

# Weekly Price Report December 18, 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 \$/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
				\$/bu	\$/MT															
Great Lakes	NS/DNS 13.5 (15.3)*	M	Closed	Closed	Closed	Closed	Closed	Closed	Closed	Closed	Closed	Closed	243	85	243	85	246	85	246	85
	NS/DNS 14.0 (15.9)*	M	Closed	Closed	Closed	Closed	Closed	Closed	Closed	Closed	Closed	Closed	245	90	245	90	248	90	248	90
	NS/DNS 14.5 (16.5)*	M	Closed	Closed	Closed	Closed	Closed	Closed	Closed	Closed	Closed	Closed	247	95	247	95	250	95	250	95
Gulf of Mexico	NS/DNS 13.5 (15.3)*	M	7.84	-0.02	-1	269	288	215	288	215	279	190	278	180	278	180	281	180	281	180
	NS/DNS 14.0 (15.9)*	M	7.89	-0.02	-1	273	290	220	290	220	281	195	280	185	280	185	283	185	283	185
	NS/DNS 14.5 (16.5)*	M	7.99	-0.02	-1	276	293	230	293	230	284	205	284	195	284	195	286	195	286	195
	HRW Ord	K	7.29	-0.12	-4	219	268	160	268	160	266	155	266	150	266	150	267	150	267	150
	HRW 11.0 (12.5)	K	7.29	-0.12	-4	223	268	160	268	160	266	155	266	150	266	150	267	150	267	150
	HRW 11.5 (13.1)	K	7.34	-0.12	-4	230	270	165	270	165	268	160	268	155	268	155	268	155	268	155
	HRW 12.0 (13.6)	K	7.44	-0.12	-4	238	273	175	273	175	272	170	271	165	271	165	272	165	272	165
	HRW 12.5 (14.2)	K	7.54	-0.12	-4	245	277	185	277	185	275	180	275	175	275	175	276	175	276	175
SRW	W	7.38	-0.06	-2	247	271	130	271	130	268	120	268	120	268	120	259	100	259	100	
Pacific N.West	NS/DNS 13.5 (15.3)*	M	7.69	-0.02	-1	267	282	200	275	180	271	170	271	160	269	155	272	155	272	155
	NS/DNS 14.0 (15.9)*	M	7.74	-0.02	-1	269	284	205	277	185	273	175	273	165	271	160	274	160	274	160
	NS/DNS 14.5 (16.5)*	M	7.89	-0.02	-1	276	290	220	282	200	279	190	278	180	276	175	279	175	279	175
	HRW Ord	K	7.79	-0.12	-4	232	286	210	283	200	279	190	281	190	281	190	281	190	281	190
	HRW 11.5 (13.1)	K	7.79	-0.12	-4	234	286	210	283	200	279	190	281	190	281	190	281	190	281	190
	HRW 12.0 (13.6)	K	7.89	-0.12	-4	241	290	220	286	210	283	200	284	200	284	200	285	200	285	200
	HRW 13.0 (14.8)	K	8.09	-0.12	-4	260	297	240	294	230	290	220	292	220	292	220	292	220	292	220
	SW Unspecified	\$	7.45	0.00	0	230	274	745	270	735	266	725	257	700	257	700	255	695	255	695
	SW 9.5 (10.8) Min	\$	7.50	0.00	0	231	276	750	272	740	268	730	259	705	259	705	257	700	257	700
	SW 10.5 (11.9) Max	\$	7.45	0.00	0	230	274	745	270	735	266	725	257	700	257	700	255	695	255	695
	SW 9.5 (10.8) Max	\$	7.50	0.00	0	233	276	750	272	740	268	730	259	705	259	705	257	700	257	700
WW with 10% Club	\$	7.55	0.00	0	241	277	755	274	745	270	735	261	710	261	710	259	705	259	705	
WW with 20% Club	\$	7.60	0.00	0	250	279	760	276	750	272	740	263	715	263	715	261	710	261	710	

