



# U.S. Wheat Associates

## Weekly Price Report

May 21, 2010

Export Region	Wheat Class & % Protein	M	JUN (N10)			JUN (N10)		JUL (N10)		AUG (U10)		SEP (U10)		OCT (Z10)		NOV (Z10)		DEC (Z10)		Year Ago (nearbys) \$/MT
			(nearbys) FOB \$/bu	week change \$/bu	week change \$/MT	FOB \$/MT	Basis ¢/bu	FOB \$/MT	Basis ¢/bu	FOB \$/MT	Basis ¢/bu	FOB \$/MT	Basis ¢/bu	FOB \$/MT	Basis ¢/bu	FOB \$/MT	Basis ¢/bu	FOB \$/MT	Basis ¢/bu	
Great Lakes	NS/DNS 13.0	M	5.25	-0.22	-8	193	10	193	10	195	5	199	15	205	15	205	15	205	15	N/A
	NS/DNS 13.5	M	5.65	-0.03	-1	207	50	207	50	210	45	213	55	220	55	220	55	220	55	298
	NS/DNS 14.0	M	6.40	-0.03	-1	235	125	235	125	237	120	241	130	248	130	248	130	248	130	314
Gulf of Mexico	NS/DNS 13.0	M	6.10	-0.13	-5	224	95	224	95	226	90	230	100	238	105	237	100	238	105	316
	NS/DNS 13.5	M	6.60	-0.08	-3	242	145	242	145	245	140	248	150	255	150	255	150	255	150	329
	NS/DNS 14.0	M	7.35	-0.08	-3	270	220	270	220	272	215	272	215	281	220	282	225	282	225	345
	HRW Ord	K	5.05	0.04	1	186	10	186	10	192	15	190	10	198	15	196	10	198	15	268
	HRW 11.0	K	5.05	0.04	1	186	10	186	10	192	15	190	10	198	15	196	10	198	15	270
	HRW 11.5	K	5.25	0.09	3	193	30	193	30	199	35	197	30	206	35	204	30	206	35	272
	HRW 12.0	K	5.45	0.09	3	200	50	200	50	206	55	205	50	213	55	211	50	213	55	274
	HRW 12.5	K	5.65	0.09	3	208	70	208	70	214	75	212	70	220	75	218	70	220	75	276
SRW	C	5.27	0.11	4	194	55	194	55	198	50	200	55	209	50	211	55	211	55	218	
Pacific N. West	NS/DNS 13.0	M	6.05	-0.08	-3	222	90	222	90	228	95	226	90	235	95	233	90	235	95	N/A
	NS/DNS 13.5	M	6.25	-0.08	-3	229	110	229	110	235	115	234	110	242	115	240	110	242	115	309
	NS/DNS 14.0	M	6.65	-0.13	-5	244	150	244	150	250	155	248	150	257	155	255	150	257	155	320
	HRW Ord	K	5.20	-0.01	0	191	25	191	25	197	30	195	25	204	30	204	30	204	30	248
	HRW 11.5	K	5.30	-0.01	0	195	35	195	35	201	40	199	35	207	40	207	40	207	40	256
	HRW 12.0	K	5.50	-0.01	0	202	55	202	55	208	60	206	55	215	60	215	60	215	60	263
	HRW 13.0	K	6.00	-0.01	0	220	105	220	105	227	110	225	105	233	110	233	110	233	110	281
	SW Unspecified	\$	4.95	0.00	0	182	4.95	182	4.95	184	5.00	184	5.00	186	5.05	186	5.05	186	5.05	229
	SW 10.5% Max	\$	4.95	0.00	0	182	4.95	182	4.95	184	5.00	184	5.00	186	5.05	186	5.05	186	5.05	225
	SW 9.5% Max	\$	4.95	0.00	0	182	4.95	182	4.95	184	5.00	184	5.00	186	5.05	186	5.05	186	5.05	262
WW 10% Club	\$	5.95	0.00	0	219	5.95	219	5.95	220	6.00	220	6.00	195	5.30	195	5.30	195	5.30	241	
WW 20% Club	\$	N/Q	N/Q	N/Q	N/Q	N/Q	N/Q	N/Q	N/Q	N/Q	N/Q	N/Q	197	5.35	197	5.35	197	5.35	251	

**Durum:** a range of prices are available depending upon various quality attributes.

Offers from the Lakes range from \$5.17 to \$5.72/bu (\$190 to \$210/MT) and Gulf ports range from \$6.12 to \$6.67/bu (\$225 to \$245/MT).

