



# U.S. Wheat Associates

## Weekly Price Report

July 1, 2016

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

Export Region	Percent Protein 12% (Dry) Moisture Basis		JUL (N16)			JUL (N16)		AUG (U16)		SEP (U16)		OCT (Z16)		NOV (Z16)		DEC (Z16)		JAN (H17)		Year Ago (nearbys) \$/MT
			(nearbys) FOB \$/bu	week change \$/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 13.0 (14.8)	M	5.24	-0.29	-10	193	35	197	35	193	25	199	25	212	60	212	60	217	60	237
	NS/DNS 13.5 (15.3)	M	5.29	-0.29	-10	194	40	198	40	195	30	201	30	213	65	213	65	219	65	248
	NS/DNS 14.0 (15.9)	M	5.44	-0.29	-10	200	55	204	55	200	45	206	45	219	80	219	80	224	80	263
Gulf of Mexico	NS/DNS 13.0 (14.8)	M	6.29	-0.29	-10	231	140	233	135	231	130	237	130	245	150	245	150	250	150	265
	NS/DNS 13.5 (15.3)	M	6.29	-0.29	-10	231	140	233	135	231	130	237	130	245	150	245	150	250	150	276
	NS/DNS 14.0 (15.9)	M	6.54	-0.29	-10	240	165	243	160	241	155	247	155	254	175	254	175	259	175	291
	HRW Ord	K	4.64	-0.34	-12	171	70	175	65	173	60	180	55	184	65	186	70	194	75	254
	HRW 11.0 (12.5)	K	4.74	-0.34	-12	174	80	179	75	177	70	184	65	188	75	190	80	198	85	256
	HRW 11.5 (13.1)	K	4.94	-0.29	-10	182	100	186	95	184	90	192	85	195	95	197	100	205	105	258
	HRW 12.0 (13.6)	K	5.09	-0.29	-10	187	115	192	110	190	105	197	100	201	110	203	115	210	120	259
	HRW 12.5 (14.2)	K	5.39	-0.19	-7	198	145	203	140	201	135	208	130	212	140	214	145	221	150	261
SRW	C	5.01	-0.39	-14	184	85	189	85	187	80	193	75	201	95	201	95	207	95	243	
Pacific N. West	NS/DNS 13.0 (14.8)	M	6.04	-0.29	-10	222	115	226	115	224	110	239	135	239	135	239	135	247	140	276
	NS/DNS 13.5 (15.3)	M	6.09	-0.29	-10	224	120	228	120	226	115	241	140	241	140	241	140	248	145	280
	NS/DNS 14.0 (15.9)	M	6.14	-0.29	-10	226	125	230	125	228	120	243	145	243	145	243	145	250	150	285
	HRW Ord	K	5.14	-0.09	-3	189	120	188	100	184	90	197	100	197	100	197	100	203	100	256
	HRW 11.5 (13.1)	K	5.19	-0.09	-3	191	125	190	105	186	95	199	105	199	105	199	105	205	105	258
	HRW 12.0 (13.6)	K	5.39	-0.04	-1	198	145	197	125	193	115	206	125	206	125	206	125	212	125	261
	HRW 13.0 (14.8)	K	5.54	-0.04	-1	204	160	203	140	199	130	212	140	212	140	212	140	218	140	270
	SW Unspecified	\$	5.70	0.10	4	209	5.70	209	5.70	202	5.50	208	5.65	209	5.70	211	5.75	213	5.80	277
	SW 10.5 (11.9) Max	\$	5.75	0.10	4	211	5.75	211	5.75	204	5.55	209	5.70	211	5.75	213	5.80	215	5.85	287
	SW 9.5 (10.8) Max	\$	6.70	0.00	0	246	6.70	246	6.70	239	6.50	244	6.65	246	6.70	248	6.75	250	6.80	303
WW with 10% Club	\$	5.80	0.10	4	213	5.80	213	5.80	206	5.60	211	5.75	213	5.80	215	5.85	217	5.90	288	
WW with 20% Club	\$	5.85	0.10	4	215	5.85	215	5.85	208	5.65	213	5.80	215	5.85	217	5.90	219	5.95	290	

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

Northern Durum offers from the Lakes range from \$8.46 to \$8.79/bu (\$311 to \$323/MT), and offers from Gulf ports range from \$9.06 to \$9.58/bu (\$333 to \$352/MT). For Desert Durum offers, contact your supplier.