**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 \$8.03/bu (\$295/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	223.49	6.0825	(0.0625)	6.0925	(0.0475)	6.0375	(0.0375)			6.0675	(0.0275)			6.1375	(0.0175)		
Kansas City BOT HRW	209.16	5.6925	(0.1200)	5.7350	(0.1100)	5.7575	(0.0900)			5.8075	(0.0800)			5.8775	(0.0725)		
Minneapolis MGE NS/DNS	208.89	5.6850	(0.0150)	5.7725	(0.0100)	5.8450	(0.0125)			5.9250	(0.0100)			6.0175	(0.0125)		
Chicago BOT Corn	172.24	4.3750	0.1400	4.3925	0.1275	4.3975	0.1150			4.2300	0.0900			4.1850	0.0625		
Chicago BOT Soybeans	449.74	12.2400	0.5800	12.2375	0.5650	12.1925	0.5325	11.9100	0.4575	11.2650	0.3350	10.8125	0.2850			10.7850	0.2500

**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.

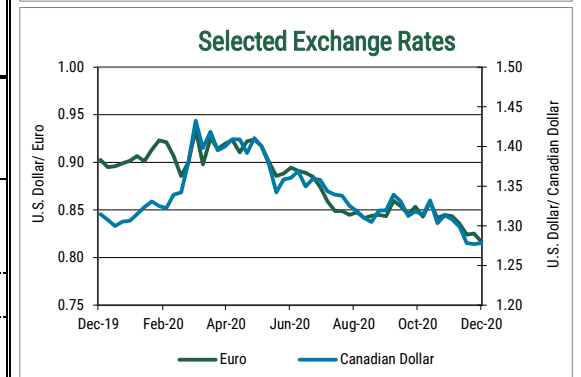
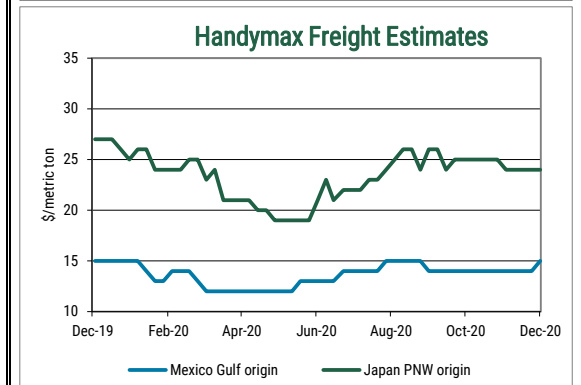
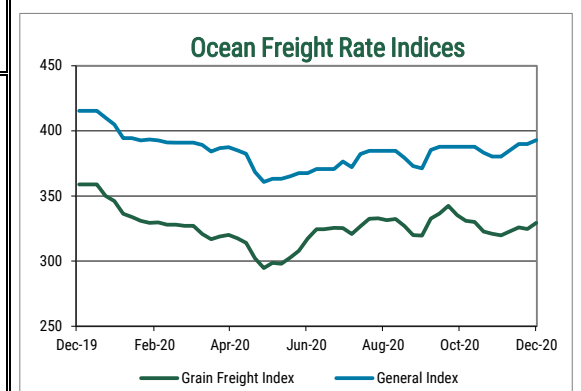
**All prices are based upon U.S. number two grade or better as certified by the Federal Grain Inspection Service (FGIS).**

