



U.S. Wheat Associates

Weekly Price Report (page 1)

June 12, 2020

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Export Region	Percent Protein 12% (Dry) Moisture Basis	(nearbys) M	JUN (N20)			JUN (N20)		JUL (N20)		AUG (U20)		SEP (U20)		OCT (Z20)		NOV (Z20)		DEC (Z20)		Year Ago (nearbys) \$/MT
			FOB \$/bu	week change \$/bu	\$/MT	FOB	Basis ¢/bu	FOB	Basis ¢/bu	FOB	Basis ¢/bu	FOB	Basis ¢/bu	FOB	Basis ¢/bu	FOB	Basis ¢/bu	FOB	Basis ¢/bu	
Great Lakes	NS/DNS 13.5 (15.3)*	M	6.03	-0.05	-2	222	90	222	90	222	80	222	80	238	110	238	110	240	115	225
	NS/DNS 14.0 (15.9)*	M	6.13	-0.05	-2	225	100	225	100	226	90	226	90	242	120	242	120	244	125	227
	NS/DNS 14.5 (16.5)*	M	6.18	-0.05	-2	227	105	227	105	228	95	228	95	244	125	244	125	246	130	229
Gulf of Mexico	NS/DNS 13.5 (15.3)*	M	6.73	0.04	2	247	160	247	160	250	155	250	155	257	160	258	165	258	165	268
	NS/DNS 14.0 (15.9)*	M	6.78	0.05	2	249	165	249	165	252	160	252	160	258	165	260	170	260	170	269
	NS/DNS 14.5 (16.5)*	M	6.93	0.04	2	255	180	255	180	257	175	257	175	264	180	266	185	266	185	271
	HRW Ord	K	5.64	-0.23	-8	207	115	207	115	210	115	210	115	217	120	217	120	217	120	228
	HRW 11.0 (12.5)	K	5.74	-0.23	-8	211	125	211	125	214	125	214	125	220	130	220	130	220	130	230
	HRW 11.5 (13.1)	K	5.89	-0.18	-7	216	140	216	140	219	140	219	140	226	145	226	145	226	145	236
	HRW 12.0 (13.6)	K	6.04	-0.13	-5	222	155	222	155	225	155	225	155	231	160	231	160	231	160	241
HRW 12.5 (14.2)	K	6.19	-0.08	-3	227	170	227	170	230	170	230	170	237	175	237	175	237	175	247	
SRW	C	5.77	-0.13	-5	212	75	210	70	214	75	216	80	221	85	221	85	221	85	238	
Pacific N. West	NS/DNS 13.5 (15.3)*	M	6.63	-0.11	-4	244	150	244	150	244	140	248	150	253	150	255	155	257	160	246
	NS/DNS 14.0 (15.9)*	M	6.63	-0.11	-4	244	150	244	150	244	140	248	150	253	150	255	155	257	160	246
	NS/DNS 14.5 (16.5)*	M	6.73	-0.11	-4	247	160	247	160	248	150	252	160	257	160	258	165	260	170	247
	HRW Ord	K	6.14	-0.13	-5	225	165	225	165	227	160	227	160	233	165	235	170	237	175	237
	HRW 11.5 (13.1)	K	6.19	-0.13	-5	227	170	227	170	229	165	229	165	235	170	237	175	239	180	239
	HRW 12.0 (13.6)	K	6.34	-0.13	-5	233	185	233	185	234	180	234	180	240	185	242	190	244	195	247
	HRW 13.0 (14.8)	K	6.89	-0.13	-5	253	240	253	240	254	235	254	235	261	240	263	245	264	250	256
	SW 9.5 (10.8) Min	\$	6.33	0.10	4	233	6.33	233	6.33	231	6.28	229	6.23	231	6.28	233	6.33	234	6.38	239
	SW 10.5 (11.9) Max	\$	6.30	0.10	4	231	6.30	231	6.30	230	6.25	228	6.20	230	6.25	231	6.30	233	6.35	235
	SW 9.5 (10.8) Max	\$	6.45	0.10	4	237	6.45	237	6.45	235	6.40	233	6.35	235	6.40	237	6.45	239	6.50	235
WW with 10% Club	\$	6.60	0.10	4	243	6.60	243	6.60	241	6.55	239	6.50	241	6.55	243	6.60	244	6.65	236	
WW with 20% Club	\$	6.85	0.10	4	252	6.85	252	6.85	250	6.80	248	6.75	250	6.80	252	6.85	254	6.90	237	

