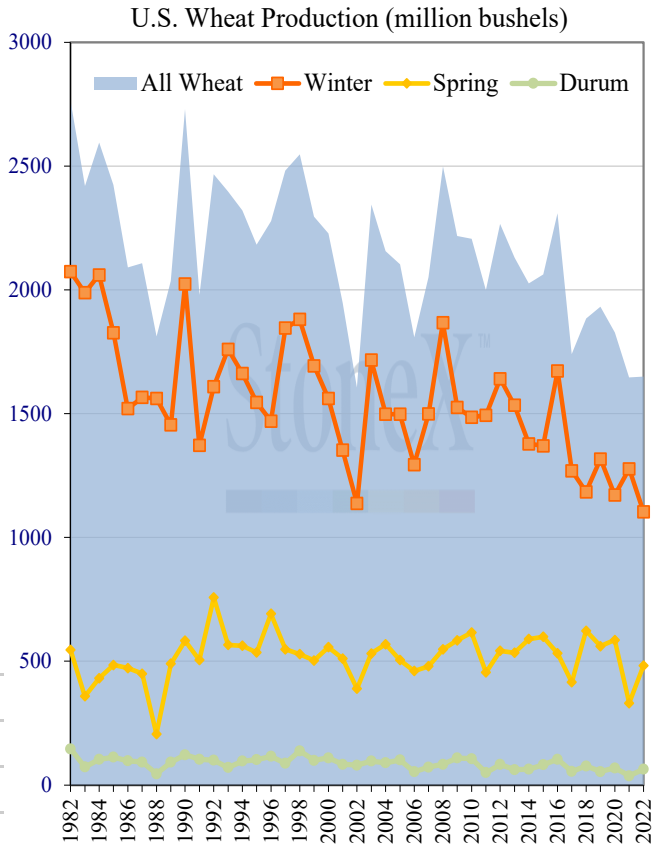
	Corn	Beans	Meal	Oil	Chi Wheat	KC Wheat
Daily	5,000	-20,000	-4,500	-3,000	10,000	0
Est Net	232,362	80,763	83,046	57,452	643	23,704
Rec +	498,177	260,433	132,126	125,722	66,351	72,845
Rec -	-344,185	-171,141	-53,070	-110,846	-171,269	-59,759

NIGHT SESSION (to 7:00 AM): Grain Volume: 104,108

Symbol	High	Low	Last	Chg	Vol
CZ2	687.50	680.00	**683.25**	**+5.75**	18,782
CH3	693.75	686.00	**690.00**	**+6.00**	5,589
CK3	694.00	686.25	**691.00**	**+6.50**	1,995
WZ2	938.75	926.00	**930.75**	**+9.25**	9,007
KWZ2	1007.50	995.00	**1002.25**	**+10.75**	2,436
SX2	1375.75	1362.25	**1364.75**	**+0.00**	19,483
SF3	1386.50	1373.00	**1375.25**	**-0.25**	5,782
SH3	1395.00	1380.00	**1383.50**	**+0.25**	3,001
SMZ2	405.10	400.80	**401.10**	**-1.90**	6,364
BOZ2	62.31	61.39	**62.08**	**+0.52**	7,092
CLX2	83.32	80.87	**82.92**	**+3.43**	72,271
DXY	112.53	111.72	**112.37**	**+0.29**	15,596

FUNDAMENTAL UPDATE

The trade was way off in their estimates of the USDA's September Small Grains wheat numbers, with even the most bullish all-wheat production estimate an even 100 million bushels above the actual figure. All-wheat output was 133 mbu below the August USDA S&D report, with winter wheat 94 mbu down month-over-month (both HRW and SRW came in way down from Aug) with spring output dropping 30 mbu as well. Overall wheat output is now basically even with LY at 1.65 bln bu, the two lowest since '02.



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Answer: 10