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)	18	15		12/18/2020	329.4	392.9	491
U.S. Gulf	W. South America (Peru/Ecu)			16	12/11/2020	324.7	389.9	546
U.S. Gulf	S. South America (Chile)			20	12/4/2020	325.9	389.9	499
U.S. Gulf	N. South America (Colombia)	20	16	13	11/20/2020	319.8	380.4	504
U.S. Gulf	E. South America (Brazil)		22		11/13/2020	321.0	380.4	470
U.S. Gulf	West Africa (Nigeria)	29			11/6/2020	322.7	383.2	440
U.S. Gulf	East Mediterranean (Italy)	41			10/30/2020	330.1	387.9	422
U.S. Gulf	West Mediterranean (Morocco)	40			10/23/2020	330.9	387.9	500
U.S. Gulf	Persian Gulf (Iraq)			67	10/16/2020	335.4	387.9	467
U.S. Gulf	Middle East (Egypt)			28	10/9/2020	342.4	387.9	452
U.S. Gulf	Japan		44	42	10/2/2020	336.6	387.9	405
Mid Atlantic	N. South America (Venezuela)	16			9/25/2020	332.7	385.4	458
Mid Atlantic	West Africa (Nigeria)	29			9/18/2020	319.6	371.3	413
Mid Atlantic	Middle East (Egypt)			27	9/11/2020	320.0	373.0	445
St. Lawrence	N. South America (Venezuela)	19			9/4/2020	327.0	379.3	404
St. Lawrence	Europe/Rotterdam			17	8/28/2020	332.3	384.6	469
Great Lakes	East Mediterranean (Italy)	Closed			8/21/2020	331.5	384.6	433
Great Lakes	West Mediterranean (Spain)	Closed			8/14/2020	332.8	384.6	435
Great Lakes	Europe/Rotterdam	Closed			8/7/2020	332.6	384.6	434
Great Lakes	West Mediterranean (Morocco)	Closed			7/31/2020	326.8	382.3	404
PNW	W. South America (Peru/Ecu)	26			7/24/2020	320.8	372.2	537
PNW	S. South America (Chile)	30			7/17/2020	325.3	376.4	456
PNW	N. South America (Colombia)	30			7/10/2020	325.6	370.7	410
PNW	Persian Gulf (Iraq)			54	7/2/2020	324.5	370.7	434
PNW	Middle East (Egypt)			29	6/26/2020	324.5	370.7	434
PNW	East Africa (Djibouti/Mombasa)		43	41	6/19/2020	317.4	367.6	478
PNW	South Asia (Mal/Indon/Phil/Sing)			24	6/12/2020	307.9	367.6	506
PNW	Taiwan		25	25	6/5/2020	302.7	365.1	419
PNW	South Korea		24	24	5/29/2020	297.9	363.3	397
PNW	Japan		24	24	5/22/2020	298.6	363.3	443

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
12/18/20	N/A	82.82	1.313	5.089	1.278	15.68	0.817	103.3	73.33
12/11/20	112.5	82.21	1.327	5.047	1.277	15.68	0.825	104.0	73.01
12/4/20	112.1	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
12/19/19	115.6	45.17	0.688	4.069	1.313	16.02	0.899	109.4	62.36
12/19/15	N/A	13.124	1.393	3.979	1.395	7.809	0.920	121.1	70.93
1 year change	N/A	83.35%	90.73%	25.06%	-2.61%	-2.12%	-9.19%	-5.55%	17.58%
5 year change	N/A	531.05%	-5.74%	27.92%	-8.40%	100.72%	-11.23%	-14.71%	3.38%



