

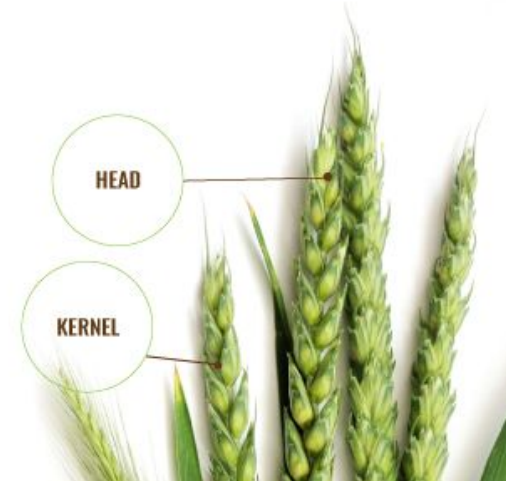
Wheat

By Hannah Fetzer and Cristina Sells



Growth Cycle of Wheat

- Tillering Stage
 - Leaves start to appear
- Stem Extension Stage
 - Lengthening of internodes
- Heading Stage
 - Head emerges from the Stem
- Ripening Stage
 - Milk, Soft Dough, Hard Dough, Finally Mature



How is Wheat Grown?

- Well drained loamy soil
- Fungicides
- Full Sun
- Phosphorus and Nitrogen based fertilizers
- Late Summer or Early Fall
 - Winter Wheat
- Planted in the cold ground
 - Spring Wheat
- No Weeds



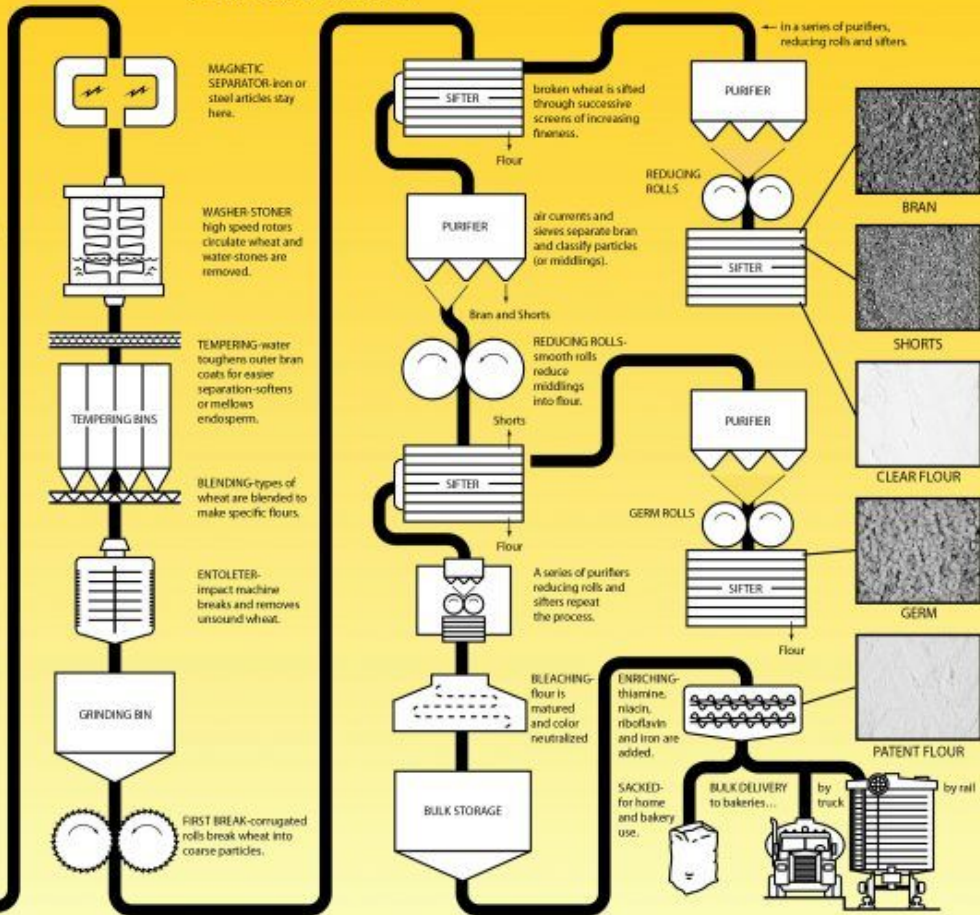
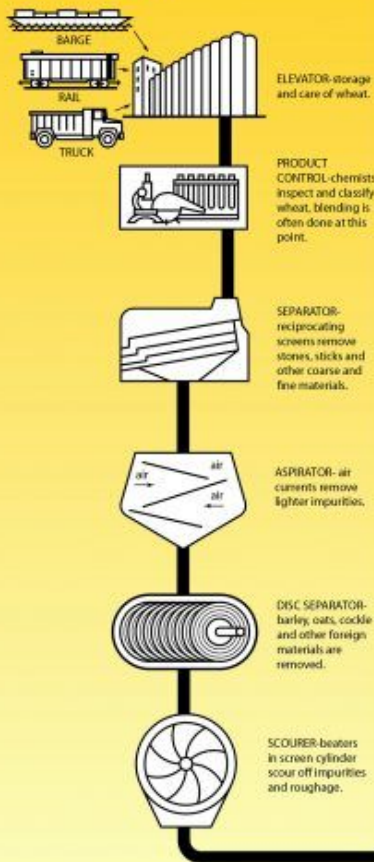
How Wheat moves from Farm to Plate

