



U.S. Wheat Associates

Weekly Price Report (page 1)

December 20, 2019

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Export Region	Percent Protein 12% (Dry) Moisture Basis		JAN (H20)			JAN (H20)		FEB (H20)		MAR (H20)		APR (K20)		MAY (K20)		JUN (N20)		JUL (N20)		Year Ago (nearbys) \$/MT
			(nearbys) FOB \$/bu	week change \$/bu	\$/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 13.5 (15.3)*	M	closed	N/A	N/A	closed	N/A	closed	N/A	closed	N/A	248	130	248	130	251	130	251	130	N/A
	NS/DNS 14.0 (15.9)*	M	closed	N/A	N/A	closed	N/A	closed	N/A	closed	N/A	252	140	252	140	255	140	255	140	N/A
	NS/DNS 14.5 (16.5)*	M	closed	N/A	N/A	closed	N/A	closed	N/A	closed	N/A	254	145	254	145	257	145	257	145	N/A
Gulf of Mexico	NS/DNS 13.5 (15.3)*	M	7.32	0.06	2	269	195	269	195	269	195	272	195	272	195	275	195	275	195	264
	NS/DNS 14.0 (15.9)*	M	7.42	0.06	2	273	205	273	205	273	205	276	205	276	205	279	205	279	205	267
	NS/DNS 14.5 (16.5)*	M	7.52	0.06	2	276	215	276	215	276	215	279	215	279	215	282	215	282	215	271
	HRW Ord	K	5.97	0.20	7	219	135	219	135	219	135	222	135	222	135	225	135	225	135	233
	HRW 11.0 (12.5)	K	6.07	0.20	7	223	145	223	145	223	145	226	145	226	145	229	145	229	145	235
	HRW 11.5 (13.1)	K	6.27	0.20	7	230	165	230	165	230	165	233	165	233	165	236	165	236	165	237
	HRW 12.0 (13.6)	K	6.47	0.20	7	238	185	238	185	238	185	241	185	241	185	244	185	244	185	240
HRW 12.5 (14.2)	K	6.67	0.20	7	245	205	245	205	245	205	248	205	248	205	251	205	251	205	244	
SRW	C	6.72	0.10	4	247	130	247	130	247	130	248	130	248	130	249	130	249	130	229	
Pacific N. West	NS/DNS 13.5 (15.3)*	M	7.27	0.01	0	267	190	269	195	271	200	274	200	274	200	277	200	277	200	253
	NS/DNS 14.0 (15.9)*	M	7.32	0.01	0	269	195	271	200	273	205	276	205	276	205	279	205	279	205	253
	NS/DNS 14.5 (16.5)*	M	7.52	0.01	0	276	215	278	220	280	225	283	225	283	225	286	225	286	225	255
	HRW Ord	K	6.32	0.10	3	232	170	234	175	236	180	239	180	241	185	244	185	244	185	253
	HRW 11.5 (13.1)	K	6.37	0.10	3	234	175	236	180	238	185	241	185	243	190	245	190	245	190	255
	HRW 12.0 (13.6)	K	6.57	0.09	3	241	195	243	200	245	205	248	205	250	210	253	210	253	210	259
	HRW 13.0 (14.8)	K	7.07	0.10	3	260	245	262	250	264	255	266	255	268	260	271	260	271	260	266
	SW 9.5 (10.8) Min	\$	6.28	0.05	2	231	6.28	233	6.33	233	6.33	234	6.38	234	6.38	234	6.38	234	6.38	N/A
	SW 10.5 (11.9) Max	\$	6.25	0.05	2	230	6.25	231	6.30	231	6.30	233	6.35	233	6.35	233	6.35	233	6.35	239
	SW 9.5 (10.8) Max	\$	6.35	0.05	2	233	6.35	235	6.40	235	6.40	237	6.45	237	6.45	237	6.45	237	6.45	241
WW with 10% Club	\$	6.55	0.05	2	241	6.55	243	6.60	243	6.60	244	6.65	244	6.65	244	6.65	244	6.65	240	
WW with 20% Club	\$	6.80	0.05	2	250	6.80	252	6.85	252	6.85	254	6.90	254	6.90	254	6.90	254	6.90	241	

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

Northern Durum offers from the Lakes range from \$7.48 to \$7.89/bu (\$275 to \$290/MT), and offers from Gulf ports range from \$8.43 to \$8.84/bu (\$310 to \$325/MT). For Desert Durum offers, contact your supplier.

