



U.S. Wheat Associates

Weekly Price Report (page 1)

October 18, 2019

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Export Region	Percent Protein 12% (Dry) Moisture Basis		NOV (Z19)			NOV (Z19)		DEC (Z19)		JAN (H20)		FEB (H20)		MAR (H20)		APR (K20)		MAY (K20)		Year Ago (nearbys) \$/MT
			(nearbys)		week change	FOB	Basis	FOB	Basis	FOB	Basis	FOB	Basis	FOB	Basis	FOB	Basis	FOB	Basis	
			FOB \$/bu	\$/bu																
Great Lakes	NS/DNS 13.5 (15.3)	M	6.55	-0.04	-1	240	110	242	115	closed	N/A	closed	N/A	closed	N/A	251	115	251	115	231
	NS/DNS 14.0 (15.9)	M	6.65	0.01	1	244	120	246	125	closed	N/A	closed	N/A	closed	N/A	254	125	254	125	235
	NS/DNS 14.5 (16.5)	M	6.70	0.01	1	246	125	248	130	closed	N/A	closed	N/A	closed	N/A	256	130	256	130	242
Gulf of Mexico	NS/DNS 13.5 (15.3)	M	7.20	-0.19	-7	264	175	266	180	273	185	273	185	273	185	276	185	276	185	273
	NS/DNS 14.0 (15.9)	M	7.30	-0.14	-5	268	185	270	190	277	195	277	195	277	195	280	195	280	195	277
	NS/DNS 14.5 (16.5)	M	7.40	-0.09	-3	272	195	274	200	280	205	280	205	280	205	284	205	284	205	281
	HRW Ord	K	5.64	0.09	3	207	130	207	130	210	125	210	125	210	125	213	125	213	125	239
	HRW 11.0 (12.5)	K	5.69	0.09	3	209	135	209	135	212	130	212	130	212	130	215	130	215	130	241
	HRW 11.5 (13.1)	K	5.94	0.09	3	218	160	218	160	221	155	221	155	221	155	224	155	224	155	243
	HRW 12.0 (13.6)	K	6.14	0.09	3	226	180	226	180	228	175	228	175	228	175	231	175	231	175	245
HRW 12.5 (14.2)	K	6.34	0.09	3	233	200	233	200	236	195	236	195	236	195	239	195	239	195	248	
SRW	C	6.32	0.24	9	232	100	234	105	234	100	234	100	234	100	236	100	236	100	219	
Pacific N. West	NS/DNS 13.5 (15.3)	M	7.50	-0.09	-3	275	205	277	210	282	210	284	215	286	220	289	220	289	220	262
	NS/DNS 14.0 (15.9)	M	7.55	-0.09	-3	277	210	279	215	284	215	286	220	288	225	291	225	291	225	264
	NS/DNS 14.5 (16.5)	M	7.80	-0.09	-3	286	235	288	240	293	240	295	245	297	250	300	250	300	250	266
	HRW Ord	K	6.29	0.09	3	231	195	231	195	234	190	236	195	236	195	239	195	239	195	250
	HRW 11.5 (13.1)	K	6.34	0.09	3	233	200	233	200	236	195	237	200	237	200	240	200	240	200	252
	HRW 12.0 (13.6)	K	6.54	0.09	3	240	220	240	220	243	215	245	220	245	220	248	220	248	220	256
	HRW 13.0 (14.8)	K	7.04	0.09	3	259	270	259	270	261	265	263	270	263	270	266	270	266	270	259
	SW 9.5 (10.8) Min	\$	6.38	0.10	4	234	6.38	234	6.38	236	6.43	238	6.48	240	6.53	240	6.53	240	6.53	N/A
	SW 10.5 (11.9) Max	\$	6.35	0.05	2	233	6.35	233	6.35	235	6.40	237	6.45	239	6.50	239	6.50	239	6.50	241
	SW 9.5 (10.8) Max	\$	6.45	0.05	2	237	6.45	237	6.45	239	6.50	241	6.55	243	6.60	243	6.60	243	6.60	243
WW with 10% Club	\$	6.70	0.10	4	246	6.70	246	6.70	248	6.75	250	6.80	252	6.85	252	6.85	252	6.85	242	
WW with 20% Club	\$	6.95	0.05	2	255	6.95	255	6.95	257	7.00	259	7.05	261	7.10	261	7.10	261	7.10	243	

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

Northern Durum offers from the Lakes range from \$6.25 to \$6.40/bu (\$230 to \$235/MT), and offers from Gulf ports range from \$7.48 to \$7.62/bu (\$275 to \$280/MT). For Desert Durum offers, contact your supplier.

