

As spring brings us a few curveballs in weather, so has the CME Futures this quarter on the marketing. They started out hand in hand based on weather late last summer/fall, as export demand took strong hold on the corn market, and now again, as dryness continues, only this time in the U.S. as well as South America, and world markets. Which seems now is turning into record low inventories on some supplies and a world demand finish to the game. Even as we plant our fields inventories bear down around the globe supplies, promoting a Food vs. Feed. Don't get caught in short supplies on farm and have to go to the later summer market.

Co-products can help in these situations, for instance,

DDGs, is still a good energy and protein value vs. buying corn alone, even though export market demand is driving this up too. Contracts to ship May-July are open.

Hominy is a good value and discount to ground corn delivered on farm, so one can substitute a good percentage of the needs. The corn basis has been seeing strengthens also. Contracts for hominy May-September are open.

Gluten feed for energy needs is always popular, but a very tight market as processing starch and high fructose corn syrup is stagnant and slower, for food industry with restaurants and hospitality slowing usages.

Bakery meal waste is readily available if needs are there for a fine ground blended energy source, runs along with corn market too, but good carbohydrates, sugars, and medium fat level. Monthly contracts are available.

Cottonseed is getting planted currently as their market has improved, and looks to be competing hard with soybean plantings. Contracts are available for new crop Oct-Dec, as well as some old crop through August shipment, for summer fiber, protein, and energy fat needs.

Wheat midds are looser in the market now as wheat plants process hard to make most of their flour spring-summer.

Wheat Midds are a good fiber, and some starch included helps the ration at a reasonable cost. Contracts are open May-September and October-December as well.

Soyhull pellets are extremely tight as several processors in IN/IL/OH/MI take downtime for plant maintenance. Then again cooler temperatures along with not so good hay stands in the U.S. Midwest prevail along with exports on pellets. Demand is holding strong into summer, so probably not going to see the break in prices we normally have in summers past. Get your needs covered.

Soybean meal basis is gaining strength as we come into summer, not just the CME Futures, so take a hard look at needs, and cover them to ensure supply. Exports remain quite strong.

Clock, Oct-Sep2022, new crop contracts are open.

Canola meal is holding steady on the basis now thru September, don't come up short as tightness this summer is prevailing, and can push up the basis as we near the shipment month like.

New crop contracts as open well October-December. Planting is occurring as we speak, and is traded vs. the sbm CME Futures so take a look and make target price plans. This can be a great substitute to sbm depending on ration items.

During difficult times, we want our family close, and during tough market times, we also want our commodity merchandisers close too as the nutritionist continues to tweak the ration to make a profit. Look at all the Ingredient options on feeds, get prices often, ask questions on new items per above, and work close with them all.

It's a busy time of the year, stay safe, and enjoy some Ice cream breaks with family.

Michelle Robinson

Feed Ingredients Merchandiser



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