

U.S. Wheat FOB & Export Basis Estimates

Export Region	Class & Percent Protein 12% (Dry) Moisture Basis		SEP (U20)				SEP (U20)		OCT (Z20)		NOV (Z20)		DEC (Z20)		JAN (H21)		FEB (H21)		MAR (H21)			
			(nearbys)	week change		yr change	FOB	Basis	FOB	Basis	FOB	Basis	FOB	Basis	FOB	Basis	FOB	Basis	FOB	Basis		
			FOB \$/bu	\$/bu	\$/MT	\$/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	5.78	0.03	1	207	212	80	212	80	229	110	229	110	230	115	235	115	235	115		
	NS/DNS 14.0 (15.9)*	M	5.88	0.03	1	209	216	90	216	90	232	120	232	120	234	125	239	125	239	125		
	NS/DNS 14.5 (16.5)*	M	5.93	0.03	1	211	218	95	218	95	234	125	234	125	236	130	241	130	241	130		
Gulf of Mexico	NS/DNS 13.5 (15.3)*	M	7.03	0.13	5	240	258	205	258	205	265	210	265	210	265	210	257	175	257	175		
	NS/DNS 14.0 (15.9)*	M	7.08	0.13	5	242	260	210	260	210	267	215	267	215	267	215	259	180	259	180		
	NS/DNS 14.5 (16.5)*	M	7.23	0.13	5	244	265	225	265	225	273	230	273	230	273	230	265	195	265	195		
	HRW Ord	K	5.85	0.10	4	204	215	160	215	160	223	170	221	165	221	165	222	160	222	160		
	HRW 11.0 (12.5)	K	5.90	0.10	4	206	217	165	217	165	224	175	223	170	223	170	224	165	224	165		
	HRW 11.5 (13.1)	K	5.95	0.10	4	213	219	170	219	170	226	180	224	175	224	175	226	170	226	170		
	HRW 12.0 (13.6)	K	6.00	0.10	4	218	221	175	221	175	228	185	226	180	226	180	228	175	228	175		
	HRW 12.5 (14.2)	K	6.10	0.10	4	224	224	185	224	185	232	195	230	190	230	190	231	185	231	185		
SRW	W	6.20	0.04	2	209	228	120	230	125	235	130	235	130	235	130	237	130	237	130			
Pacific N.West	NS/DNS 13.5 (15.3)*	M	6.93	0.33	12	229	254	195	256	200	258	190	258	190	254	180	261	185	261	185		
	NS/DNS 14.0 (15.9)*	M	6.93	0.33	12	233	254	195	256	200	258	190	258	190	254	180	261	185	261	185		
	NS/DNS 14.5 (16.5)*	M	7.03	0.33	12	238	258	205	260	210	262	200	262	200	258	190	265	195	265	195		
	HRW Ord	K	6.20	0.25	9	215	228	195	230	200	237	210	237	210	235	205	239	205	239	205		
	HRW 11.5 (13.1)	K	6.30	0.25	9	217	232	205	233	210	241	220	241	220	239	215	243	215	243	215		
	HRW 12.0 (13.6)	K	6.40	0.25	9	226	235	215	237	220	245	230	245	230	243	225	246	225	246	225		
	HRW 13.0 (14.8)	K	6.60	0.25	9	244	243	235	244	240	252	250	252	250	250	245	254	245	254	245		
	SW Unspecified	\$	6.05	-0.05	-2	224	222	605	224	610	226	615	226	615	226	615	226	615	226	615	226	615
	SW 9.5 (10.8) Min	\$	6.05	-0.05	-2	226	222	605	224	610	226	615	226	615	226	615	226	615	226	615	226	615
	SW 10.5 (11.9) Max	\$	6.05	-0.05	-2	224	222	605	224	610	226	615	226	615	226	615	226	615	226	615	226	615
	SW 9.5 (10.8) Max	\$	6.20	-0.05	-2	228	228	620	230	625	231	630	231	630	231	630	231	630	231	630	231	630
	WW with 10% Club	\$	6.25	-0.05	-2	226	230	625	231	630	233	635	233	635	233	635	233	635	233	635	233	635
WW with 20% Club	\$	6.50	-0.05	-2	227	239	650	241	655	243	660	243	660	243	660	243	660	243	660	243	660	

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	183.72	5.0000	0.0450			5.0950	0.0600			5.1625	0.0450	5.2100	0.0375	5.2475	0.0325		
Kansas City BOT HRW	156.25	4.2525	0.0975			4.3575	0.0850			4.4500	0.0675	4.5200	0.0525	4.5975	0.0475		
Minneapolis MGE NS/DNS	182.80	4.9750	0.0300			5.1225	0.0175			5.2500	(0.0025)	5.3450	(0.0075)	5.4375	(0.0125)		
Chicago BOT Corn	127.75	3.2450	0.1675			3.3800	0.1725			3.4925	0.1650	3.5675	0.1550	3.6250	0.1475		
Chicago BOT Soybeans	329.59	8.9700	0.3125	8.9875	0.3125			9.0375	0.2975	9.0425	0.2725	9.0750	0.2625	9.1425	0.2600	9.1575	0.2525

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).

