



Morning Agriculture Commentary

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Wheat prices overnight are up 27 3/4 in SRW, up 27 3/4 in HRW, up 18 3/4 in HRS; Corn is up 3 1/4; Soybeans up 15; Soymeal up \$0.31; Soyoil down 0.07.

For the week so far wheat prices are up 48 1/4 in SRW, up 45 1/4 in HRW, up 30 in HRS; Corn is down 16; Soybeans down 29 1/4; Soymeal down \$1.10; Soyoil down 1.82.

For the month to date wheat prices are up 48 1/2 in SRW, up 45 1/4 in HRW, up 30 in HRS; Corn is down 16; Soybeans down 29 1/4; Soymeal down \$11.00; Soyoil down 1.82.

Year-To-Date nearby futures are up 38% in SRW, up 39% in HRW, up 19% in HRS; Corn is up 35%; Soybeans up 26%; Soymeal up 4%; Soyoil up 55%.

Chinese Ag futures (SEP 22) Soybeans down 41 yuan; Soymeal down 24; Soyoil down 156; Palm oil down 210; Corn down 3 -- Malaysian palm oil prices overnight were down 348 ringgit (-4.90%) at 6756.

There were changes in registrations (-119 SRW Wheat, -14 Oats). Registration total: 1,430 SRW Wheat contracts; 29 Oats; 0 Corn; 0 Soybeans; 98 Soyoil; 0 Soymeal; 154 HRW Wheat.

Preliminary changes in futures Open Interest as of May 4 were: SRW Wheat down 663 contracts, HRW Wheat down 613, Corn down 2,204, Soybeans up 2,064, Soymeal down 2,428, Soyoil up 3,779.

Northern Plains Forecast: Isolated showers south Thursday. Isolated showers Friday. Isolated to scattered showers Saturday-Sunday. Temperatures near normal Thursday-Friday, near to above normal Saturday-Sunday. 6-to-10-day outlook: Scattered showers Monday-Tuesday. Isolated showers Wednesday. Scattered showers Thursday. Isolated showers Friday. Temperatures near to below normal northwest and above normal southeast Monday, below normal Tuesday-Friday.

Central/Southern Plains Forecast: Isolated to scattered showers Thursday. Mostly dry Friday. Isolated showers north otherwise mostly dry Saturday. Isolated showers Sunday mainly north. Temperatures below normal north and above normal south Wednesday, near to below normal Thursday, near normal Friday, near to above normal Saturday, above normal Sunday. 6-to-10-day outlook: Mostly dry to isolated showers Monday. Isolated showers Tuesday-Friday. Temperatures above normal Monday, below to near normal far northwest and above normal southeast Tuesday-Friday.

Western Midwest Forecast: Scattered showers through Friday, mostly south. Mostly dry Saturday. Scattered showers Sunday. Temperatures near to below normal through Friday, near normal Saturday, near to above normal Sunday.

Eastern Midwest Forecast: Scattered showers Thursday-Saturday. Isolated showers Sunday. Temperatures near to below normal through Friday, near normal Saturday, near to above normal Sunday. 6-to-10-day outlook: Isolated to scattered showers north and mostly dry to isolated showers south Monday. Isolated showers Tuesday-Wednesday. Isolated to scattered showers north and mostly dry to isolated showers south Thursday-Friday. Temperatures above to well above normal Monday-Wednesday, above to well above normal southeast and near normal northwest Thursday-Friday.

Canadian Prairies Forecast: Isolated showers west and north Thursday. Isolated to scattered showers Friday. Temperatures above normal through Friday. Scattered showers Saturday-Sunday. Temperatures near to above normal Saturday, below normal west and above normal east Sunday. 6-10 Day Outlook: Scattered to isolated showers Monday-Tuesday. Isolated showers to mostly dry Wednesday. Isolated showers Thursday-Friday. Temperatures below normal west and above normal far southeast Monday, below normal Tuesday-Friday.

Brazil Grains & Oilseeds Forecast: Rio Grande do Sul and Parana... Summary: Scattered showers. Temperatures near to below normal. Forecast: Scattered showers Wednesday. Mostly dry Thursday-Sunday. Temperatures near to below normal Wednesday-Saturday, near normal Sunday. Mato Grosso, MGDS and southern Goias... Summary: Isolated showers north otherwise mostly dry through Sunday. Temperatures below normal south and above normal north through Saturday, above to near normal Sunday.

Argentina Grains & Oilseeds Forecast: Cordoba, Santa Fe, Northern Buenos Aires: Mostly dry through Sunday. Temperatures near normal Thursday-Friday, near to above normal Saturday-Sunday. La Pampa, Southern Buenos Aires: Mostly dry through Sunday. Temperatures near normal Thursday-Friday, near to above normal Saturday-Sunday.

The player sheet for 5/4 had funds: net buyers of 13,500 contracts of SRW wheat, buyers of 500 corn, buyers of 6,500 soybeans, sellers of 2,500 soymeal, and buyers of 5,500 soyoil.

	Corn	Soybeans	Wheat	Soymeal	Soyoil
May 4	+500	+6,500	+13,500	-2,500	+5,500
May 3	-12,000	-7,500	-3,500	-3,500	+1,000
May 2	-17,500	-21,000	-1,500	-1,500	-9,000
April 29	+1,500	+1,500	-9,000	+1,000	-3,500
April 28	+3,000	-6,500	-2,500	-6,000	+7,500

TENDERS

- **CORN PURCHASE:** Taiwan's MFIG purchasing group bought about 55,000 tonnes of animal feed corn to be sourced from South Africa in an international tender which closed on Wednesday
- **WHEAT PURCHASE:** A group of South Korean flour mills bought around 50,000 tonnes of milling wheat to be sourced from the United States in an international tender on Wednesday
- **WHEAT AND BARLEY TENDER:** Tunisia's state grains agency issued an international tender to purchase an estimated 100,000 tonnes of soft wheat and 75,000 tonnes of animal feed barley

PENDING TENDERS

- **FEED BARLEY TENDER:** Jordan's state grains buyer issued an international tender to purchase 120,000 tonnes of animal feed barley

