

Weekly Price Report July 31, 2020

U.S. Wheat FOB & Export Basis Estimates

Export Region	Class & Percent Protein 12% (Dry) Moisture Basis		AUG (U20)				AUG (U20)		SEP (U20)		OCT (Z20)		NOV (Z20)		DEC (Z20)		JAN (H21)		FEB (H21)		
			(nearbys)	week change	yr change	FOB	Basis	FOB	Basis	FOB	Basis	FOB	Basis	FOB	Basis	FOB	Basis	FOB	Basis	FOB	Basis
			FOB \$/bu	\$/bu	\$/MT	\$/MT	\$/bu	\$/MT	\$/bu	\$/MT	\$/bu	\$/MT	\$/bu	\$/MT	\$/bu	\$/MT	\$/bu	\$/MT	\$/bu	\$/MT	\$/bu
Great Lakes	NS/DNS 13.5 (15.3)*	M	5.94	-0.01	0	213	218	80	218	80	234	110	234	110	236	115	241	115	241	115	
	NS/DNS 14.0 (15.9)*	M	6.04	-0.01	0	215	222	90	222	90	238	120	238	120	240	125	245	125	245	125	
	NS/DNS 14.5 (16.5)*	M	6.09	-0.01	0	217	224	95	224	95	240	125	240	125	242	130	247	130	247	130	
Gulf of Mexico	NS/DNS 13.5 (15.3)*	M	6.99	-0.06	-2	250	257	185	257	185	267	200	266	195	266	195	267	185	267	185	
	NS/DNS 14.0 (15.9)*	M	7.04	-0.06	-2	252	259	190	259	190	269	205	267	200	267	200	269	190	269	190	
	NS/DNS 14.5 (16.5)*	M	7.19	-0.06	-2	253	264	205	264	205	275	220	273	215	273	215	274	205	274	205	
	HRW Ord	K	6.03	0.13	5	209	221	160	221	160	229	170	227	165	227	165	227	155	227	155	
	HRW 11.0 (12.5)	K	6.08	0.08	3	211	223	165	223	165	231	175	229	170	229	170	229	160	229	160	
	HRW 11.5 (13.1)	K	6.13	0.03	1	216	225	170	225	170	233	180	231	175	231	175	231	165	231	165	
	HRW 12.0 (13.6)	K	6.18	-0.02	-1	222	227	175	227	175	234	185	233	180	233	180	233	170	233	170	
	HRW 12.5 (14.2)	K	6.28	-0.02	-1	227	231	185	231	185	238	195	236	190	236	190	237	180	237	180	
SRW	W	6.51	-0.08	-3	214	239	120	241	125	246	130	246	130	246	130	248	130	248	130		
Pacific N. West	NS/DNS 13.5 (15.3)*	M	6.79	0.19	7	230	249	165	251	170	256	170	260	180	262	185	267	185	269	190	
	NS/DNS 14.0 (15.9)*	M	6.79	0.19	7	233	249	165	251	170	256	170	260	180	262	185	267	185	269	190	
	NS/DNS 14.5 (16.5)*	M	6.89	0.19	7	239	253	175	255	180	260	180	264	190	266	195	270	195	272	200	
	HRW Ord	K	6.28	0.08	3	220	231	185	232	190	242	205	244	210	247	220	249	215	249	215	
	HRW 11.5 (13.1)	K	6.38	0.08	3	222	234	195	236	200	245	215	247	220	251	230	253	225	253	225	
	HRW 12.0 (13.6)	K	6.48	0.08	3	231	238	205	240	210	249	225	251	230	255	240	257	235	257	235	
	HRW 13.0 (14.8)	K	6.68	0.08	3	249	245	225	247	230	256	245	258	250	262	260	264	255	264	255	
	SW Unspecified	\$	6.30	0.15	6	224	231	630	231	630	233	635	233	635	235	640	235	640	235	640	
	SW 9.5 (10.8) Min	\$	6.35	0.17	6	228	233	635	233	635	235	640	235	640	237	645	237	645	237	645	
	SW 10.5 (11.9) Max	\$	6.30	0.15	6	224	231	630	231	630	233	635	233	635	235	640	235	640	235	640	
	SW 9.5 (10.8) Max	\$	6.45	0.05	2	226	237	645	237	645	239	650	239	650	241	655	241	655	241	655	
WW with 10% Club	\$	6.55	0.10	4	225	241	655	241	655	243	660	243	660	244	665	244	665	244	665		
WW with 20% Club	\$	6.80	0.15	6	226	250	680	250	680	252	685	252	685	254	690	254	690	254	690		