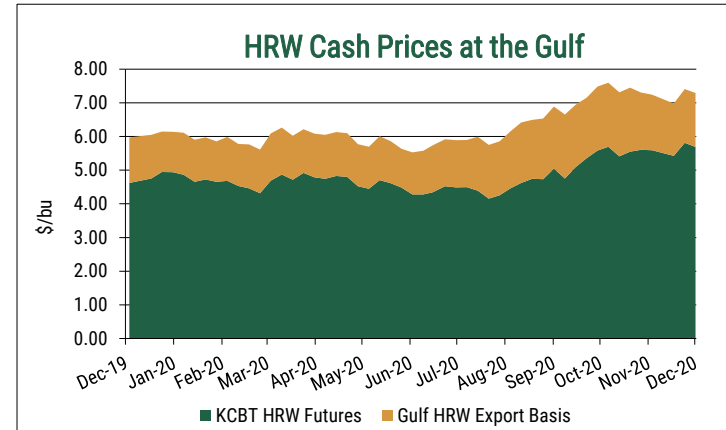
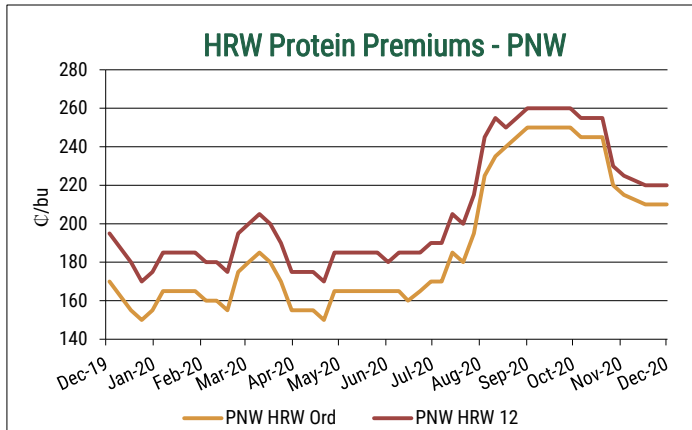
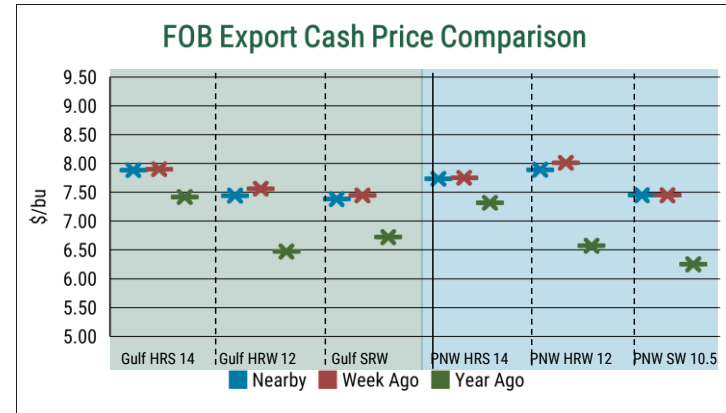
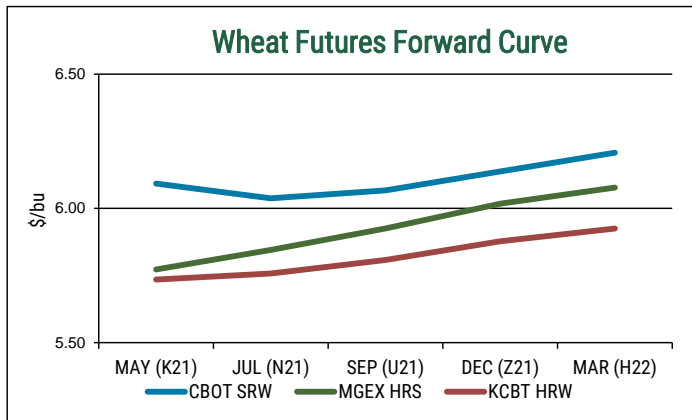
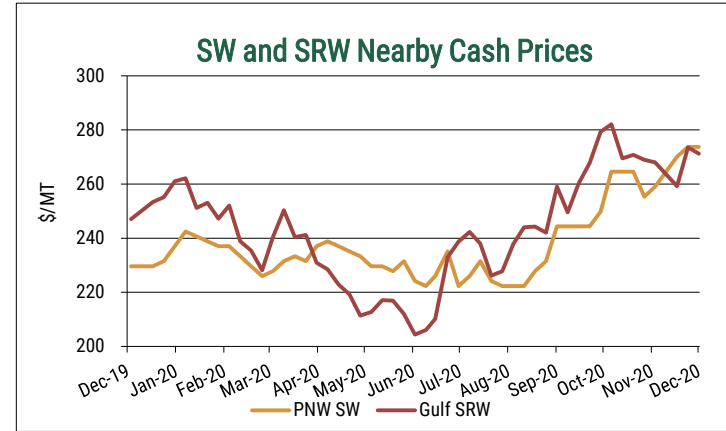
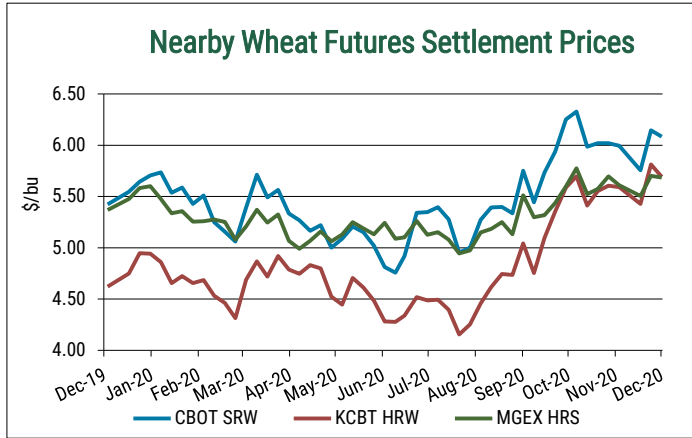
The weekly prices as reported by U.S. Wheat Associates are compiled through research from numerous market sources, including U.S. wheat exporters of all classes from various U.S. ports. The prices reported are representative of the value of number two grade and the proteins indicated. **They are not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

