



U.S. Wheat Associates

Weekly Price Report (page 1)

December 13, 2019

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| Export Region | Percent Protein 12% (Dry) Moisture Basis | JAN (H20) <i>(nearbys)</i> <i>week change</i> | | | JAN (H20) | | FEB (H20) | | MAR (H20) | | APR (K20) | | MAY (K20) | | JUN (N20) | | JUL (N20) | | Year Ago <i>(nearbys)</i> | |
|------------------|---|--|--------|-------|-----------|-------------|-----------|-------------|-----------|-------------|-----------|-------------|-----------|-------------|-----------|-------------|-----------|-------------|------------------------------|-----|
| | | FOB \$/bu | \$/bu | \$/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 | | |
| Great Lakes | NS/DNS 13.5 (15.3)* | M | closed | N/A | N/A | closed | N/A | closed | N/A | closed | N/A | 244 | 130 | 244 | 130 | 247 | 130 | 247 | 130 | 228 |
| | NS/DNS 14.0 (15.9)* | M | closed | N/A | N/A | closed | N/A | closed | N/A | closed | N/A | 248 | 140 | 248 | 140 | 251 | 140 | 251 | 140 | 232 |
| | NS/DNS 14.5 (16.5)* | M | closed | N/A | N/A | closed | N/A | closed | N/A | closed | N/A | 249 | 145 | 249 | 145 | 253 | 145 | 253 | 145 | 234 |
| Gulf of Mexico | NS/DNS 13.5 (15.3)* | M | 7.26 | 0.04 | 1 | 267 | 200 | 267 | 200 | 267 | 200 | 270 | 200 | 270 | 200 | 273 | 200 | 273 | 200 | 278 |
| | NS/DNS 14.0 (15.9)* | M | 7.36 | 0.04 | 1 | 270 | 210 | 270 | 210 | 270 | 210 | 273 | 210 | 273 | 210 | 277 | 210 | 277 | 210 | 279 |
| | NS/DNS 14.5 (16.5)* | M | 7.46 | 0.04 | 1 | 274 | 220 | 274 | 220 | 274 | 220 | 277 | 220 | 277 | 220 | 280 | 220 | 280 | 220 | 281 |
| | HRW Ord | K | 5.78 | 0.17 | 6 | 212 | 135 | 212 | 135 | 212 | 135 | 215 | 135 | 215 | 135 | 218 | 135 | 218 | 135 | 245 |
| | HRW 11.0 (12.5) | K | 5.88 | 0.17 | 6 | 216 | 145 | 216 | 145 | 216 | 145 | 219 | 145 | 219 | 145 | 221 | 145 | 221 | 145 | 247 |
| | HRW 11.5 (13.1) | K | 6.08 | 0.17 | 6 | 223 | 165 | 223 | 165 | 223 | 165 | 226 | 165 | 226 | 165 | 229 | 165 | 229 | 165 | 249 |
| | HRW 12.0 (13.6) | K | 6.28 | 0.17 | 6 | 231 | 185 | 231 | 185 | 231 | 185 | 234 | 185 | 234 | 185 | 236 | 185 | 236 | 185 | 253 |
| | HRW 12.5 (14.2) | K | 6.48 | 0.17 | 6 | 238 | 205 | 238 | 205 | 238 | 205 | 241 | 205 | 241 | 205 | 243 | 205 | 243 | 205 | 256 |
| SRW | C | 6.63 | 0.13 | 5 | 243 | 130 | 243 | 130 | 243 | 130 | 244 | 130 | 244 | 130 | 245 | 130 | 245 | 130 | 234 | |
| Pacific N. West | NS/DNS 13.5 (15.3)* | M | 7.26 | -0.06 | -2 | 267 | 200 | 268 | 205 | 270 | 210 | 273 | 210 | 273 | 210 | 277 | 210 | 277 | 210 | 265 |
| | NS/DNS 14.0 (15.9)* | M | 7.31 | -0.06 | -2 | 268 | 205 | 270 | 210 | 272 | 215 | 275 | 215 | 275 | 215 | 278 | 215 | 278 | 215 | 265 |
| | NS/DNS 14.5 (16.5)* | M | 7.51 | -0.06 | -2 | 276 | 225 | 278 | 230 | 280 | 235 | 283 | 235 | 283 | 235 | 286 | 235 | 286 | 235 | 267 |
| | HRW Ord | K | 6.23 | 0.07 | 2 | 229 | 180 | 231 | 185 | 232 | 190 | 235 | 190 | 237 | 195 | 240 | 195 | 240 | 195 | 249 |
| | HRW 11.5 (13.1) | K | 6.28 | 0.07 | 2 | 231 | 185 | 232 | 190 | 234 | 195 | 237 | 195 | 239 | 200 | 241 | 200 | 241 | 200 | 251 |
| | HRW 12.0 (13.6) | K | 6.48 | 0.07 | 2 | 238 | 205 | 240 | 210 | 242 | 215 | 245 | 215 | 246 | 220 | 249 | 220 | 249 | 220 | 254 |
| | HRW 13.0 (14.8) | K | 6.98 | 0.07 | 2 | 256 | 255 | 258 | 260 | 260 | 265 | 263 | 265 | 265 | 270 | 267 | 270 | 267 | 270 | 258 |
| | SW 9.5 (10.8) Min | \$ | 6.23 | 0.00 | 0 | 229 | 6.23 | 229 | 6.23 | 231 | 6.28 | 231 | 6.28 | 233 | 6.33 | 233 | 6.33 | 233 | 6.33 | N/A |
| | SW 10.5 (11.9) Max | \$ | 6.20 | 0.05 | 2 | 228 | 6.20 | 228 | 6.20 | 230 | 6.25 | 230 | 6.25 | 231 | 6.30 | 231 | 6.30 | 231 | 6.30 | 243 |
| | SW 9.5 (10.8) Max | \$ | 6.30 | 0.05 | 2 | 231 | 6.30 | 231 | 6.30 | 233 | 6.35 | 233 | 6.35 | 235 | 6.40 | 235 | 6.40 | 235 | 6.40 | 244 |
| | WW with 10% Club | \$ | 6.50 | 0.00 | 0 | 239 | 6.50 | 239 | 6.50 | 241 | 6.55 | 241 | 6.55 | 243 | 6.60 | 243 | 6.60 | 243 | 6.60 | 244 |
| WW with 20% Club | \$ | 6.75 | 0.00 | 0 | 248 | 6.75 | 248 | 6.75 | 250 | 6.80 | 250 | 6.80 | 252 | 6.85 | 252 | 6.85 | 252 | 6.85 | 245 | |

