



# U.S. Wheat Associates

## Weekly Price Report (page 1)

March 6, 2020

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Export Region	Percent Protein 12% (Dry) Moisture Basis		MAR (K20)**			MAR (K20)**		APR (K20)		MAY (K20)		JUN (N20)		JUL (N20)		AUG (U20)		SEP (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	233	110	233	110	233	100	233	100	233	90	233	90	N/A
	NS/DNS 14.0 (15.9)*	M	closed	N/A	N/A	closed	N/A	237	120	237	120	237	110	237	110	237	100	237	100	N/A
	NS/DNS 14.5 (16.5)*	M	closed	N/A	N/A	closed	N/A	239	125	239	125	239	115	239	115	239	105	239	105	N/A
Gulf of Mexico	NS/DNS 13.5 (15.3)*	M	6.95	0.03	1	255	170	255	170	255	170	257	165	257	165	257	155	257	155	278
	NS/DNS 14.0 (15.9)*	M	7.00	0.03	1	257	175	257	175	257	175	259	170	259	170	259	160	259	160	280
	NS/DNS 14.5 (16.5)*	M	7.05	0.03	1	259	180	259	180	259	180	261	175	261	175	261	165	261	165	281
	HRW Ord	K	5.76	-0.02	-1	212	130	212	130	212	130	214	130	213	125	216	125	216	125	217
	HRW 11.0 (12.5)	K	5.86	-0.07	-3	215	140	215	140	215	140	218	140	216	135	220	135	220	135	219
	HRW 11.5 (13.1)	K	5.96	-0.07	-3	219	150	219	150	219	150	222	150	220	145	223	145	223	145	220
	HRW 12.0 (13.6)	K	6.06	-0.12	-4	223	160	223	160	223	160	225	160	224	155	227	155	227	155	222
HRW 12.5 (14.2)	K	6.16	-0.12	-4	226	170	226	170	226	170	229	170	227	165	231	165	231	165	224	
SRW	C	6.41	-0.09	-3	235	125	235	125	235	125	230	110	232	115	227	95	227	95	201	
Pacific N. West	NS/DNS 13.5 (15.3)*	M	6.90	-0.12	-5	254	165	254	165	255	170	257	165	257	165	257	155	255	150	278
	NS/DNS 14.0 (15.9)*	M	6.90	-0.12	-5	254	165	254	165	255	170	257	165	257	165	257	155	255	150	278
	NS/DNS 14.5 (16.5)*	M	7.00	-0.12	-5	257	175	257	175	259	180	261	175	261	175	261	165	259	160	280
	HRW Ord	K	6.01	-0.12	-4	221	155	223	160	225	165	227	165	229	170	222	140	222	140	239
	HRW 11.5 (13.1)	K	6.06	-0.12	-4	223	160	225	165	226	170	229	170	231	175	223	145	223	145	241
	HRW 12.0 (13.6)	K	6.21	-0.12	-4	228	175	230	180	232	185	235	185	236	190	229	160	229	160	242
	HRW 13.0 (14.8)	K	6.76	-0.12	-4	248	230	250	235	252	240	255	240	257	245	249	215	249	215	248
	SW 9.5 (10.8) Min	\$	6.28	0.00	0	231	6.28	231	6.28	231	6.28	231	6.28	229	6.23	227	6.18	229	6.23	N/A
	SW 10.5 (11.9) Max	\$	6.25	-0.10	-4	230	6.25	230	6.25	230	6.25	230	6.25	228	6.20	226	6.15	228	6.20	243
	SW 9.5 (10.8) Max	\$	6.35	-0.10	-4	233	6.35	233	6.35	233	6.35	233	6.35	231	6.30	230	6.25	231	6.30	243
WW with 10% Club	\$	6.55	-0.10	-4	241	6.55	241	6.55	241	6.55	241	6.55	239	6.50	237	6.45	239	6.50	244	
WW with 20% Club	\$	6.80	-0.10	-4	250	6.80	250	6.80	250	6.80	250	6.80	248	6.75	246	6.70	248	6.75	245	

