



# U.S. Wheat Associates

## Weekly Price Report (page 1)

January 10, 2020

Subscribe: [www.uswheat.org/subscribe1](http://www.uswheat.org/subscribe1)

| Export Region    | Percent Protein<br>12% (Dry) Moisture Basis | JAN (H20) |             |           | JAN (H20) |        | FEB (H20) |        | MAR (H20) |        | APR (K20) |       | MAY (K20) |       | JUN (N20) |       | JUL (N20) |       | Year Ago<br>(nearbys)<br>\$/MT |     |     |
|------------------|---|-----------|-------------|-----------|-----------|--------|-----------|--------|-----------|--------|-----------|-------|-----------|-------|-----------|-------|-----------|-------|--------------------------------|-----|-----|
|                  |   | (nearbys) | week change | FOB \$/bu | \$/bu     | \$/MT  | FOB \$/bu | \$/MT  | \$/bu     | \$/MT  | \$/bu     | \$/MT | \$/bu     | \$/MT | \$/bu     | \$/MT | \$/bu     | \$/MT |                                |     |     |
| Great Lakes      | NS/DNS 13.5 (15.3)*                         | M         | closed      | N/A       | N/A       | closed | N/A       | closed | N/A       | closed | N/A       | 256   | 130       | 256   | 130       | 259   | 130       | 259   | 130                            | N/A |     |
|                  | NS/DNS 14.0 (15.9)*                         | M         | closed      | N/A       | N/A       | closed | N/A       | closed | N/A       | closed | N/A       | 260   | 140       | 260   | 140       | 262   | 140       | 262   | 140                            | N/A |     |
|                  | NS/DNS 14.5 (16.5)*                         | M         | closed      | N/A       | N/A       | closed | N/A       | closed | N/A       | closed | N/A       | 261   | 145       | 261   | 145       | 264   | 145       | 264   | 145                            | N/A |     |
| Gulf of Mexico   | NS/DNS 13.5 (15.3)*                         | M         | 7.18        | -0.04     | -2        | 264    | 160       | 264    | 160       | 264    | 160       | 271   | 170       | 271   | 170       | 273   | 170       | 273   | 170                            | 265 |     |
|                  | NS/DNS 14.0 (15.9)*                         | M         | 7.28        | -0.04     | -2        | 268    | 170       | 268    | 170       | 268    | 170       | 274   | 180       | 274   | 180       | 277   | 180       | 277   | 180                            | 266 |     |
|                  | NS/DNS 14.5 (16.5)*                         | M         | 7.33        | -0.09     | -3        | 269    | 175       | 269    | 175       | 269    | 175       | 276   | 185       | 276   | 185       | 279   | 185       | 279   | 185                            | 268 |     |
|                  | HRW Ord                                     | K         | 6.15        | 0.10      | 4         | 226    | 120       | 228    | 125       | 228    | 125       | 230   | 125       | 230   | 125       | 233   | 125       | 233   | 125                            | 233 | 233 |
|                  | HRW 11.0 (12.5)                             | K         | 6.25        | 0.10      | 4         | 230    | 130       | 231    | 135       | 231    | 135       | 234   | 135       | 234   | 135       | 237   | 135       | 237   | 135                            | 235 |     |
|                  | HRW 11.5 (13.1)                             | K         | 6.45        | 0.10      | 4         | 237    | 150       | 239    | 155       | 239    | 155       | 241   | 155       | 241   | 155       | 244   | 155       | 244   | 155                            | 239 |     |
|                  | HRW 12.0 (13.6)                             | K         | 6.65        | 0.10      | 4         | 244    | 170       | 246    | 175       | 246    | 175       | 249   | 175       | 249   | 175       | 252   | 175       | 252   | 175                            | 240 |     |
