



CURRENT TREND:

Steady/Higher

REASON:

Grains rebound to test out chart resistance, large short remains, forecast ugly

TOMORROW: EXPORT SALES @ 7:30 AM, INFORMA @ 10:30 AM; USDA OCT S&D REPORT NEXT THURSDAY @ 11 AM

MORNING TRIVIA: What is the largest joint in the human body?

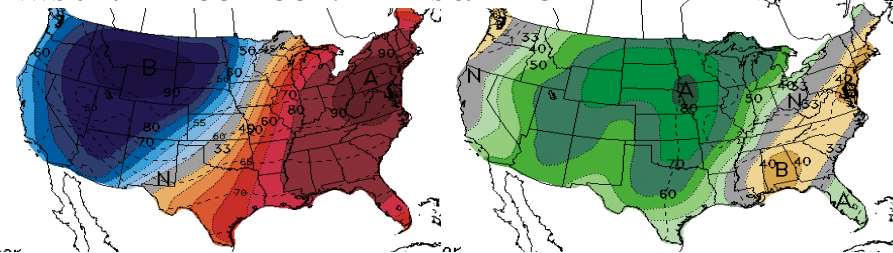
MARKET HEADLINES

- Quick editorial:** the key spot grain contracts are looking interesting on the charts mid-week, despite the trade being directly in the throes of another round of increasing crop estimates; the record crop looks like it will mostly have to stand in the field for another week-plus and soak, though, as producers get skittish with a wet pattern increasing over the next ten+ days. U.S. corn and soybean harvest progress is assumed to move from ahead of pace to behind in the next two weeks if those forecasts verify...
- Japan bought 23k tonnes of feed wheat and 41k tonnes of feed barley in an SBS tender this week, for up to 120k tonnes and 200k tonnes, respectively. Loading for the grain was sought for Jan-Feb, and they're seeking the same quantity for each in a similar tender to be held a week from today.
- Kazakhstan's Ag Ministry reported the country's grain harvest at 18.2 MMT, or nearly 90% of the area planted; that's down from a 99% pace last season.
- A USDA attaché in Algeria estimated that country's 2018/19 wheat imports at 8.2 MMT, even with the previous year (and roughly even with the two seasons before that) but 1 MMT above the Sept USDA S&D figure at 7.2 MMT.
- Russia's Agriculture safety "watchdog" yesterday warned of a potential suspension of 30 different grain loading ports, across two of the country's top grain exporting regions; work could be suspended for up to 90 days IF a violation is found. The agency is reportedly unhappy with the inspection work at several small loading points, and has been putting increased pressure on exporters in recent weeks to pay more attention to grain supply quality.
- Parana's state statistics agency Deral yesterday reported soybean planting progress at 29% in the country's #2 producing state, compared to 16% on the comparable date last year; first-crop corn planting hit 70% done this week, well ahead of last season's 33% pace.
- October CBOT Deliveries:** meal 210 contracts, with next trade date available 9/27/18; oil 779 contracts and 10/2/18.

WEATHER UPDATE

- 24-hour precipitation amounts were generally light and scattered, with the heaviest action lingering in the northern belt again this morning; chances will shift southeastward tonight to begin a pattern of multiple precip events across most of the belt for the next week-plus. Eventual totals are seen reaching 3-4"+ from the southern Plains up through IA and WI. 6-10 day maps remain extremely wet as well, with above-normal precipitation lingering for most well into the 11-15 day time frame. Temperatures are firmly set in the below-normal category as well, coldest to the northwest, with more moderate conditions in the south/southeast.
- Brazil will see plentiful rains up into the 6-10 day time frame, particularly in the southern half of growing areas, keeping up strong moisture supplies for corn and soybean planting but providing some threat for wheat. Argentina is looking drier in the 6-10 day, limiting relief for some dry wheat regions.

NWS 6-10 DAY OUTLOOK: TEMPS & PRECIP



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

	Corn	Beans	Meal	Oil	Chi Wheat	KC Wheat
Daily	9,000	7,000	2,000	5,000	6,000	0
Est Net	-115,855	-45,126	30,099	-67,221	-4,773	28,676
Rec +	409,444	260,433	132,126	125,722	73,662	72,845
Rec -	-242,884	-125,912	-54,855	-63,489	-171,269	-30,005

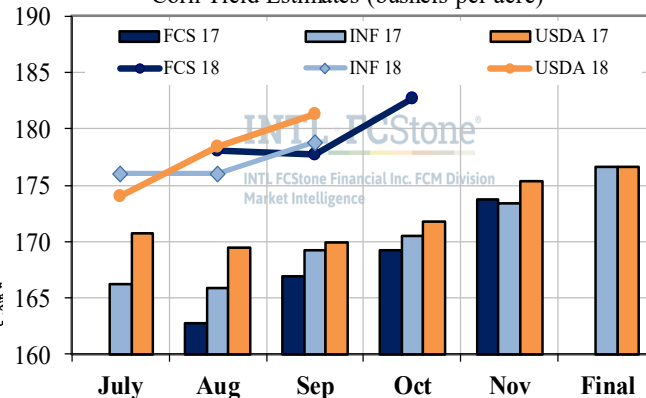
NIGHT SESSION (to 7:00 AM): Grain Volume: **88,526**

Symbol	High	Low	Last	Chg	Vol
CZ8	369.00	367.00	368.25	+0.75	15,780
CH9	380.75	379.00	380.25	+0.75	5,799
CK9	388.50	386.50	387.75	+0.50	4,008
WZ8	527.25	519.75	521.75	+2.50	11,587
KWZ8	530.75	523.00	525.00	+2.50	3,332
SX8	870.00	866.00	869.50	+3.50	8,349
SF9	883.75	879.75	883.00	+3.00	2,094
SH9	896.25	892.25	895.50	+3.25	2,142
SMZ8	315.90	314.50	315.20	+0.10	2,823
BOZ8	29.88	29.62	29.86	+0.20	10,480
CLX8	75.57	75.02	75.28	+0.05	86,299
DXY	95.22	94.89	95.19	+0.05	8,689

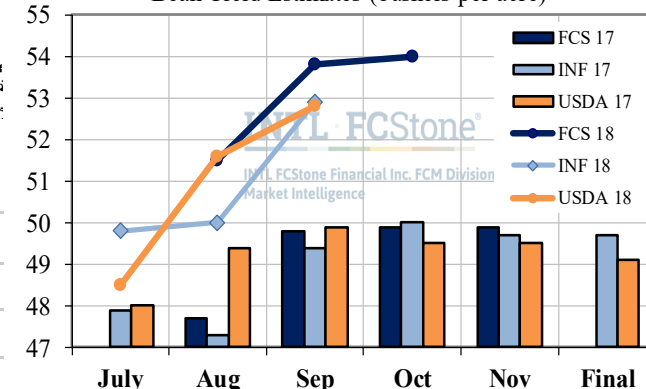
FUNDAMENTAL UPDATE

We're still looking for the top among major 2018 U.S. corn and soybean yield estimates, with around one-quarter of the combined national corn and soy crop harvested as of Sunday night, according to the government. Informa will revise their numbers—presumably slightly higher—on Thursday morning, with the USDA on tap a week after that with its October S&D. INTL FCStone-type yields, if realized and without any demand increases, would push corn carryout over 1.9 billion bushels and beans safely over 950 mbu...

Corn Yield Estimates (bushels per acre)



Bean Yield Estimates (bushels per acre)



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