US BASIS/CASH

- Basis offers for corn shipped by barge to the U.S. Gulf Coast and loaded for export rose on Wednesday, reflecting exporter demand and slowing farmer grain sales into marketing channels that feed the Gulf, traders said.
 - Barge freight costs fell, underscoring weak demand for empty barges as grain movement to river terminals thinned. Barges for this week on the Illinois River were offered at 525% of tariff, down from 550% a day earlier.
 - CIF corn basis bids for barges loaded in May were about 89 cents over May CK2 futures and June corn barges were bid around 93 cents over July.
 - FOB basis offers for June corn shipments were offered around 108 cents over July, up 4 cents from Tuesday.
 - For soybeans, CIF basis bids for barges loaded in May were around 124 cents over July, steady with Tuesday's closing bids.
 - FOB basis offers for soybeans loaded at the Gulf in June held steady at around 142 cents over July.
- Spot basis bids for soybeans and corn were steady to firm at U.S. Midwest river terminals on Wednesday, grain dealers said.
 - Cash bids for both commodities were unchanged at elevators and processors around the interior of the region.
 - Bids for soft red winter wheat were strong, rising by 40 cents a bushel in the Chicago area.
 - Farmer sales were slow, an Ohio dealer said.
 - Most growers were unlikely to book new deals until they have made more progress in their planting tasks, dealers said.
- Spot basis offers for U.S. soymeal held steady at truck and rail market processors on Wednesday, dealers said.
 - On the export front, FOB offers for soymeal loadings at the U.S. Gulf were weaker for June and July.
 - The CIF market for barges loaded with soymeal and shipped to export terminals by river were unchanged.
- Spot basis bids for hard red winter wheat held steady at rail and truck market terminals across the southern U.S. Plains on Wednesday, grain dealers said.
 - Sales on the cash market remained slow.

- Farmers were still being cautious about booking new-crop sales even after some rains this week boosted the harvest prospects for their wheat that had been stressed throughout the growing season, an Oklahoma dealer said.
- Spot basis bids for soybeans rose sharply at U.S. Midwest processors early on Wednesday, grain dealers said.
 - Surging demand for soyoil has caused processors to maintain a fast pace of crushing throughout the spring, underpinning basis levels as they seek to entice growers to book deals for their soy.
 - But farmers' interest in selling was light, an Iowa dealer said.
 - Growers were focused on planting tasks, the dealer added.
 - Soybean bids were flat at elevators around the interior of the region and steady to firm along rivers.
 - The corn basis was strong at ethanol plants, and flat at processors, river terminals and grain elevators.
- U.S. spot cash millfeed values were steady to firmer on Wednesday, supported by tight supplies and brisk demand for the byproduct from animal feed mixers, brokers said.
 - Flour mill production across the Midwest and Plains lagged a bit, with most plants running about 5.5 days a week on average instead of six or seven days, one source said.
 - As a result, millfeed supplies were tight in some areas, especially given that millfeed is currently competitively priced relative to other mid-protein feed ingredients.
- Spot basis offers for U.S. soy meal held steady at truck and rail market processors on Wednesday, dealers said.
 - On the export front, FOB offers for soy meal loadings at the U.S. Gulf were weaker for June and July.
 - The CIF market for barges loaded with soy meal and shipped to export terminals by river were unchanged.

GRAIN EXPORT SURVEY: Corn, Soy, Wheat Sales Before USDA Report

	Estimate Range		Prior Results	
	Low-High	Average	Week ago	Year ago
Corn	1,300-2,400	1,720	1,710	244
Soybeans	400-1,575	1,128	1,061	358
Soybean Meal	0-300	170	203	267
Soybean Oil	0-25	10	4	6
Wheat	100-400	235	157	304

U.S. Corn Exports Down 21% Y/y in March, Soybeans Up 39%: Census

	Corn	Soybeans	Wheat	Cotton
March Exports	293m	117m	63m	1,946k
Y/y %	-21%	39%	-20%	19%

U.S. Exports of Corn, Soybean, Wheat, Cotton in March

	March	Feb.	March			March
Metric	2022	2022	2021	Measure	YOY%	Inspections*
Corn	7,446	6,619	9,468	Tons (k)	-21.4%	6,614
Soybeans	3,184	3,791	2,295	Tons (k)	38.7%	3,000
Wheat	1,711	1,854	2,147	Tons (k)	-20.3%	1,512
Soy meal	1,086	982	1,178	Tons (k)	-7.8%	n/a
Soy oil	121	107	71	Tons (k)	71.0%	n/a
Cotton	424	355	356	Tons (k)	18.9%	n/a
Ethanol	474	542	503	Liters (mln)	-5.9%	n/a
Beef	110	92	108	Tons (mln)	2.1%	n/a
Pork	194	173	257	Tons (mln)	-24.7%	n/a

	March	Feb.	March		
U.S. Measures	2022	2022	2021	Measure	YOY%
Corn	293	261	373	Bushels (mln)	-21.4%
Soybeans	117	139	84	Bushels (mln)	38.7%
Wheat	63	68	79	Bushels (mln)	-20.3%
Soy meal	1,197	1,082	1,299	Short tons (k)	71.0%
Soy oil	266	236	156	Pounds (mln)	-7.8%
Cotton	1,946	1,632	1,637	Bales (k)	18.9%
Ethanol	125	143	133	Gallons (mln)	-5.9%
Beef	304	254	300	CWE (mln)	1.2%
Pork	544	486	729	CWE (mln)	-25.3%

U.S. March Agricultural Exports by Country of Destination

	March		
Corn	2022	2021	YOY%
Total Exports	7,446	9,468	-21.4%
China	2,008	1,748	14.9%
Mexico	1,334	1,637	-18.5%
Japan	1,143	1,747	-34.6%
Canada	696	146	376.9%
Colombia	541	713	-24.2%
Other Countries	1,724	3,478	-50.4%
	March		
Soybeans	2022	2021	YOY%
Total Exports	3,184	2,295	38.7%
China	1,335	490	172.2%
Mexico	465	394	17.9%
Egypt	444	406	9.5%
Indonesia	250	252	-0.6%
Japan	152	193	-21.2%
Other Countries	538	560	-3.9%
	March		
Wheat	2022	2021	YOY%
Total Exports	1,711	2,147	-20.3%
Mexico	393	263	49.4%
Philippines	312	246	26.7%
Japan	140	198	-29.1%
Korea, South	122	198	-38.4%
Nigeria	113	139	-18.3%
Other Countries	631	1,103	-42.8%

	March		
Cotton	2022	2021	YOY%
Total Exports	424	356	18.9%
China	150	58	157.1%
Pakistan	53	57	-6.6%
Vietnam	51	83	-38.9%
Turkey	50	42	19.6%
Mexico	25	18	39.3%
Other Countries	95	99	-3.4%

	March		
Ethanol	2022	2021	YOY%
Total Exports	474	503	-5.9%
Canada	129	130	-0.1%
Korea, South	96	27	256.0%
India	52	63	-18.0%
Nigeria	41	0	n/a
Mexico	32	7	344.1%
Other Countries	124	276	-55.2%

Ukraine Soil Moisture 'Satisfactory' for Spring Crops: Research

Soil moisture level for this time of year is better than 2021, suggesting higher harvest yields, according to the Ukraine Grain Association, which cited satellite data obtained by Kyiv-based Institute of Agroecology and Environmental Management.