### Futures Settlements as of

July 1, 2016

Grey positions not quoted on specific exchange

	JUL (N16)	JUL (N16)	week change	AUG (Q16)	week change	SEP (U16)	week change	NOV (X16)	week change	DEC (Z16)	week change	JAN (F17)	week change	MAR (H17)	week change	MAY (K17)	week change
	\$/MT	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu
Chicago BOT SRW	152.94	4.1625	(0.3850)			4.3025	(0.3475)			4.5075	(0.3400)			4.6875	(0.3400)	4.8025	(0.3275)
Kansas City BOT HRW	144.86	3.9425	(0.2850)			4.1150	(0.2950)			4.3625	(0.3050)			4.5275	(0.3050)	4.6350	(0.3025)
Minneapolis MGE NS/DNS	179.77	4.8925	(0.2850)			5.0000	(0.2650)			5.1600	(0.2550)			5.3100	(0.2400)	5.4050	(0.2200)
Chicago BOT Corn	138.97	3.5300	(0.3150)			3.6000	(0.2900)			3.6700	(0.2725)			3.7600	(0.2575)	3.8125	(0.2450)
Chicago BOT Soybeans	429.45	11.6875	0.6575	11.6425	0.6275	11.4875	0.6250	11.3750	0.5900			11.3300	0.5650	10.9425	0.4625	10.7825	0.3750

**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).**



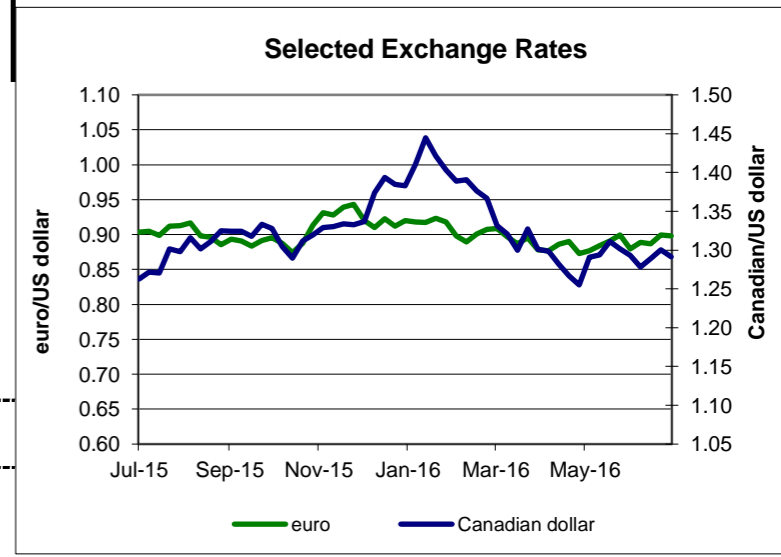
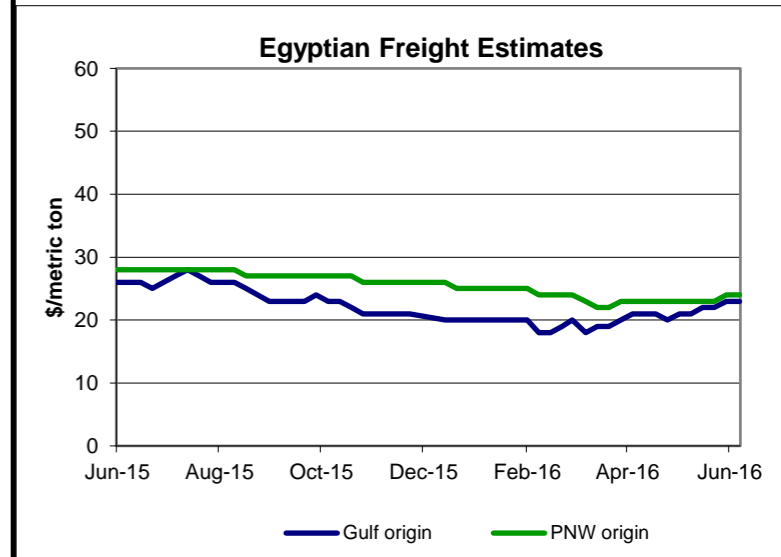
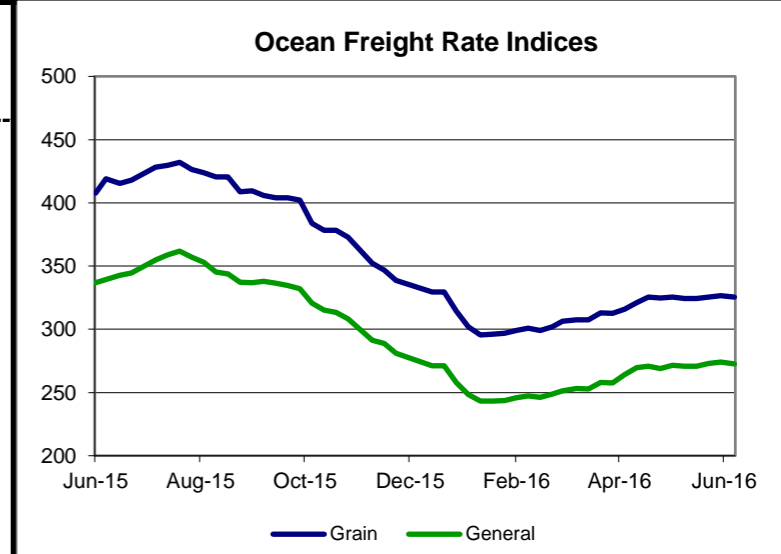
**U.S. Wheat Associates**  
 Weekly Price Report (page 2)  
 July 1, 2016

