



MORNING MARKET REPORT

Thursday, February 2, 2023

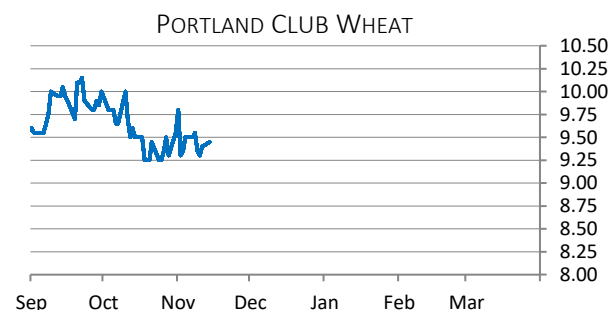
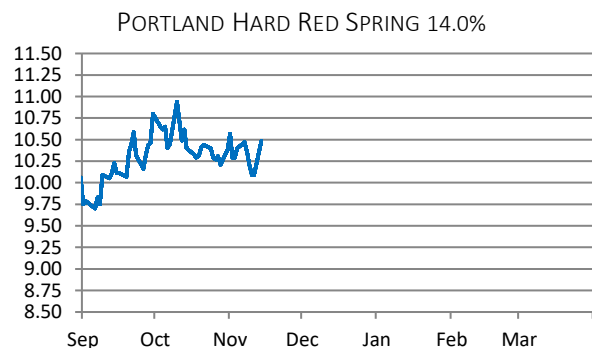
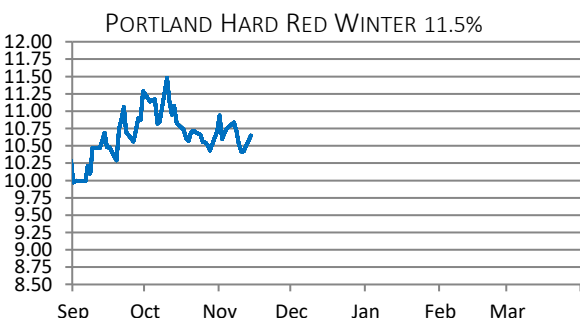
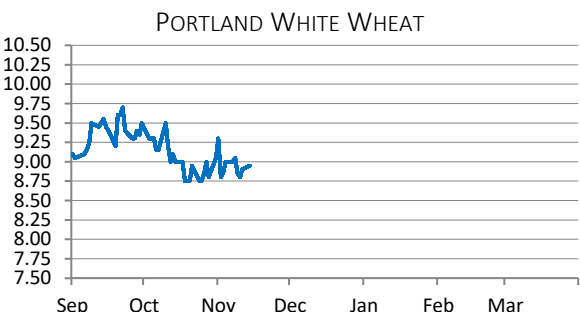
Market Summary

Wheat futures are trading lower this morning unchanged to down 3 cents in the March Futures. The early part of this morning's session showed wheat contracts in the green but trading has eased down into the negative territory. The weekly export sales report came out and was bad for wheat at 136,400 MT compared to range of estimates of 300,000-600,000 MT. Soybeans was 736,000 MT which was at the low end of the 700,000-1,300,000 MT estimates. Corn overachieved at 1,593,200 MT vs the 600,000-1,200,000 MT estimates. Lower exports were anticipated with the Chinese holiday. White wheat was again the biggest mover but it is also the cheapest class of wheat right now. The National Weather Service 6-10 and 8-14 day forecasts have above normal odds for precipitation in the HRW and SRW growing areas. Snow is helpful, rain adds up faster but will run off if the ground is still frozen. Dry conditions continue in Argentina, the US dollar is weaker, and crude oil is trading higher.

Egypt tendered for some wheat, which is expected to come from Russia / Ukraine as they are usually the cheapest both in price and freight but it should give an indication on where wheat values currently want to be. Bids for the tender are due today. Egypt has previously tendered for some corn and surprisingly, the US offering was the cheapest even after the freight costs. Egypt ended up pulling the corn tender which means they thought everyone was too expensive.

The Federal Reserve ended up raising their interest rate by 1/4 of a percent, which was what the trade was anticipating. The expectation is they will continue to increase interest rates with the hope of getting inflation in check. The idea being increased borrowing costs makes for less investment and brings about less spending which creates surplus goods which can then bring prices down... or something to that effect. Consumer spending didn't drop like it was expected to so rates will probably continue higher. Macro-economics is tough to manipulate.

Cash Futures Prices: Chicago MARCH is down 1 at 758, KC MARCH is down 3 at 880 and MPLS MARCH is unchanged at 925. US Dollar is trading **0.49 higher** at 101.70.



Same Pro Scale as SWW

APR					
	SWW Bushel	*CLUB* Bushel	HRW 11.5% Bushel	DNS 14.0% Bushel	BARLEY Ton
FEB	8.35	8.85	10.03	9.99	260.00
MAR	8.35	8.85	10.03	9.99	260.00
APR	8.39	8.89	10.03	9.99	260.00
MAY	8.43	8.43	10.03	9.99	260.00
JUN	8.47	8.47	10.03	9.99	260.00
JLY - NC	7.80	7.80	9.44	9.93	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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