



MORNING MARKET REPORT

Tuesday, May 23, 2023

Market Summary

Wheat futures are trading higher this morning, up 17 to 20 cents in the JULY futures.

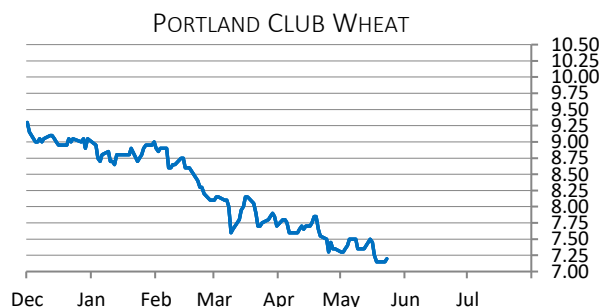
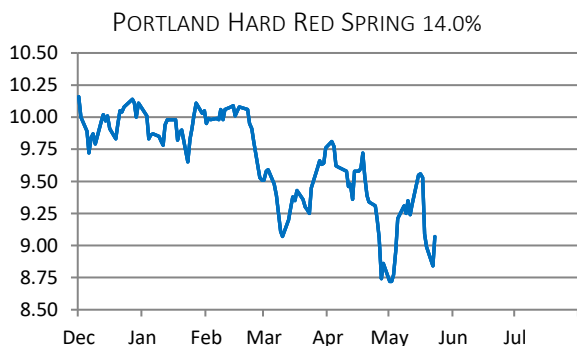
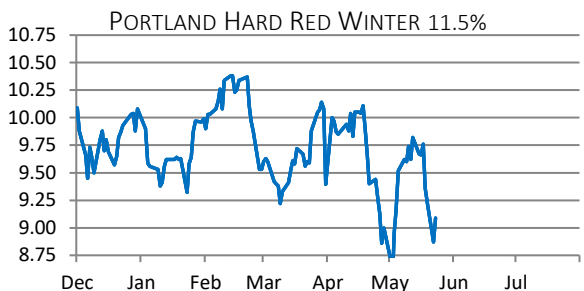
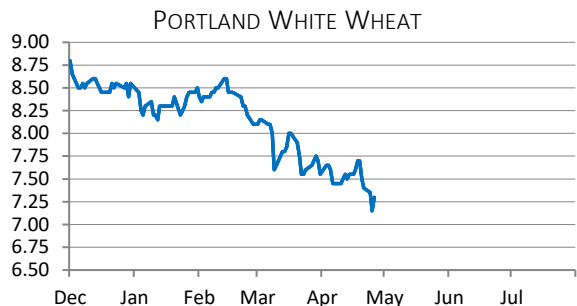
Yesterday's markets saw the wheat futures all trading lower with the CHI July dipping below the psychological support level of \$6.00 and eventually closing at 6.05. This morning's rally in wheat is happening despite recent weakness and strength in the US Dollar. Maybe a delayed reaction to the KS wheat quality tour findings. There is another "Ukraine says Russia is impeding shipments" article but I think the trade is getting more and more numb to these stories.

Polish wheat heading to the United States... US buyers have now purchased about 210,000 metric tonnes of EU wheat for delivery into Florida. Five 30,000 MT shipments from Poland and two 30,000 MT shipments from Germany. This is noteworthy because it is an indication our wheat is uncompetitively priced when you can source it cheaper from overseas than you can domestically. EU wheat may be a bit underpriced and with Florida's distance from the HRW growing areas in the US, there is still a good amount of freight either way, so maybe it isn't as bad as it sounds.

The HRW Quality Tour finished up its third and final day Thursday. 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. The latest USDA report showed 199 million bushels at an average yield of 29.5 bpa, which indicates a change in planted acres probably due to abandonment of acres.

Monday's Crop progress report... Highlights: Corn 81% planted (75% is average); 52% emerged (45% avg). Soybeans: 66% planted (52% avg); 36% emerged (24% avg). Spring wheat: 64% planted (73% avg); 32% emerged (40% avg). Winter wheat: 31% good/excellent (29% last week); 61% headed (61% 5-yr avg). Winter wheat in a little better condition than anticipated but the rest of the report didn't hold many surprises.

Cash Futures Prices: Chicago JULY is up 17 cents at 623, KC JULY is up 20 at 846 and MPLS JULY is up 20 at 830 US Dollar is trading 0.38 higher at 103.58.



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 | 7.05 | 7.20 | 9.09 | 9.07 | 250.00 |
| JUN | 7.05 | 7.20 | 9.09 | 9.07 | 250.00 |
| JLY - NC | 7.05 | 7.20 | 9.09 | 9.10 | 250.00 |
| AUG - NC | 7.05 | 7.20 | 9.09 | 9.10 | 250.00 |
| SEP - NC | 7.05 | 7.05 | 9.09 | 9.10 | 250.00 |
| OCT - NC | 7.15 | 7.15 | 9.02 | 9.13 | 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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