

Fed rate hike puts the brakes on commodity prices

Russian resumed participation in the grain corridor early yesterday morning which dropped wheat 56 cents and corn 10 cents. Soybeans were able to stay positive adding 6 cents. The Fed raised rates 75 basis points yesterday as expected and initially the market but at his press conference Chairman Powell said it is premature to think about pausing rate hikes & we have a ways to go. This caused a negative trade for commodities overnight while the USD rebounded up 1.50 and back near 113.00 level. StoneX came out with updated production and raised their corn production estimate to 174.5 up 0.6 and lowered bean yield to 50.9 down 0.4. They are both well above the current USDA numbers that will be updated next week. Export sales were softer than expected, especially for soybean. Look for some selling pressure out of the gate as we look for support at 6.77 & 14.19 with resistance at 7.00 & 14.55.

December Corn Technicals: The market is neutral but a close under 6.80 will bring more selling pressure while the bulls need trade above 7.00.

January Soybean Technicals: The market finished bullish yesterday but needs to stay above 14.22 to hold sentiment.

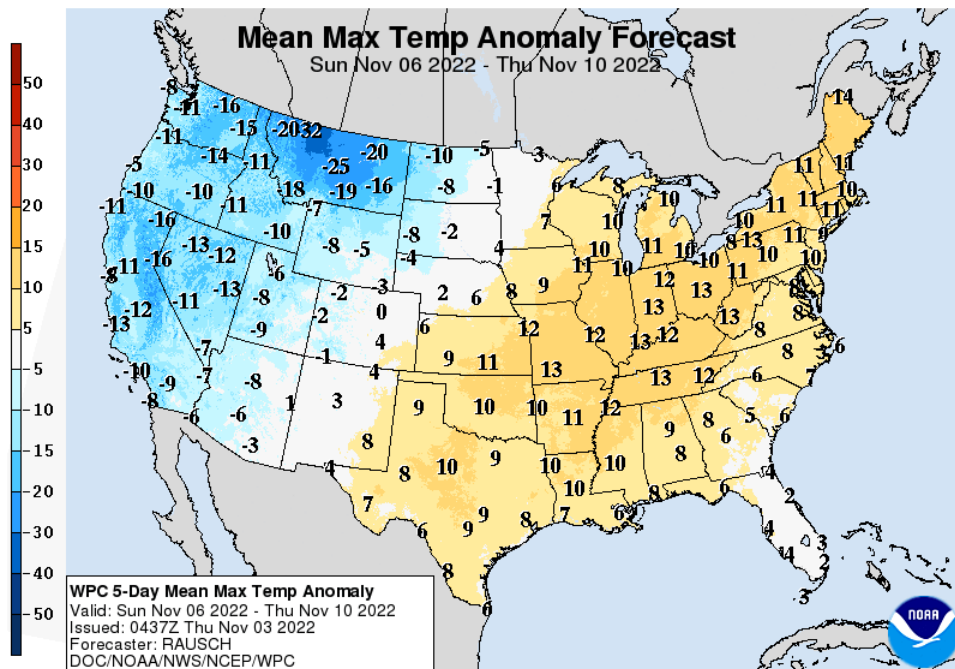
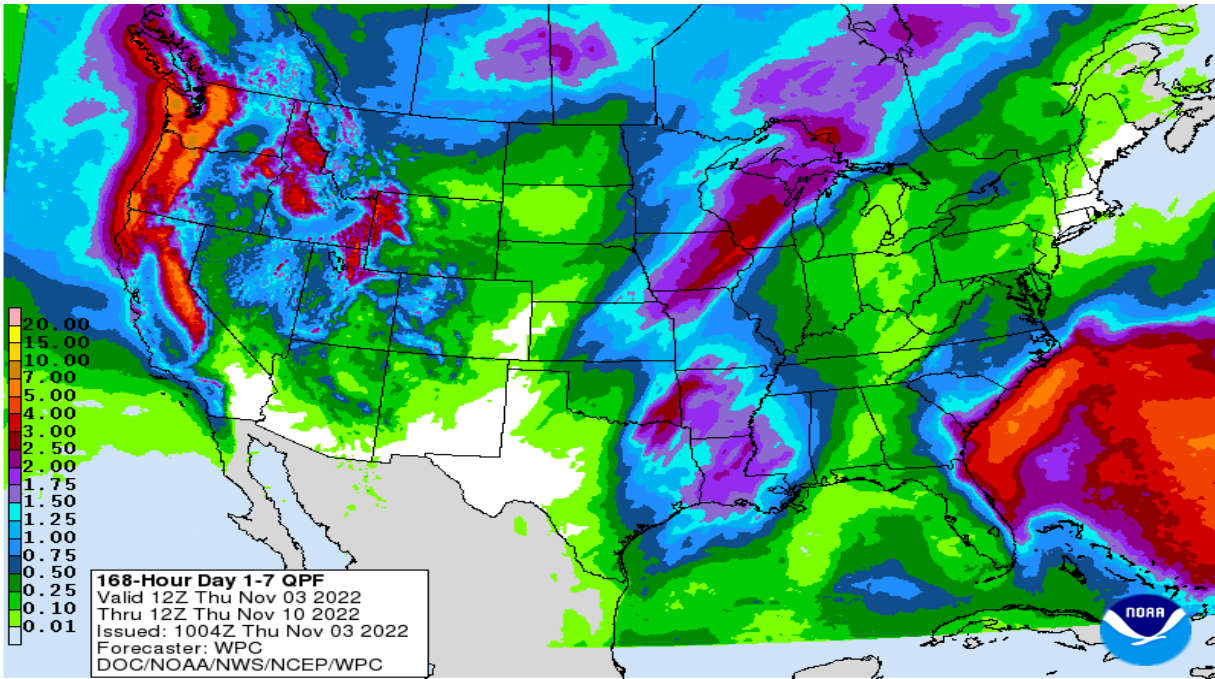
Exports: None to report.

