

Weekly Price Report January 06, 2023

U.S. Wheat FOB & Export Basis Estimates

Export Region	Class & Percent Protein 12% (Dry) Moisture Basis		JAN (H23)				JAN (H23)		FEB (H23)		MAR (H23)		APR (K23)		MAY (K23)		JUN (N23)		JUL (N23)	
			(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	\$/MT	\$/bu	\$/MT	\$/bu	\$/MT	\$/bu	\$/MT	\$/bu	\$/MT	\$/bu	\$/MT	\$/bu	\$/MT
Great Lakes	HRS 14.5 (16.5)* Min	M	Closed	Closed	Closed	377	Closed	Closed	Closed	Closed	Closed	Closed	357	75	355	70	353	70	353	70
	HRS 14.0 (15.9)* Min	M	Closed	Closed	Closed	375	Closed	Closed	Closed	Closed	Closed	Closed	355	70	353	65	351	65	351	65
	HRS 14.5 (16.5)* Min	M	Closed	Closed	Closed	377	Closed	Closed	Closed	Closed	Closed	Closed	357	75	355	70	353	70	353	70
Gulf of Mexico	HRS 13.5 (15.3)* Min	M	11.32	-0.17	-6	421	416	230	416	230	416	230	414	230	414	230	412	230	412	230
	HRS 14.0 (15.9)* Min	M	11.37	-0.17	-6	422	418	235	418	235	418	235	415	235	415	235	414	235	414	235
	HRS 14.5 (16.5)*	M	11.47	-0.17	-6	426	421	245	421	245	421	245	419	245	419	245	417	245	417	245
	HRW Ord	K	10.17	-0.56	-21	369	374	185	374	185	374	185	370	180	370	180	369	180	369	180
	HRW 11.0 (12.5)* Min	K	10.22	-0.56	-21	373	376	190	376	190	376	190	372	185	372	185	371	185	371	185
	HRW 11.5 (13.1)* Min	K	10.27	-0.56	-21	382	377	195	377	195	377	195	374	190	374	190	372	190	372	190
	HRW 12.0 (13.6)*	K	10.27	-0.56	-21	426	377	195	377	195	377	195	374	190	374	190	372	190	372	190
	HRW 12.5 (14.2)* Min	K	10.32	-0.56	-21	392	379	200	379	200	379	200	376	195	376	195	374	195	374	195
	SRW	W	8.89	-0.59	-21	333	326	145	326	145	325	140	326	135	326	135	327	135	327	135
Pacific N. West	HRS 13.5 (15.3)* Min	M	10.92	-0.42	-15	413	401	190	401	190	399	185	395	180	395	180	392	175	392	175
	HRS 14.0 (15.9)* Min	M	10.92	-0.42	-15	413	401	190	401	190	399	185	395	180	395	180	392	175	392	175
	HRS 14.5 (16.5)*	M	11.02	-0.42	-15	415	405	200	405	200	403	195	399	190	399	190	395	185	395	185
	HRW Ord	K	10.57	-0.51	-19	396	388	225	388	225	388	225	387	225	389	230	387	230	387	230
	HRW 11.5 (13.1)*	K	10.57	-0.51	-19	426	388	225	388	225	388	225	387	225	389	230	387	230	387	230
	HRW 12.0 (13.6)* Min	K	10.62	-0.51	-19	402	390	230	390	230	390	230	389	230	391	235	389	235	389	235
	HRW 13.0 (14.8)* Min	K	10.82	-0.51	-19	413	398	250	398	250	398	250	396	250	398	255	396	255	396	255
	SW Unspecified	\$	8.80	-0.20	-7	362	323	880	323	880	327	890	325	885	325	885	327	890	327	890
	SW 9.5 (10.8)* Min	\$	8.95	-0.20	-7	362	329	895	329	895	333	905	331	900	331	900	333	905	333	905
	SW 9.5 (10.8)* Max	\$	8.75	-0.20	-7	435	322	875	322	875	325	885	323	880	323	880	325	885	325	885
	SW 10.5 (11.9)* Max	\$	8.75	-0.20	-7	435	322	875	322	875	325	885	323	880	323	880	325	885	325	885
	WW 11.0 (12.5) with 10% Club	\$	8.85	-0.20	-7	455	325	885	325	885	329	895	327	890	327	890	329	895	329	895
WW 11.0 (12.5) with 20% Club	\$	8.95	-0.20	-7	468	329	895	329	895	333	905	331	900	331	900	333	905	333	905	

For Desert Durum offers, contact your supplier.