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)	15	13		6/24/2016	272.6	325.6	522
	W. South America (Peru/Ecu)	20			6/17/2016	274.2	326.4	480
	S. South America (Chile)	22			6/10/2016	272.8	325.5	532
	N. South America (Colombia)	18			6/3/2016	270.6	324.2	477
	E. South America (Brazil)	22			5/27/2016	268.0	321.6	573
	West Africa (Nigeria)	48			5/20/2016	271.5	325.6	567
	East Mediterranean (Italy)	32			5/13/2016	268.9	324.7	572
	West Mediterranean (Morocco)	33			5/6/2016	270.9	325.4	464
	Middle East (Egypt)				4/29/2016	269.8	321.0	603
	Japan			29	28	4/22/2016	264.1	316.0
Mid Atlantic	N. South America (Venezuela)	30			4/15/2016	257.7	312.5	551
	West Africa (Nigeria)	48			4/8/2016	258.1	312.9	388
	Middle East (Egypt)			42	4/1/2016	252.7	307.6	388
St. Lawrence	N. South America (Venezuela)	28			3/25/2016	253.3	307.6	600
	Europe/Rotterdam	19			3/18/2016	251.5	306.5	518
	Middle East (Egypt)			23	3/11/2016	248.6	302.0	581
Great Lakes	East Mediterranean (Italy)	60			3/4/2016	246.2	298.9	593
	West Mediterranean (Spain)	54			2/26/2016	247.4	300.8	559
	Rotterdam	50			2/19/2016	245.8	299.1	558
	West Africa (Morocco/Algeria)	54			2/12/2016	243.7	296.9	451
PNW	W. South America (Peru/Ecu)	24			2/5/2016	243.2	296.1	539
	S. South America (Chile)	27			1/29/2016	243.4	295.5	570
	N. South America (Colombia)	22			1/22/2016	248.4	302.1	526
	Middle East (Egypt)			24	1/15/2016	258.1	314.3	609
	East Africa (Djibouti/Mombasa)		45		1/8/2016	269.1	327.0	514
	South Asia (Mal/Indon/Phil/Sing)		31	24	1/1/2016	271.1	329.3	179
	Taiwan		16	15	12/25/2015	273.3	331.5	371
	South Korea		18	17	12/18/2015	274.6	332.8	583
	Japan		17	16	12/11/2015	280.9	338.7	569

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. dollar)

