

Weekly Price Report January 13, 2023

U.S. Wheat FOB & Export Basis Estimates

Export Region	Class & Percent Protein 12% (Dry) Moisture Basis		FEB (H23)				FEB (H23)		MAR (H23)		APR (K23)		MAY (K23)		JUN (N23)		JUL (N23)		AUG (U23)	
			(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	HRS 14.5 (16.5) Min	M	Closed	Closed	Closed	Closed	Closed	Closed	Closed	Closed	371	105	366	90	364	90	364	90	357	90
	HRS 14.0 (15.9) Min	M	Closed	Closed	Closed	Closed	Closed	Closed	Closed	Closed	370	100	364	85	362	85	362	85	355	85
	HRS 14.5 (16.5) Min	M	Closed	Closed	Closed	Closed	Closed	Closed	Closed	Closed	371	105	366	90	364	90	364	90	357	90
Gulf of Mexico	HRS 13.5 (15.3) Min	M	11.27	-0.04	-2	427	414	215	414	215	410	210	410	210	408	210	408	210	401	210
	HRS 14.0 (15.9) Min	M	11.32	-0.04	-2	429	416	220	416	220	412	215	412	215	410	215	410	215	403	215
	HRS 14.5 (16.5)	M	11.42	-0.04	-2	432	420	230	420	230	416	225	416	225	414	225	414	225	407	225
	HRW Ord	K	10.29	0.12	4	378	378	185	376	180	373	175	373	175	371	175	371	175	372	175
	HRW 11.0 (12.5) Min	K	10.34	0.12	4	382	380	190	378	185	375	180	375	180	373	180	373	180	374	180
	HRW 11.5 (13.1) Min	K	10.39	0.12	4	391	382	195	380	190	377	185	377	185	375	185	375	185	376	185
	HRW 12.0 (13.6)	K	10.39	0.12	4	434	382	195	380	190	377	185	377	185	375	185	375	185	376	185
	HRW 12.5 (14.2) Min	K	10.44	0.12	4	400	384	200	382	195	379	190	379	190	377	190	377	190	377	190
SRW	W	8.84	-0.05	-2	344	325	140	323	135	324	130	324	130	321	120	321	120	324	120	
Pacific N. West	HRS 13.5 (15.3) Min	M	11.02	0.11	4	420	405	190	403	185	399	180	399	180	397	180	397	180	390	180
	HRS 14.0 (15.9) Min	M	11.02	0.11	4	420	405	190	403	185	399	180	399	180	397	180	397	180	390	180
	HRS 14.5 (16.5)	M	11.12	0.11	4	422	409	200	407	195	403	190	403	190	401	190	401	190	394	190
	HRW Ord	K	10.64	0.07	2	412	391	220	391	220	390	220	390	220	386	215	386	215	387	215
	HRW 11.5 (13.1)	K	10.64	0.07	2	441	391	220	391	220	390	220	390	220	386	215	386	215	387	215
	HRW 12.0 (13.6) Min	K	10.69	0.07	2	417	393	225	393	225	391	225	391	225	388	220	388	220	388	220
	HRW 13.0 (14.8) Min	K	10.89	0.07	2	428	400	245	400	245	399	245	399	245	395	240	395	240	396	240
	SW Unspecified	\$	8.75	-0.05	-2	362	322	875	323	880	322	875	323	880	323	880	323	880	323	880
	SW 9.5 (10.8) Min	\$	8.90	-0.05	-2	362	327	890	329	895	327	890	329	895	329	895	329	895	329	895
	SW 9.5 (10.8) Max	\$	8.70	-0.05	-2	435	320	870	322	875	320	870	322	875	322	875	322	875	322	875
	SW 10.5 (11.9) Max	\$	8.70	-0.05	-2	435	320	870	322	875	320	870	322	875	322	875	322	875	322	875
	WW 11.0 (12.5) with 10% Club	\$	8.80	-0.05	-2	456	323	880	325	885	323	880	325	885	325	885	325	885	325	885
WW 11.0 (12.5) with 20% Club	\$	8.90	-0.05	-2	468	327	890	329	895	327	890	329	895	329	895	329	895	329	895	