1. The farmer plant seeds, check for disease/ overall health of the plant and then the wheat gets loaded onto a semi-truck
2. The grain is sold to a local grain elevator
3. Terminal elevators clean, separate, and maintain value of the grain
 - a. Flour milling
 - b. Overseas markets
4. Flour mills can produce different flours or ready to eat products
 - a. Shipped to food retailers or grocery stores
5. Consumer buy products that are made from the flour (such as bread) or buy the flour
6. After buying the product, the wheat makes its way to the dinner table

HOW FLOUR IS MILLED

(A SIMPLIFIED DIAGRAM)

IT STARTS HERE...



NOTE: This chart is greatly simplified. The sequence, number and complexity of different operations vary in different mills.

Hard Red Winter

Wheat



Hard Red Spring

Wheat



Soft Red Winter

Wheat



Soft White

Wheat



Hard White

Wheat



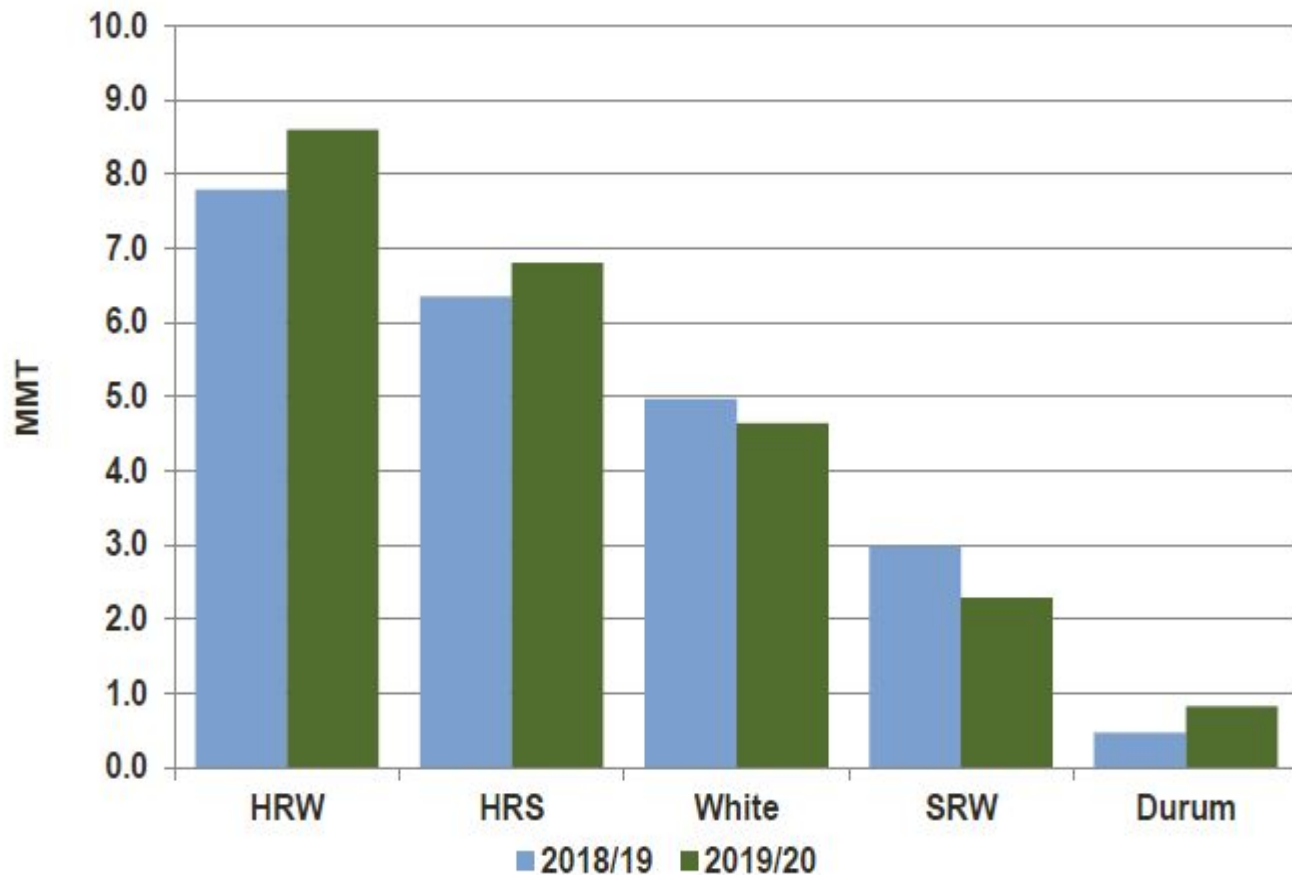
Durum

Wheat



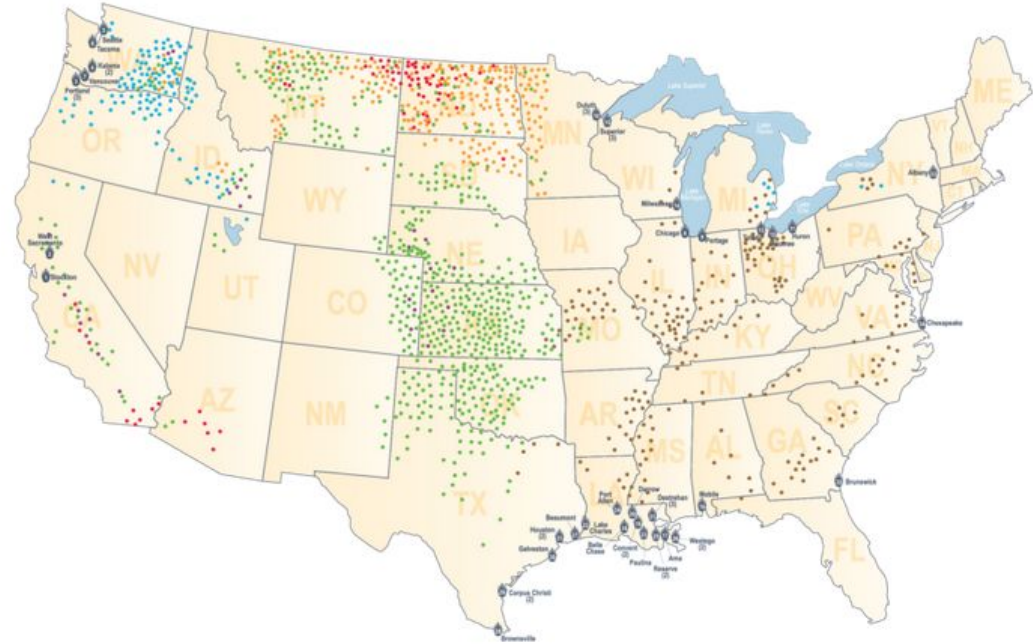
U.S. Wheat Sales by Class

(year-to-date)



Where is wheat produced?