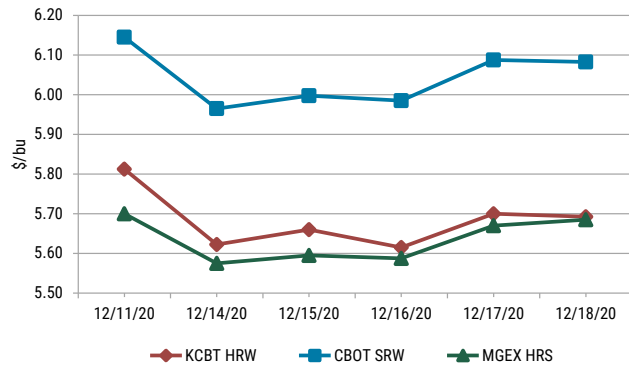
This contact will allow importers to review contract terms and better understand the U.S. grading system, role and function of the Federal Grain Inspection Service (FGIS).

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

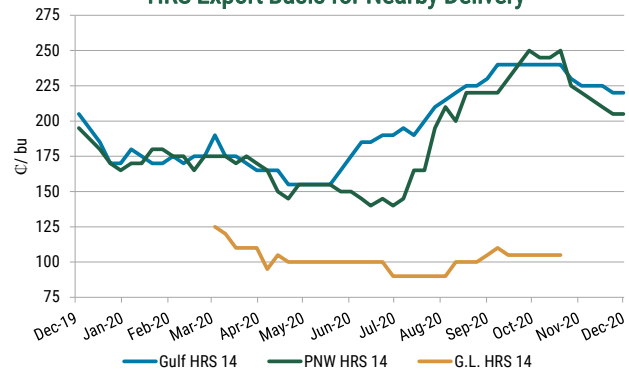


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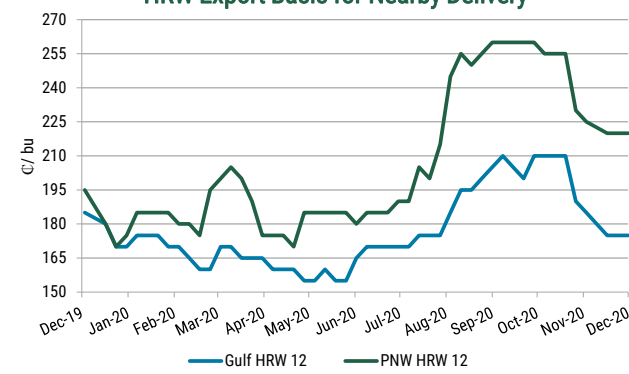
**Daily Futures Settlement Prices (MAR 21)**



