

# Weekly Price Report September 04, 2020

## 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)	
			<i>(nearbys)</i>		<i>week change</i>		<i>1 year ago</i>		FOB	Basis	FOB	Basis	FOB	Basis	FOB	Basis	FOB	Basis	FOB	Basis
			FOB \$/bu	\$/bu	\$/MT	\$/MT	\$/MT	\$/MT	\$/MT	\$/MT	\$/MT	\$/MT	\$/MT	\$/MT	\$/MT	\$/MT	\$/MT	\$/MT	\$/MT	\$/MT
Great Lakes	NS/DNS 13.5 (15.3)*	M	6.20	0.11	4	198	228	95	228	95	238	105	238	105	Closed	Closed	Closed	Closed	Closed	Closed
	NS/DNS 14.0 (15.9)*	M	6.25	0.07	2	200	230	100	230	100	240	110	240	110	Closed	Closed	Closed	Closed	Closed	Closed
	NS/DNS 14.5 (16.5)*	M	6.30	0.07	2	202	231	105	231	105	242	115	242	115	Closed	Closed	Closed	Closed	Closed	Closed
Gulf of Mexico	NS/DNS 13.5 (15.3)*	M	7.45	0.12	4	231	274	220	274	220	280	220	278	215	275	205	274	190	274	190
	NS/DNS 14.0 (15.9)*	M	7.50	0.11	4	233	276	225	276	225	282	225	280	220	276	210	276	195	276	195
	NS/DNS 14.5 (16.5)*	M	7.60	0.07	2	235	279	235	279	235	286	235	284	230	280	220	280	205	280	205
	HRW Ord	K	6.50	0.08	3	192	239	175	240	180	240	180	238	175	234	165	238	165	238	165
	HRW 11.0 (12.5)	K	6.50	0.03	1	194	239	175	240	180	240	180	238	175	234	165	238	165	238	165
	HRW 11.5 (13.1)	K	6.60	0.08	3	200	242	185	244	190	243	190	242	185	238	175	242	175	242	175
	HRW 12.0 (13.6)	K	6.70	0.13	5	205	246	195	248	200	247	200	245	195	242	185	246	185	246	185
	HRW 12.5 (14.2)	K	6.80	0.13	5	211	250	205	252	210	251	210	249	205	245	195	249	195	249	195
SRW	W	6.65	0.00	0	207	244	125	244	125	250	130	250	130	248	125	251	125	251	125	
Pacific N. West	NS/DNS 13.5 (15.3)*	M	7.40	0.22	8	218	272	215	272	215	275	205	275	205	269	190	274	190	274	190
	NS/DNS 14.0 (15.9)*	M	7.45	0.27	10	220	274	220	274	220	276	210	276	210	271	195	276	195	276	195
	NS/DNS 14.5 (16.5)*	M	7.60	0.32	12	222	279	235	279	235	282	225	282	225	276	210	281	210	281	210
	HRW Ord	K	7.15	0.18	7	209	263	240	264	245	262	240	262	240	260	235	264	235	262	230
	HRW 11.5 (13.1)	K	7.15	0.08	3	211	263	240	264	245	262	240	262	240	260	235	264	235	262	230
	HRW 12.0 (13.6)	K	7.25	0.08	3	218	266	250	268	255	265	250	265	250	264	245	268	245	266	240
	HRW 13.0 (14.8)	K	7.45	0.08	3	236	274	270	275	275	273	270	273	270	271	265	275	265	273	260
	SW Unspecified	\$	6.20	0.15	6	220	228	620	228	620	228	620	228	620	230	625	231	630	231	630
	SW 9.5 (10.8) Min	\$	6.20	0.15	6	220	228	620	228	620	228	620	228	620	230	625	231	630	231	630
	SW 10.5 (11.9) Max	\$	6.20	0.15	6	220	228	620	228	620	228	620	228	620	230	625	231	630	231	630
	SW 9.5 (10.8) Max	\$	6.35	0.15	6	224	233	635	233	635	233	635	233	635	235	640	237	645	237	645
WW with 10% Club	\$	6.40	0.15	6	222	235	640	235	640	235	640	235	640	237	645	239	650	239	650	
WW with 20% Club	\$	6.65	0.15	6	224	244	665	244	665	244	665	244	665	246	670	248	675	248	675	