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

Northern Durum offers from the Great Lakes for April 2023 delivery are quoted at \$11.85/bu (\$435.00/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		MAR (H23)			MAY (H23)		JUL (K23)		AUG (K23)		SEP (N23)		NOV (N23)		DEC (U23)		JAN (H23)	
		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	W	273.28	7.4375	0.0025	7.5200	0.0050	7.5375	(0.0250)			7.6075	(0.0325)			7.7475	(0.0225)		
Kansas City BOT HRW	K	310.02	8.4375	0.1175	8.4025	0.1225	8.3500	0.1125			8.3700	0.1225			8.4325	0.1400		
Minneapolis MGE NS/DNS	M	335.19	9.1225	0.1050	9.0600	0.1025	9.0075	0.1000			8.8225	0.0650			8.8725	0.0625		
Chicago BOT Corn	C	248.02	6.7500	0.2100	6.7375	0.1975	6.6375	0.1550			6.1425	0.0800			5.9850	0.0750		
Chicago BOT Soybeans	S	563.27	15.330	0.4050	15.2725	0.2875	15.2500	0.2325	14.5750	(0.2075)	14.5750	0.3250	13.9300	(0.0425)			15.3300	0.3150

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.

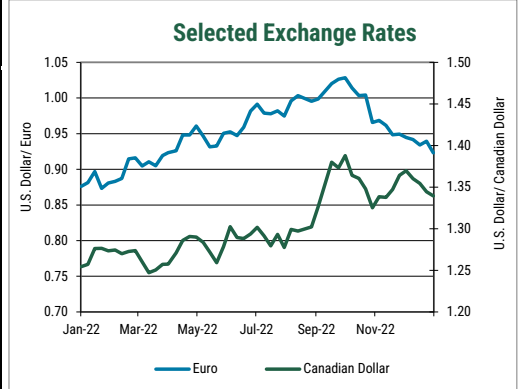
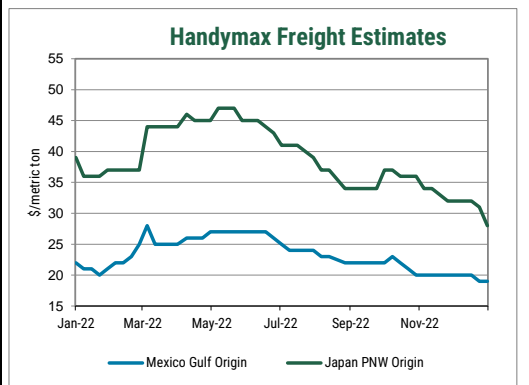
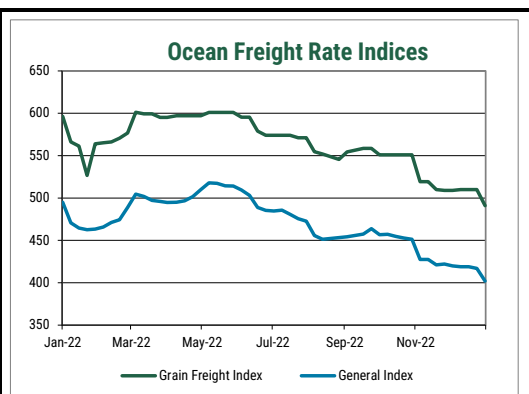
All prices are based upon U.S. number two grade or better as certified by the Federal Grain Inspection Service (FGIS).

