



MORNING MARKET REPORT

Thursday, January 25, 2024

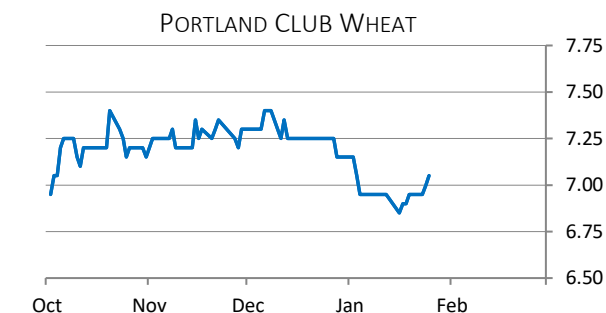
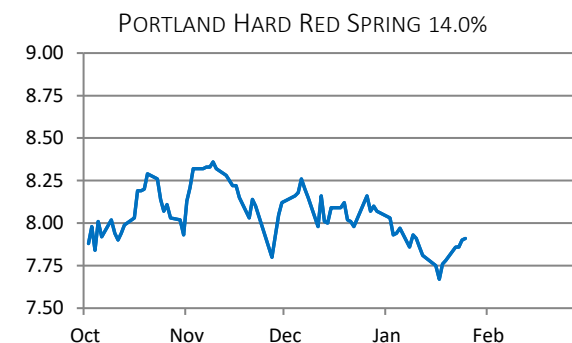
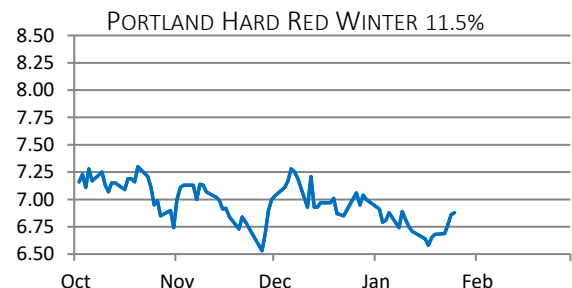
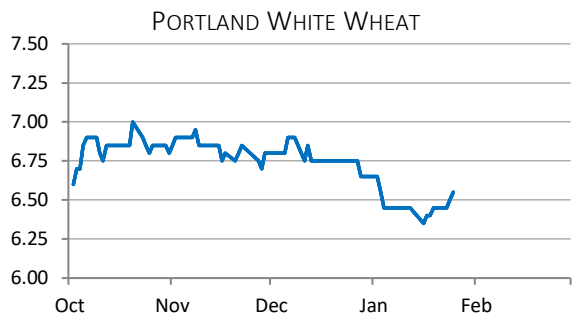
Market Summary

Wheat futures are trading higher this morning, up 1 to 3 cents in the **MARCH 2024** futures. Wheat was able to close above the 20-day moving averages on the charts yesterday and are working to stay above it this morning. Most of the action this week seems to stem from short covering with spec traders buying in some of their short positions to capture some profits. We could see some long liquidation today or tomorrow from traders that have ridden this week's markets higher cashing out to end the week. The last two weeks of export sales have largely been covered by bushels already owned by exporters which is allowing cash bids to more closely follow the futures.

Export Sales have hit in the middle of estimates for wheat, (451,400 MT vs estimates of 200,000-625,000 MT) but sales were down 36% from last week but up 45% from the 4-week averages. Plain and simple, the US isn't the cheapest wheat in the world so we see our program struggle again this year. Wheat offerings from Australia and Argentina are still cheaper going into Asia so that puts an upper limit on any price rallies for now. China is seen to still be needing wheat to replace its loss of harvest production and maybe they will either buy some new bushels or switch some of their previous Soft Red Winter purchases over to Soft White Wheat.

Australian wheat production could reach 30 MMT, according to an analyst at IKON Commodities in Sydney. Commonwealth Bank estimates the crop at 31.4 Mmt. After a three month stretch of record dryness between Aug and OCT they saw a lot of unexpected rains leading into harvest. While the moisture impeded harvest and caused some quality issues, the overall effect was positive resulting in more wheat in the bins. SovEcon estimates the 2024 Russian wheat crop at 92.2 MMT which is only a little lower than the 92.8 MMT in 2023.

Cash Futures Prices: Chicago **MARCH** is up 3 at 613. KC **MARCH** is up 3 at 628 and MPLS **MARCH** is up 1 at 706. US Dollar is trading 0.33 higher at 103.57.



Same Pro Scale as SWW

Cash Grain Bids: Delivered Portland

	SWW Bushel	*CLUB* Bushel	HRW 11.5% Bushel	DNS 14.0% Bushel	BARLEY Ton
JAN	6.55	7.05	6.88	7.91	190.00
FEB	6.55	7.05	6.88	7.91	190.00
MAR	6.60	7.10	6.88	7.91	190.00
APR	6.60	6.60	6.95	7.99	190.00
MAY	6.60	6.60	6.90	7.94	190.00
JUN	6.60	6.60	6.90	7.94	190.00

PROTEIN SCALES

HRW: + 5 cents each 1/2% above 11.5% to 13.0%; - 10 cents each 1/2% below 11.5%

DNS: + 3 cents each 1/4% above 14.0% to 15.5%; - 07 cents each 1/4% below 14.0%

SWW: No Discount or Premium from 10.5% pro. New crop Sww:
Market scale based on 10.5% pro.

**** CLUB WHEAT MAX 10.5% PROTEIN ONLY ****

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