

Weekly Price Report September 10, 2021

U.S. Wheat FOB & Export Basis Estimates

Export Region	Class & Percent Protein 12% (Dry) Moisture Basis		OCT (Z21)				OCT (Z21)		NOV (Z21)		DEC (Z21)		JAN (H22)		FEB (H22)		MAR (H22)		APR (K22)	
			(nearbys) FOB \$/bu	week change		1 year ago \$/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
				\$/bu	\$/MT															
Great Lakes	NS/DNS 13.5 (15.3)*	M	9.64	-0.47	-17	228	354	85	354	85	354	85	Closed	Closed	Closed	Closed	Closed	Closed	353	100
	NS/DNS 14.0 (15.9)*	M	9.69	-0.47	-17	230	356	90	356	90	356	90	Closed	Closed	Closed	Closed	Closed	Closed	354	105
	NS/DNS 14.5 (16.5)*	M	9.74	-0.47	-17	231	358	95	358	95	358	95	Closed	Closed	Closed	Closed	Closed	Closed	356	110
Gulf of Mexico	NS/DNS 13.5 (15.3)*	M	10.99	-0.52	-19	274	404	220	404	220	404	220	398	215	398	215	398	215	395	215
	NS/DNS 14.0 (15.9)*	M	11.04	-0.52	-19	276	406	225	406	225	406	225	400	220	400	220	400	220	397	220
	NS/DNS 14.5 (16.5)*	M	11.14	-0.52	-19	279	409	235	409	235	409	235	404	230	404	230	404	230	400	230
	HRW Ord	K	8.43	-0.23	-8	239	310	160	310	160	310	160	306	140	306	140	306	140	308	140
	HRW 11.0 (12.5)	K	8.53	-0.23	-8	239	313	170	313	170	313	170	309	150	309	150	309	150	311	150
	HRW 11.5 (13.1)	K	8.78	-0.23	-8	242	322	195	322	195	322	195	318	175	318	175	318	175	320	175
	HRW 12.0 (13.6)	K	9.03	-0.23	-8	246	332	220	332	220	332	220	328	200	328	200	328	200	330	200
	HRW 12.5 (14.2)	K	*See Below			250														256
SRW	W	7.94	0.29	11	244	292	105	292	105	292	105	296	105	296	105	296	105	298	105	
Pacific N. West	NS/DNS 13.5 (15.3)*	M	10.89	-0.17	-6	272	400	210	400	210	400	210	396	210	398	215	398	215	395	215
	NS/DNS 14.0 (15.9)*	M	10.89	-0.17	-6	274	400	210	400	210	400	210	396	210	398	215	398	215	395	215
	NS/DNS 14.5 (16.5)*	M	10.94	-0.17	-6	279	402	215	402	215	402	215	398	215	400	220	400	220	397	220
	HRW Ord	K	9.48	-0.48	-18	263	348	265	350	270	350	270	352	265	346	250	346	250	348	250
	HRW 11.5 (13.1)	K	9.48	-0.58	-21	263	348	265	350	270	350	270	352	265	346	250	346	250	348	250
	HRW 12.0 (13.6)	K	9.58	-0.58	-21	266	352	275	354	280	354	280	355	275	350	260	350	260	352	260
	HRW 13.0 (14.8)	K	9.88	-0.58	-21	274	363	305	365	310	365	310	366	305	361	290	361	290	363	290
	SW Unspecified	\$	11.30	0.00	0	228	415	1130	415	1130	413	1125	413	1125	413	1125	413	1125	413	1125
	SW 9.5 (10.8) Min	\$	11.30	-1.70	-62	228	415	1130	415	1130	413	1125	413	1125	413	1125	413	1125	413	1125
	SW 10.5 (11.9) Max	\$	13.30	-0.20	-7	228	489	1330	489	1330	487	1325	487	1325	487	1325	487	1325	487	1325
	SW 9.5 (10.8) Max	\$	*See Below			233														
WW with 10% Club	\$	13.65	-0.20	-7	235	502	1365	502	1365	500	1360	500	1360	500	1360	500	1360	500	1360	
WW with 20% Club	\$	13.80	-0.20	-7	244	507	1380	507	1380	505	1375	505	1375	505	1375	505	1375	505	1375	