|                  | HRW 12.5 (14.2)                             | K         | 6.85        | 0.10      | 4         | 252    | 190       | 253    | 195       | 253    | 195       | 256   | 195       | 256   | 195       | 259   | 195       | 259   | 195                            | 242 |     |
| SRW              | C   | 6.95      | 0.05        | 2         | 255       | 130    | 255       | 130    | 255       | 130    | 258       | 135   | 258       | 135   | 258       | 135   | 258       | 135   | 226                            |     |     |
| Pacific N. West  | NS/DNS 13.5 (15.3)*                         | M         | 7.28        | 0.06      | 2         | 268    | 170       | 268    | 170       | 271    | 180       | 276   | 185       | 276   | 185       | 279   | 185       | 279   | 185                            | 252 |     |
|                  | NS/DNS 14.0 (15.9)*                         | M         | 7.28        | 0.01      | 0         | 268    | 170       | 268    | 170       | 271    | 180       | 276   | 185       | 276   | 185       | 279   | 185       | 279   | 185                            | 254 |     |
|                  | NS/DNS 14.5 (16.5)*                         | M         | 7.43        | -0.04     | -2        | 273    | 185       | 273    | 185       | 277    | 195       | 282   | 200       | 282   | 200       | 284   | 200       | 284   | 200                            | 255 |     |
|                  | HRW Ord                                     | K         | 6.45        | 0.15      | 5         | 237    | 150       | 237    | 150       | 237    | 150       | 240   | 150       | 241   | 155       | 244   | 155       | 244   | 155                            | 248 |     |
|                  | HRW 11.5 (13.1)                             | K         | 6.50        | 0.15      | 5         | 239    | 155       | 239    | 155       | 239    | 155       | 241   | 155       | 243   | 160       | 246   | 160       | 246   | 160                            | 250 |     |
|                  | HRW 12.0 (13.6)                             | K         | 6.65        | 0.10      | 4         | 244    | 170       | 244    | 170       | 244    | 170       | 247   | 170       | 249   | 175       | 252   | 175       | 252   | 175                            | 253 |     |
|                  | HRW 13.0 (14.8)                             | K         | 7.20        | 0.15      | 5         | 264    | 225       | 264    | 225       | 264    | 225       | 267   | 225       | 269   | 230       | 272   | 230       | 272   | 230                            | 261 |     |
|                  | SW 9.5 (10.8) Min                           | \$        | 6.33        | 0.05      | 2         | 233    | 6.33      | 234    | 6.38      | 236    | 6.43      | 238   | 6.48      | 238   | 6.48      | 240   | 6.53      | 240   | 6.53                           | N/A |     |
|                  | SW 10.5 (11.9) Max                          | \$        | 6.30        | 0.05      | 2         | 231    | 6.30      | 233    | 6.35      | 235    | 6.40      | 237   | 6.45      | 237   | 6.45      | 239   | 6.50      | 239   | 6.50                           | 239 |     |
|                  | SW 9.5 (10.8) Max                           | \$        | 6.40        | 0.05      | 2         | 235    | 6.40      | 237    | 6.45      | 239    | 6.50      | 241   | 6.55      | 241   | 6.55      | 243   | 6.60      | 243   | 6.60                           | 239 |     |
| WW with 10% Club | \$  | 6.60      | 0.05        | 2         | 243       | 6.60   | 244       | 6.65   | 246       | 6.70   | 248       | 6.75  | 248       | 6.75  | 250       | 6.80  | 250       | 6.80  | 240                            |     |     |
| WW with 20% Club | \$  | 6.85      | 0.05        | 2         | 252       | 6.85   | 254       | 6.90   | 255       | 6.95   | 257       | 7.00  | 257       | 7.00  | 259       | 7.05  | 259       | 7.05  | 241                            |     |     |