Weather: Rains have been taking out of the Wheat Belt while the forecast remains favorable for MS River Valley. Argy turns back dry for the first part of November.

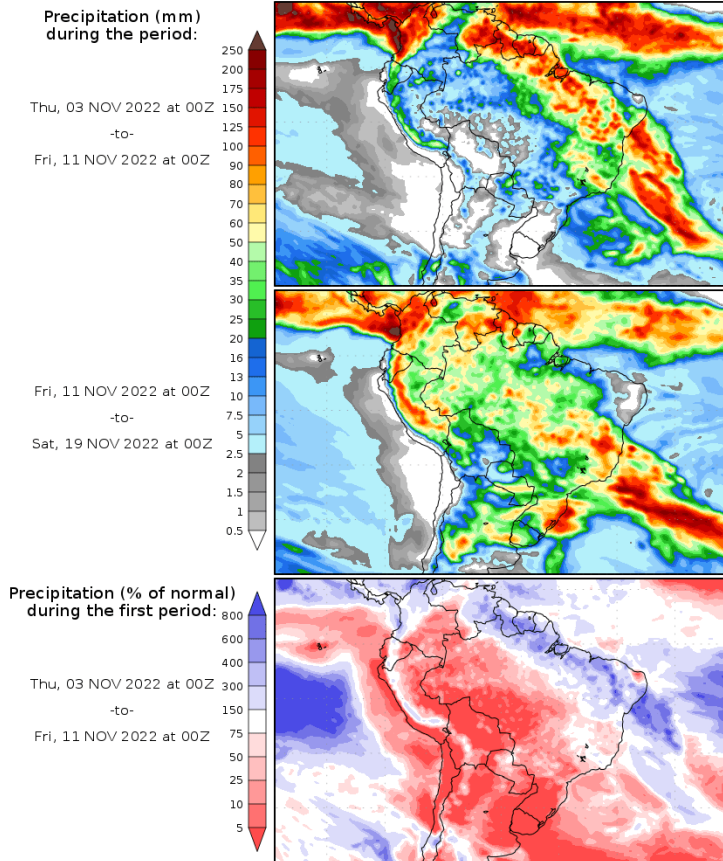
Dollar Index: The dollar is trading **160 ticks higher** this morning at 112.94

Brazilian Real: The Real is trading **17 ticks lower** this morning at 19.25

7-day weather maps



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: 00Z03NOV2022

GRADS/COLA

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