**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		<i>wk chng</i>	close	<i>wk chng</i>	close	<i>wk chng</i>	close	<i>wk chng</i>	close	<i>wk chng</i>	close	<i>wk chng</i>	close	<i>wk chng</i>	close	<i>wk chng</i>
	\$/MT	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu
Chicago BOT SRW	198.32	5.3975	0.0050			5.5025	0.0150			5.5875	0.0225	5.6350	0.0250	5.6150	0.0025		
Kansas City BOT HRW	174.35	4.7450	0.1275			4.7250	0.0025			4.8350	0.0075	4.9050	0.0025	4.9650	(0.0100)		
Minneapolis MGE NS/DNS	192.90	5.2500	0.0650			5.4250	0.0325			5.5575	0.0475	5.6350	0.0475	5.6975	0.0425		
Chicago BOT Corn	136.71	3.4725	0.0125			3.5800	(0.0125)			3.6850	(0.0075)	3.7475	(0.0100)	3.7925	(0.0025)		
Chicago BOT Soybeans	356.23	9.6950	0.1900	9.6800	0.1750			9.7350	0.1725	9.7375	0.1750	9.7550	0.1825	9.7800	0.1825	9.7525	0.1750

**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; c/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.

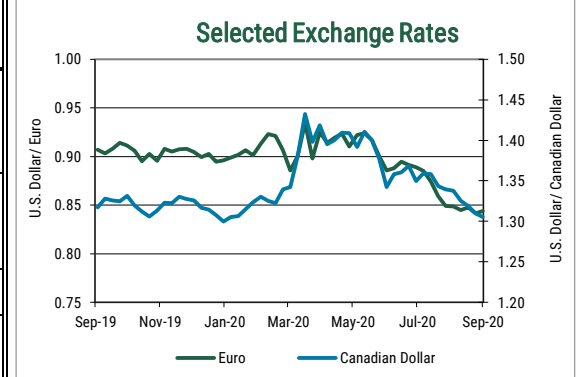
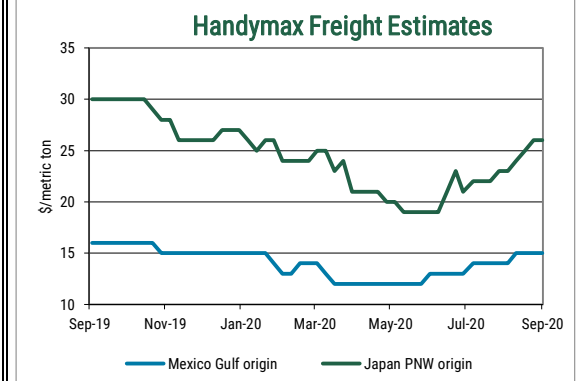
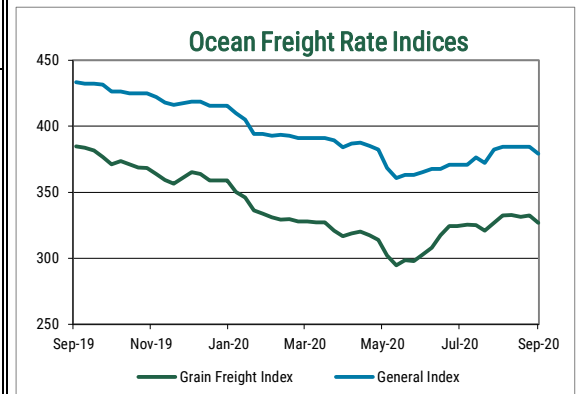
All prices are based upon U.S. number two grade or better as certified by the Federal Grain Inspection Service (FGIS).

