

FLOUR FACTS

Information Provided by General Mills Professional Baking Solutions *ProfessionalBakingSolutions.com*



Weekly Market Highlights

MARCH 21, 2013

- Wheat futures prices are higher again this week, returning to levels last seen thirty days ago.
- Basis Premiums are firm to higher as well, as sellers have been holding to the sidelines.
- Wheat growing states, Kansas, Oklahoma, Texas, are reporting improved crop ratings, but there is a long way to go to assure a good outcome for their wheat.
- There is some threat that weather for these states will fluctuate between very warm and very cold conditions, leaving the developing crop vulnerable to frost damage. This was one supportive factor in the market this week.
- The USDA will report acreage intentions and stock positions next week, and their information is expected to have a strong influence on where wheat prices will move from here.

Facts on Flour

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

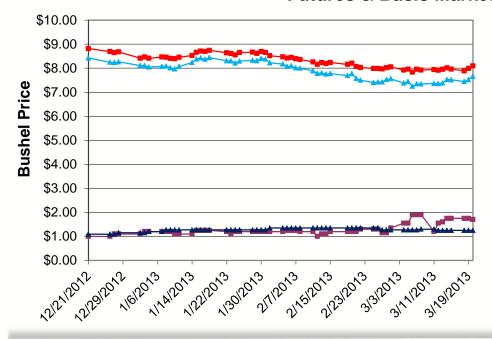
With the major classifications categories defined – Winter and Spring, Hard and Soft, Red and White – we can combine them to discover the range of wheat available. The major classifications of wheat used in the U.S. are: Hard Red Winter, Hard Red Spring, Soft Red Winter and Soft White Winter.

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



→ KC Future

 Spring 15% Basis (from MarketFax No.1 Northern Spring)

Mpls Future

Winter 13% Basis (from MarketFax No.1 hard winter)

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.

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