***Hard Red Spring:** HRS price indications in this report are for a 65% DHV content out of the PNW and a 40% DHV content out of the Gulf; for specific NS/DNS DHV premium spreads, contact your supplier.

Futures Settlements as of December 20, 2019

Grey positions not quoted on specific exchange

	MAR (H20)		week change	MAY (K20)		week change	JUL (N20)		week change	AUG (Q20)		week change	SEP (U20)		week change	DEC (Z20)		week change	JAN (Q20)		week change	MAR (H21)		week change
	\$/MT	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu
Chicago BOT SRW	199.24	5.4225	0.0975	5.4600	0.1125	5.4875	0.1100						5.5375	0.1025	5.6225	0.0850							5.7025	0.0725
Kansas City BOT HRW	169.85	4.6225	0.1950	4.7025	0.1975	4.7775	0.2050						4.8450	0.1900	4.9400	0.1625							5.0400	0.1375
Minneapolis MGE NS/DNS	197.22	5.3675	0.1100	5.4525	0.1125	5.5325	0.1050						5.6275	0.1125	5.7525	0.0975							5.8975	0.1075
Chicago BOT Corn	142.47	3.8775	0.0675	3.9400	0.0600	3.9950	0.0575						3.9950	0.0650	4.0175	0.0650							4.1100	0.0600
Chicago BOT Soybeans	344.74	9.3825	0.1675	9.5125	0.1600	9.6250	0.1500	9.6625	0.1450	9.6350	0.1475					9.6625	0.1450					9.6025	0.0950	

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)

December 20, 2019

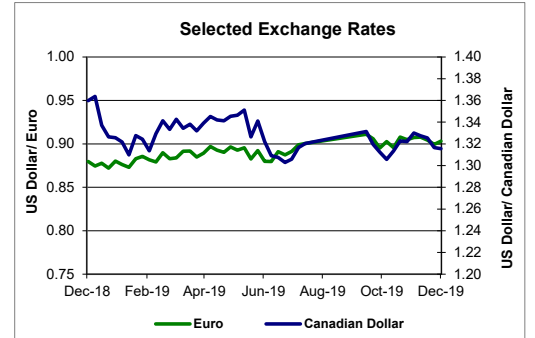
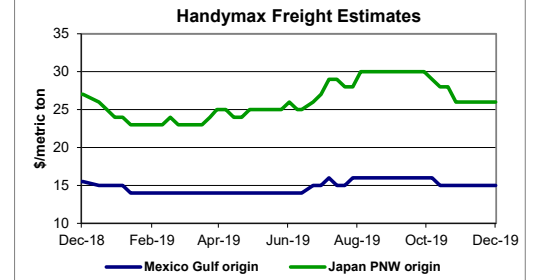
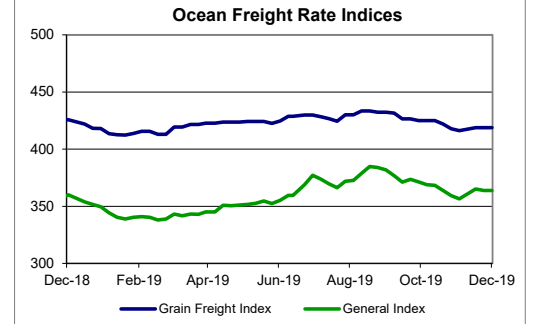
Ocean Freight Rate Estimates by Origin*		U.S. dollars/metric ton			Freight Index** Week Ending	General Index	Grain Freight Index	Number of Fixtures
Export Region	Import Region	Handy 25-30 TMT	Handymax 40-46 TMT	Panamax 54+ TMT				
US Gulf	Mexico (Veracruz)	17	15		12/20/2019	358.9	415.4	537
	W. South America (Peru/Ecu)	28			12/13/2019	363.8	418.8	604
	S. South America (Chile)	26			12/6/2019	365.2	418.8	491
	N. America (Columbia)	20			11/22/2019	356.5	416.2	612
	E. South America (Brazil)	21			11/15/2019	359.4	417.9	525
	West Africa (Nigeria)	57			11/8/2019	363.8	422.0	541
	East Mediterranean (Italy)	41			11/1/2019	368.4	425.0	442
	West Mediterranean (Morocco)	37			10/25/2019	368.8	425.0	500
	Persian Gulf (Iraq)				10/18/2019	371.3	425.0	563
	Middle East (Egypt)				10/11/2019	373.6	426.5	617
	Japan		47	46	10/4/2019	371.1	426.5	571
Mid Atlantic	N. South America (Venezuela)	33			9/27/2019	376.8	431.5	548
	West Africa (Nigeria)	56			9/20/2019	381.8	432.3	559
	Middle East (Egypt)			56	9/13/2019	383.8	432.3	509
PNW	W. South America (Peru/Ecu)	26			7/19/2019	377.1	429.9	559
	S. South America (Chile)	30			7/12/2019	368.8	429.9	567
	N. South America (Colombia)	31			7/2/2019	359.5	428.8	502
	Persian Gulf (Iraq)			58	6/28/2019	359.5	428.8	502
	Middle East (Egypt)			29	6/21/2019	355.1	424.6	555
	East Africa (Djibouti/Mombasa)		43	41	6/14/2019	352.4	422.6	527
	South Asia (Mal/Indon/Phil/Sing)		37	29	6/7/2019	354.7	424.3	489
	Taiwan		25	24	5/31/2019	352.6	424.3	524
	South Korea		24	23	5/24/2019	351.6	424.3	587
		Japan		27	26	5/17/2019	351.1	423.7

