



# U.S. Wheat Associates

## Weekly Price Report (page 1)

September 13, 2019

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Export Region	Percent Protein 12% (Dry) Moisture Basis		SEP (Z19)*			SEP (Z19)*		OCT (Z19)		NOV (Z19)		DEC (Z19)		JAN (H20)		FEB (H20)		MAR (H20)		Year Ago (nearbys) \$/MT	
			(nearbys)		week change		FOB	Basis	FOB	Basis	FOB	Basis	FOB	Basis	FOB	Basis	FOB	Basis	FOB		Basis
			FOB	\$/bu	\$/bu	\$/MT	\$/MT	¢/bu	\$/MT	¢/bu	\$/MT	¢/bu	\$/MT	¢/bu	\$/MT	¢/bu	\$/MT	¢/bu	\$/MT		¢/bu
Great Lakes	NS/DNS 13.5 (15.3)	M	5.51	0.07	3	202	45	204	50	206	55	208	60	closed	N/A	closed	N/A	closed	N/A	219	
	NS/DNS 14.0 (15.9)	M	5.56	0.07	3	204	50	206	55	208	60	210	65	closed	N/A	closed	N/A	closed	N/A	223	
	NS/DNS 14.5 (16.5)	M	5.61	0.07	3	206	55	208	60	210	65	211	70	closed	N/A	closed	N/A	closed	N/A	230	
Gulf of Mexico	NS/DNS 13.5 (15.3)	M	6.41	0.07	3	235	135	239	145	241	150	241	150	243	140	243	140	243	140	254	
	NS/DNS 14.0 (15.9)	M	6.46	0.07	3	237	140	241	150	243	155	243	155	245	145	245	145	245	145	258	
	NS/DNS 14.5 (16.5)	M	6.51	0.07	3	239	145	243	155	245	160	245	160	246	150	246	150	246	150	265	
	HRW Ord	K	5.30	0.01	0	195	130	195	130	196	135	196	135	202	135	202	135	202	135	239	
	HRW 11.0 (12.5)	K	5.35	0.01	0	196	135	196	135	198	140	198	140	204	140	204	140	204	140	241	
	HRW 11.5 (13.1)	K	5.50	0.01	0	202	150	202	150	204	155	204	155	209	155	209	155	209	155	243	
	HRW 12.0 (13.6)	K	5.65	0.01	0	208	165	208	165	209	170	209	170	215	170	215	170	215	170	245	
HRW 12.5 (14.2)	K	5.80	0.01	0	213	180	213	180	215	185	215	185	220	185	220	185	220	185	248		
SRW	C	5.84	0.11	4	214	100	214	100	216	105	216	105	217	100	218	105	220	110	215		
Pacific N. West	NS/DNS 13.5 (15.3)	M	6.06	-0.18	-7	222	100	224	105	226	110	226	110	230	105	232	110	232	110	251	
	NS/DNS 14.0 (15.9)	M	6.11	-0.18	-7	224	105	226	110	228	115	228	115	232	110	234	115	234	115	253	
	NS/DNS 14.5 (16.5)	M	6.16	-0.18	-7	226	110	228	115	230	120	230	120	234	115	235	120	235	120	254	
	HRW Ord	K	5.75	0.04	1	211	175	211	175	215	185	217	190	216	175	216	175	218	180	241	
	HRW 11.5 (13.1)	K	5.80	0.04	1	213	180	213	180	217	190	219	195	218	180	218	180	220	185	243	
	HRW 12.0 (13.6)	K	6.00	0.04	1	220	200	220	200	224	210	226	215	226	200	226	200	227	205	247	
	HRW 13.0 (14.8)	K	6.50	0.04	1	239	250	239	250	242	260	244	265	244	250	244	250	246	255	250	
	SW 9.5 (10.8) Min	\$	6.28	-0.10	-4	231	6.28	231	6.28	227	6.18	227	6.18	227	6.18	227	6.18	231	6.28	N/A	
	SW 10.5 (11.9) Max	\$	6.25	-0.05	-2	230	6.25	230	6.25	226	6.15	226	6.15	226	6.15	226	6.15	230	6.25	224	
	SW 9.5 (10.8) Max	\$	6.35	0.05	2	233	6.35	233	6.35	230	6.25	230	6.25	230	6.25	230	6.25	233	6.35	226	
WW with 10% Club	\$	6.30	0.07	3	231	6.30	231	6.30	228	6.20	228	6.20	228	6.20	228	6.20	231	6.30	225		
WW with 20% Club	\$	6.35	0.05	2	233	6.35	233	6.35	230	6.25	230	6.25	230	6.25	230	6.25	233	6.35	226		

