

FLOUR FACTS

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Weekly Market Highlights

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- Wheat futures prices are slightly lower than they were a week ago, well within their recent narrow range.
- Basis premium prices are mostly firm. A break in high protein winter wheat basis was welcome, but existing levels are still historically high.
- Several reports issued this week including the World Ag Supply and Demand estimates confirmed what market participants already know, there is plenty of wheat in stock all around the world.
- Ample supplies are likely to continue to weigh on wheat futures values, leaving basis values to do the work of coaxing wheat from elevator to market.
- Wheat and flour prices are likely to stay in their range until a threat to the crop in a major growing area emerges.

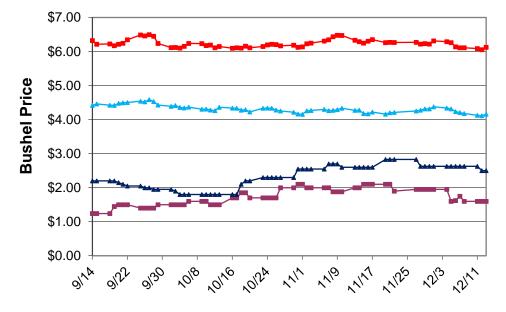
Facts on Flour

Hard and Soft

Another major classification category for wheat is kernel hardness. The wheat kernel, often called a berry, will either be of a hard or soft variety. The terms are very self descriptive. Hard wheat has hard kernels and soft wheat has soft kernels. Although it sounds simplistic, this difference is critically important to the functionality of the finished flour. Hard wheat flours have the correct protein structure for yeast-raised goods: breads, bagels, pizza crust, etc. Soft wheat flour protein will not support yeast fermentation, but is ideal for products using baking powder for the rising action. In future publications, we will discuss the difference between soft and hard wheat proteins.



Futures & Basis Markets



KC Future
Spring 15% Basis (No.1 Northern Spring)
Mpls Future
Winter 13% Basis (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.

General Mills Foodservice 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.

