



# Weekly Price Report June 04, 2021

## U.S. Wheat FOB & Export Basis Estimates

Export Region	Class & Percent Protein 12% (Dry) Moisture Basis		JUN (N21)				JUN (N21)		JUL (N21)		AUG (U21)		SEP (U21)		OCT (Z21)		NOV (Z21)		DEC (Z21)		
			FOB \$/bu	week change		1 year ago	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	
				(nearbys)	\$/bu																\$/MT
Great Lakes	NS/DNS 13.5 (15.3)*	M	8.91	0.83	30	226		327	80	327	80	329	80	329	80	327	80	327	80	327	80
	NS/DNS 14.0 (15.9)*	M	8.96	0.83	30	230		329	85	329	85	331	85	331	85	329	85	329	85	329	85
	NS/DNS 14.5 (16.5)*	M	9.01	0.83	30	231		331	90	331	90	332	90	332	90	331	90	331	90	331	90
Gulf of Mexico	NS/DNS 13.5 (15.3)*	M	9.76	0.88	32	248		358	165	358	165	360	165	360	165	377	215	377	215	377	215
	NS/DNS 14.0 (15.9)*	M	9.81	0.83	30	250		360	170	360	170	362	170	362	170	378	220	378	220	378	220
	NS/DNS 14.5 (16.5)*	M	9.91	0.83	30	255		364	180	364	180	365	180	365	180	382	230	382	230	382	230
	HRW Ord	K	8.07	0.33	12	221		296	170	296	170	299	170	299	170	307	180	312	195	312	195
	HRW 11.0 (12.5)	K	7.67	0.13	5	224		282	130	282	130	284	130	284	130	292	140	298	155	298	155
	HRW 11.5 (13.1)	K	7.97	0.33	12	228		293	160	293	160	295	160	295	160	303	170	309	185	309	185
	HRW 12.0 (13.6)	K	8.17	0.33	12	232		300	180	300	180	303	180	303	180	311	190	316	205	316	205
	HRW 12.5 (14.2)	K	8.22	0.33	12	235		302	185	302	185	305	185	305	185	312	195	318	210	318	210
SRW	W	7.93	0.24	9	217		291	105	288	95	288	90	288	90	290	90	296	105	296	105	
Pacific N. West	NS/DNS 13.5 (15.3)*	M	9.36	0.83	30	250		344	125	344	125	345	125	349	135	356	160	356	160	364	180
	NS/DNS 14.0 (15.9)*	M	9.41	0.83	30	250		346	130	346	130	347	130	351	140	358	165	358	165	366	185
	NS/DNS 14.5 (16.5)*	M	9.56	0.83	30	254		351	145	351	145	353	145	356	155	364	180	364	180	371	200
	HRW Ord	K	7.87	0.18	7	234		289	150	291	155	292	150	295	160	309	185	311	190	311	190
	HRW 11.5 (13.1)	K	7.87	0.18	7	235		289	150	291	155	292	150	295	160	309	185	311	190	311	190
	HRW 12.0 (13.6)	K	7.97	0.23	9	241		293	160	294	165	295	160	299	170	312	195	314	200	314	200
	HRW 13.0 (14.8)	K	8.17	0.18	7	261		300	180	302	185	303	180	306	190	320	215	322	220	322	220
	SW Unspecified	\$	8.80	0.00	0	230		323	880	327	890	316	860	320	870	331	900	331	900	331	900
	SW 9.5 (10.8) Min	\$	8.80	0.00	0	231		323	880	327	890	316	860	320	870	331	900	331	900	331	900
	SW 10.5 (11.9) Max	\$	8.80	0.00	0	230		323	880	327	890	316	860	320	870	331	900	331	900	331	900
	SW 9.5 (10.8) Max	\$	9.55	0.00	0	235		351	955	355	965	344	935	347	945	358	975	358	975	358	975
	WW with 10% Club	\$	8.90	0.00	0	241		327	890	331	900	320	870	323	880	334	910	334	910	334	910
	WW with 20% Club	\$	8.95	0.00	0	250		329	895	333	905	322	875	325	885	336	915	336	915	336	915

