

Weekly Price Report December 11, 2020

U.S. Wheat FOB & Export Basis Estimates

Export Region	Class & Percent Protein 12% (Dry) Moisture Basis		JAN (H21)				JAN (H21)		FEB (H21)		MAR (H21)		APR (K21)		MAY (K21)		JUN (N21)		JUL (N21)	
			(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	¢/bu	\$/MT	¢/bu	\$/MT	¢/bu	\$/MT	¢/bu	\$/MT	¢/bu	\$/MT	¢/bu	\$/MT	¢/bu
Great Lakes	NS/DNS 13.5 (15.3)*	M	Closed	Closed	Closed	Closed	Closed	Closed	Closed	Closed	Closed	Closed	246	90	246	90	248	90	248	90
	NS/DNS 14.0 (15.9)*	M	Closed	Closed	Closed	Closed	Closed	Closed	Closed	Closed	Closed	Closed	247	95	247	95	250	95	250	95
	NS/DNS 14.5 (16.5)*	M	Closed	Closed	Closed	Closed	Closed	Closed	Closed	Closed	Closed	Closed	249	100	249	100	252	100	252	100
Gulf of Mexico	NS/DNS 13.5 (15.3)*	M	7.85	0.15	5	267	288	215	288	215	283	200	279	180	279	180	281	180	281	180
	NS/DNS 14.0 (15.9)*	M	7.90	0.15	5	270	290	220	290	220	285	205	280	185	280	185	283	185	283	185
	NS/DNS 14.5 (16.5)*	M	8.00	0.15	5	274	294	230	294	230	288	215	284	195	284	195	287	195	287	195
	HRW Ord	K	7.41	0.44	16	212	272	160	272	160	271	155	270	150	270	150	270	150	270	150
	HRW 11.0 (12.5)	K	7.41	0.44	16	216	272	160	272	160	271	155	270	150	270	150	270	150	270	150
	HRW 11.5 (13.1)	K	7.46	0.39	14	223	274	165	274	165	272	160	272	155	272	155	272	155	272	155
	HRW 12.0 (13.6)	K	7.56	0.39	14	231	278	175	278	175	276	170	275	165	275	165	275	165	275	165
	HRW 12.5 (14.2)	K	7.66	0.39	14	238	282	185	282	185	280	180	279	175	279	175	279	175	279	175
SRW	W	7.45	0.39	14	243	274	130	274	130	270	120	270	120	270	120	260	100	260	100	
Pacific N. West	NS/DNS 13.5 (15.3)*	M	7.70	0.15	5	267	283	200	279	190	274	175	273	165	271	160	274	160	274	160
	NS/DNS 14.0 (15.9)*	M	7.75	0.15	5	268	285	205	281	195	276	180	275	170	273	165	276	165	276	165
	NS/DNS 14.5 (16.5)*	M	7.90	0.15	5	276	290	220	287	210	281	195	280	185	279	180	281	180	281	180
	HRW Ord	K	7.91	0.39	14	229	291	210	287	200	283	190	285	190	285	190	285	190	285	190
	HRW 11.5 (13.1)	K	7.91	0.39	14	231	291	210	287	200	283	190	285	190	285	190	285	190	285	190
	HRW 12.0 (13.6)	K	8.01	0.39	14	238	294	220	291	210	287	200	288	200	288	200	288	200	288	200
	HRW 13.0 (14.8)	K	8.21	0.39	14	256	302	240	298	230	294	220	296	220	296	220	296	220	296	220
	SW Unspecified	\$	7.45	0.10	4	228	274	745	270	735	270	735	257	700	254	690	254	690	254	690
	SW 9.5 (10.8) Min	\$	7.50	0.10	4	229	276	750	272	740	272	740	259	705	255	695	255	695	255	695
	SW 10.5 (11.9) Max	\$	7.45	0.10	4	228	274	745	270	735	270	735	257	700	254	690	254	690	254	690
	SW 9.5 (10.8) Max	\$	7.50	0.10	4	231	276	750	272	740	272	740	259	705	255	695	255	695	255	695
	WW with 10% Club	\$	7.55	0.10	4	239	277	755	274	745	274	745	261	710	257	700	257	700	257	700
WW with 20% Club	\$	7.60	0.10	4	248	279	760	276	750	276	750	263	715	259	705	259	705	259	705	

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

Northern Durum offers from the Great Lakes for April/May 2021 delivery are quoted at \$8.03/bu (\$295/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 a 40% DHV content out of the Gulf; for specific NS/DNS DHV premium spreads, contact your supplier.

