



MORNING MARKET REPORT

Wednesday, July 19, 2023

Market Summary

Wheat futures are trading higher higher this morning, up 18 to 54 cents in the SEP futures.

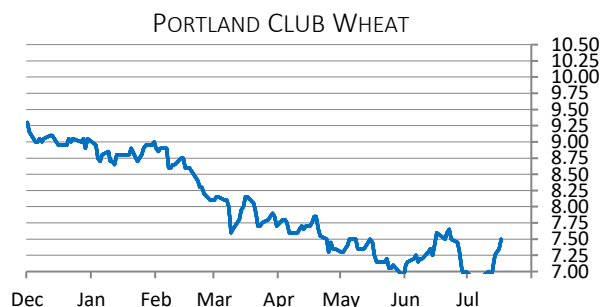
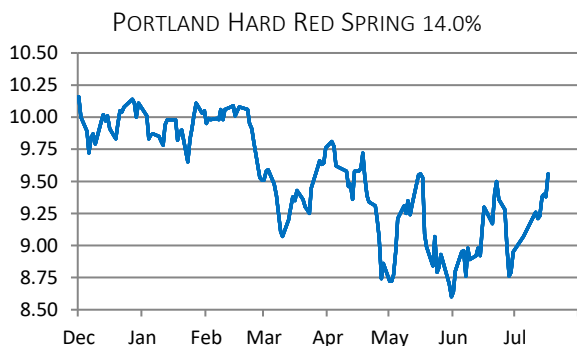
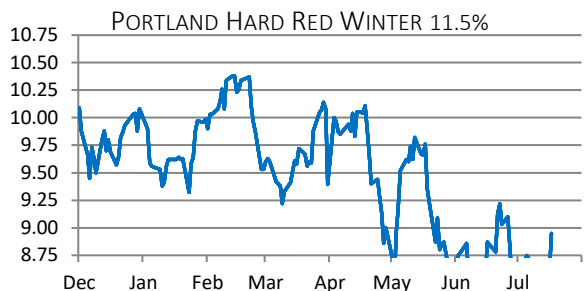
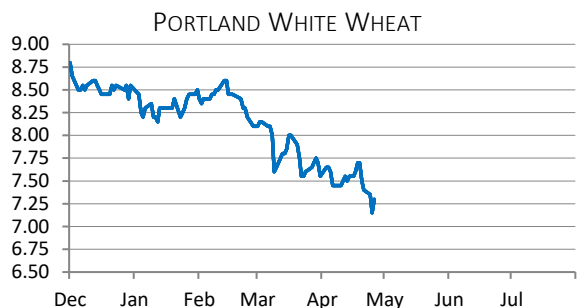
The main driver for the price increase seems to be overnight missile attacks by Russia targeting grain and Oil infrastructure at several Ukrainian ports followed by some aggressive statements by Russia stating that any ships bound for Ukrainian ports will be considered as potential carriers of military cargoes for the Ukrainian side and may be attacked. Insurers are starting to pull their cargo insurance coverage for ships traveling into the Black Sea region. Weather is providing some quieter influence to the markets with higher temperatures in the forecast that could dry up a lot of the precipitation in the area over the next 6-10 days.

With the increase in the futures out-pacing the rise in the cash price we are seeing current basis levels shrink to pretty low levels at around 8 cents for Sept 2023. For those with HTA contracts deliverable in AUG - SEP you might start to consider your options. There is still a good carry from SEPT 2023 to SEPT 2024 futures at around 40 cents if you want to take advantage of that. Give us a call here if you have any questions.

It might make sense to put on some HTAs for 2024 new crop with current SEPT 2024 SRW futures in the \$7.68 range. Could be a good starting point for pricing some 2024 harvest bushels.

With the aggressive language and stance from Russia on Ukrainian bound vessels it feels like they are no longer interested in a revised shipping agreement with concessions in their favor. We should expect the volatility in the markets to continue.

Cash Futures Prices: Chicago SEP is up 54 cents at 724. KC SEP is up 34 at 861 and MPLS SEP is up 19 at 896. US Dollar is trading up 0.43 at 100.37.



Same Pro Scale as SWW

Cash Grain Bids: Delivered Portland

	SWW Bushel	*CLUB* Bushel	HRW 11.5% Bushel	DNS 14.0% Bushel	BARLEY Ton
JLY - NC	7.35	7.50	8.95	9.56	240.00
AUG - NC	7.35	7.50	8.95	9.56	240.00
SEP - NC	7.35	7.50	8.95	9.56	220.00
OCT - NC	7.45	7.45	9.01	9.64	220.00
NOV - NC	7.45	7.45	9.01	9.64	220.00
DEC - NC	7.45	7.45	9.01	9.64	220.00

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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