



U.S. Wheat Associates

Weekly Price Report (page 1)

January 3, 2020

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Export Region	Percent Protein 12% (Dry) Moisture Basis		JAN (H20)			JAN (H20)		FEB (H20)		MAR (H20)		APR (K20)		MAY (K20)		JUN (N20)		JUL (N20)		Year Ago (nearbys) \$/MT
			(nearbys) FOB \$/bu	2 week change \$/bu	2 week change \$/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	closed	N/A	closed	N/A	252	130	252	130	255	130	255	130	N/A
	NS/DNS 14.0 (15.9)*	M	closed	N/A	N/A	closed	N/A	closed	N/A	closed	N/A	256	140	256	140	259	140	259	140	N/A
	NS/DNS 14.5 (16.5)*	M	closed	N/A	N/A	closed	N/A	closed	N/A	closed	N/A	258	145	258	145	261	145	261	145	N/A
Gulf of Mexico	NS/DNS 13.5 (15.3)*	M	7.23	-0.09	-3	265	175	267	180	269	185	273	185	273	185	275	185	275	185	265
	NS/DNS 14.0 (15.9)*	M	7.33	-0.09	-3	269	185	271	190	273	195	276	195	276	195	279	195	279	195	266
	NS/DNS 14.5 (16.5)*	M	7.43	-0.09	-3	273	195	275	200	276	205	280	205	280	205	283	205	283	205	268
	HRW Ord	K	6.05	0.08	3	222	130	222	130	222	130	225	130	225	130	228	130	228	130	236
	HRW 11.0 (12.5)	K	6.15	0.08	3	226	140	226	140	226	140	229	140	229	140	232	140	232	140	237
	HRW 11.5 (13.1)	K	6.35	0.08	3	233	160	233	160	233	160	236	160	236	160	239	160	239	160	239
	HRW 12.0 (13.6)	K	6.55	0.08	3	241	180	241	180	241	180	244	180	244	180	246	180	246	180	241
	HRW 12.5 (14.2)	K	6.75	0.08	3	248	200	248	200	248	200	251	200	251	200	254	200	254	200	245
SRW	C	6.90	0.17	6	253	135	253	135	253	135	255	135	255	135	256	135	256	135	225	
Pacific N. West	NS/DNS 13.5 (15.3)*	M	7.23	-0.04	-2	265	175	267	180	269	185	274	190	274	190	277	190	277	190	252
	NS/DNS 14.0 (15.9)*	M	7.28	-0.04	-2	267	180	269	185	271	190	276	195	276	195	279	195	279	195	254
	NS/DNS 14.5 (16.5)*	M	7.48	-0.04	-2	275	200	276	205	278	210	284	215	284	215	287	215	287	215	255
	HRW Ord	K	6.25	-0.07	-3	230	150	231	155	233	160	236	160	236	160	239	160	239	160	250
	HRW 11.5 (13.1)	K	6.30	-0.07	-3	231	155	233	160	235	165	238	165	238	165	241	165	241	165	252
	HRW 12.0 (13.6)	K	6.50	-0.07	-3	239	175	241	180	243	185	245	185	245	185	248	185	248	185	256
	HRW 13.0 (14.8)	K	7.00	-0.07	-3	257	225	259	230	261	235	264	235	264	235	266	235	266	235	263
	SW 9.5 (10.8) Min	\$	6.33	0.05	2	233	6.33	234	6.38	236	6.43	238	6.48	238	6.48	240	6.53	240	6.53	N/A
	SW 10.5 (11.9) Max	\$	6.30	0.05	2	231	6.30	233	6.35	235	6.40	237	6.45	237	6.45	239	6.50	239	6.50	237
	SW 9.5 (10.8) Max	\$	6.40	0.05	2	235	6.40	237	6.45	239	6.50	241	6.55	241	6.55	243	6.60	243	6.60	237
WW with 10% Club	\$	6.60	0.05	2	243	6.60	244	6.65	246	6.70	248	6.75	248	6.75	250	6.80	250	6.80	238	
WW with 20% Club	\$	6.85	0.05	2	252	6.85	254	6.90	255	6.95	257	7.00	257	7.00	259	7.05	259	7.05	239	

