



Wheat prices overnight are up 18 1/2 in SRW, up 16 1/4 in HRW, up 12 1/2 in HRS; Corn is up 5 3/4; Soybeans up 9; Soymeal up \$0.13; Soyoil up 1.17.

For the week so far wheat prices are up 1 1/2 in SRW, up 23 1/2 in HRW, up 22 in HRS; Corn is down 4; Soybeans down 23 1/2; Soymeal down \$1.33; Soyoil up 1.60.

For the month to date wheat prices are up 55 1/2 in SRW, up 85 1/2 in HRW, up 60 in HRS; Corn is down 32 1/2; Soybeans down 83 1/2; Soymeal down \$29.50; Soyoil down 1.97.

Year-To-Date nearby futures are up 41% in SRW, up 46% in HRW, up 23% in HRS; Corn is up 33%; Soybeans up 23%; Soymeal down -1%; Soyoil up 57%.

Chinese Ag futures (SEP 22) Soybeans down 19 yuan; Soymeal up 26; Soyoil up 18; Palm oil up 10; Corn unchanged -- Malaysian palm oil prices overnight were up 148 ringgit (+2.34%) at 6461.

There were changes in registrations (-16 SRW Wheat). Registration total: 1,150 SRW Wheat contracts; 25 Oats; 0 Corn; 0 Soybeans; 98 Soyoil; 50 Soymeal; 154 HRW Wheat.

Preliminary changes in futures Open Interest as of May 10 were: SRW Wheat down 3,216 contracts, HRW Wheat up 616, Corn up 6,492, Soybeans down 1,248, Soymeal down 2,192, Soyoil up 5,407.

*Northern Plains Forecast:* Isolated to scattered showers through Saturday. Temperatures near to below normal west and near to above normal east through Friday, near to below normal Saturday. 6-to-10-day outlook: Mostly dry Sunday-Monday. Isolated showers Tuesday-Thursday. Temperatures near to below normal Sunday, near to above normal Monday-Wednesday, near to below normal Thursday.

*Central/Southern Plains Forecast:* Periods of isolated showers through Saturday. Temperatures above to well above normal through Thursday, near to above normal Friday-Saturday. 6-to-10-day outlook: Isolated showers Sunday-Thursday. Temperatures near to above normal Sunday, above normal Monday-Thursday.

*Western Midwest Forecast:* Isolated to scattered showers through Saturday, mostly north. Temperatures above to well above normal through Friday, above normal Saturday.

*Eastern Midwest Forecast:* Isolated showers northwest through Saturday. Temperatures above to well above normal through Saturday. 6-to-10-day outlook: Isolated to scattered showers Sunday-Thursday. Temperatures near to above normal Sunday, near to below normal Monday-Wednesday, near to above normal Thursday.

*Canadian Prairies Forecast:* Isolated to scattered showers through Thursday. Temperatures near to below normal Wednesday, near to above normal Thursday. Isolated to scattered showers Friday-Saturday. Temperatures near to below normal Friday-Saturday. Outlook: Mostly dry Sunday. Isolated showers Monday-Thursday. Temperatures near to below normal Sunday, near to above normal Monday-Wednesday, below normal Thursday.

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

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

The player sheet for 5/10 had funds: net buyers of 3,000 contracts of SRW wheat, buyers of 2,000 corn, buyers of 2,500 soybeans, buyers of 500 soymeal, and buyers of 3,500 soyoil.

|        | Corn    | Soybeans | Wheat   | Soymeal | Soyoil |
|--------|---------|----------|---------|---------|--------|
| May 10 | +2,000  | +2,500   | +3,000  | +500    | +3,500 |
| May 9  | -14,000 | -15,500  | -7,000  | -6,500  | -3,500 |
| May 6  | -12,500 | -12,000  | +1,000  | -2,000  | -3,500 |
| May 5  | +1,000  | +2,500   | +13,000 | +1,000  | -2,500 |
| May 4  | +500    | +6,500   | +13,500 | -2,500  | +5,500 |

## TENDERS

- CORN SALE: The Korea Feed Association (KFA) in South Korea purchased about 65,000 tonnes of animal feed corn expected to be sourced from South America in a private deal without issuing an international tender
- WHEAT TENDER: Japan's Ministry of Agriculture, Forestry and Fisheries (MAFF) is seeking to buy a total of 196,560 tonnes of food-quality wheat from the United States, Canada and Australia in regular tenders that will close on May 12.
- WHEAT TENDER: Bangladesh's state grains buyer has issued an international tender to purchase 50,000 tonnes of milling wheat

- **FAILED BARLEY TENDER:** Jordan's state grain buyer is believed to have made no purchase in an international tender for 120,000 tonnes of animal feed barley which closed on Tuesday

#### **PENDING TENDERS**

- **RICE TENDER:** South Korea's Agro-Fisheries & Food Trade Corp has issued an international tender to purchase an estimated 136,000 tonnes of rice
- **WHEAT TENDER:** Algeria's state grains agency OAIC has issued an international tender to buy soft milling wheat to be sourced from optional origins
- **WHEAT TENDER:** The Taiwan Flour Millers' Association issued an international tender to purchase 40,000 tonnes of grade 1 milling wheat to be sourced from the United States

#### **US BASIS/CASH**

- Basis bids for corn shipped by barge to the U.S. Gulf Coast were mostly firmer on Tuesday, underpinned by slow movement of supplies into export channels as farmers focus on planting this week, traders said.
  - Farmer sales of corn to river elevators slowed as prices have retreated from recent highs and as Midwest growers take advantage of a window of warm, dry weather to catch up on delayed planting.
  - Demand for U.S. corn was blunted by cheaper available grain from South America.
  - Barge freight rates were mostly flat following a decline last week, barge brokers said.
  - High water impeded shipping some stretches of inland waterways as strong currents and flooding prompted towboats to slow navigation and reduce tow sizes. The slowdown in grain movement underpinned corn basis values.
  - CIF soybean basis bids were mixed amid slow farmer sales and dull export demand.
  - CIF corn basis bids for barges loaded in May were about 100 cents over July, up 4 cents.
  - FOB basis offers for June corn shipments were offered around 108 cents over July.
  - CIF soybean barges loaded in May were bid around 125 cents over July, down a penny from Monday.
  - FOB basis offers for soybeans loaded at the Gulf in June held at around 140 cents over July.
- Spot basis bids for corn rose at river elevators and rail terminals around the U.S. Midwest on Tuesday, grain dealers said.
  - The corn basis was flat at processors and truck market elevators.
  - Cash bids for soybeans were steady to firm at processors and at elevators along the region's rivers.
  - Soybean bids held steady at interior elevators.
  - Slow country movement of both commodities underpinned basis levels, as dealers looked to entice growers into booking new deals for their crops.
  - But growers were focused on planting, with rising temperatures and drying soils around much of the region finally allowing them to access fields after weeks of delays.
- Spot basis bids for corn and soybeans were steady to firm at interior elevators, processors and river terminals early on Tuesday, grain dealers said.
  - Cash bids for corn were steady to weak at ethanol plants, falling by 2 cents a bushel in Annawan, Illinois.
  - Slow country movement of both commodities underpinned basis levels.
  - Most growers were not showing much interest in booking new deals for either old-crop or new-crop supplies, an Iowa dealer said.