### Futures Settlements as of

May 21, 2010

Grey positions not quoted on specific exchange

	JUL (N10)	JUL (N10)	week change	AUG (Q10)	week change	SEP (U10)	week change	NOV (X10)	week change	DEC (Z10)	week change	JAN (F11)	week change	MAR (H11)	week change	MAY (K11)	week change
	\$/MT	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu
Chicago BOT SRW	173.43	4.7200	0.0050			4.8925	0.0050			5.2000	0.0050			5.4900	0.0050	5.6425	0.0100
Kansas City BOT HRW	181.88	4.9500	0.0400			5.0700	0.0475			5.2450	0.0450			5.4225	0.0500	5.5400	0.0450
Minneapolis MGE NS/DNS	189.04	5.1450	0.0175			5.2575	0.0175			5.4375	0.0250			5.6100	0.0250	5.7200	0.0325
Chicago BOT Corn	135.58	3.6900	0.0600			3.7675	0.0650			3.8525	0.0525			3.9725	0.0475	4.0550	0.0450
Chicago BOT Soybeans	345.75	9.4100	(0.1250)	9.3325	(0.1425)	9.1525	(0.1625)	9.0750	(0.1875)			9.1600	(0.1900)	9.2275	(0.1900)	9.2825	(0.1675)

**Legend:** M = Minneapolis Grain Exchange; K = Kansas City Board of Trade; C = Chicago Board of Trade;

\$ = cash price quote; N/A = quote not available; closed = Great Lakes are closed to vessels for winter; ¢/bu = cents per bushel;

Futures Contract Month: H = March; K = May; N = July; U = September; Z = December

NS/DNS=Northern Spring/Dark Northern Spring (subclasses of Hard Red Spring); HRW=Hard Red Winter; SRW=Soft Red Winter; SW=Soft White; WW=Western White (White Club & Soft White)

F.O.B.= "Free on board" - Seller is responsible for placing grain at the end of the loading spout. Buyer is responsible for providing the ocean vessel and for all other costs after the grain is delivered on board.

Basis: The difference between the cash price and futures month for specific quality, shipping period and geographical location.

**Cash:** Durum, SW and WW are quoted in dollars per bushel (\$/bu.) rather than basis for each contract month.

**Convert:** To compute cash price, add basis level and current futures to get price per bushel. Multiply by 36.743 to get price per metric ton.

Example: Basis = 70 and Future Price = \$9.00, the price per bushel is \$9.00 + .70 = \$9.70/bu. Price per metric ton is \$9.70 \* 36.743 = \$356/MT.

**All prices are based upon U.S. number two grade or better as certified by the Federal Grain Inspection Service (FGIS).**



# U.S. Wheat Associates

Weekly Price Report (page 2)