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.)

Week Ending	Index***	Argentina	Australia	Brazil	Canada	Egypt	EU	Japan	Russia
12/20/19	N/A	59.71	1.449	4.096	1.316	16.02	0.903	109.5	62.26
12/13/19	115.7	59.64	1.455	4.108	1.317	16.07	0.899	109.4	62.82
12/6/19	116.6	59.76	1.462	4.141	1.326	16.10	0.904	108.6	63.65
11/29/19	117.1	59.91	1.478	4.236	1.328	16.07	0.908	109.5	64.35
12/20/18	116.0	38.00	1.407	3.842	1.351	17.86	0.874	111.3	68.27
12/20/14	102.05	8.555	1.225	2.663	1.160	7.170	0.815	119.3	65.25
1 year change	N/A	57.12%	3.06%	6.62%	-2.61%	-10.33%	3.35%	-1.62%	-8.80%
5 year change	N/A	597.96%	18.31%	53.82%	13.45%	123.35%	10.81%	-8.20%	-4.58%



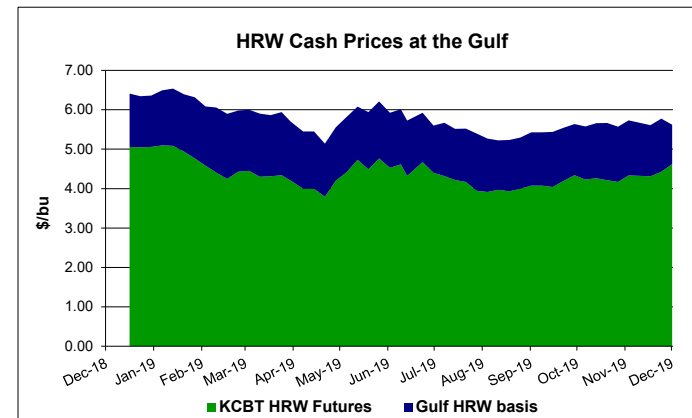
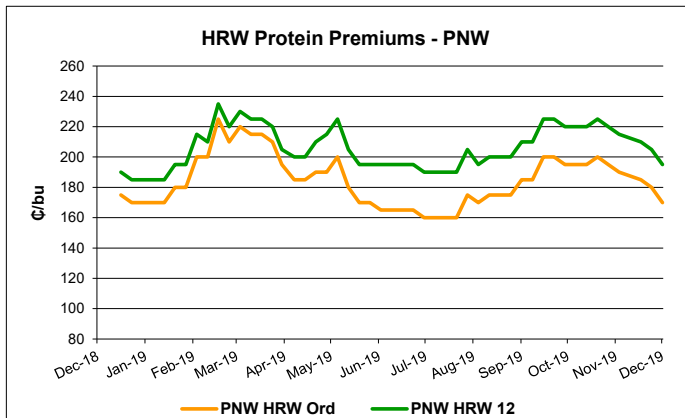
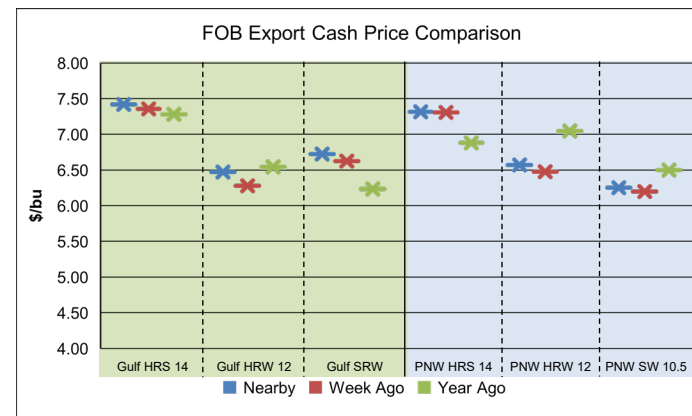
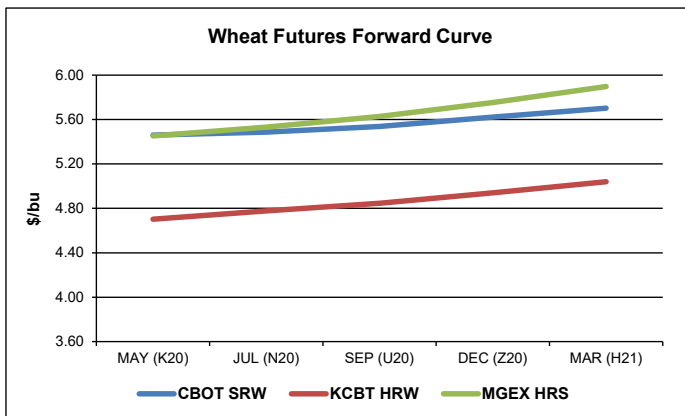
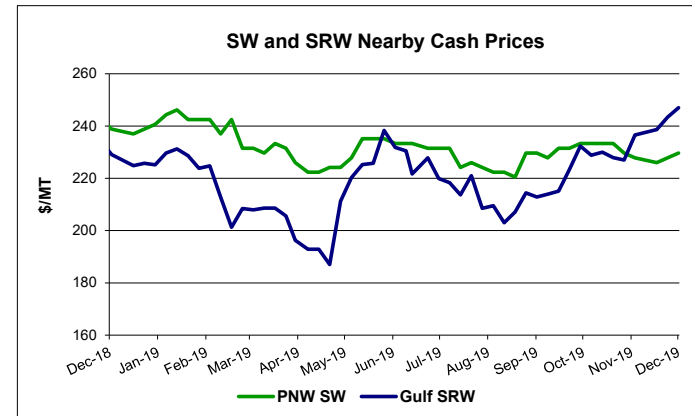
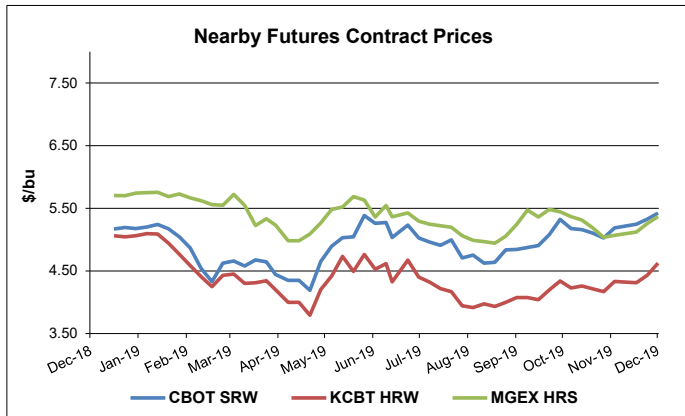
The weekly prices as reported by U.S. Wheat Associates are compiled through research from numerous market sources, including U.S. wheat exporters of all classes from various U.S. ports. The prices reported are representative of the value of number two grade and the proteins indicated. **They are not 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.

