



# MORNING MARKET REPORT

Monday, December 19, 2022

## Market Summary

**Wheat futures are trading lower this morning**, down 5 to 6 cents in the MARCH futures.

Wheat has been trading lower even though global supplies of wheat remain historically tight heading into winter. HRW wheat is starting a new season under drought conditions and has one of the worst early crop ratings in decades. US wheat is having trouble breaking into certain areas because of price difference and it appears Russia / Ukraine is continuing to be the first choice due to their lower price and freight.

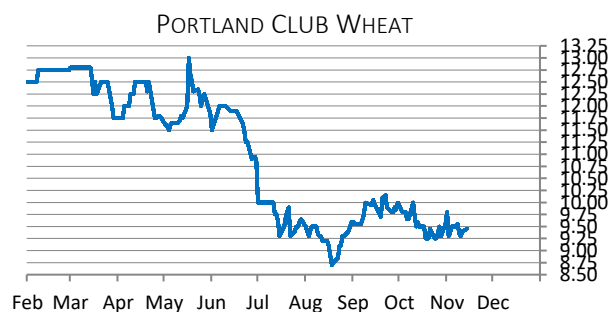
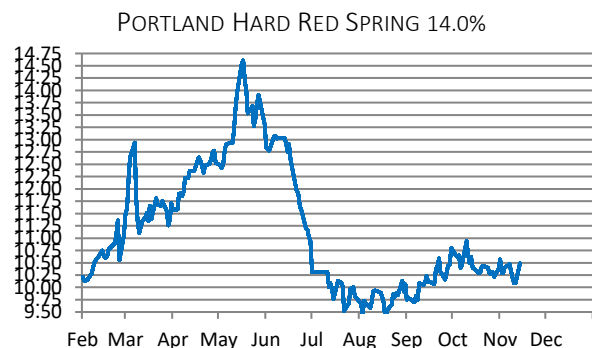
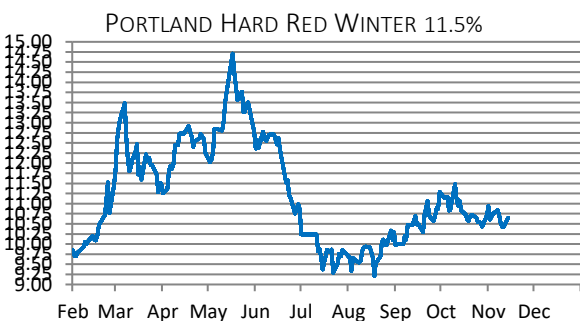
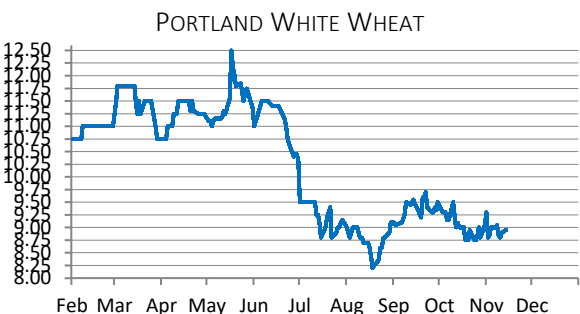
**COVID deaths in China are reportedly rising very fast.** One theory is that their quarantine efforts have kept their population from achieving "herd immunity" and they will suffer until they reach that point and can get their economy rolling full speed again. Will this eventually run its course or will they double-down on the lock-downs and put their economy back on life support again.

**Weekly export sales report came in on Thursday** and showed good volumes for all three commodities. Wheat sales for the week were 469,000 MT compared to pre-report estimates of 150,000-350,000 MT. Corn sales reported at 958,900 MT (600,000-900,000 estimate). Soybean sales reported at 2,943,400 MT (1,500,000-2,000,000 MT). A good amount of corn went to Mexico, which is a good sign given their issues with purchasing GMO corn.

**Algeria is reported to have locked in a sizeable 540tmt purchase of milling wheat** in their latest tender. Reports are that it was purchased from Russia, Bulgaria, and some small EU seller for around \$8.60 FOB. Iraq issued a tender for 50tmt of milling wheat. Japan made a purchase of 154,942 MT of wheat from Australia, Canada, and the US.

**Brazil is set to receive a good amount of precipitation**, but not as much as they would like in the Southern regions. Argentina's western side will get a little moisture, which will be helpful, but the remainder of the country will get no such luck. They are still dealing with a historically dry growing season in Argentina.

**Cash Futures Prices:** Chicago MARCH is down 5 at 748, KC MARCH is down 6 at 838 and MPLS MARCH is down 5 at 904. US Dollar is trading **0.19 lower** at 104.51.



Same Pro Scale as SWW

## CASH GRAIN BIDS: DELIVERED PORTLAND

	SWW Bushel	*CLUB* Bushel	HRW 11.5% Bushel	DNS 14.0% Bushel	BARLEY Ton
<b>DEC</b>	8.45	8.95	9.57	9.83	260.00
<b>JAN</b>	8.45	8.95	9.57	9.83	260.00
<b>FEB</b>	8.49	8.99	9.57	9.83	260.00
<b>MAR</b>	8.53	8.53	9.57	9.83	260.00
<b>APR</b>	8.57	8.57	9.50	9.78	260.00
<b>MAY</b>	8.61	8.61	9.50	9.78	260.00

## PROTEIN SCALES

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

DNS: + 2 cents each 1/4% above 14.0% to 15.5%; - 04 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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