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)		18	15		9/4/2020	327.0	379.3	404
U.S. Gulf	W. South America (Peru/Ecu)				12	8/28/2020	332.3	384.6	469
U.S. Gulf	S. South America (Chile)				19	8/21/2020	331.5	384.6	433
U.S. Gulf	N. South America (Colombia)		20	18	10	8/14/2020	332.8	384.6	435
U.S. Gulf	E. South America (Brazil)			22		8/7/2020	332.6	384.6	434
U.S. Gulf	West Africa (Nigeria)		61			7/31/2020	326.8	382.3	404
U.S. Gulf	East Mediterranean (Italy)		4			7/24/2020	320.8	372.2	537
U.S. Gulf	West Mediterranean (Morocco)		41			7/17/2020	325.3	376.4	456
U.S. Gulf	Persian Gulf (Iraq)				72	7/10/2020	325.6	370.7	410
U.S. Gulf	Middle East (Egypt)				30	7/2/2020	324.5	370.7	434
U.S. Gulf	Japan			46	45	6/26/2020	324.5	370.7	434
Mid Atlantic	N. South America (Venezuela)		16			6/19/2020	317.4	367.6	478
Mid Atlantic	West Africa (Nigeria)		63			6/12/2020	307.9	367.6	506
Mid Atlantic	Middle East (Egypt)				63	6/5/2020	302.7	365.1	419
St. Lawrence	N. South America (Venezuela)		16			5/29/2020	297.9	363.3	397
St. Lawrence	Europe/Rotterdam				15	5/22/2020	298.6	363.3	443
Great Lakes	East Mediterranean (Italy)		55			5/15/2020	294.7	360.8	537
Great Lakes	West Mediterranean (Spain)		52			5/8/2020	302.1	368.4	346
Great Lakes	Europe/Rotterdam		43			5/1/2020	314.0	382.5	362
Great Lakes	West Mediterranean (Morocco)		44			4/24/2020	317.6	385.0	511
PNW	W. South America (Peru/Ecu)		26			4/17/2020	320.1	387.5	457
PNW	S. South America (Chile)		30			4/10/2020	318.9	386.8	360
PNW	N. South America (Colombia)		29			4/3/2020	316.9	384.2	538
PNW	Persian Gulf (Iraq)				57	3/27/2020	320.8	389.3	552
PNW	Middle East (Egypt)				30	3/20/2020	327.1	391.0	510
PNW	East Africa (Djibouti/Mombasa)			43	41	3/13/2020	327.2	391.0	579
PNW	South Asia (Mal/Indon/Phil/Sing)				20	3/6/2020	327.9	391.0	590
PNW	Taiwan			18	17	2/28/2020	327.9	391.2	577
PNW	South Korea			19	18	2/21/2020	329.8	392.7	479
PNW	Japan			26	25	2/14/2020	329.3	393.4	536

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
9/4/20	N/A	74.43	1.370	5.302	1.305	15.78	0.844	106.2	75.21
8/28/20	116.3	73.92	1.360	5.406	1.310	15.84	0.841	105.4	74.02
8/21/20	117.5	73.57	1.396	5.611	1.319	15.91	0.848	105.8	74.69
8/14/20	117.3	73.16	1.394	5.422	1.325	15.92	0.845	106.6	72.83
9/5/19	117.5	45.17	0.681	4.108	1.323	16.43	0.906	106.9	66.24
9/5/15	N/A	9.315	1.435	3.765	1.322	7.805	0.898	119.3	67.45
1 year change	N/A	64.79%	101.13%	29.07%	-1.33%	-3.95%	-6.90%	-0.66%	13.55%
5 year change	N/A	699.12%	-4.51%	40.83%	-1.30%	102.18%	-6.05%	-11.00%	11.50%