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

*See highlights section for more information on Gulf HRW 12.5 and SW 9.5 Max

Northern Durum offers from the Great Lakes for October 2021 delivery are quoted at \$19.05/bu (\$700/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	DEC (Z21)			JAN (F22)		MAR (H22)		MAY (K22)		JUL (N22)		AUG (Q22)		SEP (U22)		NOV (X22)	
	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	252.98	6.8850	(0.3775)			6.9925	(0.3850)	7.0525	(0.3825)	6.8975	(0.2575)			6.9225	(0.2550)		
Kansas City BOT HRW	250.78	6.8250	(0.4050)			6.9175	(0.4025)	6.9725	(0.3925)	6.8875	(0.2925)			6.9300	(0.2775)		
Minneapolis MGE NS/DNS	322.89	8.7875	(0.3375)			8.6875	(0.3250)	8.5975	(0.3025)	8.4225	(0.3350)			7.6000	(0.2625)		
Chicago BOT Corn	203.73	5.1750	(0.0650)			5.2650	(0.0675)	5.3150	(0.0725)	5.3100	(0.0750)			5.0300	(0.0175)		
Chicago BOT Soybeans				12.9475	(0.0650)	12.993	(0.0775)	13.055	(0.0800)	13.095	(0.0775)	13.005	(0.0850)	12.7275	(0.0600)	12.575	(0.0200)

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.

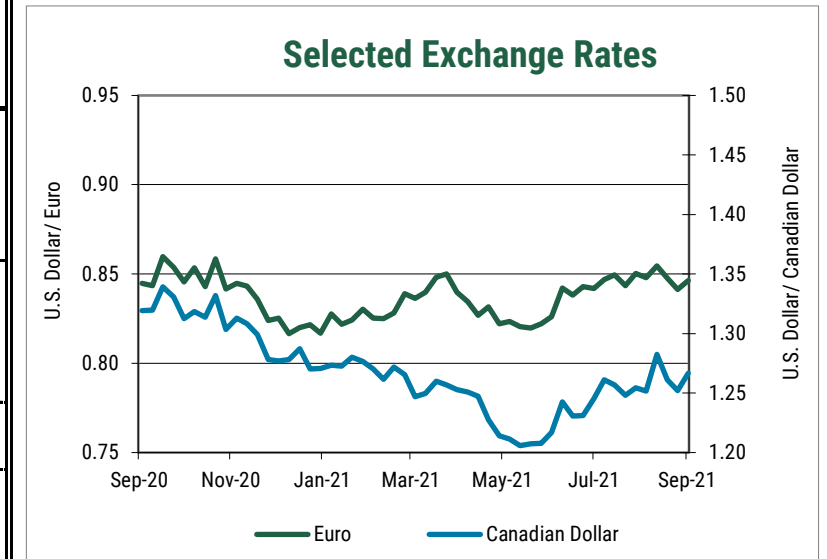
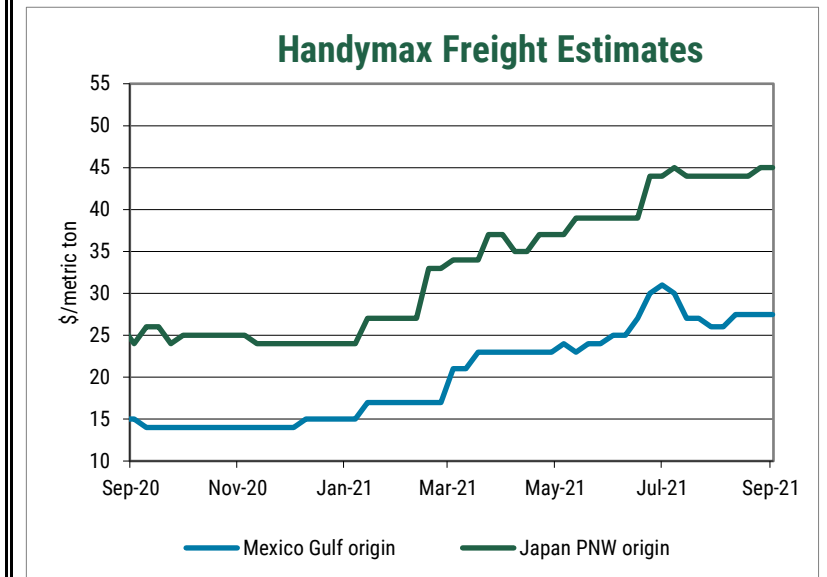
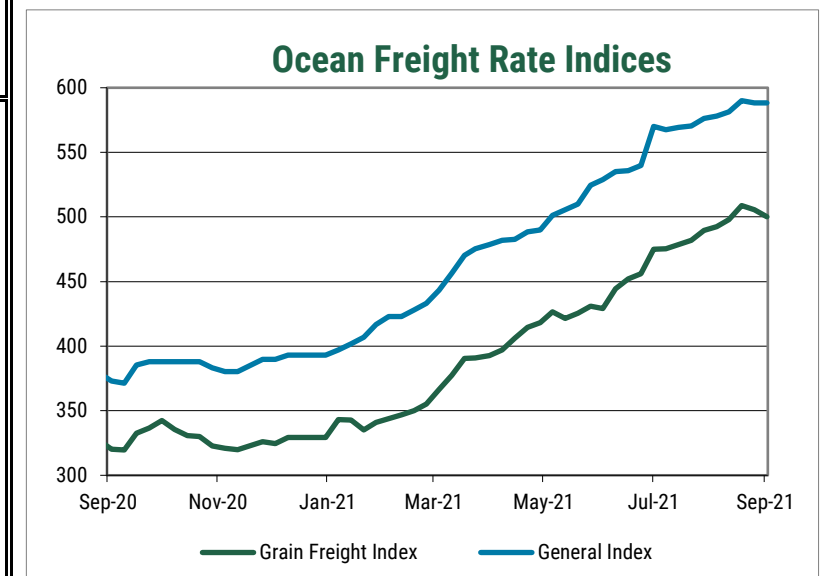
All prices are based upon U.S. number two grade or better as certified by the Federal Grain Inspection Service (FGIS).