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

**Northern Durum** offers from the Great Lakes for June/July 2021 delivery are quoted at \$9.25/bu (\$340/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	JUL (N21)			AUG (Q21)		SEP (U21)		NOV (X21)		DEC (Z21)		JAN (F22)		MAR (H22)		MAY (K22)	
	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														
Chicago BOT SRW	252.70	6.8775	0.2425			6.9250	0.2525			6.9975	0.2500			7.0650	0.2475	7.0750	0.2500
Kansas City BOT HRW	233.87	6.3650	0.2325			6.4375	0.2325			6.5525	0.2300			6.6525	0.2275	6.7200	0.2250
Minneapolis MGE NS/DNS	297.81	8.1050	0.8300			8.1450	0.8100			8.1000	0.7250			8.0550	0.6275	7.9425	0.4875
Chicago BOT Corn	268.79	6.8275	0.2600			6.0650	0.3325			5.9150	0.4600			5.9800	0.4575	6.0075	0.4500
Chicago BOT Soybeans	581.93	15.838	0.5325	15.3750	0.5550	14.693	0.6225	14.355	0.6275			14.353	0.6225	14.0700	0.5675	13.980	0.5225

**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.

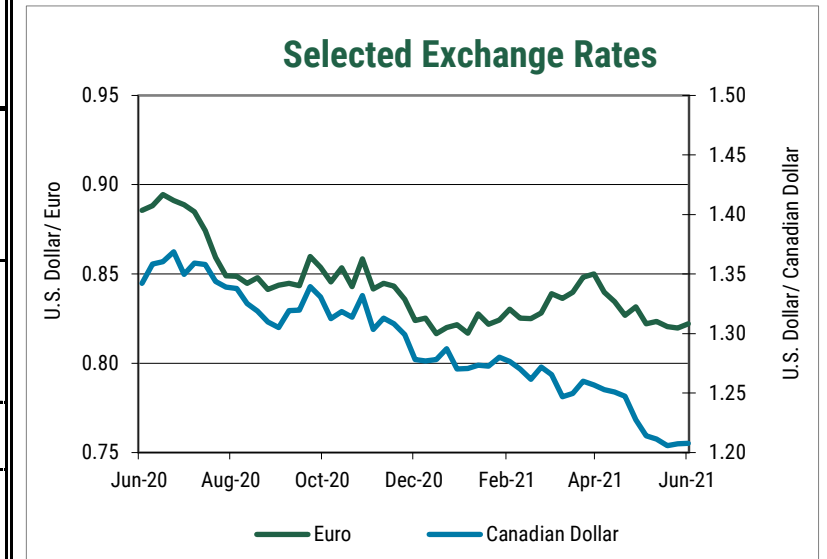
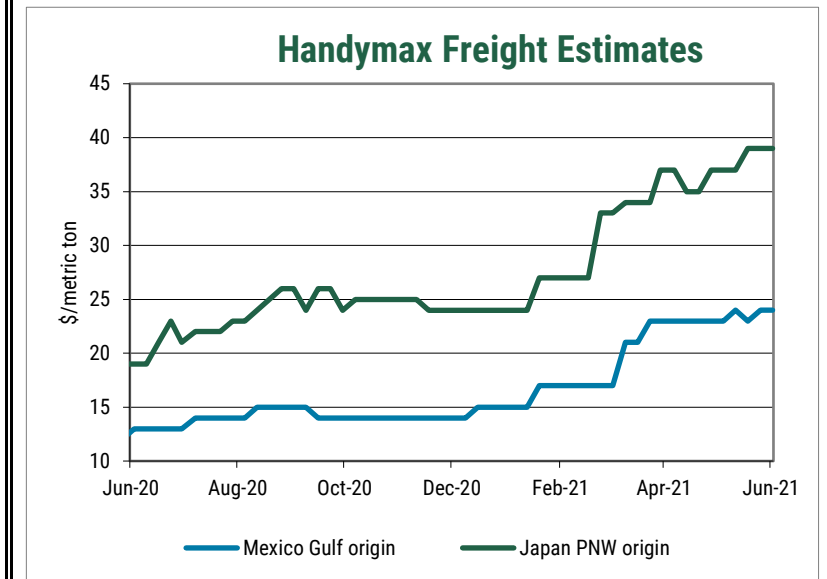
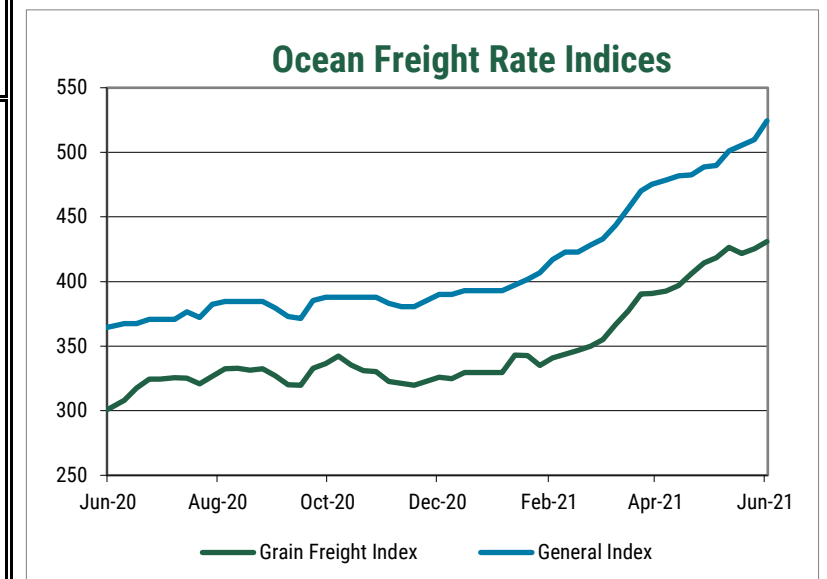
**All prices are based upon U.S. number two grade or better as certified by the Federal Grain Inspection Service (FGIS).**