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

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 G.L. 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 (H23)			MAY (H23)		JUL (K23)		AUG (K23)		SEP (N23)		NOV (N23)		DEC (U23)		JAN (H23)	
		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	W	273.18	7.4350	(0.4850)	7.5150	(0.4725)	7.5625	(0.4675)			7.6400	(0.4550)			7.7700	(0.4325)		
Kansas City BOT HRW	K	305.70	8.3200	(0.5600)	8.2800	(0.5425)	8.2375	(0.5275)			8.2475	(0.5225)			8.2925	(0.5000)		
Minneapolis MGE NS/DNS	M	331.33	9.0175	(0.3700)	8.9575	(0.3075)	8.9075	(0.2900)			8.7575	(0.2275)			8.8100	(0.2125)		
Chicago BOT Corn	C	240.30	6.5400	(0.2450)	6.5400	(0.2400)	6.4825	(0.2350)			6.0625	(0.2075)			5.9100	(0.1975)		
Chicago BOT Soybeans	S	550.04	14.970	(0.2700)	14.9850	(0.3150)	15.0175	(0.3150)	14.5163	(0.5563)	14.5163	0.0262	13.9725	(0.1950)			14.9700	(0.2225)

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; c/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.

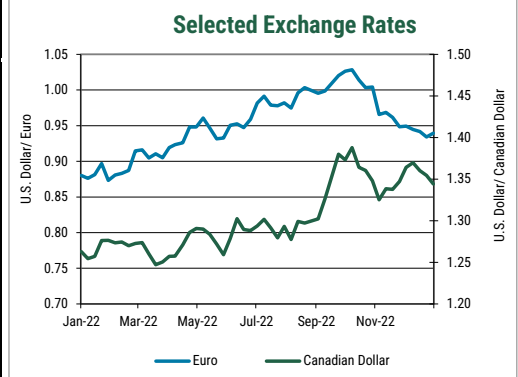
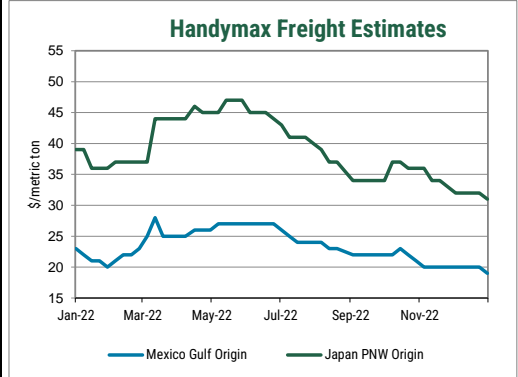
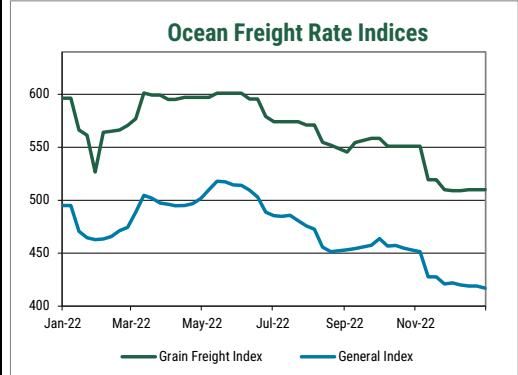
All prices are based upon U.S. number two grade or better as certified by the Federal Grain Inspection Service (FGIS).