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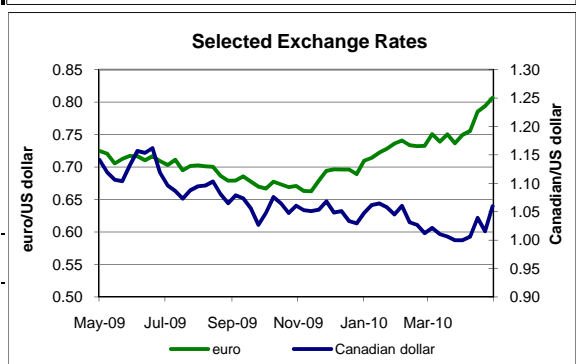
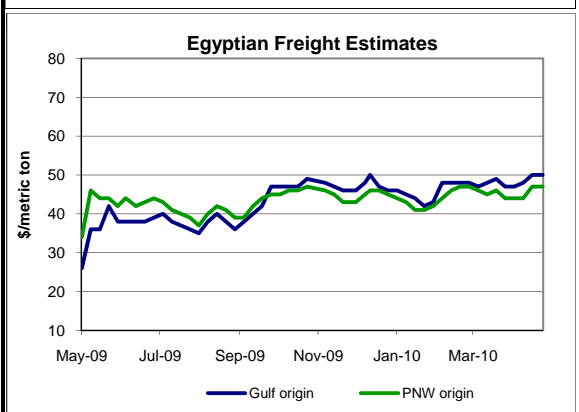
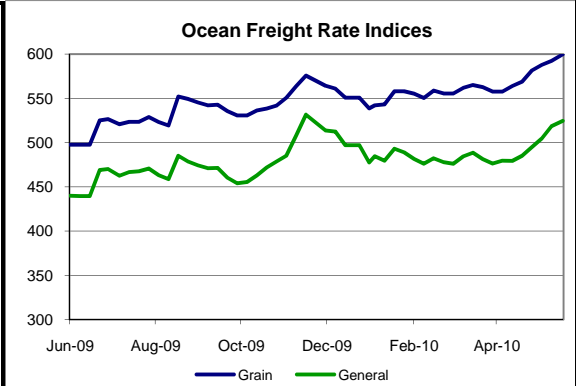
Ocean Freight Rate Estimates by Origin*		U.S. dollars/metric ton			Freight Index**	General Index	Grain Freight Index	Number of Fixtures
Export Region	Import Region	Handy 25-30 TMT	Handymax 40-46 TMT	Panamax 54+ TMT				
US Gulf	Mexico (Veracruz)	28	25		5/22/2010	524.6	599.8	328
	W. South America (Peru/Ecu)	42			5/15/2010	518.5	592.3	383
	N. South America (Colombia)	30			5/8/2010	504.7	587.8	306
	E. South America (Brazil)	37			5/1/2010	494.8	581.5	412
	West Africa (Nigeria)	60			4/24/2010	485.1	568.9	335
	East Mediterranean (Italy)	40			4/17/2010	479.4	564.0	403
	West Mediterranean (Morocco)	48			4/10/2010	479.6	557.7	241
	Middle East (Egypt)				4/3/2010	476.2	557.7	349
	Japan		75	73	3/27/2010	481.3	562.6	304
Mid Atlantic	N. South America (Venezuela)	38			3/20/2010	488.5	565.1	377
	West Africa (Nigeria)	66			3/13/2010	484.4	561.7	362
	Middle East (Egypt)			45	3/6/2010	476.1	555.5	383
St. Lawrence	N. South America (Venezuela)	45		42	2/27/2010	477.8	555.5	351
	Europe/Rotterdam	45			2/20/2010	482.3	558.7	240
	Middle East (Egypt)			44	2/13/2010	476.1	550.4	303
Great Lakes	East Mediterranean (Italy)	82			2/6/2010	481.5	555.3	322
	West Mediterranean (Spain)	73			1/30/2010	489.0	557.9	323
	Rotterdam	64			1/23/2010	493.0	557.9	350
	West Africa (Morocco/Algeria)	69			1/16/2010	479.5	543.2	415
PNW	W. South America (Peru/Ecu)	35			1/9/2010	484.5	542.0	325
	Middle East (Egypt)			47	1/2/2010	477.6	538.7	90
	East Africa (Djibouti/Mombasa)		66		12/26/2009	479.6	541.0	334
	South Asia (Mal/Indon/Phil/Sing)		48	46	12/19/2009	497.0	550.8	334
	Taiwan		47	45	12/12/2009	512.5	560.9	325
	South Korea		47	45	12/5/2009	513.6	564.2	371
	Japan		45	43	11/28/2009	534.7	575.6	284

Note: Rates for freight leaving the Great Lakes are quoted for 18,000 MT "Salties."

Sources: \*Trade representatives and recent shipments, \*\*Maritime Research, Inc., \*\*\*Nominal Major Currencies, Federal Reserve Board

### Summary of Foreign Currency Exchange Rates (versus \$1 U.S. dollar)

Week Ending	Index***	Argentina	Australia	Brazil	Canada	Egypt	EU	Japan	Russia
5/21/10	N/A	3.900	1.208	1.864	1.060	5.673	0.807	90.626	31.147
5/14/10	79.42	3.936	1.113	1.783	1.016	5.698	0.794	92.992	29.984
5/7/10	78.66	3.905	1.113	1.815	1.039	5.641	0.785	92.862	30.386
4/30/10	76.54	3.881	1.079	1.743	1.006	5.591	0.756	94.062	29.256
5/21/09	77.85	3.730	1.292	2.034	1.151	5.661	0.731	95.599	31.742
5/21/05	N/A	2.891	1.323	2.442	1.266	5.830	0.796	108.170	27.990
1 year change	-	4.57%	-6.54%	-8.35%	-7.92%	0.22%	10.37%	-5.20%	-1.87%
5 year change	-	34.92%	-8.74%	-23.69%	-16.31%	-2.69%	1.34%	-16.22%	11.28%