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

Northern Durum offers from the Lakes range from \$7.48 to \$7.89/bu (\$275 to \$290/MT), and offers from Gulf ports range from \$8.43 to \$8.84/bu (\$310 to \$325/MT). For Desert Durum offers, contact your supplier.

\*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 Settlements as of January 10, 2020

Grey positions not quoted on specific exchange

|                        | MAR (H20) |        | change   | MAY (K20) |          | change | JUL (N20) |       | change | AUG (Q20) |        | change | SEP (U20) |        | change | DEC (Z20) |       | change | JAN (Q20) |        | change | MAR (H21) |        | change |
|------------------------|-----------|--------|----------|-----------|----------|--------|-----------|-------|--------|-----------|--------|--------|-----------|--------|--------|-----------|-------|--------|-----------|--------|--------|-----------|--------|--------|
|                        | \$/MT     | \$/bu  |          | \$/bu     | \$/bu    |        | \$/bu     | \$/bu |        | \$/bu     | \$/bu  |        | \$/bu     | \$/bu  |        | \$/bu     | \$/bu |        | \$/bu     | \$/bu  |        | \$/bu     | \$/bu  |        |
| Chicago BOT SRW        | 207.42    | 5.6450 | 0.1000   | 5.6650    | 0.0875   | 5.6825 | 0.0775    |       |        |           |        |        | 5.7375    | 0.0650 | 5.8200 | 0.0550    |       |        |           |        |        |           | 5.8800 | 0.0325 |
| Kansas City BOT HRW    | 181.79    | 4.9475 | 0.1975   | 5.0225    | 0.1950   | 5.0975 | 0.1950    |       |        |           |        |        | 5.1725    | 0.1925 | 5.2750 | 0.1875    |       |        |           |        |        |           | 5.3750 | 0.1800 |
| Minneapolis MGE NS/DNS | 205.12    | 5.5825 | 0.1075   | 5.6650    | 0.0950   | 5.7375 | 0.0900    |       |        |           |        |        | 5.8125    | 0.0775 | 5.9300 | 0.0675    |       |        |           |        |        |           | 6.0550 | 0.0725 |
| Chicago BOT Corn       | 141.74    | 3.8575 | (0.0075) | 3.9275    | (0.0025) | 3.9950 | 0.0025    |       |        |           |        |        | 4.0050    | 0.0225 | 4.0275 | 0.0200    |       |        |           |        |        |           | 4.1250 | 0.0150 |
| Chicago BOT Soybeans   | 347.59    | 9.4600 | 0.0450   | 9.5900    | 0.0375   | 9.7100 | 0.0325    |       |        | 9.7500    | 0.0325 | 9.7225 | 0.0275    |        |        |           |       |        |           | 9.7500 | 0.0325 | 9.7125    | 0.0225 |        |

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)