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

Futures Settlements as of October 18, 2019

Grey positions not quoted on specific exchange

	DEC (Z19)		week change \$/bu	JAN (F20)		week change \$/bu	MAR (H20)		week change \$/bu	MAY (K20)		week change \$/bu	JUL (N20)		week change \$/bu	AUG (Q20)		week change \$/bu	SEP (U20)		week change \$/bu	DEC (Z20)		week change \$/bu	
	\$/MT	\$/bu		\$/bu	\$/bu		\$/bu	\$/bu		\$/bu	\$/bu		\$/bu	\$/bu		\$/bu	\$/bu		\$/bu	\$/bu		\$/bu	\$/bu		\$/bu
Chicago BOT SRW	195.57	5.3225	0.2425			5.3700	0.2300	5.4150	0.2300	5.4400	0.2175			5.4975	0.2050	5.5975	0.1875								
Kansas City BOT HRW	159.38	4.3375	0.1425			4.4600	0.1400	4.5450	0.1275	4.6300	0.1225			4.7225	0.1125	4.8475	0.0875								
Minneapolis MGE NS/DNS	200.07	5.4450	(0.0350)			5.5825	(0.0375)	5.6725	(0.0350)	5.7425	(0.0375)			5.8075	(0.0300)	5.9200	(0.0225)								
Chicago BOT Corn	143.67	3.9100	(0.0675)			4.0275	(0.0500)	4.0950	(0.0325)	4.1525	(0.0125)			4.0650	(0.0125)	4.1025	0.0025								
Chicago BOT Soybeans				9.4750	(0.0300)	9.5925	(0.0175)	9.6750	(0.0100)	9.7600	(0.0075)	9.7850	(0.0025)	9.7350	0.0125										

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.