\* SEP(Z19) indicates basis and FOB prices for delivery in September are based on the December 2019 futures contract

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

Northern Durum offers from the Lakes range from \$6.25 to \$6.40/bu (\$230 to \$235/MT), and offers from Gulf ports range from \$7.48 to \$7.62/bu (\$275 to \$280/MT). For Desert Durum offers, contact your supplier.

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

### Futures Settlements as of September 13, 2019

Grey positions not quoted on specific exchange

	DEC (Z19)		week change \$/bu	JAN (F20)		week change \$/bu	MAR (H20)		week change \$/bu	MAY (K20)		week change \$/bu	JUL (N20)		week change \$/bu	AUG (Q20)		week change \$/bu	SEP (U20)		week change \$/bu	DEC (Z20)		week change \$/bu
	\$/MT	\$/bu		\$/bu	\$/bu		\$/bu	\$/bu		\$/bu	\$/bu		\$/bu	\$/bu		\$/bu	\$/bu		\$/bu	\$/bu		\$/bu	\$/bu	
Chicago BOT SRW	177.66	4.8350	0.1975			4.8950	0.1900	4.9400	0.1825	4.9750	0.1850					5.0450	0.1750	5.1675	0.1725					
Kansas City BOT HRW	146.88	3.9975	0.0650			4.1400	0.0600	4.2450	0.0600	4.3475	0.0700					4.4725	0.0725	4.6450	0.0675					
Minneapolis MGE NS/DNS	185.74	5.0550	0.1125			5.2050	0.1150	5.3200	0.1175	5.4300	0.1200					5.5400	0.1325							
Chicago BOT Corn	135.49	3.6875	0.1325			3.8150	0.1275	3.9050	0.1300	3.9700	0.1225					4.0075	0.1075	4.0675	0.1000					
Chicago BOT Soybeans				9.1225	0.4025	9.2400	0.3800	9.3475	0.3725	9.4300	0.3525	9.4700	0.3500	9.4775	0.3325									

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.