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 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 HRS DHV premium spreads, contact your supplier.

**DEC(H20) indicates basis and FOB prices for delivery in December are based on the March 2020 futures contract

Futures Settlements as of December 13, 2019

Grey positions not quoted on specific exchange

| | MAR (H20) | MAR (H20) | week change | MAY (K20) | week change | JUL (N20) | week change | AUG (Q20) | week change | SEP (U20) | week change | DEC (Z20) | week change | JAN (Q20) | week change | MAR (H21) | week change |
|------------------------|-----------|-----------|-------------|-----------|-------------|-----------|-------------|-----------|-------------|-----------|-------------|-----------|-------------|-----------|-------------|-----------|-------------|
| | \$/MT | \$/bu | \$/bu | \$/bu | \$/bu | \$/bu | \$/bu | \$/bu | \$/bu | \$/bu | \$/bu | \$/bu | \$/bu | \$/bu | \$/bu | \$/bu | \$/bu |
| Chicago BOT SRW | 195.66 | 5.3250 | 0.0800 | 5.3475 | 0.0700 | 5.3775 | 0.0775 | | | 5.4350 | 0.0725 | 5.5375 | 0.0725 | | | 5.6300 | 0.0825 |
| Kansas City BOT HRW | 162.68 | 4.4275 | 0.1175 | 4.5050 | 0.1100 | 4.5725 | 0.0975 | | | 4.6550 | 0.0900 | 4.7775 | 0.0750 | | | 4.9025 | 0.0775 |
| Minneapolis MGE NS/DNS | 193.18 | 5.2575 | 0.1375 | 5.3400 | 0.1300 | 5.4275 | 0.1250 | | | 5.5150 | 0.1200 | 5.6550 | 0.1150 | | | 5.7900 | 0.1175 |
| Chicago BOT Corn | 139.99 | 3.8100 | 0.0425 | 3.8800 | 0.0550 | 3.9375 | 0.0700 | | | 3.9300 | 0.0625 | 3.9525 | 0.0500 | | | 4.0500 | 0.0475 |
| Chicago BOT Soybeans | 338.59 | 9.2150 | 0.1775 | 9.3525 | 0.1700 | 9.4750 | 0.1600 | 9.5175 | 0.1600 | 9.4875 | 0.1475 | | | 9.5175 | 0.1600 | 9.5075 | 0.1125 |

