

Weekly Price Report December 04, 2020

U.S. Wheat FOB & Export Basis Estimates

Export Region	Class & Percent Protein 12% (Dry) Moisture Basis		JAN (H21)				JAN (H21)		FEB (H21)		MAR (H21)		APR (K21)		MAY (K21)		JUN (N21)		JUL (N21)	
			(nearbys) FOB \$/bu	week change		1 year ago	FOB	Basis	FOB	Basis	FOB	Basis	FOB	Basis	FOB	Basis	FOB	Basis	FOB	Basis
				\$/bu	\$/MT	\$/MT	\$/MT	\$/MT	¢/bu	\$/MT	¢/bu	\$/MT	¢/bu	\$/MT	¢/bu	\$/MT	¢/bu	\$/MT	¢/bu	\$/MT
Great Lakes	NS/DNS 13.5 (15.3)*	M	Closed	Closed	Closed	236	Closed	Closed	Closed	Closed	Closed	Closed	238	90	238	90	241	90	241	90
	NS/DNS 14.0 (15.9)*	M	Closed	Closed	Closed	240	Closed	Closed	Closed	Closed	Closed	Closed	240	95	240	95	243	95	243	95
	NS/DNS 14.5 (16.5)*	M	Closed	Closed	Closed	241	Closed	Closed	Closed	Closed	Closed	Closed	242	100	242	100	245	100	245	100
Gulf of Mexico	NS/DNS 13.5 (15.3)*	M	7.71	-0.11	-4	265	283	220	283	220	278	205	273	185	273	185	276	185	276	185
	NS/DNS 14.0 (15.9)*	M	7.76	-0.11	-4	269	285	225	285	225	279	210	275	190	275	190	278	190	278	190
	NS/DNS 14.5 (16.5)*	M	7.86	-0.11	-4	273	289	235	289	235	283	220	279	200	279	200	281	200	281	200
	HRW Ord	K	6.98	-0.26	-10	206	256	155	255	150	255	150	257	150	257	150	258	150	258	150
	HRW 11.0 (12.5)	K	6.98	-0.26	-10	210	256	155	255	150	255	150	257	150	257	150	258	150	258	150
	HRW 11.5 (13.1)	K	7.08	-0.27	-10	217	260	165	258	160	258	160	261	160	261	160	262	160	262	160
	HRW 12.0 (13.6)	K	7.18	-0.27	-10	224	264	175	262	170	262	170	264	170	264	170	265	170	265	170
	HRW 12.5 (14.2)	K	7.28	-0.26	-10	232	267	185	266	180	266	180	268	180	268	180	269	180	269	180
	SRW	W	7.06	-0.24	-9	239	259	130	259	130	256	120	257	120	257	120	250	100	250	100
Pacific N.West	NS/DNS 13.5 (15.3)*	M	7.56	-0.21	-8	269	278	205	274	195	272	190	270	175	270	175	272	175	272	175
	NS/DNS 14.0 (15.9)*	M	7.61	-0.21	-8	271	279	210	276	200	274	195	271	180	271	180	274	180	274	180
	NS/DNS 14.5 (16.5)*	M	7.76	-0.21	-8	278	285	225	281	215	279	210	277	195	277	195	279	195	279	195
	HRW Ord	K	7.53	-0.22	-8	226	277	210	275	205	273	200	273	195	273	195	275	195	275	195
	HRW 11.5 (13.1)	K	7.53	-0.22	-8	228	277	210	275	205	273	200	273	195	273	195	275	195	275	195
	HRW 12.0 (13.6)	K	7.63	-0.22	-8	236	280	220	278	215	277	210	277	205	277	205	278	205	278	205
	HRW 13.0 (14.8)	K	7.83	-0.22	-8	254	288	240	286	235	284	230	284	225	284	225	286	225	286	225
	SW Unspecified	\$	7.35	0.30	11	226	270	735	266	725	263	715	257	700	254	690	254	690	254	690
	SW 9.5 (10.8) Min	\$	7.40	0.30	11	227	272	740	268	730	265	720	259	705	255	695	255	695	255	695
	SW 10.5 (11.9) Max	\$	7.35	0.30	11	226	270	735	266	725	263	715	257	700	254	690	254	690	254	690
	SW 9.5 (10.8) Max	\$	7.40	0.30	11	230	272	740	268	730	265	720	259	705	255	695	255	695	255	695
WW with 10% Club	\$	7.45	0.30	11	239	274	745	270	735	266	725	261	710	257	700	257	700	257	700	
WW with 20% Club	\$	7.50	0.30	11	248	276	750	272	740	268	730	263	715	259	705	259	705	259	705	