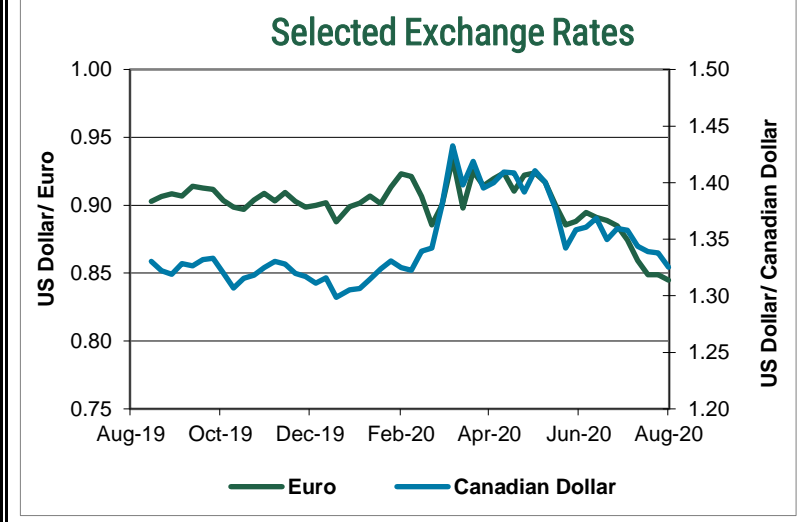
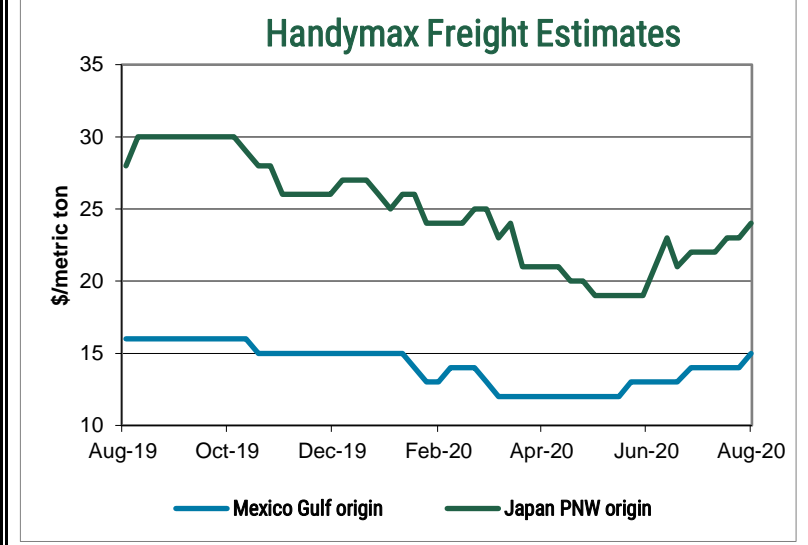
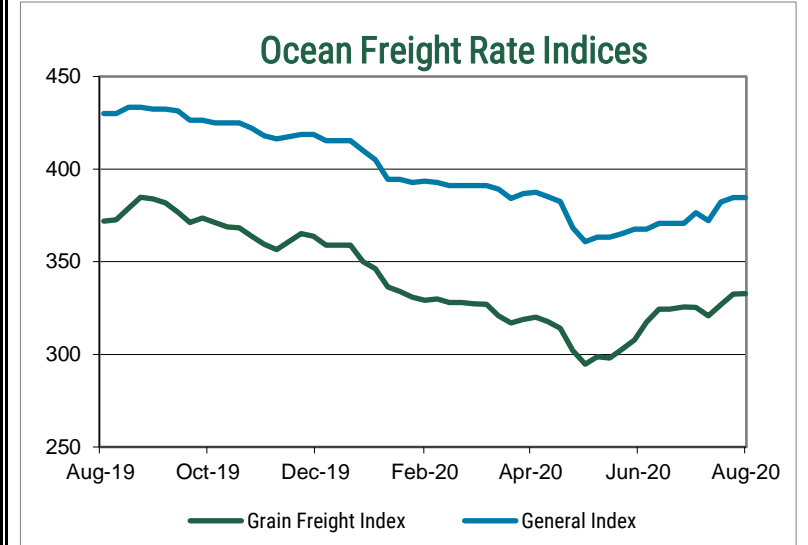
Weekly Price Report August 14, 2020

