



# Weekly Price Report July 10, 2020

Export Region	Percent Protein 12% (Dry) Moisture Basis		JUL (U20)**			JUL (U20)**		AUG (U20)		SEP (U20)		OCT (Z20)		NOV (Z20)		DEC (Z20)		JAN (H21)		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	6.16	0.16	6	226	90	223	80	223	80	238	110	238	110	240	115	245	115	223
	NS/DNS 14.0 (15.9)*	M	6.26	0.16	6	230	100	226	90	226	90	242	120	242	120	244	125	248	125	225
	NS/DNS 14.5 (16.5)*	M	6.31	0.16	6	232	105	228	95	228	95	244	125	244	125	246	130	250	130	226
Gulf of Mexico	NS/DNS 13.5 (15.3)*	M	7.11	0.21	8	261	185	261	185	261	185	266	185	268	190	268	190	272	190	256
	NS/DNS 14.0 (15.9)*	M	7.16	0.21	8	263	190	263	190	263	190	268	190	269	195	269	195	274	195	258
	NS/DNS 14.5 (16.5)*	M	7.31	0.21	8	269	205	269	205	269	205	273	205	275	210	275	210	279	210	259
	HRW Ord	K	5.92	0.18	7	218	140	218	140	218	140	224	145	226	150	226	150	230	150	225
	HRW 11.0 (12.5)	K	6.02	0.18	7	221	150	221	150	221	150	228	155	229	160	229	160	234	160	227
	HRW 11.5 (13.1)	K	6.12	0.18	7	225	160	225	160	225	160	231	165	233	170	233	170	237	170	234
	HRW 12.0 (13.6)	K	6.22	0.18	7	229	170	229	170	229	170	235	175	237	180	237	180	241	180	241
	HRW 12.5 (14.2)	K	6.32	0.18	7	232	180	232	180	232	180	239	185	240	190	240	190	245	190	249
SRW	C	6.34	0.62	23	233	100	233	100	233	100	238	110	238	110	238	110	240	110	228	
Pacific N. West	NS/DNS 13.5 (15.3)*	M	6.71	0.21	8	247	145	245	140	247	145	253	150	255	155	257	160	261	160	243
	NS/DNS 14.0 (15.9)*	M	6.71	0.21	8	247	145	245	140	247	145	253	150	255	155	257	160	261	160	243
	NS/DNS 14.5 (16.5)*	M	6.81	0.21	8	250	155	248	150	250	155	257	160	258	165	260	170	265	170	247
	HRW Ord	K	6.17	0.23	8	227	165	225	160	227	165	229	160	231	165	233	170	237	170	239
	HRW 11.5 (13.1)	K	6.27	0.23	8	230	175	229	170	230	175	233	170	235	175	237	180	241	180	241
	HRW 12.0 (13.6)	K	6.37	0.18	7	234	185	232	180	234	185	237	180	239	185	240	190	245	190	250
	HRW 13.0 (14.8)	K	6.57	0.08	3	241	205	240	200	241	205	244	200	246	205	248	210	252	210	269
	SW Unspecified	\$	6.40	0.25	9	235	640	235	640	235	640	243	660	243	660	243	660	243	660	231
	SW 9.5 (10.8) Min	\$	6.43	0.25	9	236	643	236	643	236	643	244	663	244	663	244	663	244	663	237
	SW 10.5 (11.9) Max	\$	6.40	0.25	9	235	640	235	640	235	640	243	660	243	660	243	660	243	660	231
	SW 9.5 (10.8) Max	\$	6.55	0.25	9	241	655	241	655	241	655	248	675	248	675	248	675	248	675	233
	WW with 10% Club	\$	6.70	0.25	9	246	670	246	670	246	670	254	690	254	690	254	690	254	690	233
WW with 20% Club	\$	6.95	0.25	9	255	695	255	695	255	695	263	715	263	715	263	715	263	715	234	

\*\* JUL (U20) indicates basis and FOB prices for delivery in July 2020 are based on the September 2020 wheat futures contracts.

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

Northern Durum offers from the Lakes range from \$7.62 to \$7.76/bu (\$280 to \$285/MT), and offers from Gulf ports range from \$8.30 to \$8.44/bu (\$305 to \$310/MT). For Desert Durum offers, contact your supplier.

Hard white: a range of prices are available depending upon various quality attributes and logistics

\*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 July 10, 2020	Grey positions not quoted on specific exchange																
	SEP (U20)	SEP (U20)	week change	NOV (X20)	week change	DEC (Z20)	week change	JAN (F21)	week change	MAR (H21)	week change	MAY (K21)	week change	JUL (N21)	week change	AUG (Q21)	week change
	\$/MT	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu
Chicago BOT SRW	196.21	5.3400	0.4200			5.3900	0.3925			5.4300	0.3550	5.4450	0.3200	5.3875	0.2500		
Kansas City BOT HRW	166.08	4.5200	0.1800			4.6425	0.1750			4.7600	0.1750	4.8325	0.1725	4.8700	0.1525		
Minneapolis MGE NS/DNS	193.36	5.2625	0.1600			5.3825	0.1450			5.5050	0.1275	5.5950	0.1175	5.6750	0.1050		
Chicago BOT Corn	132.77	3.3725	(0.0625)			3.4475	(0.0875)			3.5500	(0.1000)	3.6125	(0.0950)	3.6625	(0.0850)		
Chicago BOT Soybeans	325.36	8.8550	(0.0450)	8.9075	(0.0600)			8.9625	0.4075	8.9250	(0.0225)	8.9125	(0.0100)	8.9700	(0.0075)	8.9700	(0.0125)

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).



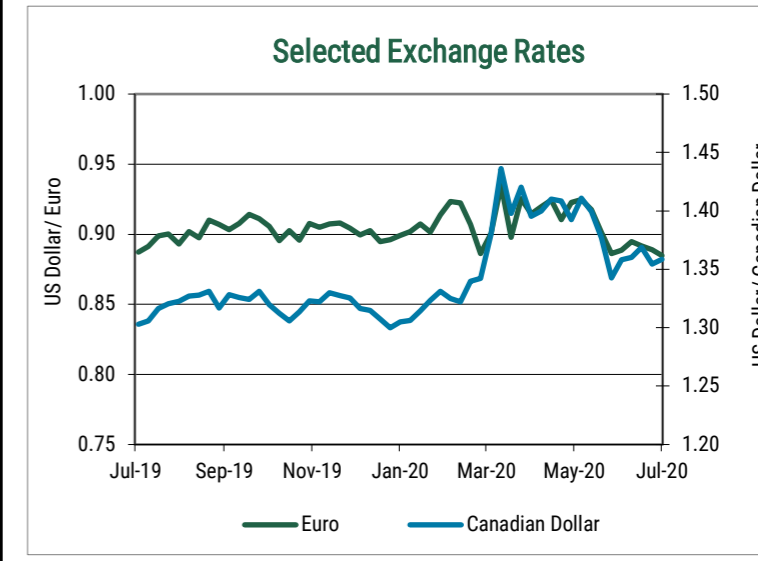
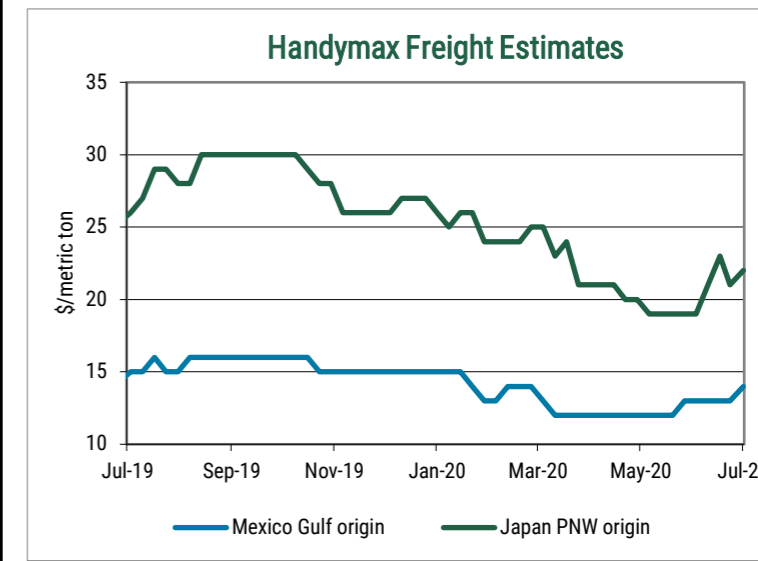
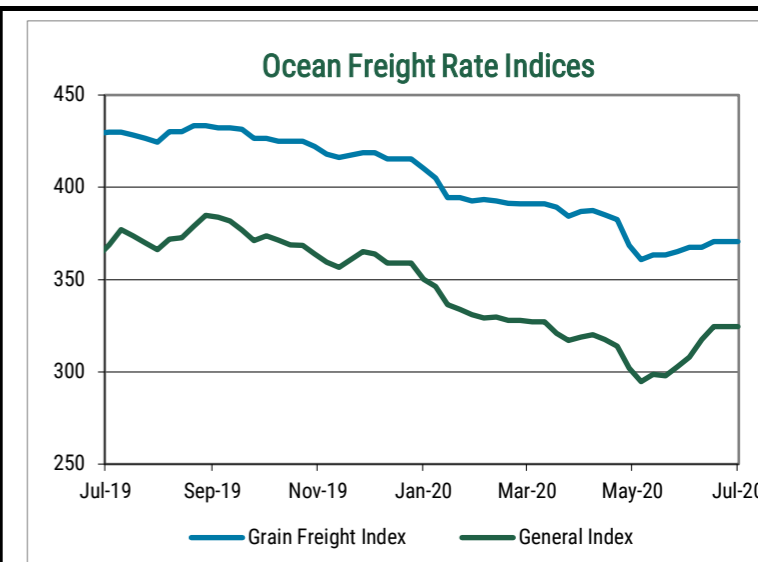
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Ocean Freight Rate Estimates by Origin*		U.S. \$/metric ton			Freight Index** Week Ending	General Index	Grain Freight Index	Number of Fixtures
Export Region	Import Region	Handy 25-30 TMT	Handymax 40-46 TMT	Panamax 54+ TMT				
US Gulf	Mexico (Veracruz)	16	14		7/10/2020	325.6	370.7	410
	W. South America (Peru/Ecu)			17	7/2/2020	324.5	370.7	434
	S. South America (Chile)			22	6/26/2020	324.5	370.7	434
	N. South America (Colombia)	19	16	12	6/19/2020	317.4	367.6	478
	E. South America (Brazil)		22		6/12/2020	307.9	367.6	506
	West Africa (Nigeria)	60			6/5/2020	302.7	365.1	419
	East Mediterranean (Italy)	40			5/29/2020	297.9	363.3	397
	West Mediterranean (Morocco)	37			5/22/2020	298.6	363.3	443
	Persian Gulf (Iraq)			64	5/15/2020	294.7	360.8	537
	Middle East (Egypt)			26	5/8/2020	302.1	368.4	346
	Japan		41	39	5/1/2020	314.0	382.5	362
Mid Atlantic	N. South America (Venezuela)	16			4/24/2020	317.6	385.0	511
	West Africa (Nigeria)	58			4/17/2020	320.1	387.5	457
	Middle East (Egypt)			62	4/10/2020	318.9	386.8	360
St. Lawrence	N. South America (Venezuela)	9			4/3/2020	316.9	384.2	538
	Europe/Rotterdam			8	3/27/2020	320.8	389.3	552
Great Lakes	East Mediterranean (Italy)	42			3/13/2020	327.2	391.0	579
	West Mediterranean (Spain)	40			3/6/2020	329.0	391.0	590
	Europe/Rotterdam	42			2/28/2020	327.9	391.2	577
	West Mediterranean (Morocco)	43			2/21/2020	329.8	392.7	479
PNW	W. South America (Peru/Ecu)	26			2/14/2020	329.3	393.4	536
	S. South America (Chile)	30			2/7/2020	330.9	392.7	486
	N. South America (Colombia)	29			1/31/2020	333.9	394.4	418
	Persian Gulf (Iraq)			51	1/24/2020	336.4	394.4	571
	Middle East (Egypt)			27	1/17/2020	346.2	405.0	588
	East Africa (Djibouti/Mombasa)		43	41	1/10/2020	350.1	410.1	580
	South Asia (Mal/Indon/Phil/Sing)			22	1/3/2020	358.9	415.4	537
	Taiwan		23	22	12/20/2019	358.9	415.4	537
	South Korea		22	21	12/13/2019	363.8	418.8	604
	Japan		22	21	12/6/2019	365.2	418.8	491

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
7/10/20	N/A	70.79	1.439	5.320	1.358	0.00	0.885	106.9	70.82
7/3/20	N/A	70.63	1.442	5.316	1.355	16.07	0.889	107.5	71.27
6/26/20	120.9	70.07	1.458	5.484	1.369	16.11	0.892	107.2	69.62
6/19/20	120.6	69.74	1.464	5.311	1.360	16.13	0.895	106.9	69.33
7/11/19	114.8	41.70	1.434	3.754	1.307	16.54	0.889	108.5	62.78
7/11/15	107.20	9.128	1.353	3.137	1.293	7.807	0.917	122.2	56.51
1 year change	N/A	69.76%	0.36%	41.71%	3.92%	-100.00%	-0.44%	-1.44%	12.80%
5 year change	N/A	675.51%	6.38%	69.58%	5.03%	-100.00%	-3.46%	-12.51%	25.31%



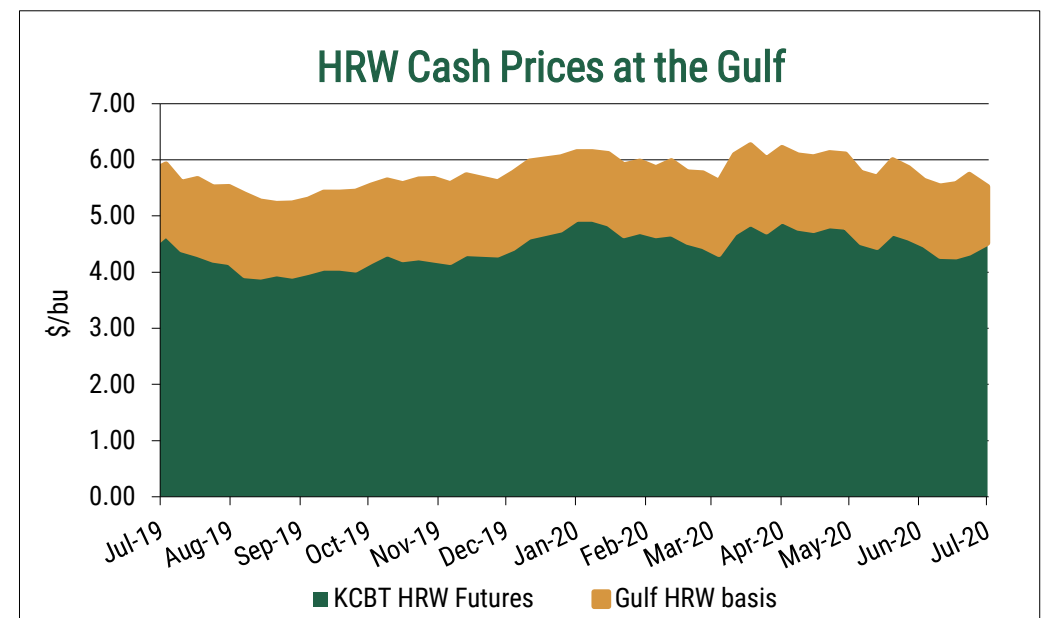
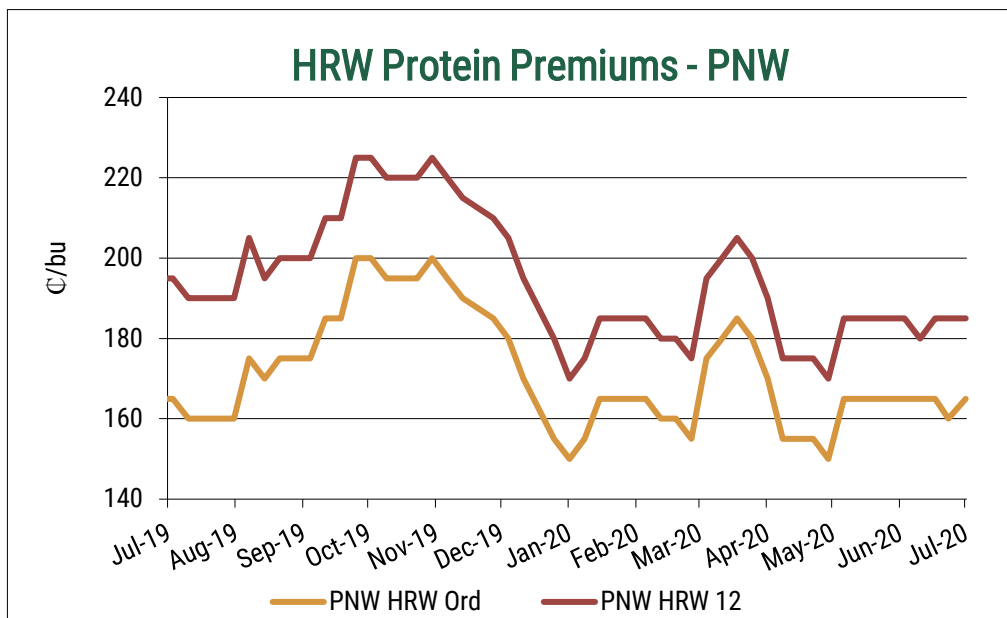
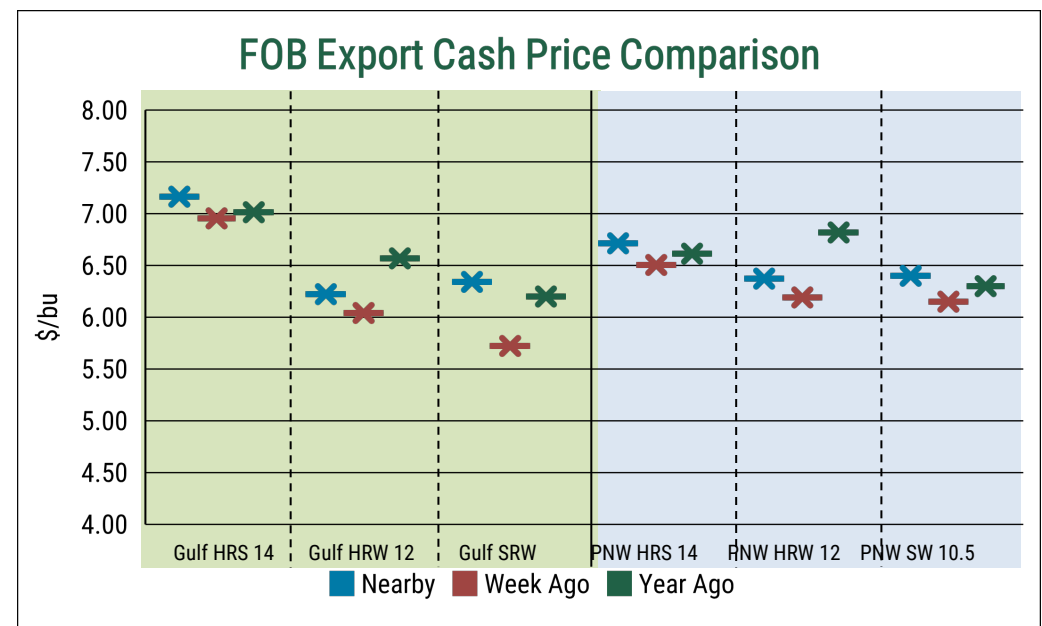
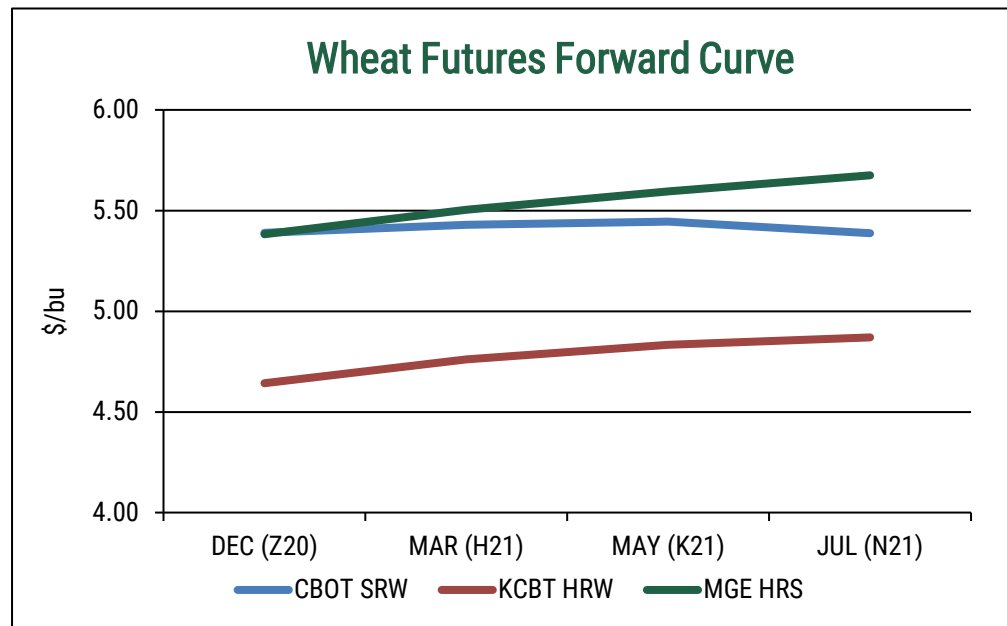
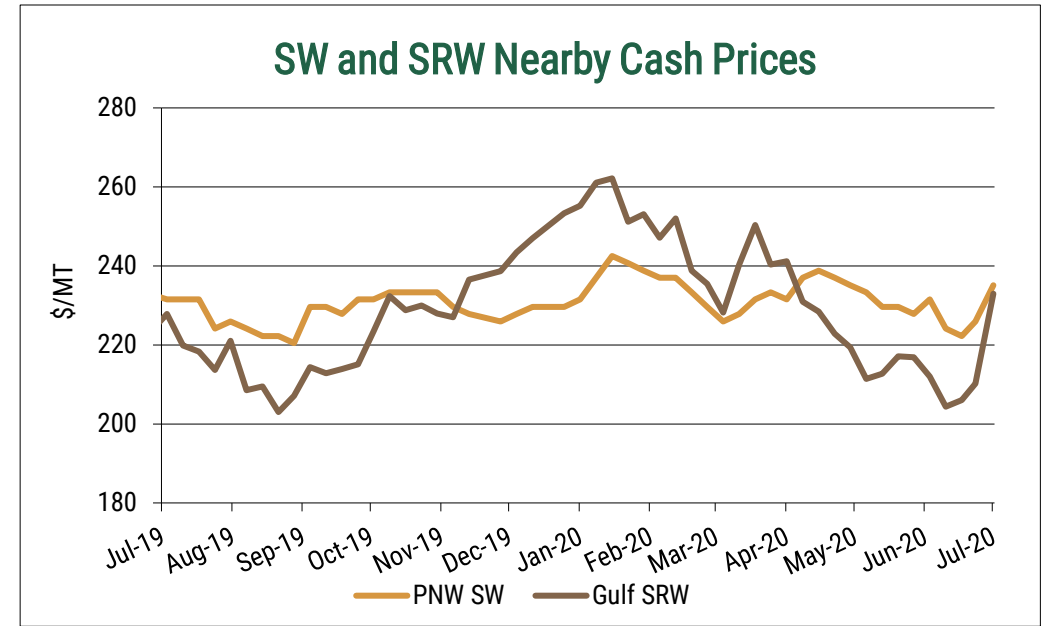
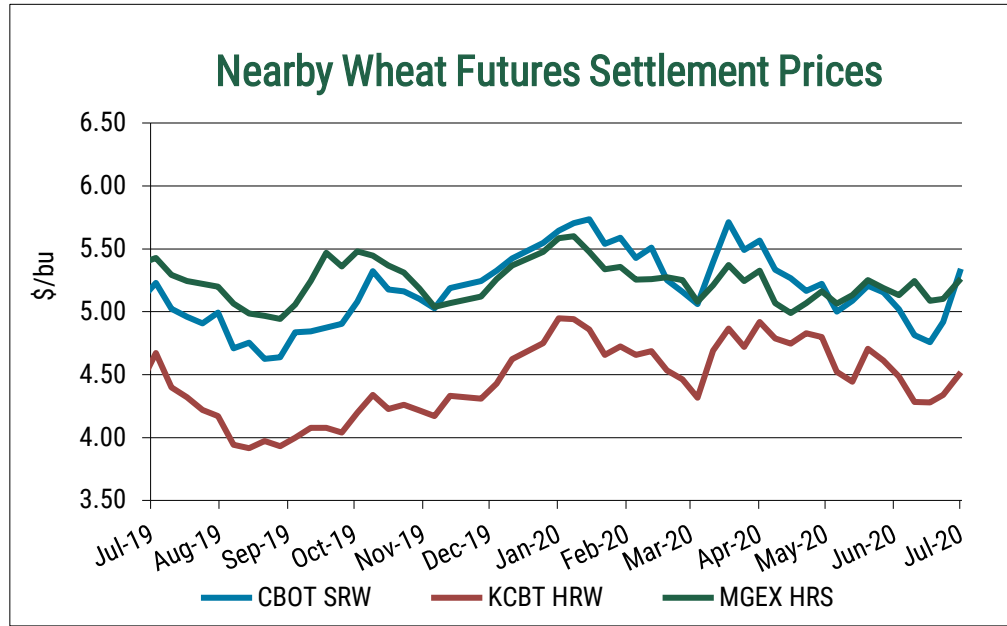
The weekly prices as reported by U.S. Wheat Associates are compiled through research from numerous market sources, including U.S. wheat exporters of all classes from various U.S. ports. The prices reported are representative of the value of number two grade and the proteins indicated. **They are not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

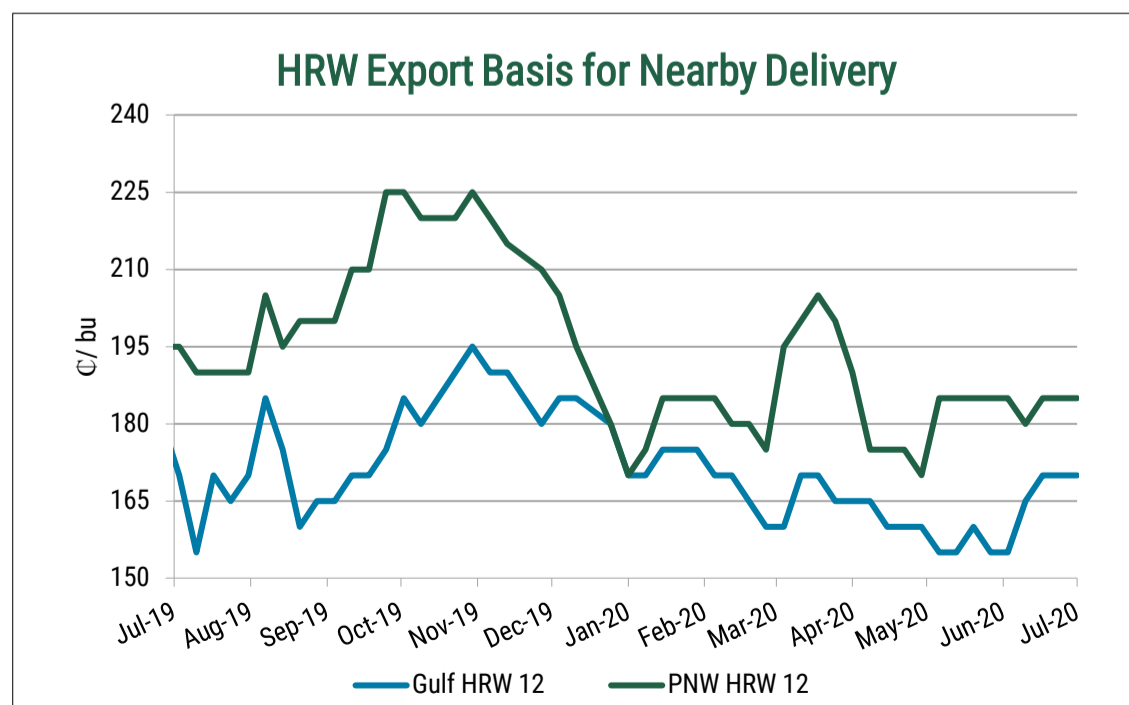
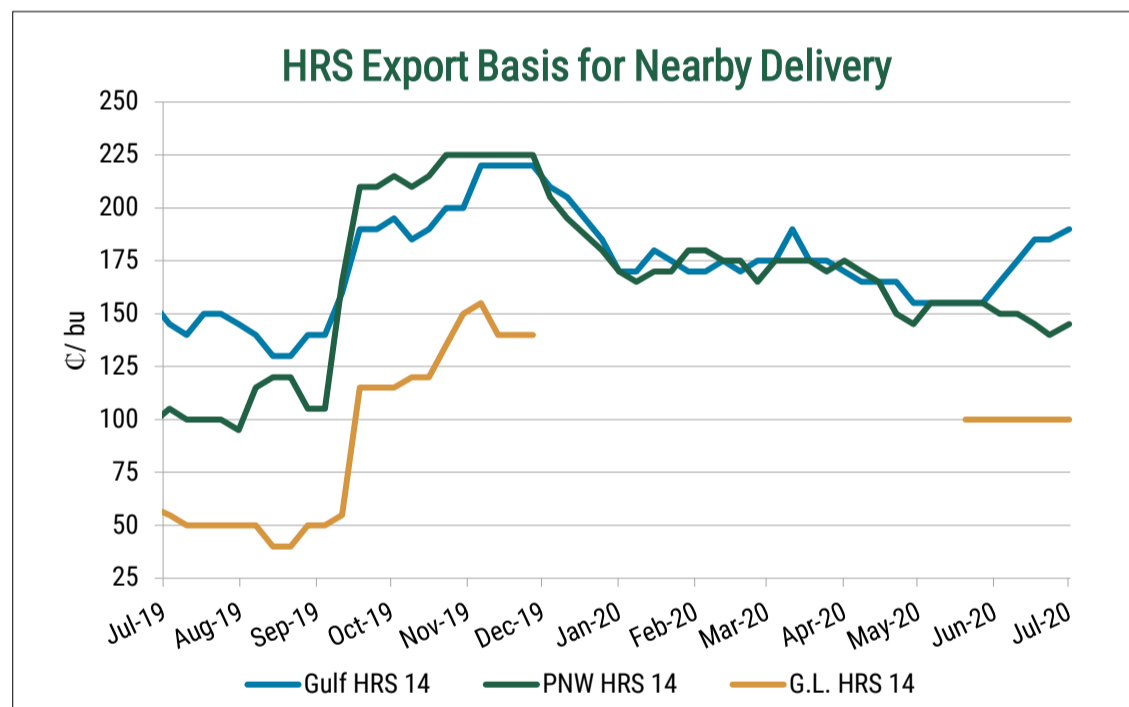
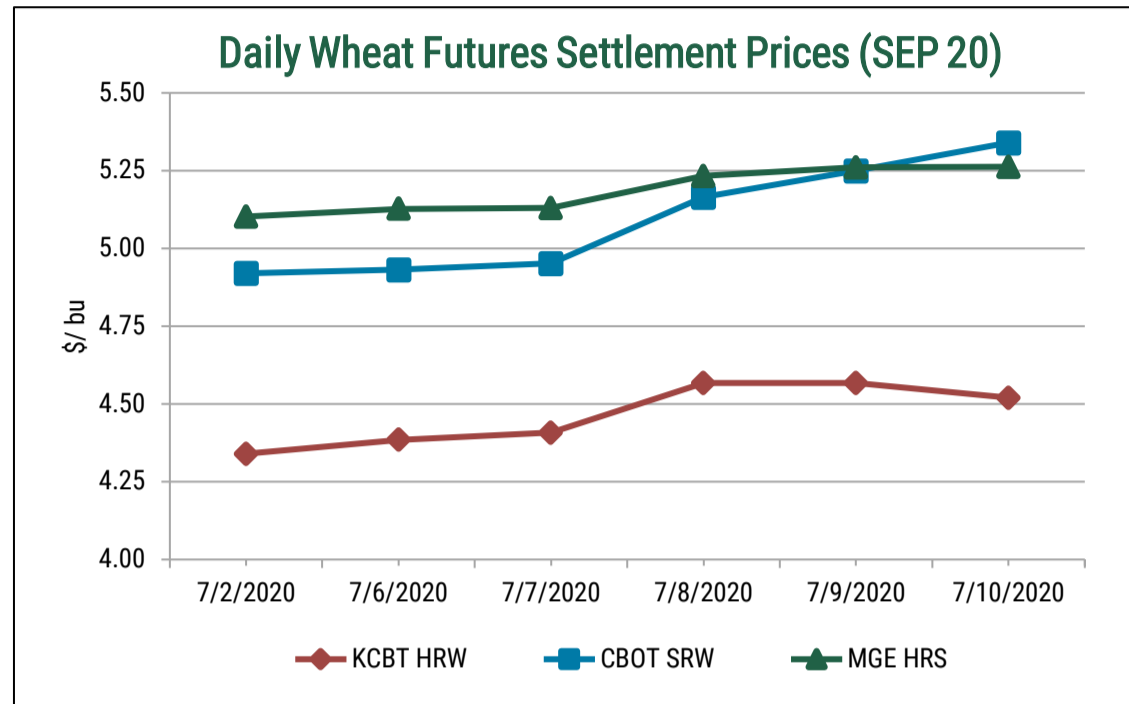
This contact will allow importers to review contract terms and better understand the U.S. grading system, role and function of the Federal Grain Inspection Service (FGIS).

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





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- USDA reduced its 2020/21 estimates for total global wheat production and total global wheat ending stocks (see below) which supported all wheat futures prices week-over-week. CBOT September soft red winter (SRW) futures jumped 42 cents on the week to end at \$5.34/bu. KCBT September hard red winter (HRW) futures gained 18 cents to close at \$4.52/bu. MGE September hard red spring (HRS) futures added 16 cents to end at \$5.26/bu. CBOT September corn futures lost 6 cents to close at \$3.37/bu. CBOT September soybean futures fell 4 cents to end at \$8.85/bu.
- All U.S. Wheat Associates (USW) basis and FOB prices for all classes of wheat for July delivery are now over the September 2020 (U20) wheat futures contracts.
- A July 10 USDA report that China bought 190,000 metric tons (MT) of HRW and 190,000 MT of HRS supported Pacific Northwest (PNW) HRW and HRS export basis for July and August deliveries. PNW HRW protein spreads narrowed on the week. Higher CBOT SRW futures prices supported PNW soft white wheat export prices week-over-week. Limited export elevation capacity out of the Center Gulf supported Gulf HRS export basis for nearby and deferred deliveries. Tight exportable supplies and limited elevation capacity supported Gulf SRW export basis week-over-week.
- In its July [World Agricultural Supply and Demand Estimates](#) (WASDE) report, USDA reduced its estimate for U.S. 2020/21 wheat production to 49.6 million metric tons (MMT), down 5% from last year, if realized. U.S. wheat exports for 2020/21 are now forecast at 25.9 MMT, stable with June's estimate but 2% less than 2019/20.
- USDA's July WASDE report offered the first by-class production estimates for marketing year 2020/21. HRW production is forecast to fall 15% on the year to 19.2 MMT. HRS production is estimated to fall 4% from last year to 13.7 MMT. SRW production is forecast to increase 18% on the year to 6.50 MMT. Total white wheat production (soft and hard) is estimated to remain relatively stable year-over-year at 7.48 MMT. Durum production is also forecast to remain relatively stable with last year at 1.52 MMT.
- Increased dryness across the western Great Plains pressured total U.S. winter wheat ratings to 51% good to excellent this week. Total crop ratings in Kansas remained the same week-over-week at 46% good to excellent. Montana winter wheat ratings fell slightly from last week to 86% good to excellent. In Nebraska, winter wheat rated as good to excellent decreased 6 points from last week to 50% this week.
- The new crop U.S. HRW harvest reached southern Nebraska this week and SRW harvest is well underway from Arkansas to Ohio and on to Virginia. According to USDA, as of July 6, 56% of the country's total winter wheat area is harvested. Click [here](#) to read more about the 2020 U.S. wheat harvest.
- Beneficial precipitation across the Northern Plains supported total U.S. spring wheat ratings this week to 71% good to excellent. Total crop ratings in North Dakota increased 2 points to 61% good to excellent. Minnesota spring wheat ratings fell slightly to 77% good to excellent. In Montana, spring wheat rated as good to excellent increased one point this week to 82%.
- This week's commercial sales of 326,000 MT for delivery in 2020/21, through July 2, were down 21% from last week's 414,000 MT but in line with trade expectations of 200,000 MT to 550,000 MT. Year-to-date commercial sales for delivery in 2020/21 total 7.56 MMT, 1% ahead of last year's pace. USDA expects all 2020/21 U.S. wheat exports will total 25.9 MMT, down 2% from 2019/20, if realized.
- Western Texas and northern Oklahoma received welcome rain with some minor drought relief, but overall large swaths of the area remain too dry. Much of the Midwest saw minor drought conditions extended. Across the High Plains, abundant rain was widespread and brought improvement to areas that were dry. Some concentrated showers fell in southwestern Kansas and southeastern Colorado, but across other parts of Kansas and Nebraska, dryness and drought expanded. Cooler weather and rain brought excellent conditions to the wheat-growing areas of Washington, Oregon and Idaho.
- USDA now expects total world wheat production will reach 769 MMT, 4 MT less than its June estimate, but still slightly higher than last year's record of 765 MMT. Total global wheat ending stocks fell slightly from the June estimate to 315 MMT, still a world record and 6% more than last year.
- The French farm office, FranceAgriMer, predicts soft (non-durum) wheat exports from France to buyers outside the EU will plunge 43 percent in 2020/21, the lowest level since 2016/17. The harvest is expected to shrink by 21 percent this year following a wet autumn and a historically hot, dry spring. This follows a historic 2019/20 for EU wheat exports, which jumped 68 percent compared to 2018/19.
- Heavy rain in many of the key growing areas of Canada caused little damage to crops reported the Canadian agriculture ministry. Crops in Saskatchewan were seen as developing normally for the last week of June. In Alberta, overall crop conditions were rated at 80 percent good to excellent compared to 70 percent last year. In Manitoba, however, the effects of excessive moisture was still being assessed. Canadian wheat production is expected to be up 5 percent this year compared to last year.
- The Russian Agriculture Minister, Dmitry Patrushev, said Russia would use a quota mechanism to control wheat exports in the second half of the marketing year. The government will meet with the grain trade to agree on the limit after the harvest results are made available. Patrushev added that he wants the quota mechanism to be used on a "regular basis" as demand for Russian grains on the world market grows so that supply remains for the domestic market. Russia is expected to produce 75.0 MMT of wheat in 2020/21 and expected to export around 35 MMT of wheat.
- As harvest season gets underway in the Black Sea region, the cost of freight for Panamax-size vessels jumped. Sources said the demand in the North Atlantic was slow the first half of the year, leaving many cargoes in the Far East, far from where they are needed. Prices for July shipment from Ukraine to China climbed \$28.85/mt, Ukraine to North Africa surged 9 percent.
- Scant rain across many of Argentina's main planting areas is slowing wheat planting. Farmers were able to get nearly 8% of expected area planted this week, bringing the current total to 86.8% of a projected 6.5 million hectares (16.0 million acres). Rosario grains exchange cut the 2020/21 wheat crop forecast to 18-19 MMT from 21-22 MMT previously predicted following prolonged dryness.
- ProAgro, an agriculture consultancy, cut its 2020 wheat harvest estimate for Ukraine slightly to 26.0 MMT from 26.6 MMT. Year-on-year Ukraine is expected to harvest 8 percent less wheat due to poor weather. Dry weather in some areas of the country cut yield while wet weather in other areas led to poor quality.
- Wheat acres in Britain are down 25 % for the year after wet autumn weather pushed many farmers to have to switch to spring planting. Wheat planting was predicted to be 1.36 million hectares (3.9 million acres). Despite a wet autumn, the spring was mostly dry, further complicating wheat planting. The wheat harvest is expected to be around 10.0 MMT down from the 16.3 MMT harvested in 2019.
- The Baltic Dry Index (BDI), an assessment of the average cost to ship raw materials like grains, coal and iron ore fell slightly week-over-week to end at 1,810.
- The U.S. Dollar Index fell from last week's 97.31 to close at 96.67.