



MORNING MARKET REPORT

Tuesday, February 7, 2023

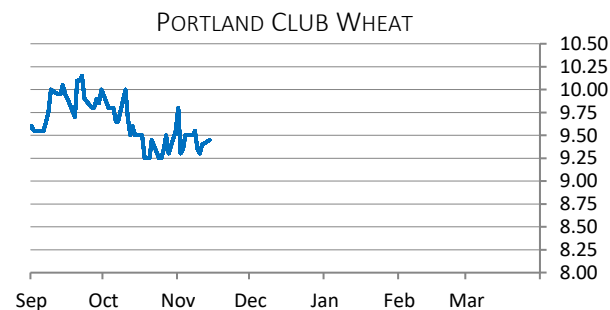
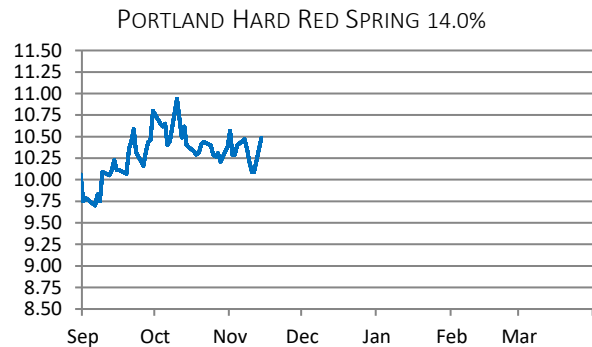
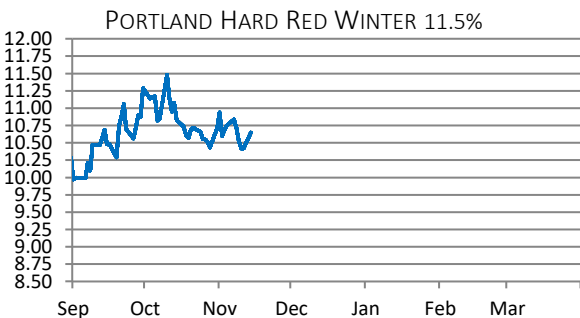
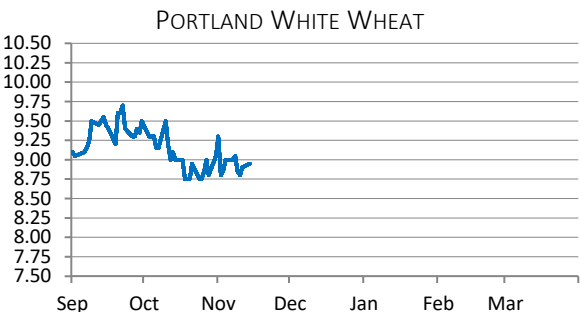
Market Summary

Wheat futures are trading higher this morning up 0 to 8 cents in the March Futures with KC HRW seeing the biggest increase. The carry structure in the CHI futures is widening a bit with MCH to SEP spreads currently at 25 cents (up from 15-18 cents in past weeks) and the KC HRW Futures is seeing an inverse (nearby months are higher than deferred). HRW had shown a small carry structure previously. USDA report coming out on Wednesday. Should be relatively routine but the potential for chaos is always present. Brazil is continuing their soybean harvest (while fighting heavy rains), currently about 10% complete. The southern portions of Brazil and Argentina are still too dry but should get some rain over the 8 to 15 day stretch according to the forecast.

Consultant cuts Argentine soybean crop forecast... After two weeks of relatively favorable weather, the forecast for Argentina is hotter and drier, "which the earlier planted soybeans can ill afford," according to S.A. crop consultant Dr. Michael Cordonnier. As a result, he cut his Argentine soybean crop forecast by 1 MMT to 38 MMT and noted "the estimate could easily move lower with an extended period of hot and dry weather." He left his Argentine corn crop forecast at 44 MMT but warned that continued hot and dry weather would result in a lower corn estimate.

Mexico addresses concerns about U.S. GMO corn... If US corn passes the sanitary filters of the Federal Commission for Protection against Sanitary Risks (Cofepris), it will have no problem entering Mexico, said Mexico's Secretary of Economy Raquel Buenrotro. If all goes well, it should eliminate the possibility of the US starting a dispute settlement process against Mexico under the US-Mexico-Canada Agreement. I don't know that the trade ever thought the GMO ban would come to fruition, but this seems like a very positive step as long as the quality passes the tests.

Cash Futures Prices: Chicago MARCH is unchanged at 750, KC MARCH is up 8 at 884 and MPLS MARCH is unchanged at 917. US Dollar is trading **0.46 lower** at 103.16.



Same Pro Scale as SWW

APR					
	SWW Bushel	*CLUB* Bushel	HRW 11.5% Bushel	DNS 14.0% Bushel	BARLEY Ton
FEB	8.45	8.60	10.15	9.98	260.00
MAR	8.45	8.60	10.15	9.98	260.00
APR	8.49	8.64	10.05	9.90	260.00
MAY	8.53	8.53	10.05	9.90	260.00
JUN	8.57	8.57	10.05	9.90	260.00
JLY - NC	8.00	8.00	9.44	9.87	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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