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 Exchange Settlements

Exchange & Commodity	SEP (U20)			NOV (X20)		DEC (Z20)		JAN (F21)		MAR (H21)		MAY (K21)		JUL (N21)		AUG (Q21)	
	close	wk chng		close	wk chng	close	wk chng	close	wk chng	close	wk chng	close	wk chng	close	wk chng	close	wk chng
	\$/MT	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu
Chicago BOT SRW	195.20	5.3125	(0.0825)			5.3875	(0.0650)			5.4575	(0.0525)	5.4975	(0.0425)	5.4900	(0.0175)		
Kansas City BOT HRW	162.59	4.4250	(0.0700)			4.5300	(0.0750)			4.6375	(0.0775)	4.7075	(0.0800)	4.7750	(0.0700)		
Minneapolis MGE NS/DNS	188.86	5.1400	(0.0125)			5.2775	(0.0050)			5.4100	(0.0075)	5.5050	(0.0075)	5.5900	(0.0100)		
Chicago BOT Corn	124.40	3.1600	(0.1025)			3.2700	(0.0800)			3.3825	(0.0775)	3.4600	(0.0700)	3.5225	(0.0625)		
Chicago BOT Soybeans	327.11	8.9025	(0.0850)	8.9250	(0.0675)			8.9800	(0.0675)	8.9550	(0.0525)	8.9825	(0.0300)	9.0500	(0.0200)	9.0600	(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).

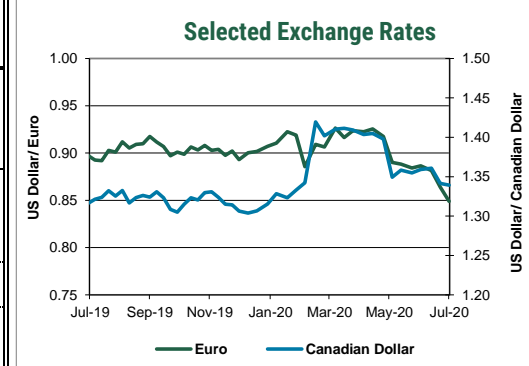
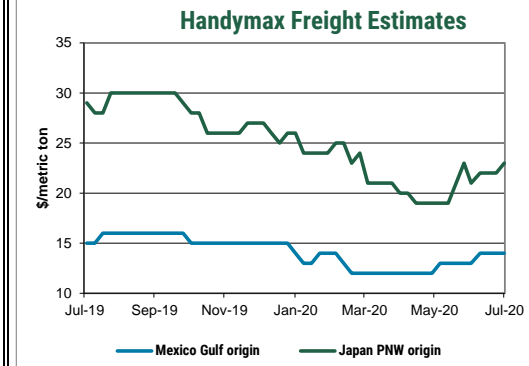
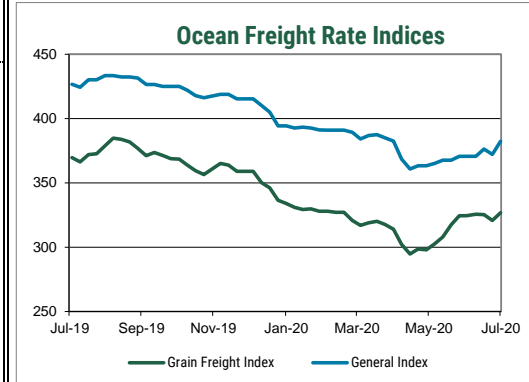
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Ocean Freight Rate Estimates by Origin*			U.S. dollars/metric ton			Freight Index**	General Index	Grain Freight Index	Number of Fixtures
Export Region	Import Region		Handy 25-30 TMT	Handymax 40-46 TMT	Panamax 54+ TMT				
U.S. Gulf	Mexico (Veracruz)		16	14		31/07/2020	326.8	382.3	404
U.S. Gulf	W. South America (Peru/Ecu)				12	24/07/2020	320.8	372.2	537
U.S. Gulf	S. South America (Chile)				17	17/07/2020	325.3	376.4	456
U.S. Gulf	N. South America (Colombia)	19	16	9		10/07/2020	325.6	370.7	410