- Northern Area - 19,225,000 acres and 25 mills
- Great Plains - 21,211,000 acres and 36 mills
- Eastern US - 5,390,000 acres and 98 mills
- Pacific NW - 5,479,000 acres and 31 mills



● HARD RED WINTER ● HARD RED SPRING ● SOFT RED WINTER ● SOFT WHITE ● HARD WHITE ● DURUM

Price movement of wheat

According to the March 2020 WASDE (4):

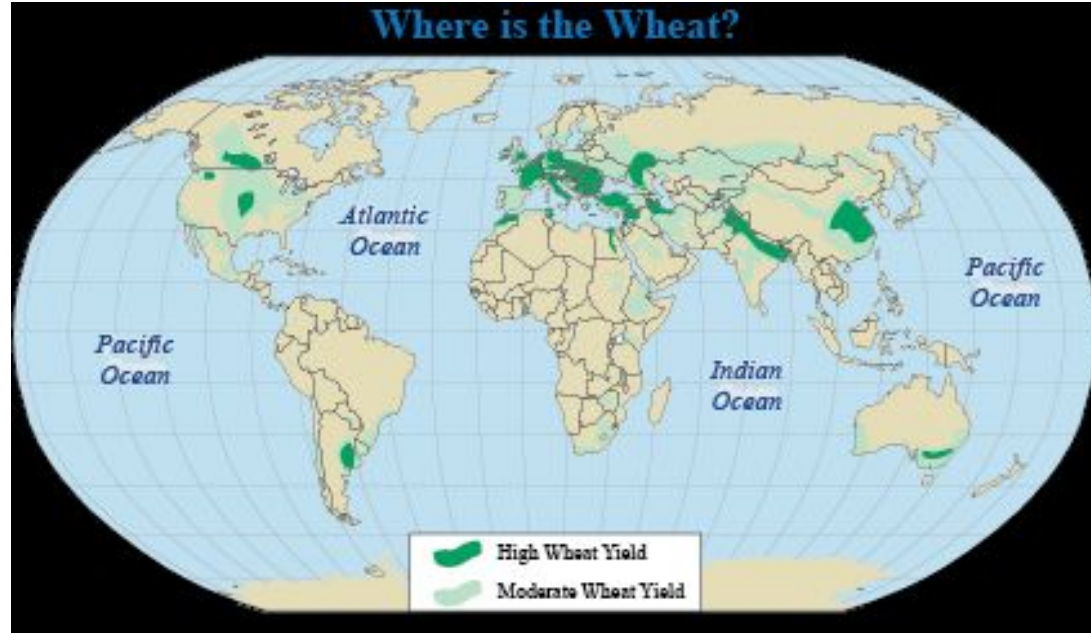
Global wheat
production in 2019/20
to rise to
764 MMT
up 5% from 2018/19