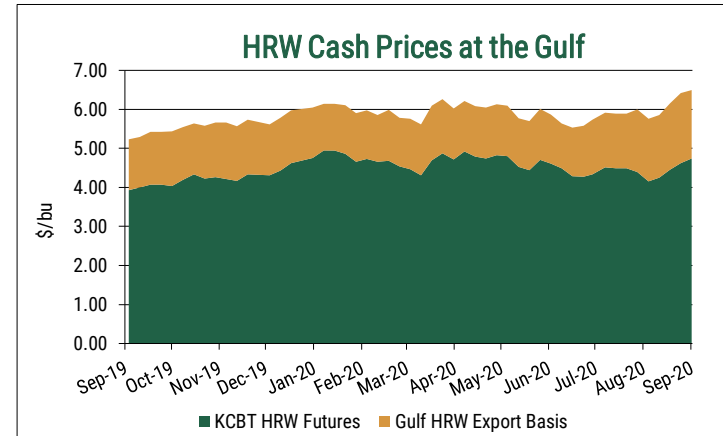
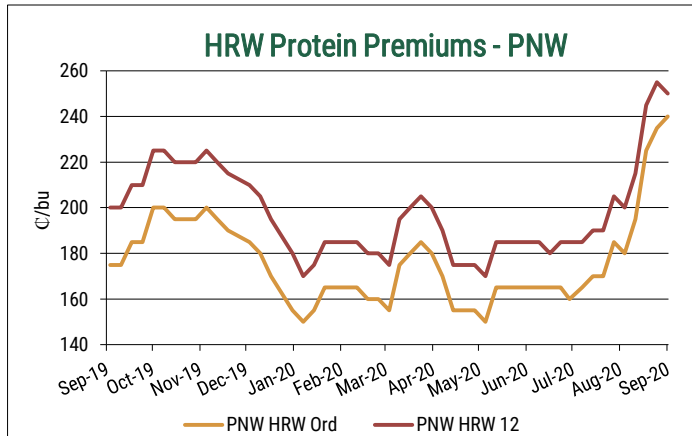
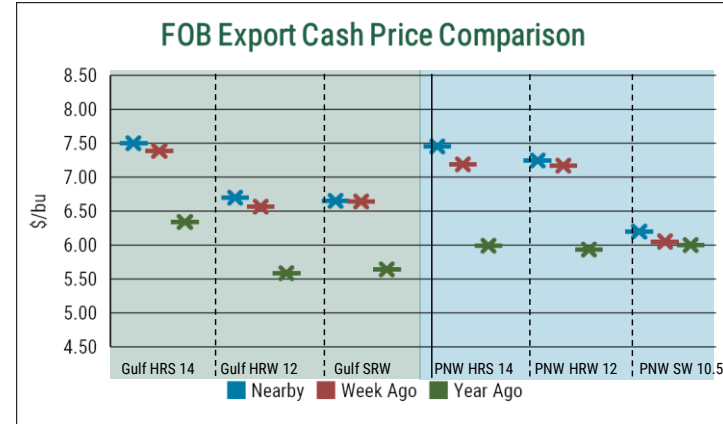
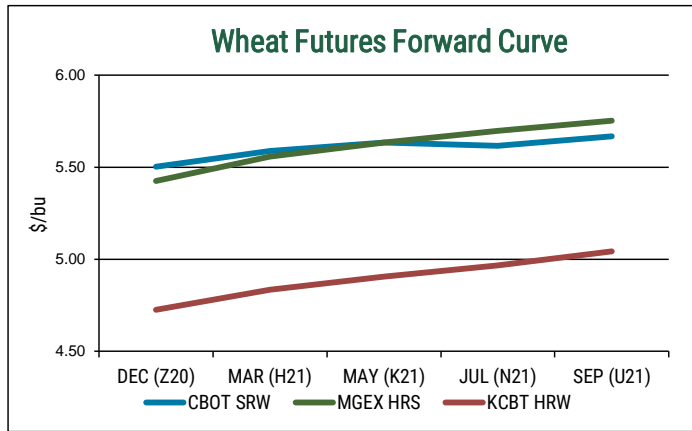
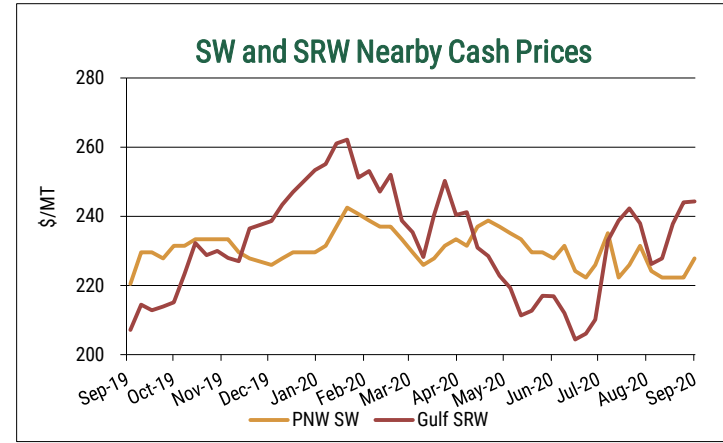
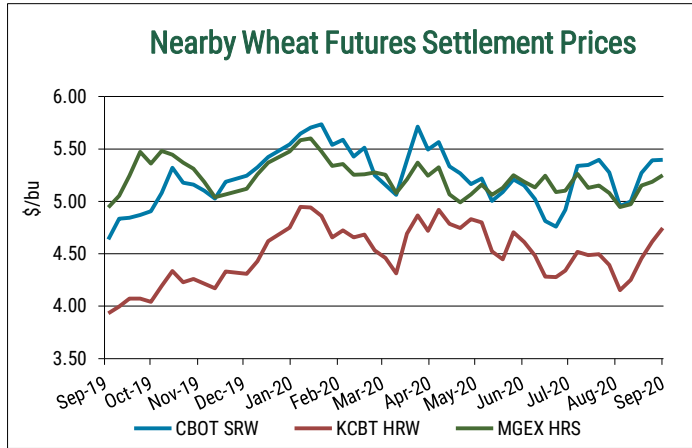
The weekly prices as reported by U.S. Wheat Associates are compiled through research from numerous market sources, including U.S. wheat exporters of all classes from various U.S. ports. The prices reported are representative of the value of number two grade and the proteins indicated. **They are not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

