HARD WINTER — In Kansas City, premiums on hard red winter wheat with 11.6% protein, 11.8% protein and 12.6% protein were lowered 5c a bu, and basis at 12.4% protein was lowered 9c. Basis across rest of protein scale was unchanged. Eleven rail cars carrying Kansas wheat with proteins ranging from 11.6% to 13% were offered for sale and received bids at or below Friday’s basis levels, but nothing traded before basis was set. August applications were ample with more expected as week progresses. In market for to-arrive wheat, there was inquiry for January-March offers, but no business was completed. Grain merchantised said much of the 12%-protein wheat available in the 2016 harvest already was sold. Meanwhile, he said producers were selling their wheat at a brisk pace, and railroads were doing a good job of keeping up with car placements. He noted 30-day free storage period was ending for many farmers, who will then be faced with choice of storing to wait for higher prices to sell more wheat. Low country wheat prices in some areas brought into play federal crop support programs after several years of their being moribund. Kansas growers by Aug. 8 collected $5.1 million in loan deficiency payments on 56.5 million bush of wheat, which equated to an L.D.P. of about $11.2c per bus. Kansas growers also have enrolled 16.2 million bush of wheat in the U.S.D.A.’s marketing assistance loan program. The value of the loans extended was about $50.5 million. Of the bush enrolled, 15.6 million bush were offered for sale and received bids at or below the Chicago September price. Elevator bids were 7c under Chicago September price. Some mills in area posted bids much higher to secure upward adjustment a hike of 20c a bu at high end of 15% protein. Agricultural Marketing Service indicated 58 rail cars were received in Minneapolis and were applied against contracts or offered for sale. U.S.D.A. Crop Progress report said 30% of the crop in the six major states was harvested as of Aug. 7 compared with 22% on the same date a year ago and 18% as the five-year average for the date. In top-producing North Dakota, 22% of spring wheat was harvested in the latest week compared with 15% as the average for the crop. Crop condition ratings in the six major states were unchanged from a week ago with 68% rated good to excellent (69% a year ago) and 24% fair (23%). Choice milling hard amber durum quoted for delivery across Chicago gateway was $7.75 a bu, unchanged.

SOFT RED — Posted St. Louis-area mill bids for nearby were 10c under Chicago September. At same time, some mills in area posted bids much higher to secure required quality supply. Chicago mill bids for nearby were at the Chicago September price. Toledo mill bids for September were Chicago September price. Elevator bids were 7c under Chicago September. Hilton area elevator bids were 31c under Chicago September. Michigan white wheat mill bids were about 25c over Chicago September. Gulf bids on soft red winter wheat for July were 20c over Chicago September, down 5c.

Cash Wheat

<table>
<thead>
<tr>
<th>Basis Sept.</th>
<th>15%</th>
<th>14%</th>
<th>13%</th>
<th>12%</th>
<th>11%</th>
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<td>+70c</td>
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<td>12.4%</td>
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<td>+60c</td>
<td>+70c</td>
<td>+80c</td>
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<td>12.6%</td>
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Wheat Futures

Joe Christopher, Crossroads Commodities, Sidney, Neb.

We continue to chop around within the $4 to $4.25 trading range basis K.C. September. Domestic basis levels are soft as most mills seem to have good current coverage. Export basis has held along with the cost of BN and UP shuttle freight. Export sales have slowed recently but are still well ahead of last year. With the increased size of the crop this year, exports will need to increase from last year. Hard red winter is working into some feed rations on a limited basis. The extremely wide wheat/corn spreads have slowed feeding. The calendar spreads have narrowed some of late. Chicago has seen 700 warehouse receipts cancelled recently along with the Goldman roll starting. There is a large carry in the soft red winter cash market, which could make maintaining control of stocks attractive. K.C. is just following suit. I look for the spreads to widen back out as we get closer to delivery. Chicago has gained 10c back on K.C. in the last few sessions. Bigger shorts in Chicago to cover and cancellation of warehouse receipts probably are driving this. This spread is still range bound + or – 20c. Fade the continued on Page 2.
### Bakery Flour

Bookings of bakery flour were light. Mixed price changes for wheat futures provided no incentive for bakers to leave sidelines. Most bakers already were comfortable with futures coverage through the end of calendar 2016 and into 2017. Some millers encouraged bakers to book supply or at least futures component coverage through end of 2017, pointing to lowest prices in years. Hard winter-spring blends were raised 5c a cwt, spring standard patent was raised 25c, and soft flour was moved up 5c. The prices of semolina and rye flour were left unchanged.