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

Northern Durum offers from the Great Lakes for April/May 2021 delivery are quoted at \$8.16/bu (\$300/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	MAR (H21)			MAY (K21)		JUL (N21)		AUG (Q21)		SEP (U21)		NOV (X21)		DEC (Z21)		JAN (F22)	
	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	211.46	5.7550	(0.2400)	5.7875	(0.2350)	5.7950	(0.1875)			5.8375	(0.1675)			5.9225	(0.1550)		
Kansas City BOT HRW	199.43	5.4275	(0.1650)	5.4900	(0.1625)	5.5225	(0.1725)			5.5775	(0.1700)			5.6550	(0.1725)		
Minneapolis MGE NS/DNS	202.27	5.5050	(0.1050)	5.5875	(0.1125)	5.6550	(0.1250)			5.7275	(0.1200)			5.8225	(0.1150)		
Chicago BOT Corn	165.54	4.2050	(0.0775)	4.2325	(0.0750)	4.2400	(0.0675)			4.1050	(0.0025)			4.1025	0.0200		
Chicago BOT Soybeans	428.06	11.6500	(0.1625)	11.6375	(0.1575)	11.6075	(0.1300)	11.4075	(0.1325)	10.8450	(0.1275)	10.3825	(0.1125)			10.3725	(0.1250)

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.

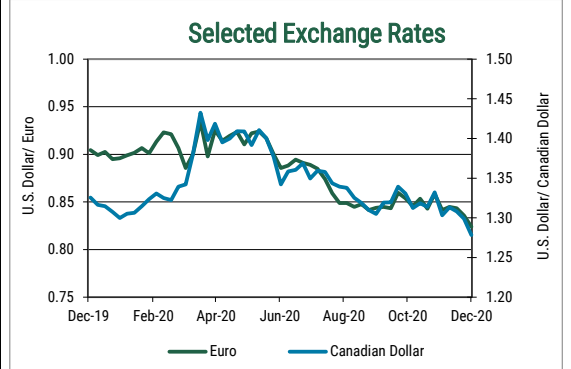
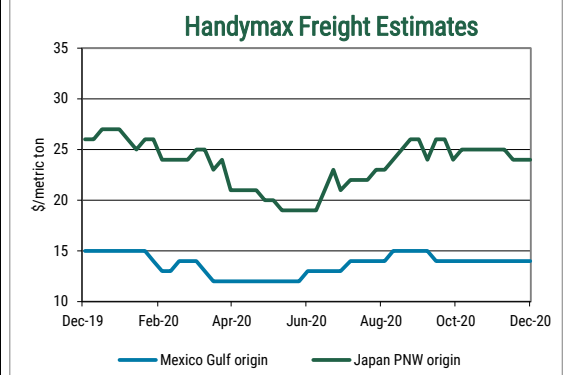
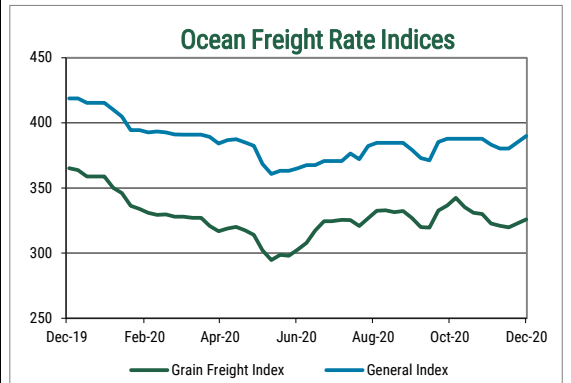
All prices are based upon U.S. number two grade or better as certified by the Federal Grain Inspection Service (FGIS).

