



# MORNING MARKET REPORT

Tuesday, August 2, 2022

## Market Summary

**Wheat futures are trading lower this morning**, down 1 to 15 cents in the **SEPT** futures.

Markets are trading lower on improving spring wheat conditions (when the opposite was expected) and the increasing likelihood of Ukrainian grain shipments being able to continue out of the Black Sea ports. Demand concerns and improving weather in the U.S. corn belt is also weighing on the markets.

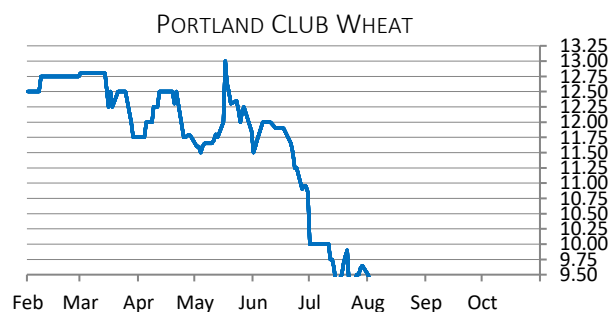
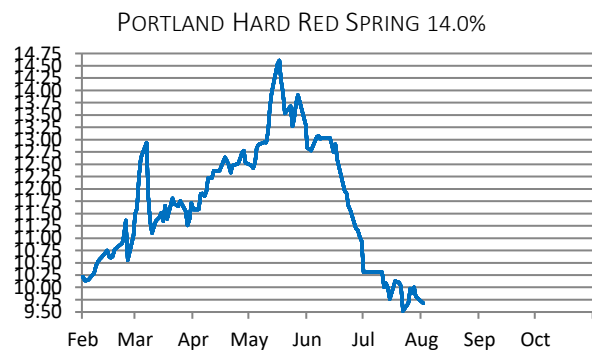
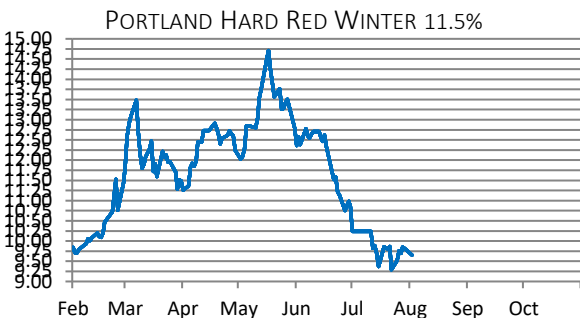
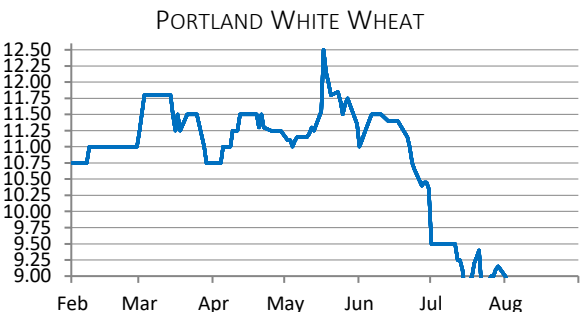
**\*\*If you have an HTA than you are looking to roll into July 2023 or Sept 2023** give us a call. There are some favorable spreads right now. With the recent drop in Futures prices it may make sense on the higher value HTAs to look at pricing some basis, Currently close to \$1.10.

**Crop Progress report showed winter wheat near 82% harvested** versus 77% last week and 85% on average. Spring wheat conditions improved 2 points to 70% G/E. USDA corn condition ratings slipped 1.3 points to a 355.8 rating on the Crop Condition Index (CCI; with 500 representing perfect). Dr Michael Cordonnier, a US crop consultant, cut his corn and soybean yield estimates for the US. He now estimates yields at 174 bu. per acre for corn and 50.5 bu. per acre for soybeans, down 1 bu and 0.5 bu, respectively, from last week.

**The Ukrainian AG minister warns that their 2022 harvest will be down 50% from last year.** Reduced acreage and a lack of fertilizer is going to reduce their crop by at least that amount. Russia is well into their harvest and is reporting near-record yields. They are dealing with recent rains in several regions that have hurt the quality of winter wheat but improved yield prospects for spring wheat.

**Turkey expects regular daily departures of grain ships from Ukrainian ports.** There are at least 14 ships in position to be loaded and the first cargo of corn made it through yesterday. Each ship must be inspected at the Joint Coordination Center (JCC) in Istanbul according to the agreement. All parties are playing nice so far.

**Cash Futures Prices:** Chicago **SEPT** is down 15 at 785, KC **SEPT** is down 14 at 852 and MPLS **SEPT** is down 11 at 886. US Dollar is trading 0.48 higher at 105.93.



Same Pro Scale as SWW

## Cash Grain Bids: Delivered Portland

|               | SWW<br>Bushel | *CLUB*<br>Bushel | HRW 11.5%<br>Bushel | DNS 14.0%<br>Bushel | BARLEY<br>Ton |
|---------------|---------------|------------------|---------------------|---------------------|---------------|
| <b>AUG-NC</b> | 8.90          | 9.40             | 9.65                | 9.68                | 265.00        |
| <b>SEP-NC</b> | 8.90          | 9.40             | 9.65                | 9.68                | 265.00        |
| <b>OCT-NC</b> | 8.92          | 9.42             | 9.73                | 9.81                | 265.00        |
| <b>NOV-NC</b> | 8.94          | 9.44             | 9.73                | 9.81                | 265.00        |
| <b>DEC-NC</b> | 8.96          | 8.96             | 9.73                | 9.81                | 265.00        |
| <b>JAN-NC</b> | 8.98          | 8.98             | 9.79                | 9.93                | 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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