

CORN: LOWER

Tuesday started out quiet and looked like we were going to remain that way all day and close not too far from the open. Then there were headlines of missiles hitting Poland and the algos started buying, pushing markets higher. However, this was not sustained as the corn market did sell off going into the close, but it still ended the day 9-10 cents higher. Now as we have learned more about the situation, and it seems they were from a Ukrainian anti-missile system; the corn market has continued to sell off and overnight has given back most of yesterday's gains. Poland is still completing their own investigation and any new details from this incident/ more news from the Black Sea region could send markets either way in a split second. Good news for the corn market was the flash sale of corn to Mexico yesterday morning and then more this morning, giving corn exports a nice little boost after a pathetic start to the marketing year.

At the break, CZ22 was 7 lower.

SOYBEANS: LOWER

So much for the fears of a NATO entry into the war in Ukraine. The official cause was accidental Ukrainian defense missile that exploded in Poland, NOT a Russian miss or one with a more nefarious intent. Thus, it feels like an agreement to extent the grain corridor in the Black Sea is more likely and any gains from yesterday are erased and then some for a while. As I type, we are back to par with Monday's close. The interesting aspect of beans right now to me is the US\$. It has lost close to 6 full points on the index. If it continues to move toward 100 or go below that, we will be much more competitive for exports. Still movement of grain is an issue and one that is only complicated by a rail strike if things proceed as currently it appears they will. Fear of moving back to lockdown mode are rampant as over 10K new cases were registered in China. The bean market did have good news on the crush with the second-best monthly number ever for Oct. This year is off to a good lead over last year. Domestic crush will be the critical component of keeping basis high this year, but also the future of good bean values in the US. The added crush plants to produce more bio-diesel will keep more beans off the export market as we build up that market with more crush plants. Volumes remain muted in this market as we head into the holidays with Thanksgiving next week. Today feels like a risk off day unless we begin to hear of more Chinese buying look for a down day.

Beans: V-189,740/OI-616,813(+724) Meal: V-119,909/OI-400,452(-4,291) Oil: V-130,265/OI-463,190(+2,538)

At the break, SF23 was 15 ¼ lower.

WHEAT: LOWER

The market closed higher on Tuesday, sporting 30-40 cent ranges, as KC closed 4-6 higher, Chicago up 9 cents and MGEX 8-11 cents higher. The driver was a report of missiles hitting a facility in Poland and killing 2 people, along the Ukraine border, but as time passed, the story of it being a Russian attack started to fall apart. Overnight trade flipped lower, as it appears the missiles were likely Ukrainian defense, and not Russian escalation. We are now back to trading the extension of the Black Sea export deal, weather, and domestic demand. The KC spot market traded higher yesterday, with mills covering needs, as logistics are still messy. The wheat market will continue to see swings in prices, with non-commercials less attracted to wheat, adding to the issue that small open interest causes. Look for weakness in commodities, as traders evaluate the situation, and we are approaching holiday trade.

At the break, KWZ22 was 16 ½ lower.

CATTLE: STEADY-HIGHER

Cattle futures traded mostly lower yesterday, and particularly so in the feeders which were weak even before the mid-day spike in the corn market. Most-active Jan FC futures traded into fresh four week lows and the chart picture looks wounded, despite the fact that funds already carry a net short position in that market. Of course we also continue to see feeders trade weak relative to the fats, and crush spreads trade very firm. Paper crush spreads involving live cattle, feeder cattle, and corn futures alone have rallied into 10 year highs, but comes as the futures markets adjust to much higher costs of corn basis, roughage, interest rates, labor, meds, and everything else that goes into feedyard production. Actual cash crushes aren't nearly as rosy as paper crushes would suggest.... On the cash cattle front, we've not seen any sizable trade yet this week, and expectations I think are still for something near steady with last week. Yesterday's online FCE action was \$149.50 bid vs \$151 offers, exactly the same bid ask as last Tuesday and vs a \$150 TX trade last week.

Fund Position	Accumulative	Yesterday
Corn	218,808	5,000
Soybeans	115,372	8,000
Soybean Meal	92,466	3,000
Soybean Oil	113,373	2,000
Chicago Wheat	-41,527	4,000
KC Wheat	24,204	0



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