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

Northern Durum offers from the Lakes range from \$7.21 to \$7.89/bu (\$265 to \$290/MT), and offers from Gulf ports range from \$8.16 to \$8.71/bu (\$300 to \$320/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

June 12, 2020

Grey positions not quoted on specific exchange

	JUL (N20)	JUL (N20)	week change	AUG (Q20)	week change	SEP (U20)	week change	NOV (X20)	week change	DEC (Z20)	week change	JAN (F21)	week change	MAR (H21)	week change	MAY (K21)	week change
	\$/MT	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu
Chicago BOT SRW	184.45	5.0200	(0.1325)			5.0775	(0.1250)			5.1675	(0.1375)			5.2625	(0.1375)	5.3000	(0.1475)
Kansas City BOT HRW	164.79	4.4850	(0.1275)			4.5700	(0.1225)			4.6950	(0.1150)			4.8200	(0.1050)	4.8925	(0.1075)
Minneapolis MGE NS/DNS	188.58	5.1325	(0.0550)			5.2525	(0.0550)			5.3850	(0.0675)			5.5100	(0.0725)	5.5975	(0.0700)
Chicago BOT Corn	129.91	3.3000	(0.0125)			3.3450	(0.0100)			3.4300	(0.0225)			3.5475	(0.0225)	3.6125	(0.0200)
Chicago BOT Soybeans	320.12	8.7125	0.0350	8.7250	0.2900	8.7325	0.0150	8.7975	0.2800			8.8225	(0.0225)	8.7750	(0.0425)	8.7725	(0.0825)

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).

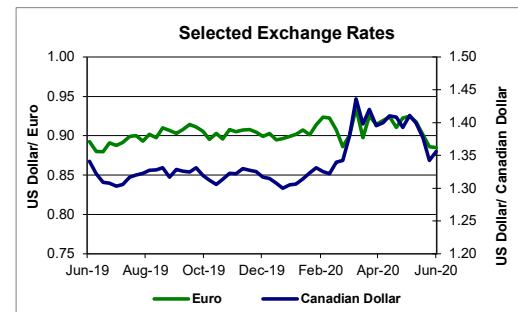
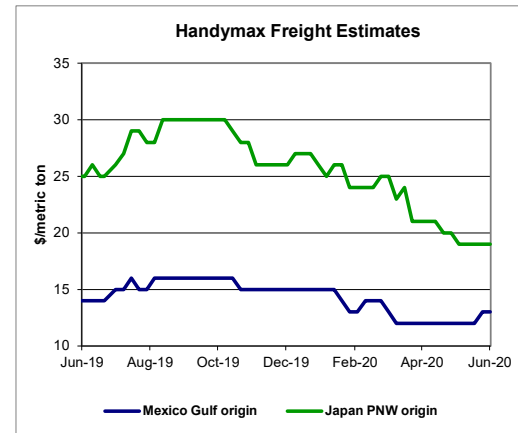
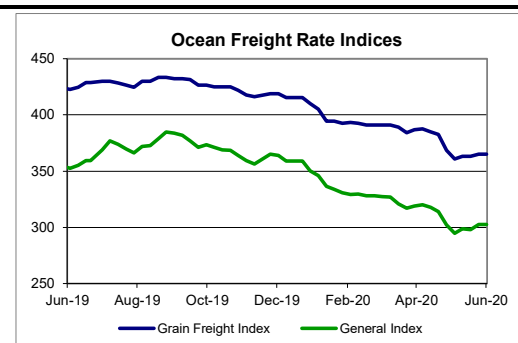


U.S. Wheat Associates

Weekly Price Report (page 2)