- Spot basis bids for hard red winter wheat held steady at grain elevators across the southern U.S. Plains on Tuesday.
  - Farmers have been unwilling to book new sales of their wheat in recent months, with concerns about harvest prospects for the crop in the fields making them wary of committing to deals, dealers said.
  - Protein premiums for hard red winter wheat delivered by rail to or through Kansas City fell by 30 cents a bushel for wheat with protein content of 11.2% and wheat with protein content ranging from 11.6% through 12.2%, according to CME Group data.
  - Premiums were 20 cents lower for ordinary protein wheat and 11% protein wheat and 25 cents lower for 11.4% protein wheat. Premiums were unchanged for all other grades of wheat.
- Spot U.S. cash millfeed values held steady in the Midwest and northern Plains on Tuesday, underpinned by tight supplies and strong demand, while prices were flat to lower in other markets, brokers said.
  - Flour mill run times in the Midwest and northern Plains have lagged at times over recent weeks, with some mills electing not to operate over the weekend. As a result, millfeed supplies have struggled to keep pace with strong demand from feed users.
- Spot basis offers for soymeal firmed at rail market processors in the eastern U.S. Midwest on Tuesday, dealers said.
  - Scheduled maintenance shutdowns at processors were making it hard to find enough supplies to fill trains in some areas, a rail broker said.
  - Offers were mostly unchanged at Midwest truck market processors.
  - On the export front, offers for supplies shipped down rivers by barge to the U.S. Gulf weakened. But the basis for loadings at the Gulf firmed.
  - Although offers held steady at most truck market processors, the basis was down by \$5 per ton in Mankato, Minnesota.

#### ETHANOL: U.S. Weekly Production Survey Before EIA Report

|                    | Survey Results |        |        | EIA        |
|--------------------|----------------|--------|--------|------------|
|                    | Avg            | Low    | High   | Prev. Week |
| Production (k bpd) | 976            | 972    | 979    | 969        |
| Stockpiles (m bbl) | 23.736         | 23.487 | 23.999 | 23.887     |

#### Brazil Soybean, Corn Crop Survey Before Conab's Report

| 2021-22:                    | Survey Results |        |        | Conab  | Avg vs |
|-----------------------------|----------------|--------|--------|--------|--------|
|                             | Avg            | Low    | High   | April  | Prior  |
| Soybean area (M Ha)         | 40.78          | 40.60  | 41.20  | 40.81  | -0.03  |
| Soybean production (M tons) | 123.89         | 122.30 | 125.80 | 122.43 | 1.46   |
| Soybean yield (k Kg/Ha)     | 3.041          | 3.007  | 3.103  | 3.000  | 0.04   |
| Corn area (M Ha)            | 21.49          | 21.00  | 22.20  | 21.24  | 0.25   |
| Corn production (M tons)    | 115.62         | 112.30 | 118.70 | 115.60 | 0.02   |
| Corn yield (k Kg/Ha)        | 5.382          | 5.159  | 5.558  | 5.443  | -0.06  |

#### Malaysia May 1-10 Palm Oil Exports +40.31% M/m: Intertek

|       | May     | May     | April     | April   | April   | April   | April   |
|-------|---------|---------|-----------|---------|---------|---------|---------|
|       | 1-10    | 1-5     | 2022      | 1-25    | 1-20    | 1-15    | 1-10    |
| Total | 390,938 | 180,418 | 1,135,681 | 914,661 | 646,341 | 472,181 | 278,621 |
| MoM%  | 40.31%  | 67.08%  | -16.08%   | -12.28% | -14.50% | -19.32% | -25.59% |

#### Brazil May Soy Exports Seen Reaching 10.615 mln T - Anec

- BRAZIL SOY EXPORTS SEEN REACHING 10.615 MILLION TNS IN MAY VERSUS 8.075 MILLION TNS FORECAST IN PREVIOUS WEEK - ANEC
- BRAZIL SOYMEAL EXPORTS SEEN REACHING 1.919 MILLION TNS IN MAY VERSUS 1.679 MILLION TNS FORECAST IN PREVIOUS WEEK - ANEC
- BRAZIL CORN EXPORTS SEEN REACHING 927,209 TNS IN MAY VERSUS 737,487 TNS FORECAST IN PREVIOUS WEEK - ANEC
- BRAZIL WHEAT EXPORTS SEEN REACHING 103,719 TNS IN MAY VERSUS 69,500 TNS FORECAST IN PREVIOUS WEEK - ANEC

#### Gapki Expects Indonesia to Lift Palm Oil Export Ban in 2-4 Weeks

Indonesia will “hopefully” lift the export ban soon so the country can maximize opportunity to meet demand from Europe’s market during supply scarcity of other edible oils, according to Indonesian Palm Oil Association’s Head of Foreign Division Fadhil Hasan.

- “Hopefully it is only a temporary measure, so maybe in two weeks or a month this will be lifted and we can maximize the opportunity we have in Europe,” said Hasan
- Russia invasion to Ukraine and the pandemic has tightened supply of edible oils
- Indonesia has missed its opportunity to fill in the supply gap due to its current exports ban
- NOTE: Association, known as GAPKI, is an industry group of palm oil producers

#### EU 2021/22 soybean imports at 12.07 mln T by May 8, rapeseed 4.55 mln T

European Union soybean imports in the 2021/22 season that started in July reached 12.07 million tonnes by May 8, compared with 12.97 million tonnes by the same week in 2020/21, data published by the European Commission on Tuesday showed.

EU rapeseed imports so far in 2021/22 had reached 4.55 million tonnes, compared with 5.73 million tonnes a year earlier.

Soymeal imports so far in 2021/22 were at 13.93 million tonnes against 14.87 million a year ago, while palm oil imports stood at 4.15 million tonnes versus 4.60 million.

EU sunflower oil imports, most of which usually come from Ukraine, were at 1.68 million tonnes, against 1.52 million a year ago, the data showed.

### **Manitoba Says Almost No Crop Seeded Amid Wet Weather Delays**

Extremely wet and cold April conditions have delayed crop planting by “at least two weeks behind normal starting dates,” the province’s agriculture ministry says Tuesday in a report.

- Seeding progress is less than 1%, trailing the five-year average of 21%
- Some locations received more than 500% of normal precipitation in April
- 26 rural municipalities and communities have declared states of emergency to fight floodwaters
- “Farmers are extremely concerned about seeding delays” and some growers swapping corn and soybean acres into canola and spring wheat

### **Soggy Fields Spur Manitoba Farmers to Swap Corn Acres for Wheat**

- Shift comes as growers ‘concerned’ about seeding delays
- Province walloped by heavy rainfall, flooding in April

Farmers struggling in waterlogged parts of Canada’s Prairies are simply ditching acres of corn and soybeans for crops that are likely to fare better, like wheat and canola.

Growers are “extremely concerned” about planting delays, which is prompting the shift, Manitoba’s provincial agriculture ministry said Tuesday in a report. Soybeans and corn have to be planted earlier in the spring season or there is a risk yields will drop. Virtually nothing has been planted in the Canadian province after heavy rainfall in April saturated fields and led 26 municipalities to declare states of emergency due to flooding.

More rain is forecast for the eastern prairies this week. Canada is one of the world’s major exporters of wheat and the top shipper of canola.

“There’s great concern,” said Bill Campbell, president of Keystone Agricultural Producers. “Some guys have started to seed but I could probably count them on one hand.”

### **India’s Edible Oil Imports to Fall on Weak Demand and Large Crop**

India, the world’s top buyer of edible oils, is expected to import 12.5m to 13m tons in 2021-22, according to B.V. Mehta, executive director of the Solvent Extractors’ Association of India.

- “But, I won’t be surprised if India’s imports go even below 12.5m tons this year,” Mehta said at the Globoil International conference in Dubai
  - NOTE: Inbound shipments totaled 13.13m tons in 2020-21
  - India bought 6.54m tons of edible oils in the first half of the oil year that started in November last year; +4.3% from a year earlier
  - Purchases are likely to be lower in 2021-22 than last year due to a record domestic mustard crop, better availability of local oils, demand destruction due to high prices and prediction of a normal monsoon this year
- India is estimated to buy 7.2m tons of palm oils in 2021-22, 3.8m tons of soybean oil and 1.8m tons of sunflower oil
  - The nation imported about 1.12m tons of sunflower oil, mainly from Ukraine, Russia and Argentina, during November 2021 and April this year
  - No shipments have come from Ukraine since March 27

- High global prices and lower availability of sunflower oil have cut consumption of the cooking oil in India. The shortfall is partially being replaced by other edible oils like palm olein, soybean oil, groundnut oil and rice bran oil
- Indonesia's surprise move to ban palm oil exports has made life difficult for consumers across the world
  - India has raised concerns at the World Trade Organization over trade barriers by Indonesia, including export restrictions on palm oil and import curbs on bovine meat and auto parts
  - It is expected that Indonesia will lift the restrictions before the end of this month. "However, the situation will turn ugly if Indonesia continues to ban exports of palm products as enough supplies from other origins are not available," Mehta said

### **As Black Sea supplies fall, India sells record 1.4 mln tonnes wheat in April**

India exported a record 1.4 million tonnes of wheat in April, four trade sources said, providing some relief to grain markets as buyers scramble for alternatives to Black Sea supplies hit hard by the war in Ukraine.