Ocean Freight Rate Estimates for Nearby Delivery		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)	17	14		12/4/2020	325.9	389.9	499
U.S. Gulf	W. South America (Peru/Ecu)			14	11/20/2020	319.8	380.4	504
U.S. Gulf	S. South America (Chile)			20	11/13/2020	321.0	380.4	470
U.S. Gulf	N. South America (Colombia)	20	15	12	11/6/2020	322.7	383.2	440
U.S. Gulf	E. South America (Brazil)		21		10/30/2020	330.1	387.9	422
U.S. Gulf	West Africa (Nigeria)	29			10/23/2020	330.9	387.9	500
U.S. Gulf	East Mediterranean (Italy)	41			10/16/2020	335.4	387.9	467
U.S. Gulf	West Mediterranean (Morocco)	40			10/9/2020	342.4	387.9	452
U.S. Gulf	Persian Gulf (Iraq)			67	10/2/2020	336.6	387.9	405
U.S. Gulf	Middle East (Egypt)			27	9/25/2020	332.7	385.4	458
U.S. Gulf	Japan		43	42	9/18/2020	319.6	371.3	413
Mid Atlantic	N. South America (Venezuela)	16			9/11/2020	320.0	373.0	445
Mid Atlantic	West Africa (Nigeria)	29			9/4/2020	327.0	379.3	404
Mid Atlantic	Middle East (Egypt)			27	8/28/2020	332.3	384.6	469
St. Lawrence	N. South America (Venezuela)	16			8/21/2020	331.5	384.6	433
St. Lawrence	Europe/Rotterdam			15	8/14/2020	332.8	384.6	435
Great Lakes	East Mediterranean (Italy)	Closed			8/7/2020	332.6	384.6	434
Great Lakes	West Mediterranean (Spain)	Closed			7/31/2020	326.8	382.3	404
Great Lakes	Europe/Rotterdam	Closed			7/24/2020	320.8	372.2	537
Great Lakes	West Mediterranean (Morocco)	Closed			7/17/2020	325.3	376.4	456
PNW	W. South America (Peru/Ecu)	26			7/10/2020	325.6	370.7	410
PNW	S. South America (Chile)	30			7/2/2020	324.5	370.7	434
PNW	N. South America (Colombia)	30			6/26/2020	324.5	370.7	434
PNW	Persian Gulf (Iraq)			53	6/19/2020	317.4	367.6	478
PNW	Middle East (Egypt)			28	6/12/2020	307.9	367.6	506
PNW	East Africa (Djibouti/Mombasa)		43	41	6/5/2020	302.7	365.1	419
PNW	South Asia (Mal/Indon/Phil/Sing)			24	5/29/2020	297.9	363.3	397
PNW	Taiwan		26	25	5/22/2020	298.6	363.3	443
PNW	South Korea		25	24	5/15/2020	294.7	360.8	537
PNW	Japan		24	23	5/8/2020	302.1	368.4	346

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
12/4/20	N/A	81.66	1.345	5.119	1.278	15.64	0.824	104.1	73.97
11/27/20	N/A	81.05	1.353	5.343	1.299	15.61	0.836	104.1	75.94
11/20/20	113.8	80.34	1.368	5.392	1.308	15.57	0.843	103.8	76.21
11/13/20	114.6	79.73	1.375	5.457	1.313	15.61	0.845	104.6	77.34
12/5/19	116.4	45.17	0.683	4.186	1.317	16.10	0.901	108.8	63.72
12/5/15	N/A	9.618	1.362	3.750	1.336	7.740	0.919	123.1	67.56
1 year change	N/A	80.78%	96.82%	22.29%	-2.96%	-2.87%	-8.52%	-4.25%	16.08%
5 year change	N/A	749.01%	-1.23%	36.48%	-4.33%	102.03%	-10.30%	-15.40%	9.48%