Ocean Freight Rate Estimates for Nearby Delivery				U.S. dollars/metric ton				
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
U.S. Gulf	Mexico (Veracruz)	23	19		1/6/2023	417.0	510.0	422
U.S. Gulf	W. South America (Peru/Ecu)			40	12/30/2022	419.0	510.0	333
U.S. Gulf	S. South America (Chile)			57	12/23/2022	419.0	510.0	333
U.S. Gulf	N. South America (Colombia)		31	28	12/16/2022	420.0	509.0	394
U.S. Gulf	E. South America (Brazil)		36		12/9/2022	422.0	509.0	394
U.S. Gulf	West Africa (Nigeria)	47			12/2/2022	421.0	510.0	393
U.S. Gulf	East Mediterranean (Italy)	53			11/25/2022	427.6	519.4	398
U.S. Gulf	West Mediterranean (Morocco)	44			11/18/2022	427.6	519.4	398
U.S. Gulf	Persian Gulf (Iraq)			95	11/11/2022	451.4	550.9	504
U.S. Gulf	Middle East (Egypt)			45	11/4/2022	452.9	550.9	471
U.S. Gulf	Japan		55	54	10/28/2022	454.7	550.9	361
Mid Atlantic	N. South America (Venezuela)				10/21/2022	457.2	550.9	492
Mid Atlantic	West Africa (Nigeria)	46			10/14/2022	456.6	550.9	444
Mid Atlantic	Middle East (Egypt)				10/7/2022	463.8	558.5	449
St. Lawrence	N. South America (Venezuela)				9/30/2022	457.4	558.5	422
St. Lawrence	Europe/Rotterdam			61	9/16/2022	454.3	554.5	404
Great Lakes	East Mediterranean (Italy)				9/9/2022	453.2	545.5	445
Great Lakes	West Mediterranean (Spain)				8/26/2022	451.4	552.0	432
Great Lakes	Europe/Rotterdam				8/19/2022	455.8	554.6	428
Great Lakes	West Mediterranean (Morocco)				8/12/2022	472.7	571.0	428
PNW	W. South America (Peru/Ecu)	57			8/5/2022	475.7	571.0	417
PNW	S. South America (Chile)	60			7/29/2022	480.7	574.1	414
PNW	N. South America (Colombia)	50			7/22/2022	485.8	574.1	467
PNW	Persian Gulf (Iraq)			83	7/15/2022	484.8	574.1	452
PNW	Middle East (Egypt)			46	7/8/2022	485.4	574.1	435
PNW	East Africa (Djibouti/Mombasa)				7/1/2022	488.8	579.0	447
PNW	South Asia (Mal/Indon/Phil/Sing)			41	6/24/2022	503.1	595.5	420
PNW	Taiwan			38	6/17/2022	509.5	595.5	497
PNW	South Korea		40	46	6/10/2022	514.1	601.0	487
PNW	Japan		31	31	6/3/2022	514.4	601.0	229

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
1/6/23	N/A	179.24	1.454	5.224	1.344	27.17	0.939	132.2	72.47
12/30/22	121.5	176.72	1.466	5.286	1.354	24.72	0.934	131.1	73.72
12/23/22	122.1	174.81	1.489	5.164	1.360	24.72	0.942	132.8	69.09
12/16/22	122.7	172.69	1.494	5.313	1.370	24.66	0.945	136.7	64.84
1/7/22	115.1	103.29	1.392	5.635	1.263	15.69	0.880	115.5	75.69
1/12/18	108.9	18.656	1.263	3.204	1.246	17.655	0.820	111.0	56.57
1 year change	NA	73.53%	4.45%	-7.28%	6.44%	73.16%	6.74%	14.38%	-4.26%
5 year change	NA	860.77%	15.17%	63.05%	7.90%	53.90%	14.64%	19.03%	28.10%



