

# Weekly Price Report July 01, 2022

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

Export Region	Class & Percent Protein 12% (Dry) Moisture Basis		JUL (N22)				JUL (N22)		AUG (U22)		SEP (U22)		OCT (Z22)		NOV (Z22)		DEC (Z22)		JAN (H23)	
			(nearbys)	week change		1 year ago	FOB	Basis	FOB	Basis	FOB	Basis	FOB	Basis	FOB	Basis	FOB	Basis	FOB	Basis
			FOB \$/bu	\$/bu	\$/MT	\$/MT	\$/MT	\$/MT	\$/MT	\$/MT	\$/MT	\$/MT	\$/MT	\$/MT	\$/MT	\$/MT	\$/MT	\$/MT	\$/MT	\$/MT
Great Lakes	NS/DNS 13.5 (15.3)*	M	10.11	-1.30	-48	328	371	70	370	60	370	60	383	80	383	80	Closed	Closed	Closed	Closed
	NS/DNS 14.0 (15.9)*	M	10.16	-1.30	-48	330	373	75	372	65	372	65	385	85	385	85	Closed	Closed	Closed	Closed
	NS/DNS 14.5 (16.5)*	M	10.21	-1.30	-48	332	375	80	374	70	374	70	387	90	387	90	Closed	Closed	Closed	Closed
Gulf of Mexico	NS/DNS 13.5 (15.3)*	M	11.21	-1.30	-48	363	412	180	416	185	411	170	444	245	444	245	444	245	445	235
	NS/DNS 14.0 (15.9)*	M	11.26	-1.30	-48	365	414	185	418	190	413	175	445	250	445	250	445	250	447	240
	NS/DNS 14.5 (16.5)*	M	11.36	-1.30	-48	369	417	195	422	200	416	185	449	260	449	260	449	260	450	250
	HRW Ord	K	10.16	-0.82	-30	268	373	105	376	110	378	115	396	155	397	160	396	155	398	155
	HRW 11.0 (12.5)	K	10.26	-0.82	-30	272	377	115	380	120	382	125	399	165	401	170	399	165	401	165
	HRW 11.5 (13.1)	K	10.51	-0.82	-30	283	386	140	389	145	391	150	408	190	410	195	408	190	411	190
	HRW 12.0 (13.6)	K	10.76	-0.82	-30	294	395	165	398	170	400	175	418	215	419	220	418	215	420	215
HRW 12.5 (14.2)	K	+See Below																		
SRW	W	9.01	-0.73	-27	247	331	70	337	70	337	70	379	170	381	175	379	170	371	135	
Pacific N. West	NS/DNS 13.5 (15.3)*	M	10.81	-1.30	-48	349	397	140	398	135	400	140	434	220	434	220	434	220	436	210
	NS/DNS 14.0 (15.9)*	M	10.81	-1.30	-48	350	397	140	398	135	400	140	434	220	434	220	434	220	436	210
	NS/DNS 14.5 (16.5)*	M	10.86	-1.30	-48	356	399	145	400	140	402	145	436	225	436	225	436	225	438	215
	HRW Ord	K	11.06	-0.82	-30	286	406	195	407	195	411	205	432	255	432	255	432	255	429	240
	HRW 11.5 (13.1)	K	11.11	-0.82	-30	286	408	200	409	200	413	210	434	260	434	260	434	260	431	245
	HRW 12.0 (13.6)	K	11.21	-0.82	-30	290	412	210	413	210	416	220	438	270	438	270	438	270	434	255
	HRW 13.0 (14.8)	K	11.51	-0.82	-30	301	423	240	424	240	428	250	449	300	449	300	449	300	446	285
	SW Unspecified	\$	10.30	-1.80	-66	294	378	1030	373	1015	373	1015	391	1065	391	1065	391	1065	389	1060
	SW 10.5 (11.9) Max	\$	10.55	-1.80	-66	331	388	1055	382	1040	382	1040	400	1090	400	1090	400	1090	399	1085
	SW 11.0 (12.5) Max <sup>1</sup>	\$	10.50	-1.70	-62		386	1050	380	1035	380	1035	399	1085	399	1085	399	1085	397	1080
SW 11.5 (13.1) Max <sup>1</sup>	\$	10.50	-1.70	-62		386	1050	380	1035	380	1035	399	1085	399	1085	399	1085	397	1080	
WW 11.0 (12.5) with 10% Club	\$	10.70	-1.80	-66	340	393	1070	388	1055	388	1055	406	1105	406	1105	406	1105	404	1100	
WW 11.0 (12.5) with 20% Club	\$	10.80	-1.80	-66	349	397	1080	391	1065	391	1065	410	1115	410	1115	410	1115	408	1110	