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				
U.S. Gulf	Mexico (Veracruz)	18	15		8/14/2020	332.8	384.6	435
U.S. Gulf	W. South America (Peru/Ecu)			19	8/7/2020	332.6	384.6	434
U.S. Gulf	S. South America (Chile)			24	7/31/2020	326.8	382.3	404
U.S. Gulf	N. South America (Colombia)	21	17	13	7/24/2020	320.8	372.2	537
U.S. Gulf	E. South America (Brazil)		22		7/17/2020	325.3	376.4	456
U.S. Gulf	West Africa (Nigeria)	61			7/10/2020	325.6	370.7	410
U.S. Gulf	East Mediterranean (Italy)	41			7/2/2020	324.5	370.7	434
U.S. Gulf	West Mediterranean (Morocco)	40			6/26/2020	324.5	370.7	434
U.S. Gulf	Persian Gulf (Iraq)			64	6/19/2020	317.4	367.6	478
U.S. Gulf	Middle East (Egypt)			28	6/12/2020	307.9	367.6	506
U.S. Gulf	Japan		46	44	6/5/2020	302.7	365.1	419
Mid Atlantic	N. South America (Venezuela)	16			5/29/2020	297.9	363.3	397
Mid Atlantic	West Africa (Nigeria)	60			5/22/2020	298.6	363.3	443
Mid Atlantic	Middle East (Egypt)			63	5/15/2020	294.7	360.8	537
St. Lawrence	N. South America (Venezuela)	16			5/8/2020	302.1	368.4	346
St. Lawrence	Europe/Rotterdam			15	5/1/2020	314.0	382.5	362
Great Lakes	East Mediterranean (Italy)	55			4/24/2020	317.6	385.0	511
Great Lakes	West Mediterranean (Spain)	52			4/17/2020	320.1	387.5	457
Great Lakes	Europe/Rotterdam	42			4/10/2020	318.9	386.8	360
Great Lakes	West Mediterranean (Morocco)	43			4/3/2020	316.9	384.2	538
PNW	W. South America (Peru/Ecu)	26			3/27/2020	320.8	389.3	552
PNW	S. South America (Chile)	30			3/20/2020	327.1	391.0	510
PNW	N. South America (Colombia)	29			3/13/2020	327.2	391.0	579
PNW	Persian Gulf (Iraq)			51	3/6/2020	327.9	391.0	590
PNW	Middle East (Egypt)			26	2/28/2020	327.9	391.2	577
PNW	East Africa (Djibouti/Mombasa)		43	41	2/21/2020	329.8	392.7	479
PNW	South Asia (Mal/Indon/Phil/Sing)			20	2/14/2020	329.3	393.4	536
PNW	Taiwan		22	21	2/7/2020	330.9	392.7	486
PNW	South Korea		21	20	1/31/2020	333.9	394.4	418
PNW	Japan		24	23	1/24/2020	336.4	394.4	571

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
8/14/20	N/A	73.16	1.394	5.422	1.325	15.92	0.845	106.6	72.83
8/7/20	118.0	72.77	1.398	5.420	1.338	15.93	0.849	105.9	73.70
7/31/20	117.6	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
8/15/19	117.3	45.17	0.678	3.991	1.331	16.53	0.900	106.1	66.02
8/15/15	N/A	9.234	1.355	3.503	1.307	7.808	0.897	124.3	64.67
1 year change	N/A	61.97%	105.77%	35.86%	-0.42%	-3.71%	-6.17%	0.45%	10.31%
5 year change	N/A	692.32%	2.86%	54.78%	1.42%	103.84%	-5.86%	-14.27%	12.62%