Futures Exchange Settlements

Exchange & Commodity	MAR (H21)			MAY (K21)		JUL (N21)		AUG (Q21)		SEP (U21)		NOV (X21)		DEC (Z21)		JAN (F22)	
	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	225.79	6.1450	0.3900	6.1400	0.3525	6.0750	0.2800			6.0950	0.2575			6.1550	0.2325		
Kansas City BOT HRW	213.57	5.8125	0.3850	5.8450	0.3550	5.8475	0.3250			5.8875	0.3100			5.9500	0.2950		
Minneapolis MGE NS/DNS	209.44	5.7000	0.1950	5.7825	0.1950	5.8575	0.2025			5.9350	0.2075			6.0300	0.2075		
Chicago BOT Corn	166.72	4.2350	0.0300	4.2650	0.0325	4.2825	0.0425			4.1400	0.0350			4.1225	0.0200		
Chicago BOT Soybeans	428.43	11.6600	0.0100	11.6725	0.0350	11.6600	0.0525	11.4525	0.0450	10.9300	0.0850	10.5275	0.1450			10.5350	0.1625

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.

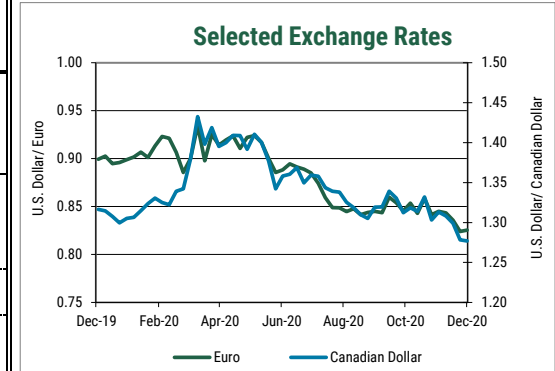
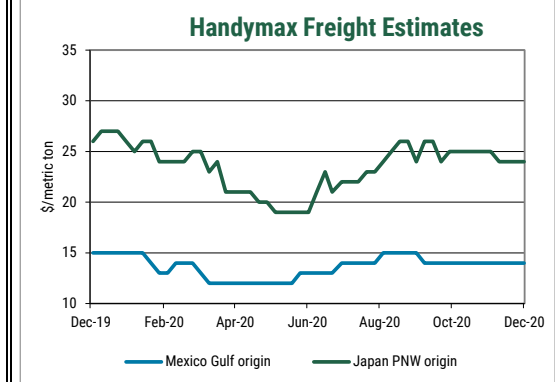
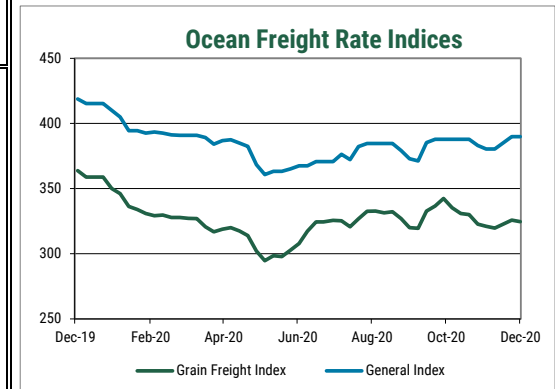
All prices are based upon U.S. number two grade or better as certified by the Federal Grain Inspection Service (FGIS).