Ocean Freight Rate Estimates for Nearby Delivery			U.S. dollars/metric ton			Freight Index** 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)	22	19		1/13/2023	402.0	491.0	492	
U.S. Gulf	W. South America (Peru/Ecu)			40	1/6/2023	417.0	510.0	422	
U.S. Gulf	S. South America (Chile)			57	12/30/2022	419.0	510.0	333	
U.S. Gulf	N. South America (Colombia)		29	27	12/23/2022	419.0	510.0	333	
U.S. Gulf	E. South America (Brazil)		36		12/16/2022	420.0	509.0	394	
U.S. Gulf	West Africa (Nigeria)	47			12/9/2022	422.0	509.0	394	
U.S. Gulf	East Mediterranean (Italy)	47			12/2/2022	421.0	510.0	393	
U.S. Gulf	West Mediterranean (Morocco)	40			11/25/2022	427.6	519.4	398	
U.S. Gulf	Persian Gulf (Iraq)			94	11/18/2022	427.6	519.4	398	
U.S. Gulf	Middle East (Egypt)			41	11/11/2022	451.4	550.9	504	
U.S. Gulf	Japan		52	52	11/4/2022	452.9	550.9	471	
Mid Atlantic	N. South America (Venezuela)				10/28/2022	454.7	550.9	361	
Mid Atlantic	West Africa (Nigeria)	46			10/21/2022	457.2	550.9	492	
Mid Atlantic	Middle East (Egypt)				10/14/2022	456.6	550.9	444	
St. Lawrence	N. South America (Venezuela)				10/7/2022	463.8	558.5	449	
St. Lawrence	Europe/Rotterdam			61	9/30/2022	457.4	558.5	422	
Great Lakes	East Mediterranean (Italy)				9/16/2022	454.3	554.5	404	
Great Lakes	West Mediterranean (Spain)				9/9/2022	453.2	545.5	445	
Great Lakes	Europe/Rotterdam				8/26/2022	451.4	552.0	432	
Great Lakes	West Mediterranean (Morocco)				8/19/2022	455.8	554.6	428	
PNW	W. South America (Peru/Ecu)	57			8/12/2022	472.7	571.0	428	
PNW	S. South America (Chile)	60			8/5/2022	475.7	571.0	417	
PNW	N. South America (Colombia)	50			7/29/2022	480.7	574.1	414	
PNW	Persian Gulf (Iraq)			82	7/22/2022	485.8	574.1	467	
PNW	Middle East (Egypt)			41	7/15/2022	484.8	574.1	452	
PNW	East Africa (Djibouti/Mombasa)				7/8/2022	485.4	574.1	435	
PNW	South Asia (Mal/Indon/Phil/Sing)			38	7/1/2022	488.8	579.0	447	
PNW	Taiwan			32	6/24/2022	503.1	595.5	420	
PNW	South Korea		40	46	6/17/2022	509.5	595.5	497	
PNW	Japan		28	28	6/10/2022	514.1	601.0	487	

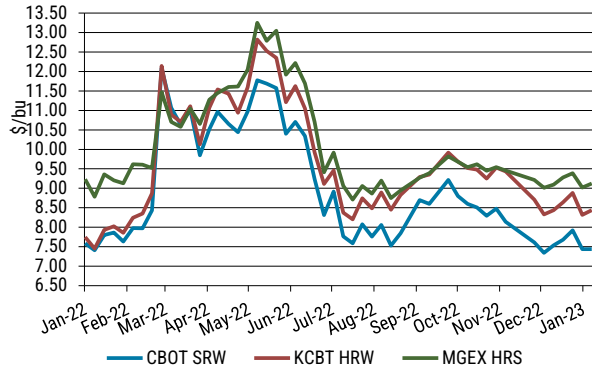
Note: Rates for freight leaving the Great Lakes are quoted for 18,000 MT "Salties."
 Sources: *Trade representatives and recent shipments, **Maritime Research, Inc., ***Nominal Major Currencies, Federal Reserve Board