April is the first month of the fiscal year. India, the world's second biggest wheat producer, exported a record 7 million tonnes of the grain in fiscal 2021-22.

India is the only major supplier of wheat at this time of year, and its exports of the grain have surged since Russia invaded Ukraine in late February.

It exported just 242,857 tonnes of wheat in April 2021.

With the new season crop gathered in April, wheat shipments could rise further this month.

"In May, shipments could rise to 1.5 million tonnes," said a New Delhi-based dealer with a global trading firm. "Wheat supplies and railway cars' availability have improved in the last few weeks and that will help ship out more wheat in May."

Buyers from Asia and the Middle East are purchasing Indian wheat, as it is cheaper than alternatives, he said.

India has exported wheat to South Asia, Southeast Asia, the Middle East, Europe, and North Africa.

As supplies dropped from Ukraine and Russia, which together used to account for about 29% of global wheat exports, top wheat importer Egypt agreed for the first time to purchase the grain from India.

India also exported wheat to other new markets such as Israel, Turkey, Indonesia, Mozambique, and Tanzania, traders said.

In addition, the United Nations' World Food Programme sourced wheat from India to supply to Somalia, Kenya and Djibouti, they added.

In April, Indian traders signed wheat export deals at between \$295 and \$340 a tonne free on board, said Rajesh Paharia Jain, a New Delhi-based trader.

### **Australia's Graincorp says Black Sea export disruption could last 'several years'**

Australia's Graincorp GNC.AX, the country's top grains handler, said disruptions to exports from the Black Sea because of the Ukraine conflict could potentially last several years.

"Whilst it's very difficult to predict exactly what's going to happen in the Black Sea, it's certainly our view that it's going to be disrupted for a significant period of time," Graincorp Managing Director Robert Spurway said.

"It could run to several years, given the very disruptive hostilities on the ground in Ukraine, the infrastructure in that country that's been damaged."

### **AgriMer Trims French Soft-Wheat Export Outlook by 1.7%**

Soft-wheat exports from France are now seen at 17.4m tons in 2021-22, down from an April outlook for 17.7m tons, crops office FranceAgriMer says Wednesday in a report.

- Estimate for sales to non-EU countries trimmed to 9.25m tons, from 9.5m tons
- Stockpiles seen at 3.22m tons, up from 3m tons

### **BARLEY**

- Export outlook pared to 6.12m tons, from 6.14m tons
- Stockpile estimate lifted slightly to 1.27m tons

### **CORN**

- Export outlook lifted to 5.83m tons, from 5.81m tons
- Stockpiles seen at 2.18m tons, up from 2.02m tons

### **Germany Seeks to Alter EU Crop Rotation Rules to Aid Wheat Area**

Germany's agriculture minister says he is working in Brussels to ensure new EU regulations on crop rotations are postponed, to allow farmers to produce more wheat, according to a statement on Wednesday.

- "We are all concerned about the Russian war of aggression in Ukraine and the impact on global food security": Agriculture Minister Cem Ozdemir
- Planned EU regulations will not allow the same main crop to be cultivated on land in back-to-back years, such as planting winter-wheat after wheat
- "Our major task at this time is: security of supply and climate protection and species protection. We have to be measured by that": Ozdemir

### **Videos of Ruined Wheat Fields in China Boost Food Security Fears**

- Farmers have been cutting the crop down to sell as silage
- Reports that land is being cleared for construction projects

Videos showing acres of wheat in China being destroyed or cut down before they mature are going viral on social media, throwing doubts on the quality of the crop in some areas at a time when global prices are soaring.

The agriculture ministry is investigating to see if there's any illegal destruction of the wheat crop, it said in a statement, citing reports that in some regions farmland is being cleared for construction projects, while in others growers are cutting the grain prematurely to sell as silage for animal feed.

Farm production is a particularly sensitive issue in China. The country strives for self-sufficiency in staple food crops such as wheat and rice, but has become the world's biggest importer of corn and soybeans. In the last two years, the nation has also emerged as one of the top global buyers of wheat.

That makes it particularly vulnerable to the surge in world crop prices as the war in Ukraine, combined with blistering heat, drought and floods in other countries, upend global supplies and inflate food costs. At home, China's production is challenged by limited farmland, its own weather issues and strict Covid lockdowns that have curbed labor movement and delayed planting.

China's fields of winter wheat are set to be harvested in about 20 days, said the ministry, adding that the crop has faced many problems, including unusual floods last autumn. Record-breaking rain forecast in southern China in the coming days may pose another challenge for the country's farm production.



Given the poor conditions and quality concerns, it isn't surprising that farmers are cutting the wheat for hay as this may offer a better return than grain, said Andrew Whitelaw, an analyst at Melbourne-based Thomas Elder Markets.

"If China has a poor crop this season, then they will likely have to continue with a strong import program," according to Whitelaw. "There are already question marks around China's food security ambitions," he said, adding that the country's been importing large amounts of wheat this year.

**Palm Oil to Tumble Almost 40% If 'Normalcy' Returns, Mistry Says**

- It's a matter of time before Indonesia relaxes its export halt
- Prices will fall when ban lifts and war in Ukraine is resolved

Palm oil may sink to 5,000 ringgit (\$1,141) a ton by June and further to 4,000 ringgit by September when Indonesia relaxes its export ban and the war in Ukraine is resolved, according to veteran trader Dorab Mistry.

Global vegetable oil markets face a "perfect storm" with the loss of sunflower oil trade from the Black Sea, the ban on palm oil exports by Indonesia, drought in some oilseed producing regions and labor shortage in Malaysia, Mistry said. But when normalcy returns, palm oil will fall sharply as production picks up.

It's a matter of time before Indonesia relaxes its export halt, Mistry, director at Godrej International Ltd., said in slides prepared for the Globoil conference in Dubai. If the policy extends beyond three weeks, it will lead to storage problems and hurt farmers whose fresh fruit bunches will not be purchased.

"A win-win settlement has been discussed," Mistry said. Along with the lifting or relaxation of the ban, Indonesia may also tweak its export levy and tax system, he added. The ban has been imposed since April 28.

Benchmark futures were at 6,484 ringgit a ton in Kuala Lumpur Wednesday. A slump to 4,000 ringgit as predicted by Mistry would represent a decline of almost 40% from current levels and wipe out gains made in the past year.

Other details from the presentation:

- Energy and commodity prices could fall dramatically in the second half due to weaker growth and demand; stagflation will inevitably lead to recession
- Malaysia may only produce 19 million tons of palm oil this year as a labor shortage persists and production costs will rise
- NOTE: Malaysian government expects 20 million tons; output last year was 18 million tons, a five-year low
- Indonesia's output could climb by at least 2 million tons this year
- Planting of crops in Ukraine for 2022 summer harvest will be half to 40% of normal levels
- Rapeseed production could recover in Europe and Canada; Indian mustard seed output hits a new high while the outlook for soybean production in North America has improved
- India's edible oil imports to fall 6.6% on-year to 12.6 million tons, Mistry said. More forecasts in the table below:
- Depending on Brent crude prices, biodiesel production and demand will remain strong; this will prevent vegetable oil prices from declining too much, he added

### **India Demand May Shift to Domestic Edible Oils as Palm Oil Soars**

High palm oil prices will prompt Indian consumers to shift to domestic edible oils or soybean oil, said Sudhakar Desai, CEO of Emami Agrotech Ltd. and president of India Vegetable Oil Producers Association.