Week Ending	Index***	Argentina	Australia	Brazil	Canada	Egypt	EU	Japan	Russia
7/1/16	N/A	15.025	0.748	3.220	1.291	8.857	0.898	102.550	63.854
6/24/16	121.67	14.912	0.746	3.373	1.300	8.857	0.899	102.190	64.738
6/17/16	121.14	13.891	0.740	3.416	1.289	8.857	0.887	104.100	69.150
6/10/16	120.71	13.800	0.737	3.418	1.278	8.858	0.889	106.960	65.237
7/2/15	115.88	9.092	1.300	3.112	1.252	7.610	0.900	122.780	55.528
7/2/11	94.65	4.113	0.933	1.571	0.963	6.015	0.690	80.763	27.891
1 year change	N/A	65.26%	-42.45%	3.47%	3.11%	16.39%	-0.20%	-16.48%	14.99%
5 year change	N/A	265.35%	-19.77%	104.98%	34.14%	47.26%	30.28%	26.98%	128.94%



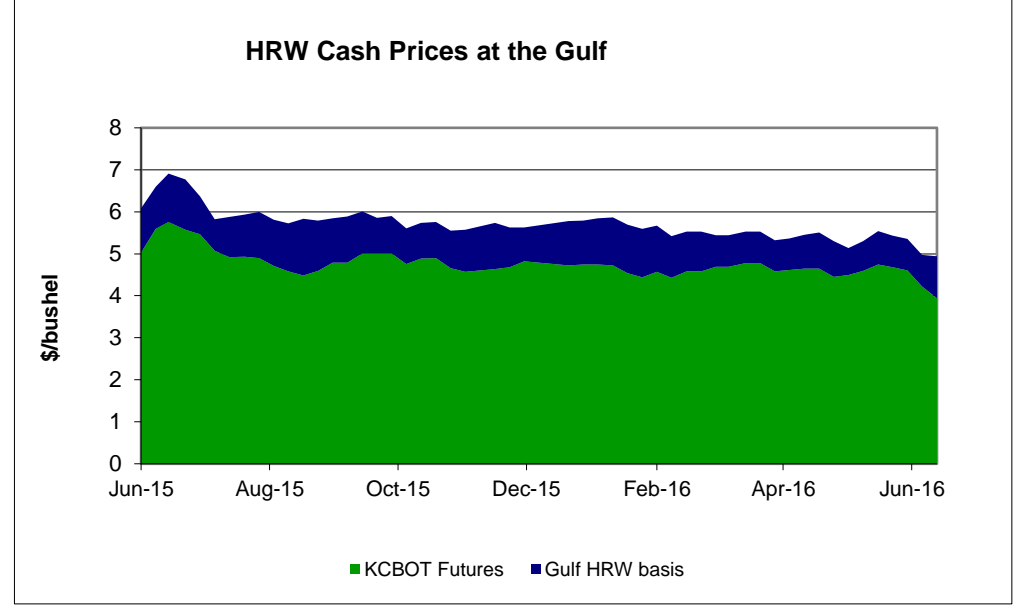
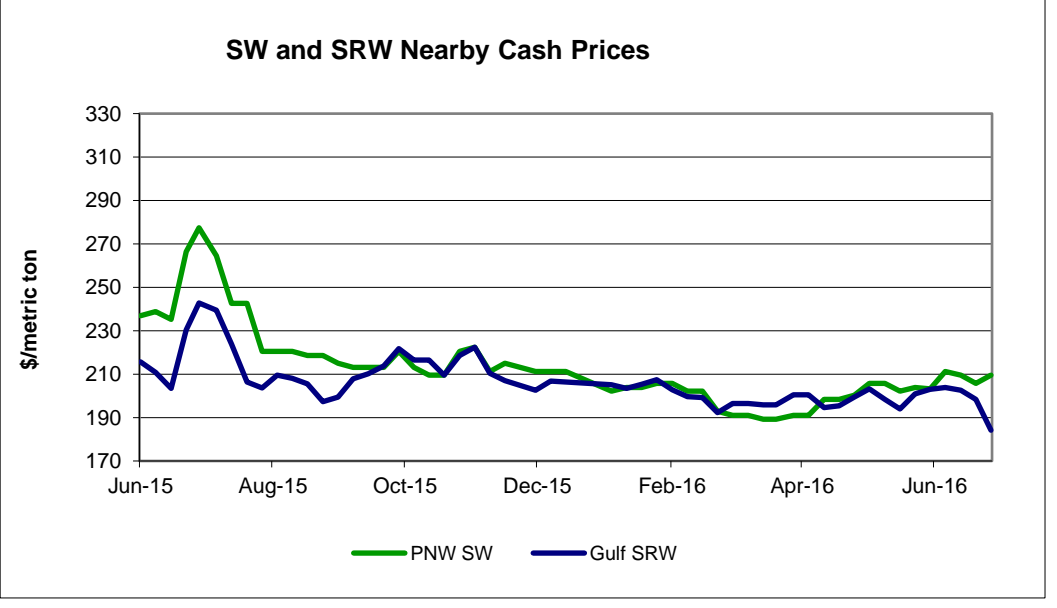
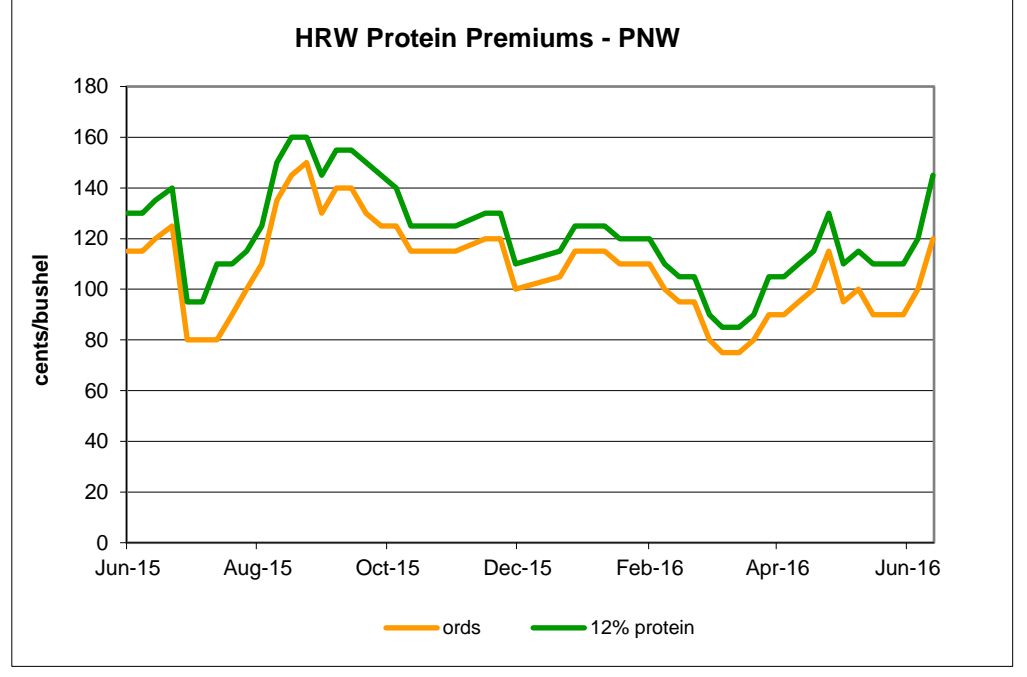
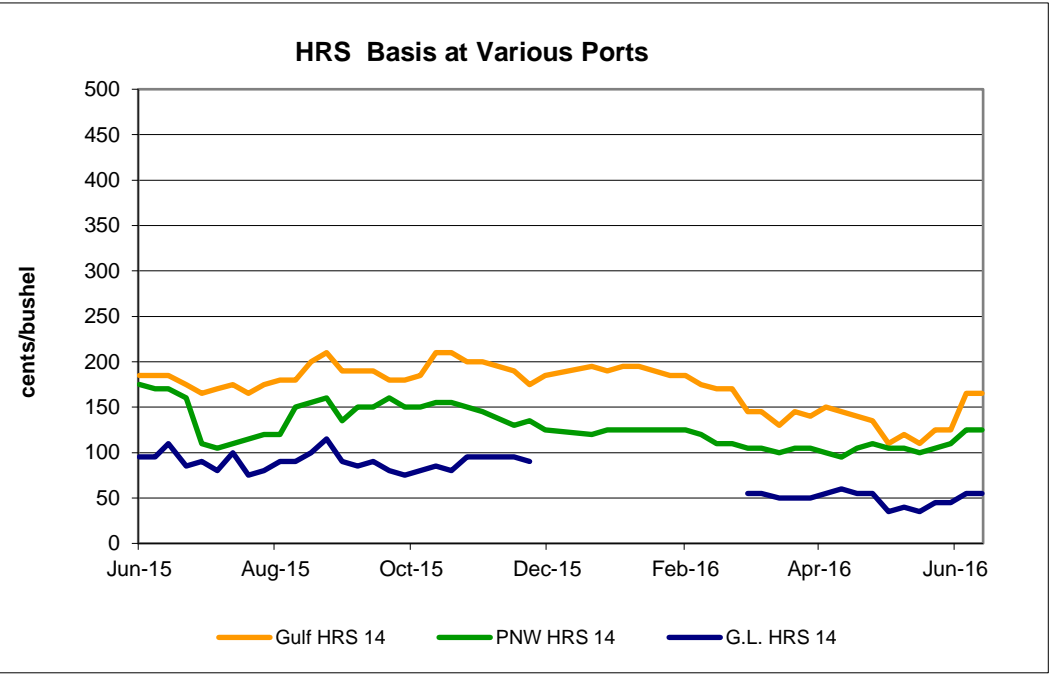
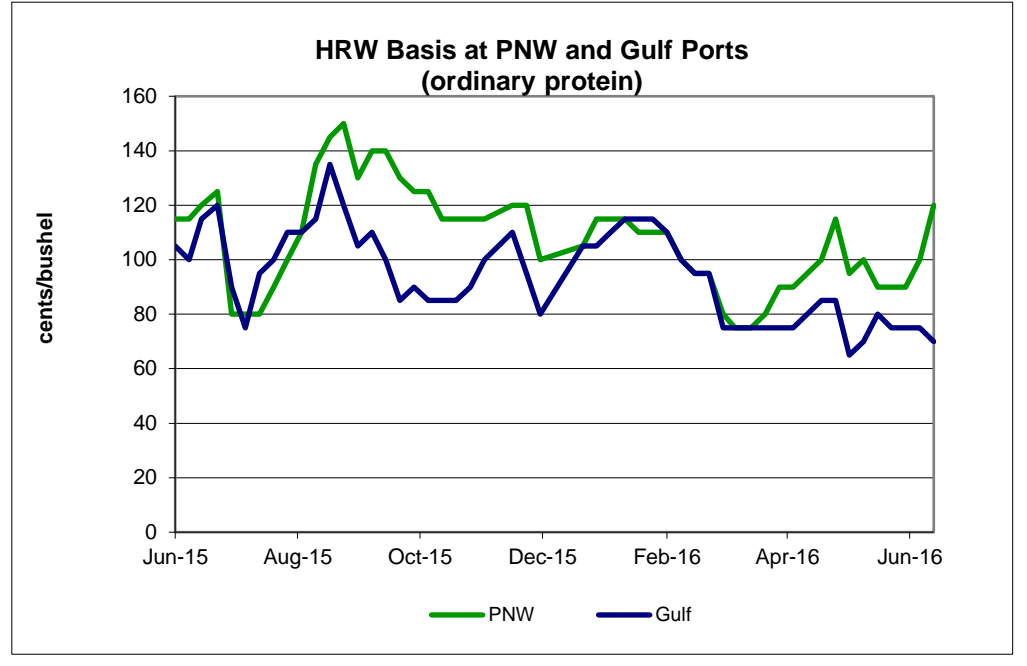
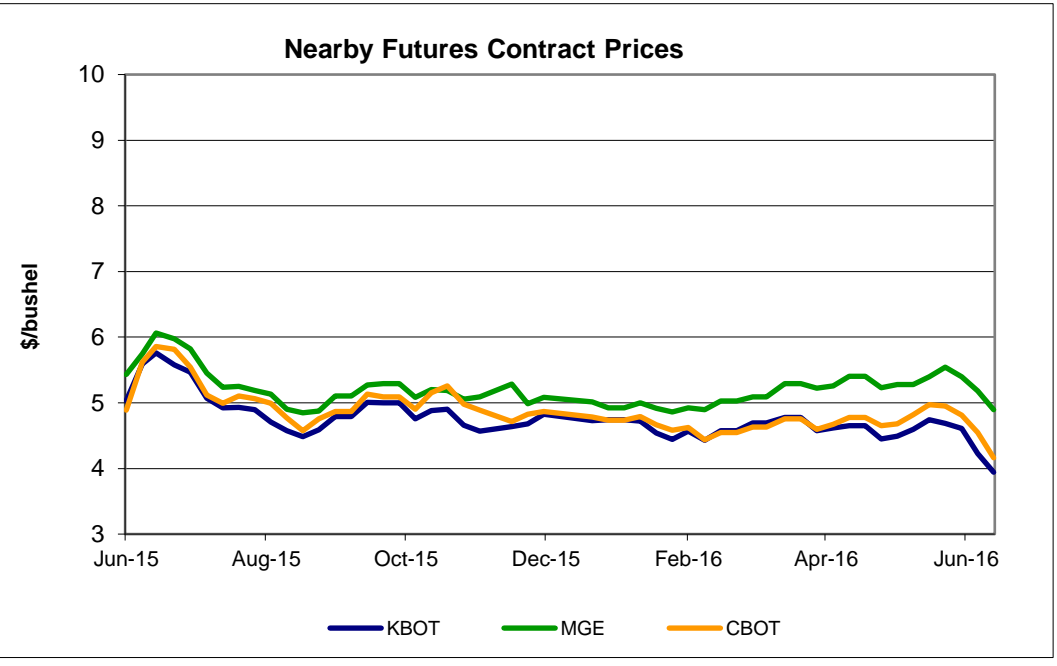
The weekly prices as reported by U.S. Wheat Associates are compiled through research from numerous market sources, including U.S. wheat exporters of all classes from various U.S. ports. The prices reported are representative of the value of number two grade and the proteins indicated. **They are not 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 Stephanie Bryant-Erdmann at (703) 650-0241 or sbe@uswheat.org.