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)	29	28		9/10/2021	500.2	588.4	461	
U.S. Gulf	W. South America (Peru/Ecu)			56	9/3/2021	505.4	588.4	425	
U.S. Gulf	S. South America (Chile)			58	8/27/2021	508.8	590.0	482	
U.S. Gulf	N. South America (Colombia)	44	45	46	8/20/2021	497.9	581.5	488	
U.S. Gulf	E. South America (Brazil)		44		8/13/2021	492.4	578.1	476	
U.S. Gulf	West Africa (Nigeria)	65			8/6/2021	489.5	576.4	484	
U.S. Gulf	East Mediterranean (Italy)	39			7/30/2021	482.0	570.3	446	
U.S. Gulf	West Mediterranean (Morocco)	62			7/23/2021	478.5	569.2	457	
U.S. Gulf	Persian Gulf (Iraq)			137	7/16/2021	475.3	567.4	485	
U.S. Gulf	Middle East (Egypt)			65	7/9/2021	475.0	570.0	487	
U.S. Gulf	Japan		81	80	7/2/2021	456.0	539.9	475	
Mid Atlantic	N. South America (Venezuela)	40			6/25/2021	452.2	535.8	460	
Mid Atlantic	West Africa (Nigeria)	65			6/18/2021	444.3	535.1	486	
Mid Atlantic	Middle East (Egypt)			43	6/11/2021	429.2	528.8	517	
St. Lawrence	N. South America (Venezuela)	21			6/4/2021	430.9	524.4	453	
St. Lawrence	Europe/Rotterdam			23	5/28/2021	425.4	509.8	487	
Great Lakes	East Mediterranean (Italy)	68			5/21/2021	421.6	505.4	520	
Great Lakes	West Mediterranean (Spain)	66			5/14/2021	426.5	501.2	494	
Great Lakes	Europe/Rotterdam	65			5/7/2021	418.3	490.0	485	
Great Lakes	West Mediterranean (Morocco)	68			4/30/2021	414.4	488.6	508	
PNW	W. South America (Peru/Ecu)	62			4/23/2021	406.0	482.6	530	
PNW	S. South America (Chile)	63			4/16/2021	397.1	481.9	563	
PNW	N. South America (Colombia)	52			4/9/2021	392.6	478.6	463	
PNW	Persian Gulf (Iraq)			117	4/1/2021	390.7	475.4	411	
PNW	Middle East (Egypt)			66	3/26/2021	390.5	470.3	509	
PNW	East Africa (Djibouti/Mombasa)		48	53	3/19/2021	377.2	456.5	558	
PNW	South Asia (Mal/Indon/Phil/Sing)			49	3/12/2021	366.6	443.4	576	
PNW	Taiwan		49	56	3/5/2021	355.2	433.1	521	
PNW	South Korea		44	49	2/26/2021	349.9	428.1	549	
PNW	Japan		45	44	2/19/2021	346.7	422.8	483	

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
9/10/21	N/A	98.10	1.359	5.264	1.267	15.68	0.846	109.9	73.14
9/3/21	112.8	97.87	1.341	5.183	1.252	15.69	0.841	109.6	72.68
8/27/21	113.6	97.47	1.367	5.204	1.261	15.67	0.848	109.8	73.51
8/20/21	114.8	97.22	1.400	5.380	1.282	15.68	0.855	109.8	74.24
9/10/20	116.1	45.17	1.378	5.318	1.319	15.74	0.846	106.1	75.13
9/10/16	N/A	14.905	1.321	3.245	1.304	8.842	0.890	101.8	64.51
1 year change	N/A	117.18%	-1.33%	-1.01%	-3.97%	-0.39%	0.01%	3.55%	-2.64%
5 year change	N/A	558.18%	2.89%	62.22%	-2.83%	77.34%	-4.89%	7.90%	13.39%