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)	17	14		11/12/2020	324.7	389.9	546	
U.S. Gulf	W. South America (Peru/Ecu)			14	04/12/2020	325.9	389.9	499	
U.S. Gulf	S. South America (Chile)			20	20/11/2020	319.8	380.4	504	
U.S. Gulf	N. South America (Colombia)	20	15	12	13/11/2020	321.0	380.4	470	
U.S. Gulf	E. South America (Brazil)		21		06/11/2020	322.7	383.2	440	
U.S. Gulf	West Africa (Nigeria)	29			30/10/2020	330.1	387.9	422	
U.S. Gulf	East Mediterranean (Italy)	41			23/10/2020	330.9	387.9	500	
U.S. Gulf	West Mediterranean (Morocco)	40			16/10/2020	335.4	387.9	467	
U.S. Gulf	Persian Gulf (Iraq)			67	09/10/2020	342.4	387.9	452	
U.S. Gulf	Middle East (Egypt)			27	02/10/2020	336.6	387.9	405	
U.S. Gulf	Japan		43	42	25/09/2020	332.7	385.4	458	
Mid Atlantic	N. South America (Venezuela)	16			18/09/2020	319.6	371.3	413	
Mid Atlantic	West Africa (Nigeria)	29			11/09/2020	320.0	373.0	445	
Mid Atlantic	Middle East (Egypt)			27	04/09/2020	327.0	379.3	404	
St. Lawrence	N. South America (Venezuela)	19			28/08/2020	332.3	384.6	469	
St. Lawrence	Europe/Rotterdam			17	21/08/2020	331.5	384.6	433	
Great Lakes	East Mediterranean (Italy)	Closed			14/08/2020	332.8	384.6	435	
Great Lakes	West Mediterranean (Spain)	Closed			07/08/2020	332.6	384.6	434	
Great Lakes	Europe/Rotterdam	Closed			31/07/2020	326.8	382.3	404	
Great Lakes	West Mediterranean (Morocco)	Closed			24/07/2020	320.8	372.2	537	
PNW	W. South America (Peru/Ecu)	26			17/07/2020	325.3	376.4	456	
PNW	S. South America (Chile)	30			10/07/2020	325.6	370.7	410	
PNW	N. South America (Colombia)	30			02/07/2020	324.5	370.7	434	
PNW	Persian Gulf (Iraq)			53	26/06/2020	324.5	370.7	434	
PNW	Middle East (Egypt)			28	19/06/2020	317.4	367.6	478	
PNW	East Africa (Djibouti/Mombasa)		43	41	12/06/2020	307.9	367.6	506	
PNW	South Asia (Mal/Indon/Phil/Sing)			24	05/06/2020	302.7	365.1	419	
PNW	Taiwan		25	24	29/05/2020	297.9	363.3	397	
PNW	South Korea		24	23	22/05/2020	298.6	363.3	443	
PNW	Japan		24	23	15/05/2020	294.7	360.8	537	

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.)