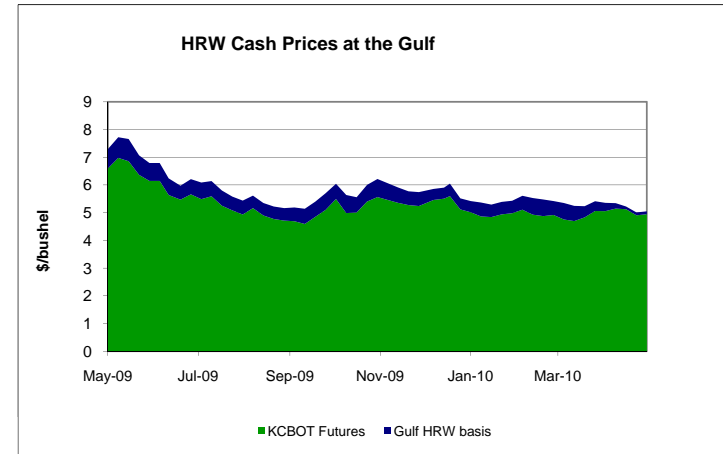
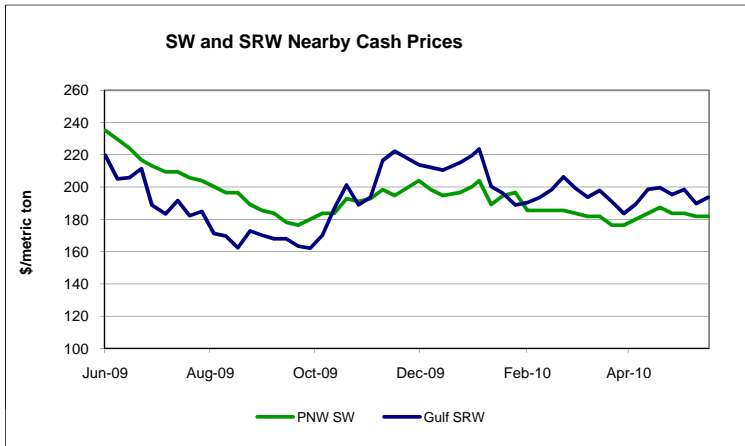
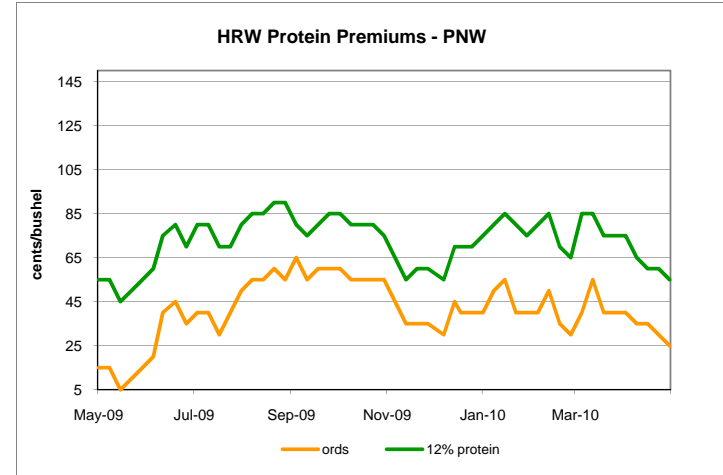
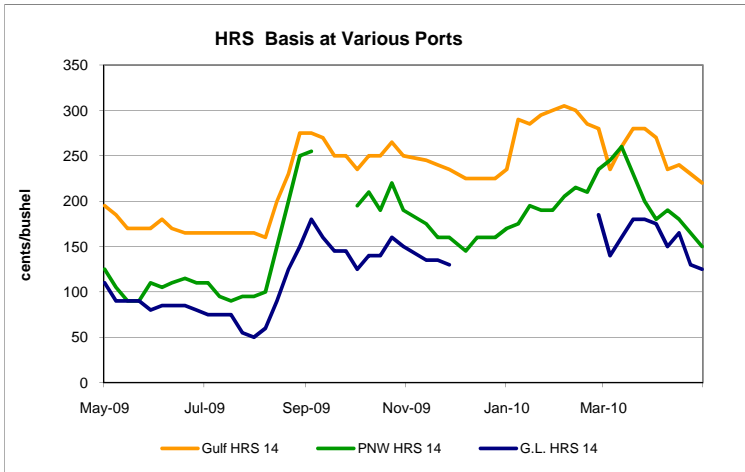
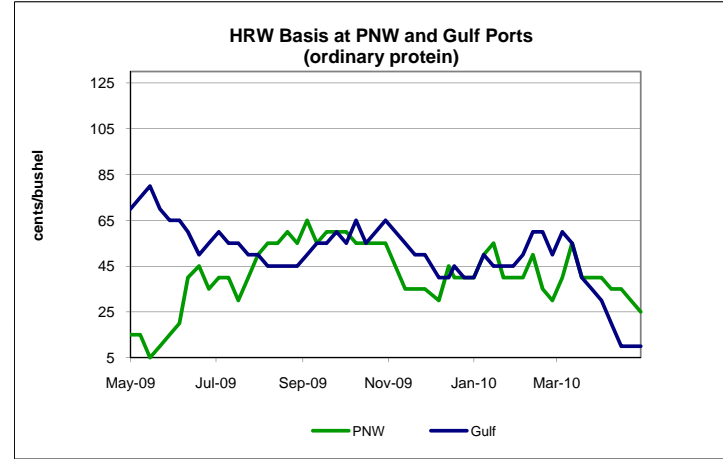
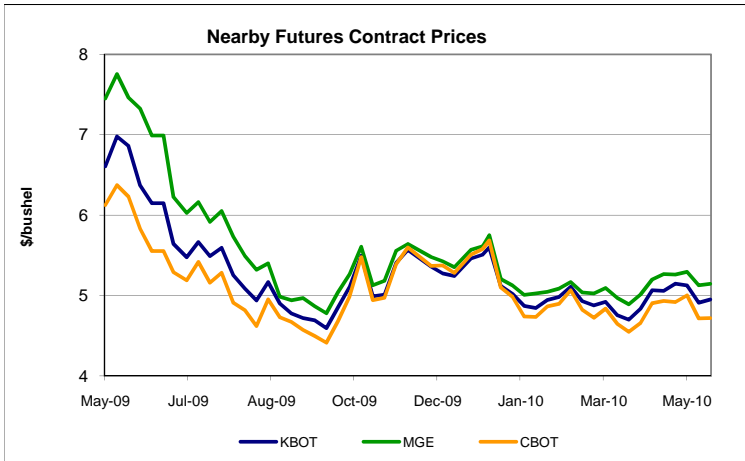