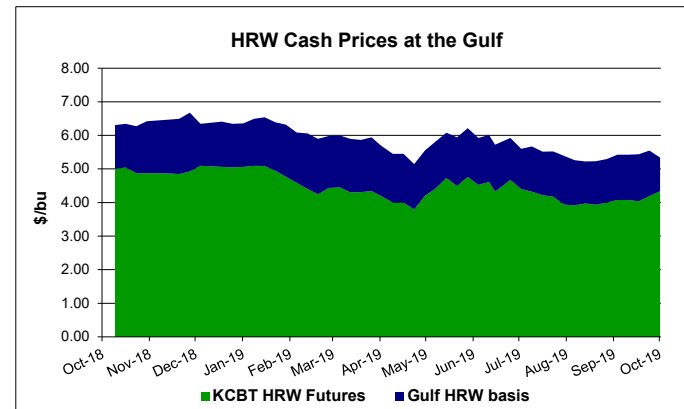
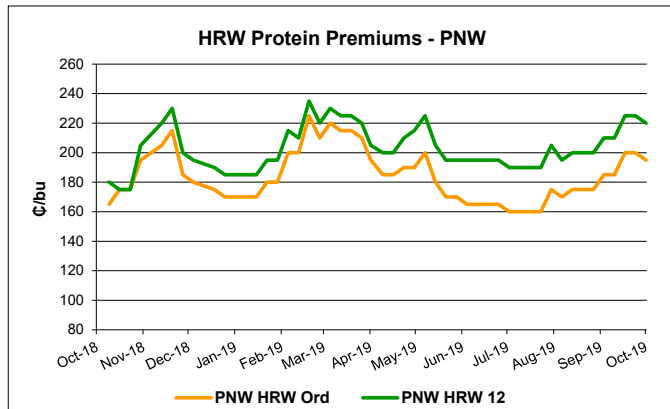
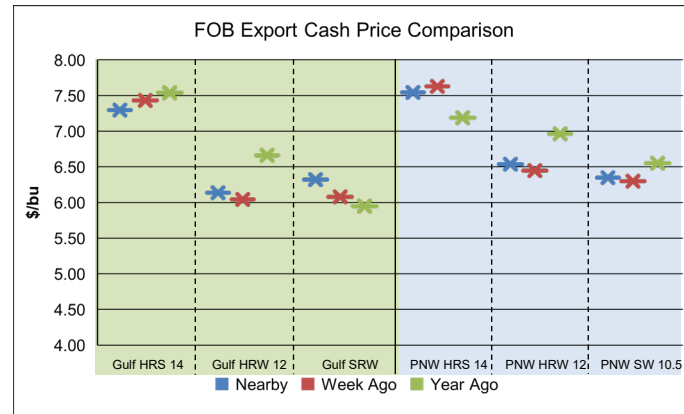
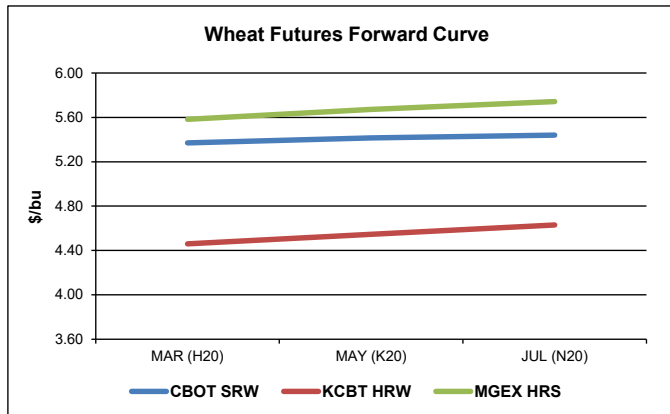
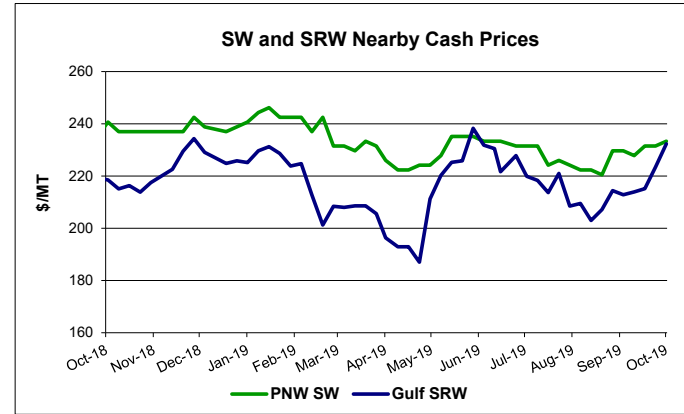
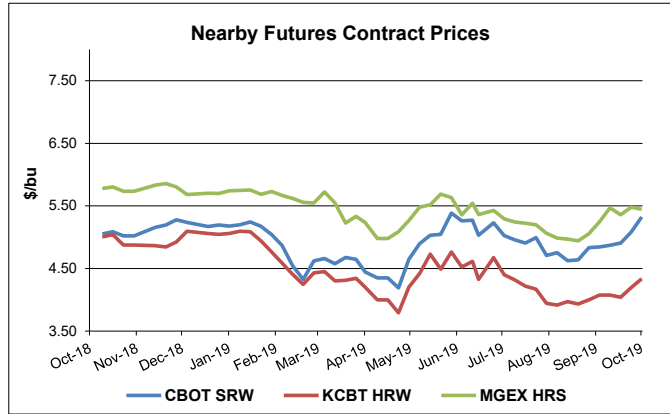
Basis: The difference between the cash price and futures month for specific quality, shipping period and geographical location.