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.**

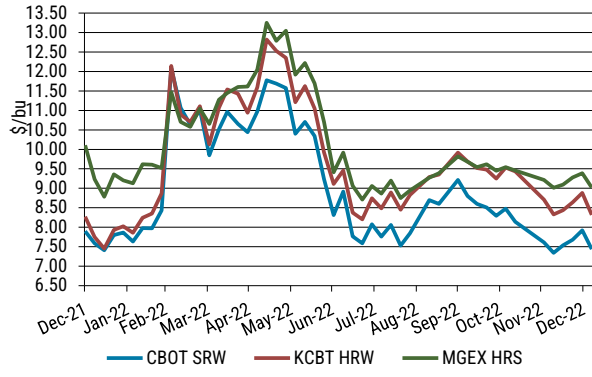
These factors may include: (1) payment terms (differing from cash against documents which are the terms used in the U.S. Wheat Associates price report); (2) various quality factors, and method of quality certification; (3) loading terms (USW prices represent Free on Board and do not include loading rate 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.

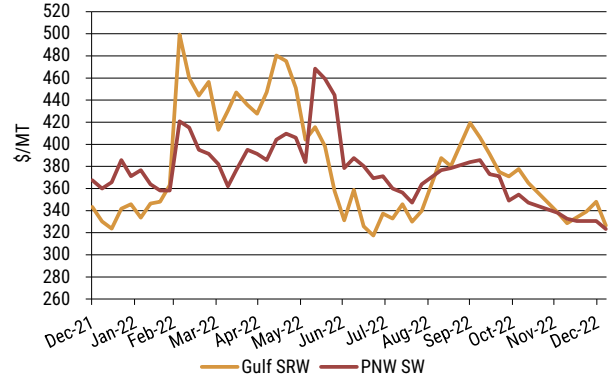
This contact will allow importers to review contract terms and better understand the U.S. grading system, role and function of the Federal Grain Inspection Service (FGIS).