- Palm is no longer a cheap oil, he said at a conference in Dubai

- Indian farmers should shift to growing peanuts, rapeseed, sunflower, soybeans and ricebran (in that order) from wheat and rice
- Indonesia's ban on palm oil exports will have to be lifted in May
- To achieve domestic cooking oil prices of 14,000 rupiah a liter, Indonesian refiners would be losing about \$80 million a month
- Country's cost of running biofuel mandates is estimated at \$140 million a month

#### Forecasts from Desai:

- India's edible oil imports seen at 12.53m tons in 2021-22 tons vs 14m a year earlier; per capita edible oil demand to drop 3% y/y
- India 2021-22 palm imports seen at 7.3m tons vs 8.83m y/y
- India 2021-22 soyoil imports seen at 3.62m tons vs 3.13m
- India 2021-22 sunflower oil imports seen at 1.5m tons vs 1.96m
- Malaysia 2022 palm output seen at 18.7m tons vs 18.2m
- Malaysia 2022 palm end stocks seen at 1.5m tons vs 1.6m y/y
- Indonesia 2022 palm output seen at 48.1m tons vs 46.6m tons y/y
- Indonesia 2022 palm end stocks seen at 6.95m tons vs 5.4m

#### **Unfavorable weather and war disruptions sustain low Ukraine corn production prospects - Refinitiv Commodities Research**

2022/23 UKRAINE CORN PRODUCTION: 19.1 [17.2-20.9] MILLION TONS, UNCHANGED from last UPDATE  
 2022/23 Ukraine corn production estimate maintains at 19.1 [17.2-20.9] million tons, amid the ongoing Ukraine-Russia war and drought concerns. Despite the war-related difficulties, spring sowing campaign is actively progressing across most of Ukraine, except in Luhansk oblast where intensive military conflict is occurring. Significant production losses are expected this season due to the ongoing war. Farmers are facing logistic issues, fuel, machinery, and supplies shortages, and are switching to less demanding and cheaper crops. Additionally, mass grain stealing was reported from occupied oblasts. All those factors, together with cool and dry weather, negatively affect the prolonging plantings.

Over the past two weeks below average temperatures were observed across Ukraine, especially in the northern oblasts. Coolness together with little/no precipitation created rather unfavorable conditions for crop production. Small amount of rainfall was observed on the west while eastern Ukraine saw significant precipitation deficits. Overall, drier than average conditions prevailed across the country, raising drought concerns for corn production.

Upcoming weather will likely sustain drought concern as rainfall is expected only in the east and the rest of the country will continue to see below normal precipitation. On temperature front, upcoming days should bring significant warmth especially in the west. Next week, however, below normal temperatures will likely return.

#### **Ukraine wheat development pace slower than last year amid cold spring - Refinitiv Commodities Research**

2022/23 UKRAINE Wheat PRODUCTION: 23.4 [22.3-25.1] MILLION TONS, UNCHANGED FROM LAST UPDATE

2022/23 Ukraine wheat production outlook remains unchanged at 23.4 [22.3-25.1] million tons (mmt) amid the Ukraine-Russia war and weather conditions. Due to ongoing military actions in Ukraine, especially in the east where the main wheat growing regions are located, production prospects for 2022

remain uncertain. Main concerns are risks of field damage, shortage in resources and difficulties with field management. Additionally, farmers are facing cold and dry spring this season. Past two weeks featured cooler than normal weather across Ukraine, especially in the northern region. The persistent coolness has slowed the development of winter crops. Our latest satellite data shows that crop vegetation density levels across most of Ukraine are below the long-term median and last year at this time of the year. Dryness also threatens Ukrainian wheat production as no rain was observed in Ukraine, except for small amount of precipitation in the west over the past two weeks. Lack of decent precipitation has lowered soil moisture across most of Ukraine to below normal levels. We will closely monitor the development of the dryness. Latest weather forecasts call for a continuation of dry conditions except for eastern oblasts where rainfall surpluses are expected. Upcoming days will bring warm temperatures especially on the western regions. Next week however, a short return of below normal temperature is likely.

### **Ukrainian rapeseed production prospects remain uncertain amid war disruptions and dryness risks - Refinitiv Commodities Research**

2022/23 UKRAINE RAPESEED PRODUCTION: 2.6 [2.5-2.8] MILLION TONS, UNCHANGED FROM LAST UPDATE

Ukraine-Russia war and dryness risks maintain 2022/23 Ukraine rapeseed production outlook at 2.6 [2.5-2.8] million tons. Given high risk of field damage, inaccessibility, difficulties with field management and shortage in resources, due to ongoing military aggression on Ukraine, rapeseed production prospects remain uncertain.

On the weather front, cooler than normal conditions prevailed across Ukraine over the past two weeks. This lingering coolness resulted in slower accumulation of heat and slower pace of crops development. The latest satellite data indicates that vegetative development of winter crops was slower than last year and the long-time normal across most of Ukraine. Soil moisture also needs to be closely monitored as recent dry conditions have reduced soil moisture to slightly below normal levels. A split precipitation pattern was observed across Ukraine over the past two weeks with some rainfall noted on the west and almost no precipitation on the east. Overall conditions were drier than normal across the country. Dryness remains in place for upcoming days as most of the country will likely see below normal rainfall, except for the western oblasts where above average precipitation is anticipated. Temperature-wise, upcoming days will bring above normal temperature especially on the western regions. But next week below normal temperatures will likely return.

### **Perdue Partners With Startup on 'Transformative' Soybean Seeds**

Perdue Farms Inc., the fourth-largest U.S. chicken producer, is partnering with a California startup to develop higher value soybeans.

- The firm's Perdue AgriBusiness announces a multiyear agreement with ZeaKal to "raise more sustainable poultry through improved soy genetics and feed quality," according to Tuesday statement
  - Terms weren't disclosed
- Perdue is ZeaKal's first customer for firm's PhotoSeed, which is expected to be available in 2024
- "As PhotoSeed soy develops, we expect it will be transformative for Perdue across soy processing and specialty oils, while improving the quality of feed," says Perry Aulie, senior vice president of value-added products for Perdue Agribusiness
- NOTE: The technology is shown to boost the protein and oil in seeds, without reducing yield, and deliver better carbon capture than standard seeds, according to ZeaKal

- ZeaKal is counting on high demand for soy oil for biofuel, and efforts to get more protein in soy meal used for feeding livestock, to help attract partners and promote a closed-loop system system that isn't vulnerable to commodity supply-chain disruptions
- NOTE: Perdue handles about 3 million acres of soybeans a year, according to statement

#### Norway Salmon Export Prices Rise 0.4% in Week

|                     | Fresh or Chilled |        |        |        | Frozen |        |        |        |
|---------------------|------------------|--------|--------|--------|--------|--------|--------|--------|
|                     | Tons             | Tons   | NOK/kg | NOK/kg | Tons   | Tons   | NOK/kg | NOK/kg |
| Week of:            |                  | WoW    |        | WoW    |        | WoW    |        | WoW    |
| May 2 - May 8       | 13,902           | -2.4%  | 108.21 | 0.4%   | 239    | 1.3%   | 78.09  | -19.2% |
| April 25 - May 1    | 14,245           | 8.1%   | 107.75 | 8.9%   | 236    | 34.1%  | 96.65  | 20.6%  |
| April 18 - April 24 | 13,181           | 9.5%   | 98.93  | 4.5%   | 176    | 117.3% | 80.16  | 0.0%   |
| April 11 - April 17 | 12,041           | -31.7% | 94.63  | 1.5%   | 81     | -78.3% | 80.14  | 7.7%   |