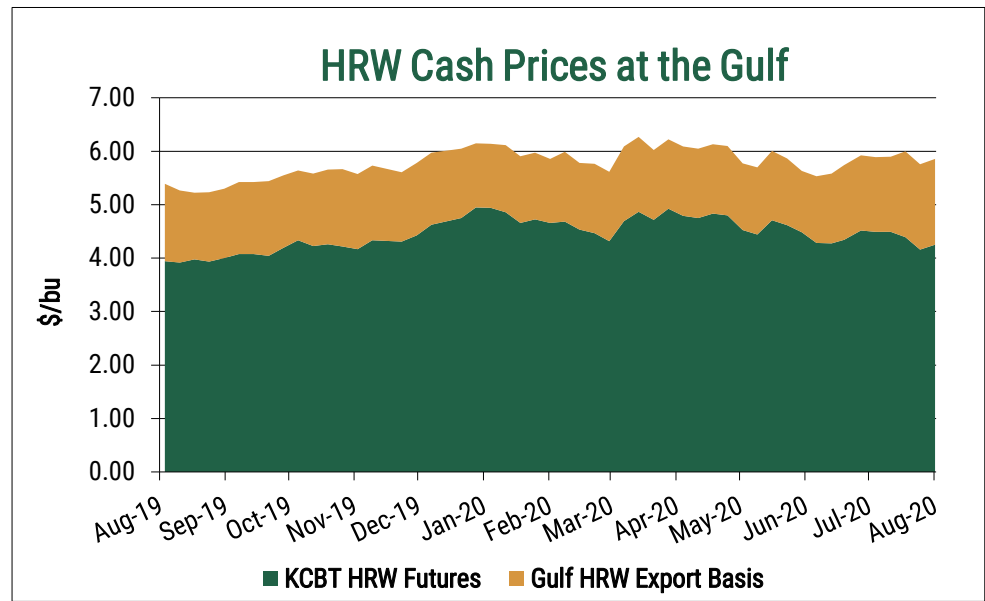
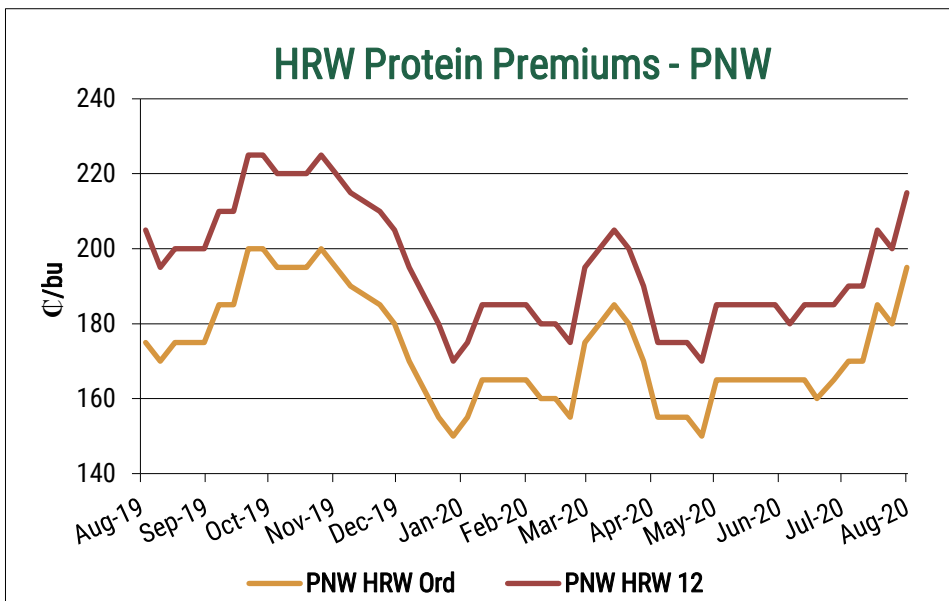
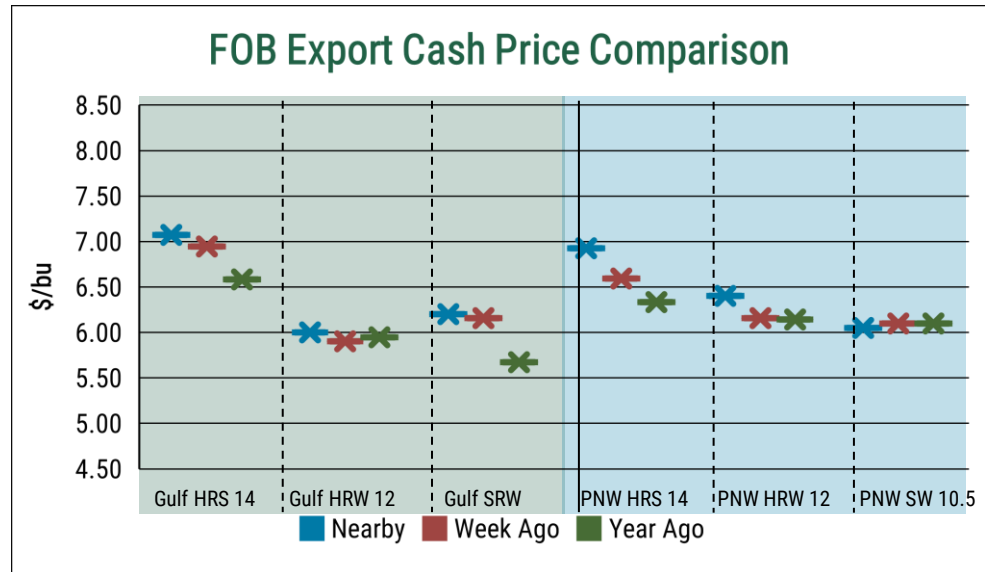
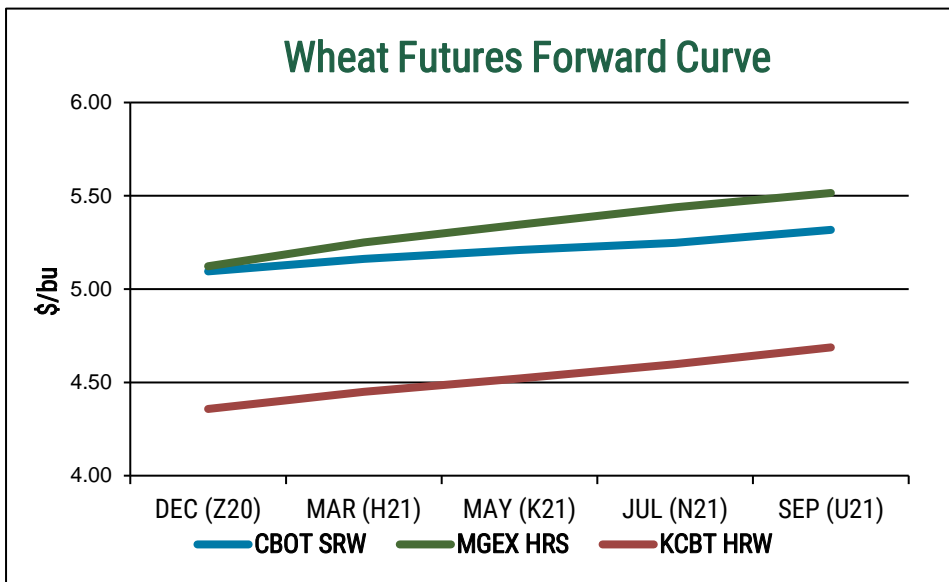
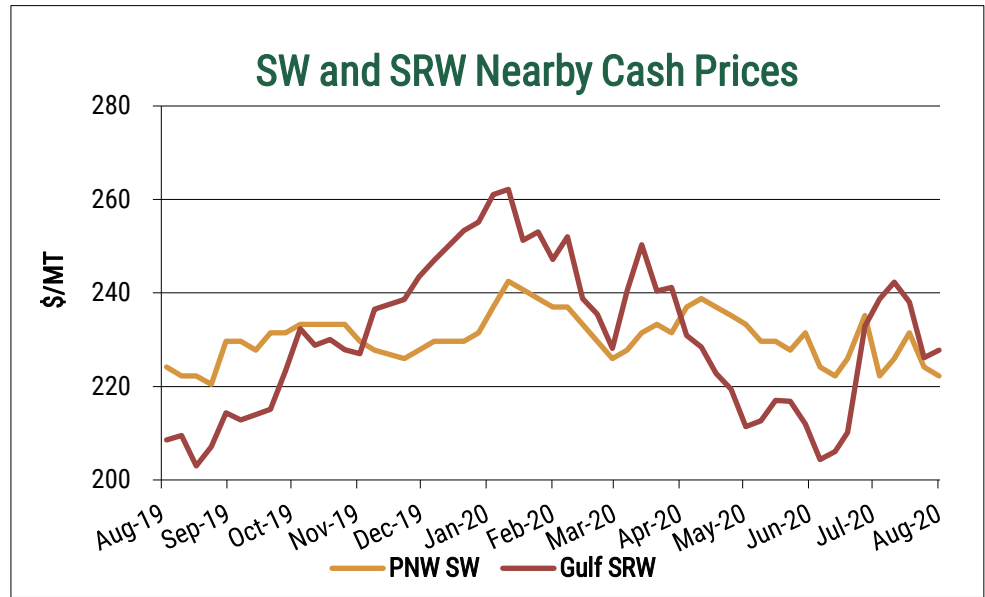
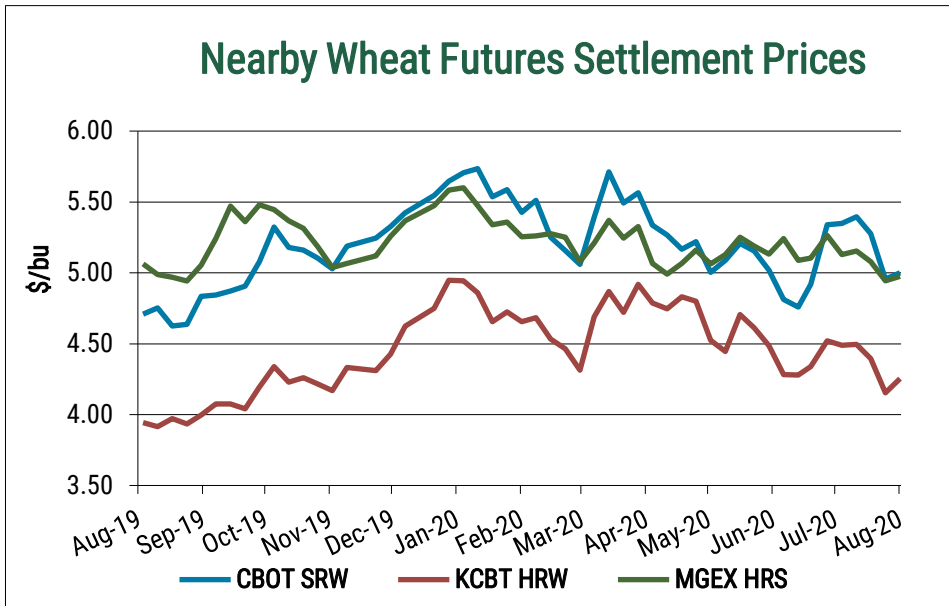
The weekly prices as reported by U.S. Wheat Associates are compiled through research from numerous market sources, including U.S. wheat exporters of all classes from various U.S. ports. The prices reported are representative of the value of number two grade and the proteins indicated. **They are not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

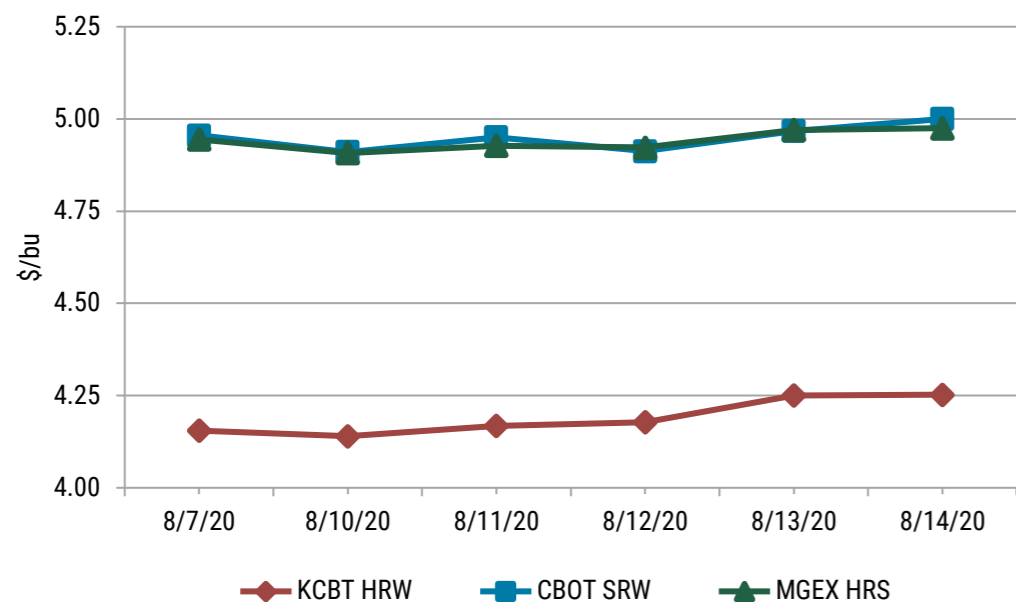
U.S. Wheat Associates recommends regular contact with exporters of U.S. wheat in order to receive offers representative of your requirements.

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).

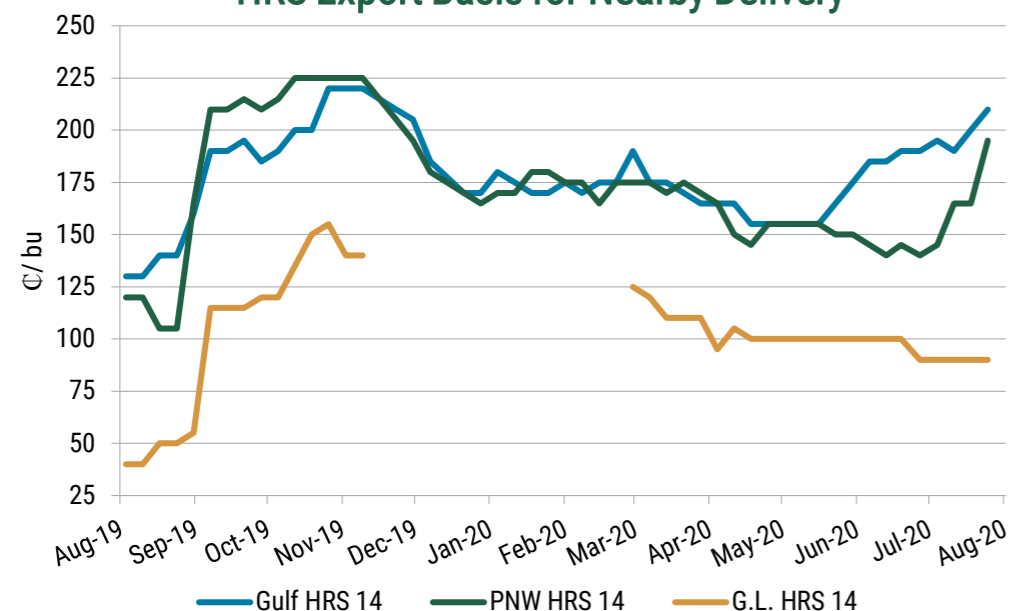
Contact: For questions, please contact Claire Hutchins at (703) 650-0244 or chutchins@uswheat.org.



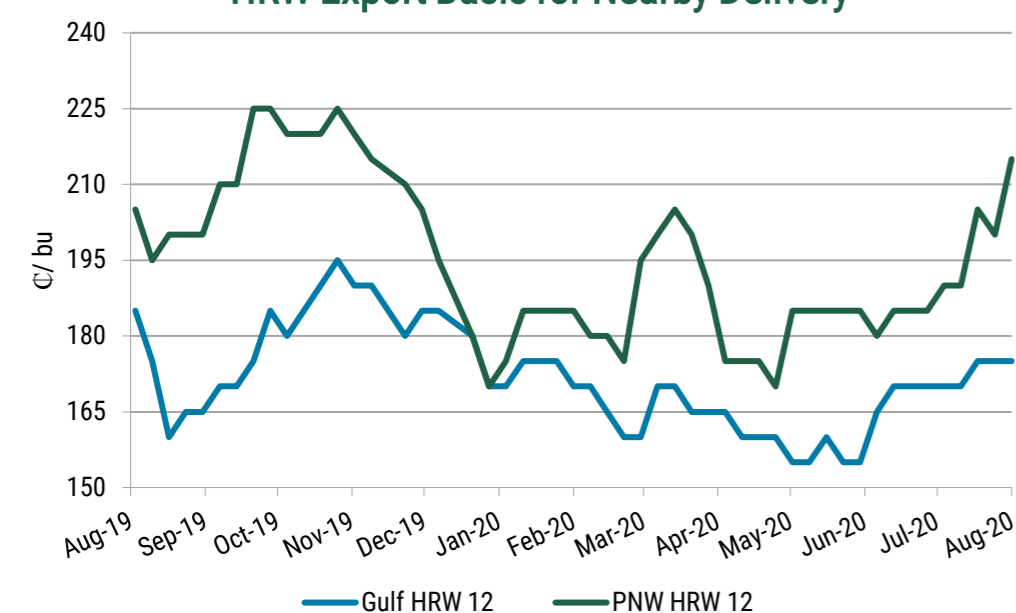
Daily Futures Settlement Prices (SEP 20)



