



FLOUR FACTS



Information Provided by General Mills Bakery Flour
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Weekly Market Highlights

- Wheat futures are mostly down this week. Basis levels on spring wheat tumbled. Winter wheat basis was unchanged to a little higher. The result is lower flour pricing.
- U.S. winter wheat condition report has rated 50% good to excellent. Winter wheat condition was rated the worst in Texas with 49% of the crop poor to very poor. Rain in Kansas and Oklahoma helped their crop.
- U.S. dollar index rose to the highest levels since October, however broke hard the last few days with news that 6 global central banks made a plan to add liquidity to help with the European Debt Crisis.
- U.S. exports have improved with China and South Korea being the largest buyers of U.S. wheat.
- Ample U.S. and global wheat supplies along with lower corn and soybean complex futures continue to put downward pressure on wheat prices.

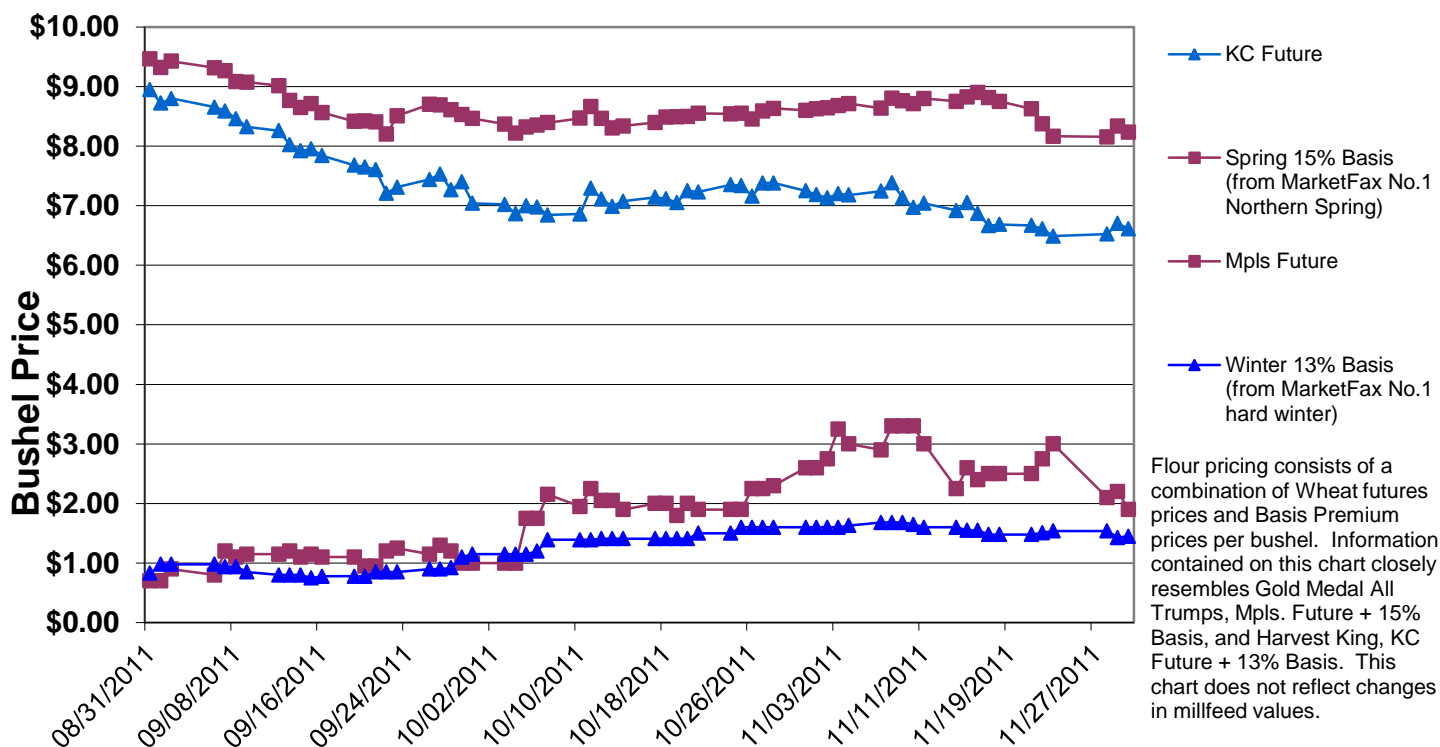
Facts on Flour

Red or White? Perhaps a Blush?

The third major classification category for wheat is bran color – red vs. white. The difference in bran color between wheat types is simply a difference in genetic traits. In the United States we have seen a slight switch of usage from red wheat to white wheat over the past several years. There are three main reasons for this trend. The farmer yields slightly more per acre (maybe 2-3 bushels), a flour miller can yield more flour per bushel and the taste is slightly “sweeter” compared to flour milled from red winter wheat. Recent focus on the nutritional benefits of whole grains makes the “sweeter” taste of white wheat a good alternative to the traditional red wheat flours for milling whole wheat flours, especially for young consumers and others who tend not to appreciate the flavor of a whole grain bread product.

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Futures & Basis Markets



This Chart is meant to indicate Market Direction Only.

To add names to our distribution list, or if you would like to receive Flour Facts via e-mail, contact:

Brenda Mengelkoch at 763-293-1149

brenda.mengelkoch@genmills.com