Global wheat
consumption to total
755 MMT
up 3% from last year

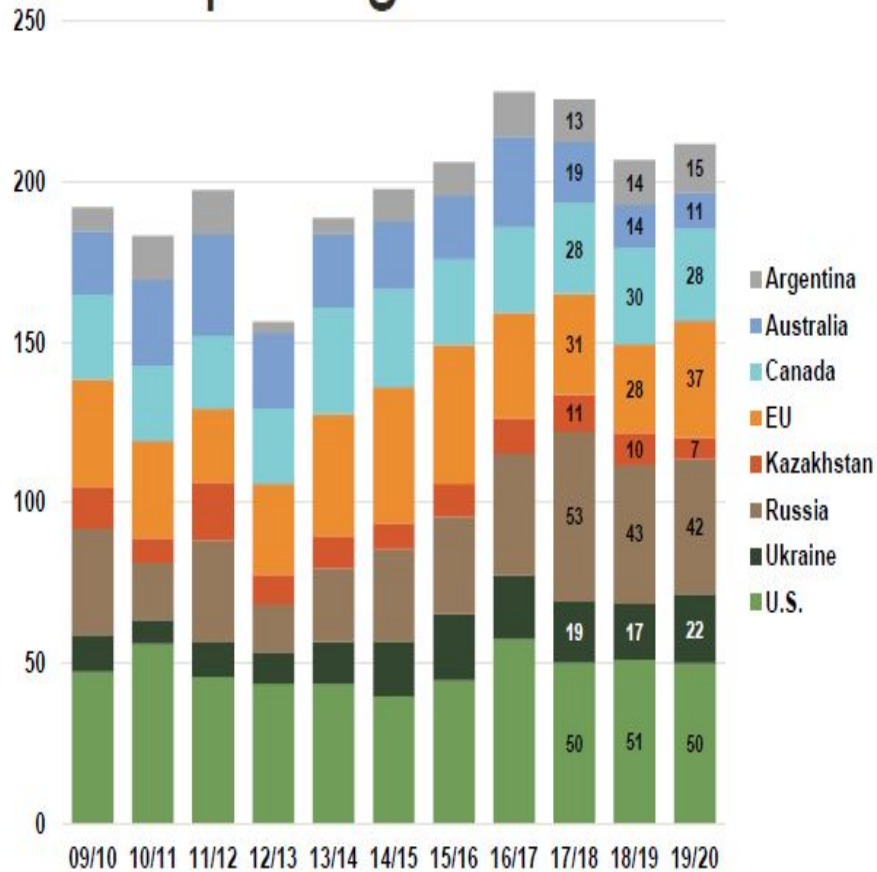
Global wheat ending
stocks to rise to
288 MMT
up 4% from 2018/19

Global Wheat Production

- Top Exporters
 - US
 - Canada
 - Australia
 - Russia
- Top Importers
 - Indonesia
 - Egypt
 - Algeria

