



MORNING MARKET REPORT

Wednesday, May 31, 2023

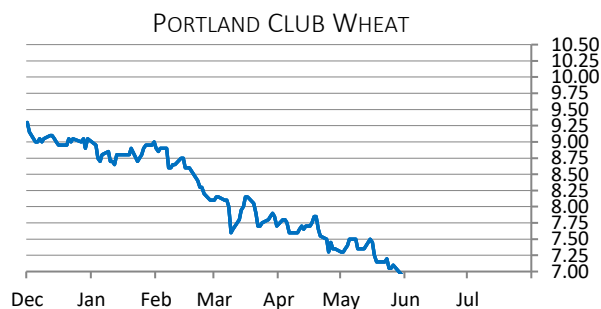
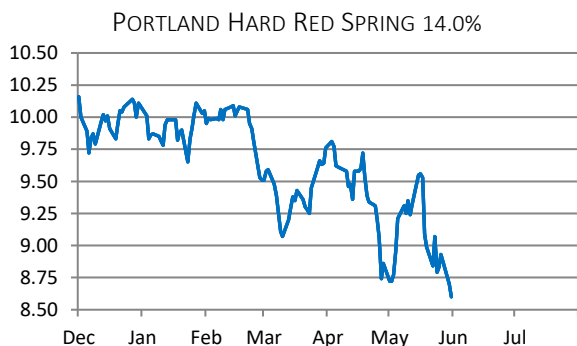
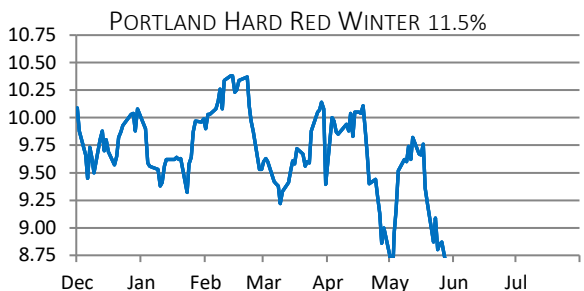
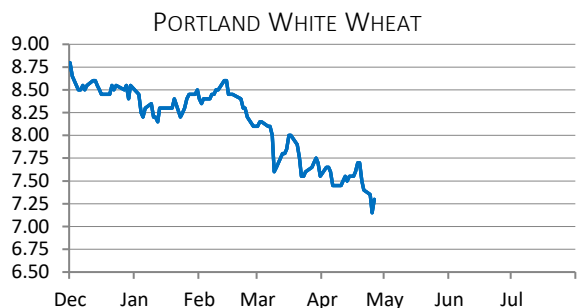
Market Summary

Wheat futures are trading mixed this morning, down 12 to up 2 cents in the JULY futures. A lack of demand, plus improving rains and world crop estimates has distanced buyers from the wheat market. Nearby CHI SRW wheat traded yesterday to its lowest price since December 2020 and nearby Paris milling wheat futures traded their lowest since October 2021. The latest crop condition report showed dramatic progress in Spring planting with even North Dakota catching up from 31% planted last week to 79% planted this week which is near the average planted pace. Winter wheat is on pace for being headed at 72% vs the average of 73% for this date. Winter wheat condition improved 3 points in its Good / Excellent up to 34%. Surprisingly, the report showed Oklahoma improving a whopping 20% in the G/E category even though neighboring Kansas showed a decline in quality. The first crop rating for Corn showed initial condition ratings at 69% G/E versus 71% expected. 71% G/E is also the 5 year average.

According to the Mexican Ag Minister "The US threat of taking Mexico to a dispute settlement panel under a regional trade deal over the country's plan to limit the use of genetically modified (GMO) corn is no longer a worry." This is based on the February decree that softened their stance and allows GMO corn to be imported for use as animal feed (which is over 80% of its consumption) while the amounts for human consumption will still be non-GMO.

HTA contracts: If you have any July - AUG - SEPT HTA contracts you plan on delivering on this harvest, you might think about setting basis soon. With the futures prices dropping like they have, current basis for AUG / SEPT are above \$1.00 for SWW. If you have any new crop HTA's with a lower futures price that you are planning on moving into next year, we are seeing great carries into 2024 crop. A move from CHI SEP 2023 --> CHI SEP 2024 will add \$0.58 carry which would net you a 52 cent better futures price (after the 1/2 cent per month roll fee).

Cash Futures Prices: Chicago JULY is down 1 cent at 589, KC JULY is up 2 at 786 and MPLS JULY is down 12 at 780 US Dollar is trading 0.47 higher at 104.63.



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	6.90	6.90	8.51	8.60	250.00
JUN	6.90	6.90	8.51	8.60	250.00
JLY - NC	6.90	6.90	8.51	8.63	250.00
AUG - NC	6.90	6.90	8.51	8.63	250.00
SEP - NC	6.90	6.90	8.51	8.63	250.00
OCT - NC	7.00	7.00	8.47	8.70	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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