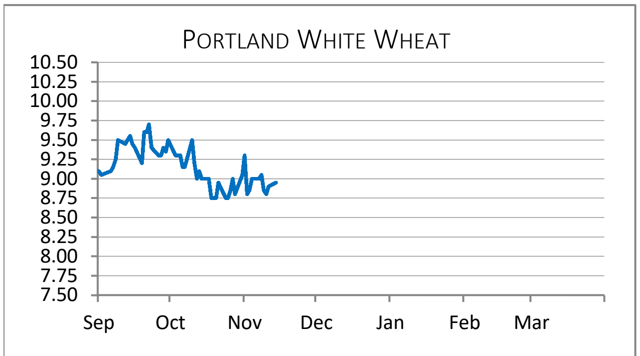
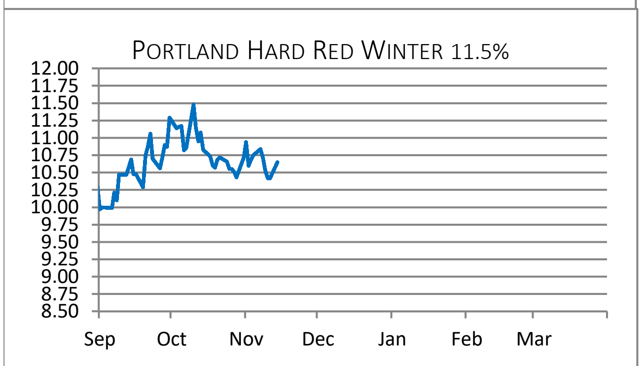
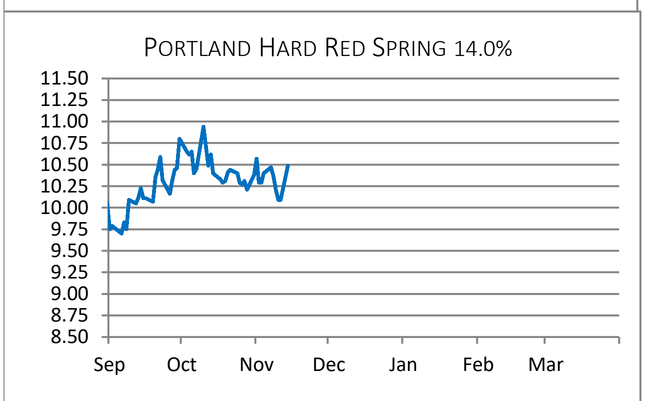
MORNING MARKET REPORT

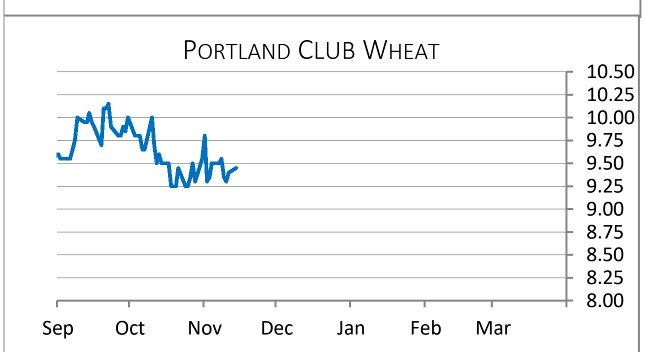
UNIONTOWN CO-OP
Growing on a Century of Service
EST. 1916

Wednesday, February 8, 2023









Same Pro Scale as SWW

Market Summary

<u>Wheat futures are trading higher this morning</u> up 9 to 11 cents in the March Futures after the release of the USDA WASDE report at 9:00. The report was relatively neutral for wheat, barely changing the ending stocks, but in the wheat by class section they had soft red winter (CHI Futures) variety ending stocks increase by 12 mbu to 102 mbu (vs the Jan report of 90 mbu) and the white wheat class ending stocks decreased 11 mbu down to 45 mbu from the jan report number of 56 mbu. That backs up the fact that soft white wheat has been a hot seller compared to the other classes of wheat and it is being reflected in the ending stocks projection. Gets white wheat down to a 15% stocks to use which is pretty tight. (All wheat stocks to use is about 30%). They adjusted Argentina's corn and soybean production down by 5 MMT and 4.5 MMT respectively but left Brazil's production unchanged. Only slight overall changes to world ending stocks, with some nations down and other nations making up for it. **<u>The carry structure in the CHI futures is widening a bit</u>** 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. 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.

<u>Mexico addresses concerns about U.S. GMO corn</u>... 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.

<u>Cash Futures Prices</u>: Chicago MARCH is up 10 at 760, KC MARCH is up 11 at 897 and MPLS MARCH is up 9 at 926. US Dollar is trading **0.08 lower** at 103.35.

APR					
	SWW Bushel	*CLUB* Bushel	HRW 11.5% Bushel	DNS 14.0% Bushel	BARLEY Ton
FEB	8.45	8.60	10.26	10.06	260.00
MAR	8.45	8.60	10.26	10.06	260.00
APR	8.49	8.64	10.12	9.99	260.00
MAY	8.53	8.53	10.12	9.99	260.00
JUN	8.57	8.57	10.12	9.99	260.00
JLY - NC	8.00	8.00	9.49	9.92	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 **