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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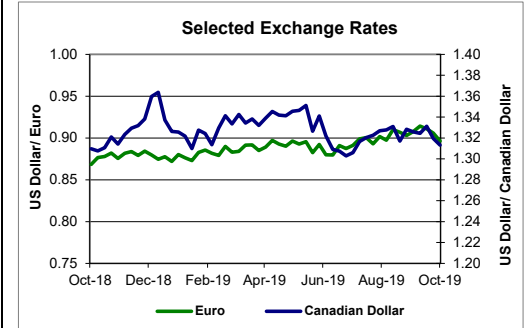
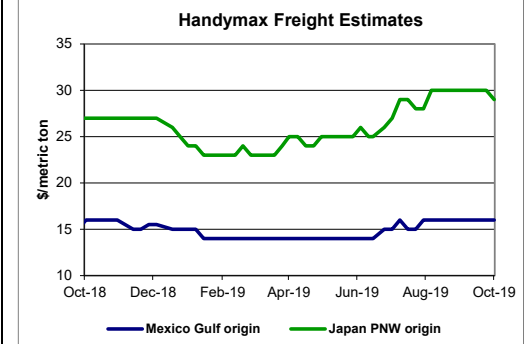
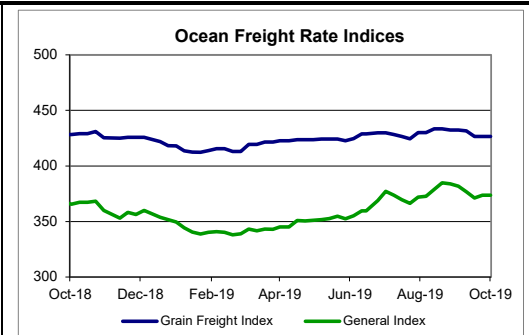
Ocean Freight Rate Estimates by Origin*		U.S. dollars/metric ton			Freight Index**	General Index	Grain Freight Index	Number of Fixtures
Export Region	Import Region	Handy 25-30 TMT	Handymax 40-46 TMT	Panamax 54+ TMT				
US Gulf	Mexico (Veracruz)	19	16		10/18/2019	371.3	425.0	563
	W. South America (Peru/Ecu)	28			10/11/2019	373.6	426.5	617
	S. South America (Chile)	26			10/4/2019	371.1	426.5	571
	N. America (Columbia)	20			9/27/2019	376.8	431.5	548
	E. South America (Brazil)	26			9/20/2019	381.8	432.3	559
	West Africa (Nigeria)	56			9/13/2019	383.8	432.3	509
	East Mediterranean (Italy)	40			9/6/2019	384.8	433.4	547
	West Mediterranean (Morocco)	38			8/30/2019	378.9	433.4	455
	Persian Gulf (Iraq)				8/23/2019	372.6	430.1	596
	Middle East (Egypt)				8/16/2019	371.9	430.1	494
	Japan		52	51	8/9/2019	366.3	424.4	520
Mid Atlantic	N. South America (Venezuela)	33			8/2/2019	369.7	426.6	529
	West Africa (Nigeria)	57			7/26/2019	373.7	428.3	565
	Middle East (Egypt)			56	7/19/2019	377.1	429.9	559
St. Lawrence	N. South America (Venezuela)	20			7/12/2019	368.8	429.9	567
	Europe/Rotterdam			20	7/2/2019	359.5	428.8	502
Great Lakes	East Mediterranean (Italy)	55			6/21/2019	355.1	424.6	555
PNW	W. South America (Peru/Ecu)	26			5/24/2019	351.6	424.3	587
	S. South America (Chile)	30			5/17/2019	351.1	423.7	555
	N. South America (Colombia)	33			5/10/2019	350.5	423.7	584
	Persian Gulf (Iraq)			60	5/3/2019	350.9	423.7	474
	Middle East (Egypt)			32	4/26/2019	347.4	424.3	514
	East Africa (Djibouti/Mombasa)		43	41	4/18/2019	345.0	422.7	442
	South Asia (Mal/Indon/Phil/Sing)		37	29	4/12/2019	343.0	421.5	621
	Taiwan		27	26	4/5/2019	343.2	421.5	576
	South Korea		26	25	3/29/2019	341.6	419.4	558
	Japan		30	29	3/22/2019	343.1	419.4	642