The weekly prices as reported by U.S. Wheat Associates are compiled through research from numerous market sources, including U.S. wheat exporters of all classes from various U.S. ports. The prices reported are representative of the value of number two grade and the proteins indicated. They are not intended to represent offers nor should importers of U.S. wheat rely upon them as such. Additional factors may alter these prices significantly. These factors may include:

- (1) payment terms (differing from cash against documents which are the terms used in the U.S. Wheat Associates price report);
- (2) various quality factors, and method of quality certification;
- (3) loading terms (USW prices represent Free on Board and do not include loading rate guarantees, stevedoring costs or other elevator tariff charges);
- (4) different delivery periods than indicated in monthly prices reported by U. S. Wheat Associates.

U.S. Wheat Associates recommends regular contact with exporters of U.S. wheat in order to receive offers representative of your requirements. These contracts would allow importers to review contract terms and better understand the U.S. grading system, role and function of the Federal Grain Inspection Service (FGIS).

Contact: For questions, please contact Chad Weigand at (703) 650-0241 or cweigand@uswheat.org.



Custom graphs of historic nearby cash prices may be accessed at:  
<http://www.uswheat.org/priceReports/nearbyCash>

Basis and cash prices for different delivery months are also available at:  
<http://www.uswheat.org/priceReports/deliverymonth>