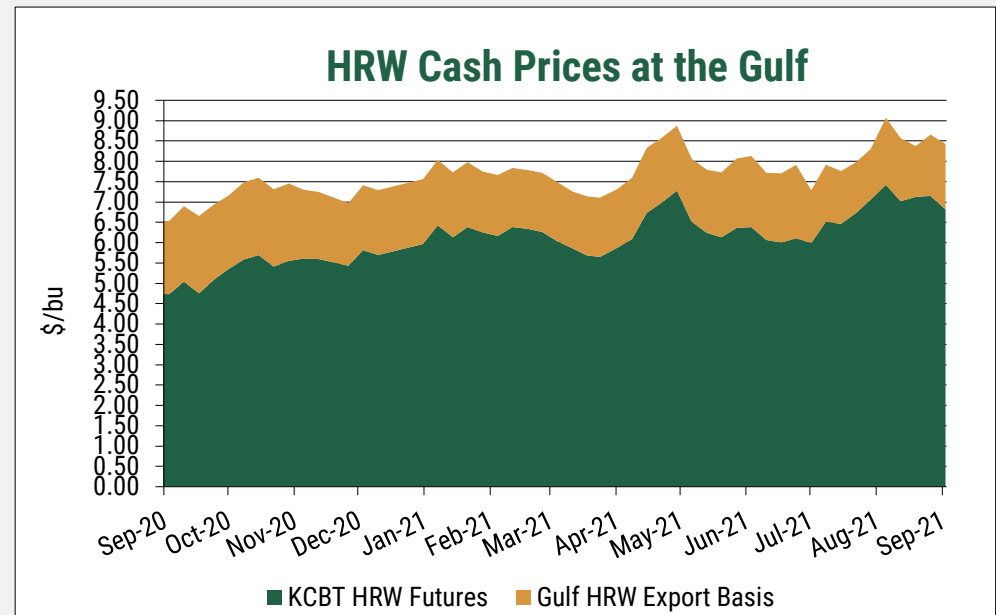
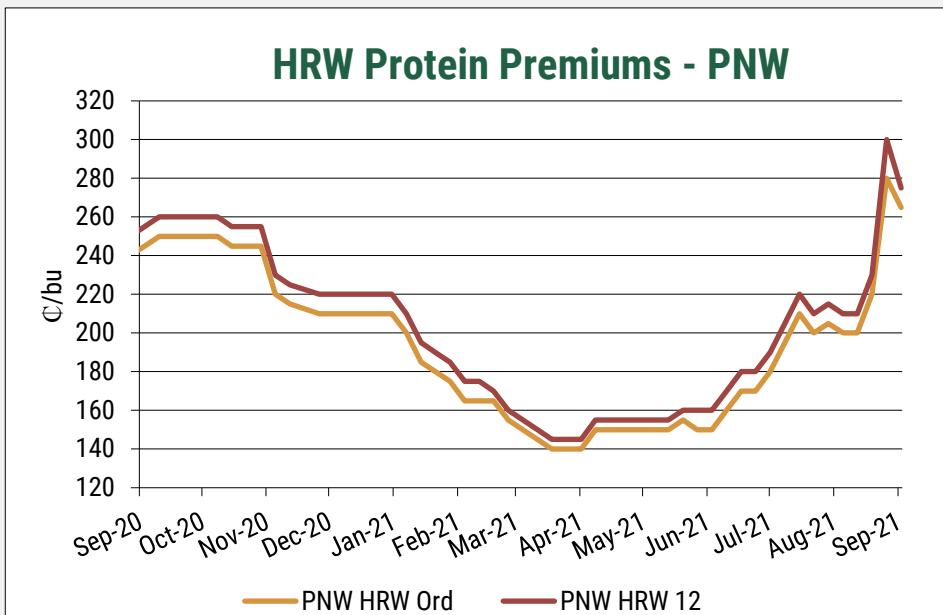
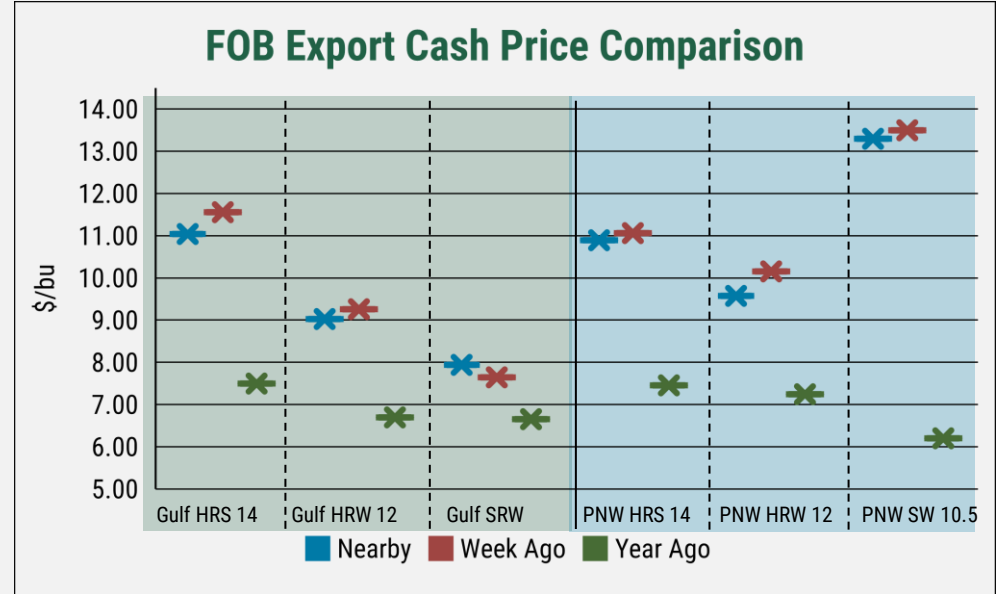
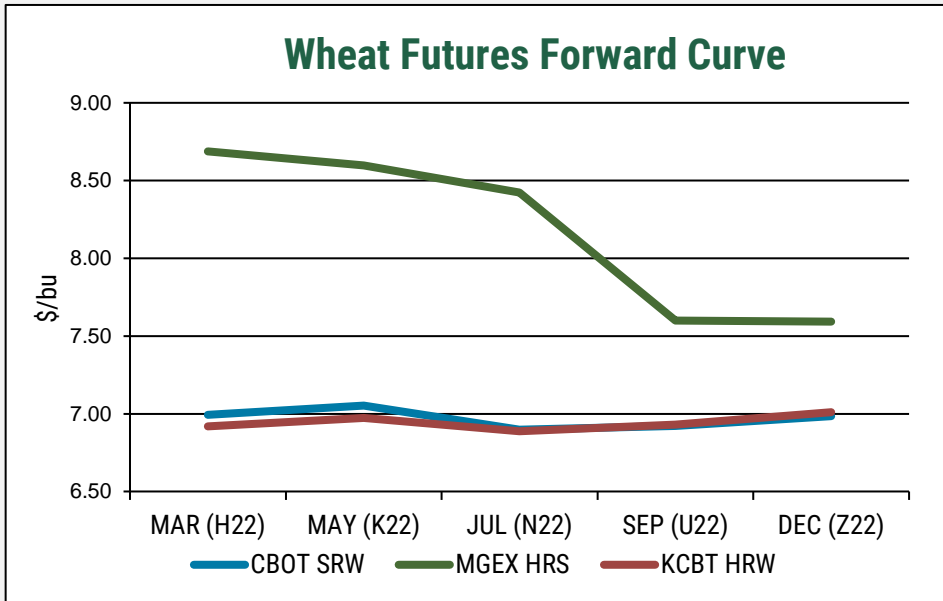
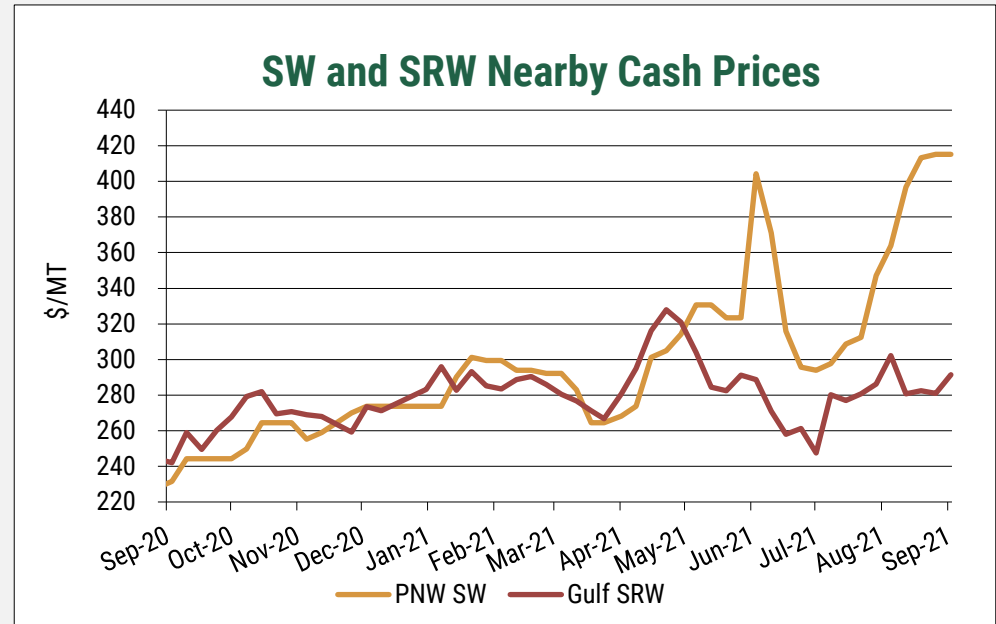
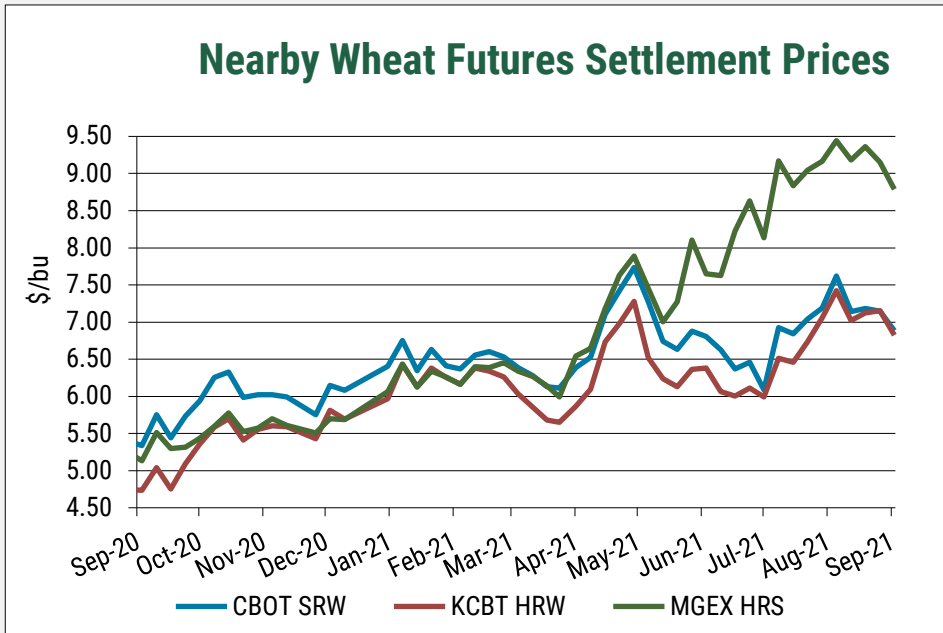
The weekly prices as reported by U.S. Wheat Associates are compiled through research from numerous market sources, including U.S. wheat exporters of all classes from various U.S. ports. The prices reported are representative of the value of number two grade and the proteins indicated. **They are not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