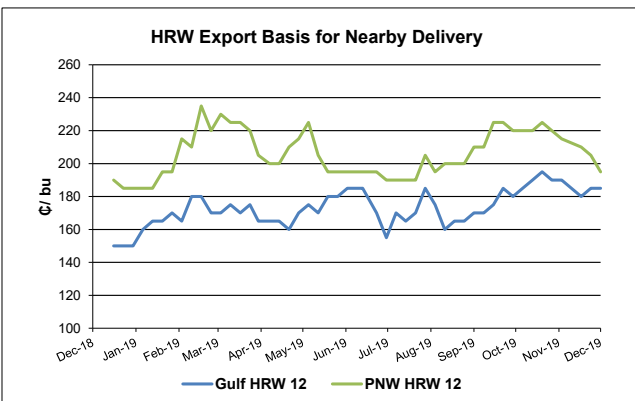
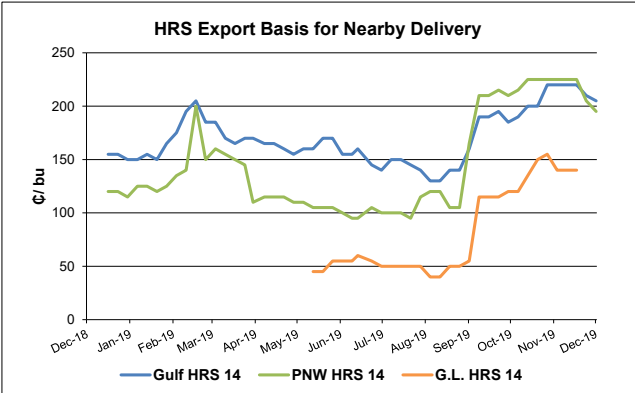
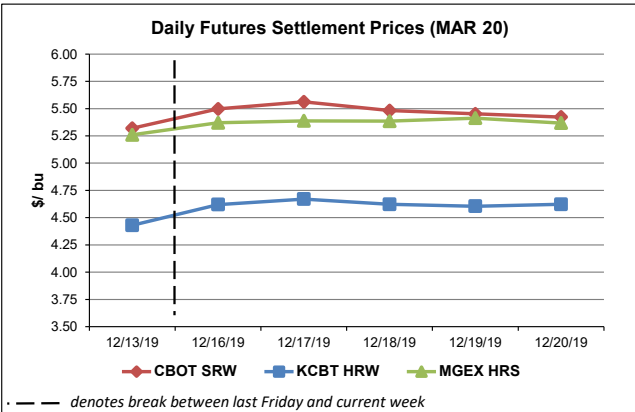
This contact will allow importers to review contract terms and better understand the U.S. grading system, role and function of the Federal Grain Inspection Service (FGIS).

Contact: For questions, please contact Claire Hutchins at (703) 650-0244 or chutchins@uswheat.org.