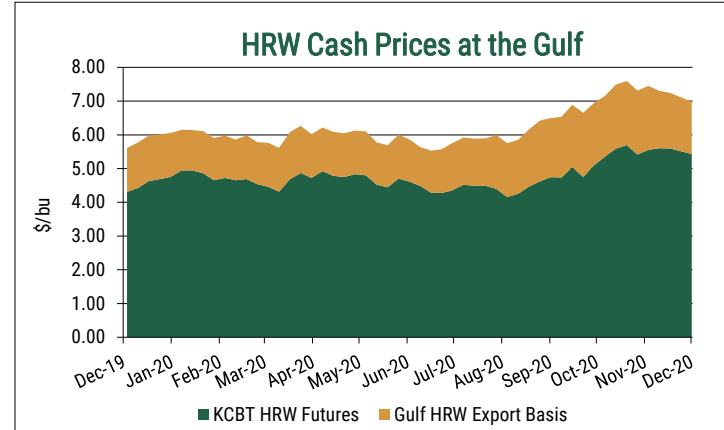
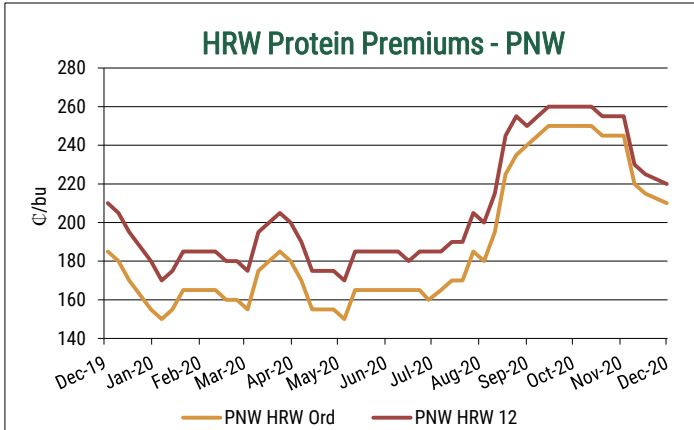
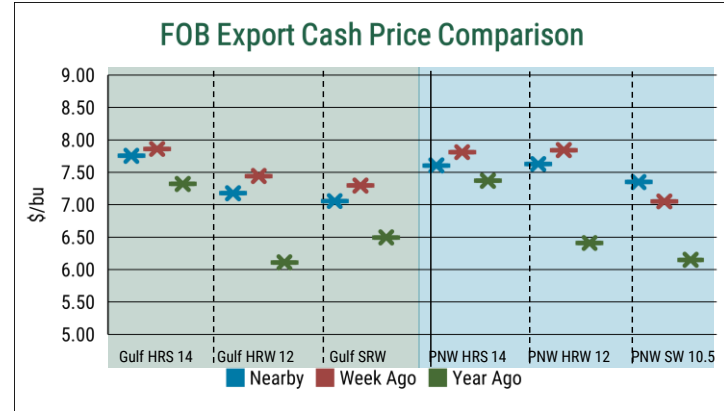
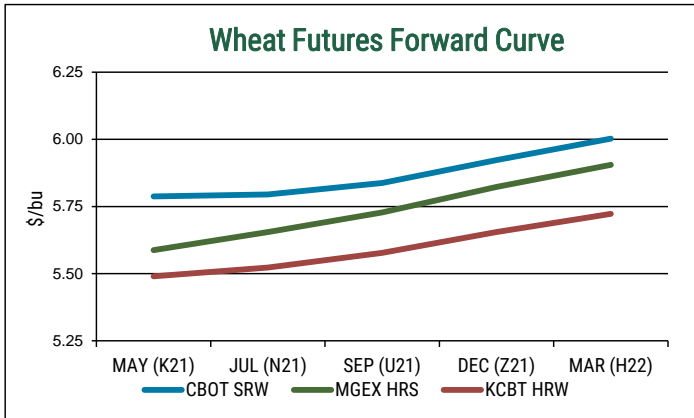
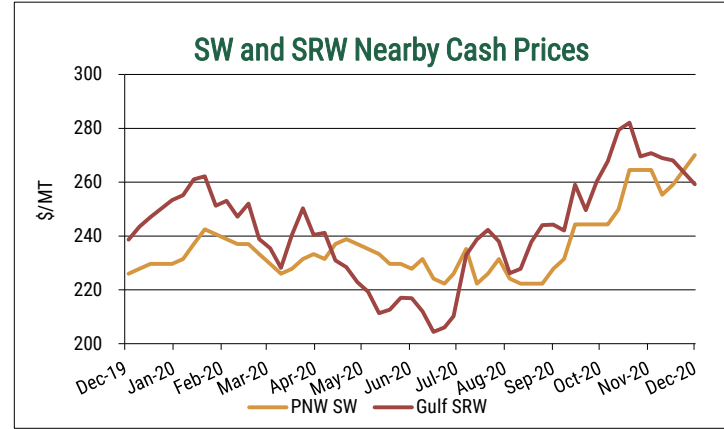
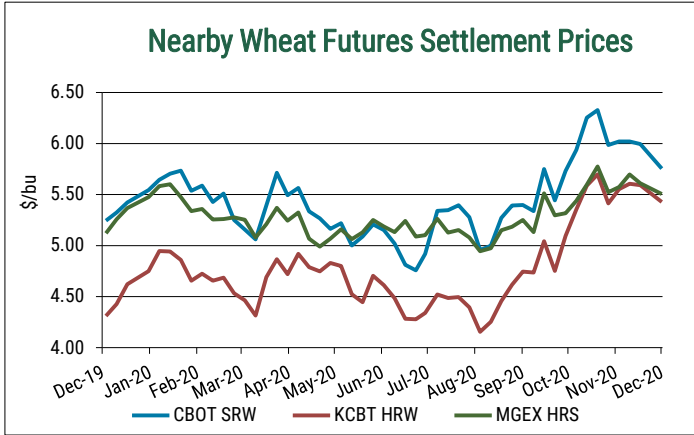
The weekly prices as reported by U.S. Wheat Associates are compiled through research from numerous market sources, including U.S. wheat exporters of all classes from various U.S. ports. The prices reported are representative of the value of number two grade and the proteins indicated. **They are not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