Summary of Foreign Currency Exchange Rates (versus \$1 U.S.)									
Week Ending	Index***	Argentina	Australia	Brazil	Canada	Egypt	EU	Japan	Russia
1/13/23	N/A	181.25	1.433	5.095	1.339	29.52	0.923	127.9	68.97
1/6/23	121.2	179.25	1.454	5.224	1.344	27.16	0.939	132.1	72.47
12/30/22	121.5	176.72	1.466	5.286	1.354	24.72	0.934	131.1	73.72
12/23/22	122.1	174.81	1.489	5.164	1.360	24.72	0.942	132.8	69.09
1/14/22	114.4	103.85	1.384	5.533	1.254	15.66	0.876	114.2	76.20
1/19/18	107.9	18.984	1.251	3.195	1.250	17.697	0.818	110.8	56.71
1 year change	NA	74.52%	3.57%	-7.93%	6.77%	88.48%	5.37%	11.97%	-9.49%
5 year change	NA	854.72%	14.56%	59.48%	7.18%	66.80%	12.79%	15.37%	21.61%

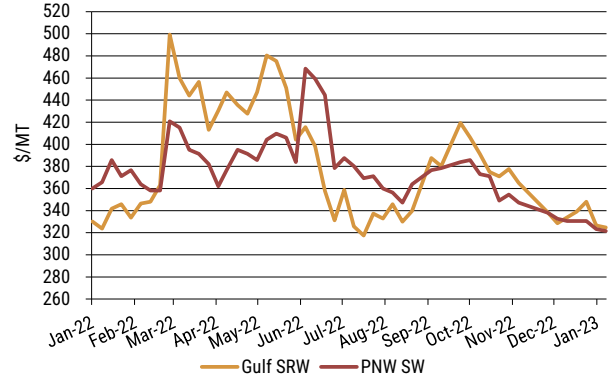
The weekly prices as reported by U.S. Wheat Associates are compiled through research from numerous market sources, including U.S. wheat exporters of all classes from various U.S. ports. The prices reported are representative of the value of number two grade and the proteins indicated. **They are not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



