



MORNING MARKET REPORT

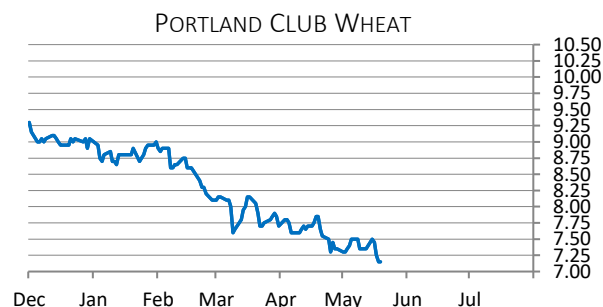
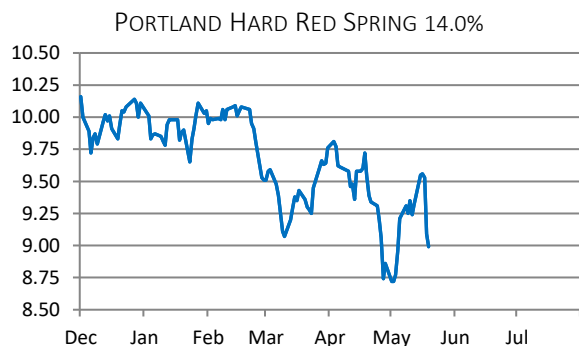
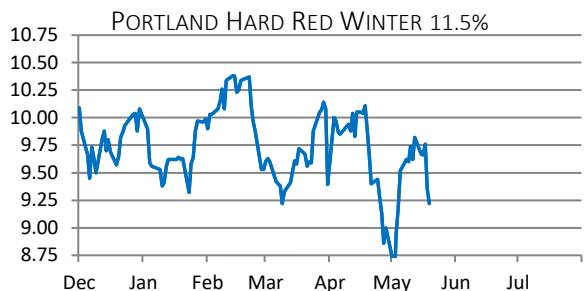
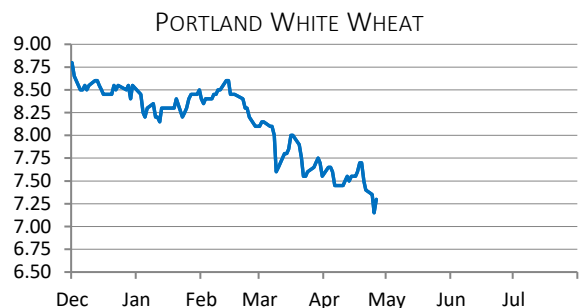
Friday, May 19, 2023

Market Summary

Wheat futures are trading mixed this morning, down 14 to up 3 cents in the JULY futures after trading in the green early in the session. US weather patterns remain mostly favorable and planting progress is expected to show strong gains on Monday's crop report. It has been an active 7 days with last Friday's WASDE report, the Black Sea shipping agreement not getting done and then extended at the last minute, planting progress and favorable weather, Kansas HRW wheat tour, China cancelling another large Corn shipment, etc. (not to mention the debt-ceiling negotiations, an increasing US dollar, and US inflation worries). Lots of volatility in the futures yesterday with a big spread between the highs and the lows. Trading volume picked up over the last couple of days which indicates the speculative traders are awake again. **The HRW Quality Tour** finished up its third and final day yesterday. Their final yield projection is at 30 bushels per acre with production for Kansas forecasted at 178 million bushels. That production estimate would be the lowest production year for Kansas since 1957.

Why isn't a historically low US HRW production having a bigger impact on Markets? One reason for the lackluster market reaction is that we are in a global market and the US is only the 5th largest exporter nowadays. We have been referred to as a "supplier of last resort" which means once the wheat buyers pick off the cheaper offerings of Russia, Ukraine, Australia, etc, they are left to deal with the US market, which still has a good supply but it comes at a higher cost. The point is that any supply issues out of the #5 exporter of wheat won't have as big of an impact unless there are some production concerns with one or a few of the other big producers. When the Black Sea region is having issues, then additional production issues from the US can have a big effect, but when most of the large producers of wheat are having good conditions, supply concerns from the US do not make as big of an impact.

Cash Futures Prices: Chicago JULY is up 3 cents at 615, KC JULY is down 14 at 843 and MPLS JULY is down 8 at 820 US Dollar is trading 0.50 lower at 103.09.



Same Pro Scale as SWW

Cash Grain Bids: Delivered Portland

	SWW Bushel	*CLUB* Bushel	HRW 11.5% Bushel	DNS 14.0% Bushel	BARLEY Ton
MAY	7.00	7.15	9.22	8.99	250.00
JUN	7.00	7.15	9.22	8.99	250.00
JLY - NC	7.00	7.15	9.12	9.03	250.00
AUG - NC	7.00	7.15	9.12	9.03	250.00
SEP - NC	7.00	7.00	9.12	9.03	250.00
OCT - NC	7.10	7.10	9.04	9.03	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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