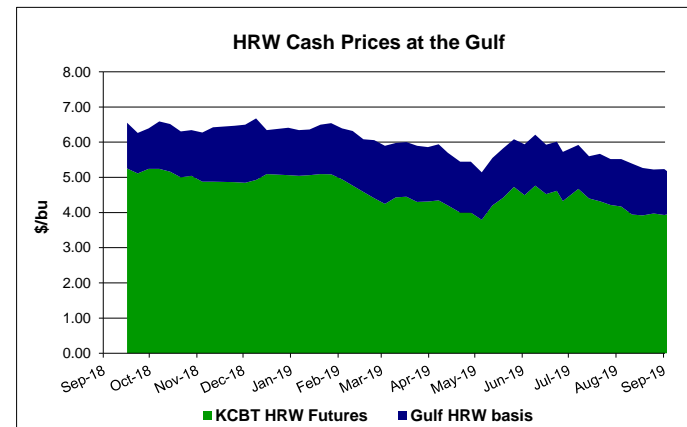
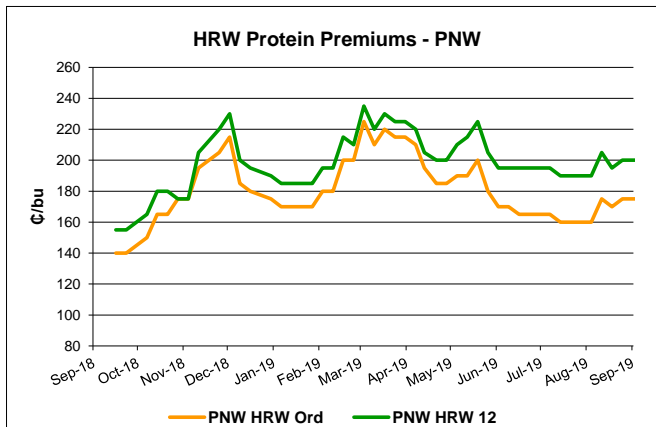
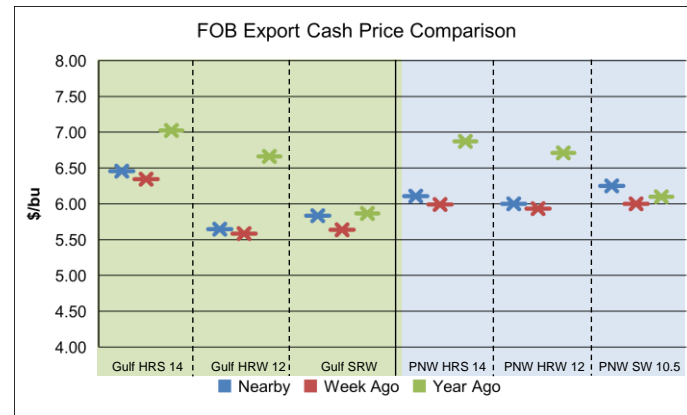
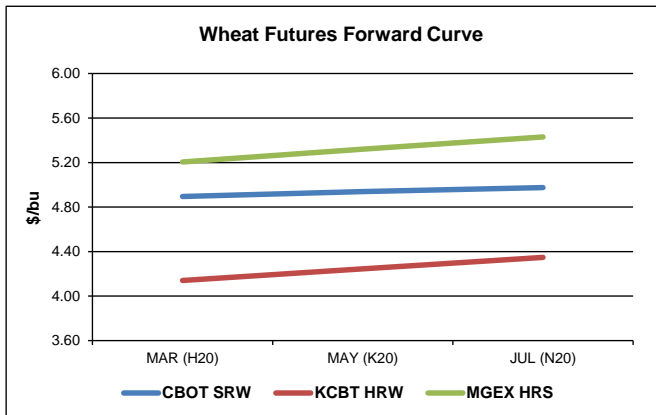
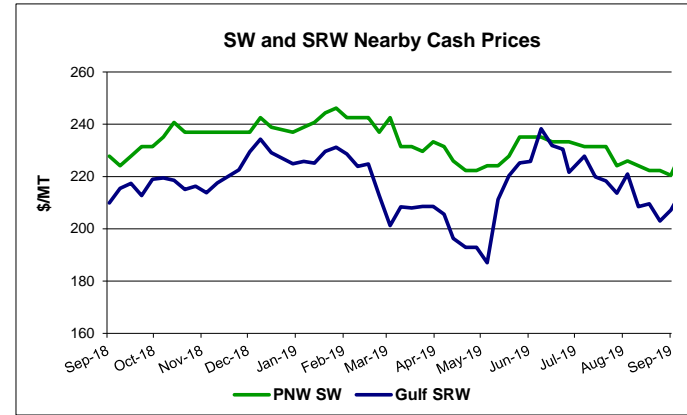
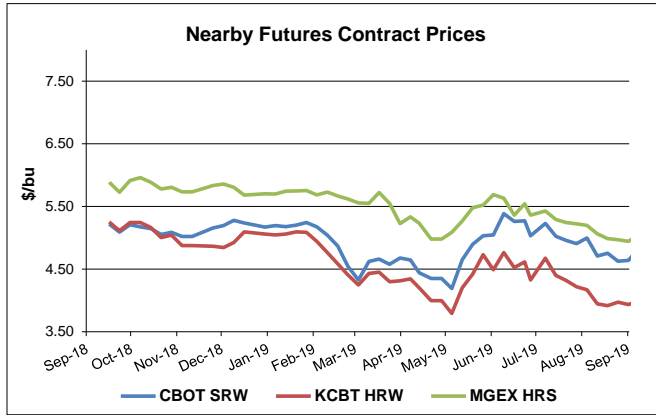
Basis: The difference between the cash price and futures month for specific quality, shipping period and geographical location.