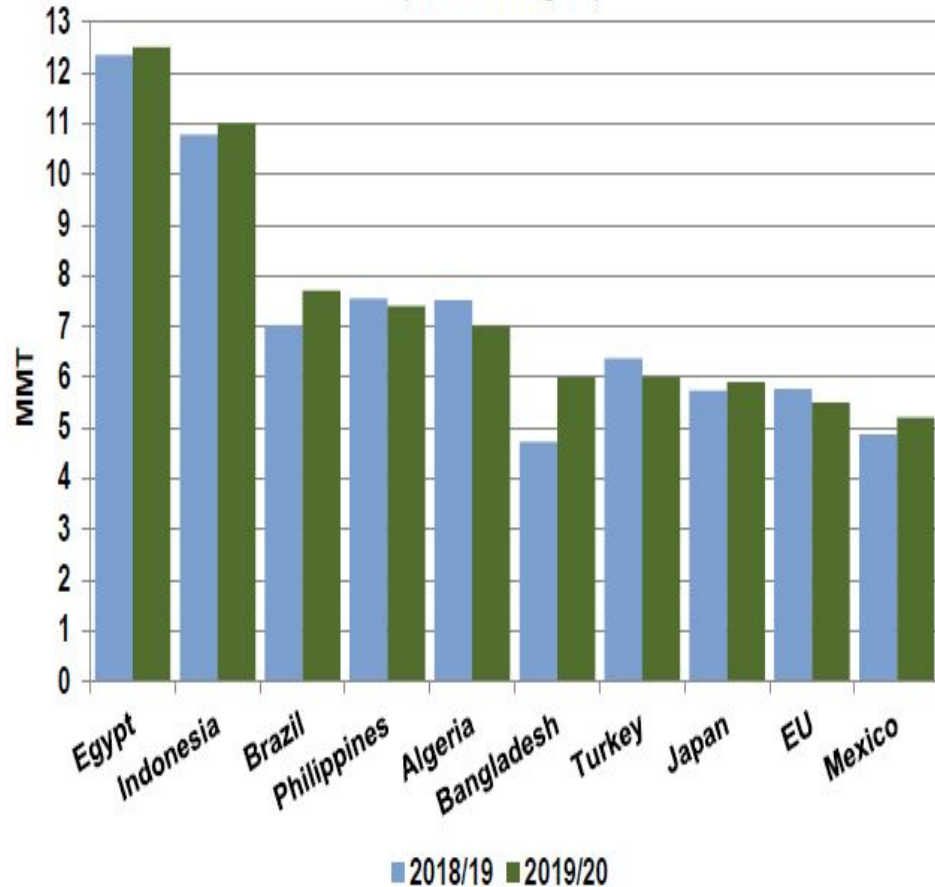


Exportable Supplies in Top Exporting Countries



Major World Wheat Importers

(from all origins)



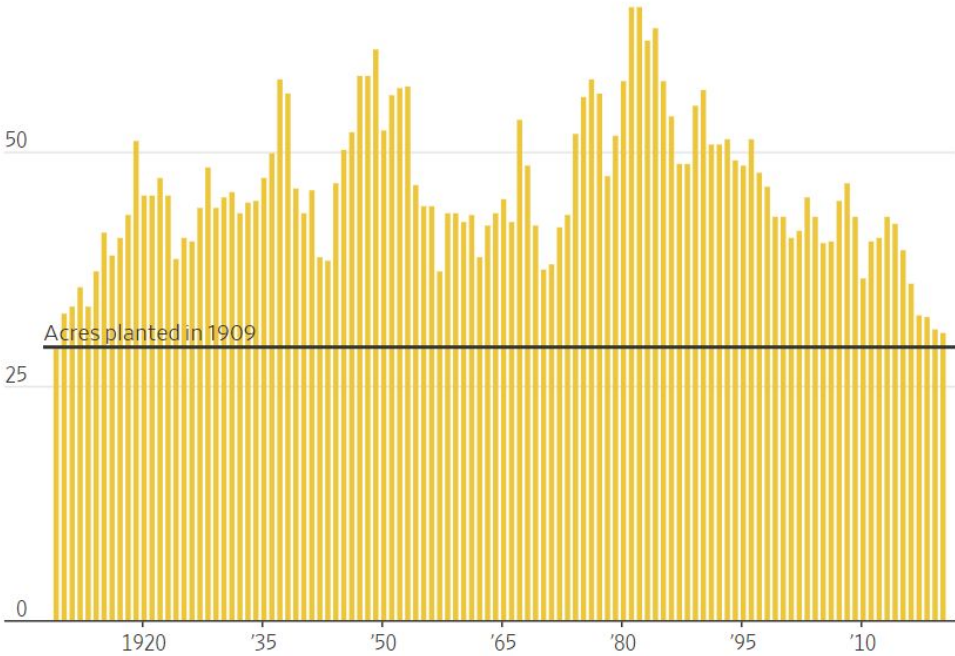
Why you should invest in wheat



Current Events regarding wheat

U.S. winter wheat plantings, annually

75 million acres



Source: U.S. Department of Agriculture

Wheat futures price in Chicago

\$6.00 a bushel



As of April 2, 12:55 p.m. ET

Citations

1. “The US hasn’t planted this little wheat in more than a century”
<https://www.wsj.com/articles/the-u-s-hasnt-planted-this-little-wheat-in-more-than-a-century-11579277354?mod=searchresults&page=1&pos=14>
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<https://www.wsj.com/articles/wheat-and-rice-prices-surgein-coronavirus-lockdown-11585598044>
3. “Its slow going, but stuff like wheat and oil can spice up your returns”
<https://www.wsj.com/articles/its-slow-going-but-stuff-like-wheat-and-oil-can-spice-up-your-returns-11574437225?mod=searchresults&page=2&pos=8>
4. US Wheat Supply and Demand <https://www.uswheat.org/market-and-crop-information/supply-and-demand/>
5. <https://www.thoughtco.com/wheat-domestication-the-history-170669>
6. <https://www.growveg.com/plants/us-and-canada/how-to-grow-wheat/>
7. <http://www.worldstopexports.com/wheat-imports-by-country/>

Questions?