Custom graphs of historic nearby cash prices may be accessed at:  
<http://www.uswheat.org/priceReports/nearbyCash>

Basis and cash prices for different delivery months are also available at:  
<http://www.uswheat.org/priceReports/deliverymonth>

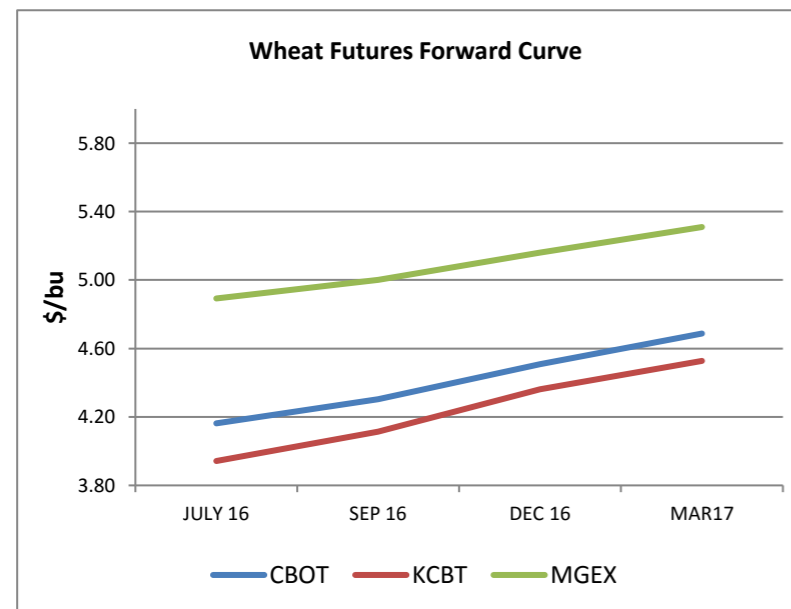
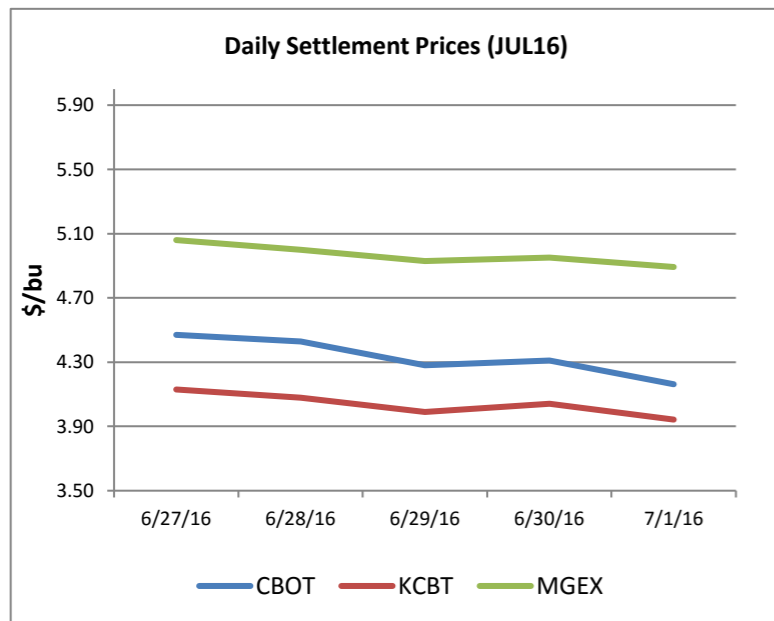


