



MORNING MARKET REPORT

Friday, August 4, 2023

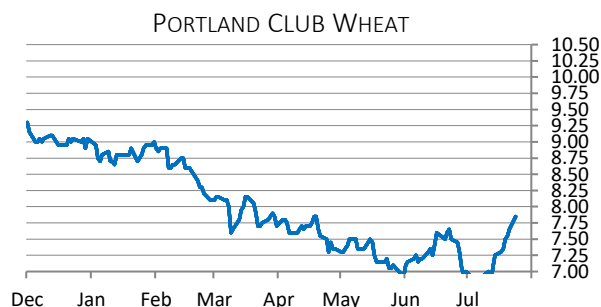
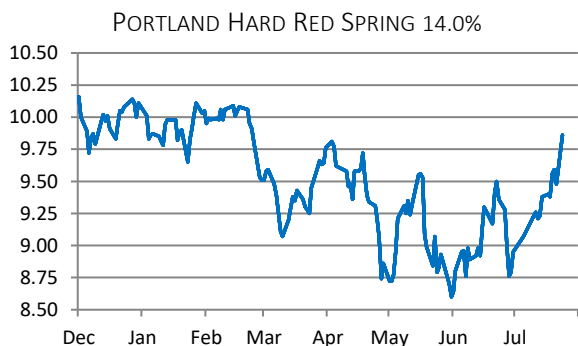
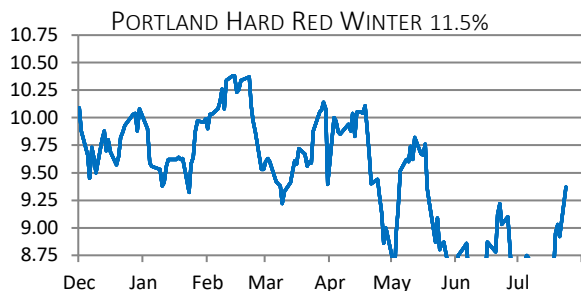
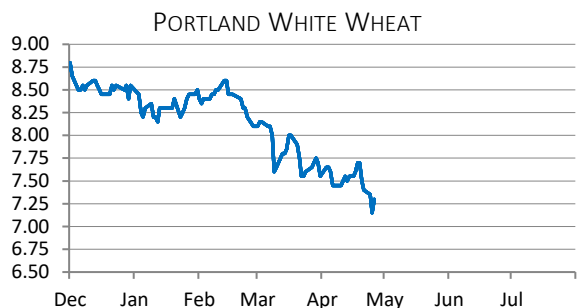
Market Summary

Wheat futures are trading mixed this morning, down 9 to up 7 cents in the SEP futures. A drone strike on strike by Ukraine near the Russian Black Sea port of Novorossiysk damaged a Russian war ship. Russia successfully fended off most of the attacks but a Ukrainian drone carrying dynamite damaged a Russian ship and temporarily suspended operations in the port. Wheat futures rose 10-15 cents reacting to the news, which isn't a very big move, considering. The semi-traditional 6:30 sell-off as the speculative traders enter the market at the day session opening didn't happen though. Maybe the drive to short the SRW market has started to fall off a bit. The improved US weather in the Corn - Soybean belt and the fact that our US commodity prices are still not competitive in the world market are still keeping a cap on any rallies for now. There is so much more speculative investing in these commodity markets (especially CHI SRW) than there is from true hedging activity that sometimes the "big money" creates its own reality in terms of price movement. Makes it hard to apply ECON 101 principles to predicting what the charts are going to do.

India is considering ways to bring down their domestic wheat prices, including lowering their import taxes on wheat. India has traditionally had restrictive import duties in place to support higher domestic prices for their producers but with their local food prices on the rise they may have to bring in some cheaper supplies to bring prices back in control. Indian Food Secretary Chopra said there is no plan to import wheat from Russia or engage in a government-to-government deal.

SEPT HTA Owners: Just a reminder to watch Basis levels or Spreads as we get closer to the AUG 23 deadline. Whether you set basis on the HTA for SEPT delivery or decide to Roll it forward to capture some additional carry and replace the sale nearby with a cash sale is up to you. Basis levels are around 66 cents currently for sept delivery. Carries have remained strong with SEP23 ==> DEC23 carry at 27 cents on the board and SEP23 ==> SEP24 carry at 81 cents on the board. Call us if you have any questions.

Cash Futures Prices: Chicago SEP is up 7 at 634. KC SEP is down 9 at 758 and MPLS SEP is down 3 at 830. US Dollar is trading 0.73 lower at 101.82.



Same Pro Scale as SWW

Cash Grain Bids: Delivered Portland

	SWW Bushel	*CLUB* Bushel	HRW 11.5% Bushel	DNS 14.0% Bushel	BARLEY Ton
AUG - NC	7.00	7.25	7.77	8.79	220.00
SEP - NC	7.00	7.25	7.77	8.79	220.00
OCT - NC	7.05	7.30	7.91	8.94	220.00
NOV - NC	7.10	7.10	7.91	8.94	220.00
DEC - NC	7.15	7.15	7.91	8.94	220.00
JAN - NC	7.20	7.20	7.99	9.04	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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