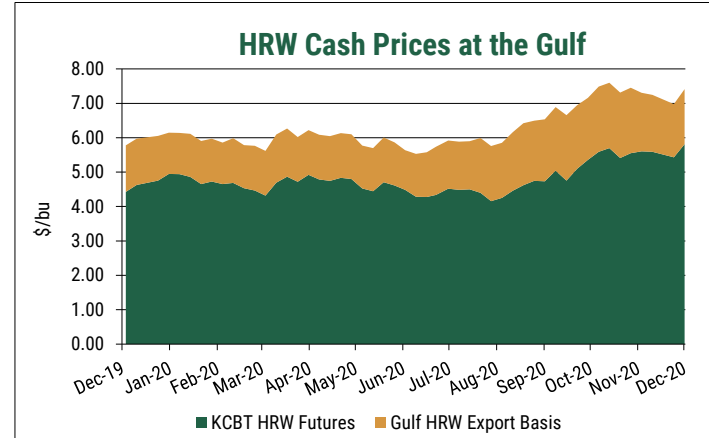
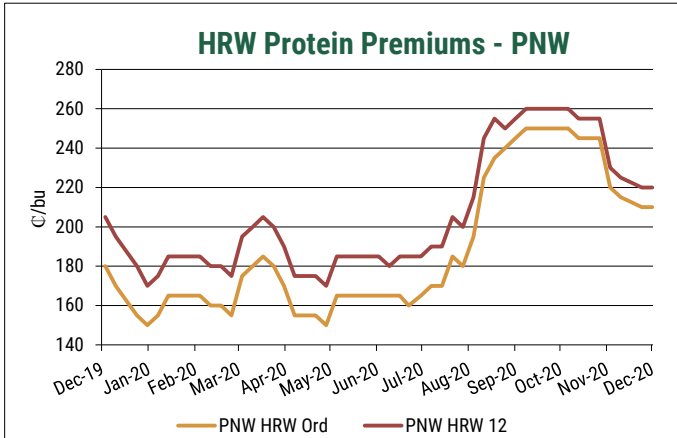
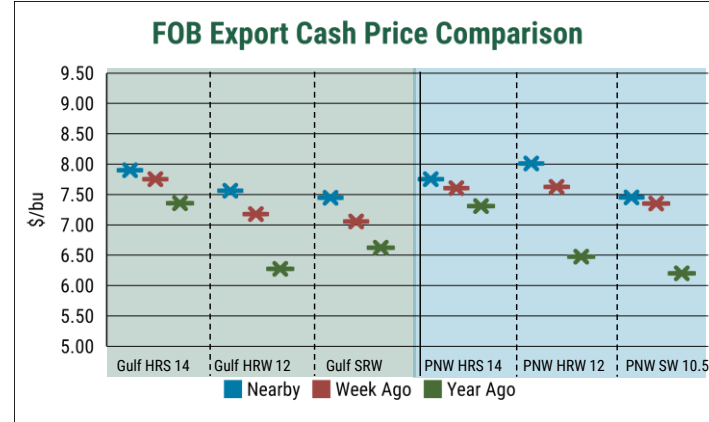
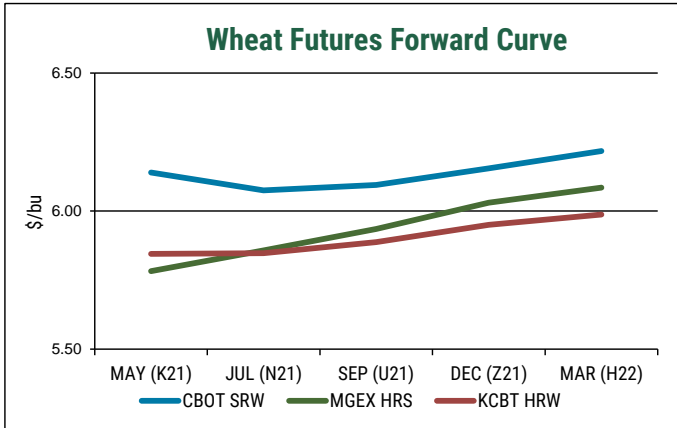
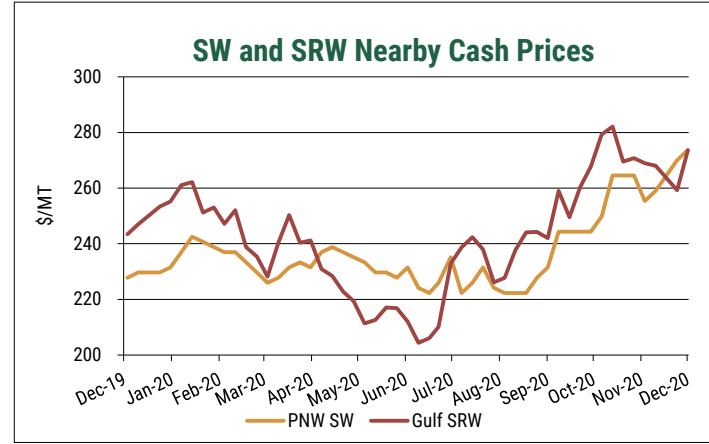
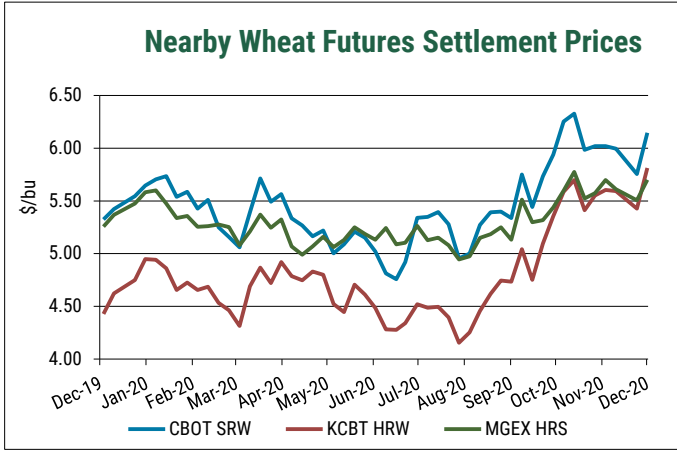
Week Ending	Index***	Argentina	Australia	Brazil	Canada	Egypt	EU	Japan	Russia
12/11/20	N/A	82.21	1.327	5.047	1.277	15.68	0.825	104.0	73.01
12/4/20	112.1	81.66	1.345	5.119	1.278	15.64	0.824	104.1	73.97
11/27/20	N/A	81.05	1.353	5.343	1.299	15.61	0.836	104.1	75.94
11/20/20	113.8	80.34	1.368	5.392	1.308	15.57	0.843	103.8	76.21
12/12/19	115.9	45.17	0.691	4.091	1.318	16.07	0.899	109.3	62.72
12/12/15	N/A	9.651	1.390	3.869	1.375	7.681	0.909	121.0	68.51
1 year change	N/A	82.00%	92.07%	23.39%	-3.13%	-2.41%	-8.16%	-4.82%	16.41%
5 year change	N/A	751.87%	-4.57%	30.47%	-7.15%	104.17%	-9.24%	-13.99%	6.57%