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)	27	24		6/4/2021	430.9	524.4	453	
U.S. Gulf	W. South America (Peru/Ecu)			49	5/28/2021	425.4	509.8	487	
U.S. Gulf	S. South America (Chile)			52	5/21/2021	421.6	505.4	520	
U.S. Gulf	N. South America (Colombia)	36	36	35	5/14/2021	426.5	501.2	494	
U.S. Gulf	E. South America (Brazil)		33		5/7/2021	418.3	490.0	485	
U.S. Gulf	West Africa (Nigeria)	51			4/30/2021	414.4	488.6	508	
U.S. Gulf	East Mediterranean (Italy)	44			4/23/2021	406.0	482.6	530	
U.S. Gulf	West Mediterranean (Morocco)	50			4/16/2021	397.1	481.9	563	
U.S. Gulf	Persian Gulf (Iraq)			109	4/9/2021	392.6	478.6	463	
U.S. Gulf	Middle East (Egypt)			52	4/1/2021	390.7	475.4	411	
U.S. Gulf	Japan		66	66	3/26/2021	390.5	470.3	509	
Mid Atlantic	N. South America (Venezuela)	35			3/19/2021	377.2	456.5	558	
Mid Atlantic	West Africa (Nigeria)	52			3/12/2021	366.6	443.4	576	
Mid Atlantic	Middle East (Egypt)			41	3/5/2021	355.2	433.1	521	
St. Lawrence	N. South America (Venezuela)	21			2/26/2021	349.9	428.1	549	
St. Lawrence	Europe/Rotterdam			26	2/19/2021	346.7	422.8	483	
Great Lakes	East Mediterranean (Italy)	60			2/12/2021	343.7	422.8	475	
Great Lakes	West Mediterranean (Spain)	55			2/5/2021	340.9	416.8	467	
Great Lakes	Europe/Rotterdam	55			1/29/2021	335.1	406.7	479	
Great Lakes	West Mediterranean (Morocco)	56			1/22/2021	342.7	401.6	507	
PNW	W. South America (Peru/Ecu)	40			1/15/2021	343.1	397.2	542	
PNW	S. South America (Chile)	42			1/8/2021	329.4	392.9	491	
PNW	N. South America (Colombia)	40			12/18/2020	329.4	392.9	491	
PNW	Persian Gulf (Iraq)			96	12/11/2020	324.7	389.9	546	
PNW	Middle East (Egypt)			53	12/4/2020	325.9	389.9	499	
PNW	East Africa (Djibouti/Mombasa)		50	55	11/20/2020	319.8	380.4	504	
PNW	South Asia (Mal/Indon/Phil/Sing)			47	11/13/2020	321.0	380.4	470	
PNW	Taiwan		48	54	11/6/2020	322.7	383.2	440	
PNW	South Korea		35	37	10/30/2020	330.1	387.9	422	
PNW	Japan		39	38	10/23/2020	330.9	387.9	500	

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
6/4/21	N/A	94.78	1.291	5.047	1.208	15.67	0.822	109.5	72.78
5/28/21	111.0	94.57	1.297	5.208	1.207	15.63	0.820	109.8	73.24
5/21/21	111.3	94.27	1.293	5.350	1.206	15.63	0.821	108.9	73.55
5/14/21	111.4	94.04	1.284	5.264	1.211	15.63	0.824	109.4	73.91
6/4/20	119.5	45.17	1.440	5.118	1.350	16.22	0.882	109.1	69.12
6/4/16	N/A	13.767	1.357	3.489	1.282	8.864	0.880	107.6	65.24
1 year change	N/A	109.82%	-10.31%	-1.39%	-10.51%	-3.38%	-6.78%	0.34%	5.29%
5 year change	N/A	588.43%	-4.85%	44.68%	-5.75%	76.79%	-6.62%	1.82%	11.55%



