

FLOUR FACTS

Information Provided by General Mills Professional Baking Solutions
ProfessionalBakingSolutions.com



Weekly Market Highlights

JULY 19, 2012

- Wheat futures prices surge higher this week. Basis levels are choppy.
- Wheat futures continue to follow corn as the drought plays a major factor on corn yields, which are estimated at 140 bushels per acre or less in some areas.
- Winter wheat harvest was at 97% completion as of July 15. Farmers are starting to worry about drought conditions affecting planting the 2013 winter wheat crop.
- Spring wheat harvest has begun with South Dakota at 12% harvested on July 15, which continues to be ahead of the 0% 5 year average.
- Spring wheat crop was rated at 65% good to excellent this week down just a percent from the previous week.
- All-time highs on nearby corn and soybeans play a major role in wheat prices.

Facts on Flour

Put'em all together and what d'ya get?

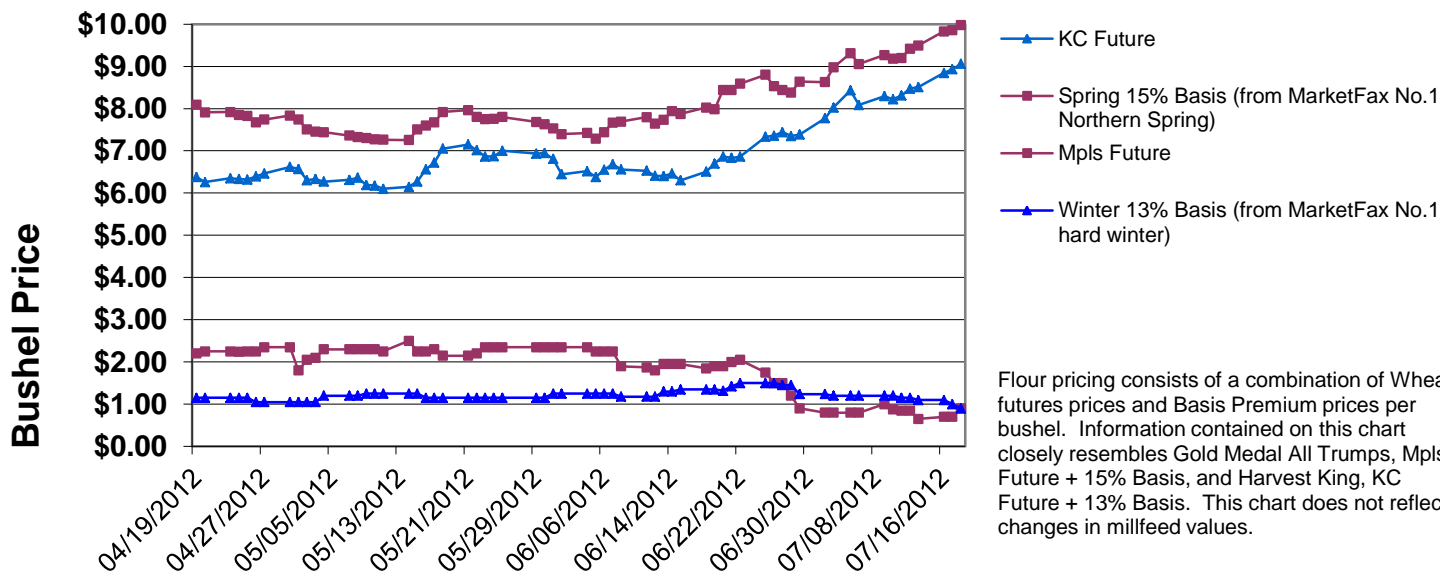
With the major classifications categories defined – Winter and Spring, Hard and Soft, Red and White – we can combine them to discover the range of wheat available. The major classifications of wheat used in the U.S. are: Hard Red Winter, Hard Red Spring, Soft Red Winter and Soft White Winter.

One other classification of wheat is Durum.

Now that we have identified the major wheat types, over the next several weeks, we can begin to discuss different flour types. Because, just as wheat is not “just wheat,” flour is not “just flour.”

◇ ◇ ◇

Futures & Basis Markets



Flour pricing consists of a combination of Wheat futures prices and Basis Premium prices per bushel. Information contained on this chart closely resembles Gold Medal All Trumps, Mpls. Future + 15% Basis, and Harvest King, KC Future + 13% Basis. This chart does not reflect changes in millfeed values.

This Chart is meant to indicate Market Direction Only.

Professional Baking Solutions is your trusted partner committed to providing quality products, innovative business solutions, and technical support to baking professionals. With product solutions for cakes, pizzas, bagels and breads, and a team of recognized industry experts, our trusted brands and proven expertise combine to provide you with a holistic approach to build your business.

Experience inspires confidence.