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).





# U.S. Wheat Associates

Weekly Price Report (page 2)

September 13, 2019

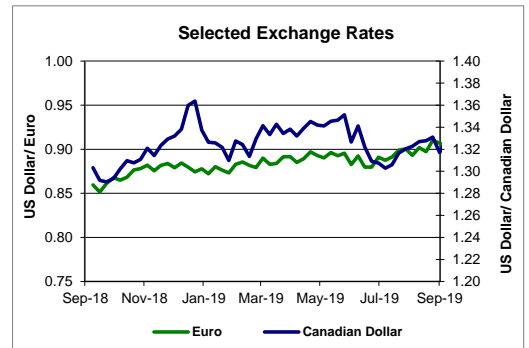
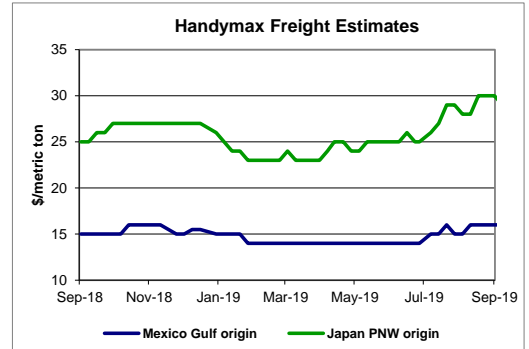
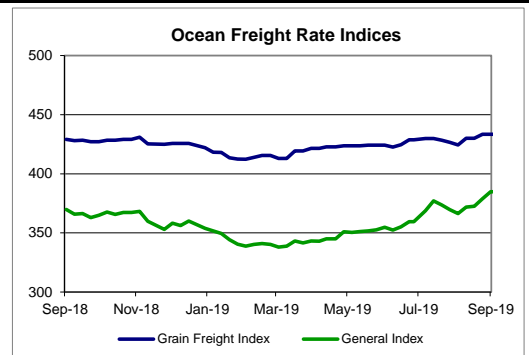
Ocean Freight Rate Estimates by Origin*		U.S. dollars/metric ton			Freight Index**	General Index	Grain Freight Index	Number of Fixtures
Export Region	Import Region	Handy 25-30 TMT	Handymax 40-46 TMT	Panamax 54+ TMT				
US Gulf	Mexico (Veracruz)	19	16		9/13/2019	383.8	432.3	509
	W. South America (Peru/Ecu)	28			9/6/2019	384.8	433.4	547
	S. South America (Chile)	26			8/30/2019	378.9	433.4	455
	N. America (Columbia)	22			8/23/2019	372.6	430.1	596
	E. South America (Brazil)	20			8/16/2019	371.9	430.1	494
	West Africa (Nigeria)	55			8/9/2019	366.3	424.4	520
	East Mediterranean (Italy)	39			8/2/2019	369.7	426.6	529
	West Mediterranean (Morocco)	39			7/26/2019	373.7	428.3	565
	Persian Gulf (Iraq)				7/19/2019	377.1	429.9	559
	Middle East (Egypt)				7/12/2019	368.8	429.9	567
	Japan		52	52	7/2/2019	359.5	428.8	502
Mid Atlantic	N. South America (Venezuela)	33			6/28/2019	359.5	428.8	502
	West Africa (Nigeria)	56			6/21/2019	355.1	424.6	555
	Middle East (Egypt)			51	6/14/2019	352.4	422.6	527
St. Lawrence	N. South America (Venezuela)	18			6/7/2019	354.7	424.3	489
	Europe/Rotterdam	23			5/31/2019	352.6	424.3	524
PNW	W. South America (Peru/Ecu)	26			4/18/2019	345.0	422.7	442
	S. South America (Chile)	30			4/12/2019	343.0	421.5	621
	N. South America (Colombia)	30			4/5/2019	343.2	421.5	576
	Persian Gulf (Iraq)			61	3/29/2019	341.6	419.4	558
	Middle East (Egypt)			33	3/22/2019	343.1	419.4	642
	East Africa (Djibouti/Mombasa)		43	41	3/15/2019	338.9	413.0	587
	South Asia (Mal/Indon/Phil/Sing)		37	29	3/8/2019	338.0	413.0	610
	Taiwan		35	33	3/1/2019	340.3	415.6	603
	South Korea		27	26	2/22/2019	340.9	415.6	637
		Japan		30	29	2/15/2019	340.3	413.8