#### WEATHER SUMMARIES

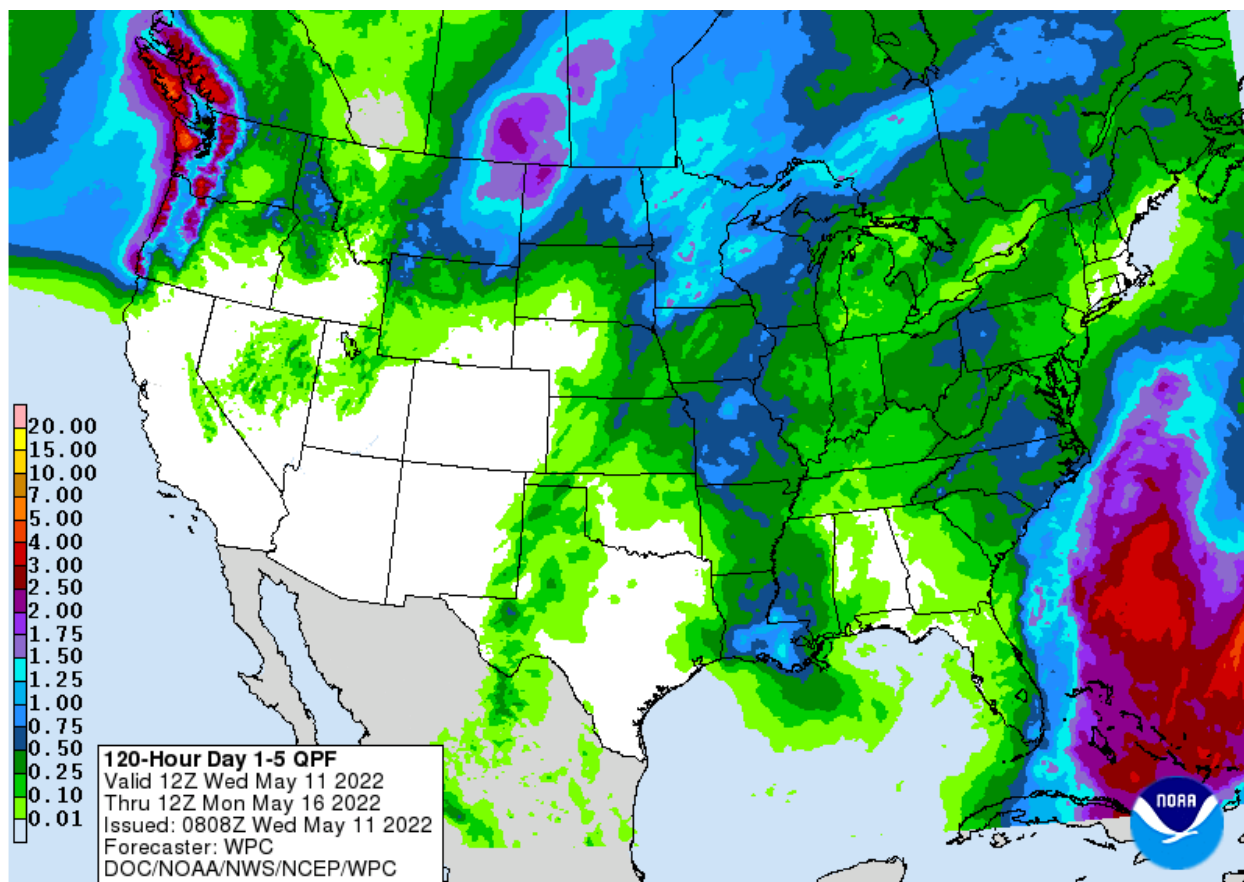
**WORLD SOYBEAN PROSPECTS:** Dryness in Argentina benefiting harvest. Wet fields limiting fieldwork for the western Corn Belt. Dryness in the east benefiting planting. Drier conditions favoring planting in the Delta.

**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.

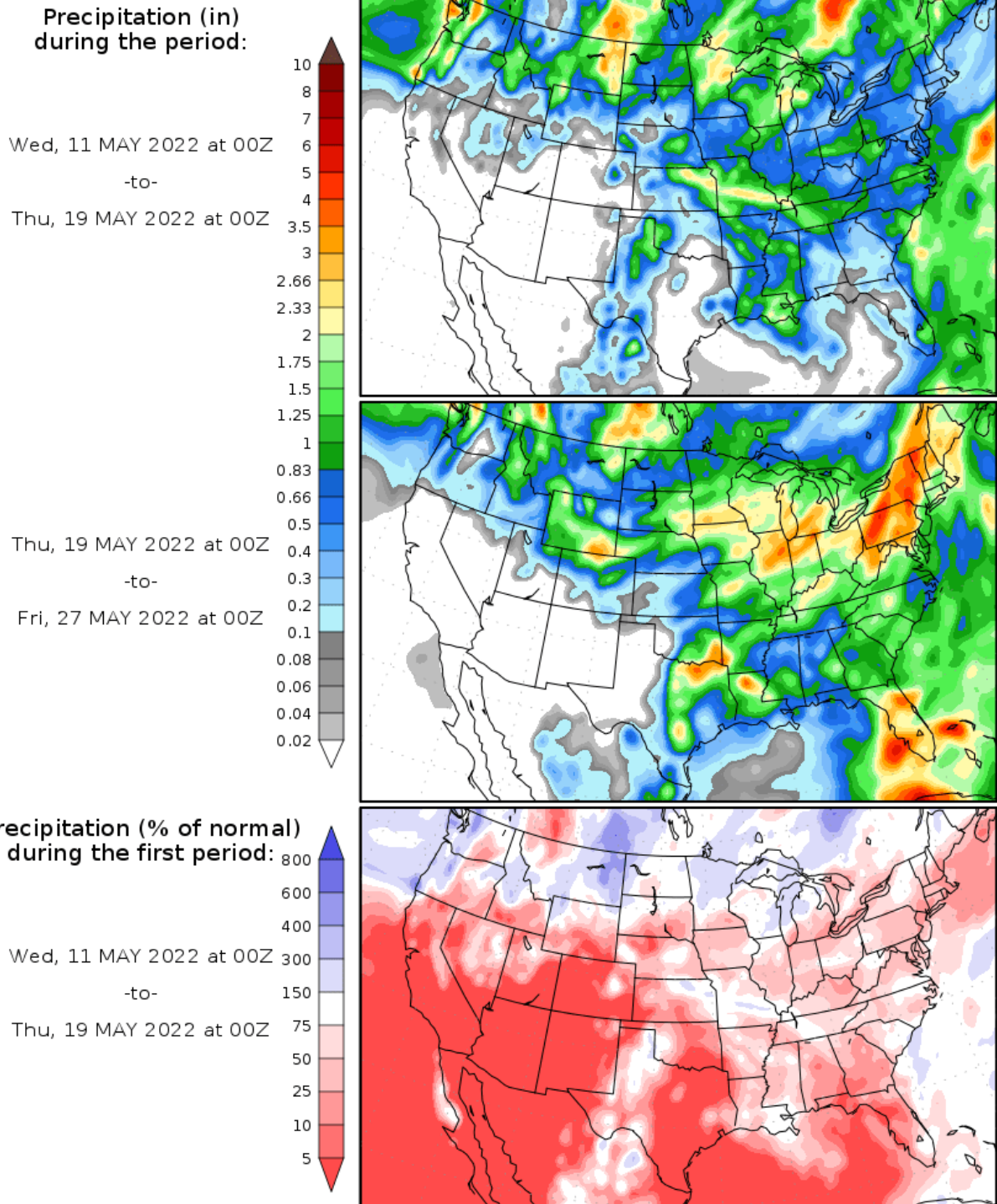
**WORLD CORN PROSPECTS:** Periods of showers in southern Brazil benefiting pollinating to filling safrinha corn. Dryness in central Brazil unfavorable for pollinating to filling corn. Dryness in Argentina benefiting harvest. Dryness in South Africa favoring harvest. Above-normal soil moisture making it difficult for fieldwork in the much of the Corn Belt. Dryness in the east this week may bring some better windows. 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. Small areas getting some showers this week, but not overly helpful with very high temperatures. Recent precipitation in the Northern Plains and eastern Canadian Prairies reducing drought. The region will see more showers this week. Favorable conditions for winter wheat development in most of Europe. Though more showers are needed across the north and in other spotty areas. Winter wheat 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 forecasts from the National Centers for Environmental Prediction.  
Normal rainfall derived from Xie-Arkin (CMA) Monthly Climatology for 1979-2003.  
Forecast Initialization Time: 00Z11MAY2022

