



MORNING MARKET REPORT

Tuesday, July 19, 2022

Market Summary

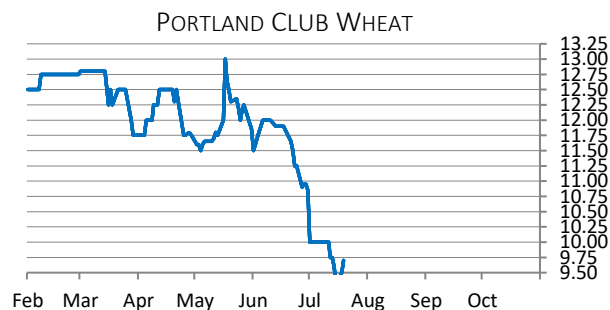
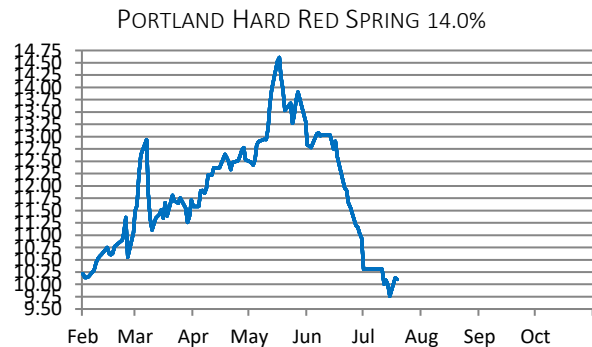
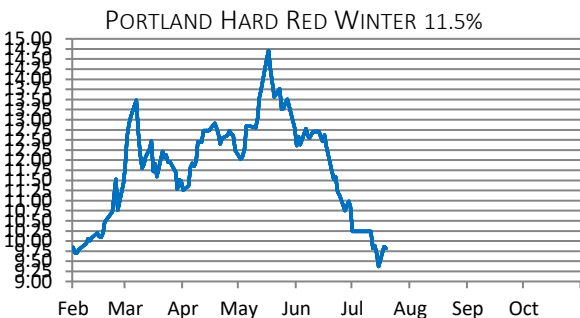
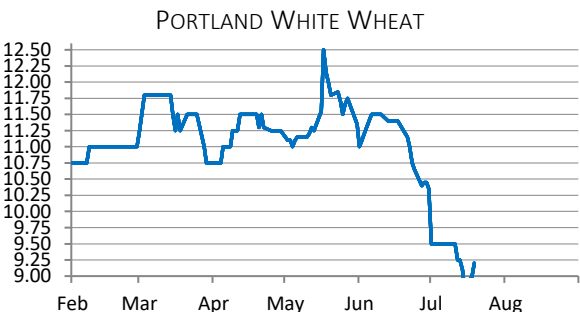
Wheat futures are trading a little lower this morning, up 1 to down 8 cents in the **SEPT** futures with the CHI and KC Sep trading both sides of unchanged. Corn and soybean futures taking a bit of a beating and pressuring wheat values. Egypt tender got pulled (probably prices were a bit high for them). Corn belt receiving some needed moisture especially in the western part. More is needed. US Dollar again down sharply which gives us a slightly bigger lever to force some exports into the market, hopefully.

Crop progress report from yesterday showed Corn conditions better than expected at 64% G/E vs a 63% estimate. Pop-up showers have helped conditions and the near term forecast looks to be wetter. Spring wheat conditions rose 1% to 71% G/E vs 70% estimate, and the crop is 68% headed vs 90% average. Winter wheat harvest is 70% complete vs 75% estimate and 71% average.

Egypt issued a tender for wheat on Tuesday from U.S., Canada, Australia, Argentina, and Brazil, excluding the Black Sea nations of Russia and Ukraine which is where roughly 90% of their imports come from. <<Update: Egypt pulled their tender>> Looks like they didn't get many offers. They lowered their protein threshold from 11.5% down to 10.5% in order to get more offers. Pricing must have been too high once freight was figured in from the US. We still have the cheapest wheat before factoring currency exchange rates and freight.

Russia, Ukraine, Turkey, and the UN are reportedly very close to an agreement that will free up Ukrainian exports out of the Black Sea Ports. Russia's proposals for the terms of the agreement were "largely supported" by negotiators taking part in talks this week in Istanbul, the Russian defense ministry said on Friday, and an agreement was close. Sceptics are still waiting for Russia to pull the rug out from under the negotiations as it is hard to see why they would give up one of their biggest bargaining chips for negotiating a Ukrainian surrender.

Cash Futures Prices: Chicago **SEPT** is up 4 at 816, KC **SEPT** is up 1/2 at 874 and MPLS **SEPT** is down 8 at 931. US Dollar is trading 0.74 lower at 106.62.



Same Pro Scale as SWW

Cash Grain Bids: Delivered Portland

| | SWW Bushel | *CLUB* Bushel | HRW 11.5% Bushel | DNS 14.0% Bushel | BARLEY Ton |
|---------------|---------------|------------------|---------------------|---------------------|---------------|
| JULY | 9.20 | 9.70 | 9.82 | 10.10 | 265.00 |
| AUG-Nc | 9.20 | 9.70 | 9.82 | 10.10 | 265.00 |
| SEP-Nc | 9.20 | 9.70 | 9.82 | 10.10 | 265.00 |
| OCT-Nc | 9.22 | 9.72 | 9.90 | 10.25 | 265.00 |
| NOV-NC | 9.24 | 9.24 | 9.90 | 10.25 | 265.00 |
| DEC-NC | 9.26 | 9.26 | 9.90 | 10.25 | 265.00 |

PROTEIN SCALES

HRW: + 0 cents each 1/2% above 11.5% to 13.0%; - 5 cents each 1/2% below 11.5%

DNS: + 0 cents each 1/4% above 14.0% to 15.5%; - 02 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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