U.S. Gulf	E. South America (Brazil)		22			02/07/2020	324.5	370.7	434
U.S. Gulf	West Africa (Nigeria)	60				26/06/2020	324.5	370.7	434
U.S. Gulf	East Mediterranean (Italy)	41				19/06/2020	317.4	367.6	478
U.S. Gulf	West Mediterranean (Morocco)	38				12/06/2020	307.9	367.6	506
U.S. Gulf	Persian Gulf (Iraq)				64	05/06/2020	302.7	365.1	419
U.S. Gulf	Middle East (Egypt)				26	29/05/2020	297.9	363.3	397
U.S. Gulf	Japan		42	41		22/05/2020	298.6	363.3	443
Mid Atlantic	N. South America (Venezuela)	16				15/05/2020	294.7	360.8	537
Mid Atlantic	West Africa (Nigeria)	62				08/05/2020	302.1	368.4	346
Mid Atlantic	Middle East (Egypt)				63	01/05/2020	314.0	382.5	362
St. Lawrence	N. South America (Venezuela)	9				24/04/2020	317.6	385.0	511
St. Lawrence	Europe/Rotterdam				8	17/04/2020	320.1	387.5	457
Great Lakes	East Mediterranean (Italy)	55				10/04/2020	318.9	386.8	360
Great Lakes	West Mediterranean (Spain)	52				03/04/2020	316.9	384.2	538
Great Lakes	Europe/Rotterdam	43				27/03/2020	320.8	389.3	552
Great Lakes	West Mediterranean (Morocco)	44				20/03/2020	327.1	391.0	510
PNW	W. South America (Peru/Ecu)	26				13/03/2020	327.2	391.0	579
PNW	S. South America (Chile)	30				06/03/2020	327.9	391.0	590
PNW	N. South America (Colombia)	29				28/02/2020	327.9	391.2	577
PNW	Persian Gulf (Iraq)				51	21/02/2020	329.8	392.7	479
PNW	Middle East (Egypt)				26	14/02/2020	329.3	393.4	536
PNW	East Africa (Djibouti/Mombasa)		43	41		07/02/2020	330.9	392.7	486
PNW	South Asia (Mal/Indon/Phil/Sing)			18		31/01/2020	333.9	394.4	418
PNW	Taiwan		24	23		24/01/2020	336.4	394.4	571
PNW	South Korea			22		17/01/2020	346.2	405.0	588
PNW	Japan		23	22		10/01/2020	350.1	410.1	580