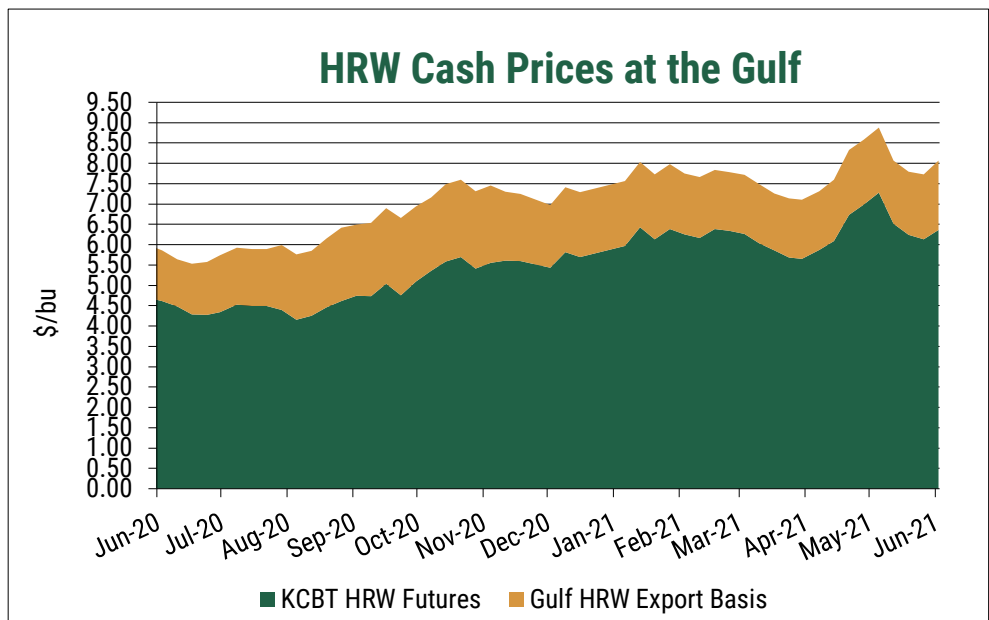
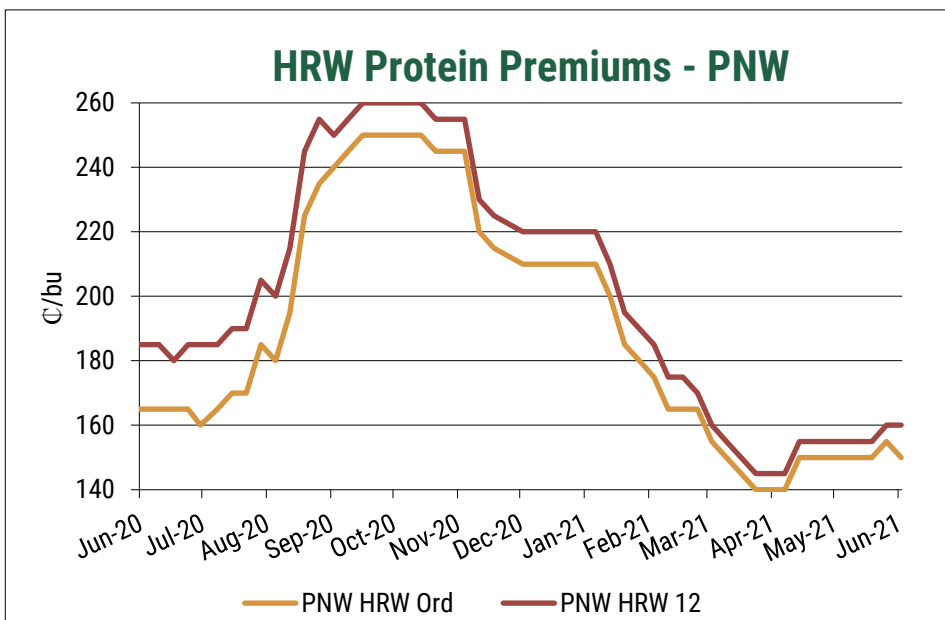
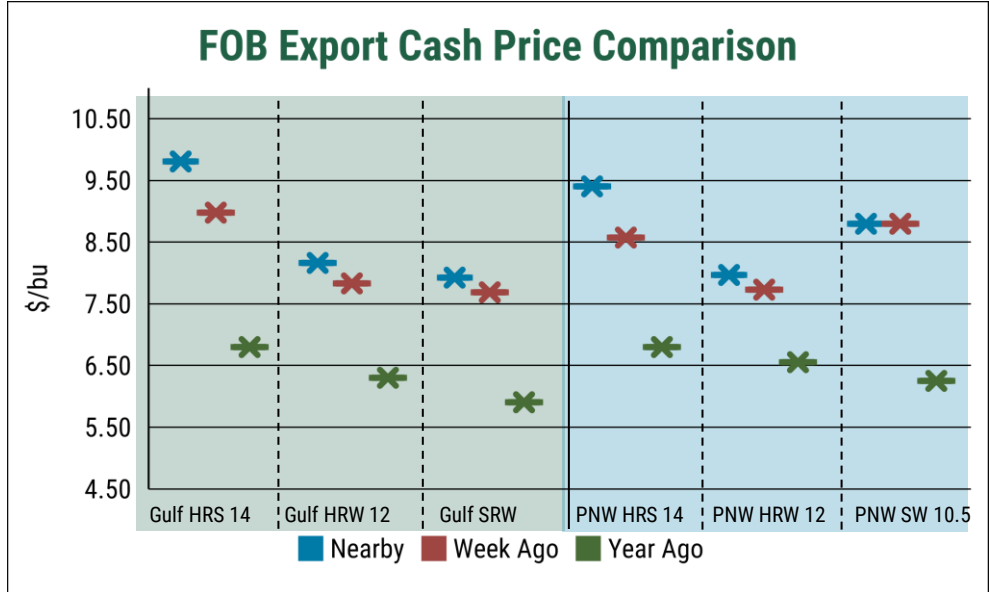
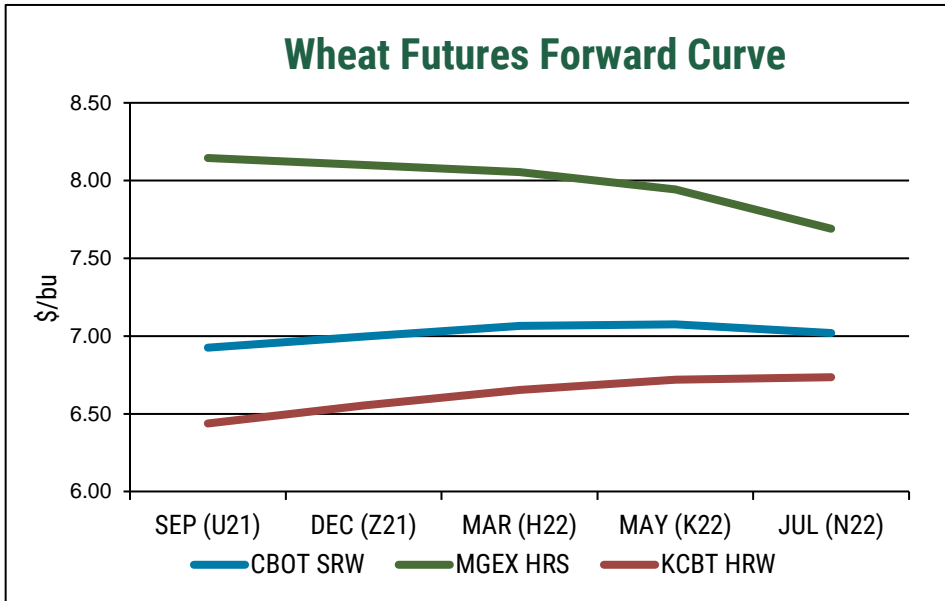
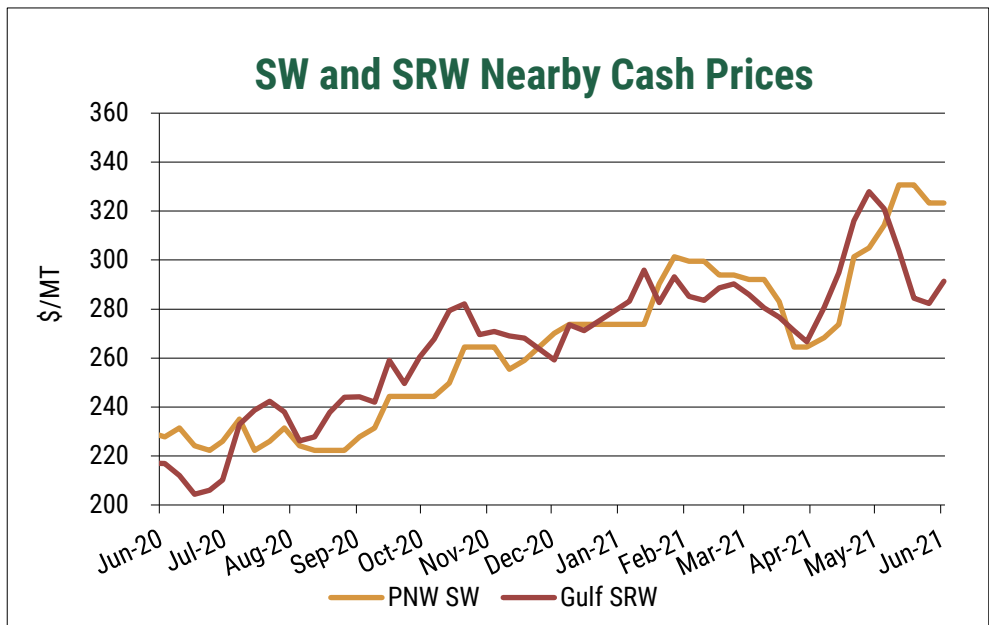
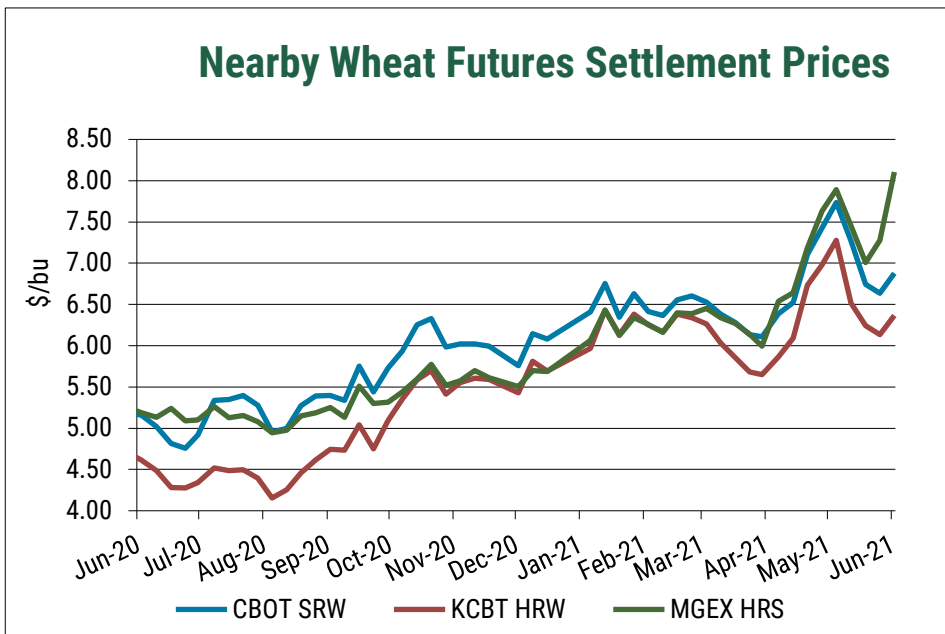
The weekly prices as reported by U.S. Wheat Associates are compiled through research from numerous market sources, including U.S. wheat exporters of all classes from various U.S. ports. The prices reported are representative of the value of number two grade and the proteins indicated. **They are not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

