



Northwest Grain Growers

These are the 5 biggest issues that NWGG feel are affecting today's markets and items to watch for as we progress through the year.

1: 2/5/19 Now that the government is operating again we are starting to get some market data however the USDA's release schedule for export sales won't see sales caught up to the current date until February 22nd, and that's assuming the government is still open then as it is only funded through February 15th currently.

2: 2/5/19 Export sales for white wheat have been strong recently due to the CCC buying 4.5 million bushels for donation to Yemen for February shipment. We still don't know exactly how much wheat has been sold recently due to the shutdown but it's been enough to drive the market to new highs for the year.

3: 2/5/19 White wheat ending stocks are projected to be relatively tight compared to other classes of wheat and as a result white wheat prices have firmed as HRW and DNS prices haven't done much of anything lately. We may see white wheat at a premium to each if export business remains strong through the end of the marketing year in June.

4: 2/5/19 Russian wheat prices have firmed recently as their exportable surplus dwindles down. This should allow increased sales of U.S. wheat which would primarily help HRW and SRW.

5: 2/5/19 Rumors that China will buy U.S. wheat have been making the rounds over the last month but there has been no confirmation of any substantial business being done yet. According to their stocks situation they shouldn't need to buy any wheat but as a broader strategy to gaining a more favorable deal in the trade war they could certainly spend some money on wheat they don't need. Normally China buys mostly DNS from the U.S. with some soft white in the mix as well. Ending stocks of soft white are currently projected at 49 million bushels and if the Chinese buy a non-trivial amount it could really tighten things up going into new crop.

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