June 12, 2020

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)	16	13		6/12/2020	307.9	367.6	506
	W. South America (Peru/Ecu)	28			6/5/2020	302.7	365.1	419
	S. South America (Chile)	26			5/29/2020	297.9	363.3	397
	N. South America (Colombia)	19	15		5/22/2020	298.6	363.3	443
	E. South America (Brazil)	14			5/15/2020	294.7	360.8	537
	West Africa (Nigeria)	58			5/8/2020	302.1	368.4	346
	East Mediterranean (Italy)	39			5/1/2020	314.0	382.5	362
	West Mediterranean (Morocco)	34			4/24/2020	317.6	385.0	511
	Persian Gulf (Iraq)				4/17/2020	320.1	387.5	457
	Middle East (Egypt)				4/10/2020	318.9	386.8	360
Mid Atlantic	Japan		36	35	4/3/2020	316.9	384.2	538
	N. South America (Venezuela)	16			3/27/2020	320.8	389.3	552
	West Africa (Nigeria)	57			3/20/2020	327.1	391.0	510
St. Lawrence	Middle East (Egypt)			56	3/13/2020	327.2	391.0	579
	N. South America (Venezuela)	9			3/6/2020	329.0	391.0	590
	Europe/Rotterdam			8	2/28/2020	327.9	391.2	577
Great Lakes	2/14/2020				329.3	393.4	536	
	East Mediterranean (Italy)	42			2/7/2020	330.9	392.7	486
	West Mediterranean (Spain)	40			1/31/2020	333.9	394.4	418
	Europe/Rotterdam	41			1/24/2020	336.4	394.4	571
PNW	West Mediterranean (Morocco)	42			1/17/2020	346.2	405.0	588
	W. South America (Peru/Ecu)	26			1/10/2020	350.1	410.1	580
	S. South America (Chile)	30			1/3/2020	358.9	415.4	537
	N. South America (Colombia)	29			12/20/2019	358.9	415.4	537
	Persian Gulf (Iraq)			47	12/13/2019	363.8	418.8	604
	Middle East (Egypt)			23	12/6/2019	365.2	418.8	491
	East Africa (Djibouti/Mombasa)		43	41	11/22/2019	356.5	416.2	612
	South Asia (Mal/Indon/Phil/Sing)		37	29	11/15/2019	359.4	417.9	525
	Taiwan		20	19	11/8/2019	363.8	422.0	541
	South Korea		18	17	11/1/2019	368.4	425.0	442
Japan		19	18					



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
6/12/20	N/A	69.37	1.451	5.026	1.356	16.13	0.885	107.3	69.35
6/5/20	119.1	68.84	1.435	4.959	1.342	16.23	0.886	109.6	68.58
5/29/20	121.3	68.39	1.500	5.336	1.377	15.79	0.901	107.8	70.14
5/22/20	122.7	68.17	1.530	5.534	1.399	15.81	0.917	107.6	71.45
6/13/19	115.6	43.45	1.447	3.849	1.332	16.71	0.887	108.4	64.55
6/13/15	105.90	9.029	1.293	3.096	1.230	7.608	0.890	123.5	54.75
1 year change	N/A	59.67%	0.33%	30.60%	1.79%	-3.47%	-0.22%	-1.00%	7.44%
5 year change	N/A	668.33%	12.22%	62.34%	10.25%	112.03%	-0.52%	-13.14%	26.68%