HRS Export Basis for Nearby Delivery



HRW Export Basis for Nearby Delivery



- Technical buying and a strong rally in corn futures supported all wheat futures prices week-over-week. CBOT soft red winter (SRW) futures added 4 cents to end at \$5.00/bu. KCBT hard red winter (HRW) futures gained 10 cents to close at \$4.25/bu. MGE hard red spring (HRS) futures added 3 cents to end at \$4.97/bu. CBOT corn futures increased 17 cents to close at \$3.24/bu. CBOT soybeans gained 31 cents to close at \$8.97/bu.
- Gulf HRS and Pacific Northwest (PNW) HRS and HRW export basis levels jumped significantly week-over-week for September and October deliveries due to limited export elevation capacity as U.S. corn and soybean exports to China ramp up. Historically high domestic secondary rail rates (see below) add support. In the PNW, the expectation of a much smaller HRW harvest in Montana (see below) adds additional support to HRW export basis.
- Secondary rail rates, which are paid to ship grain domestically on a secondary auction market in addition to the tariff rate, for October deliveries have jumped significantly since late July. USDA AMS data shows that the average secondary rail rate for shuttle trains has increased 50% between July 31 and August 13 to \$800/car, nearly four times greater than the previous 3-year average. Significantly increased demand for domestic freight due to increased commodity exports to China and reduced shuttle train availability due to COVID-19 labor furloughs are driving the increase in secondary rail rates.
- According to USDA's August Crop Production report, total 2020 Montana HRW production may go down 21% to 2.05 MMT on significantly reduced planted area. However, HRW conditions remained strong and the state could see a record average yield per acre, weather permitting.
- In its August World Agricultural Supply and Demand (WASDE) report, USDA increased its HRS production forecast to 14.4 million metric tons (MMT), slightly more than last year. It also increased its U.S. durum production forecast to 1.69 MMT, 15% more than last year, if realized. USDA reduced its HRW production estimate to 18.9 MMT, down 17% from 2019/20, if realized. The SRW production forecast of 7.54 MMT would be 16% more than last year. Total white wheat production (soft and hard) is expected to increase slightly from last year to 7.46 MMT.
- The 2020 U.S. winter wheat harvest is nearly complete. The SRW harvest is over and preliminary lab samples show strong end use qualities, with higher test weights and falling number values than last year. The HRW harvest is 86% complete with only crops in Montana and the PNW left to cut. PNW HRW conditions remain very strong and above-average yields are expected. The PNW soft white (SW) harvest is well underway. Farmers in Washington have harvested 55% of the expected crop. Idaho's SW crop is 35% harvested and Oregon's harvest is 77% complete.
- Total U.S. spring wheat crop ratings fell slightly from last week to 69% good to excellent as of August 9 on persistent dryness across the Northern Plains. However, dry weather is helping advance the 2020 U.S. spring wheat harvest; South Dakota is nearly 75% complete, Minnesota is 19% harvested, North Dakota is 7% complete and Montana is about 15% harvested.
- This week's commercial sales of 368,000 metric tons (MT) for delivery in 2020/21, as of August 6, were 39% less than last week's 605,000 MT but in line with trade expectations of 250,000 MT to 800,000 MT. Year-to-date commercial sales now total 10.6 MMT, 8% ahead of last year's pace.
- USDA now expects the United States will export 26.5 MMT of wheat in 2020/21, up from the July forecast of 25.9 MMT on lower expected production in key competitor countries mainly the European Union (see below).
- This week, rain reduced areas under extreme drought in portions of southeastern Colorado, although most of Colorado is extremely dry, and the Oklahoma Panhandle; it also helped alleviate abnormal dryness in central North Dakota. Meanwhile, severe drought spread from eastern Wyoming to the Nebraska Panhandle and moderate drought spread from central western Minnesota into northern South Dakota. Looking ahead, scattered rainfall is expected to reduce dryness across parts of the Northern and Southern Plains but not enough to slow the winter and spring wheat harvests in the northern states.
- USDA reduced its European Union (EU) total wheat production estimate by 1.50 MMT from its July WASDE report to 139 MMT in August, 12% below last year, if realized, on persistent dryness in France, Germany and Spain.
- On Aug. 11, the United Nations (UN) Office for the Coordination of Humanitarian Affairs announced the World Food Programme would send 50,000 MT of wheat flour to Lebanon to stabilize the country's food supplies following last week's devastating explosion in the Port of Beirut.
- As of Aug. 6, Ukraine's 2020 wheat harvest is 87% complete at 23.1 MMT. USDA expects total Ukrainian wheat production will fall 9% on the year to 26.5 MMT on persistent dryness through the growing season. The country's economy ministry expects Ukraine will export 17.2 MMT of wheat in 2020/21, in line with USDA's forecast but 16% less than last year, if realized.
- Russian farmers have harvested 49.8 MMT of wheat as of August 8., 14% ahead of this time last year. According to the country's Ministry of Agriculture, the total average yield is up slightly this year at 54.6 bu/acre (3.67 MT/ha).
- Argentinian wheat farmers are facing the worst drought in a decade, said the Rosario Board of Trade (BCR) Aug. 13. Farmers had intended to plant a record 17.3 million acres (7.0 million hectares) of wheat, but drought, heat and severe frosts brought total planted area down to 16.0 million acres (6.50 million hectares), 5% lower than last year. While USDA still expects the country will produce 21.0 MMT of wheat in 2020/21, BCR expects final production will fall in the range of 18.0 to 19.0 MMT.
- The Baltic Dry Index (BDI), an assessment of the average cost to ship raw materials like grains, coal and iron ore increased slightly from last week to end at 1,577.
- The U.S. Dollar Index fell from last week's 93.43 to close at 93.13.
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