



FLOUR FACTS

Information Provided by General Mills Professional Baking Solutions
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Weekly Market Highlights

JANUARY 9, 2014

- Wheat futures prices declined through much of the three weeks since our last communication.
- Basis premium prices are sharply higher, more than offsetting the decline in wheat futures, and leading to higher flour prices for most flour grades.
- Transportation issues are the cause of much of the basis increase; sluggish rail performance has turned to abysmal rail performance in part due to nasty winter weather conditions across most of the Northern U.S.
- It is not likely that wheat movement in the country will improve now before March or April. High basis levels could be with us a least that long.
- The USDA will report World Agricultural Supply and Demand estimates tomorrow. The market may react to the new information in the short term, but it is not expected to change the overall market trend.

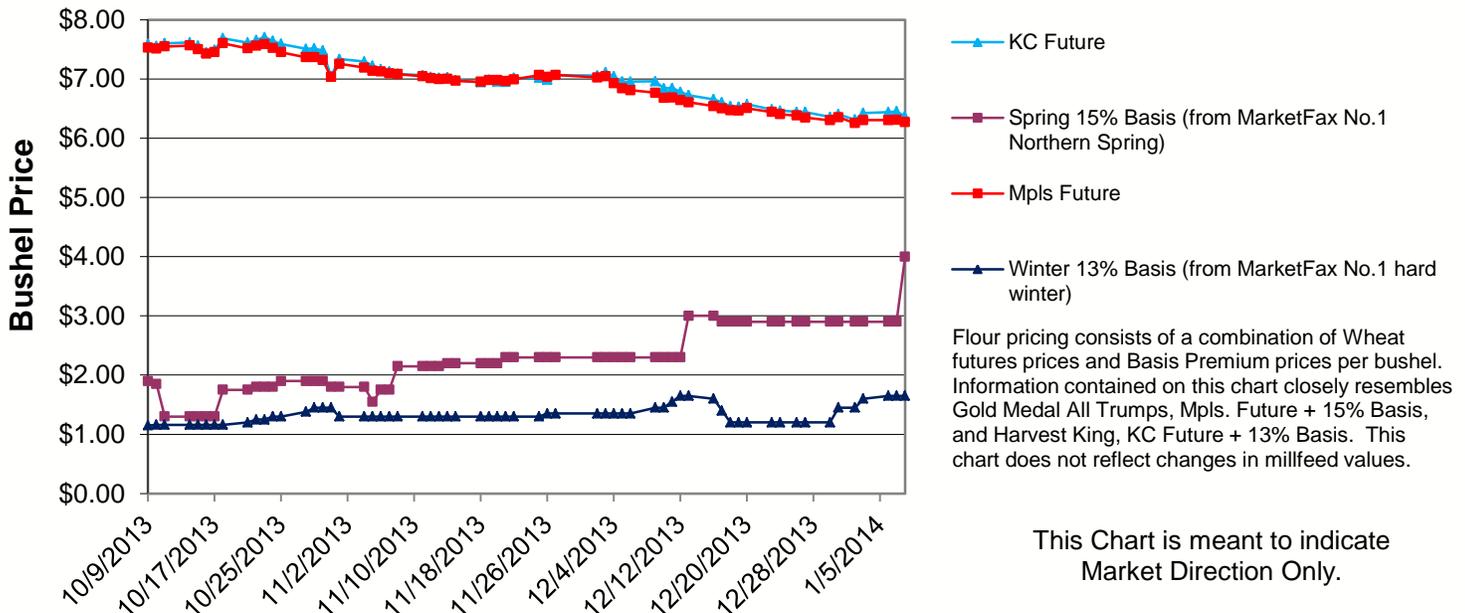
Facts on Flour

Hard Spring Wheat

This wheat contains the highest protein content of all the wheat classes averaging between 13.5-14.5 percent. It has superior milling and baking properties and is used to produce bread products requiring strong gluten, including hearth breads and rolls, variety breads, bagels and thin pizza crust. It is often blended with lower protein flours to improve their bread making qualities. The four-state region of North Dakota, Montana, Minnesota and South Dakota grows approximately ninety percent of the Hard Red Spring Wheat in the United States.

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Futures & Basis Markets



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Experience inspires confidence.