Note: Rates for freight leaving the Great Lakes are quoted for 18,000 MT "Salties." 43504 338.8 412.3 450

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
9/13/19	N/A	56.09	1.453	4.086	1.328	16.37	0.903	108.1	64.36
9/6/19	117.2	55.80	1.461	4.061	1.317	16.45	0.907	106.9	65.77
8/30/19	118.3	59.50	1.485	4.145	1.331	16.50	0.910	106.3	66.67
8/23/19	117.4	55.15	1.481	4.120	1.328	16.52	0.897	105.4	66.00
9/13/18	N/A	39.10	1.390	4.207	1.300	17.89	0.855	111.9	68.19
9/13/14	96.07	8.404	1.104	2.313	1.106	7.169	0.773	107.2	37.77
1 year change	N/A	43.45%	4.55%	-2.88%	2.15%	-8.50%	5.63%	-3.39%	-5.62%
5 year change	N/A	567.39%	31.70%	76.64%	20.04%	128.33%	16.83%	0.83%	70.38%



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.

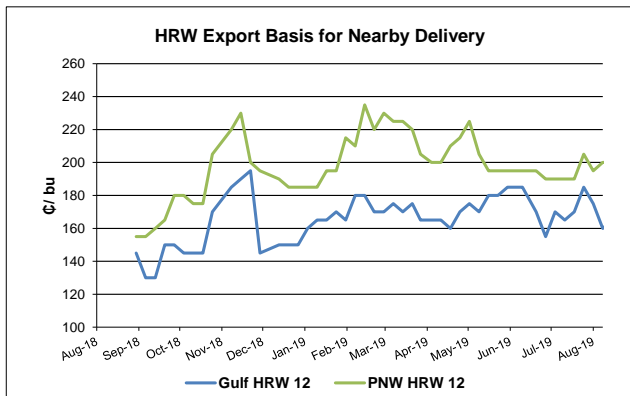
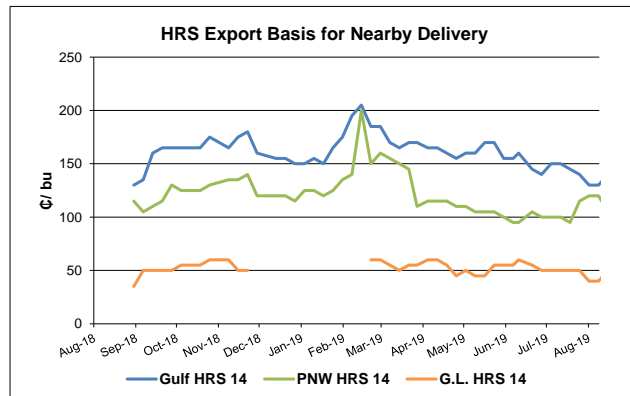
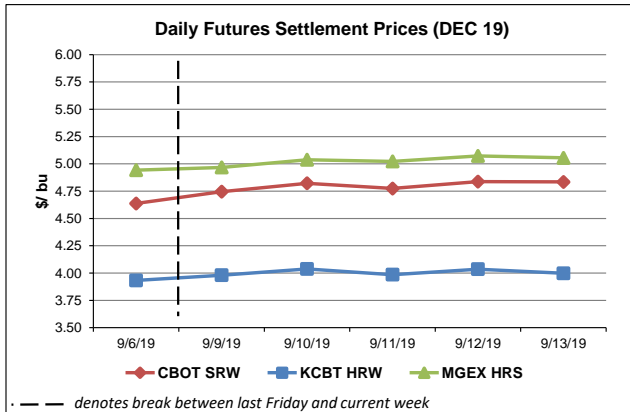
U.S. Wheat Associates recommends regular contact with exporters of U.S. wheat in order to receive offers representative of your requirements.