Highlights



- The next Price Report will be published on January 3, 2020. Happy Holidays from U.S. Wheat Associates (USW).
- All wheat futures rallied week-over-week on the news of a phase-one trade deal with China, new wheat export taxes in Argentina (see below) and technical buying. Soft red winter (SRW) futures gained 10 cents to close at \$5.42/bu. Hard red winter (HRW) futures gained 19 cents to end at \$4.62/bu. Hard red spring (HRS) futures rallied 11 cents to close at \$5.37/bu. CBOT corn futures added 7 cents to end at \$3.88/bu. CBOT soybean futures gained 17 cents to close at \$9.38/bu.
- Increased farmer selling following this week's futures rally and cheaper rail rates pressured Pacific Northwest (PNW) HRS and HRW export basis and Gulf HRS export basis for January and February deliveries. Tight, diminishing exportable supplies and steady demand kept SRW export basis steady and high week-over-week. The Great Lakes – St. Lawrence Seaway System will close for the season on December 31, 2019 and will re-open in March 2020.
- This week's U.S. wheat commercial sales of 869,000 metric tons (MT) for delivery in 2019/20 were 73% higher than last week's 503,000 MT and well above trade expectations of 200,000 to 600,000 MT. This is the highest weekly sales total for U.S. wheat in marketing year 2019/20. Year-to-date commercial sales of 17.8 million metric tons (MMT) are 7% ahead of last year's pace. USDA forecasts 2019/20 U.S. wheat exports will total 26.5 MMT, 4% more than 2018/19, if realized. USDA expects the U.S. to export 10.6 MMT of HRW, 7.10 MMT of HRS, 2.72 MMT of SRW, 5.20 MMT of white wheat and 0.95 MMT of durum.
- The Dec. 17 Drought Monitor reported abnormal dryness and moderate drought in major HRW producing regions in north central Texas, the eastern region of the Texas panhandle, western Oklahoma, central and western Kansas and southeastern Colorado. Abnormal dryness was also introduced to south central Nebraska. Most soft white wheat growing regions in northeastern Oregon, southeastern Washington and northwestern Idaho are abnormally dry or moderately drought-stricken.
- According to the United Kingdom's (UK) Agriculture and Horticulture Development Board (AHDB), by the end of November, only 60% of the country's winter wheat for harvest in 2020/21 was planted due to overly wet planting conditions. Spring wheat planted area is expected to increase in 2020 to compensate for winter planting losses, but AHDB expects total wheat planted area for harvest in 2020/21 to fall 9% year-over-year to 1.65 million hectares (4.08 million acres). According to AgriCensus, UK millers usually buy German wheat in the spring to blend with domestic supplies. However, UK millers have already started buying cargoes of German wheat for delivery in 2020 on the worry that next year's domestic crop will fall short.
- On Dec. 16, agriculture consultancy APK-Inform predicted Ukrainian winter wheat planted area for harvest in 2020 fell 10% on the year due to extremely dry autumn weather. The area that produces more than 95% of Ukrainian winter wheat fell to 5.93 million hectares (14.6 million acres) from last year's 6.64 million hectares (16.4 million acres). The consultancy says half of the country's winter wheat that was planted is in good condition.
- Over the weekend of Dec. 14, Argentina's government announced new agricultural export taxes. According to Reuters, Argentina's president Alberto Fernandez increased the export tax rate for soybeans, soy oil and soymeal to 30% from about 25%. The tax on wheat and corn exports increased from around 7% to 12%. Higher taxes could prompt decreases in farm investments by Argentinian producers as higher taxes threatened farm profits.
- As of Dec. 19, according to *Bolsa de Cereales*, less than 1% of Argentina's wheat crop is in good condition and none of the country's wheat crop is in excellent condition compared to 31% in good condition and 5% in excellent condition this time last year. The Argentinian wheat harvest is 77% complete compared to 68% last year and the 5-year average of 63%.
- On Dec. 19, Agriculture and Agrifood Canada (AAC) published its Outlook for Principle Field Crops for 2019/20. AAC estimates Canadian durum production fell 13% from 2018/19 to 4.98 MMT on significantly lower planted area. Durum exports are expected to increase 6% on the year to 4.80 MMT due to lower global production. Canadian non-durum wheat production rose 3% in 2019/20 to 27.4 MMT on slightly higher planted area. Non-durum exports are expected to fall 5% year-over-year to 18.8 MMT due to high global production and increased competition from other major wheat exporters.
- According to national German statistical data, German winter wheat planted area for harvest in 2020 fell 7% from last year's planted area to 2.83 million hectares (6.99 million acres). Instead, German farmers increased winter rapeseed planted area by 12% over last year to 952,000 hectares (2.35 million acres) on stronger marketing conditions for the winter oilseed.
- The Baltic Dry Index (BDI) fell 15% week-over-week to end at 1,151.
- The U.S. Dollar Index climbed from last week's 97.17 to close at 97.68.