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
10/18/19	N/A	58.35	1.460	4.130	1.313	16.23	0.896	108.4	63.99
10/11/19	116.9	58.02	1.473	4.109	1.320	16.23	0.906	108.4	64.21
10/4/19	117.6	57.54	1.478	4.055	1.331	16.26	0.911	106.9	64.65
9/27/19	117.8	57.32	1.478	4.160	1.324	16.26	0.914	107.9	64.65
10/18/18	114.9	36.70	1.409	3.721	1.309	17.87	0.873	112.2	65.79
10/18/14	97.30	8.480	1.141	2.463	1.125	7.171	0.782	106.5	40.90
1 year change	N/A	58.97%	3.69%	10.98%	0.35%	-9.21%	2.67%	-3.33%	-2.74%
5 year change	N/A	588.11%	28.00%	67.67%	16.68%	126.25%	14.67%	1.83%	56.45%



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.

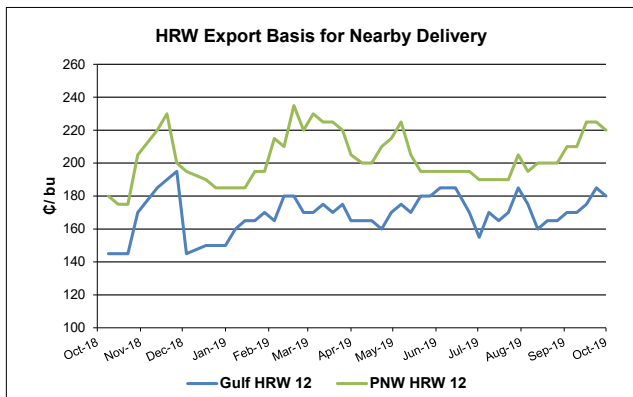
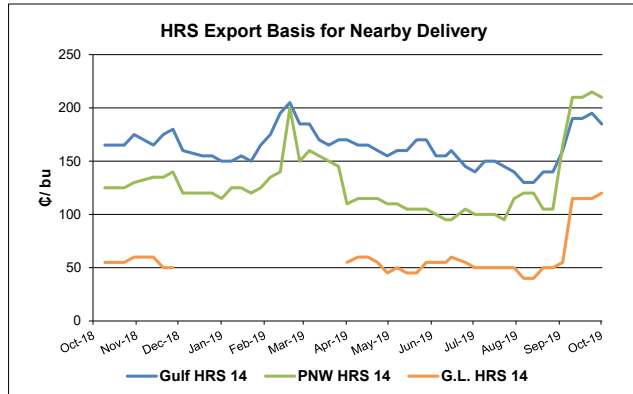
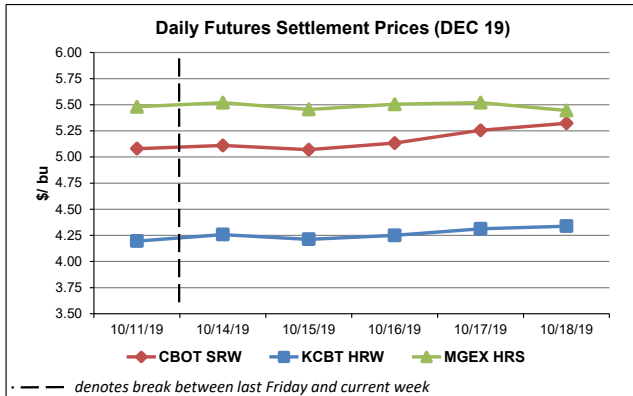
U.S. Wheat Associates recommends regular contact with exporters of U.S. wheat in order to receive offers representative of your requirements.