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.



**Highlights**



- Wheat futures were up across the board week-over-week buoyed by positive steps to end the trade dispute between the U.S. and China. Export sales data saw shipments exceeding expectations but high global supplies and a bumper harvest in the EU kept prices firm. Persistent rains in Montana, North Dakota and western Minnesota, where 1/3 of the crop is still in the field, supported HRS prices. Carry over from last year likely kept prices from pushing higher. Soft red winter (SRW) December futures were up 20 cent to close at \$4.83/bu and hard red winter (HRW) futures rose 6 cents to end at \$3.99/bu. Hard red spring (HRS) December futures were up 11 cents to close at \$5.05/bu. CBOT December corn gained 11 cents to end at \$3.69/bu. CBOT January soybean futures were up 36 cents to close at \$9.11/bu.
- The USDA's monthly supply and demand report was published on Thursday with little change for wheat, except putting global ending stocks up slightly higher than many analysts expected. Strong export competition and abundant supplies offset news about dry conditions in the southern hemisphere to keep basis fairly flat. An unexpected lock closure on the Columbia River supported nearby soft white wheat export prices out of the Pacific Northwest.
- Net U.S. wheat sales as of September 5 of 611,000 metric tons (MT) for delivery in 2019/20 were 96% higher than last week's 312,000 MT and above trade expectations of 300,000 to 600,000 MT. Year-to-date total commercial sales of 12.0 million metric tons (MMT) are 23% ahead of last year's pace. USDA currently forecasts 2019/20 U.S. wheat exports will total 26.5 MMT, 4% more than 2018/19, if realized.
- The U.S. Drought Monitor for the week ending September 10 saw dry and warm weather across Texas and southern Oklahoma degrade topsoil moisture ratings to poor or very poor. Some light showers were welcome in northern Texas and the Oklahoma Panhandle. Monsoonal moisture was scattered across the Plains from Kansas to Wyoming. Most of the High Plains region has adequate or surplus moisture. Rain across Montana, North Dakota and western Minnesota delayed spring wheat harvest. Little rain was seen in the eastern part of the Midwest and southwest Ohio was upgraded to D1 (abnormally dry) with 3 to 6 inches of deficit rainfall. Rains fell across the Pacific Northwest, Idaho and western Wyoming. Western Oregon and Washington received 2 to 4 inches of rain. However, more moisture is needed to ease the drought conditions in those states.
- The USDA reported as of September 8, 71% of the spring wheat harvest complete, well behind last year's average of 92% and behind the 5-year average of 87% but ahead of market expectations of 69%. Persistent rain in the region kept combines out of the fields this week.
- France is expected to harvest its second-largest soft wheat crop on record. Production is expected to total 39.45 MMT, 16 percent above last year. FranceAgriMer forecasts that French soft wheat exports outside of the European Union will be at their highest level in four years, up 14 percent compared to last season at 11.0 MMT.
- Black Sea wheat exports from Russian ports is 31.5 percent behind where it was at the same time a year ago. Despite that, Black Sea wheat overall is seeing significant export opportunities. Officials from Russia and Kazakhstan are expecting export opportunity to China to open up soon. Despite a 1.5 MMT reduction in Kazakhstan's wheat harvest, its president says they expect to triple their wheat exports to neighboring China. Saudi Arabia opened its wheat tenders to offers from the Black Sea this week. Some traders estimated that wheat from the Black Sea would make up as much as 60 percent of the tender.
- Trade talks are set to resume between the U.S. and China in early October. Both sides have made goodwill gestures ahead of talks: President Trump delayed increased tariffs on Chinese goods by two weeks and China exempted some U.S. goods from tariffs. President Trump tweeted that "It is expected that China will be buying large amounts of our agricultural products" and Chinese companies were reported to be inquiring about prices for some U.S. agriculture goods. Private companies in China were reported to purchase 600,000 MT of U.S. soybeans on Thursday, the biggest purchase since June.
- The Baltic Dry Index dropped 168 points over last week to end at 2,331.
- The U.S. dollar Index hardly changed at 98.42 versus last week's 98.36.