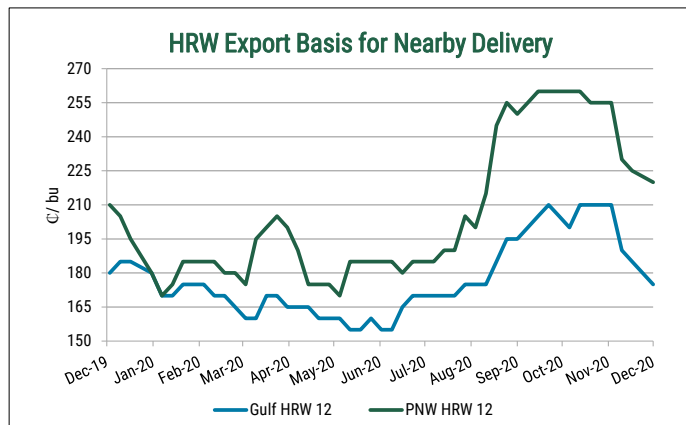
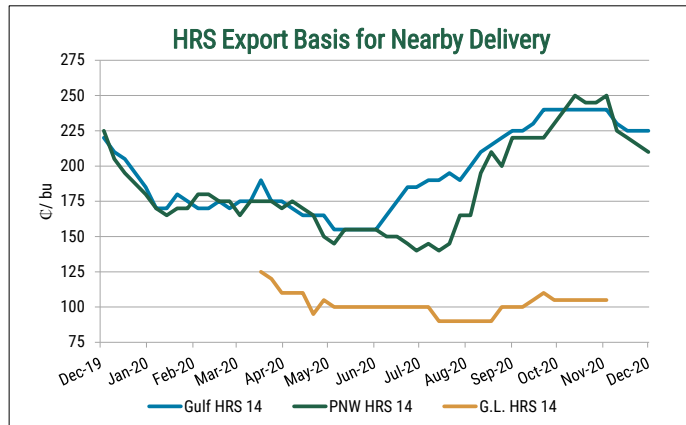
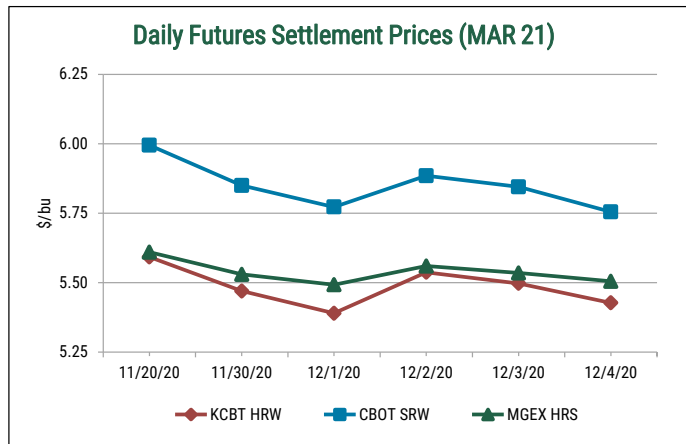
U.S. Wheat Associates recommends regular contact with exporters of U.S. wheat in order to receive offers representative of your requirements.