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



- Both winter wheat futures contracts, hard red winter (HRW) and soft red winter (SRW), settled higher week-over-week due to technical buying and news that Egypt's grain buyer GASC bought 405,000 metric tons (MT) of French, Russian, and Ukrainian wheat at higher prices on Oct. 16 than it paid at its previous tender on Oct. 8 (see below). The hard red spring (HRS) futures contract ended lower on news of slightly more favorable harvest conditions in Canada. HRW December futures gained 24 cents to close at \$5.32/bu. SRW December futures gained 14 cents to end at \$4.33/bu. HRS December futures lost 3 cents to close at \$5.44/bu. CBOT December corn futures lost 7 cents to end at \$3.91/bu. CBOT January soybean futures lost 3 cents to close at \$9.47/bu.
- Increased farmer selling due to two weeks of higher futures prices weakened HRS and HRW export basis out of the Gulf and Pacific Northwest (PNW) for November and December deliveries. HRS export basis out of both export regions is still significantly higher than average; read more about elevated HRS export prices [here](#). News of increased heat and dryness across Australia (see below) supported U.S. white wheat prices week-over-week. The 10% white wheat premium increased another 5 cents/bu this week on minimal farmer selling.
- Heavy, persistent precipitation, including significant snowfall in parts of North Dakota and Montana, has all but ended the 2019 HRS and northern durum harvest. On Oct. 15, USDA reported spring wheat harvest at 94% complete, compared to 91% last week and the 5-year average of 100%. Northern durum harvest stood at about 80% complete. U.S. winter wheat is 65% planted compared to 64% last year and the 5-year average of 65%.
- Net U.S. wheat sales of 395,000 metric tons (MT) as of Oct. 10 were 24% less than last week's 522,000 MT and in line with trade expectations of 250,000 to 550,000 MT. Year-to-date commercial sales of 13.8 million metric tons (MMT) are 14% ahead of last year's pace. USDA currently forecasts 2019/20 U.S. wheat exports will total 25.9 MMT, 1% more than 2018/19, if realized.
- Parts of Texas, Oklahoma, and the mid-South saw rain this week that helped ease drought and abnormal dryness in some areas. However, dryness continues expanding north from Texas. There was no change in drought status in Colorado or Wyoming, but abnormal dryness and moderate drought expanded in Kansas with pockets of severe drought developing in southwest Kansas. Nebraska and the Dakotas continued free of drought and abnormal dryness. Wheat production regions of Montana and the Pacific Northwest remain relatively drought-free. Southern and Midwestern soft red winter production regions remain very dry.
- According to Reuters, Australian wheat production could fall below the 2019/20 USDA estimate of 18.0 MMT as hot, dry conditions are less localized and more evenly distributed across the country's landmass than last year. So far in 2019, the regions in western Australia have received a third less rainfall than normal and regions in eastern and southern Australia have received as little as 75 percent less rainfall than normal.
- The Buenos Aires Grains Exchange reported this week that drought conditions in Argentina could cause potential wheat yield losses. Last week, the exchange cut its MY 2019/20 wheat forecast to 19.8 (MMT) from a previous estimate of 21.0 MMT. Argentina is expected to use 6.0 MMT of wheat in the current marketing year, meaning any decrease in production will likely come from forecasted exports, which USDA currently estimates at 14.5 MMT.
- Stratégie Grains has again lifted its outlook for European Union soft (non-durum) wheat exports this season, citing competitiveness on world markets and lower global supply, notably from drought in Argentina and Australia. The consultancy forecast 2019/20 exports outside the EU at 27.3 MMT, up from its September estimate of 25.7 MMT. It also suggested Russia may not be able to meet increased export demand that is more likely to be filled with EU and U.S. wheat supplies. In addition, sowing of winter cereals for next year's harvest also accelerated last week, FranceAgriMer's weekly crop report showed. Farmers had sown 21% of the expected soft wheat area by Oct. 14, up from 4% a week earlier.
- Black Sea and EU wheat export prices continue to increase with tightening global supply and sustained demand. Reuters reported that prices offered in reply to Egypt's latest international tender were about \$6.00 to \$9.00 per MT more than offers for its Oct. 8 tender.
- Ukraine's official statistics service reported that the country's 2019 wheat harvest increased by 15% to 28.8 MMT thanks to an 11% increase in yield to 4.24 MT per hectare.
- The Baltic Dry Index fell 3% this week to close at 1,861.
- The U.S. Dollar Index fell from 98.30 last week to end at 97.29 this week.