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

+Contact your supplier or local U.S. Wheat office for more information on Gulf HRW 12.5%

† No annual data available

Northern Durum offers from the Great Lakes for July/August 2022 delivery are quoted at \$15.37/bu (\$565.00/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 G.L. 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 (N22)			AUG (Q22)		SEP (U22)		NOV (X22)		DEC (Z22)		JAN (F23)		MAR (H23)		MAY (K23)	
	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	305.43	8.3125	(0.9250)			8.4600	(0.9050)			8.6250	(0.8975)			8.7550	(0.8650)	8.8325	(0.8200)
Kansas City BOT HRW	334.74	9.1100	(0.8150)			9.1350	(0.8475)			9.2150	(0.8650)			9.2750	(0.8700)	9.2675	(0.8200)
Minneapolis MGE NS/DNS	345.76	9.4100	(1.2975)			9.4800	(1.2250)			9.6225	(1.1400)			9.7600	(1.1150)	9.8550	(1.0550)
Chicago BOT Corn	297.03	7.5450	0.0425			6.1975	(0.6300)			6.0750	(0.6650)			6.1375	(0.6550)	6.1775	(0.6400)
Chicago BOT Soybeans	597.45	16.260	0.1525	15.0975	(0.1100)	14.168	(0.2900)	13.953	(0.2900)			14.008	(0.2750)	13.9625	(0.2675)	13.960	(0.2675)

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.

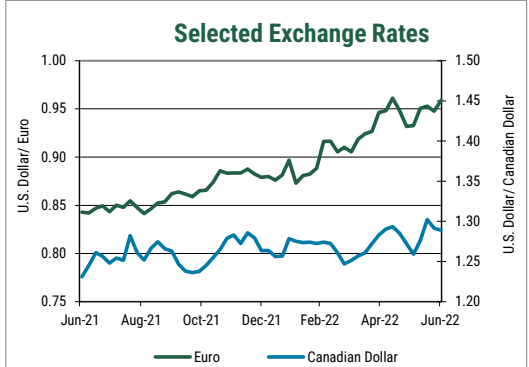
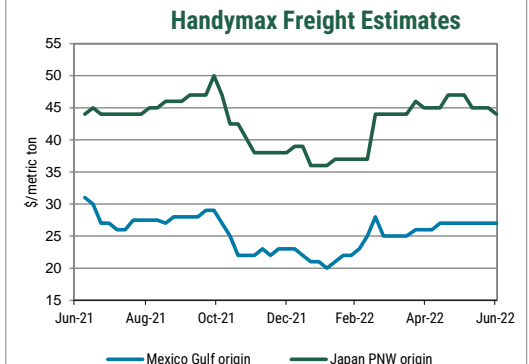
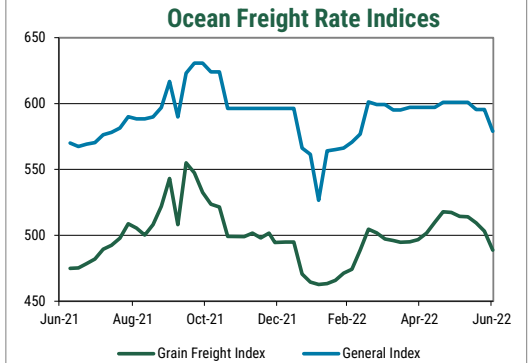
Cash: Durum, SW and WW are quoted in dollars per bushel (\$/bu.) rather than basis for each contract month.