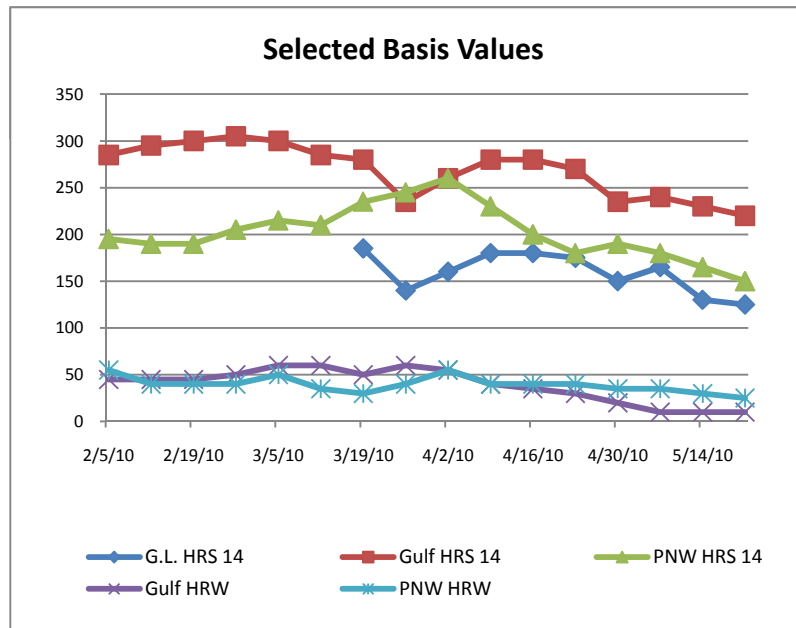
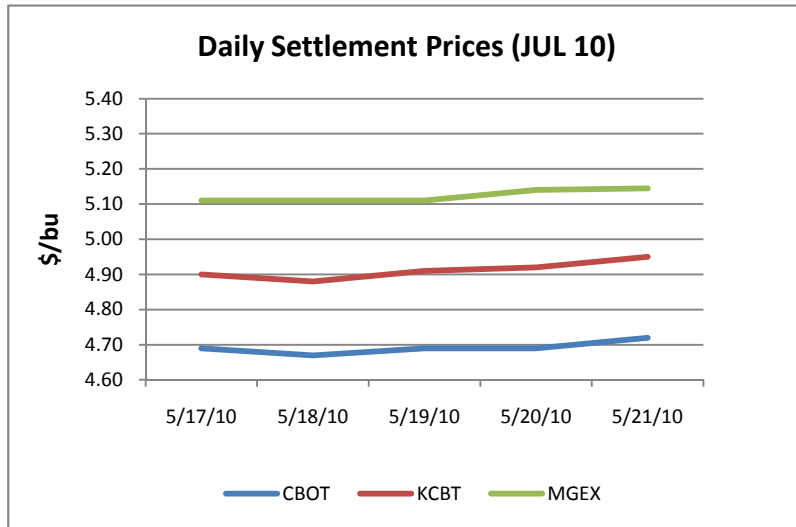


# U.S. Wheat Associates

## Weekly Price Report

May 21, 2010

### Highlights:



- \* Futures prices were relatively flat this week, but posted modest gains late in the week as the dollar weakened after hitting a peak on Wednesday. CBOT nearbys gained 1 cent on the week, closing at \$4.72/bu. KCBT performed the strongest out of the wheat markets, posting a 4 cent gain to close at \$4.95/bu. MGEX was up 1 cent, closing at \$5.14/bu. Corn prices received support from news that China purchased two more cargoes of corn, placing total Chinese purchases of U.S. corn at 17 cargoes. CBOT corn nearbys were up 6 cents on the week, to \$3.69/bu. Soybean prices, pressured by favorable growing conditions and the prospect of a bumper U.S. crop in 2010, lost 12 cents on the week, closing at \$9.41/bu.
- \* The International Grains Council (IGC) increased their global wheat production estimate by 2.0 MMT in their latest grain market report released Thursday. IGC now projects 2010/11 global wheat production at 660 MMT, which is well below USDA's forecast of 672 MMT. The increase is primarily due to favorable weather conditions in the U.S. and the Black Sea region.
- \* Planting is underway in Argentina with the Buenos Aires Grain Exchange (BAGE) reporting plantings at 7 percent complete. BAGE projects total Argentine planted area for wheat at 4.2 million hectares, which would be a 26 percent increase over last year. However, the exchange noted that current weather conditions are drier than normal and additional rainfall will be needed for their projection to be realized.
- \* The CME Group began tracking the CBOT July/September wheat spread as a first step in implementing their variable storage rate plan to facilitate convergence between cash and futures prices. CME will track the spread between May 19 and June 25 and increase storage rates if the spread averages 80 percent or more of full carry (the cost of carrying a commodity to next delivery month). Rates would increase from approximately 5 cents per bushel per month to 8 cents per bushel per month. On Wednesday, the spread was 143 percent of full carry.
- \* The Dollar Ice Index reached a fresh 14-month high on Wednesday, climbing as high as 87.00 points for the first time since mid-March 2009. The index weakened late in the week and stood at 85.42 on Friday, down from 86.16 last week. The Canadian dollar reached a 14-week low against the dollar.
- \* The Baltic Panamax Index climbed again, closing at 4,576. This is up from 4,340 from last week. Destination routes were unchanged, however, with Gulf/Japan at \$73/mt and PNW/Japan at 43/mt.