- In general, soil moisture conditions for Ukraine's spring crops are seen as "quite satisfactory," the association said in a statement on their Telegram channel
- "It gives us optimism regarding future level of harvest yields in all three natural and climate zones, if a trend from 2021 persists"
- Winter wheat is maturing somewhat slower than last year, requiring farmers to inject more fertilizers

World's Grain Reserves to Remain Depleted for Years, Says CF

It will take at least two to three years for farmers to replenish the world's grain stockpiles.

That's according to CF Industries Holdings Inc., the world's largest nitrogen fertilizer company. The outlook is a positive one for the producer, which sees robust global demand for its product as the world restocks, according to an earnings release Wednesday.

A multitude of factors from adverse weather to global shipping disruptions have hurt crop supplies, forcing buyers to tap reserves. As a result, corn, wheat and soybean prices have soared to multiyear highs.

“Global grains stocks remain extremely low, an issue that has become amplified because of Russia’s invasion of Ukraine,” Chief Executive Officer Tony Will said in the release.

Other highlights from the earnings:

- CF estimated 2022 U.S. corn plantings will be 91 to 93 million acres compared with USDA’s estimate of 89.5 million acres.
- Production returns on all 2022 crops are forecast to be historically high despite high input costs.
- Fertilizer trade flows to Brazil will be among the most affected by Russian export problems.
- The company expects some exports of urea from China to restart in the second half of 2022.

Ukraine 2022 wheat crop will be close to last year's 32 mln T

Ukraine's 2022 wheat harvest is likely to be "close" to last year's level of more than 32 million tonnes, APK-Inform agriculture consultancy quoted the National Academy of Agrarian Sciences of Ukraine as saying.

Ukraine sowed 6.5 million hectares of winter wheat for the 2022 harvest but agriculture officials have said some of the area could not be harvested due to the Russian invasion.

"Considering that in April, which is decisive in terms of the yield of winter crops, precipitation exceeded the average long-term norm, farmers will probably be able to get a significant harvest of winter wheat, which will be close to the previous, but not exceed it," the academy said.

The government did not give its own 2022 wheat crop forecast.

La Niña Expected to Linger Over Summer

Forecasts are calling for the La Niña climate system to stay around in the Pacific over the summer, which is providing support for grain futures today. "This is a classic set up for a problematic summer in the Midwest, although it doesn't guarantee such," says Arlan Suderman of StoneX in a note. In its last update in April, the Climate Prediction Center forecast gave the current La Niña a nearly 60% chance of persisting through the summer.

India Plans to Cut Taxes on Edible Oils to Cool Surging Prices

- Government may lower agri-infrastructure cess on crude palm oil imports
- Nation depends on imports for 60% of its vegetable oil needs

India is planning to cut taxes on some edible oils to cool the domestic market after the war in Ukraine and Indonesia’s ban on palm oil exports sent prices skyrocketing, according to people familiar with the matter.

India, the world’s top importer of vegetable oils, is looking to cut the infrastructure and development cess on crude palm oil imports from 5%, the people said, asking not to be identified as the information is private. The new tax amount is still being deliberated, the people said.

The cess is levied over and above basic tax rates on certain items, and is used to finance infrastructure projects. The base import duty on crude palm oil has already been scrapped.

A finance ministry spokesperson didn’t immediately respond to calls and a text message seeking comment. The agriculture and food ministries also weren’t immediately available to comment.

India is especially vulnerable to soaring vegetable oil prices as it relies on imports for 60% of its needs. Prices, which have been rallying for the past two years, extended the surge after Russia’s invasion of Ukraine locked out exports of sunflower oil and Indonesia, the biggest shipper of edible oils, imposed a ban on palm oil exports to protect its domestic market.

India has tried to cool prices in the past, including by reducing import duties on palm, soybean oil and sunflower oil, and limiting inventories to prevent hoarding. Success has been muted because the measures stoked expectations of higher purchases, which further boosted international prices. The government is now looking to cut import duties on crude varieties of canola oil, olive oil, rice bran oil and palm kernel oil to 5% from 35% to help boost domestic supply, the people said.

UAN at Record Price May Change U.S. Farmers' Plans

Prolonged delays in the U.S. spring planting season will likely prompt farmers to alter nitrogen-fertilizer plans. The ammonia window closes once corn is planted, with U.S. farmers switching to urea or urea-ammonium-nitrate (UAN) in 2Q. UAN is trading at a record premium to urea of 28 cents a pound in the Corn Belt, 25 cents above normal. Spreads at that level typically correct within a few weeks, suggesting UAN prices could fall ahead of the main consumption period. U.S. farmers make nitrogen-purchasing decisions based on their crop mix, weather and relative nutrient prices. The U.S. is the largest global UAN region and consumes about 15 million of the market's 26 million metric tons, primarily in 2Q.