# Temperature Forecasts

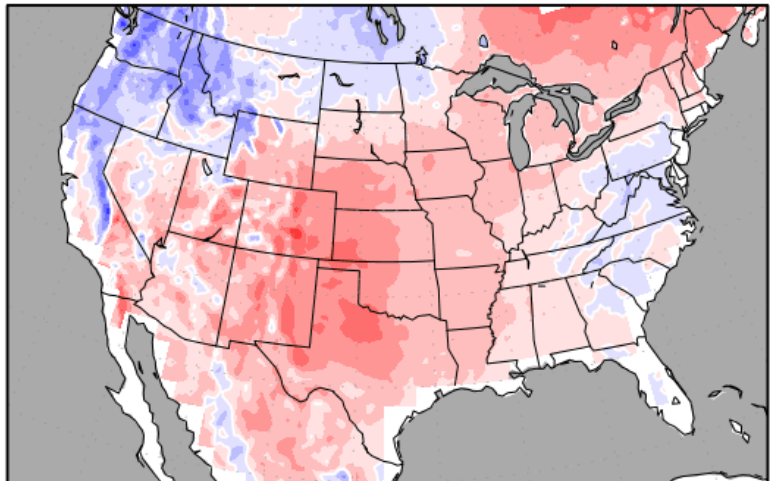
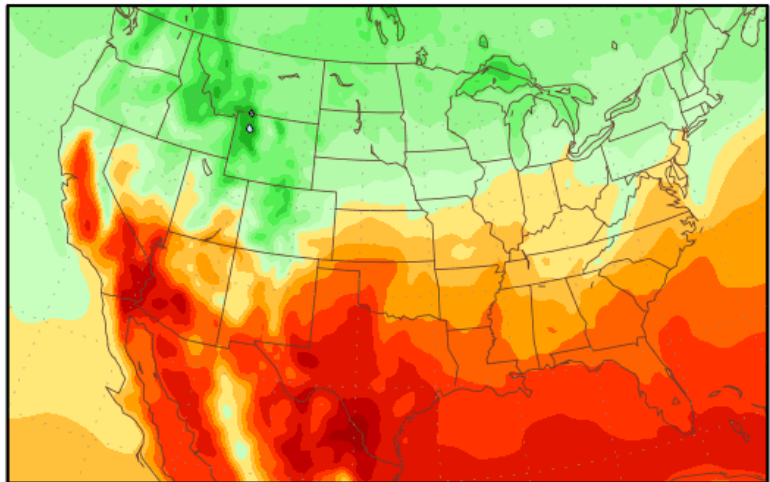
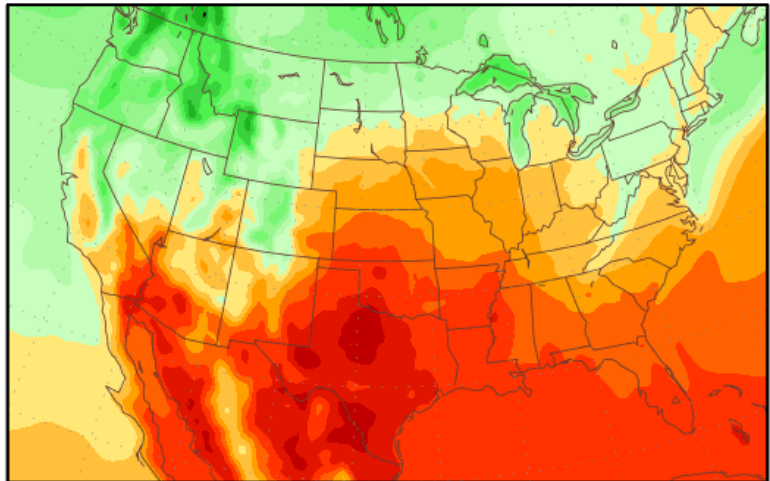
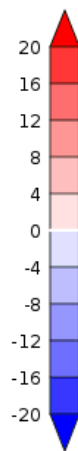
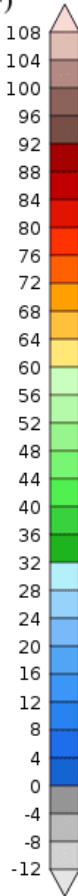
Mean Surface Temperature (°F)  
during the period:

Wed, 11 MAY 2022 at 00Z  
-to-  
Thu, 19 MAY 2022 at 00Z

Thu, 19 MAY 2022 at 00Z  
-to-  
Fri, 27 MAY 2022 at 00Z

Temperature Anomaly  
during the first period:

Wed, 11 MAY 2022 at 00Z  
-to-  
Thu, 19 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: 00Z11MAY2022