Contact: For questions, please contact tyllorledford@uswheat.org

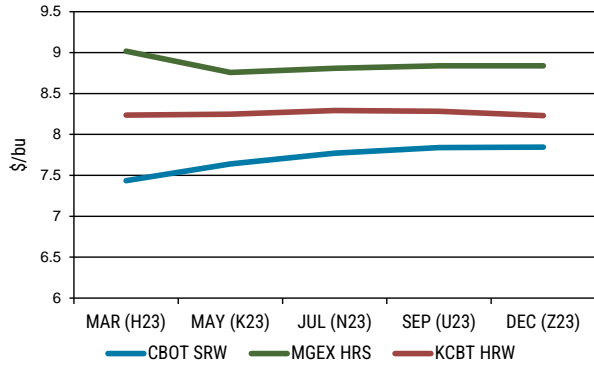
Nearby Wheat Futures Settlement Prices



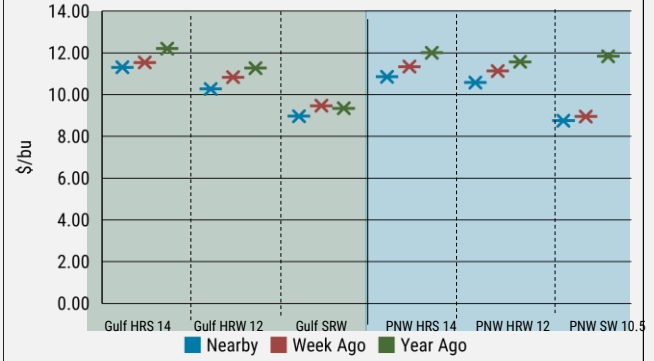
SW and SRW Nearby Cash Prices



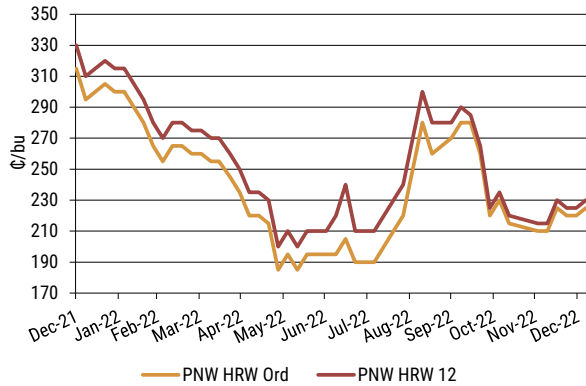
Wheat Futures Forward Curve



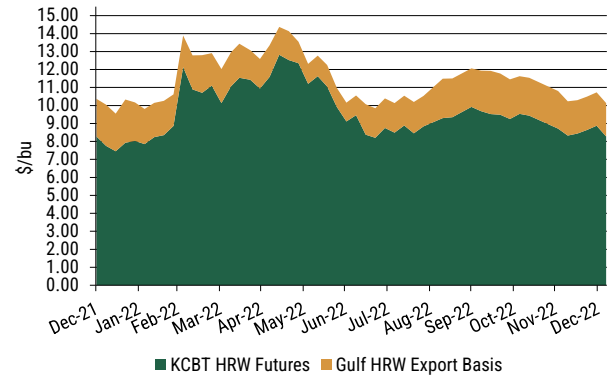
FOB Export Cash Price Comparison

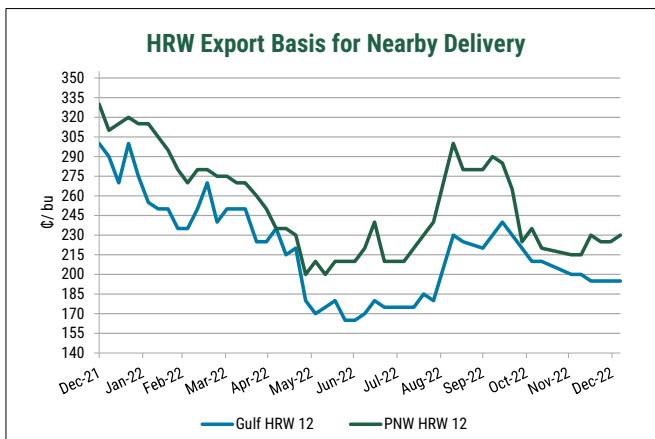
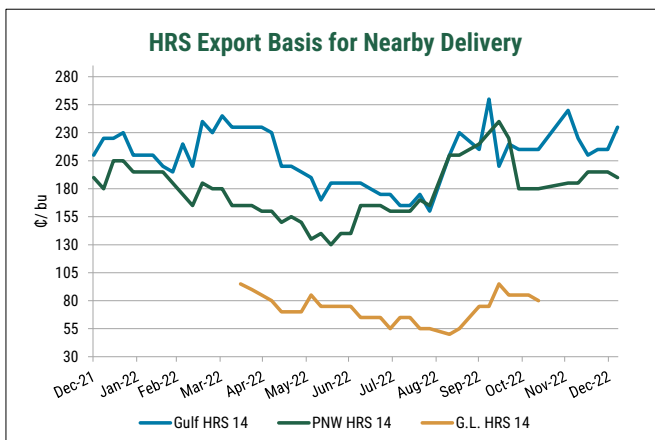
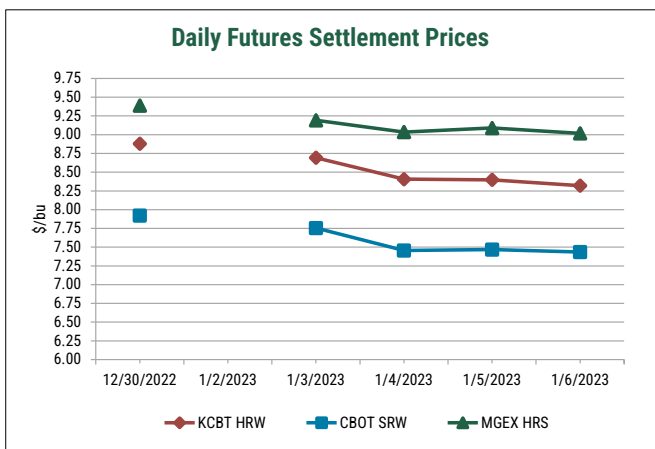