\*\* MAR (K20) indicates basis and FOB prices for delivery in March are based on the May 2020 futures contract

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 March 6, 2020

Grey positions not quoted on specific exchange

	MAY (K20)	MAY (K20)	week change	JUL (N20)	week change	AUG (Q20)	week change	SEP (U20)	week change	DEC (Z20)	week change	JAN (Q21)	week change	MAR (H21)	week change	MAY (K21)	week change
	\$/MT	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu
Chicago BOT SRW	189.51	5.1575	(0.0925)	5.1675	(0.0950)			5.2400	(0.0900)	5.3525	(0.0825)			5.4500	(0.0725)	5.4925	(0.0325)
Kansas City BOT HRW	163.97	4.4625	(0.0700)	4.5350	(0.0675)			4.6300	(0.0625)	4.7600	(0.0675)			4.8775	(0.0675)	4.9525	(0.0625)
Minneapolis MGE NS/DNS	193.00	5.2525	(0.0225)	5.3500	(0.0175)			5.4425	(0.0200)	5.5800	(0.0300)			5.7175	(0.0225)	5.7750	(0.0225)
Chicago BOT Corn	138.16	3.7600	0.0775	3.7925	0.0675			3.7750	0.0500	3.8150	0.0450			3.9175	0.0425	3.9700	0.0425
Chicago BOT Soybeans	327.47	8.9125	(0.0150)	9.0000	(0.0150)	9.0175	(0.0225)	9.0175	(0.0250)			9.0425	(0.0475)	9.0000	(0.0400)	8.9950	(0.0475)

**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)

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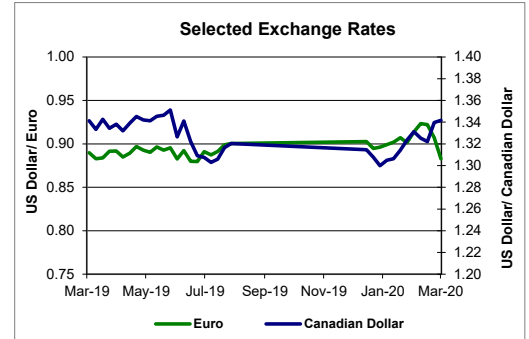
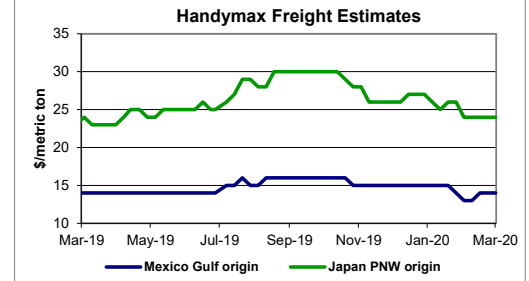
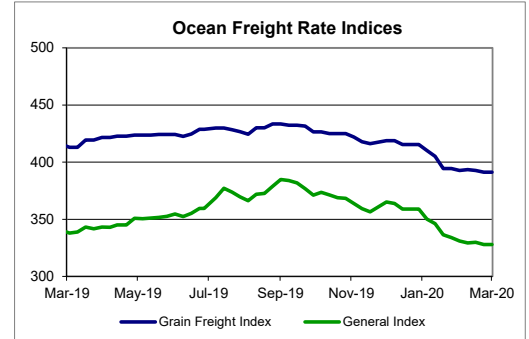
Ocean Freight Rate Estimates by Origin*		U.S. dollars/metric ton			Freight Index** Week Ending	General Index	Grain Freight Index	Number of Fixtures
Export Region	Import Region	Handy 25-30 TMT	Handymax 40-46 TMT	Panamax 54+ TMT				
US Gulf	Mexico (Veracruz)	16	14		3/6/2020	164.5	391.0	590
	W. South America (Peru/Ecu)	28			2/28/2020	327.9	391.2	577
	S. South America (Chile)	26			2/21/2020	329.8	392.7	479
	N. South America (Colombia)	19	16		2/14/2020	329.3	393.4	536
	E. South America (Brazil)	21			2/7/2020	330.9	392.7	486
	West Africa (Nigeria)	58			1/31/2020	333.9	394.4	418
	East Mediterranean (Italy)	40			1/24/2020	336.4	394.4	571
	West Mediterranean (Morocco)	34			1/17/2020	346.2	405.0	588
	Persian Gulf (Iraq)				1/10/2020	350.1	410.1	580
	Middle East (Egypt)				1/3/2020	358.9	415.4	537
	Japan		45	44	12/20/2019	358.9	415.4	537
Mid Atlantic	N. South America (Venezuela)	33			12/13/2019	363.8	418.8	604
	West Africa (Nigeria)	56			12/6/2019	365.2	418.8	491
	Middle East (Egypt)			56	11/22/2019	356.5	416.2	612
PNW	W. South America (Peru/Ecu)	26			9/27/2019	376.8	431.5	548
	S. South America (Chile)	30			9/20/2019	381.8	432.3	559
	N. South America (Colombia)	27			9/13/2019	383.8	432.3	509
	Persian Gulf (Iraq)			56	9/6/2019	384.8	433.4	547
	Middle East (Egypt)			26	8/30/2019	378.9	433.4	455
	East Africa (Djibouti/Mombasa)		43	41	8/23/2019	372.6	430.1	596
	South Asia (Mal/Indon/Phil/Sing)		37	29	8/16/2019	371.9	430.1	494
	Taiwan		25	24	8/9/2019	366.3	424.4	520
	South Korea		24	23	8/2/2019	369.7	426.6	529
		Japan		25	24	7/26/2019	373.7	428.3