# U.S. Wheat Associates

## Weekly Price Report

July 1, 2016

### Highlights:



\* Seasonal harvest pressure and bearish USDA Acreage and Quarterly Stocks reports caused wheat futures markets to plummet. Week-over-week CBOT wheat dropped 8%, KCBT declined 6% and MGEX fell 5%. A strong Export Sales report provided limited support. CBOT July wheat fell 38 cents to \$4.16/bu, KCBT and MGEX each dropped 28 cents to \$3.94/bu and \$4.89/bu, respectively. CBOT July corn also fell 8% week-over-week, declining 31 cents to \$3.53/bu. CBOT July soybeans added 66 cents this week to close at \$11.69/bu.

\* With the drop in futures markets and the large carry, which encourages storage of wheat, farmer selling ground to a halt providing support to basis. Also providing support are continued competition for elevation capacity from soybeans and corn and steady export demand. Protein premiums for HRW continue to rise on the expectation of a high-yielding, lower protein HRW crop. Basis levels for the Pacific Northwest are firmer for the last quarter of 2016 due to planned maintenance closures on the Columbia and Snake River system. Fourth quarter basis for the Gulf and Lakes also firmed due to increased competition for elevation and shuttle train capacity from corn and soybeans.

\* In its weekly Export Sales Report, USDA reported net sales of 645,300 metric tons (MT) for the 2016/17 marketing year. Sales were above trade expectations of 300,000 to 600,000 MT. Total known outstanding sales and accumulated exports of all classes of wheat for the 2016/17 marketing year, through June 23, 2016 were 7.64 million metric tons (MMT), 31 percent higher than last year's year-to-date total of 5.85 MMT. USDA expects 2016/17 U.S. wheat exports to reach 24.5 MMT.

\* As of June 27, U.S. winter wheat harvest is 45% complete, ahead of the 5-year average pace of 41% complete on the same date. USDA rated 62% of the U.S. winter wheat crop as good to excellent, up one percentage point from the prior week. USDA rated 72% of the spring wheat crop in good to excellent condition, down from 76% last week, and on par with conditions at this time last year. USDA reported 56% of spring wheat had headed, compared to the 5-year average of just 27% on the same date.

\* USDA reported U.S. farmers planted 50.8 million acres (20.6 million hectares) of wheat in 2016/17, up slightly from the March estimate of 49.6 million acres, but 9% lower than the 5-year average. USDA expects 2016/17 harvested area will also decline to 44.1 million acres (17.8 million hectares).

\* According to StatsCan, 2016/17 Canadian spring wheat planted area declined 9% year-over-year to 15.4 million acres (6.25 million hectares). Durum planted area increased to 6.10 million acres (2.47 million hectares), up 5% from 2015.

\* IGC raised its global wheat forecast to 729 MMT, up from its previous estimate of 722 MMT. IGC expects global wheat consumption to be on par with 2015 at 720 MMT.

\* Rain continued to fall in France and Germany this week, worsening already wet conditions. FranceAgriMer rated 65% of French soft wheat in good or excellent condition, down from 71% the prior week.

\* On June 26, the Panama Canal opened new expanded locks capable of accommodating neo-Panamax ship transits.

\* The Baltic Index rallied to 660, 11% higher than last week's close of 596.

\* The Dollar Index climbed to 95.73, up slightly from 95.44 last Friday.

\* Current hard red spring (HRS) price indications are for Northern Spring. Dark Northern Spring is available, but premiums vary. Soft red winter (SRW) indications are for a minimum falling number of 250. Higher minimum specifications will carry a premium.