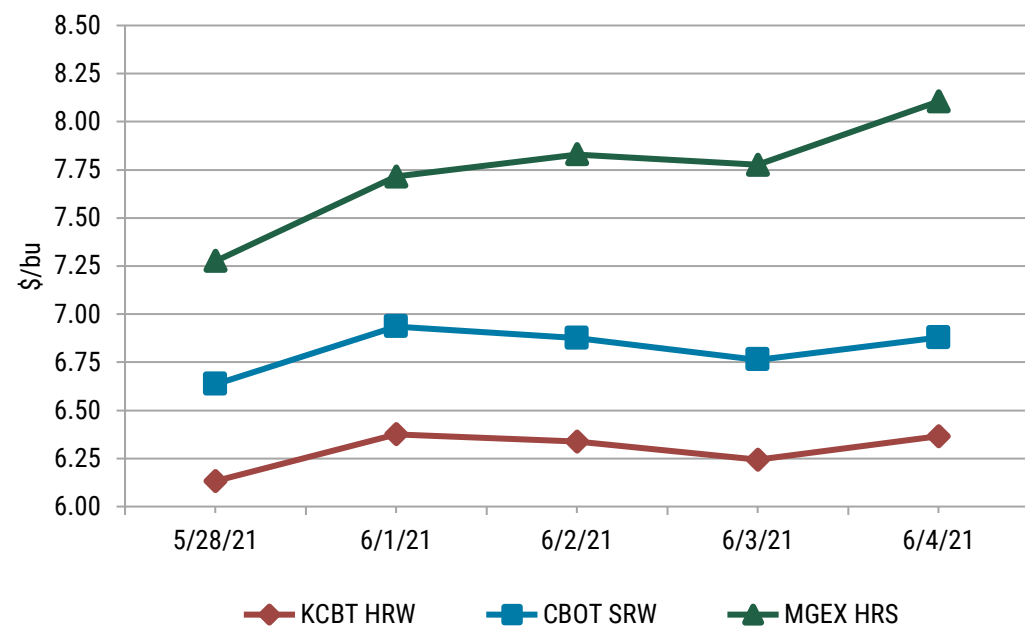
U.S. Wheat Associates recommends regular contact with exporters of U.S. wheat in order to receive offers representative of your requirements.