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
3/6/20	N/A	62.29	1.505	4.626	1.342	15.59	0.883	105.2	68.55
2/28/20	117.8	62.12	1.536	4.473	1.340	15.60	0.907	108.1	66.70
2/21/20	117.1	61.65	1.509	4.390	1.322	15.51	0.922	111.6	64.06
2/14/20	116.4	61.36	1.490	4.297	1.325	15.65	0.923	109.7	63.50
3/7/19	115.4	42.33	1.425	3.870	1.345	17.38	0.893	111.6	66.26
3/7/15	107.42	8.746	1.286	3.018	1.252	7.608	0.912	120.3	60.05
1 year change	N/A	47.14%	5.65%	19.52%	-0.28%	-10.30%	-1.17%	-5.69%	3.45%
5 year change	N/A	612.18%	17.07%	53.29%	7.17%	104.92%	-3.19%	-12.53%	14.14%



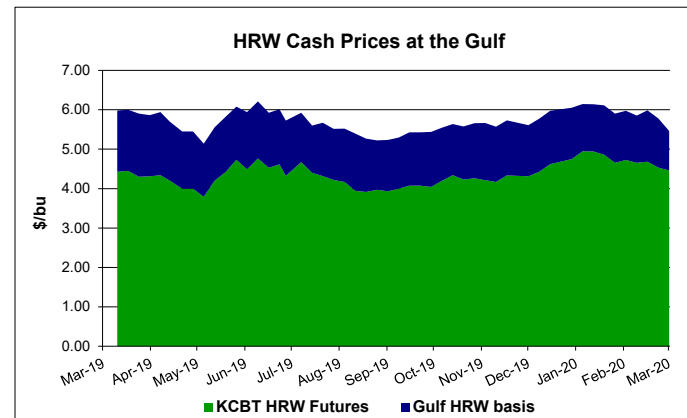
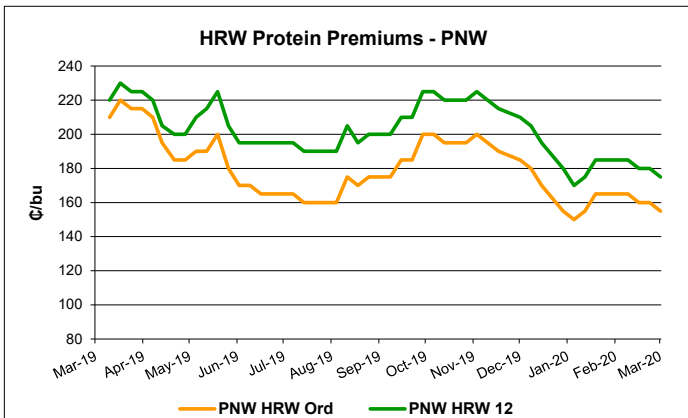
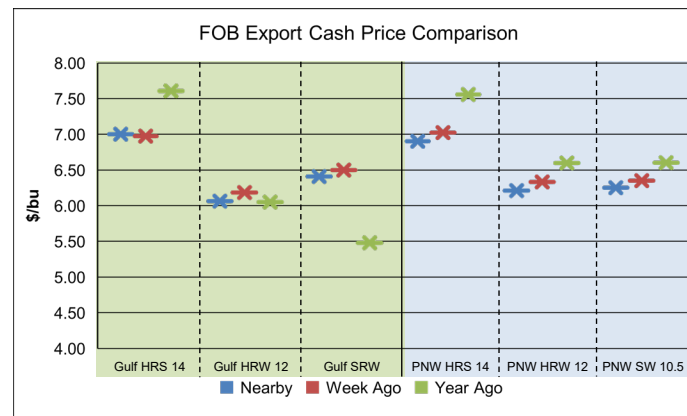
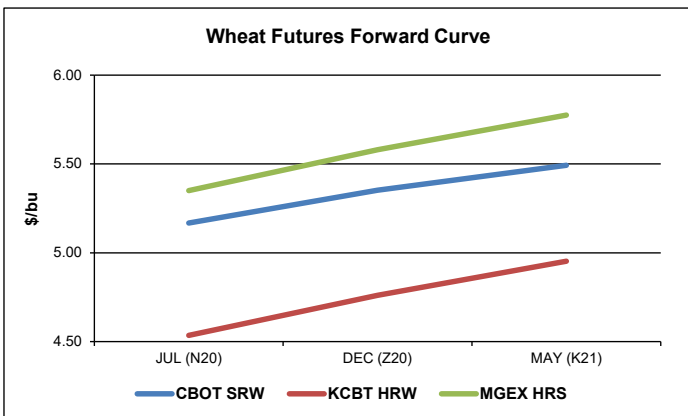
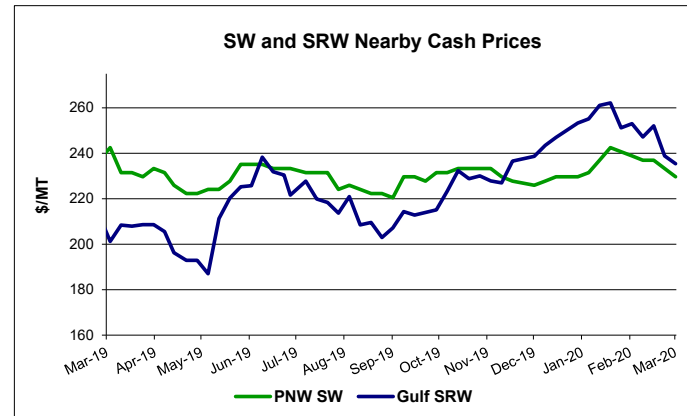
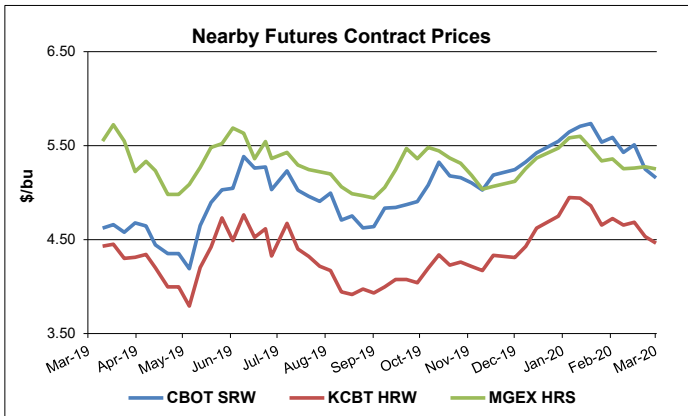
The weekly prices as reported by U.S. Wheat Associates are compiled through research from numerous market sources, including U.S. wheat exporters of all classes from various U.S. ports. The prices reported are representative of the value of number two grade and the proteins indicated. **They are not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

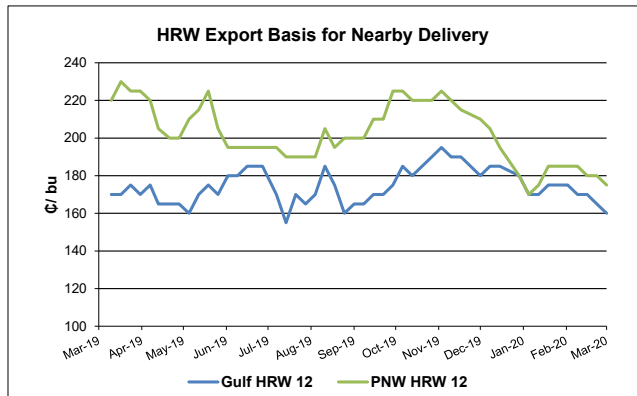
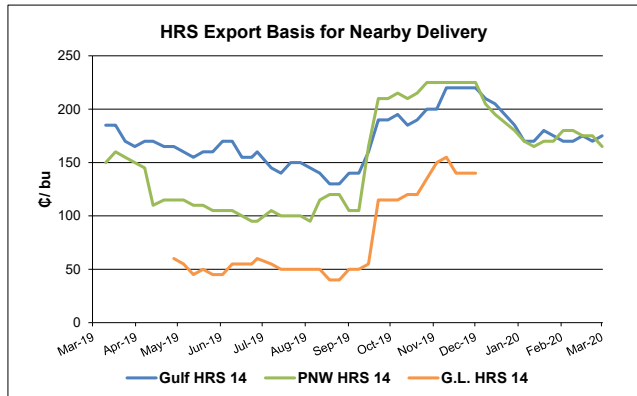
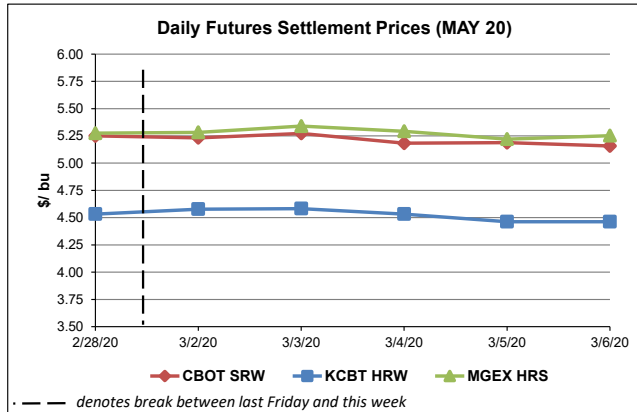
This contact will allow importers to review contract terms and better understand the U.S. grading system, role and function of the Federal Grain Inspection Service (FGIS).

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





**Highlights**



- All wheat futures fell week-over-week on technical selling as the spread of coronavirus beyond China shook global markets and stoked concerns about weakened global economic growth. May soft red winter (SRW) futures lost 9 cents to end at \$5.16/bu. May hard red winter (HRW) futures fell 7 cents to close at \$4.46/bu. May hard red spring (HRS) futures lost 2 cents to end at \$5.25/bu. CBOT May corn futures gained 8 cents to close at \$3.76/bu. CBOT May soybean future lost 1 cent to end at \$8.91/bu.
- Strong domestic demand supported Gulf HRS export basis for March and April deliveries. Limited export demand pressured Gulf HRW export basis. Minimal export demand pressured Pacific Northwest (PNW) HRS and HRW export basis and soft white wheat export prices for nearby and deferred deliveries. The Great Lakes-St. Lawrence Seaway System will remain closed until mid-March 2020.
- U.S. Wheat Associates (USW) recently launched new [Price Charting Tools](#) based on Price Report data to help overseas customers visualize current and historic U.S. wheat FOB prices and export basis values by export region, class, protein level and date. The Price Charting Tools, found on the USW website, also feature wheat futures prices by date and grain exchange. Customers can also chart FOB and basis spreads between different classes, protein levels and export regions. To learn more about USW's new Price Charting Tools, click [here](#).
- Recent precipitation helped improve winter wheat conditions across the Southern Plains. According to USDA, 43% of the Kansas wheat crop is in good to excellent condition, up 8% from last week. In Oklahoma, 57% of winter wheat is in good to excellent condition, up 11% from last week. In Texas, 36% of the wheat crop is in good to excellent condition, up 5% from last week.
- This week's U.S. wheat commercial sales of 542,000 metric tons (MT) were up 42% from last week's 382,000 MT and in line with trade expectations of 350,000 MT to 600,000 MT. Year-to-date commercial sales for delivery in 2019/20 total 23.2 million metric tons (MMT), 3% ahead of last year's pace. USDA expects total 2019/20 U.S. wheat exports will reach 27.2 MMT, 7% more than last year, if realized. U.S. wheat commercial sales to date make up 85% of USDA's final export forecast.
- This week, moderate drought spread in northeastern Colorado and abnormally dry areas expanded in northeastern Oregon and central Montana. Looking ahead, moderate precipitation is expected in areas across the Great Plains from southern Colorado to the Mississippi River.
- The Australian Bureau of Agricultural and Resource Economics (ABARES) estimates Australian wheat production will rebound 40% to 21.3 MMT in 2020/21 on easing drought conditions, a return to trendline yields and increased planted area. Australian wheat exports are expected to jump 51% from 8.20 MMT in 2019/20 to 12.4 MMT in 2020/21. "In 2020/21 the value of exports is forecast to remain around \$43 billion. An assumed improvement in seasonal conditions is expected to increase the volume of crop exports and more than offset lower world prices," the state agriculture agency said.
- Unseasonably warm, rainy weather is impacting French common (non-durum) wheat conditions. France's agricultural office, FranceAgriMer, reported 65% of the country's soft wheat in good to excellent condition compared to 85% this time last year. French durum planting is nearly complete and 67% of the crop is in good to excellent condition. According to *Stratégie Grains*, French common wheat production is expected to fall 14% in 2020/21 to 33.8 MMT on decreased planted area and lower average yields.
- As of March 2, Ukraine's Ministry for the Development of Economy, Trade and Agriculture pegged the country's total wheat exports at 16.6 MMT. Total Ukrainian grain exports to date are 24% ahead of last year's pace at 40.9 MMT.
- Ukraine's Grain Traders Union predicts the country's 2020 wheat output will total 25.8 MMT, 11% less than last year's record of 29.0 MMT.
- The European Commission estimates European Union (EU) common wheat exports will rebound 30% from last year to 28.0 MMT in 2019/20. By March 1, EU common wheat exports totaled 19.1 MMT, 60% ahead of last year's pace.
- According to *Stratégie Grains*, total EU common wheat production in 2020/21 is expected to fall 5% from last year on reduced planted area and decreased average yields due to excessive rainfall in northern Europe and moisture deficits in southern Europe.
- The Baltic Dry Index (BDI), an assessment of the average cost to ship raw materials like grains, coal and iron ore, rose 12% week-over-week to close at 599.
- The U.S. Dollar Index fell from last week's 98.13 to 95.96.