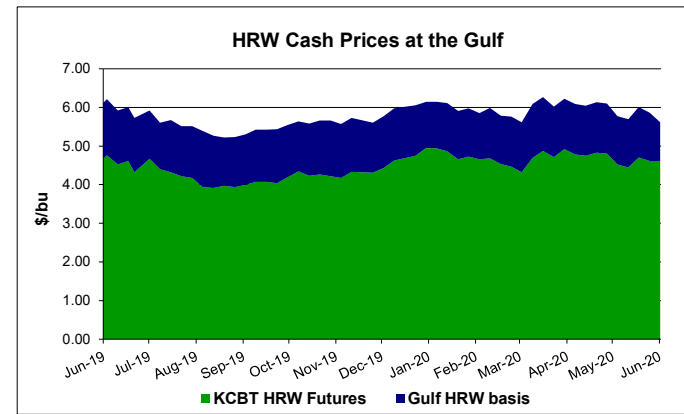
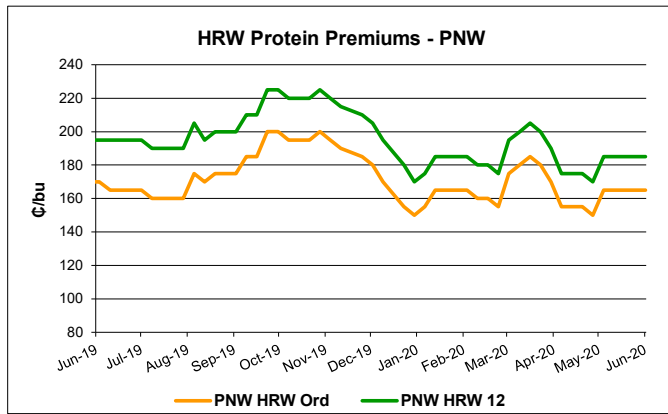
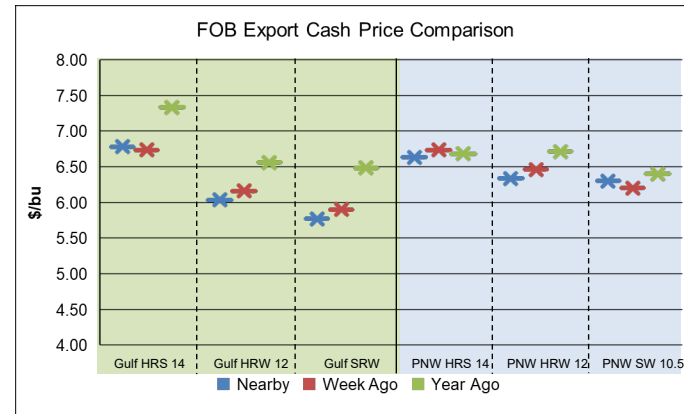
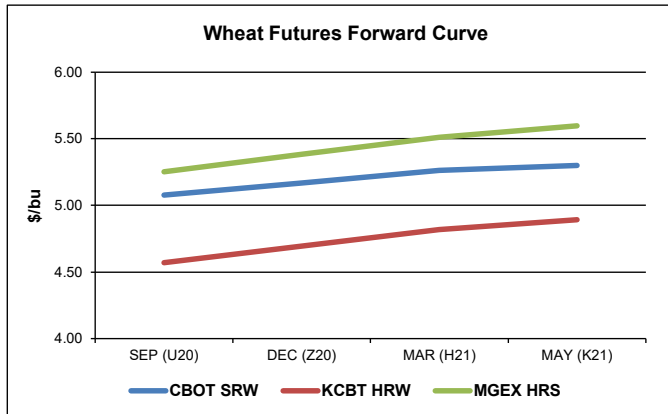
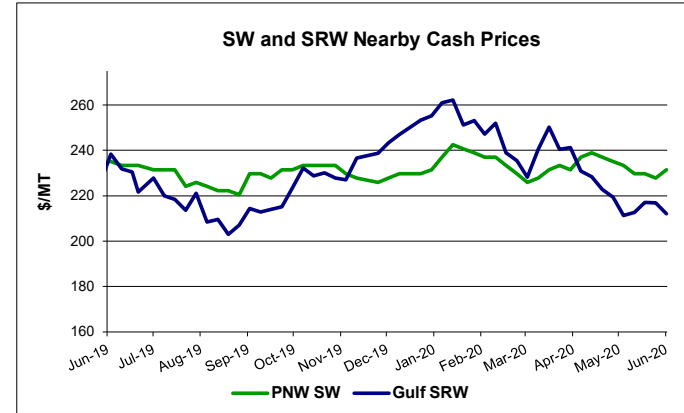
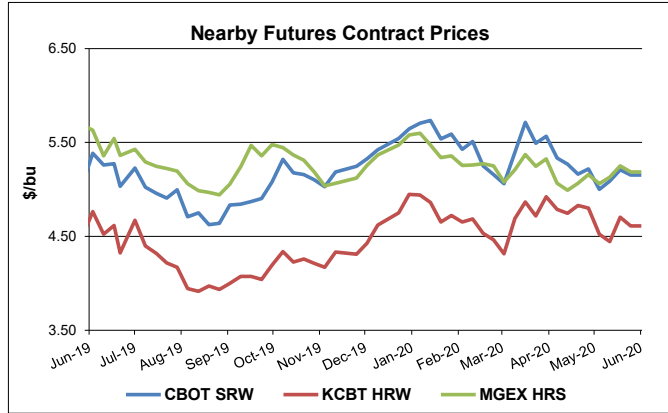
The weekly prices as reported by U.S. Wheat Associates are compiled through research from numerous market sources, including U.S. wheat exporters of all classes from various U.S. ports. The prices reported are representative of the value of number two grade and the proteins indicated. **They are not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

