



FLOUR FACTS

Information Provided by General Mills Professional Baking Solutions
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Weekly Market Highlights

DECEMBER 5, 2013

- Wheat futures prices are very near where they were in our last report two weeks ago. Basis premium prices are slightly higher.
- Rail logistics continue to support the basis at these levels, and a major weather event in the Midwest this week is likely to slow things even further.
- The USDA has issued the final crop reporting for this year, to resume in April. U.S. winter wheat crops are in great condition; hopes are that the current winter weather will bring good moisture and no winterkill to the crop.
- The International Grains Council is forecasting another record world wheat crop for 2013-14, predicting a slightly larger crop than the record set in 2011-12.
- Plentiful world supplies are likely to limit the strength of price rallies, but we are not expecting wheat futures prices to break far from their recent range and basis premiums will not be much lower until we see a dramatic improvement in rail logistics.

Facts on Flour

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

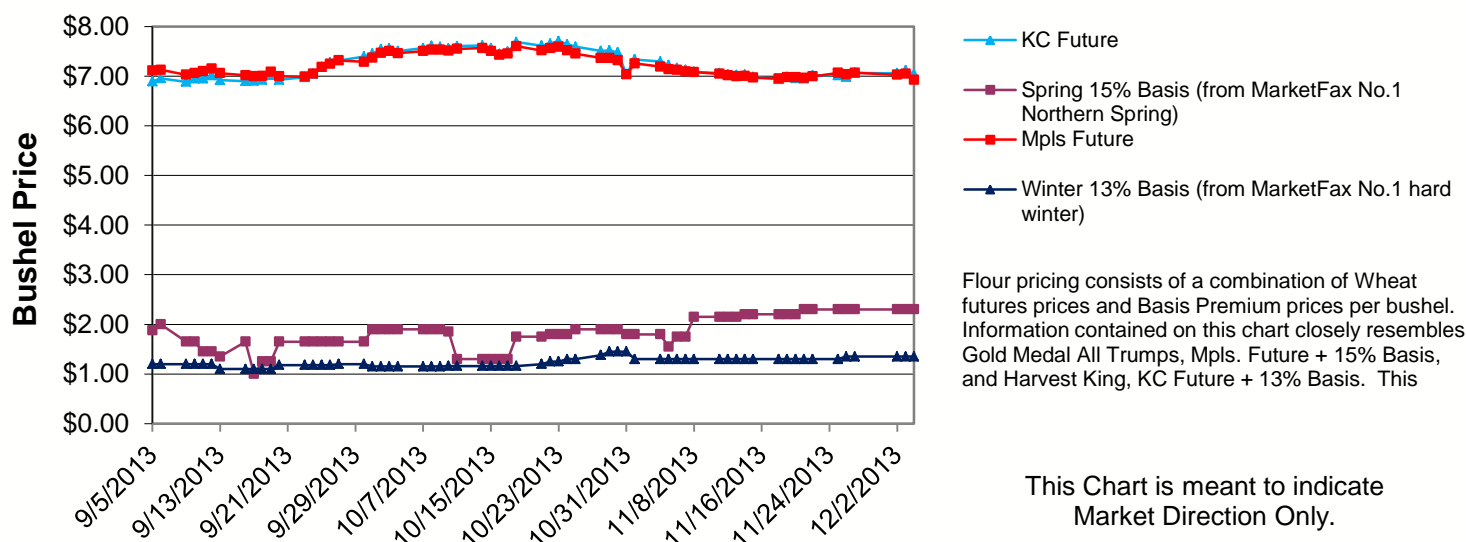
With the major classifications categories defined – Winter and Spring, Hard and Soft, Red and White – we can combine them to discover the range of wheat available. The major classifications of wheat used in the U.S. are: Hard Red Winter, Hard Red Spring, Soft Red Winter and Soft White Winter.

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



Professional Baking Solutions is your trusted partner in baking — providing quality products, innovative business solutions and technical support to baking professionals. With product solutions for cakes, pizzas, bagels and breads, we're backed by trusted brands and recognized industry experts to offer a holistic approach to build your business.

Experience inspires confidence.

