



# MORNING MARKET REPORT

Tuesday, May 9, 2023

## Market Summary

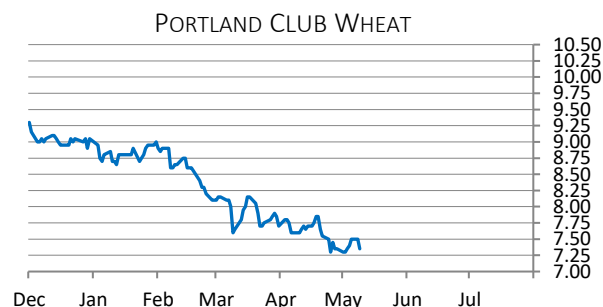
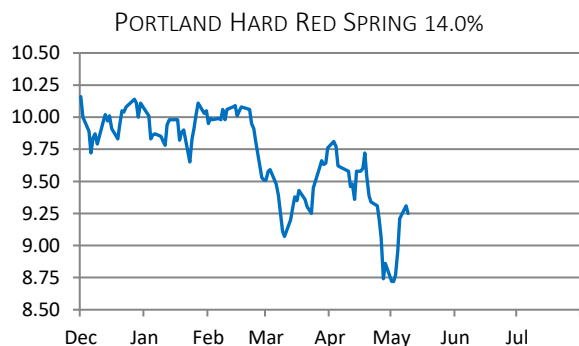
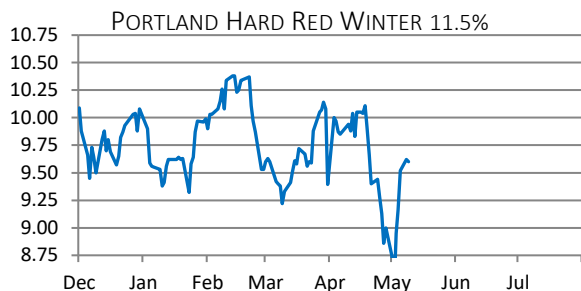
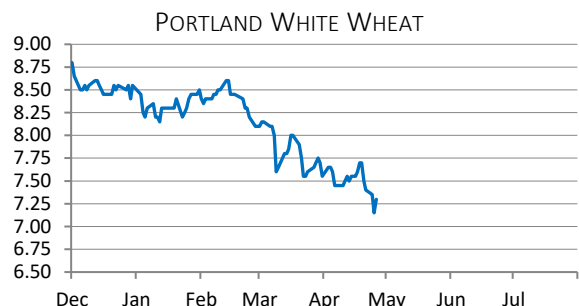
**Wheat futures are trading a mixed this morning**, down 16 in the CHI SRW to down 3 and up 1 in the MPLS HRS and KC HRW respectively. CHI futures continuing to distance itself from the MPLS and KC wheat futures, which seems a little odd. Usually they seem to move more in unison. Fundamentally it makes sense with the SRW crop being in good shape and the HRW crop seeing some severe production and quality issues this year. The Hard red spring crop has been battling drought in MT/ND and has been a struggle to get planted. The confusing thing is why are we seeing this separation now instead of all spring long? The differences in crop quality have been going on for a long time. With so much speculative investment in the CHI futures currently betting on "short" positions (where the sell high / buy back low to make profit) maybe there is some technical resistance on the SRW market keeping it from rising.

**The weekly planting progress / crop condition report came out yesterday** was bearish for the markets. Planting is catching up and quality has held for the most part. Corn progress is ahead to the point where they should be able to plant long-developing varieties and have a long growing season (equals big yields). With another cancellation of corn sales to China (and not old-crop being replaced by new-crop sales) it will probably show up as an adjustment to the corn balance sheet in Friday's USDA report.

**Trade between Russia and China** is up 41.3% this year to \$73.15 billion. Russian exports to Japan were up 8.8% to \$15.38 billion in 2022, with LNG accounting for 34% of the total. StatsCan released another Quarterly Grain Stocks report and reported more wheat and canola left on their balance sheet than the trade was expecting.

**Ukraine's Ag Minister says they have safe alternatives to transport grain** if the UN grain deal is not extended by May 18 and that it would not be an "apocalyptic scenario". They meet on May 10-11 to try to come to an agreement on extending the current deal. Headlines related to the Grain Corridor don't have the same effect they used to.

**Cash Futures Prices:** Chicago JULY is down 16 at 637, KC JULY is up 1 at 845 and MPLS JULY is down 3 at 840. US Dollar is trading 0.33 higher at 101.71.



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>MAY</b>	7.20	7.35	9.60	9.25	250.00
<b>JUN</b>	7.20	7.35	9.60	9.25	250.00
<b>JLY - NC</b>	7.15	7.30	9.12	9.27	250.00
<b>AUG - NC</b>	7.15	7.30	9.12	9.22	250.00
<b>SEP - NC</b>	7.15	7.15	9.12	9.22	250.00
<b>OCT - NC</b>	7.25	7.25	9.05	9.25	250.00

### 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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