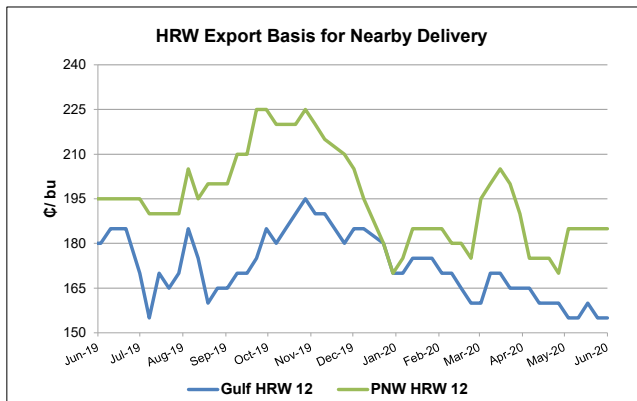
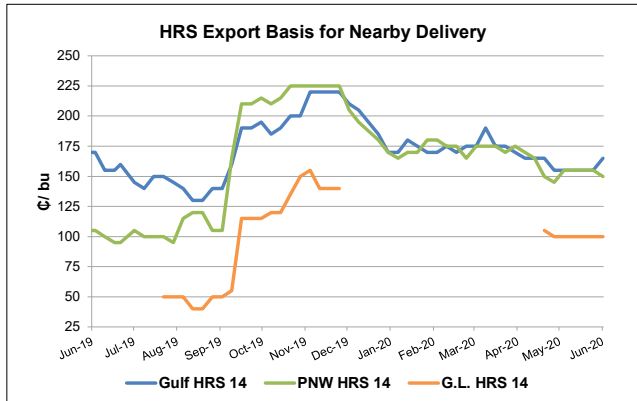
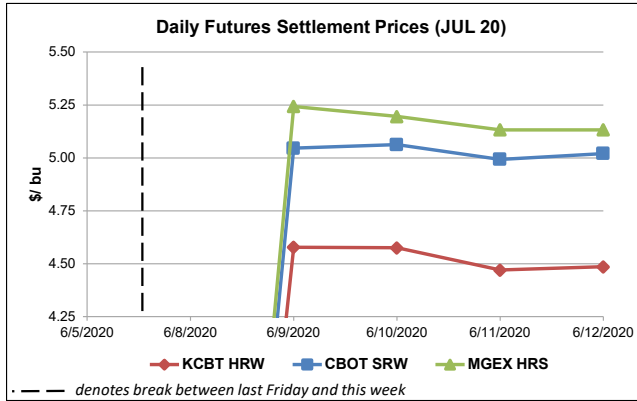
This contact will allow importers to review contract terms and better understand the U.S. grading system, role and function of the Federal Grain Inspection Service (FGIS).