January 10, 2020

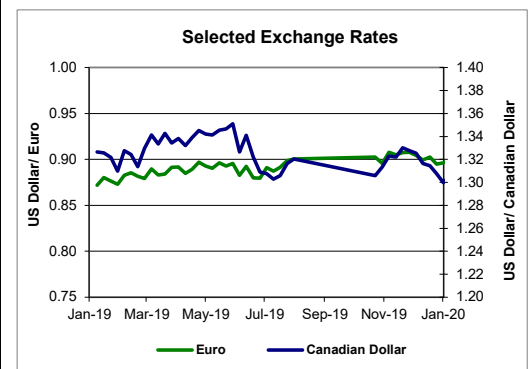
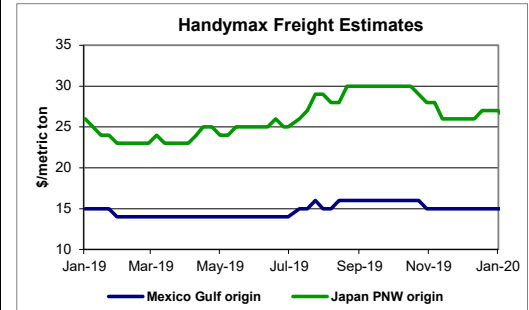
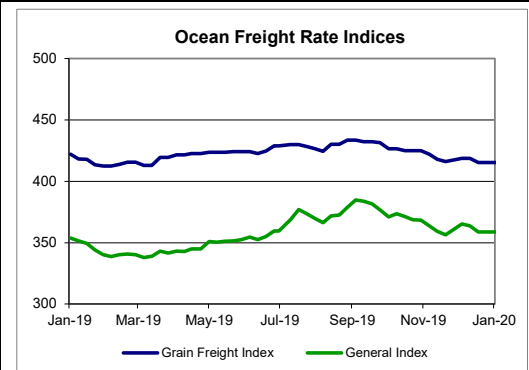
| Ocean Freight Rate Estimates by Origin* |                                  | U.S. dollars/metric ton |                    |                 | Freight Index** | General Index | Grain Freight Index | Number of Fixtures |     |
|---|----------------------------------|-------------------------|--------------------|-----------------|-----------------|---------------|---------------------|--------------------|-----|
| Export Region                           | Import Region                    | Handy 25-30 TMT         | Handymax 40-46 TMT | Panamax 54+ TMT |                 |               |                     |                    |     |
| US Gulf                                 | Mexico (Veracruz)                | 17                      | 15                 |                 | 1/10/2020       | 350.1         | 410.1               | 580                |     |
|   | W. South America (Peru/Ecu)      | 28                      |                    |                 | 1/3/2020        | 358.9         | 415.4               | 537                |     |
|   | S. South America (Chile)         | 26                      |                    |                 | 12/20/2019      | 358.9         | 415.4               | 537                |     |
|   | N. America (Columbia)            | 20                      |                    |                 | 12/13/2019      | 363.8         | 418.8               | 604                |     |
|   | E. South America (Brazil)        | 21                      |                    |                 | 12/6/2019       | 365.2         | 418.8               | 491                |     |
|   | West Africa (Nigeria)            | 57                      |                    |                 | 11/22/2019      | 356.5         | 416.2               | 612                |     |
|   | East Mediterranean (Italy)       | 41                      |                    |                 | 11/15/2019      | 359.4         | 417.9               | 525                |     |
|   | West Mediterranean (Morocco)     | 36                      |                    |                 | 11/8/2019       | 363.8         | 422.0               | 541                |     |
|   | Persian Gulf (Iraq)              |                         |                    |                 | 74              | 11/1/2019     | 368.4               | 425.0              | 442 |
|   | Middle East (Egypt)              |                         |                    |                 | 28              | 10/25/2019    | 368.8               | 425.0              | 500 |
| Mid Atlantic                            | Japan                            |                         | 47                 | 46              | 10/18/2019      | 371.3         | 425.0               | 563                |     |
|   | N. South America (Venezuela)     | 33                      |                    |                 | 10/11/2019      | 373.6         | 426.5               | 617                |     |
|   | West Africa (Nigeria)            | 56                      |                    |                 | 10/4/2019       | 371.1         | 426.5               | 571                |     |
| PNW                                     | Middle East (Egypt)              |                         |                    | 56              | 9/27/2019       | 376.8         | 431.5               | 548                |     |
|   | W. South America (Peru/Ecu)      | 26                      |                    |                 | 8/2/2019        | 369.7         | 426.6               | 529                |     |
|   | S. South America (Chile)         | 30                      |                    |                 | 7/26/2019       | 373.7         | 428.3               | 565                |     |
|   | N. South America (Colombia)      | 31                      |                    |                 | 7/19/2019       | 377.1         | 429.9               | 559                |     |
|   | Persian Gulf (Iraq)              |                         |                    | 59              | 7/12/2019       | 368.8         | 429.9               | 567                |     |
|   | Middle East (Egypt)              |                         |                    | 28              | 7/2/2019        | 359.5         | 428.8               | 502                |     |
|   | East Africa (Djibouti/Mombasa)   |                         | 43                 | 41              | 6/28/2019       | 359.5         | 428.8               | 502                |     |
|   | South Asia (Mal/Indon/Phil/Sing) |                         | 37                 | 29              | 6/21/2019       | 355.1         | 424.6               | 555                |     |
|   | Taiwan                           |                         | 25                 | 24              | 6/14/2019       | 352.4         | 422.6               | 527                |     |
|   | South Korea                      |                         | 24                 | 23              | 6/7/2019        | 354.7         | 424.3               | 489                |     |
| Japan                                   |                                  | 26                      | 26                 | 5/31/2019       | 352.6           | 424.3         | 524                 |                    |     |

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

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 |
|---------------|----------|-----------|-----------|--------|--------|----------|-------|--------|--------|
| 1/10/20       | N/A      | 59.63     | 1.448     | 4.093  | 1.306  | 0.00     | 0.899 | 109.5  | 61.07  |
| 1/3/20        | 115.0    | 59.73     | 1.439     | 4.067  | 1.300  | 15.99    | 0.896 | 108.1  | 62.07  |
| 12/27/19      | 115.3    | 59.81     | 1.433     | 4.046  | 1.308  | 16.00    | 0.895 | 109.4  | 62.01  |
| 12/20/19      | 115.8    | 59.63     | 1.450     | 4.102  | 1.315  | 16.02    | 0.903 | 109.4  | 62.22  |
| 1/10/19       | 114.0    | 36.85     | 1.392     | 3.710  | 1.323  | 17.89    | 0.870 | 108.4  | 66.85  |
| 1/10/15       | 103.11   | 8.593     | 1.227     | 2.658  | 1.184  | 7.176    | 0.847 | 119.3  | 61.82  |
| 1 year change | N/A      | 61.82%    | 4.05%     | 10.31% | -1.31% | -100.00% | 3.40% | 1.01%  | -8.64% |
| 5 year change | N/A      | 593.92%   | 17.97%    | 53.98% | 10.30% | -100.00% | 6.20% | -8.18% | -1.21% |



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.**

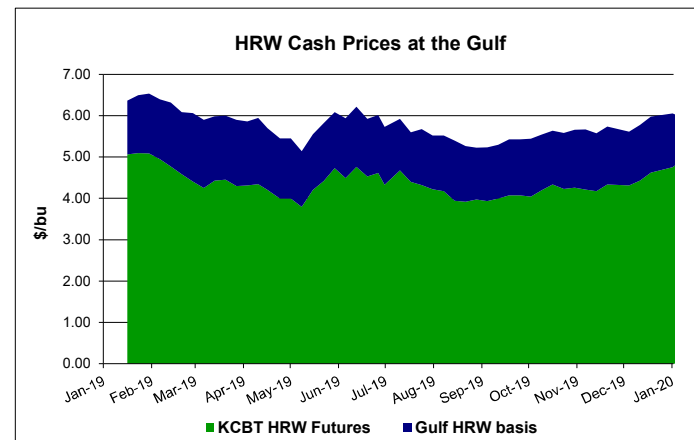
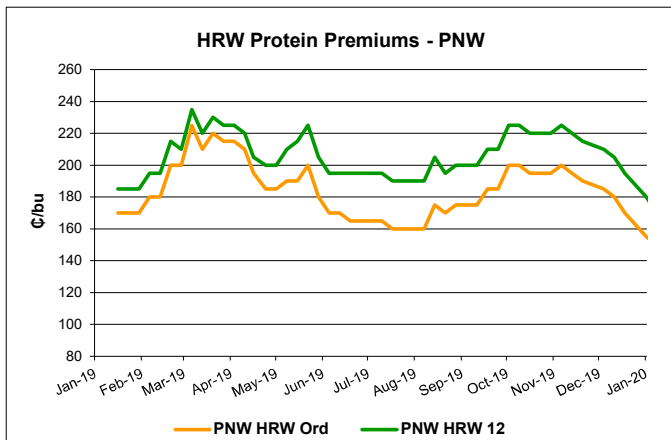
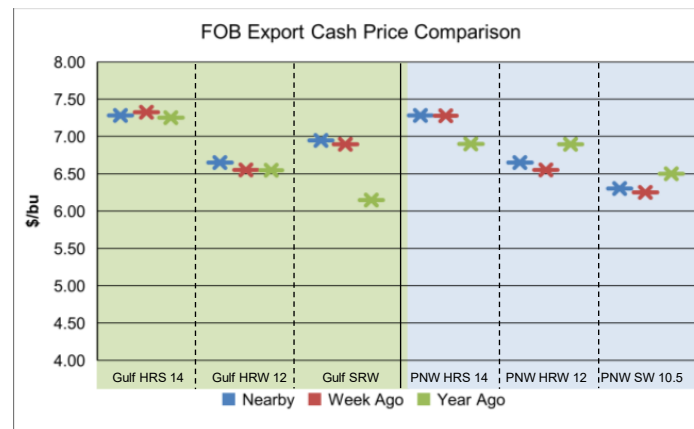
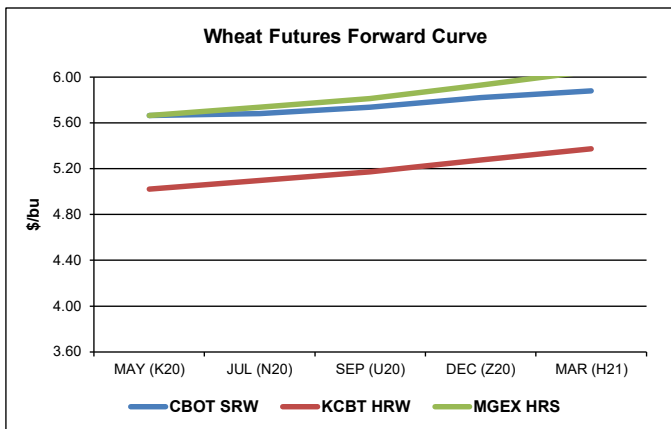
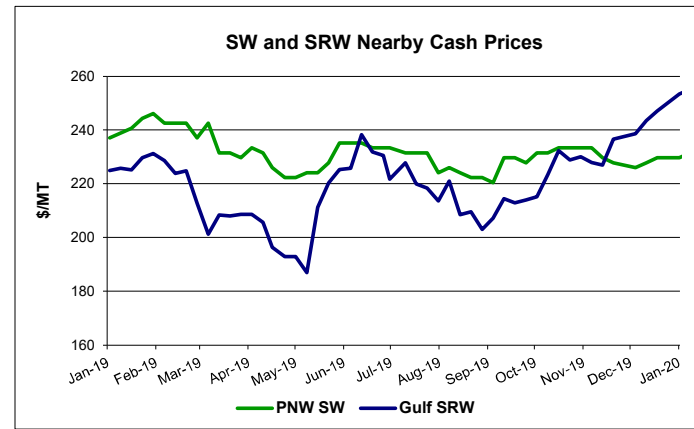
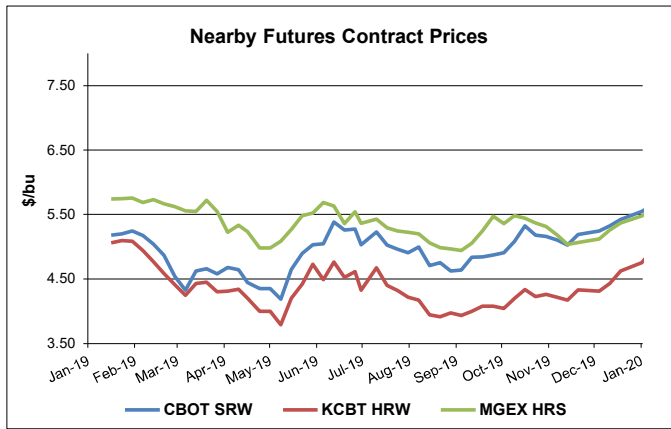
These factors may include: (1) payment terms (differing from cash against documents which are the terms used in the U.S. Wheat Associates price report); (2) various quality factors, and method of quality certification; (3) loading terms

(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.



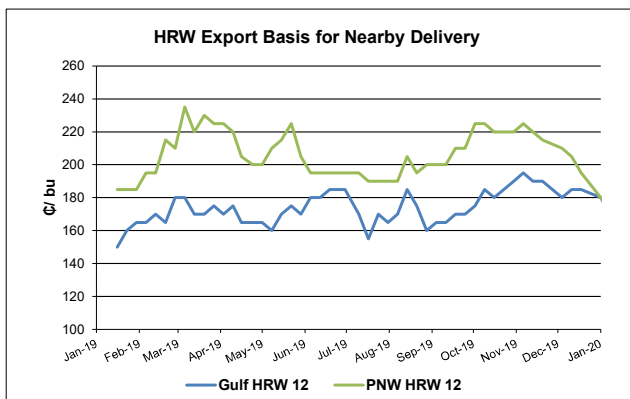
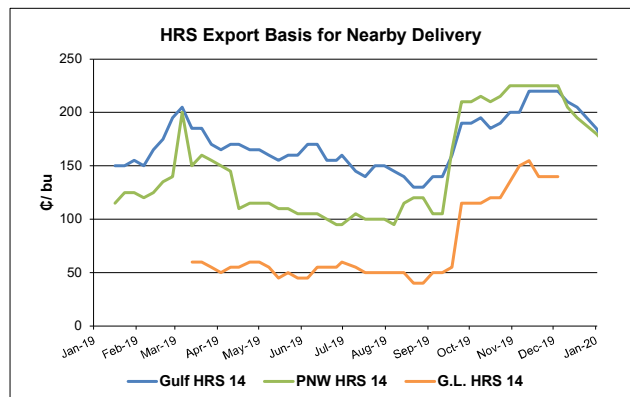
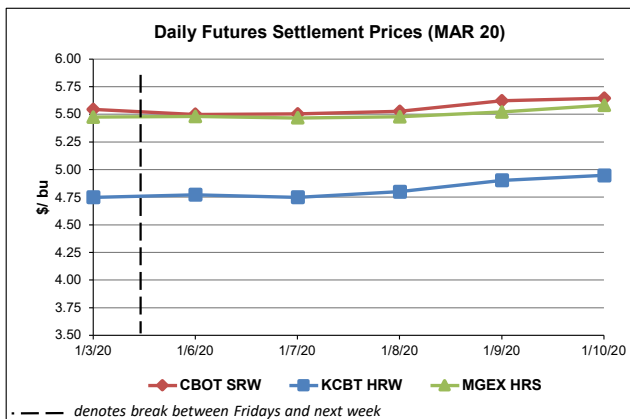


# U.S. Wheat Associates

Weekly Price Report (page 4)

January 10, 2020

## Highlights



- All wheat futures were up from the previous week as global prices rose and the forecast for winter wheat seedings was lowered. The USDA released its monthly supply and demand report lowering supplies. Soft red winter (SRW) futures gained 10 cents to close at \$5.64/bu. Hard red winter (HRW) futures gained 19 cents to close at \$4.94/bu. Hard red spring (HRS) futures rose 11 cents to end at \$5.58/bu. CBOT corn futures were the same as last week closing at \$3.86/bu. CBOT March soybean future lost 7 cents to close at \$9.34/bu.
- Relatively high futures prices, increased farmer selling, cheaper rail and freight rates, and slow export sales pressured HRW and HRS export basis out of the Pacific Northwest (PNW) and Gulf. The Great Lakes -- St. Lawrence Seaway System will remain closed until mid-March 2020.
- This week's U.S. wheat commercial sales of 80,600 metric tons (MT), a marketing year low, were 74% below last week's 313,000 MT and well below trade expectations of 200,000 MT to 550,000 MT. Year-to-date commercial sales of 18.9 million metric tons (MMT) are 6% ahead of last year's pace.
- USDA today pegged U.S. winter wheat planted area for 2020 at 30.8 million acres, a one percent drop from 2019 and a five percent decline from 2018. This is the second lowest seeded area on record. Hard red winter seeding was down 3 percent compared to 2019 at 21.8 million acres. Soft white area declined 4 percent compared to 2019 at 3.37 million acres. Soft red winter however was up 8 percent compared to last year at 5.64 million planted acres.
- Above average temperatures existed across most of the continental U.S. with the warmest, compared to normal, in the northern states. In the Texas Panhandle moderate drought conditions were removed. Moderate to severe drought conditions grew in the Red River Valley of southwest Oklahoma and western north Texas. The Midwest remains free of drought or abnormal dryness for the week despite no precipitation during the week. Moderate to severe drought continues across the southern part of the high plains of Colorado and adjacent southwest Kansas, while dry, warm weather has led to a moderate short-term drought in south-central Kansas. Central Idaho saw short-term drought expanded as precipitation and snowpack continued to be at a deficit.
- The United States and China are expected to sign a long anticipated "phase one" trade deal next week. While official from both countries have been trading public comments about the potential volume of U.S. agricultural product imports, the U.S. grain trade is taking a wait-and-see approach. Chinese officials have made public commitments to fill more of its 9.64 million metric ton (MMT) reduced tariff rate quota for imported wheat. In marketing year 2016/17, before China implemented retaliatory tariffs on wheat, China imported 1.6 MMT of U.S. wheat.
- APK-Inform, an agriculture consultancy in Ukraine, reported that farmers delayed their winter grain planting because of dry weather in autumn. Farmers are worried that a drop in temperature could cause significant frost damage to the delayed crop. Despite these concerns, Ukrainian exports were increased up 0.5 MMT as Ukraine continues its brisk export pace.
- Despite an increased export pace for Russia the week of Christmas driven mostly by exports to Egypt and Turkey, exports were down 39 percent the next week as imports to Egypt and Turkey declined sharply. SovEcon lowered its 2019/20 wheat export forecast to 33.1 MMT. The monthly WASDE report lowered Russia's production by 1.0 MMT. Lower supply and relative higher prices have kept Russian competitiveness in check this season.
- Soft (non-durum) wheat exports from France reached a 7-year high in December despite crippling transportation strikes across the country. Exports as a whole are up 14 percent compared to last season. In its January World Agricultural Supply and Demand Report, USDA increased its estimate of EU exports by 2.0 MMT on improved price competitiveness.
- The Baltic Dry Index fell 14% from January 3, 2020 to end at 772.
- The U.S. Dollar Index was up from 96.83 on January 3, 2020 to close at 97.35.