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

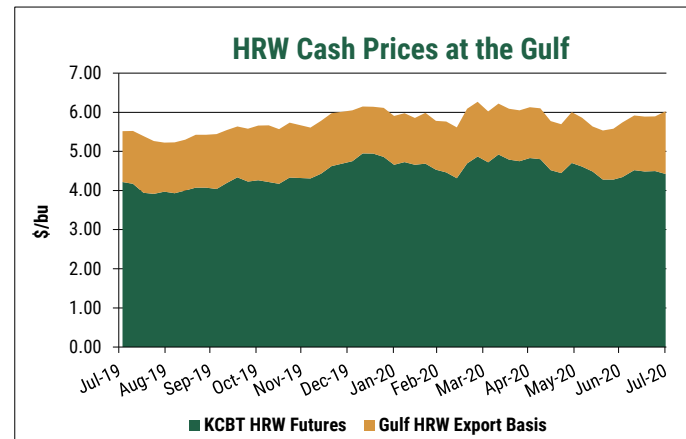
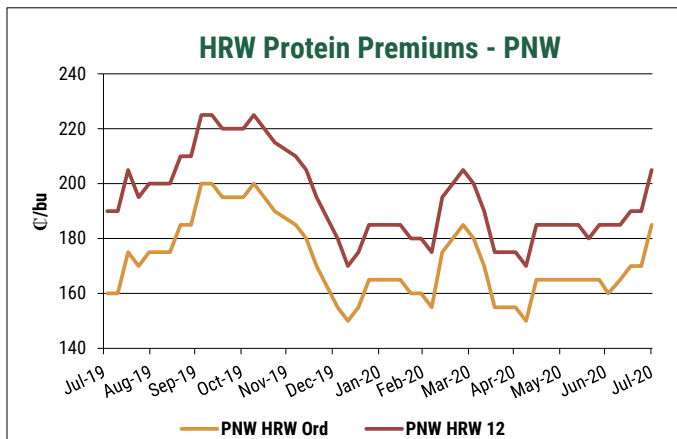
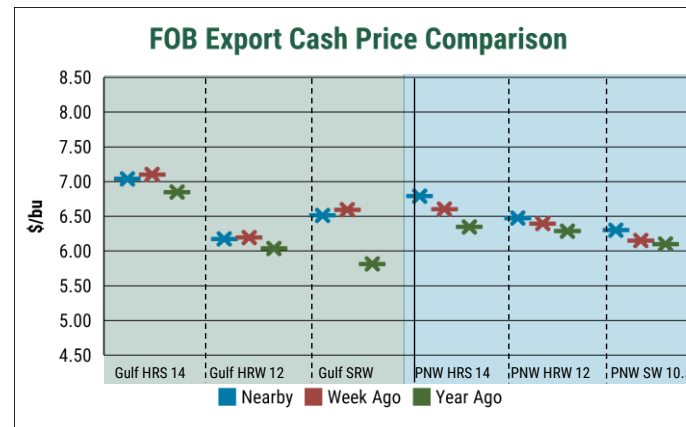
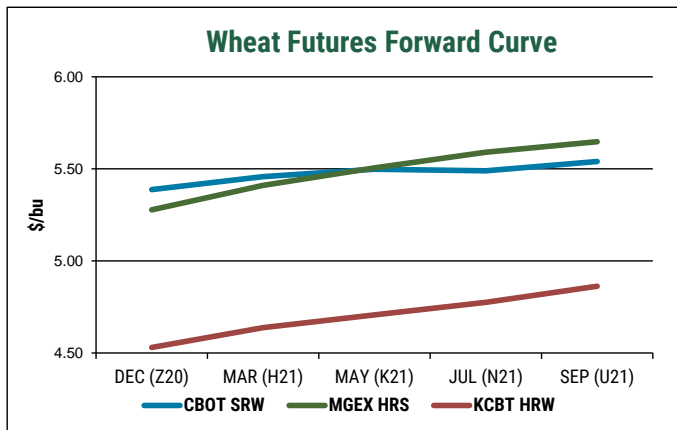
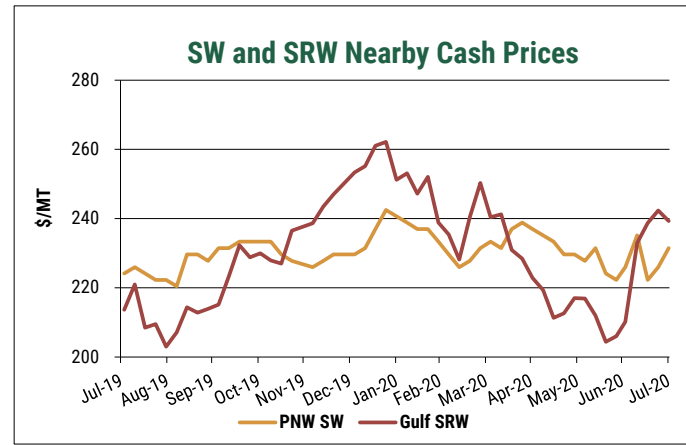
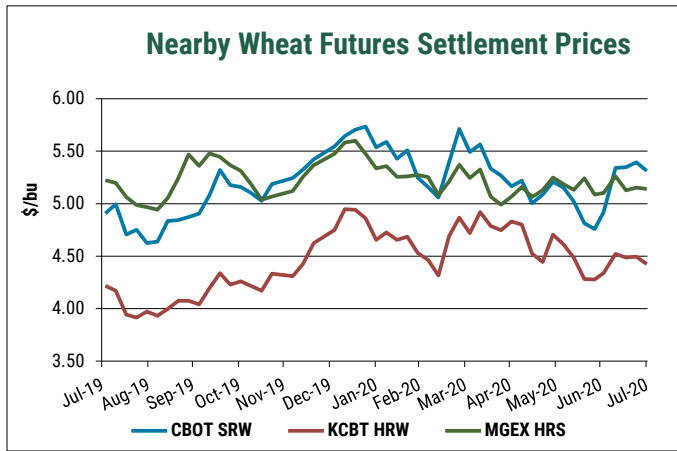
Summary of Foreign Currency Exchange Rates (versus \$1 U.S.)