WEATHER SUMMARIES

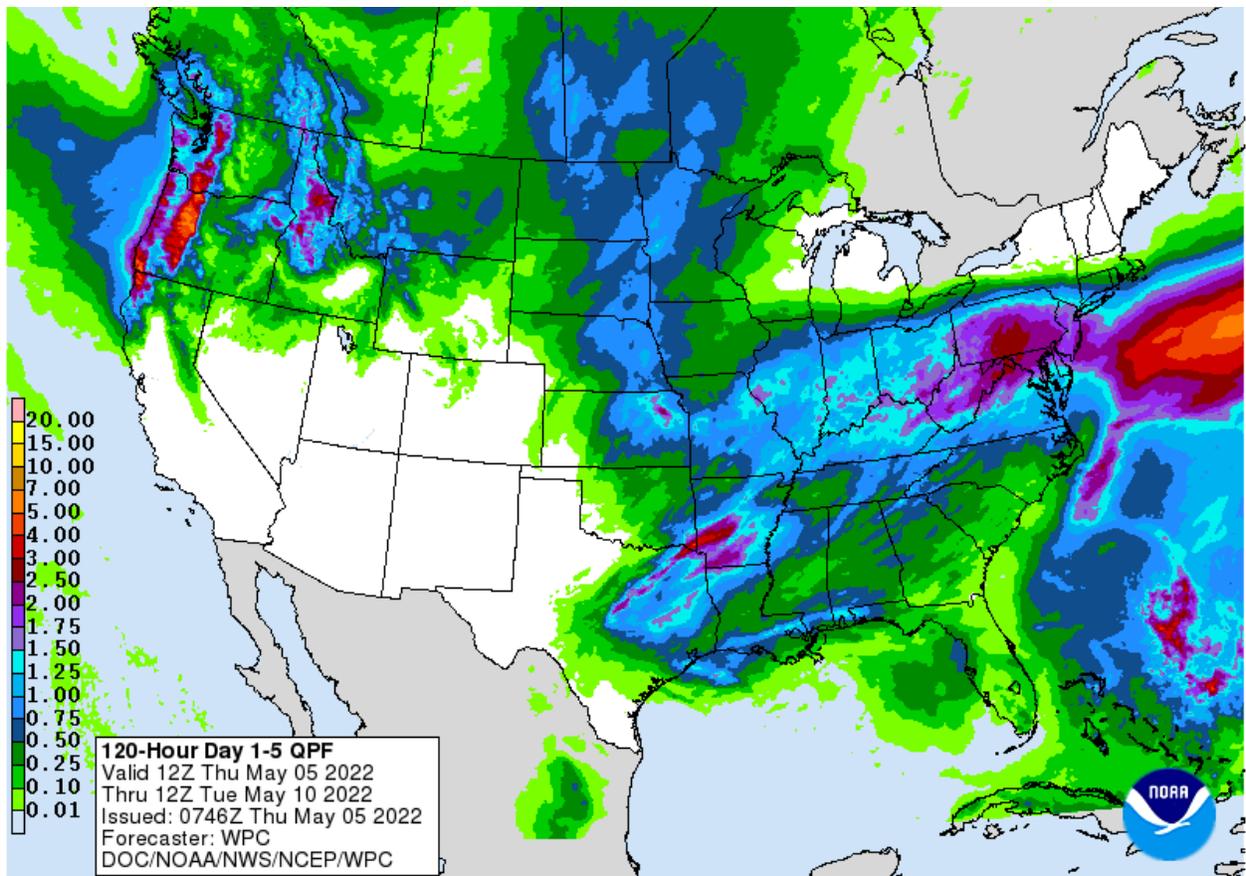
WORLD SOYBEAN PROSPECTS: Dryness in Argentina benefiting harvest. Wet fields limiting fieldwork for much of the Corn Belt. Wet fields limiting fieldwork in the Delta.

WORLD OILSEED PROSPECTS: Scattered showers continue across Malaysia and Indonesia, favoring oil palm. Winter canola developing in favorable conditions in China. Mostly favorable conditions for harvesting winter canola in northwest India and Pakistan. Favorable conditions for planting winter canola in Australia.

WORLD CORN PROSPECTS: Isolated to scattered showers in southern Brazil benefiting developing safrinha corn. Dryness in central Brazil unfavorable for developing to pollinating corn. Dryness in Argentina benefiting harvest. Dryness in South Africa favoring harvest. Above-normal soil moisture and cold temperatures making it difficult for fieldwork in the much of the Corn Belt. Northeast China could use more soil moisture as spring planting increases.

WORLD WHEAT PROSPECTS: Drought continues in the Pacific Northwest, though showers over the next week should increase soil moisture. Deep drought continues in the southwestern Plains, but the region will get a temporary reprieve with scattered showers with a couple of systems this week. Recent precipitation in the Northern Plains and eastern Canadian Prairies reducing drought. The region will miss out on showers this week, allowing limited areas to plant. Showers returning this weekend. Favorable conditions for winter wheat establishment in most of Europe. Though more showers would be beneficial in northern zones. Crop in Ukraine and western Russia finding good soil moisture, but it will be fairly dry for the next week. Winter wheat developing in fair condition in China, but could use more showers. Favorable conditions for planting winter wheat in Australia.

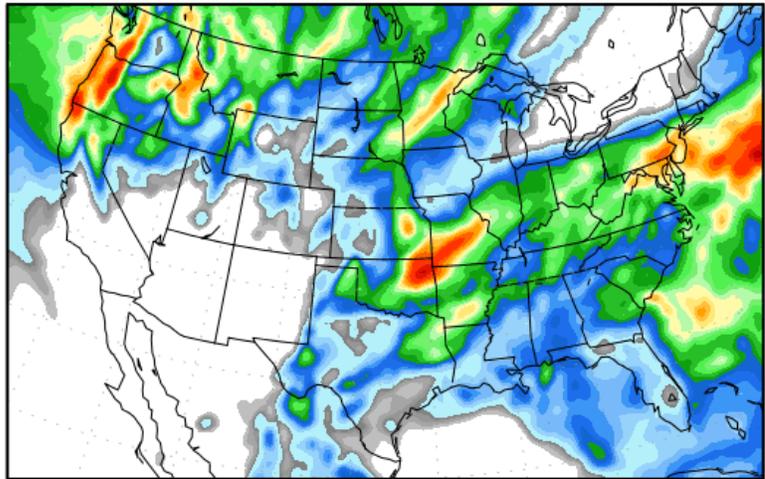
UNITED STATES



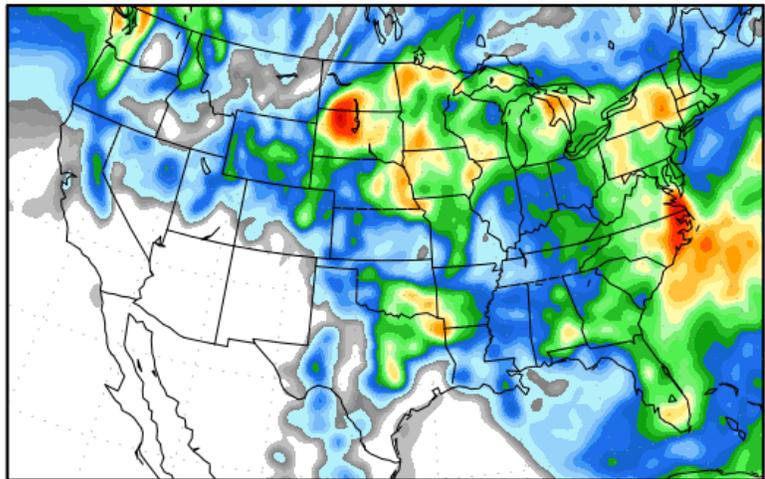
Precipitation Forecasts

Precipitation (in)
during the period:

Thu, 05 MAY 2022 at 00Z
-to-
Fri, 13 MAY 2022 at 00Z

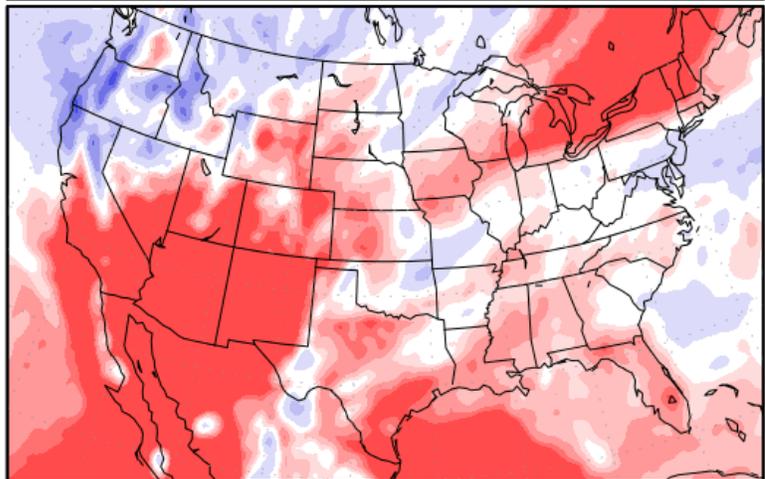
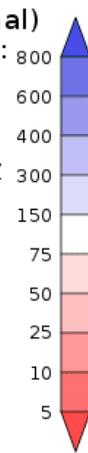


Fri, 13 MAY 2022 at 00Z
-to-
Sat, 21 MAY 2022 at 00Z



Precipitation (% of normal)
during the first period:

Thu, 05 MAY 2022 at 00Z
-to-
Fri, 13 MAY 2022 at 00Z

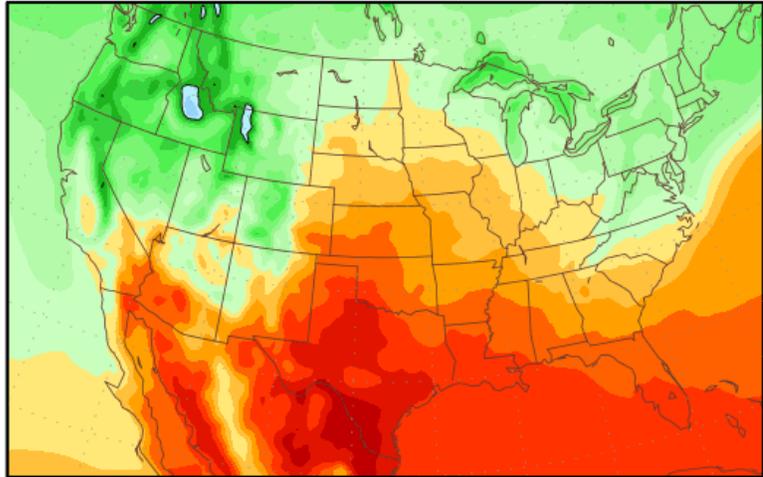
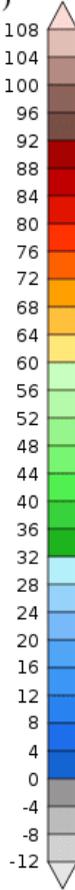


Precipitation forecasts from the National Centers for Environmental Prediction.
Normal rainfall derived from Xie-Arkin (CMAP) Monthly Climatology for 1979-2003.
Forecast Initialization Time: 00Z05MAY2022

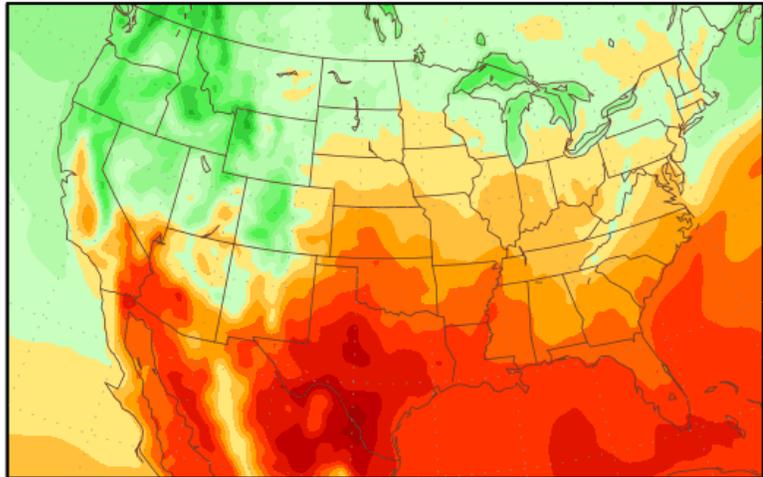
Temperature Forecasts

Mean Surface Temperature (°F)
during the period:

Thu, 05 MAY 2022 at 00Z
-to-
Fri, 13 MAY 2022 at 00Z

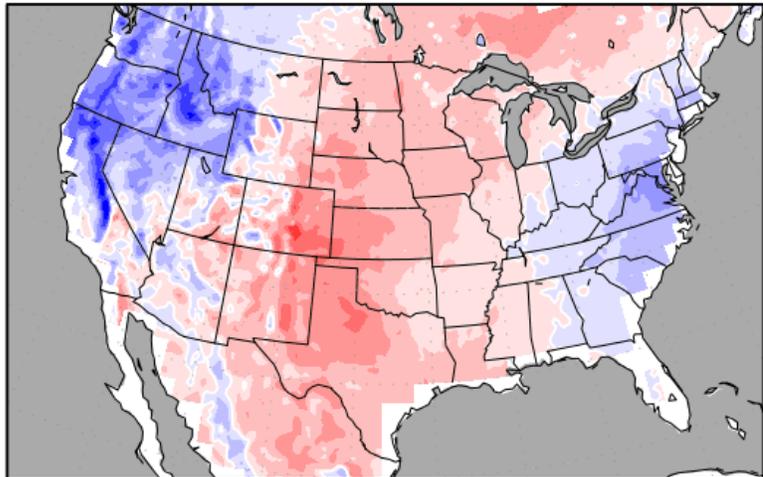
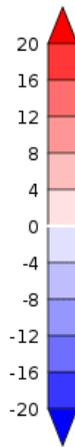


