



U.S. Wheat Associates

Weekly Price Report (page 1)

January 31, 2020

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Export Region	Percent Protein 12% (Dry) Moisture Basis	FEB (H20)			FEB (H20)		MAR (H20)		APR (K20)		MAY (K20)		JUN (N20)		JUL (N20)		AUG (U20)		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 13.5 (15.3)*	M	closed	N/A	N/A	closed	N/A	closed	N/A	247	130	247	130	251	130	251	130	254	130	N/A
	NS/DNS 14.0 (15.9)*	M	closed	N/A	N/A	closed	N/A	closed	N/A	251	140	251	140	254	140	254	140	258	140	N/A
	NS/DNS 14.5 (16.5)*	M	closed	N/A	N/A	closed	N/A	closed	N/A	253	145	253	145	256	145	256	145	259	145	N/A
Gulf of Mexico	NS/DNS 13.5 (15.3)*	M	6.99	-0.19	-7	257	165	259	170	262	170	262	170	265	170	265	170	269	170	267
	NS/DNS 14.0 (15.9)*	M	7.09	-0.19	-7	260	175	262	180	266	180	266	180	269	180	269	180	272	180	268
	NS/DNS 14.5 (16.5)*	M	7.14	-0.19	-7	262	180	264	185	268	185	268	185	271	185	271	185	274	185	268
	HRW Ord	K	5.91	-0.21	-8	217	125	219	130	221	130	221	130	224	130	224	130	227	130	240
	HRW 11.0 (12.5)	K	6.06	-0.21	-8	222	140	224	145	227	145	227	145	230	145	230	145	233	145	242
	HRW 11.5 (13.1)	K	6.21	-0.21	-8	228	155	230	160	232	160	232	160	235	160	235	160	238	160	246
	HRW 12.0 (13.6)	K	6.41	-0.21	-8	235	175	237	180	240	180	240	180	243	180	243	180	246	180	248
	HRW 12.5 (14.2)	K	6.61	-0.21	-8	243	195	245	200	247	200	247	200	250	200	250	200	253	200	249
SRW	C	6.84	-0.30	-11	251	130	253	135	253	135	253	135	253	135	253	135	255	135	231	
Pacific N. West	NS/DNS 13.5 (15.3)*	M	7.04	-0.14	-5	259	170	257	165	260	165	262	170	265	170	267	175	270	175	256
	NS/DNS 14.0 (15.9)*	M	7.04	-0.14	-5	259	170	257	165	260	165	262	170	265	170	267	175	270	175	257
	NS/DNS 14.5 (16.5)*	M	7.14	-0.14	-5	262	180	260	175	264	175	266	180	269	180	271	185	274	185	259
	HRW Ord	K	6.31	-0.21	-8	232	165	232	165	234	165	236	170	237	165	239	170	233	145	249
	HRW 11.5 (13.1)	K	6.36	-0.21	-8	234	170	234	170	236	170	238	175	239	170	241	175	235	150	251
	HRW 12.0 (13.6)	K	6.51	-0.21	-8	239	185	239	185	242	185	243	190	244	185	246	190	240	165	255
	HRW 13.0 (14.8)	K	7.06	-0.21	-8	259	240	259	240	262	240	264	245	265	240	266	245	260	220	262
	SW 9.5 (10.8) Min	\$	6.58	0.30	11	242	6.58	242	6.58	242	6.58	244	6.63	244	6.63	244	6.63	238	6.48	N/A
	SW 10.5 (11.9) Max	\$	6.55	-0.05	-2	241	6.55	241	6.55	241	6.55	243	6.60	243	6.60	243	6.60	237	6.45	246
	SW 9.5 (10.8) Max	\$	6.65	-0.05	-2	244	6.65	244	6.65	244	6.65	246	6.70	246	6.70	246	6.70	241	6.55	246
WW with 10% Club	\$	6.85	-0.05	-2	252	6.85	252	6.85	252	6.85	254	6.90	254	6.90	254	6.90	248	6.75	247	
WW with 20% Club	\$	7.10	-0.05	-2	261	7.10	261	7.10	261	7.10	263	7.15	263	7.15	263	7.15	257	7.00	248	

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 31, 2020

Grey positions not quoted on specific exchange

	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	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu
Chicago BOT SRW	203.47	5.5375	(0.1975)	5.5250	(0.2000)	5.5250	(0.2050)			5.5900	(0.1925)	5.6800	(0.1825)			5.7550	(0.1725)							
Kansas City BOT HRW	171.04	4.6550	(0.2050)	4.7250	(0.2100)	4.8000	(0.2075)			4.8875	(0.2000)	5.0025	(0.1900)			5.1100	(0.1850)							
Minneapolis MGE NS/DNS	196.12	5.3375	(0.1375)	5.4325	(0.1375)	5.5225	(0.1275)			5.6100	(0.1200)	5.7225	(0.1100)			5.8375	(0.1000)							
Chicago BOT Corn	140.09	3.8125	(0.0600)	3.8650	(0.0625)	3.9100	(0.0675)			3.8775	(0.0800)	3.9075	(0.0750)			4.0050	(0.0725)							
Chicago BOT Soybeans	320.58	8.7250	(0.2950)	8.8675	(0.2900)	9.0050	(0.2900)	9.0550	(0.2875)	9.0650	(0.2775)					9.0550	(0.2875)	9.1650	(0.2100)					

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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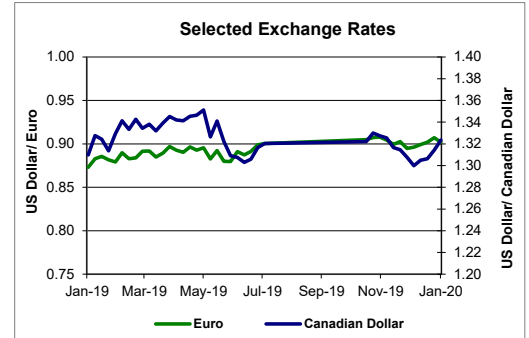
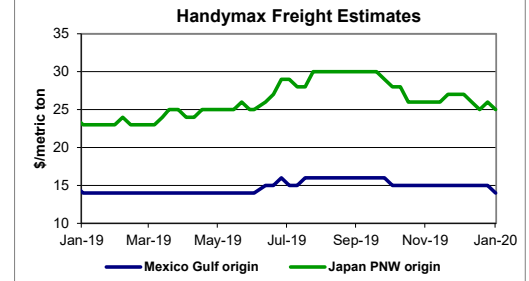
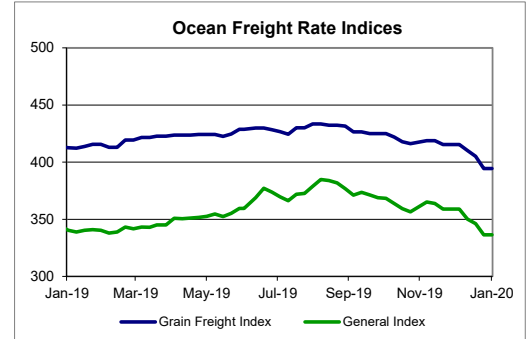
Ocean Freight Rate Estimates by Origin*			U.S. dollars/metric ton					
Export Region	Import Region	Handy 25-30 TMT	Handymax 40-46 TMT	Panamax 54+ TMT	Freight Index** Week Ending	General Index	Grain Freight Index	Number of Fixtures
US Gulf	Mexico (Veracruz)	17	14		1/31/2020	333.9	394.4	418
	W. South America (Peru/Ecu)	28			1/24/2020	336.4	394.4	571
	S. South America (Chile)	26			1/17/2020	346.2	405.0	588
	N. South America (Colombia)	20			1/10/2020	350.1	410.1	580
	E. South America (Brazil)	21			1/3/2020	358.9	415.4	537
	West Africa (Nigeria)	57			12/20/2019	358.9	415.4	537
	East Mediterranean (Italy)	41			12/13/2019	363.8	418.8	604
	West Mediterranean (Morocco)	35			12/6/2019	365.2	418.8	491
	Persian Gulf (Iraq)			70	11/22/2019	356.5	416.2	612
	Middle East (Egypt)			27	11/15/2019	359.4	417.9	525
Mid Atlantic	Japan		47	46	11/8/2019	363.8	422.0	541
	N. South America (Venezuela)	33			11/1/2019	368.4	425.0	442
	West Africa (Nigeria)	56			10/25/2019	368.8	425.0	500
PNW	Middle East (Egypt)			56	10/18/2019	371.3	425.0	563
	W. South America (Peru/Ecu)	26			8/23/2019	372.6	430.1	596
	S. South America (Chile)	30			8/16/2019	371.9	430.1	494
	N. South America (Colombia)	29			8/9/2019	366.3	424.4	520
	Persian Gulf (Iraq)			55	8/2/2019	369.7	426.6	529
	Middle East (Egypt)			27	7/26/2019	373.7	428.3	565
	East Africa (Djibouti/Mombasa)		43	41	7/19/2019	377.1	429.9	559
South Asia (Mal/Indon/Phil/Sing)		37	29	7/12/2019	368.8	429.9	567	
Taiwan		25	24	7/2/2019	359.5	428.8	502	
South Korea		24	23	6/28/2019	359.5	428.8	502	
Japan		26	25	6/21/2019	355.1	424.6	555	

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
1/31/20	N/A	60.16	1.494	4.287	1.324	15.75	0.902	108.4	63.85
1/24/20	115.6	60.00	1.465	4.181	1.314	15.75	0.907	109.3	62.06
1/17/20	115.1	60.00	1.455	4.162	1.306	15.78	0.902	110.1	61.56
1/10/20	115.1	59.63	1.449	4.096	1.305	15.95	0.899	109.5	61.01
1/31/19	113.5	37.27	1.374	3.644	1.312	17.63	0.874	108.9	65.34
1/31/15	105.57	8.628	1.287	2.633	1.266	7.568	0.883	117.8	69.84
1 year change	N/A	61.42%	8.72%	17.65%	0.86%	-10.66%	3.22%	-0.47%	-2.28%
5 year change	N/A	597.25%	16.13%	62.80%	4.54%	108.12%	2.12%	-8.01%	-8.58%



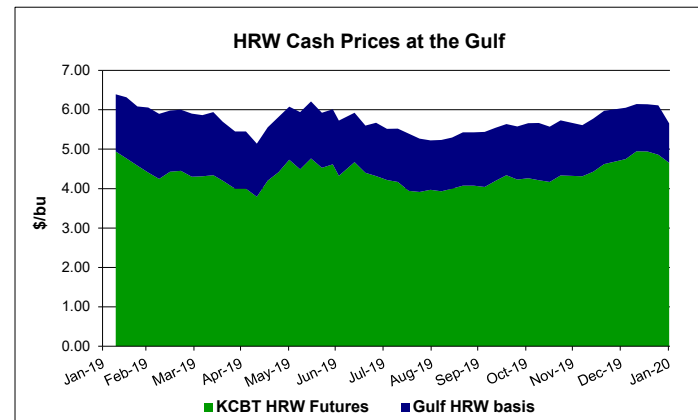
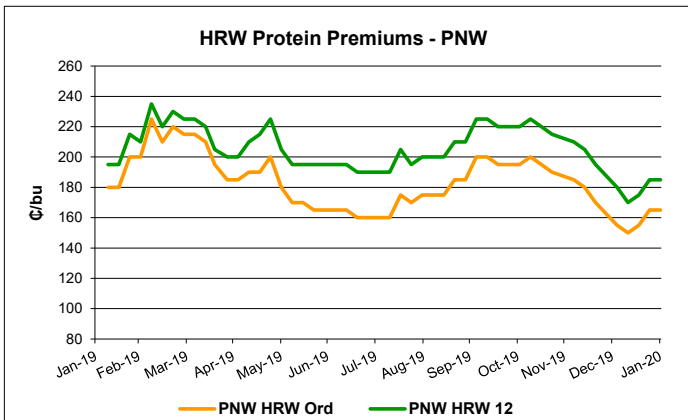
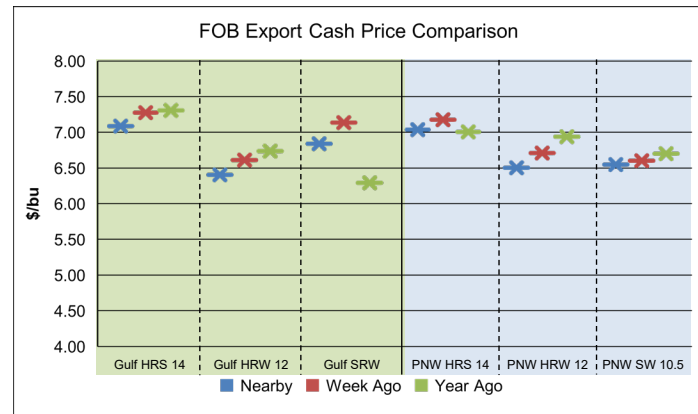
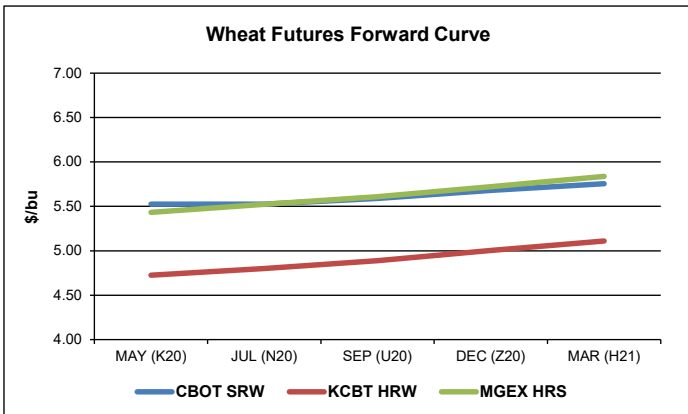
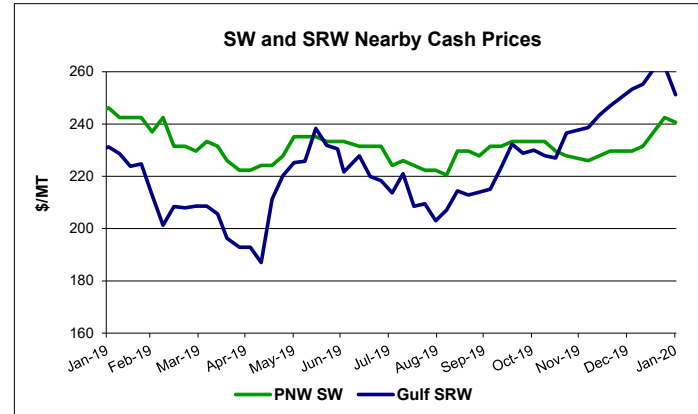
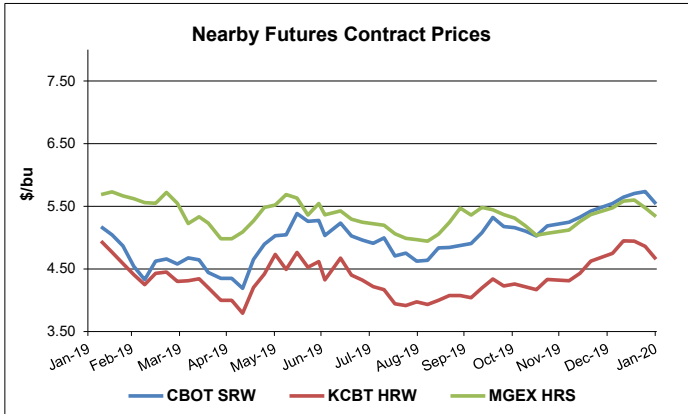
The weekly prices as reported by U.S. Wheat Associates are compiled through research from numerous market sources, including U.S. wheat exporters of all classes from various U.S. ports. The prices reported are representative of the value of number two grade and the proteins indicated. **They are not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

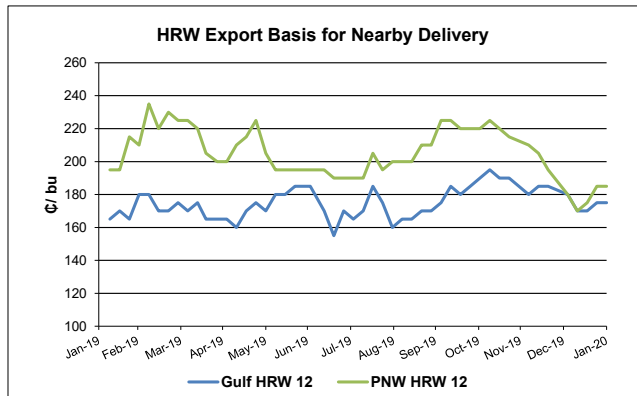
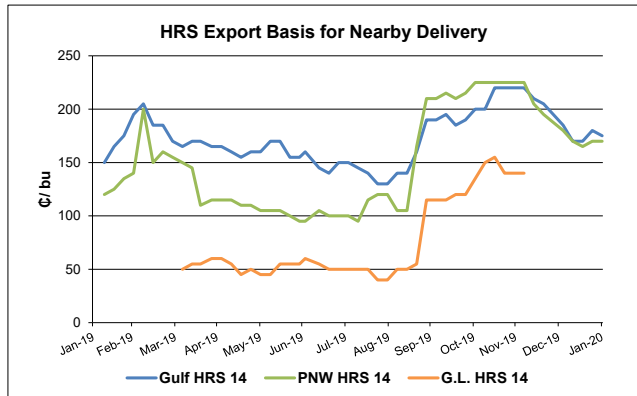
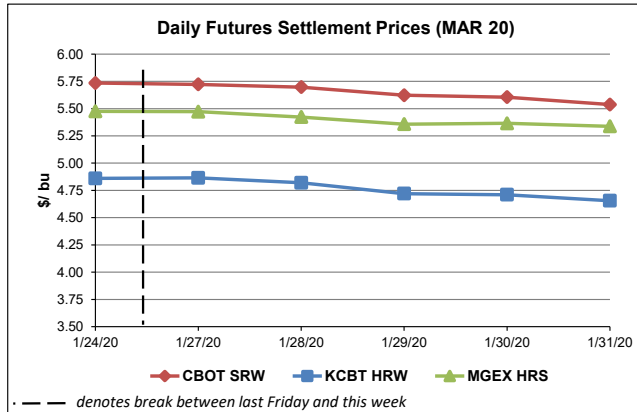
This contact will allow importers to review contract terms and better understand the U.S. grading system, role and function of the Federal Grain Inspection Service (FGIS).

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





Highlights



- The lack of Chinese demand for U.S. wheat and broad technical selling due to coronavirus fears pressured all U.S. wheat futures prices week-over-week. Soft red winter (SRW) futures lost 20 cents to close at \$5.54/bu. Hard red winter (HRW) futures lost 20 cents to end at \$4.72/bu. Hard red spring futures fell 14 cents to close at \$5.43/bu. CBOT corn futures lost 6 cents to end at \$3.86/bu. CBOT soybean futures fell 29 cents to close at \$8.87/bu.
- Reduced demand and cheaper rail rates pressured Gulf HRW export basis for February and March deliveries. Minimal demand and an inversion between SRW March and forward futures contract prices pressured Gulf SRW export basis for nearby and deferred deliveries. The Great Lakes- St. Lawrence Seaway System will remain closed until mid-March 2020.
- This week's U.S. wheat commercial sales of 646,000 metric tons (MT) were down 7% from last week's 696,000 MT bu on the high end of trade expectations of 300,000 MT to 700,000 MT. Year-to-date commercial sales for delivery in 2019/20 total 20.9 million metric tons (MMT). During last year's federal government shutdown (Dec. 22, 2018 to Jan. 25, 2019) USDA FAS did not release weekly commercial sales data. All year-over-year commercial sales comparisons between 2018/19 and 2019/20 will resume on Feb. 13, 2020.
- The Jan. 28 Drought Monitor reported light precipitation from southeastern Nebraska to southern Kansas. Above normal precipitation slightly alleviated areas under abnormal dryness and moderate drought in southwestern Kansas. Beneficial precipitation alleviated areas under moderate drought in central Washington and central Oregon. HRW growing conditions in eastern Colorado are deteriorating as high winds and little rainfall encourages topsoil erosion. According to USDA, topsoil moisture was short or very short across 61% of Colorado and 32% of Kansas.
- According to AgriCensus, the lunar new year holiday and coronavirus outbreak have weighed on Chinese demand for South American soybeans and corn, Indonesian coal and Australian iron ore. Lack of Chinese demand in the dry bulk sector and high fuel costs due to new shipping regulations are pressuring global freight rates. The **Baltic Dry Index (BDI)**, an assessment of the average cost to ship raw materials such as grains, coal and iron ore, is down 11% on the week at a record low 498.
- Russia's Ministry of Agriculture pegs the country's total 2020 grain output at 125 MMT, 3% higher than 2019, if realized. According to *Hydrometcentre*, a Russian weather forecaster, only 4% of the country's total winter grains are in poor condition despite unusually dry and warm conditions, compared to 8% this time last year.
- Global wheat prices are softening slightly. On Jan. 30, Egypt's state grain buyer, GASC, secured 180,000 MT of French wheat for March delivery at \$246.10/MT C&F, slightly less than it paid on Jan. 13 for 240,000 MT of Russian and Romanian wheat at around \$249.50/MT C&F. This is the first time since late August 2019 that prices have decreased between GASC tenders.
- On Jan. 29, President Trump signed the U.S.-Mexico-Canada Agreement (USMCA) into law. "Wheat farmers and Mexico's wheat buyers are very glad to see the cloud of uncertainty lifted from our trade relationship," said USW Chairman Doug Goyings. "Replacing NAFTA without harm to the wheat trade relationship was a priority for all of us – mission accomplished." USMCA retains tariff-free access to imported U.S. wheat for flour milling customers in Mexico. In addition, the USMCA will also allow U.S.-grown varieties registered in Canada to receive reciprocal grading treatment.
- The U.S. Dollar Index fell slightly from last week's 97.85 to 97.41.