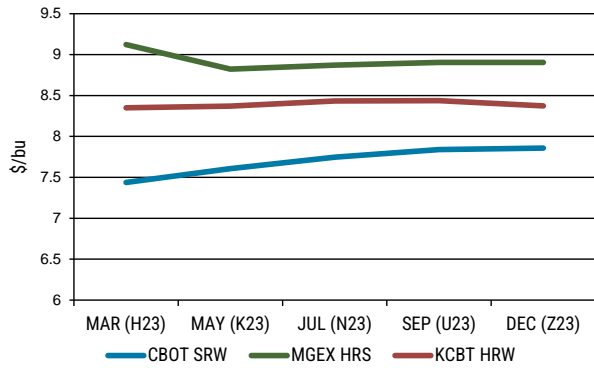
Nearby Wheat Futures Settlement Prices



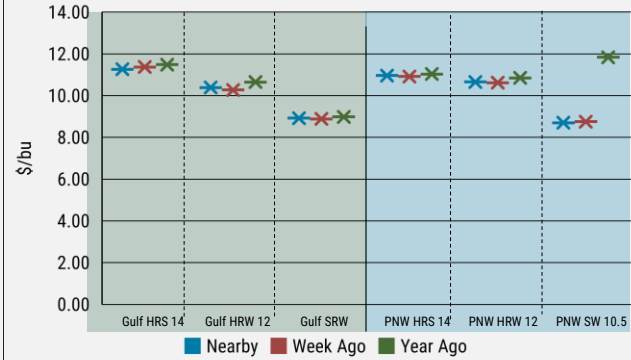
SW and SRW Nearby Cash Prices



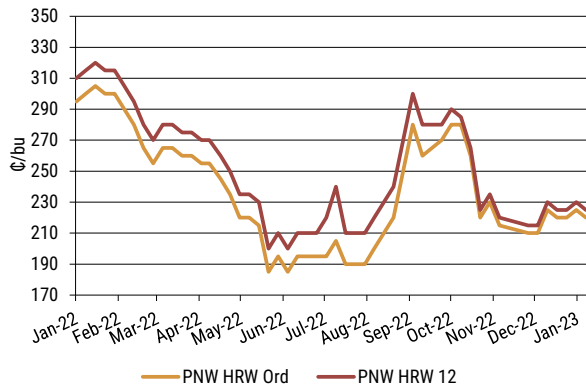
Wheat Futures Forward Curve



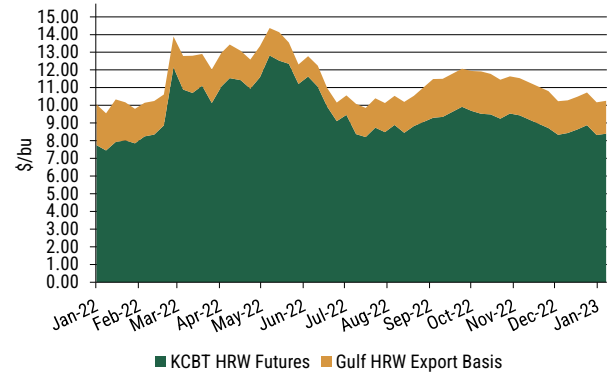
FOB Export Cash Price Comparison



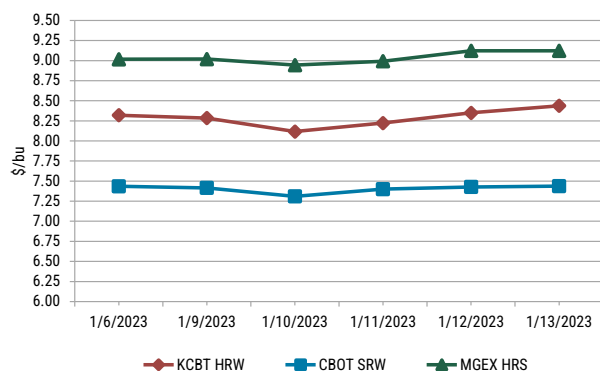
HRW Protein Premiums - PNW



HRW Cash Prices at the Gulf

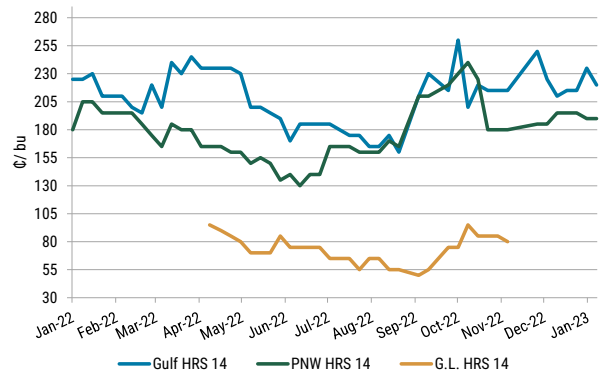


Daily Futures Settlement Prices



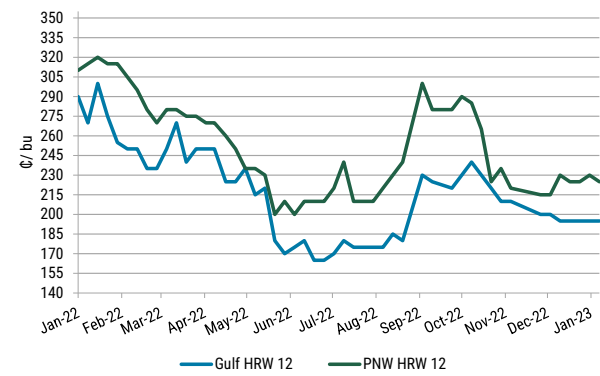
◆ KCBT HRW ■ CBOT SRW ▲ MGEX HRS

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

- March '23 wheat futures ended the week slightly higher following a mid-week dip. CBOT soft red winter (SRW) futures were unchanged on the week, closing at \$7.44/bu. KCBT hard red winter (HRW) futures were up 12 cents, at \$8.44/bu. MGE hard red spring (HRS) futures were up 11 cents to close at \$9.12/bu. CBOT corn futures were up 21 cents, at \$6.75/bu. CBOT soybean futures were up 37 cents, at \$15.38/bu.
- Basis levels for U.S. wheat softened almost across the board as many traders look to position themselves for increased wheat exports following the typical seasonal response to increased overseas corn and soybean demand from October to December. Gulf HRS basis decreased as farmer selling improved. Gulf HRW held steady, supported by concern about Southern Plains drought stress, even as planted acres increased. PNW HRS also remained flat, with farmers in the Northern Tier still reluctant to sell. PNW HRW softened slightly; however, limited exportable supplies should continue supporting basis levels. PNW soft white wheat and Gulf SRW decreased in response to competition with other origins.
- For the week ending Jan. 5, 2023, net U.S. commercial wheat sales of 90,800 metric tons (MT) were reported for delivery in 2022/23, up 93% from last week and within trade expectations of 75,000 to 450,000 MT. Year-to-date 2022/23 commercial sales total 15.06 million metric tons (MMT). USDA expects 2022/23 U.S. wheat exports of 21.09 MMT.
- According to the USDA quarterly [Grain Stocks Report](#), U.S. wheat stocks (both on and off-farm) decreased 7 percent from 2021 to 34.8 MMT. On-farm stocks are up 32% at 8.9 MMT, while off-farm stocks fell 17% to 24.9 MMT.
- U.S. 2023 [winter wheat planted area](#) is projected up 11% from 2022 to 14.9 million hectares (mh). The USDA Winter Wheat and Canola Seedings Report projects a 10% increase in the HRW area at 10.2 mh, a 20% increase for SRW at 3.2 mh, and a 3% increase in white wheat at 1.5 mh.