Fri, 13 MAY 2022 at 00Z
-to-
Sat, 21 MAY 2022 at 00Z



Temperature Anomaly
during the first period:

Thu, 05 MAY 2022 at 00Z
-to-
Fri, 13 MAY 2022 at 00Z



Temperature forecasts from the National Centers for Environmental Prediction.
Normal Temperature derived from CRU monthly climatology for 1901-2000
Forecast Initialization Time: 00Z05MAY2022

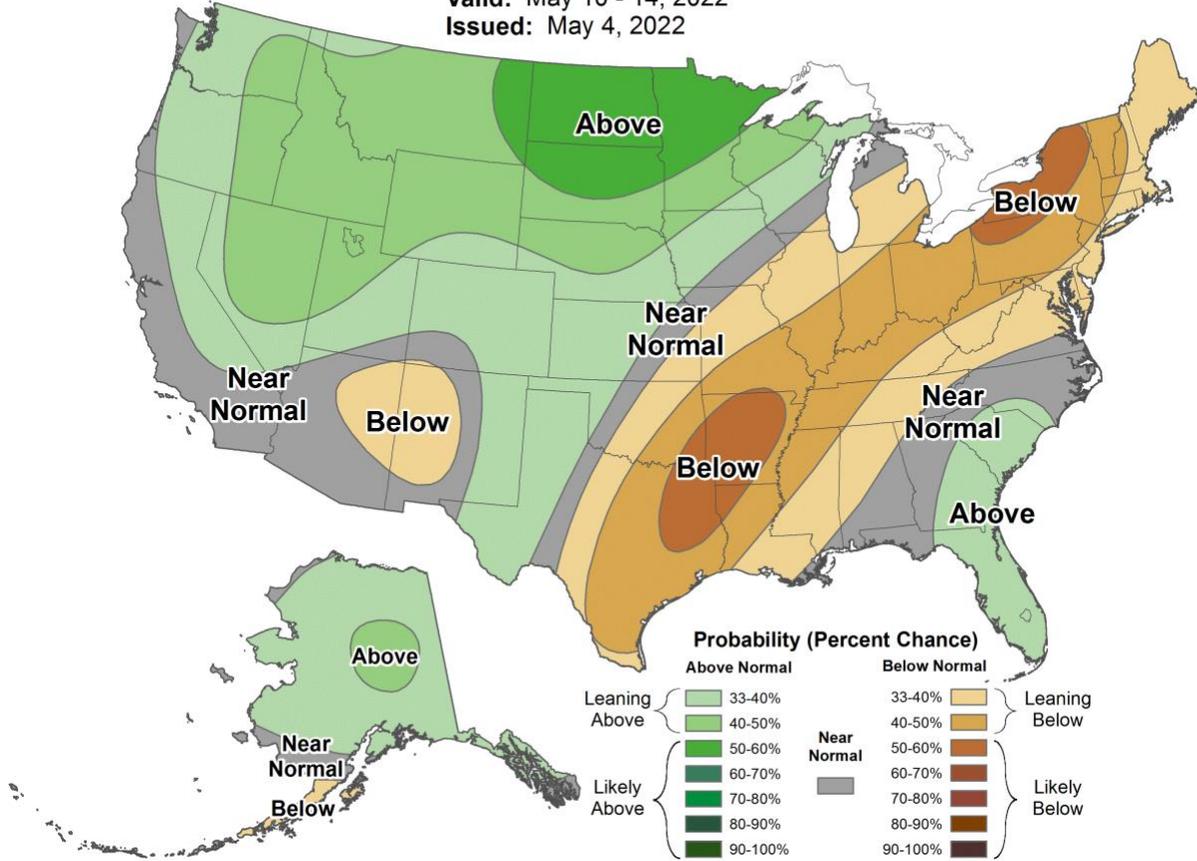