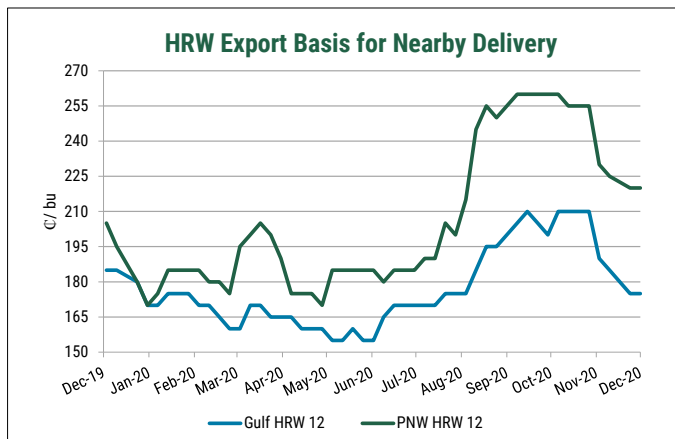
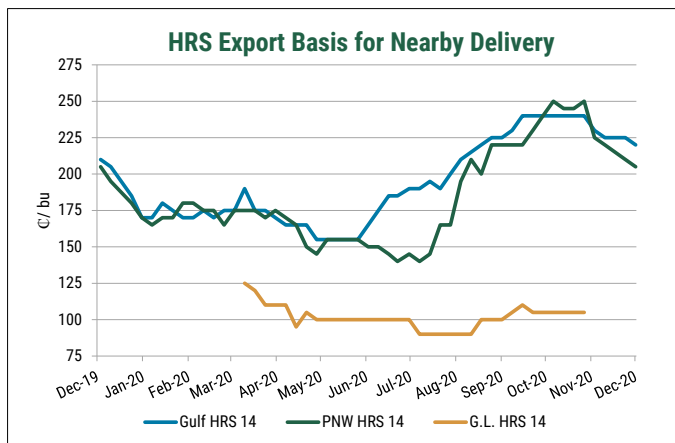
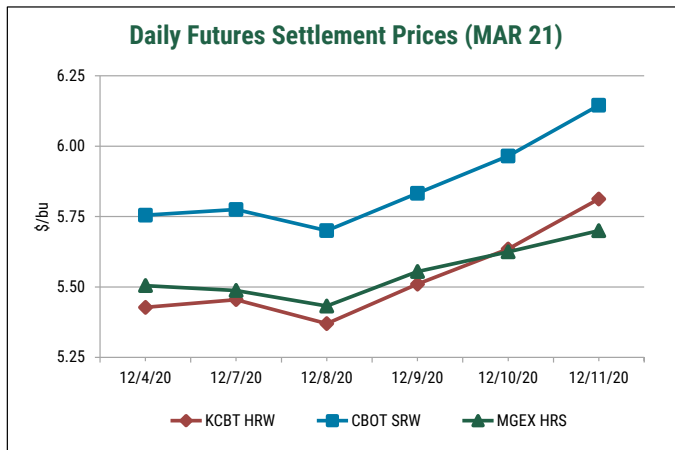
The weekly prices as reported by U.S. Wheat Associates are compiled through research from numerous market sources, including U.S. wheat exporters of all classes from various U.S. ports. The prices reported are representative of the value of number two grade and the proteins indicated. **They are not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