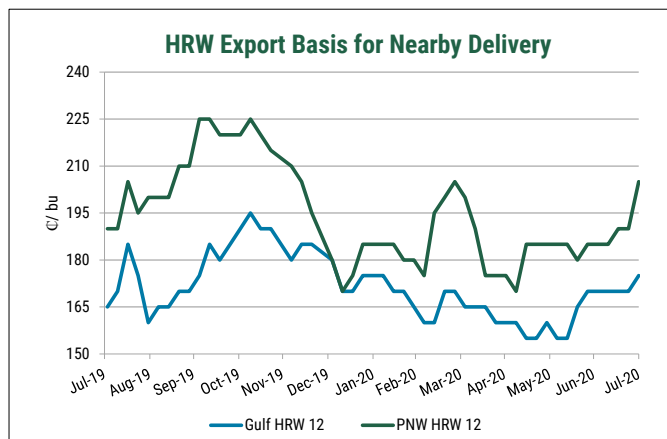
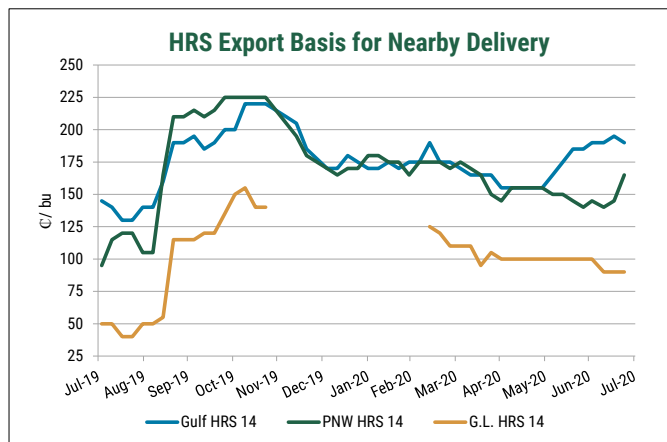
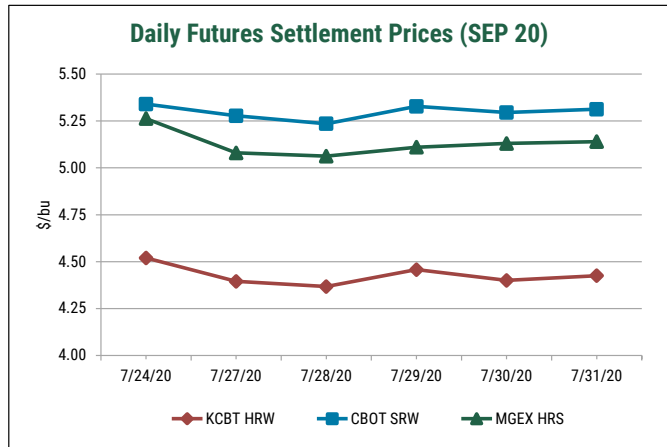
Week Ending	Index***	Argentina	Australia	Brazil	Canada	Egypt	EU	Japan	Russia
7/31/20	N/A	72.38	1.401	5.217	1.339	15.95	0.849	105.8	74.12
7/24/20	118.5	71.89	1.411	5.211	1.344	15.96	0.859	105.7	71.72
7/17/20	119.5	71.47	1.428	5.379	1.358	15.92	0.874	107.0	71.84
7/10/20	119.7	70.86	1.439	5.332	1.359	15.96	0.885	106.9	70.70
8/1/19	116.0	44.29	1.471	3.839	1.321	16.53	0.902	107.3	64.37
8/1/15	N/A	9.192	1.370	3.381	1.302	7.806	0.911	124.0	60.50
1 year change	N/A	63.42%	-4.72%	35.90%	1.37%	-3.48%	-5.92%	-1.40%	15.16%
5 year change	N/A	687.48%	2.27%	54.29%	2.82%	104.39%	-6.83%	-14.67%	22.51%



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 hutchins@uswheat.org.