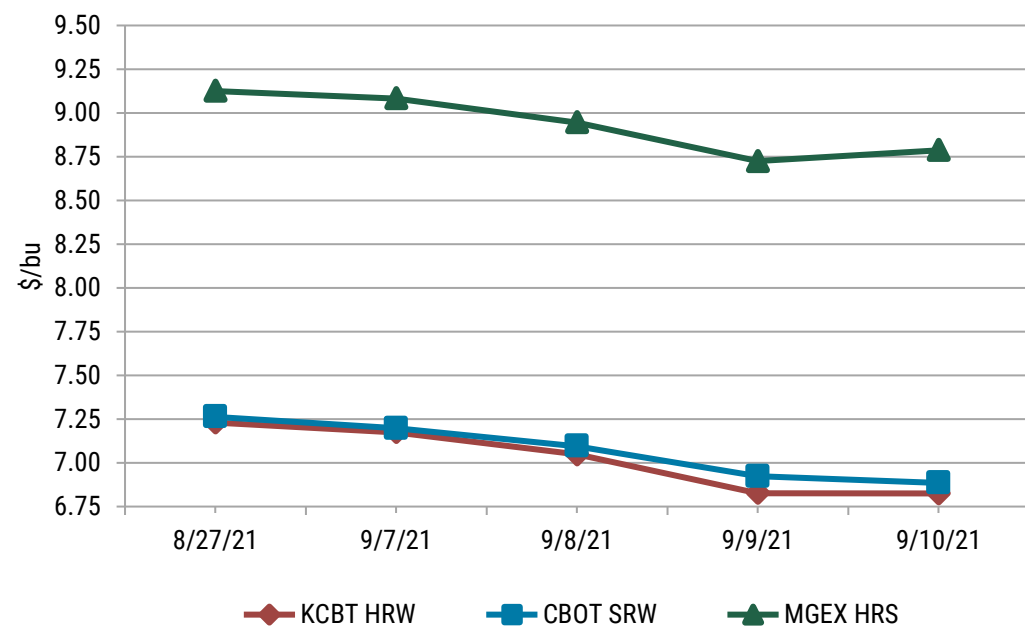
U.S. Wheat Associates recommends regular contact with exporters of U.S. wheat in order to receive offers representative of your requirements.