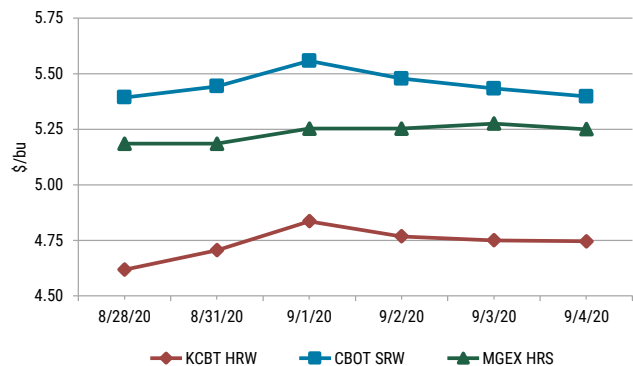
This contact will allow importers to review contract terms and better understand the U.S. grading system, role and function of the Federal Grain Inspection Service (FGIS).

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

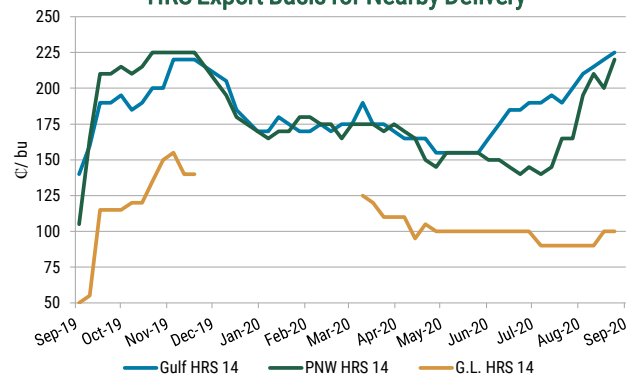


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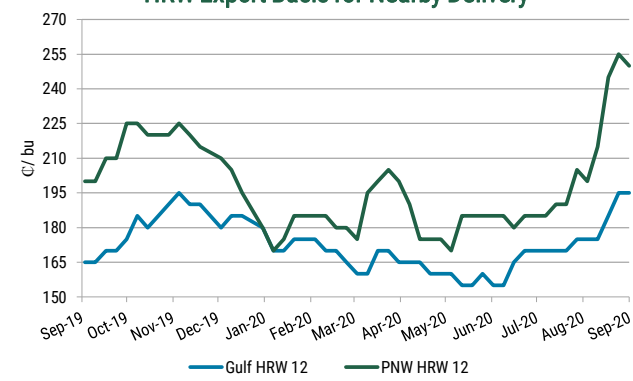
**Daily Futures Settlement Prices (SEP 20)**