### Millfeed

Nearby prices were steady to higher with exception of spot Southwest rail, down $2 a ton, and spot Southwest truck, down $10, amid ample supplies. Deferred values were steady to higher. Market activity was quiet following a weekend when loads sold at discounts were relatively light. Traders were waiting for uptick in demand in Southwest, but one reseller said it was a “slow grind” to more demand in his region. On other hand, an Upper Midwest reseller said there were pockets where buying interest for creep feed remained strong. Other locations indicated dealings were quiet with supply and demand in decent balance. Northeast trader said values were likely to drift until closer to Labor Day, when mills were expected to be closed for some or all of the long holiday weekend, which would temporarily tighten supplies. Southwest deferred quotes gained $2@3. Upper Midwest values were mostly steady. The spot value in Southeast was unchanged. Central states prices rose $1@2. Northeast values were steady. California quotes were unchanged. Pacific Northwest was steady. Wheat germ was unchanged.

### Sweetener Prices - per lb

- **Midwest 42% HFCS, 2016**: $22.375/@23.375
- **Corn syrup, Midwest, 2016**: $3.75
- **Midwest beet sugar, 2015-16**: $28.5/@29.5
- **Finish cane sugar, 2015-16**: $33.35

### Chicago Futures

- **$ per bu**:
  - **Corn**
    - September: $3.254 +1c $3.28 $3.22
    - December: $3.34 +1c $3.37 $3.31
    - March: $3.45 +1c $3.46 $3.41
    - May: $3.514 +1c $3.53 $3.48
    - July: $3.584 +1c $3.59 $3.55

### Soybeans

- **$ per bu**
  - **August**: $10.188 +15c $10.188 $10.068
  - **September**: $10.011 +13c $10.027 $9.877
  - **November**: $9.85 $10.00 $9.55
  - **December**: $9.884 +10c $9.88 $9.77

### Soybean Oil

- **cents per lb**
  - **August**: $30.93c +0.41c $31.02c $30.84c
  - **September**: $31.01c +0.39c $31.16c $30.60c
  - **October**: $31.14c +0.40c $31.28c $30.77c
  - **December**: $31.42c +0.41c $31.57c $30.98c

### Soybean Meal – $ per ton

- **August**: $337.90 +2.10 $341.90 $333.60
- **September**: $335.90 +1.50 $340.20 $330.60
- **October**: $334.10 +1.30 $338.50 $328.50
- **December**: $332.40 +1.00 $337.00 $326.50

### Bakery Flour Prices – per cwt

- **Hard winter-spring blends, K.C.**
  - $11.95@12.05, 10 days
- **Export straight - .48 to .50 ash**
  - $12.15@12.25, track Gulf
- **Clear, 1.20 ash**
  - $11. K.C.
- **Spring standard patent, Mpls.**
  - $13.30@13.40
- **High gluten**
  - 200@300c more
- **Fancy spring clear**
  - $13.15@13.25
- **First spring clear**
  - $13.05@13.15
- **Papers Buffalo**
  - $15.55@15.65
- **Semolina, Minneapolis**
  - $18.85@18.95
- **First clear**
  - $16
- **Second clear**
  - $12.50
- **Rye, Minneapolis**
  - $16.30@16.40
- **Cracker, Chicago**
  - $10.75@10.85

### Export Tenders

- **Japan** agriculture ministry was expected to lift suspension of western white wheat imports from Pacific Northwest once it acquires means to test for presence of bioengineered wheat variety detected in field in Washington state on July 29.
- **Indications were Syria** seeks offers of up to 150,000 tonnes of milling wheat from Russia.
- **Indications were Jordan** seeks offers Aug. 9 on 100,000 tonnes of optional-origin milling wheat.
- **Japan** agriculture ministry seeks offers Aug. 10 on 120,000 tonnes of feed wheat in simultaneous buy-sell tender.

### Export Inspections

Export wheat inspections in the week ended Aug. 4 were 376,407 tonnes, down from 669,661 tonnes a week earlier. Total for the 2016-17 crop year was 4,738,450 tonnes, up 32% from 3,593,808 tonnes in the same period of 2015-16. Week’s outgo included, via Lakes, 20,975 tonnes; Atlantic, 1,960 tonnes; Gulf, 162,454 tonnes; Pacific, 161,204 tonnes; Interior, 29,814 tonnes; corn in week, 1,452,037 tonnes; soybeans, 972,001 tonnes; sorghum, 217,773 tonnes; barley, 3,165 tonnes; flaxseed, 465 tonnes; all grains, 3,021,848 tonnes.