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**	General Index	Grain Freight Index	Number of Fixtures
Export Region	Import Region	Handy 25-30 TMT	Handymax 40-46 TMT	Panamax 54+ TMT	Week Ending				
U.S. Gulf	Mexico (Veracruz)	30	27		7/1/2022	488.8	579.0	447	
U.S. Gulf	W. South America (Peru/Ecu)			60	6/24/2022	503.1	595.5	420	
U.S. Gulf	S. South America (Chile)			76	6/17/2022	509.5	595.5	497	
U.S. Gulf	N. South America (Colombia)	45	45	46	6/10/2022	514.1	601.0	487	
U.S. Gulf	E. South America (Brazil)		46		6/3/2022	514.4	601.0	229	
U.S. Gulf	West Africa (Nigeria)	65			5/27/2022	517.4	601.0	438	
U.S. Gulf	East Mediterranean (Italy)	78			5/20/2022	517.9	601.0	413	
U.S. Gulf	West Mediterranean (Morocco)	73			5/13/2022	510.0	597.2	443	
U.S. Gulf	Persian Gulf (Iraq)			139	5/6/2022	501.6	597.2	320	
U.S. Gulf	Middle East (Egypt)			74	4/29/2022	496.7	597.2	511	
U.S. Gulf	Japan		77		4/22/2022	495.0	597.2	470	
Mid Atlantic	N. South America (Venezuela)	44			4/14/2022	494.7	595.2	391	
Mid Atlantic	West Africa (Nigeria)	63			4/8/2022	496.1	595.2	546	
Mid Atlantic	Middle East (Egypt)			73	4/1/2022	497.3	599.3	510	
St. Lawrence	N. South America (Venezuela)	20			3/25/2022	501.8	599.3	481	
St. Lawrence	Europe/Rotterdam			61	3/18/2022	504.6	601.2	433	
Great Lakes	East Mediterranean (Italy)	99			3/11/2022	488.8	576.8	499	
Great Lakes	West Mediterranean (Spain)	98			3/4/2022	474.3	570.7	522	
Great Lakes	Europe/Rotterdam	96			2/25/2022	471.3	566.3	501	
Great Lakes	West Mediterranean (Morocco)	98			2/18/2022	465.8	565.1	490	
PNW	W. South America (Peru/Ecu)	62			2/11/2022	463.3	564.1	540	
PNW	S. South America (Chile)	65			2/4/2022	462.7	526.6	404	
PNW	N. South America (Colombia)	55			1/28/2022	464.6	561.4	523	
PNW	Persian Gulf (Iraq)			112	1/21/2022	470.7	566.3	495	
PNW	Middle East (Egypt)			74	1/14/2022	494.9	596.3	563	
PNW	East Africa (Djibouti/Mombasa)		76	80	1/7/2022	494.9	596.3	563	
PNW	South Asia (Mal/Indon/Phil/Sing)			47	12/29/2021	494.5	596.3	517	
PNW	Taiwan		57	67	12/24/2021	501.6	596.3	517	
PNW	South Korea		48	58	12/17/2021	498.1	596.3	480	
PNW	Japan		44		12/10/2021	501.6	596.3	517	



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
7/1/22	N/A	125.46	1.467	5.308	1.289	18.77	0.959	135.2	56.26
6/24/22	120.6	124.23	1.441	5.257	1.291	18.74	0.948	135.2	54.17
6/17/22	121.3	122.84	1.442	5.129	1.302	18.70	0.953	135.0	57.22
6/10/22	120.2	121.79	1.417	4.980	1.276	18.69	0.951	134.4	57.47
7/1/21	112.8	45.17	1.338	5.047	1.244	15.66	0.844	111.5	73.40
7/1/17	N/A	16.800	1.305	3.300	1.301	18.070	0.880	113.4	59.23
1 year change	N/A	177.75%	9.68%	5.17%	3.65%	19.82%	13.64%	21.26%	-23.35%
5 year change	N/A	646.79%	12.43%	60.83%	-0.88%	3.86%	9.01%	19.29%	-5.01%

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.**

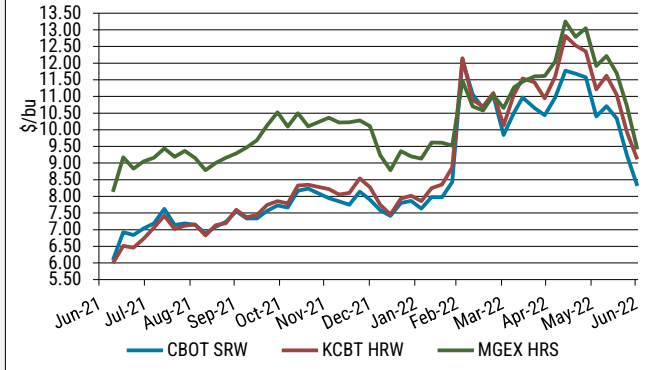
These factors may include: (1) payment terms (differing from cash against documents which are the terms used in the U.S. Wheat Associates price report); (2) various quality factors, and method of quality certification; (3) loading terms (USW prices represent Free on Board and do not include loading rate 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.