Weekly Price Report December 11, 2020



- Higher than expected weekly export sales, USDA's reduced global ending stocks forecast and news that Russia is considering a wheat export tax (see below) supported all wheat futures prices week-over-week. CBOT March soft red winter (SRW) futures gained 39 cents to end at \$6.14/bu. KCBT March hard red winter (HRW) futures added 38 cents to close at \$5.18/bu. MGE March hard red spring (HRS) futures jumped 19 cents to end at \$5.70/bu. CBOT March corn futures gained 3 cents to close at \$4.23/bu. CBOT March soybean futures added 1 cent to end at \$11.66/bu.
- Increased elevation capacity, smooth inland logistics and lower secondary rail rates reduced Pacific Northwest (PNW) and Gulf HRS export basis for January and February deliveries. Gulf and PNW HRS and HRW export basis for March and forward deliveries also fell significantly on the week. [Click here to read more about the relationship between U.S. export elevation availability and wheat export basis.](#) The Great Lakes - St. Lawrence Seaway System will be closed from early January to mid-March 2021.
- In its [December World Agricultural Supply and Demand Estimates \(WASDE\)](#) report, USDA increased its total 2020/21 U.S. wheat exports forecast from 26.5 million metric tons (MMT) to 26.8 MMT, 2% greater than last year, if realized. Between November and December, USDA reduced its HRW exports forecast by 2% to 10.8 MMT and increased its white wheat exports forecast by 10% to 5.85 MMT.
- USDA forecasts total global wheat consumption in 2020/21 will jump to a record 758 MMT, 1% more than last year and 4% more than the 5-year average on higher feed and residual use in China, Australia and the European Union. December's world wheat ending stocks estimate fell commensurately to 316 MMT, still 5% more than last year and 14% more than the 5-year average on significantly larger harvests in Canada, Russia and Australia.
- This week's commercial sales of 616,000 metric tons (MT) for delivery in 2020/21 were up 38% from last week's 446,000 MT and well above trade expectations of 200,000 MT to 550,000 MT. Year-to-date commercial sales now total 19.1 million metric tons (MMT), 13% ahead of last year's pace.
- Moderate to extreme drought still covers nearly all the U.S. Plains. Extreme dryness continues to plague winter wheat producers in western Nebraska, eastern Colorado and northwestern Kansas. This weekend, moderate snow is expected to improve soil moisture levels across the Southern Plains.
- Between November and December, USDA increased its 2020/21 Australian wheat production estimate by 1.50 MMT to 30.0 MMT, which would nearly double last year's output, if realized. However, Australia's Bureau of Agriculture and Resource Economics (ABARES) currently forecasts the country will produce 31.2 MMT this year.
- According to Reuters, the Russian government is considering imposing a grain export quota and wheat export tax for February to June 2021 deliveries following President Vladimir Putin's public criticism of rising domestic food prices. "We must take concrete measures to effectively stabilize the prices of products that are important for people - in line with the instructions of the head of state," said Prime Minister Mikhail Mishustin on Dec. 10.
- On Dec. 11, SovEcon, a Russian agriculture consultancy, reduced the country's 2021 wheat production forecast by 5% to 76.8 MMT on overly dry conditions during planting and early germination. "Wheat entered this winter in the worst shape since 2009/10," SovEcon said, adding that about 3.20 million hectares (7.90 million acres) could be lost after this winter compared with 1.8 million hectares (4.45 million acres) lost a year ago.
- The Baltic Dry Index (BDI), an assessment of the average cost to ship raw materials like grains, coal and iron increased 1% on the week to end at 1,211.
- The U.S. Dollar Index increased from last week's 90.47 to close at 90.95.
- More Resources: