



MORNING MARKET REPORT

Wednesday, February 15, 2023

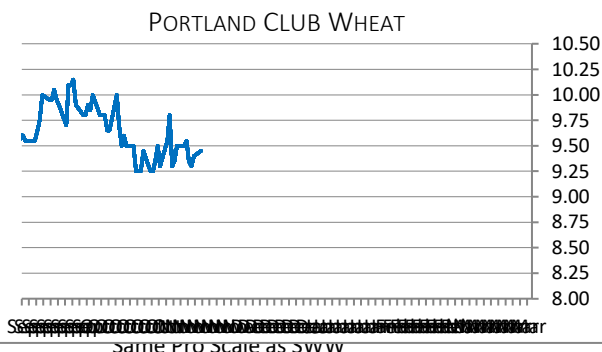
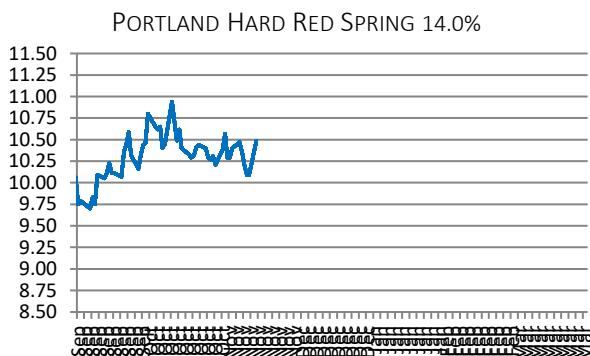
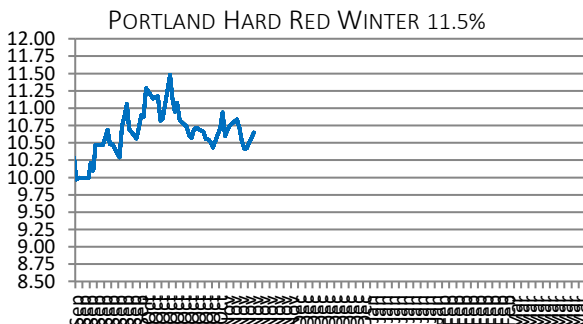
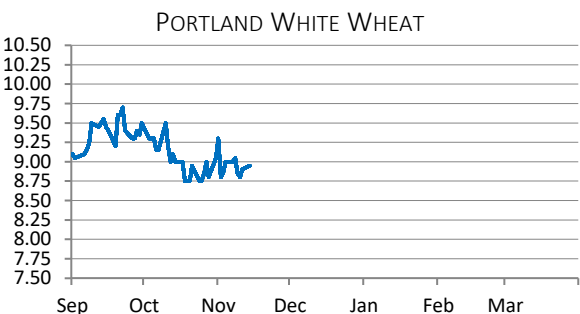
Market Summary

Wheat futures are trading lower this morning down 8 to 13 cents in the **MAY** futures. Large Brazilian production, a stronger US dollar, and lower crude oil are pressured prices of wheat, soybeans, and corn in the early part of the session. The 6-10 day forecast shows the US central plains should get some much needed moisture. SovEcon has raised the Russian grain export estimates by 0.1 MMT to 44.2 MMT. Over the last few weeks, Russian wheat has extended its price spread between French wheat and Russian wheat to almost \$20/mt from \$0-5 in January (FOB) and it looks like that price advantage may hold out for a while. Overall, it looks like Russian export activity over the next few months will be a noticeable obstacle to a global rally in prices.

Russia / Ukraine grain shipping corridor is set to expire on about 30 days. Yesterday the Bulls were reacting to a statement by Russia that renewal of the shipping agreement would be contingent on getting the sanctions against Russia lifted (which doesn't seem likely). Bears in the marketplace have countered that there is no way Russia would kill the shipping corridor while they are sitting on a large supply of wheat and have been shipping it at historically high prices. They need that corridor open just as bad as Ukraine does.

Mexico seems to be backing off its agreement to "look into the science" of GMO corn in deciding whether to go through with the GMO varieties ban. Currently it appears they will allow GMO varieties for industrial and animal feed, but are a hard "no" on allowing it for human consumption. White corn used in tortillas accounts for 18-20% of U.S. corn exports to Mexico. The situation continues to evolve with the US threatening arbitration through the US Mexico and Canada trade pact.

Cash Futures Prices: Chicago MAY is down 13 at 783, KC MAY is down 12 at 882 and MPLS MAY is down 8 at 915. US Dollar is trading **0.81 higher** at 104.05.



APR					
	SWW Bushel	*CLUB* Bushel	HRW 11.5% Bushel	DNS 14.0% Bushel	BARLEY Ton
FEB	8.45	8.60	10.23	10.01	260.00
MAR	8.45	8.60	10.23	10.01	260.00
APR	8.49	8.64	10.23	10.01	260.00
MAY	8.53	8.53	10.23	10.01	260.00
JUN	8.57	8.57	10.23	10.01	260.00
JLY - NC	8.61	8.61	9.49	9.89	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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