- The January [USDA World Agricultural Supply and Demand Estimates](#) projects global wheat production at 781.3 MMT, up 720,000 MT from the December estimates. Global consumption increased by 200,000 MT to 789.7 MMT, outpacing global production by 8.43 MMT. World wheat trade rode to 211.6 MMT, while global ending stocks also increased 1.1 MMT to 268.4 MMT. U.S. wheat domestic consumption increased by 900,000 MT to 30.6 MMT as seed, feed, and residual usage increased.
- Dryness prevailed throughout the Southern Plains, with broad areas of Nebraska, Kansas, Oklahoma, and the Texas Panhandle still experiencing moderate to exceptional drought; however, the Drought Monitor noted no significant deterioration. Higher elevations in the Pacific Northwest received moderate to heavy rain showers, improving conditions in the region. USDA noted that 59% of winter wheat remains under drought conditions.
- According to UkrAgroConsult analysts, the planted area wheat area in Ukraine totaled 3.76 million hectares (9.29 ma), a 40% decrease on the year. The 2023 production is estimated to be down 16% from 2022 at 15.8 MMT.
- Indian [wheat production](#) may reach record levels after high prices and government production subsidies incentivized farmers to expand wheat acres. Since Oct. 1 farmers planted 33.2 million hectares (82.04 million acres) of wheat, a 1% increase from 2022. Gyanendra Singh, director at the Indian Institute of Wheat and Barley Research, said production could reach 112.0 MMT. Increased production could help convince leaders to lift the ban on wheat exports and ease food price inflation concerns.
- Amid a foreign currency shortage, Egypt is working on releasing 1.0 MMT of [agricultural goods backlogged](#) at the country's ports. Due to the lack of foreign currency, banks could not execute payments in U.S. dollars, forcing the commodities to wait in port for the payment to be transferred. The quantity is primarily corn and soybeans, though some wheat and other commodities are also stuck.
- The Baltic Dry Index (BDI), an assessment of the average cost to ship raw materials such as grains, coal, and iron ore, decreased by 16% on the week to end at 946, the lowest level since June 2020.
- The U.S. Dollar Index decreased from last week's 104.5 to 102.46.

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