**HRS Export Basis for Nearby Delivery**



**HRW Export Basis for Nearby Delivery**



- The next Price Report will be published on Jan. 8, 2021. Happy holidays from U.S. Wheat Associates!
- Technical selling following the news that Russia plans to implement a wheat export tax (see below) pressured all wheat futures week-over-week. CBOT soft red winter (SRW) futures lost 6 cents to close at \$6.08/bu. KCBT hard red winter (HRW) futures fell 12 cents to end at \$5.69/bu. MGE hard red spring (HRS) futures lost 1 cent to close at \$5.68/bu. CBOT corn futures gained 14 cents to end at \$4.37/bu. CBOT March soybean futures jumped 58 cents to close at \$12.24/bu.
- Nearby Gulf and Pacific Northwest (PNW) export basis for all classes of wheat remained steady on the week as the U.S. grain trade prepares for the upcoming holiday. Gulf and PNW HRS and HRW export basis for March and forward deliveries fell significantly on the week due to increased elevation availability for those delivery periods. [Click here to read more about the relationship between U.S. export elevation availability and wheat export basis.](#) The Great Lakes – St. Lawrence Seaway System will be closed from early January to mid-March 2021.
- This week's commercial sales of 540,000 metric tons (MT) for delivery in 2020/21 were down 12% from last week's 616,000 MT but within trade expectations of 250,000 MT to 650,000 MT. Year-to-date commercial sales now total 19.6 million metric tons (MMT), 10% ahead of last year's pace. USDA forecasts total U.S. wheat exports will reach 26.8 MMT in 2020/21, 2% ahead of last year, if realized.
- This week, moderate to extreme drought spread from southeastern Colorado to the Texas Panhandle. Most of the Great Plains are now abnormally to exceptionally dry. Extreme dryness continues to plague winter wheat producers in western Nebraska, eastern Colorado and western Kansas. Looking ahead, dry conditions are expected to persist from the Southern to Northern Plains.
- According to AgriCensus, the Russian government has officially imposed a €25.0/MT (\$30.6/MT) tax on all wheat exports from Feb. 15 to June 30, 2021 in an effort to stabilize domestic food prices. USDA still expects Russia will export 40.0 MMT of wheat in 2020/21, 16% more than last year and 21% more than the 5-year average, if realized.
- The Rosario Board of Trade (BCR) forecasts total Argentinian wheat production will fall 15% on the year to 16.5 MMT, the second-lowest output in a decade on extreme drought. The Buenos Aires Grain Exchange (BAGE) predicts production will total 16.9 MMT and USDA pegs the 2020/21 harvest at 18.0 MMT.
- As of Dec. 16, total Ukrainian grain exports are down 14% from this time last year at 23.8 MMT, 12.2 MMT of which is wheat. In October, Ukraine implemented a 17.5 MMT wheat export quota for the 2020/21 marketing year and current sales account for 70% of the quota.
- *Stratégie Grains*, a French agriculture consultancy, forecasts European Union (EU) soft (non-durum) wheat production will reach 130 MMT in 2021, 9% more than last year on improved planting conditions through fall 2020. The United Kingdom (UK), not included in the EU forecast, is expected to produce 15.0 MMT of soft wheat next year.
- The Baltic Dry Index (BDI), an assessment of the average cost to ship raw materials like grains, coal and iron ore, increased 7% on the week to end at 1,301.
- The U.S. Dollar Index fell from last week's 90.98 to close at 90.02.
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