6-10 Day Precipitation Outlook



Valid: May 10 - 14, 2022

Issued: May 4, 2022



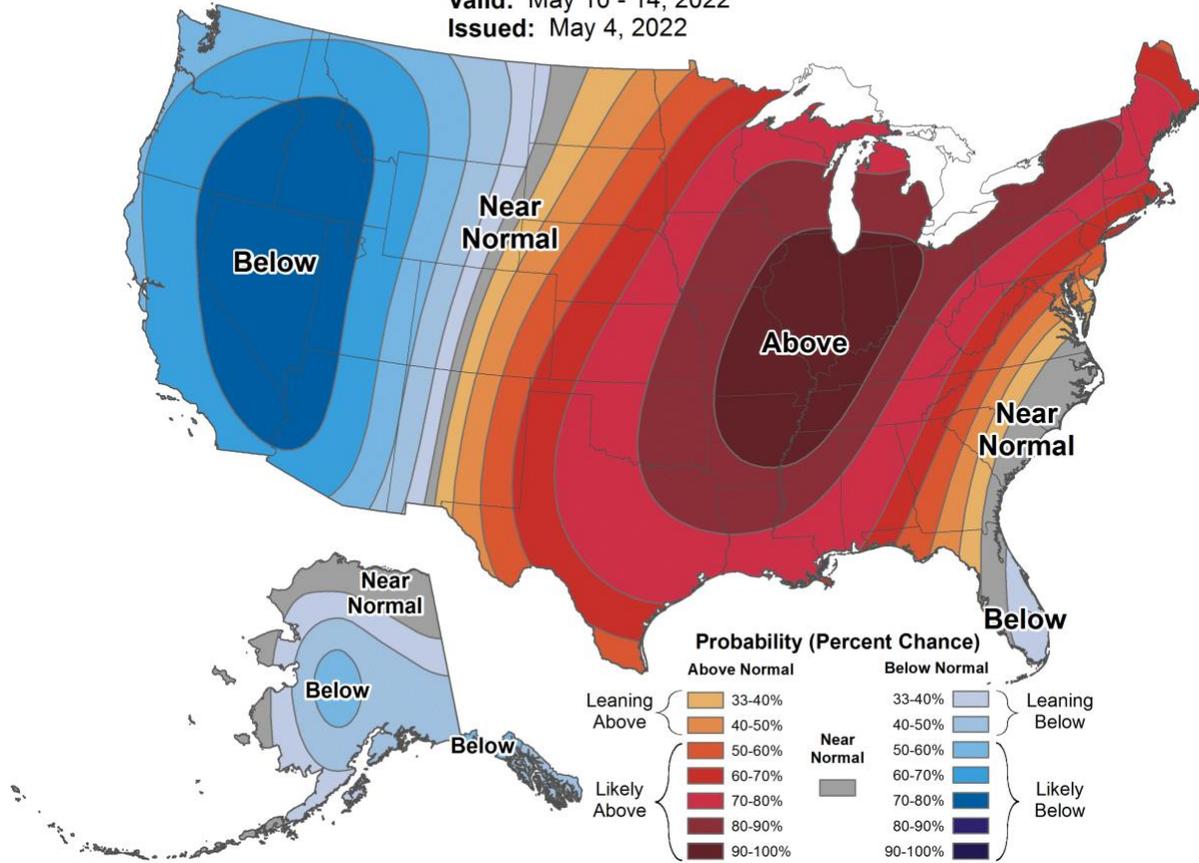


6-10 Day Temperature Outlook



Valid: May 10 - 14, 2022

Issued: May 4, 2022



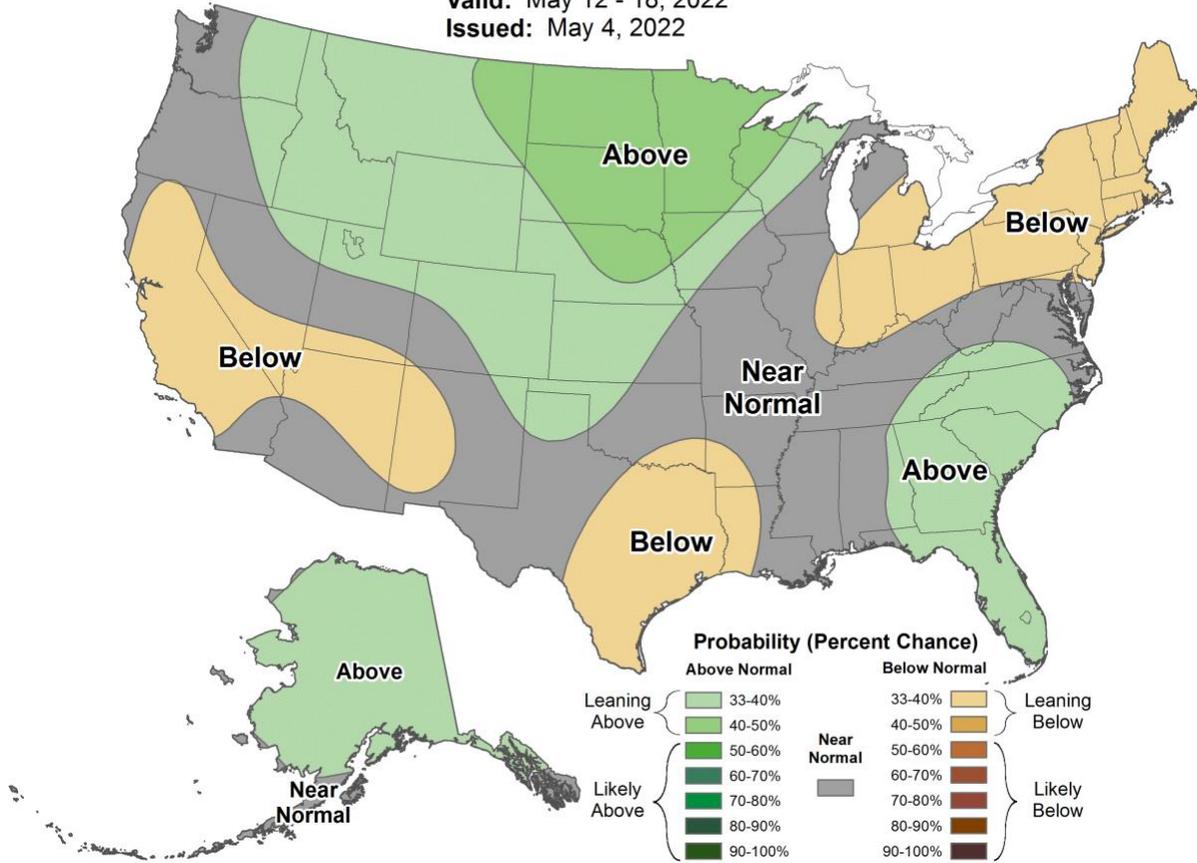


8-14 Day Precipitation Outlook



Valid: May 12 - 18, 2022

Issued: May 4, 2022



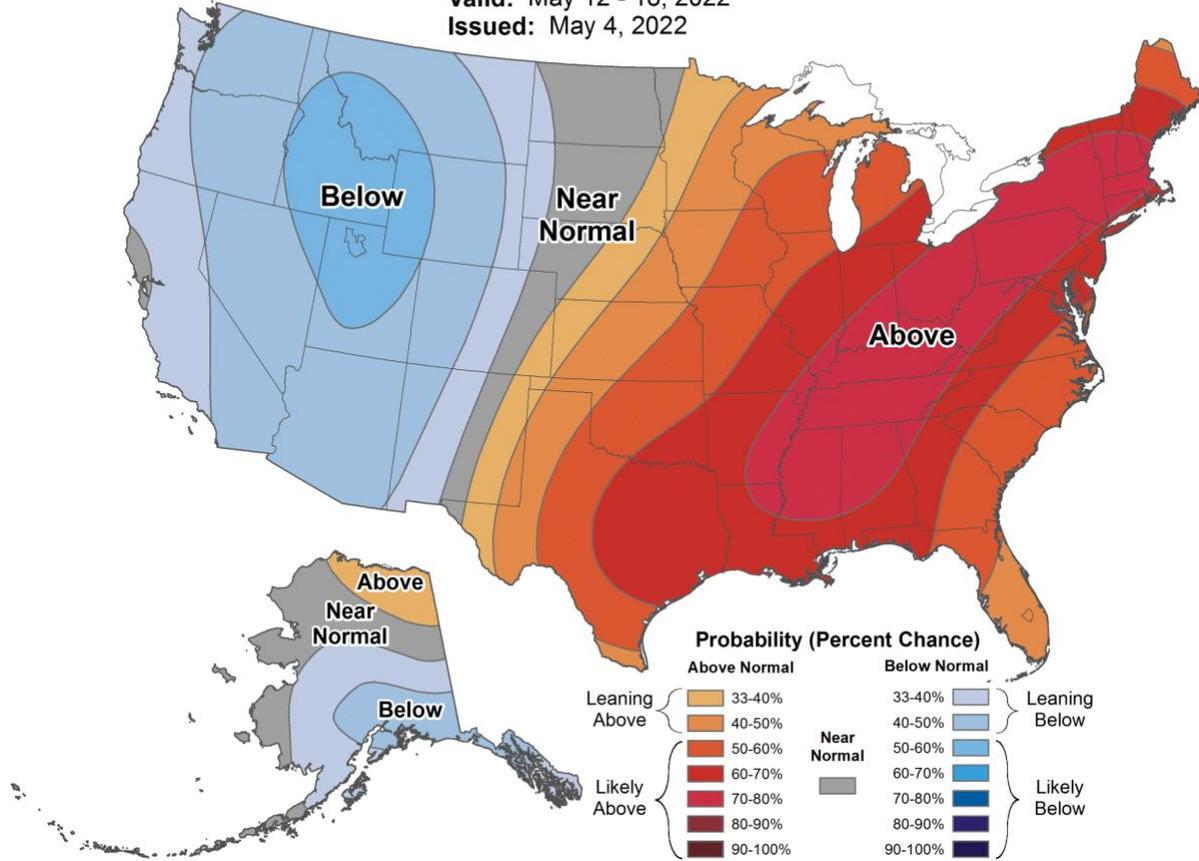


8-14 Day Temperature Outlook