**HRS Export Basis for Nearby Delivery**



**HRW Export Basis for Nearby Delivery**



- All wheat futures prices ended higher on the week due to short covering and technical buying. CBOT soft red winter (SRW) futures added 1 cent to end at \$5.40/bu. KCBT hard red winter (HRW) futures gained 13 cents to close at \$4.74/bu. MGE hard red spring (HRS) futures ended 6 cents up at \$5.25/bu. CBOT corn futures added 1 cent to close at \$3.47/bu. CBOT soybean futures gained 19 cents to end at \$9.69/bu.
- Limited export elevation capacity and high rates in the domestic secondary rail market supported Gulf and Pacific Northwest (PNW) HRS export basis for September and October deliveries. [Click here to read more about tight elevation capacity and secondary rail rates.](#) Limited farmer selling supported PNW soft white (SW) export prices week-over-week.
- The 2020 U.S. HRW and SRW harvests are officially complete and preparations for the 2021 crop have now begun. The PNW SW harvest made strong progress this week on favorable field conditions. Farmers in Washington have harvested 88% of the expected SW crop. Idaho's SW crop is 94% harvested and Oregon's SW harvest is now complete.
- Approximately 69% of the HRS crop is now harvested with South Dakota more than 96% complete, Minnesota 85% harvested, Montana 74% finished and North Dakota 59% complete. Overall, producers are reporting average to above average yields across the growing region. No major harvest or quality issues have been reported thus far. Cool nights and shorter days are expected to slow harvest progress next week.
- This week's commercial sales of 585,000 metric tons (MT) for delivery in 2020/21, as of Aug. 27, were down 23% from last week's 764,000 MT but on the high end of trade expectations of 350,000 MT to 600,000 MT. Year-to-date commercial sales now total 12.5 million metric tons (MMT), 9% ahead of last year's pace. USDA expects the United States will export 26.5 MMT of wheat in 2020/21, up 1% from last year, if realized.
- This week, abnormal dryness spread across most of central Montana and central Nebraska. Beneficial precipitation alleviated areas under extreme drought in the Texas Panhandle, but most of the region remains extremely dry. As of Sept. 3, all of eastern Colorado, where a majority of the state's wheat is grown, and western Kansas are under severe to extreme drought. Continued dryness in this region could pose serious challenges for winter wheat farmers as they prepare for fall seeding. Looking ahead, sharply lower temperatures and moderate precipitation are expected across the Southern and Northern Plains.
- According to Agritel, a European agriculture consultancy, French soft (non-durum) wheat production is expected to fall 25% on the year to 29.5 MMT following an overly wet fall in 2019 and an extremely dry growing season throughout 2020. The consultancy believes the drop in production could result in a 40% decrease in French soft wheat exports in marketing year 2020/21.
- Canada is set to reach its second-highest level of wheat production in over a century on increased harvested area and higher yield estimates for winter wheat and durum. "The projected increase in wheat area is largely attributable to the durum wheat and winter wheat area remaining after winterkill, which offset the decrease in spring wheat area," said Statistics Canada (Statscan) on Aug. 31.
- Ukraine's Ministry of Agriculture reduced the country's 2020 wheat production estimate to 26.6 MMT, down 200,000 MT from the previous forecast and down 9% from last year's record, if realized, due to dry conditions throughout the growing season.
- Russian farmers have harvested 73.6 MMT of wheat as of Sept. 2, 21% ahead of this time last year. According to the country's Ministry of Agriculture, the total average yield is up slightly this year at 50.6 bu/acre (3.40 MT/ha).
- Beneficial precipitation across Argentina's central and southern regions over the past week brought much-needed relief to the maturing wheat crop, according to the Buenos Aires Grains Exchange (BAGE) on Sept. 3. The exchange estimated that 46% of the crop has received an optimal amount of moisture, an increase from last week's 38%, but below last year's 56%.
- The Baltic Dry Index (BDI), an assessment of the average cost to ship raw materials like grains, coal and iron ore fell 7% from last week to end at 1,395.
- The U.S. Dollar Index increased from last week's 92.37 to close at 92.73.
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