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.



Weekly Price Report December 04, 2020



- Increased estimates for 2020/21 Australian wheat production and Russian wheat exports (see below) pressured all wheat future prices from two weeks ago. CBOT March soft red winter (SRW) futures fell 24 cents to end at \$5.75/bu. KCBT March hard red winter (HRW) futures lost 16 cents to close at \$5.43/bu. MGE March hard red spring (HRS) futures slipped ten cents to end at \$5.50/bu. CBOT March corn futures fell 8 cents to close at \$4.20/bu. CBOT March soybean futures lost 16 cents to end at \$11.65.
- Increased elevation capacity reduced Pacific Northwest (PNW) HRS and HRW export basis and Gulf HRW export basis for January and February deliveries. Gulf and PNW HRS and HRW export basis for March and forward deliveries also fell significantly on the week. PNW soft white (SW) export prices jumped on the week due to higher replacement values in the countryside. The Great Lakes – St. Lawrence Seaway System will be closed from early January to mid-March 2021.
- As of Nov. 30, 46% of the U.S. winter wheat crop (HRW, SRW, fall-seeded SW) for harvest in 2021 is in good to excellent condition, up 3 points from last week on favorable rainfall across parts of High Plains (see below) but down 6 points from this time last year on poor soil moisture levels across the Great Plains.
- This week's commercial sales of 446,000 metric tons (MT) for delivery in 2020/21 were down 44% from last week's 796,000 MT but within trade expectations of 250,000 MT to 700,000 MT. Year-to-date commercial sales now total 18.5 million metric tons (MMT), 12% 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.
- Beneficial precipitation alleviated some dryness in north-central Kansas and south-central Nebraska, but moderate to extreme drought still covers nearly all the Southern and Northern Plains. This week, a sizeable pocket of extreme drought appeared in central North Dakota and extreme drought continues to plague winter wheat producers in western Nebraska, eastern Colorado and northwestern Kansas. Dry conditions across the Great Plains are expected to persist in the coming week.
- The Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES) predicts the country's 2020/21 wheat harvest will reach 31.2 MMT, up 10% from the September estimate and the second-highest on record.
- According to Reuters, Russia's ministry of agriculture is considering expanding its grain export quota for the last half of 2020/21 from 15.0 MMT to 17.5 MMT. The quota was implemented to stabilize domestic wheat prices after recent price increases despite this year's substantial harvest. Some livestock companies and other domestic consumers are calling for an export tariff on wheat exports to further pressure market prices, but the move is not favored by Russia's union of grain exporters and has little support from the ministry of agriculture, reported Reuters.
- As of Dec. 3, Argentina's wheat harvest is nearly 40% complete, up 9 points on the week but 6 points behind this time last year. The Buenos Aires Grain Exchange (BAGE) reports the national average yield at 24.0 bu/acre (1.62 MT/ha) and the total 2020/21 wheat production forecast is unchanged at 16.8 MMT.
- The Baltic Dry Index (BDI), an assessment of the average cost to ship raw materials like grains, coal and iron ore fell 3% this week to end at 1,189.
- The U.S. Dollar Index fell from last week's 91.79 to close at 90.71.
- More Resources:

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