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- Technical selling pressured the markets late in the week in spite of speculation about upside Brazilian business and a weaker U.S. dollar. All wheat futures contracts ended down week-over-week. CBOT soft red winter (SRW) futures fell 8 cents to close at \$5.31/bu. KCBT hard red winter (HRW) futures lost 7 cents to end at \$4.42/bu. MGE hard red spring (HRS) futures lost 1 cent to close at \$5.14/bu. CBOT corn futures fell 10 cents to close at \$3.16/bu. CBOT soybean futures lost 8 cents to end at \$8.90/bu.
- This week, extremely limited elevation capacity and higher rail rates in the secondary market supported wheat basis levels in the Gulf and Pacific Northwest (PNW). Gulf HRW and SRW export basis climbed week-over-week for August and September deliveries. Gulf HRW protein premiums narrowed on the week due to a higher protein harvest and increased export demand for lower protein HRW. Gulf HRS export basis fell slightly on commercial elevator selling at the beginning of the 2020 HRS harvest. PNW HRS and HRW export basis jumped for nearby and deferred deliveries on limited elevation capacity as China imports more U.S. soybeans and corn. PNW soft white wheat export prices also jumped this week for August and September deliveries.
- Vessel freight rates from the Great Lakes to Spain and Italy jumped significantly this week due to increased demand for ocean freight and higher elevation prices due to limited capacity in Chicago and Great Lakes export terminals.
- Good weather is helping speed the 2020 HRW harvest. South Dakota is close to 80% complete, Montana 17%, Idaho 18% and Washington 25%, with favorable conditions ahead to build momentum. Industry is pleased with the overall quality of this crop. Read the U.S. Wheat Associates (USW) July 31 Harvest Report to learn more about the 2020 U.S. wheat harvest.
- HRW conditions in Minnesota are 75% good to excellent; North Dakota HRS improved to 72% good to excellent from 62% last week; Montana is up to 80%; South Dakota held steady at 63%. Harvest is underway, now at 8% in South Dakota and just starting in Minnesota. Overall crop development is behind the 5-year average this year.
- Soft white (SW) winter and spring wheat conditions remain generally good to excellent and the entire PNW spring SW crop has fully headed. Winter crop harvest is underway with at least 19% harvested in Washington, 10% in Idaho and 28% in Oregon. Warm weather is pushing the SW crop toward maturity and harvest.
- This week's commercial sales of 677,000 metric tons (MT) for delivery in 2020/21, as of July 23, were 10% greater than last week's 617,000 MT and above trade expectations of 250,000 MT to 650,000 MT. Year-to-date commercial sales now total 9.62 million metric tons (MMT), 8% ahead of last year's pace. USDA expects all 2020/21 U.S. wheat exports will total 25.9 MMT, down 2% from last year, if realized.
- This week, beneficial precipitation alleviated dryness in western North Dakota, eastern Kansas and north central Oklahoma, the Texas Panhandle and eastern Colorado. Severe drought spread in eastern Wyoming and western Nebraska. Drought persists in Indiana and Ohio, predominant SRW-producing states. Looking ahead moderate rainfall is expected to reach from the central Great Plains to the East Coast.
- French soft (non-durum) wheat production is expected to drop to its lowest level in 25 years at 29.2 MMT, said *World Grain*. "Abundant autumn rainfall over a large part of the territory made sowing conditions extremely difficult or even impossible" said Michael Portier, director of French agriculture consultancy Agritel. An unusually hot, dry growing season added pressure to the crop. If realized, French soft wheat production would fall 26% from 2019.
- According to *Stratégie Grains*, Canadian durum production in 2020/21 is expected to reach 6.16 MMT, up 24% on the year due to significantly increased planted area and slightly increased average yields. *Stratégie Grains* expects total U.S. durum production will jump 14% on the year to 1.67 MMT as more planted area should offset reduced average yields.
- Between June and July, USDA reduced its Argentinian wheat production forecast by 1.0 MMT to 20.0 MMT as dry weather pressures total wheat planted area at the end of the country's planting season. According to the Buenos Aires Grain Exchange (BAGE), 26% of the Argentina's wheat is in good to excellent condition.
- The Russian wheat harvest is well underway. Data from Russia's Ministry of Agriculture shows that 41.8 MMT of wheat have been harvested so far in 2020/21, slightly ahead of this time last year. So far, the average wheat yield is 53.1 bu/acre (3.57 MT/hectare), down 3% from the same period in 2019.
- The Baltic Dry Index (BDI), an assessment of the average cost to ship raw materials like grains, coal and iron ore increased 2% this week to 1,348.
- The U.S. Dollar Index fell from last week's 94.43 to end at 93.43.

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