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).

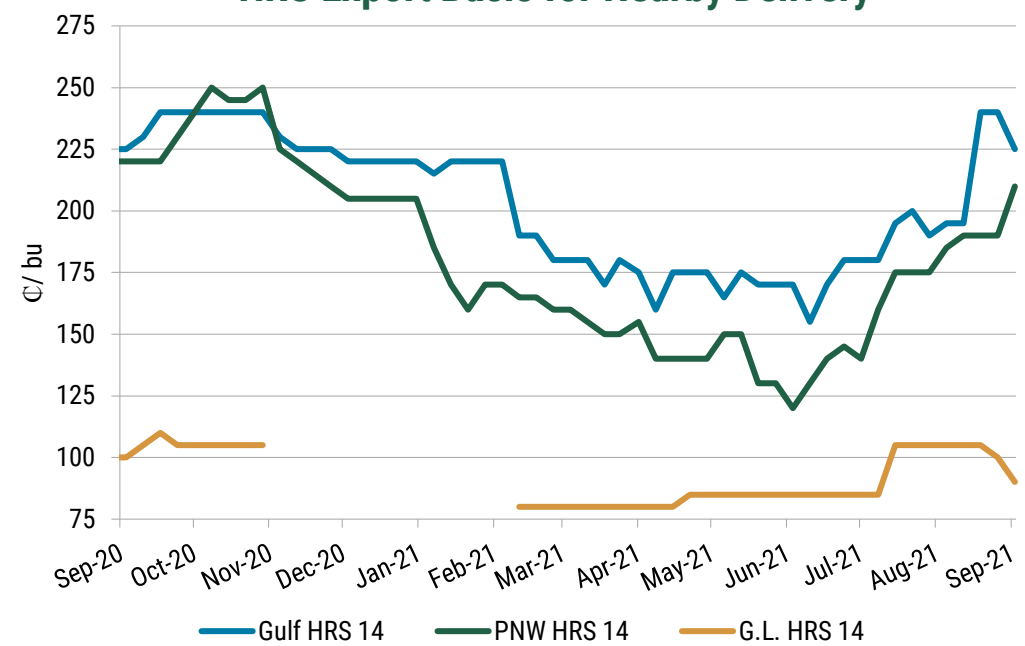
Contact: For questions, please contact Michael Anderson at manderson@uswheat.org.