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).



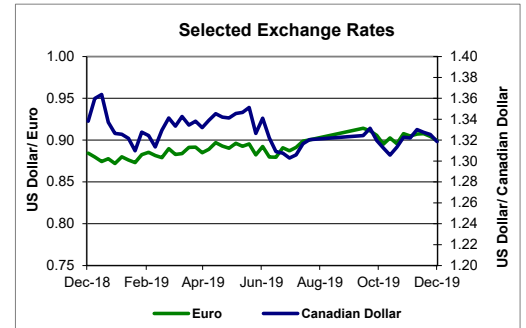
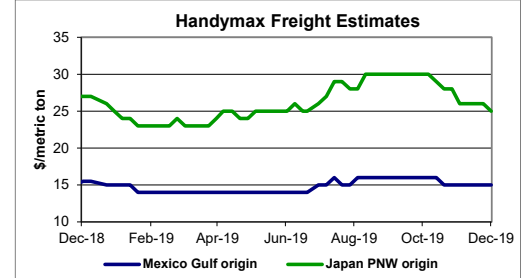
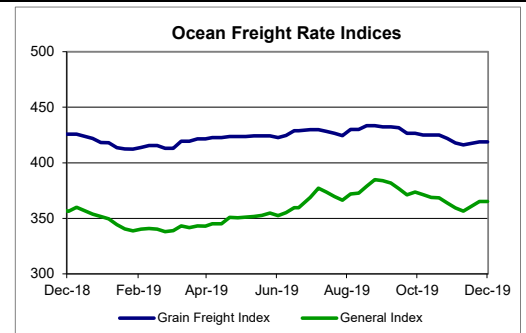
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 Weekly Price Report (page 2)
 December 13, 2019

| Ocean Freight Rate Estimates by Origin* | | 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 | | | | |
| US Gulf | Mexico (Veracruz) | 18 | 15 | | 12/13/2019 | 363.8 | 418.8 | 604 |
| | W. South America (Peru/Ecu) | 28 | | | 12/6/2019 | 365.2 | 418.8 | 491 |
| | S. South America (Chile) | 26 | | | 11/22/2019 | 356.5 | 416.2 | 612 |
| | N. America (Columbia) | 20 | | | 11/15/2019 | 359.4 | 417.9 | 525 |
| | E. South America (Brazil) | 21 | | | 11/8/2019 | 363.8 | 422.0 | 541 |
| | West Africa (Nigeria) | 56 | | | 11/1/2019 | 368.4 | 425.0 | 442 |
| | East Mediterranean (Italy) | 40 | | | 10/25/2019 | 368.8 | 425.0 | 500 |
| | West Mediterranean (Morocco) | 36 | | | 10/18/2019 | 371.3 | 425.0 | 563 |
| | Persian Gulf (Iraq) | | | | 10/11/2019 | 373.6 | 426.5 | 617 |
| | Middle East (Egypt) | | | | 10/4/2019 | 371.1 | 426.5 | 571 |
| | Japan | | 48 | 47 | 9/27/2019 | 376.8 | 431.5 | 548 |
| Mid Atlantic | N. South America (Venezuela) | 33 | | | 9/20/2019 | 381.8 | 432.3 | 559 |
| | West Africa (Nigeria) | 56 | | | 9/13/2019 | 383.8 | 432.3 | 509 |
| | Middle East (Egypt) | | | 56 | 9/6/2019 | 384.8 | 433.4 | 547 |
| PNW | W. South America (Peru/Ecu) | 26 | | | 7/12/2019 | 368.8 | 429.9 | 567 |
| | S. South America (Chile) | 30 | | | 7/2/2019 | 359.5 | 428.8 | 502 |
| | N. South America (Colombia) | 31 | | | 6/28/2019 | 359.5 | 428.8 | 502 |
| | Persian Gulf (Iraq) | | | 59 | 6/21/2019 | 355.1 | 424.6 | 555 |
| | Middle East (Egypt) | | | 29 | 6/14/2019 | 352.4 | 422.6 | 527 |
| | East Africa (Djibouti/Mombasa) | | 43 | 41 | 6/7/2019 | 354.7 | 424.3 | 489 |
| | South Asia (Mal/Indon/Phil/Sing) | | 37 | 29 | 5/31/2019 | 352.6 | 424.3 | 524 |
| | Taiwan | | 25 | 24 | 5/24/2019 | 351.6 | 424.3 | 587 |
| | South Korea | | 24 | 23 | 5/17/2019 | 351.1 | 423.7 | 555 |
| | Japan | | 26 | 25 | 5/10/2019 | 350.5 | 423.7 | 584 |

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 |
|---------------|----------|-----------|-----------|--------|--------|---------|--------|--------|--------|
| 12/13/19 | N/A | 59.64 | 1.456 | 4.105 | 1.319 | 16.07 | 0.899 | 109.3 | 62.87 |
| 12/6/19 | 116.7 | 59.76 | 1.462 | 4.141 | 1.326 | 16.10 | 0.904 | 108.6 | 63.65 |
| 11/29/19 | 117.2 | 59.91 | 1.478 | 4.236 | 1.328 | 16.07 | 0.908 | 109.5 | 64.35 |
| 11/22/19 | 117.0 | 59.78 | 1.474 | 4.196 | 1.330 | 16.06 | 0.907 | 108.6 | 63.83 |
| 12/13/18 | 116.4 | 37.80 | 1.384 | 3.891 | 1.335 | 17.88 | 0.880 | 113.6 | 66.24 |
| 12/13/14 | 101.37 | 8.557 | 1.210 | 2.657 | 1.155 | 7.170 | 0.805 | 118.7 | 57.30 |
| 1 year change | N/A | 57.76% | 5.24% | 5.51% | -1.22% | -10.12% | 2.17% | -3.83% | -5.08% |
| 5 year change | N/A | 596.89% | 20.32% | 54.52% | 14.18% | 124.13% | 11.74% | -7.94% | 9.73% |



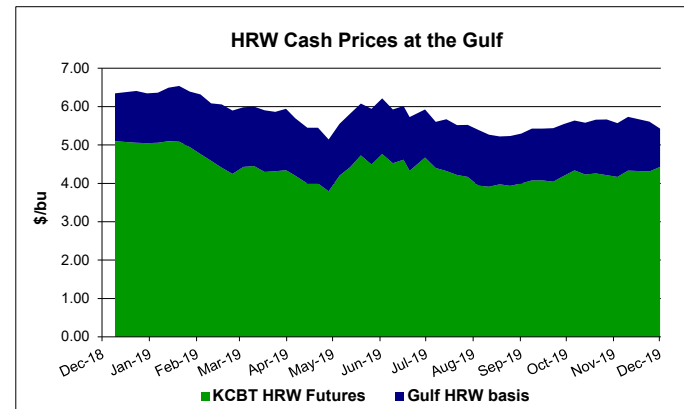
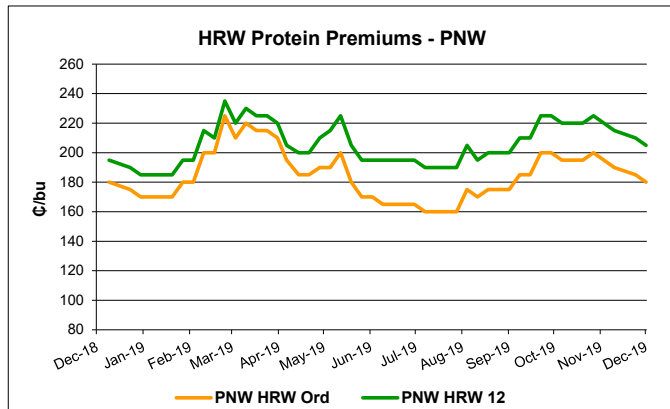
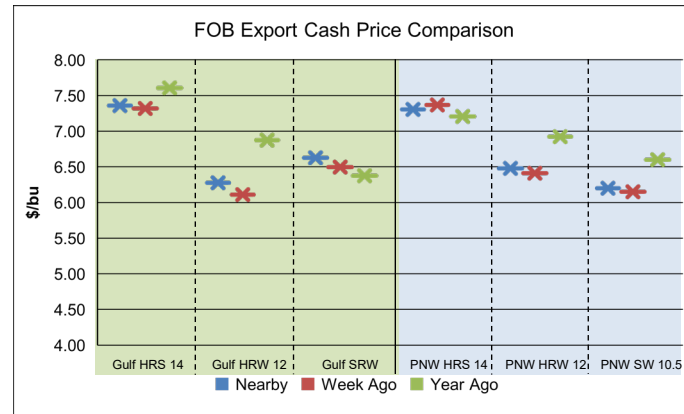
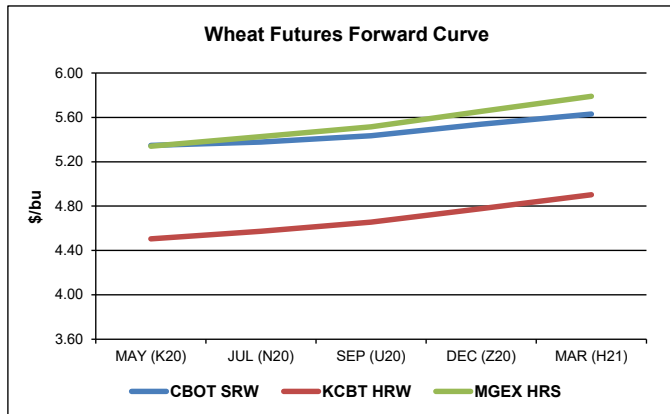
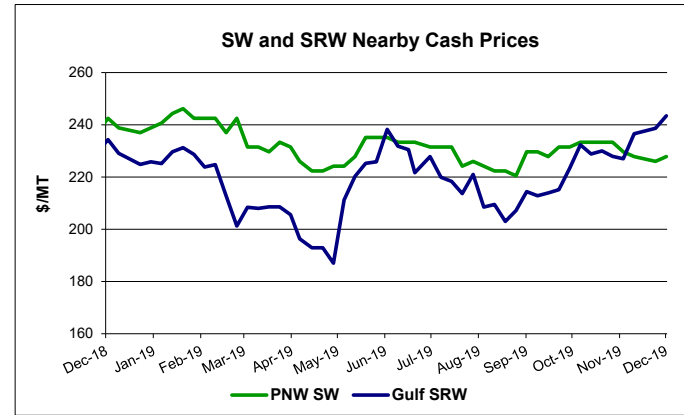
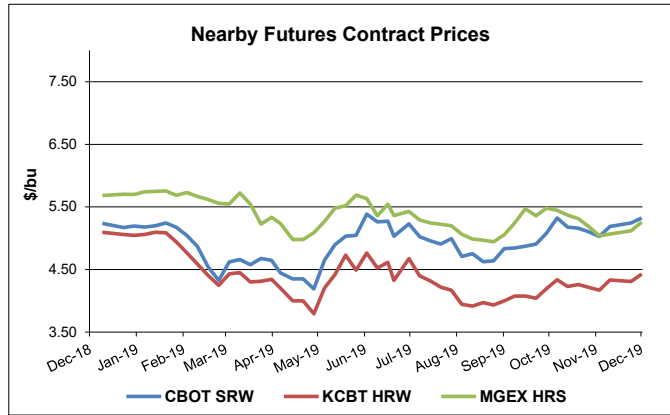
The weekly prices as reported by U.S. Wheat Associates are compiled through research from numerous market sources, including U.S. wheat exporters of all classes from various U.S. ports. The prices reported are representative of the value of number two grade and the proteins indicated. **They are not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

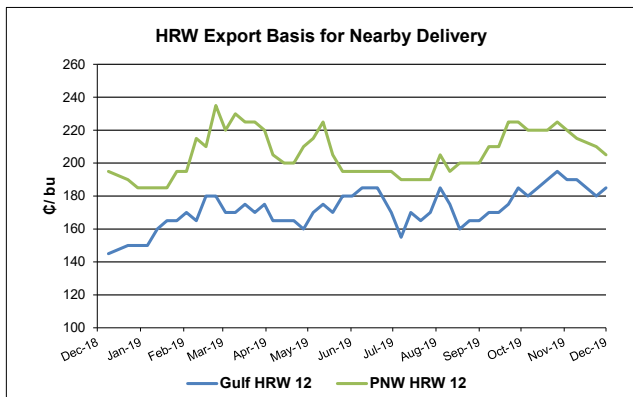
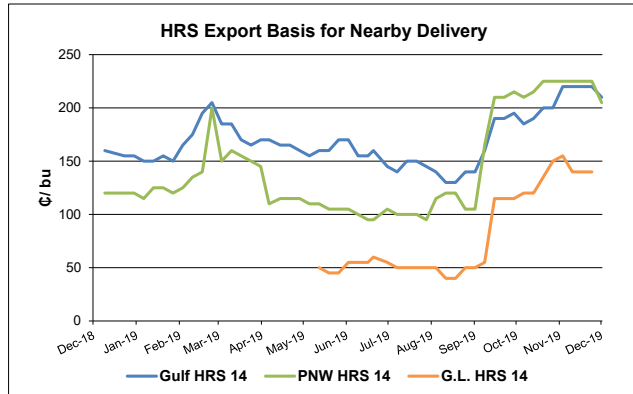
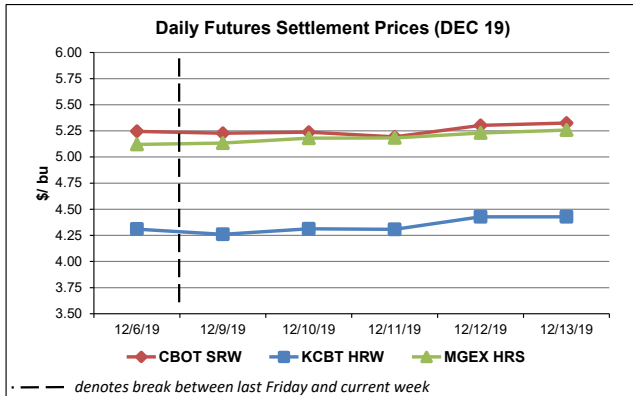
This contact will allow importers to review contract terms and better understand the U.S. grading system, role and function of the Federal Grain Inspection Service (FGIS).

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





Highlights



- All wheat futures ended up week-over-week after USDA raised its 2019/20 U.S. wheat exports estimate (see below) and on stronger than expected commercial sales (see below). Soft red winter (SRW) March futures gained 8 cents on the week to end at \$5.32/bu. Hard red winter (HRW) March futures gained 12 cents to close at \$4.43/bu. Hard red spring (HRS) March futures gained 14 cents to close at \$5.26/bu. CBOT March Corn gained 4 cents to close at \$3.81/bu. CBOT March soybean futures gained 18 cents to end at \$9.21/bu.
- Lower rail rates and increased farmer selling following the Dec. 12 futures rally pressured Pacific Northwest (PNW) and Gulf HRS export basis for nearby and deferred deliveries. News of a USDA tender for 60,000 metric tons (MT) of white wheat for shipment to Yemen increased soft white (SW) export prices for delivery in January. Strong domestic demand and tight exportable supplies supported SRW export basis for nearby delivery. *The Great Lakes – St. Lawrence Seaway System will close for the season on December 31, 2019 and will re-open in March 2020.*
- In its December [World Agricultural Supply and Demand](#) (WASDE) report, USDA raised its total U.S. wheat exports forecast to 26.5 million metric tons (MMT), 2% higher than its November estimate of 25.9 MMT. USDA now expects the U.S. to export 10.6 MMT of HRW, 7.10 MMT of HRS, 2.72 MMT of SRW, 5.20 MMT of white wheat and 0.95 MMT of durum.
- U.S. Wheat Associates (USW) publishes a monthly [WASDE PDF](#) with graphics illustrating USDA's global wheat supply and demand outlook. USW also published a summary of USDA's December supply and demand estimates in this week's [Wheat Letter](#). You can subscribe to USW's bi-weekly [Wheat Letter](#) [here](#).
- New U.S. wheat commercial sales of 503,000 metric tons (MT) were more than double last week's 228,000 MT and above trade expectations of 200,000 MT to 450,000 MT. Year-to-date commercial sales of 17.0 million metric tons (MMT) are 4% ahead of last year's pace. USDA now forecasts 2019/20 U.S. wheat exports will total 26.5 MMT, 4% more than 2018/19, if realized.
- The Dec. 10 Drought Monitor reported continued abnormal dryness, moderate drought and severe drought in central and western Kansas and southeastern Colorado. Also, most soft white wheat growing regions in northeastern Oregon, southeastern Washington, and northwestern Idaho are abnormally dry. Winter storms brought snow to the Northern Plains and upper Midwest. Looking ahead, more snow is expected across the Northern Plains and dry conditions are expected to persist across the Southern Plains.
- USDA raised its total Russian wheat production forecast from 74.0 MMT last month to 74.5 MMT in December. USDA also raised its European Union (EU) total wheat production forecast from 153 MMT in November to 154 MMT in December. USDA expects total Chinese wheat production will reach 134 MMT in 2019/20, up 2% from last year, if realized.
- Prolonged drought conditions prompted USDA to cut its Australian wheat production forecast from 17.2 MMT in November to 16.1 MMT in December, 7% below last year, if realized. USDA also revised its Argentinian wheat production estimate from 20.0 MMT last month to 19.0 MMT on persistent dryness.
- As of Dec. 12, according to *Bolsa de Cereales*, only 1% of Argentina's wheat crop is in good condition and none of the country's wheat crop is in excellent condition compared to 31% in good condition and 5% in excellent condition this time last year. The Argentinian wheat harvest is now 61% complete compared to 57% last year and the 5-year average of 50%.
- According to Reuters, as of Dec. 9, Russian wheat prices are on the rise due strong demand from exporters and domestic stockpiling by processors. According to IKAR, a Russian agriculture consultancy, Russian 12.5% wheat (on a dry moisture basis) were up \$1.5/MT on the week at \$210/MT FOB. Another Russian agriculture consultancy, SovEcon, pegged Russian 12.5% wheat close to \$213/MT FOB, up \$2/MT from the week prior.
- On Dec. 10, France's agriculture ministry forecast a steep decline in winter wheat planted area for harvest in 2020 on overly wet fields conditions. The ministry estimates French winter soft (non-durum) wheat planted area will fall 5% year-over-year to 4.73 million hectares (11.7 million acres), 5% below the 5-year average, if realized.
- The Baltic Dry Index (BDI) fell 11% from last week to close at 1,388.
- The U.S. Dollar Index fell from last week's 97.70 to end at 97.17.