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





Highlights



- USDA's June estimate for record 2020/21 global wheat ending stocks (see below) pressured all wheat futures prices week-over-week. CBOT soft red winter (SRW) futures fell 13 cents on the week to close at \$5.02/bu. KCBT hard red winter (HRW) futures lost 13 cents to end at \$4.48/bu. MGE hard red spring (HRS) futures fell 5 cents to close at \$5.13/bu. CBOT corn futures fell 2 cents from last week to end at \$3.30/bu. CBOT soybean futures gained 3 cents to close at \$8.71/bu.
- Minimal export capacity out of the Center Gulf supported Gulf HRS export basis for June and July deliveries. Uncertainty about new harvest protein levels widened Gulf HRW export basis discounts and premiums week-over-week. The potential for nearby farmer selling pressured Pacific Northwest (PNW) HRS export basis for June and July deliveries. Increased export demand supported PNW soft white wheat (SW) export prices for nearby and deferred deliveries.
- Despite worsening dryness across the Southern Plains (see below), total U.S. winter wheat crop ratings held steady week-over-week at 51% good to excellent. Total crop ratings in Kansas remained the same at 42% good to excellent. Colorado crop ratings increased slightly from last week to 32% good to excellent. In Oklahoma, winter wheat rated as good to excellent fell 10 points from last week to 46%.
- The new crop U.S. HRW wheat harvest is in full swing from Texas to southern Kansas and the SRW harvest is well underway from Alabama to Virginia. According to USDA, as of June 8, 7% of the country's total winter wheat area is harvested. Click [here](#) to read more about the 2020 U.S. wheat harvest.
- Dry weather across the Northern Plains helped boost U.S. spring wheat planting week-over-week. Farmers have now planted 97% of intended spring wheat area, up from last week's 91% but slightly behind the 5-year average of 99%. According to USDA, 82% of the country's spring wheat is in good to excellent condition, up from last year's 81%.
- According to USDA, as of June 4, total U.S. wheat export sales for delivery in 2019/20 ended at 26.9 million metric tons (MMT), 4% ahead of 2018/19. Total HRW sales reached 10.2 MMT, 8% ahead of 2018/19. HRS sales totaled 7.97 MMT, 11% ahead of 2018/19. SRW sales fell 26% year-over-year to 2.45 MMT. Total white wheat sales (hard and soft) fell 2% on the year to end at 5.34 MMT. Durum sales nearly tripled year-over-year to end at 966,000 metric tons (MT). To read more about year end commercial sales, click [here](#).
- This week's commercial sales of 270,000 MT for delivery in 2020/21, through June 4, were down 38% from last week's 437,000 MT but within trade expectations of 200,000 MT to 500,000 MT. Year-to-date commercial sales for delivery in 2020/21 total 5.83 MMT, down 5% from last year. USDA expects all 2020/21 U.S. wheat exports will total 25.9 MMT, down 2% from 2019/20, if realized.
- Hot, dry weather increased drought stress across the western Great Plains. Abnormal dryness spread in western South Dakota, western Nebraska, central Kansas and western Oklahoma. Pockets of severe to extreme drought appeared in western Oklahoma and the Texas Panhandle. Looking ahead, hot, dry weather is expected to persist across the Southern Plains. Warm temperatures and beneficial precipitation are forecast across the Northern Plains.
- In its June World Agricultural Supply and Demand Estimates (WASDE) report, USDA increased its 2020/21 wheat production estimates for the United States, Australia and China. U.S. wheat production is now expected to total 51.0 MMT, which would still be 3% less than 2019/20. Australian wheat production is forecast to jump 71% from last year to 26.0 MMT as beneficial precipitation pulls the country out of a three-year drought. USDA now expects 2020/21 Chinese wheat production to reach 136 MMT, up slightly on the year.
- USDA forecasts total global wheat ending stocks will reach a record 316 MMT in 2020/21, 2% more than the May forecast, 7% more than last year and 16% more than the 5-year average. Chinese ending stocks are expected to reach a record 162 MMT in 2020/21, 7% more than last year and 28% more than the 5-year average. If realized, Chinese endings stocks would make up 51% of the global total.
- Persistent dryness during the growing season in the European Union (EU) and Ukraine prompted USDA to reduce its 2020/21 wheat production forecasts in both regions. The EU is now expected to produce 141 MMT of wheat this year, down 9% from 2019/20. USDA now expects Ukrainian wheat production will fall to 26.5 MMT in 2020, 9% below last year's record of 29.0 MMT.
- Argentinian wheat planting for the 2020/21 season jumped week-over-week to 42% complete, 10 points ahead of the 5-year average, as farmers took advantage of dry weather ahead of weekend rains, the Buenos Aires Grain Exchange said in its weekly crop report. USDA estimates Argentinian wheat production will reach 21.0 MMT in 2020/21, up 8% from last year, if realized.
- The Baltic Dry Index (BDI), an assessment of the average cost to ship raw materials like grains, coal and iron ore, jumped 24% on the week to end at 839.
- The U.S. Dollar Index increased from last week's 96.94 to close at 97.40.