


THE INSIDE SCOOP

from the  Arden Mills Customer Risk Management Desk

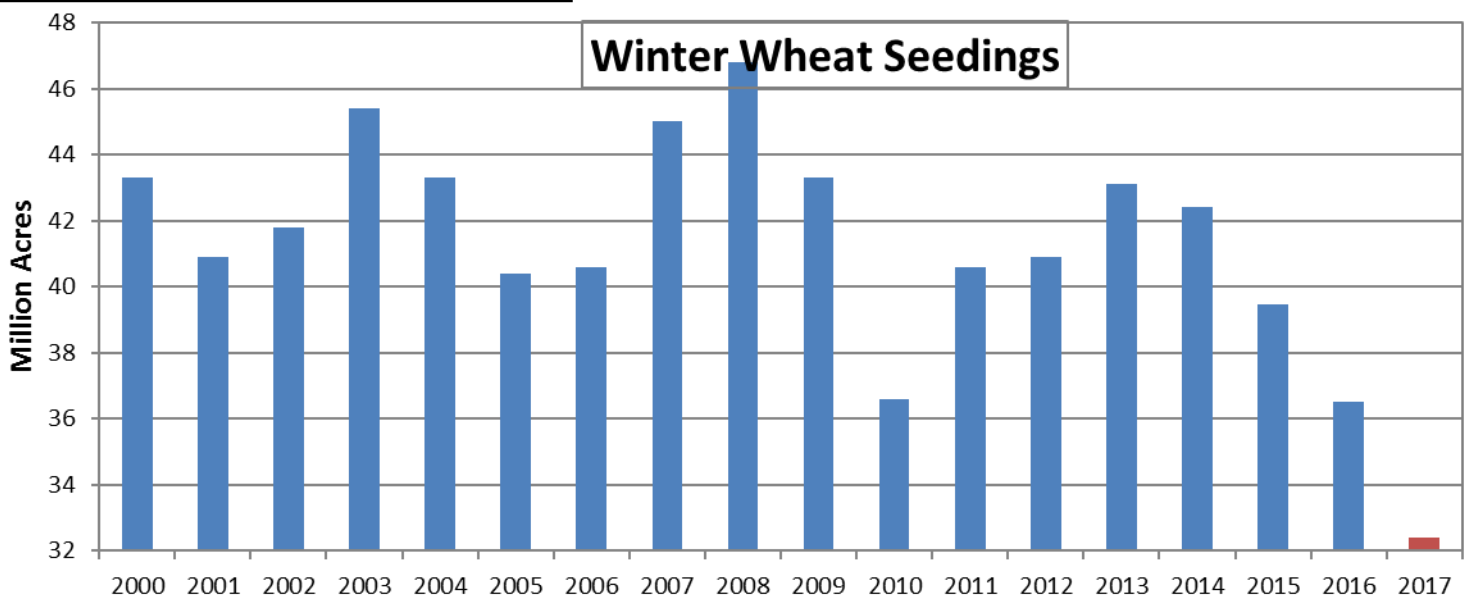
THIS PAST WEEK:

Flour prices have pushed higher again this week. Higher protein flour prices have not firmed as much as lower protein. All grain prices (notably corn/soybeans) are higher this week. Weather for US Winter Wheat is very warm and some market participants expect that the wheat crop will break dormancy 3 to 4 week early. Export sales of US wheat this week were once again strong at over 500 thousand metric tonnes.

MOVING FORWARD:

The wheat crop advancing early means that weather is more important in these early stages. Wet and a lack of cold freezes should help the wheat crop develop and see better yields. Dry conditions and a few cold periods would have the opposite result on the winter wheat yields. Weather is always the largest factor that can change flour prices. With the smaller planted acres this year, the market is preparing for a smaller wheat production than a year ago when we saw record yields. US weather and world weather will become the dominant factors to determine flour prices.

Mpls	2/16	Weekly	% Change
Wheat	Close	Change	YOY
Mar-17	\$5.5025	(\$0.1825)	11%
KC	2/16	Weekly	% Change
Wheat	Close	Change	YOY
Mar-17	\$4.5800	\$0.0675	2%
Chicago	2/16	Weekly	% Change
Wheat	Close	Change	YOY
Mar-17	\$4.4775	\$0.0425	-4%
Other	2/16	Weekly	Yearly
Grains	Close	Change	Change
Mar-17 Corn	\$3.7350	\$0.0400	3%
Mar-17 Soybeans	\$10.4375	(\$0.0675)	19%
Mar-17 Bean Oil	33.52	(1.15)	6%
Mar-16 Soy Meal	\$342.00	\$3.60	29%



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