HRW Protein Premiums - PNW



HRW Cash Prices at the Gulf





- March '23 wheat futures ended this week down after a rally in late December/early January. Comparing closing prices from the last published Price Report on Dec. 22, 2022, to the Jan. 6 closings, CBOT soft red winter (SRW) futures were down 23 cents, to close at \$7.44/bu. KCBT hard red winter (HRW) futures were down 32 cents, at \$8.32/bu. MGE hard red spring (HRS) futures were down 25 cents to close at \$9.05/bu. CBOT corn futures were down 8 cents, at \$6.54/bu. CBOT soybean futures were up 34 cents, at \$15.01/bu.
- Coming off the recent holidays, and with New Year holidays still in full swing across Asia, lackluster commercial sales pointed to slow export demand. Many buyers covered their needs through the beginning of 2023 and have not yet re-entered the market. Despite sluggish demand, soft white (SW) prices from the PNW and Gulf SRW basis dropped in competition with Australian and French soft wheat. Gulf HRS basis increased as rail performance struggles to catch up after late December storms. In spite of poor rail performance, PNW HRS eased slightly, positioning itself for potential demand in the coming weeks. PNW HRW held steady, while Gulf HRW basis increased slightly, supported by the recent cold weather in the Southern Plains.
- For the week ending Dec. 29, 2022, net U.S. commercial wheat sales of 47,142 metric tons (MT) were reported for delivery in 2022/23, 90% below than last week's 478,100 MT and below trade expectations of 250,000 to 450,000 MT. Year-to-date 2022/23 commercial sales total 14.97 million metric tons (MMT). USDA expects 2022/23 U.S. wheat exports of 21.09 MMT.
- Following a late-December Arctic blast, temperatures warmed rapidly across the U.S., averaging 10°F above normal. Much of the High Plains, including western Kansas, Oklahoma and the Texas Panhandle, remain dry; however, significant precipitation helped improve conditions in northeast Colorado, South Dakota, and western Nebraska. The forecast shows heavy rains and high-elevation snow for the Pacific Northwest next week.
- With 80% of the crop in the bin, yields are better than expected for the already record-breaking 2022/23 [Australian wheat crop](#). According to some sources, the total harvest could reach 40.0 MMT or more, while USDA estimates hover at 36.6 MMT. Despite the record production, USDA projects Australian exports even with 2021 at 27.5 MMT. Logistics and export capacity remain a barrier for wheat exports out of Australia.
- Starting Jan. 1, some insurers will cancel [war risk coverage](#) for vessels from Russia, Ukraine, and Belarus. Reinsurers (entities that insure the insurance companies) are the primary driver of the policy shift as they try to limit exposure in the region after incurring losses related to the war and Hurricane Ida in the United States. The withdrawal does not apply to all policies in the region, but exclusions would make it harder for charters to find insurance, and prices may increase.
- Ukraine's infrastructure ministry said on Jan. 3 that no new vessels were currently expected to arrive in Ukraine for loading and 94 vessels were waiting for inspection in Turkey. Some ships have been waiting for more than a month for inspection.
- Late-season [frost and drought](#) continue to impact Argentina's wheat crop, with recent estimates coming in at 12.4 MMT, a far cry below the Buenos Aires Grains Exchange's initial assessment of 20.5 MMT. As of Wednesday, Argentine farmers had harvested 91.4% of the 6.1 million hectares (15 million acres) they planted.
- The Baltic Dry Index (BDI), an assessment of the average cost to ship raw materials such as grains, coal, and iron ore, decreased by 32% on the week to end at 1,130, its worst weekly drop since December 2021.
- The U.S. Dollar Index increased from last week's 104.43 to 104.5.

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