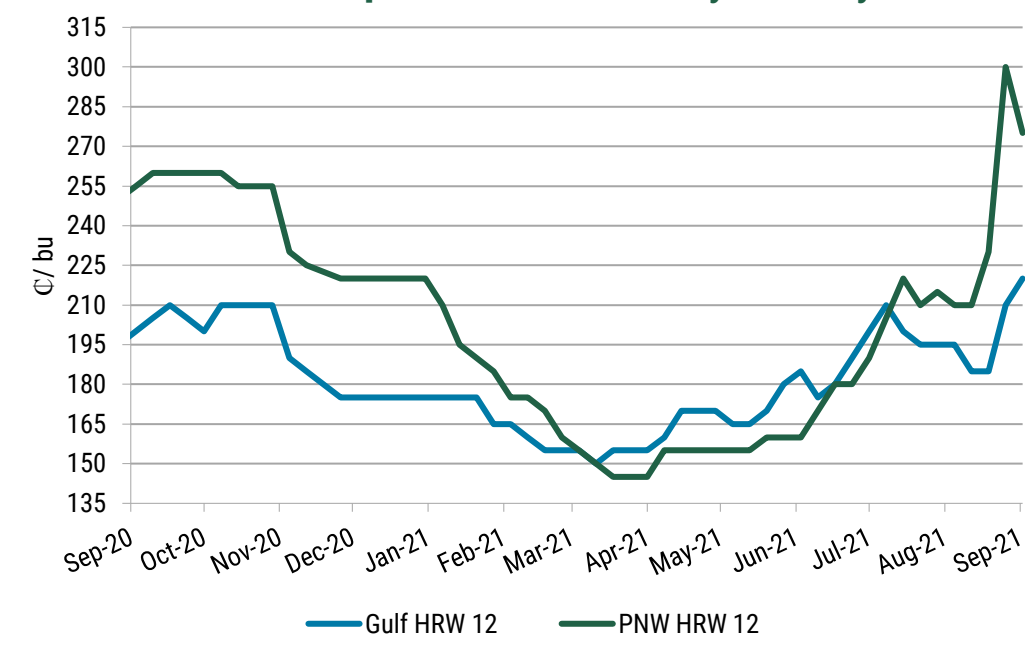
Daily Futures Settlement Prices



HRS Export Basis for Nearby Delivery



HRW Export Basis for Nearby Delivery



- All futures were down this week. CBOT soft red winter (SRW) futures were down 39 cents to close at \$6.75/bu. KCBT hard red winter (HRW) futures were down 39 cents to end at \$6.76/bu. MGE hard red spring (HRS) futures lost 32 cents to close at \$8.83/bu. CBOT corn futures were down 6 cents to \$5.02/bu. CBOT soybean futures were down 8 cents to close at \$12.75/bu.
- Basis was mixed this week in both the Gulf and the Pacific Northwest (PNW). High wheat prices keep demand limited while a robust export program for other row crops is limiting elevator capacity. In the Gulf, the [effects of Hurricane Ida](#) last week are still causing logistical challenges especially for SRW transportation.
- Traders made no offers again this week for HRW 12.5% protein exported from the Gulf. Total U.S. SW 9.5% max protein offers were also limited this week. Please contact your supplier or local USW office for more information.
- Net sales of 388,400 metric tons (MT) for delivery in 2021/22, were up 32% from last week's 295,300 (MT) and in line with trade expectations of 150,000 MT to 525,000 MT. Year-to-date commercial sales for delivery in 2021/22 total 9.8 million metric tons (MMT), 24% lower than last year at the same time. USDA expects total 2021/22 U.S. wheat exports will reach 23.8 MMT, 12% lower than last year, if realized.
- In its September [World Agricultural Supply and Demand Estimates](#) (WASDE) report, USDA lowered its estimate of Canadian wheat production in 2021/22 by 1.0 MMT to 23.0 MMT. If realized, this will be the smallest Canadian crop since MY 2007/08. USDA also reduced Argentina's estimated production by 500,000 tons to 20.0 million on dry conditions. USDA increased its production estimates for Australia by 1.5 MMT, and now expects more production in China and India. U.S. Wheat Associates (USW) updates its global wheat [Supply and Demand Report](#) following each WASDE release.
- The Central and Northern Plains continued to see soil moisture improve this week. However, areas of dryness persist, and USDA last week rated 63% of North Dakota and 66% of South Dakota topsoil short to very short. The PNW remains dry with no improvement this week. The USDA reported that topsoil moisture rated short to very short was 100% in Washington, 89% for Oregon, 75% in Idaho, and 93% in Montana. This year, drought conditions and extreme summer heat led to Washington state's lowest wheat production since 1973.
- India's government raised the state-mandated price (MSP), the price the government will pay for new-season wheat, by 2% to US\$27.39 per 100 kg, or \$273.90 per metric ton. India is the world's second-largest wheat producer. The chief of one farmer organization said Indian growers should be disappointed in the small increase. He added that increased production and labor costs were too high to be absorbed by the modest increase to MSP.
- Euronext, a European-based commodity business, said it plans to launch a durum wheat contract in the second half of next year. The exchange last year said it would develop cash-settled contracts to expand its commodity business which currently focuses on physical delivery. The new contract will provide physical price benchmarks instead of simply a futures contract.
- Australia's chief commodity forecaster said this week that farmers are on course to harvest a near-record wheat crop. The Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES) said it expects production for the season ending June 30, 2022, to total 32.63 MMT, up from the 27.8 MMT forecast in June.
- Since 1991 Brazil has lost nearly a fifth of its surface freshwater supply due to climate change and deforestation, according to MapBiomas. The evaporating water supply has exacerbated drought conditions and even led to complications with transporting grains due to the decline in the depth of the Parana River waterway [noted AgriCensus](#). The study added that deforestation in the Amazon had reduced moisture from the trees.
- Barilla, a leading pasta manufacturer, said that tight global wheat supplies and soaring raw materials prices are creating challenges for the Italian pasta maker. The company also noted that the situation left little room for flexibility regarding the increase in raw material, energy, packaging, and logistics costs.
- The Baltic Dry Index (BDI), an assessment of the average cost to ship raw materials such as grains, coal, and iron ore, decreased 2% on the week to end at 3,864.
- The U.S. Dollar Index increased from last week's 91.41 to close at 92.45.

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