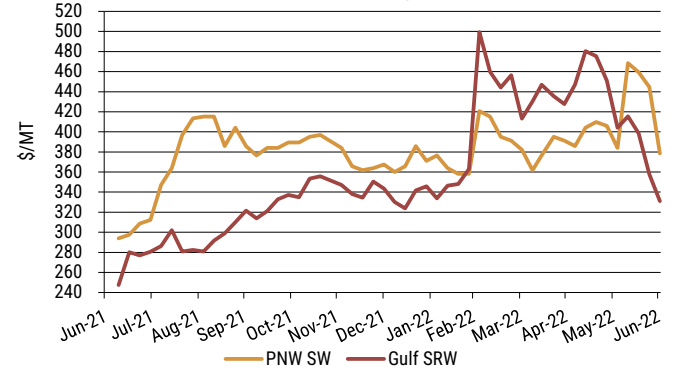
This contact will allow importers to review contract terms and better understand the U.S. grading system, role and function of the Federal Grain Inspection Service (FGIS).

Contact: For questions, please contact Michael Anderson at manderson@uswheat.org.

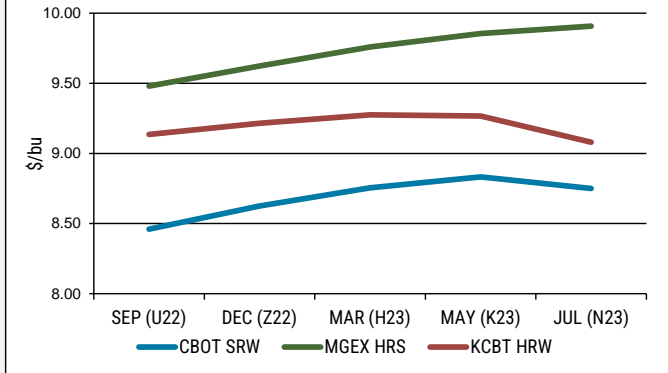
Nearby Wheat Futures Settlement Prices



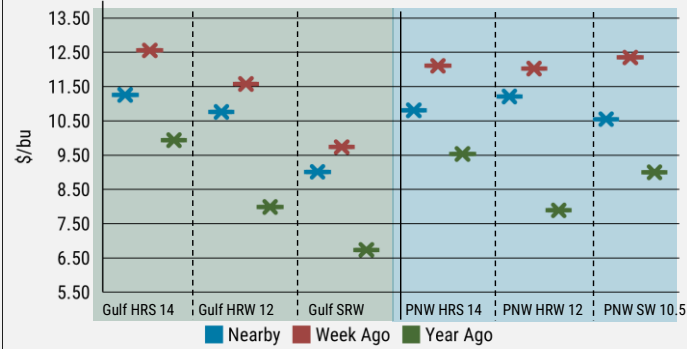
SW and SRW Nearby Cash Prices



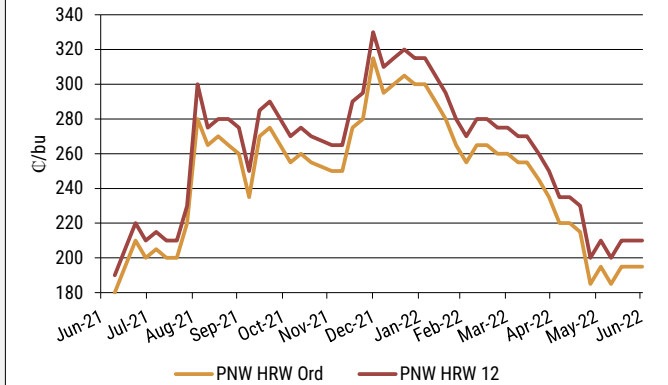
Wheat Futures Forward Curve



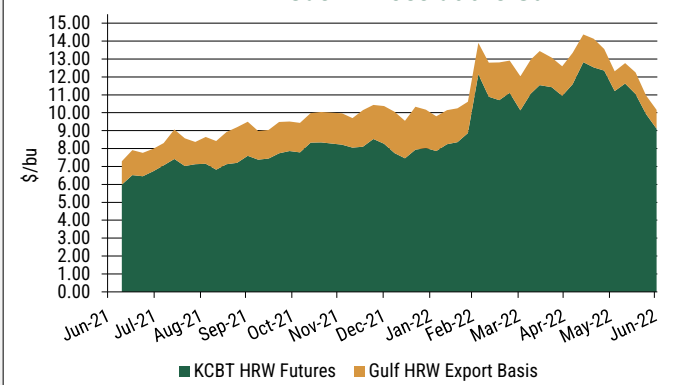
FOB Export Cash Price Comparison



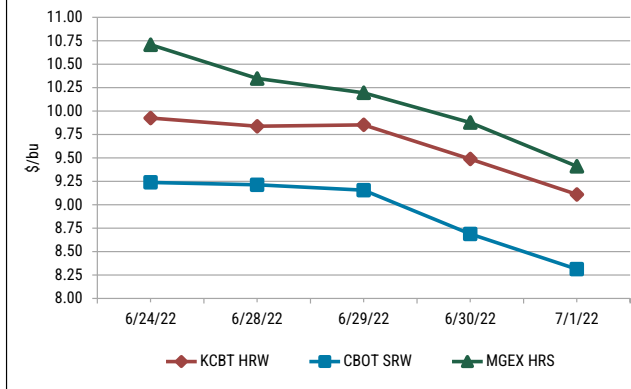
HRW Protein Premiums - PNW



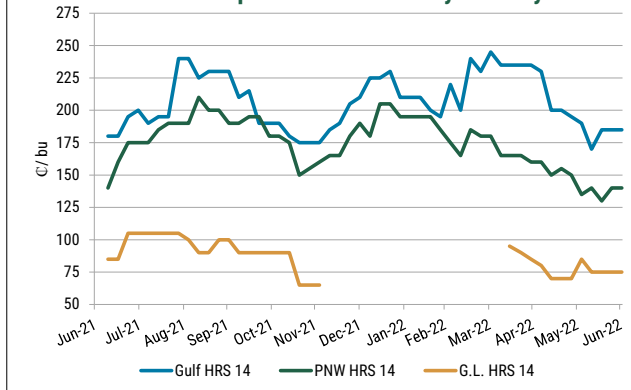
HRW Cash Prices at the Gulf



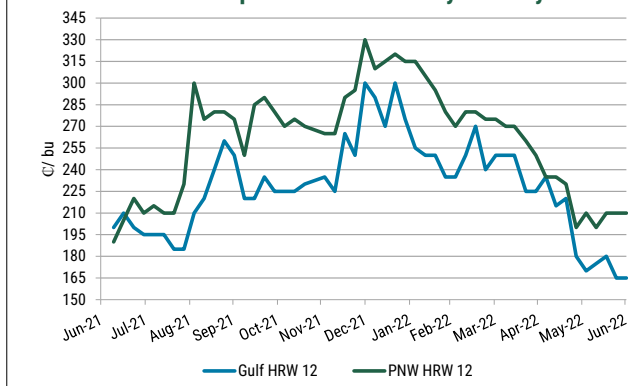
## Daily Futures Settlement Prices



## HRS Export Basis for Nearby Delivery



## HRW Export Basis for Nearby Delivery



- All wheat futures ended the week down sharply. CBOT soft red winter (SRW) futures were down 92 cents to close at \$8.31/bu. KCBT hard red winter (HRW) futures were down 81 cents from last week at \$9.11/bu. MGE hard red spring (HRS) futures were down \$1.29 to close at \$9.41/bu. CBOT corn futures were up 4 cents at \$7.54/bu. CBOT soybean futures were up 16 cents at \$16.26/bu.
- Basis this week was flat for nearby delivery in the Gulf, except for SRW, which was up. In the Pacific Northwest (PNW) basis was flat in the near term for HRW and HRS. Soft white prices were down significantly week-over-week. Expanding HRW harvest pushed futures lower this week while basis was flat for most U.S. wheat classes. Grain elevators are buying wheat from farmers; however, slow international demand continues to keep basis stable week-over-week. The soft white wheat crop has benefited from much better growing conditions this year, easing prices ahead of harvest, which begins this month.
- The USDA released its annual [acreage report](#) on Thursday, June 30. The report estimates 47.1 million acres of all wheat planted, up 1% from 2021. The winter wheat area planted is 34.0 million acres, up 1% from 2021. The spring wheat acres are estimated at 11.1 million, down 3% from 2021. Specific wheat class data can be reviewed in the report. USDA also released its quarterly [Grain Stocks Report](#). The report showed that all "old wheat crop" was down 22% compared to last year. On-farm stocks are down 34% to 93.0 million bushels (2.5 MMT) while off-farm stocks are 567 million bushels (15.4 MMT), down 19% year-over-year.
- According to [USDA](#), spring wheat is 98% emerged as of June 26, 1-point below the 5-year average. Spring wheat headed is 8%, sharply behind the 5-year average of 34%. Spring wheat rated good or excellent is 59%, unchanged from the week before. Spring wheat rated as fair is 33%, while spring wheat rated poor or very poor is 8%.
- In its latest Crop Progress Report, released on June 27, the USDA reported 41% of winter wheat harvested as of June 26. A detailed look at the crop quality and harvest progress can be read in the weekly [Harvest Report](#).
- For the week ending June 23, net U.S. wheat commercial sales for delivery in 2022/23 were 496,700 MT, within trade expectations of 200,000 to 600,000 MT. Year-to-date 2022/23 commercial sales total 5.7 million metric tons (MMT). USDA expects 2022/23 U.S. wheat exports to total 21.09 MMT.
- Across wheat-growing regions, temperatures were above average this week. Severe drought expanded across northeast and central Colorado, southeast Wyoming, and parts of southwest Nebraska. Isolated rain in central Kansas has improved soil moisture there, but conditions were dry this week in most wheat-growing regions. In the PNW, cooler temperatures and wet weather from April to June has slowed the impact of dry weather in the area.
- Analysts polled Russia's wheat crop at 86.9 MMT for 2022/23, reported [Reuters](#). The same poll estimated exports at 41.0 MMT in the July-June season. However, the article noted that sanctions following Russia's invasion of Ukraine in February would make exports more difficult. Russia [announced](#) on Friday that a new base price for calculating the wheat export tax would be set to 15,000 (\$283.68) rubles instead of \$200 which was previously used. On Wednesday, SoveEcon, a Russian agriculture consultancy, forecast exports to reach 42.6 MMT.
- Poland's agriculture minister, citing logistical challenges, says that the European Union's (E.U.) goal to move 20.0 MMT of Ukrainian grain out of Ukraine by the end of July is unrealistic. [Reuters](#) reported that Ukraine was shipping grain at a rate of 6.0 MMT per month from its Black Sea ports before Russia's unprovoked invasion in February. Different rail gauges between the E.U. and Ukraine, a lack of loading equipment, and border controls compound the difficulties. According to the European Commission, the E.U. aims to make room for the current Ukrainian grain crop to help avoid food shortages in Africa.
- Romania's wheat production is expected to fall to 9.31 MMT, said Agritel, a French consultancy. If realized, that would be 17% smaller than last season. The consultancy said that dry weather during planting followed by even dryer spring growing conditions shrunk yields from 5.21 t/hectare to 4.4 t/ha.
- The USDA released a [report](#) this week outlining the [rising cost](#) of farm inputs such as fertilizer. The report, which had a 75% to 80% response rate, showed that fertilizer prices had increased yearly by 77%. The fuel index shot up 67% between May 2021 and May 2022. While commodity prices have spiked this year due to Russia's invasion of Ukraine, the increased cost of farm inputs may not increase farmer income. The president of the American Farm Bureau, Zippy Duvall said earnings "are being eaten up by higher expenses."
- The Baltic Dry Index (BDI), an assessment of the average cost to ship raw materials such as grains, coal, and iron ore, decreased 4% on the week to end at 2,214.
- The U.S. Dollar Index increased from last week's 104.3 to close at 105.0.

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