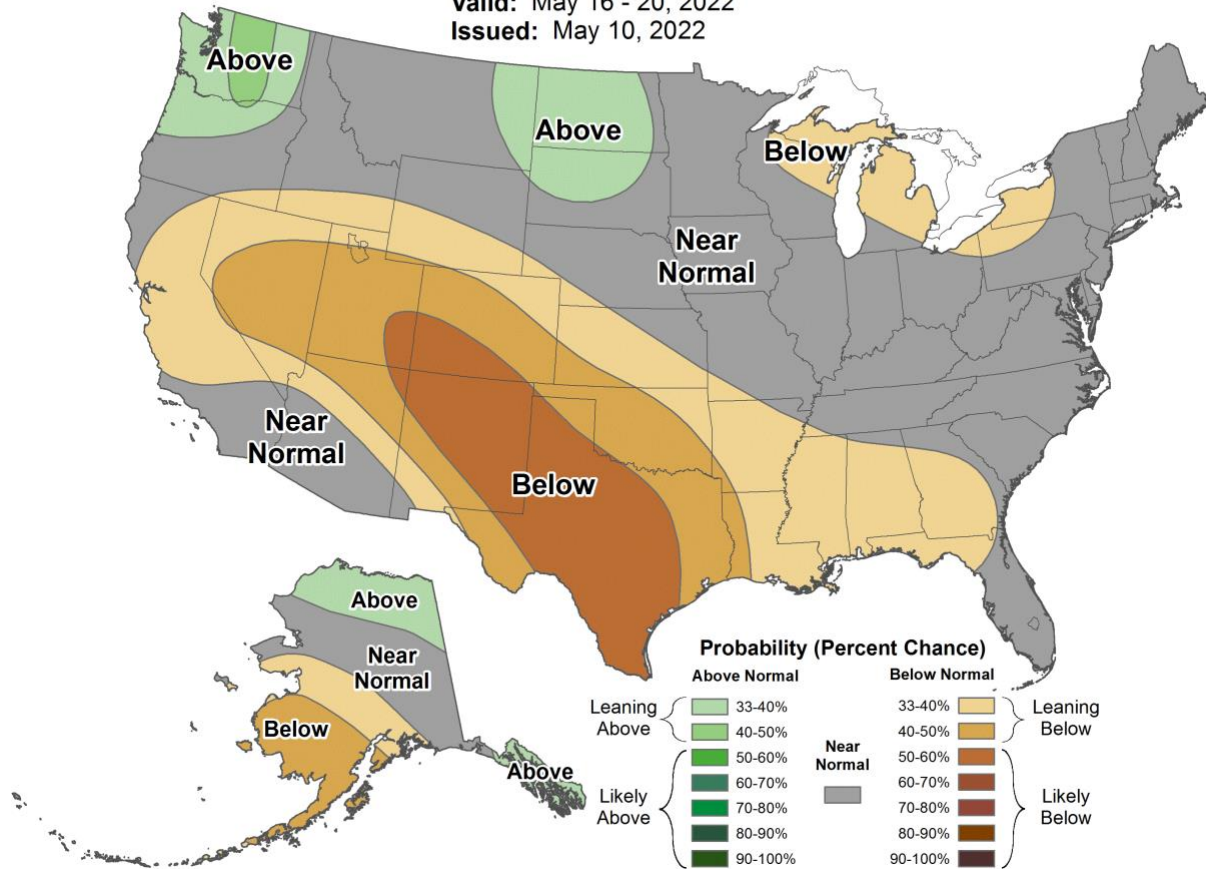


# 6-10 Day Precipitation Outlook



Valid: May 16 - 20, 2022

Issued: May 10, 2022





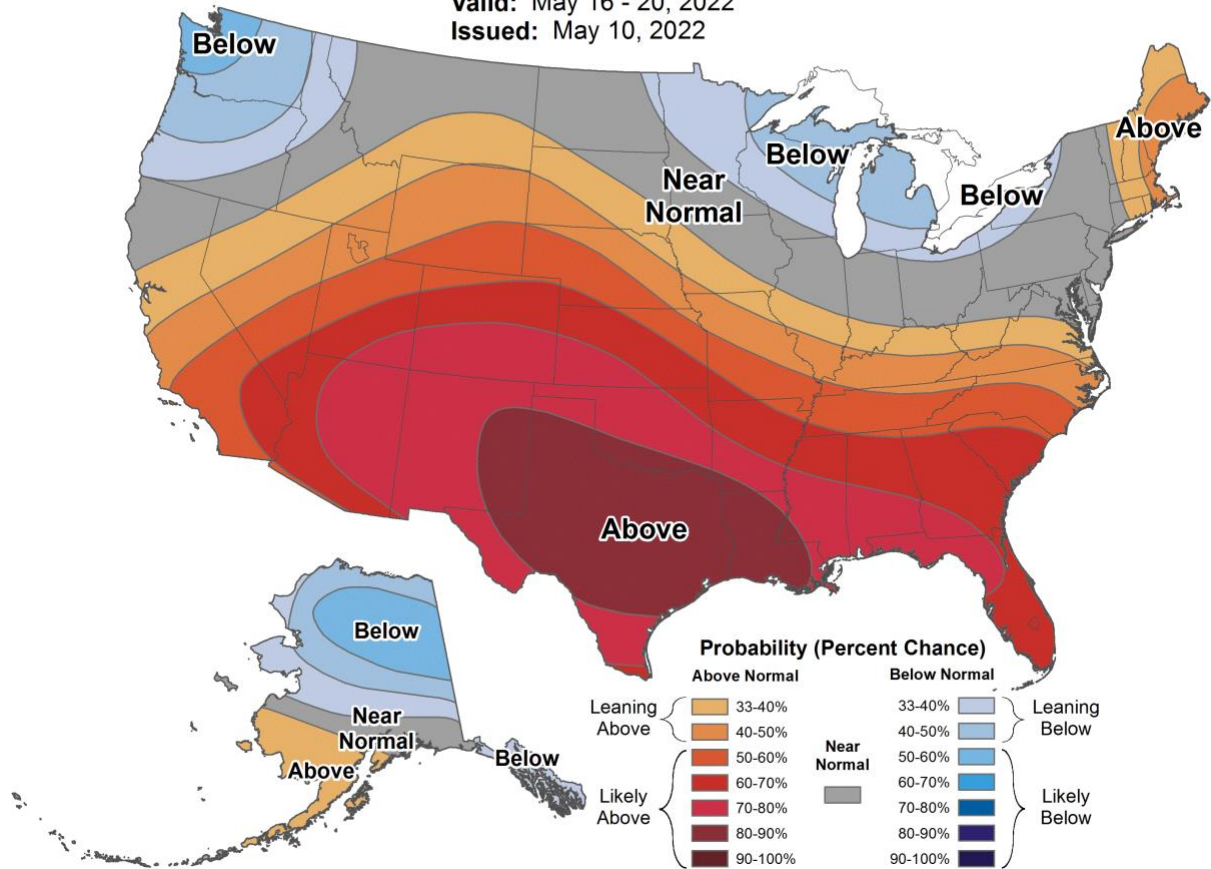


# 6-10 Day Temperature Outlook



Valid: May 16 - 20, 2022

Issued: May 10, 2022

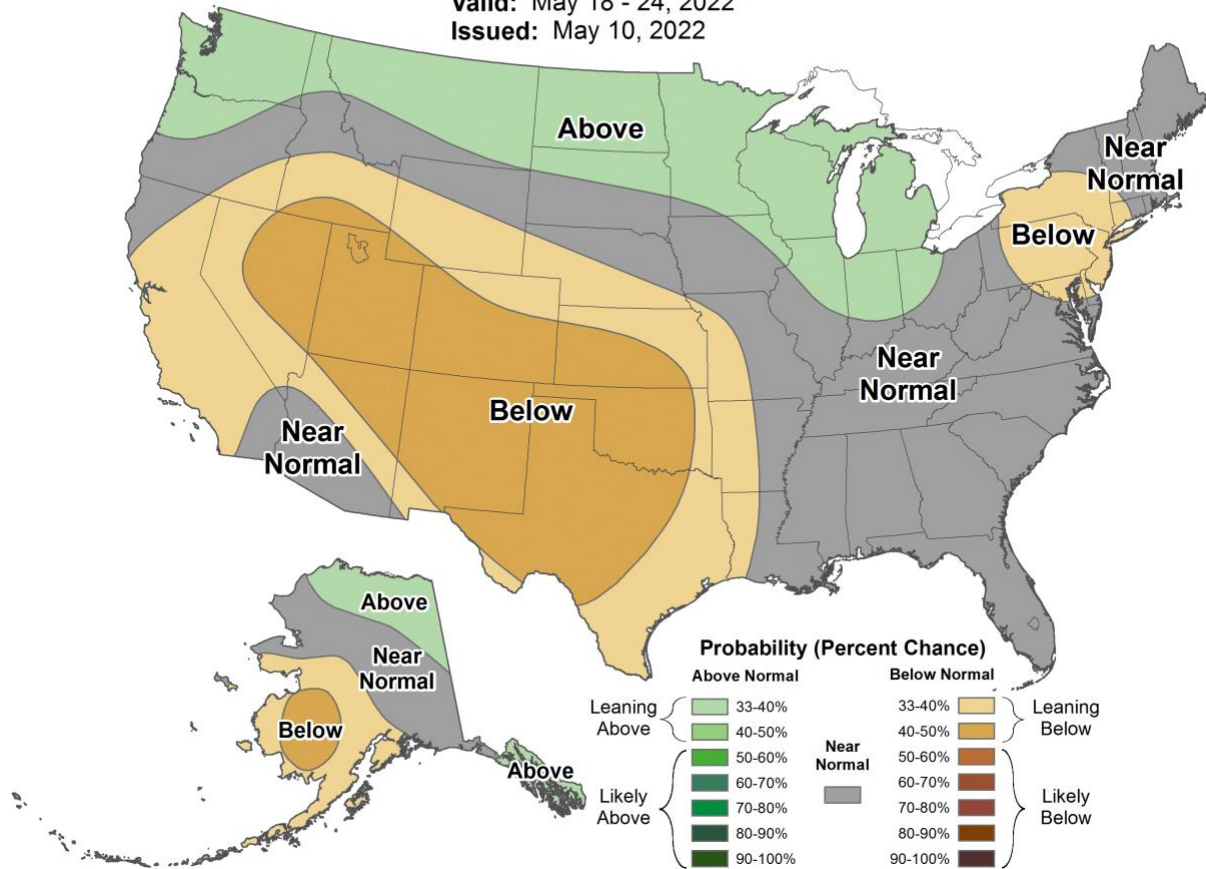




# 8-14 Day Precipitation Outlook



Valid: May 18 - 24, 2022  
Issued: May 10, 2022



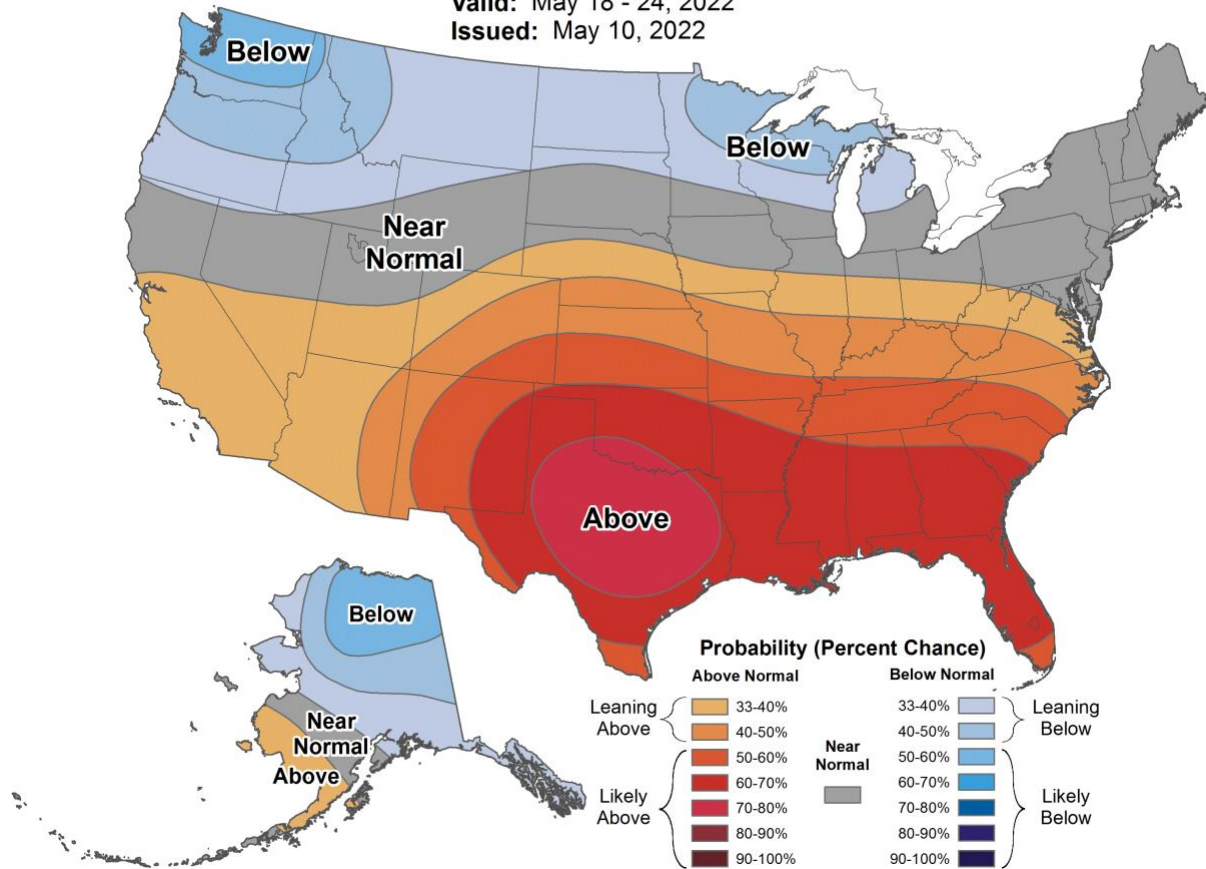


# 8-14 Day Temperature Outlook



Valid: May 18 - 24, 2022

Issued: May 10, 2022

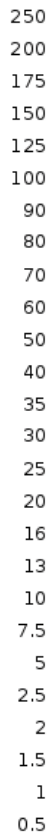


SOUTH AMERICA

## Precipitation Forecasts

Precipitation (mm)  
during the period:

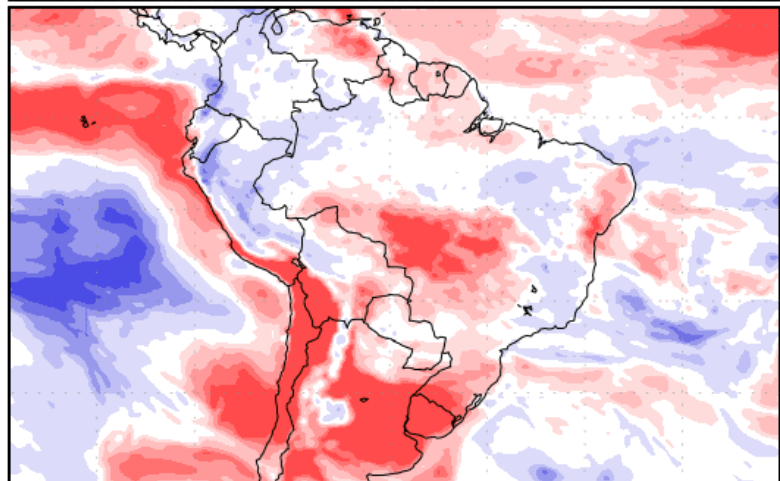
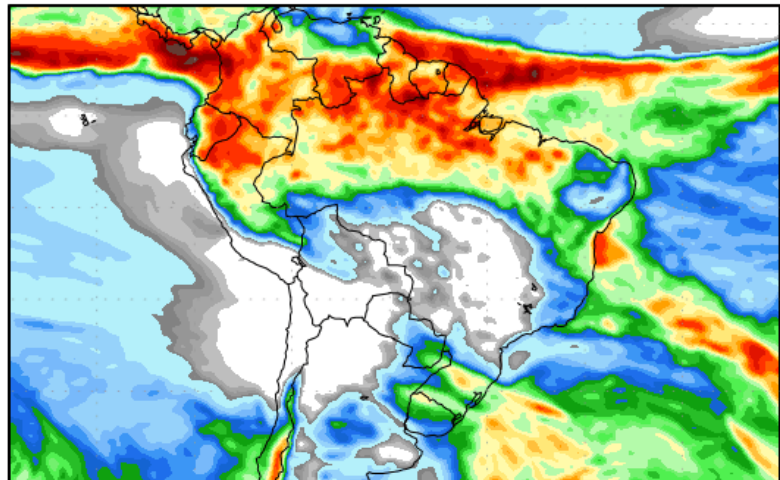
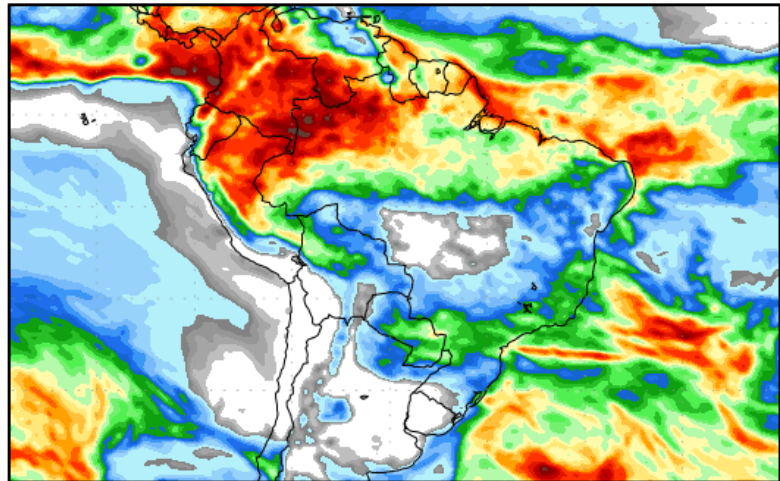
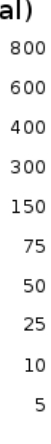
Wed, 11 MAY 2022 at 00Z  
-to-  
Thu, 19 MAY 2022 at 00Z



Thu, 19 MAY 2022 at 00Z  
-to-  
Fri, 27 MAY 2022 at 00Z

Precipitation (% of normal)  
during the first period:

Wed, 11 MAY 2022 at 00Z  
-to-  
Thu, 19 MAY 2022 at 00Z



Precipitation forecasts from the National Centers for Environmental Prediction.  
Normal rainfall derived from Xie-Arkin (CMA) Monthly Climatology for 1979-2003.  
Forecast Initialization Time: 00Z11MAY2022

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