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 Michael Anderson at manderson@uswheat.org.

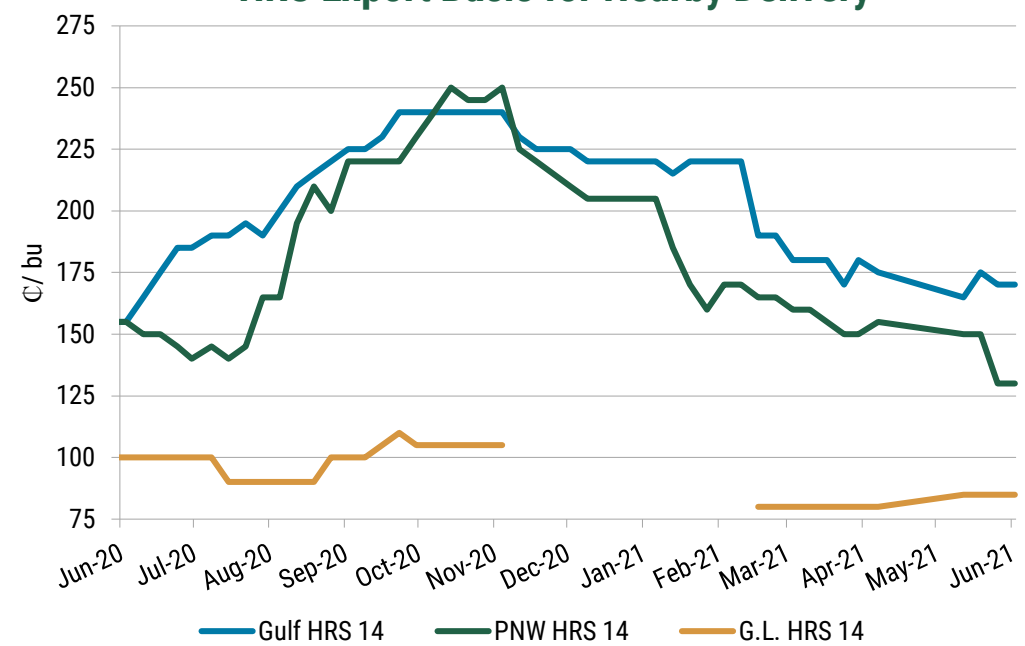


### Daily Futures Settlement Prices (MAY 21)



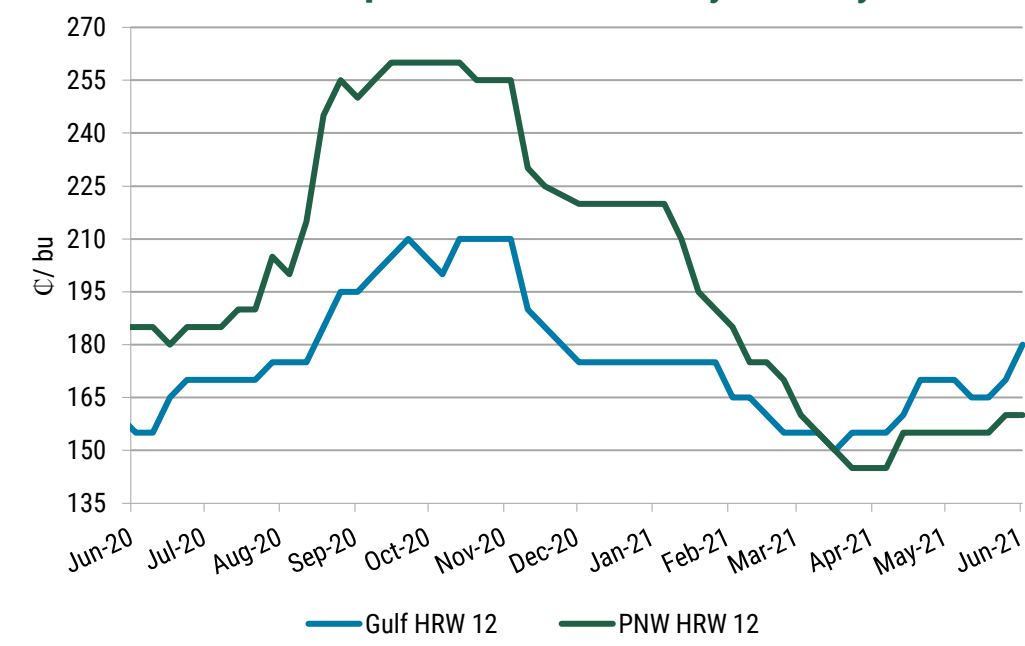
◆ KCBT HRW    ■ CBOT SRW    ▲ MGEX HRS

### HRS Export Basis for Nearby Delivery



— Gulf HRS 14    — PNW HRS 14    — G.L. HRS 14

### HRW Export Basis for Nearby Delivery



— Gulf HRW 12    — PNW HRW 12

- Futures prices were up this week. CBOT soft red winter (SRW) futures gained 24 cents to close at \$6.87/bu. KCBT hard red winter (HRW) futures were up 23 cents to end at \$6.36/bu. MGE hard red spring (HRS) futures surged this week on continued concerns over dryness in the HRS growing region. Futures rose 85 cents to close at \$8.10/bu. CBOT corn futures gained 26 cents to end at \$6.82/bu. CBOT soybean futures gained 53 cents to close at \$15.83/bu.
- Basis in the Gulf was little changed from last week as export inquires remained thin. In the Pacific Northwest, soft white (SW) basis was up due to weather concerns. Farmer selling remains slow in both export regions ahead of harvest.
- This week's commercial sales for the marketing year 2020/21 were up slightly from last week to 33,300 metric tons (MT), in line with trade expectations of 25,000 MT to 100,000 MT. Year-to-date commercial sales for delivery in 2020/21 total 25.6 million metric tons (MMT), 5% lower than last year. USDA expects the total 2020/21 U.S. wheat exports to reach 26.2 MMT, even with the previous year if realized.
- This week's commercial sales for delivery in 2021/22 totaled 398,300 MT. Total U.S. wheat sales to date for 2021/22 are 4.34 MMT.
- On June 1, USDA reported U.S. winter wheat conditions at 51% good to excellent, gaining four points from last week. The USDA also reported 79% of the winter wheat crop headed. The U.S. spring wheat crop is 97% planted, ahead of last year on this date. The spring wheat crop is 80% emerged. The latest USW Harvest Report can be found [here](#).
- Regions of Texas and Oklahoma continued to receive rainfall this week, eliminating areas of dryness throughout the region. Temperatures across the Plains and south into Texas and Oklahoma were below average. Much of the wheat-growing area stretching from North Dakota, including South Dakota, Nebraska, Kansas, and eastern Colorado, received well over average precipitation amounts. However, drought conditions expanded in northeastern Nebraska and southeastern South Dakota. Areas in the west remained dry, with abnormally dry conditions growing in Washington.