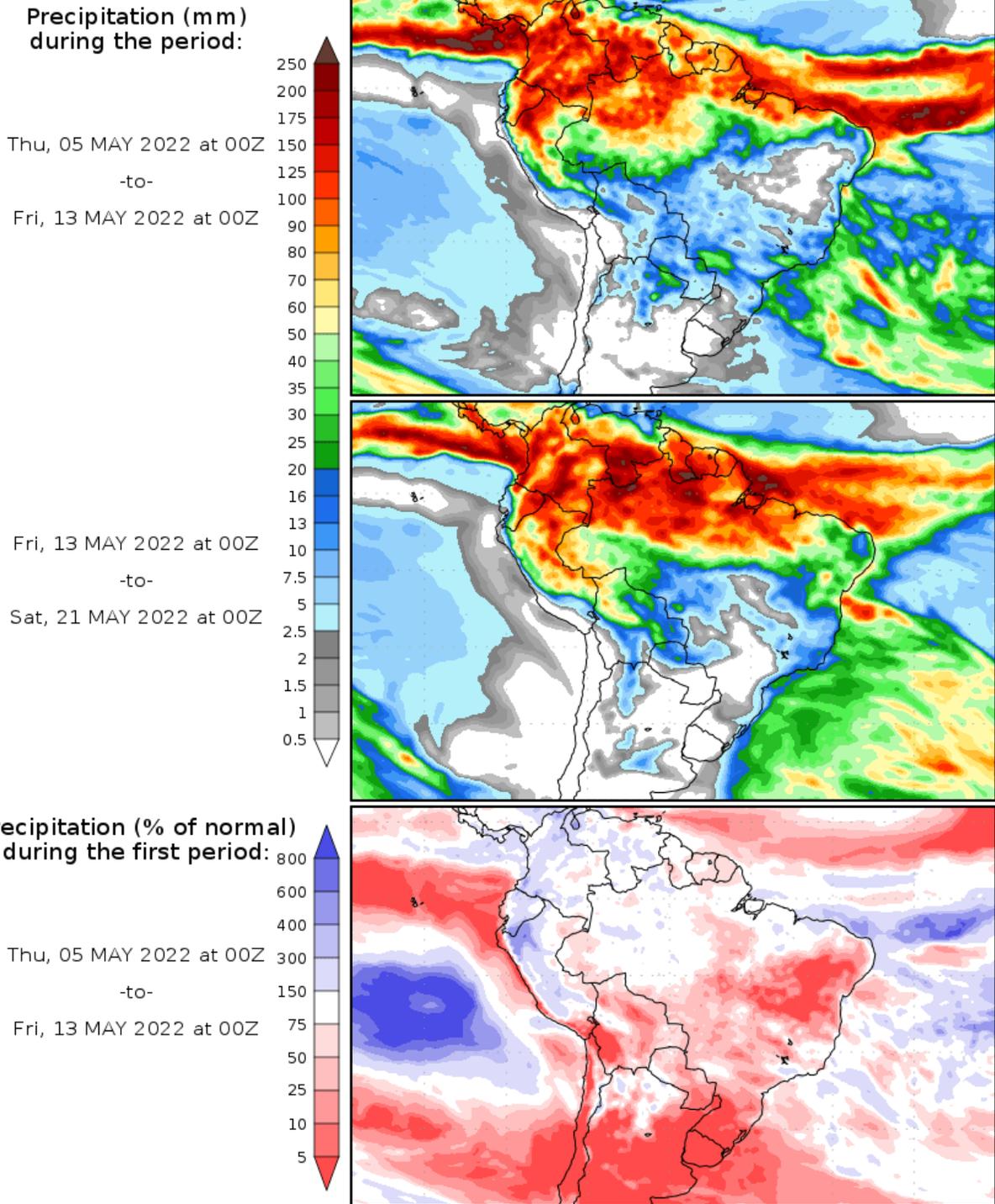
Valid: May 12 - 18, 2022

Issued: May 4, 2022



SOUTH AMERICA

Precipitation Forecasts



Precipitation forecasts from the National Centers for Environmental Prediction.
Normal rainfall derived from Xie-Arkin (CMAP) Monthly Climatology for 1979-2003.
Forecast Initialization Time: 00Z05MAY2022

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