- United States Trade Representative (USTR) Ambassador Katherine Tai spoke with her counterpart in China in an introductory virtual meeting this week. The two top trade officials discussed trade issues between the world's two largest economies. In 2020, the U.S. and China signed a ["phase one" trade deal](#). The USDA raised its forecast for U.S. agriculture purchases in the 2021 fiscal year by \$3.5 billion to a record \$35 billion. China has purchased record amounts of agricultural goods from the United States this year, including 3.2 MMT of wheat. Ambassador Tai said that her review of the U.S.-China trade relationship is ongoing.
- Algeria's president is urging his government to increase durum wheat production while reducing soft wheat imports. Algeria is a leading wheat importer relying primarily on French wheat from its Mediterranean neighbor. [In a statement to his cabinet](#), the president noted the "necessity to adopt" scientific methods to raise cereal production.
- Farm group Argentine Agrarian Federation (FAA) warned that a recent protest by cattle ranchers could expand to include grain producers. Argentine cattle ranchers blocked the sale of beef in protest of the government's ban on beef exports. The export ban is an effort to curb inflation. The president of the farm group said that more protests might follow, and this time include cereal producers.
- Exports of French soft wheat outside of the European Union (EU) fell to their lowest in a decade last month. In May, soft wheat exports outside the EU and United Kingdom were 273.6 TMT, the lowest level since 2009/2010. Exports in May were down nearly 60% compared to April.
- Russia's deputy prime minister said that the new formula-based grain export tax would remain in place if increased global demand for food remains. The new tax will update each week, complicating forward sales, according to traders. The tax is calculated from a formula that weighs the floating index price calculated by a panel of industry experts and published by the Moscow Exchange (MOEX). Exporters are responsible for 70% of that difference. This week, for example, the floor price is \$200/MT and the seven-day average index price published by MOEX is \$241.78/MT. Therefore, the June 9-15 export tax is \$29.40/MT.
- The Baltic Dry Index (BDI), an assessment of the average cost to ship raw materials such as grains, coal and iron ore, dropped 8% on the week to end at 2,472.
- The U.S. Dollar Index increased slightly from last week's 90.02 to close at 90.15.

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