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 January 3, 2020	Grey positions not quoted on specific exchange																
	MAR (H20) \$/MT	MAR (H20) \$/bu	2 week change \$/bu	MAY (K20) \$/bu	2 week change \$/bu	JUL (N20) \$/bu	2 week change \$/bu	AUG (Q20) \$/bu	2 week change \$/bu	SEP (U20) \$/bu	2 week change \$/bu	DEC (Z20) \$/bu	2 week change \$/bu	JAN (Q20) \$/bu	2 week change \$/bu	MAR (H21) \$/bu	2 week change \$/bu
Chicago BOT SRW	203.74	5.5450	0.1225	5.5775	0.1175	5.6050	0.1175			5.6725	0.1350	5.7650	0.1425			5.8475	0.1450
Kansas City BOT HRW	174.53	4.7500	0.1275	4.8275	0.1250	4.9025	0.1250			4.9800	0.1350	5.0875	0.1475			5.1950	0.1550
Minneapolis MGE NS/DNS	201.17	5.4750	0.1075	5.5700	0.1175	5.6475	0.1150			5.7350	0.1075	5.8625	0.1100			5.9825	0.0850
Chicago BOT Corn	142.01	3.8650	(0.0125)	3.9300	(0.0100)	3.9925	(0.0025)			3.9825	(0.0125)	4.0075	(0.0100)			4.1100	0.0000
Chicago BOT Soybeans	345.94	9.4150	0.0325	9.5525	0.0400	9.6775	0.0525	9.7175	0.0550	9.6950	0.0600			9.7175	0.0550	9.6900	0.0875

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).



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Weekly Price Report (page 2)

January 3, 2020

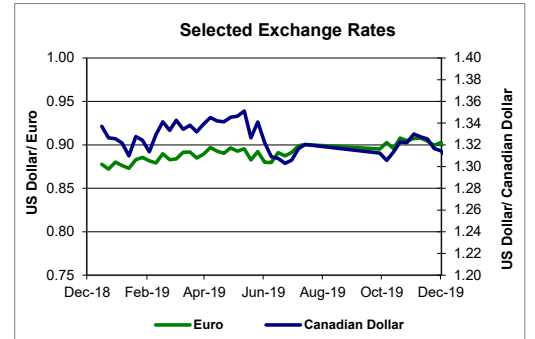
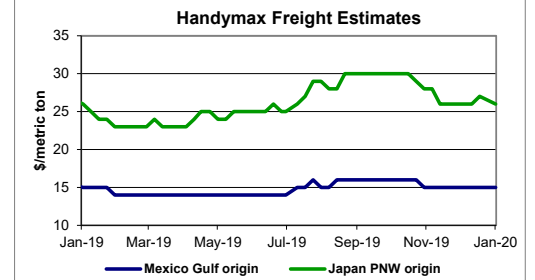
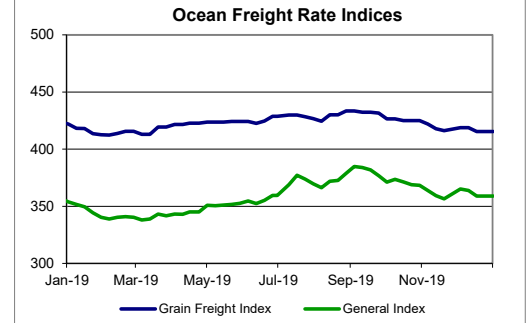
Ocean Freight Rate Estimates by Origin*		U.S. dollars/metric ton			Freight Index**	General Index	Grain Freight Index	Number of Fixtures
Export Region	Import Region	Handy 25-30 TMT	Handymax 40-46 TMT	Panamax 54+ TMT				
US Gulf	Mexico (Veracruz)	17	15		1/3/2020	358.9	415.4	537
	W. South America (Peru/Ecu)	28			12/20/2019	358.9	415.4	537
	S. South America (Chile)	26			12/13/2019	363.8	418.8	604
	N. America (Columbia)	20			12/6/2019	365.2	418.8	491
	E. South America (Brazil)	21			11/22/2019	356.5	416.2	612
	West Africa (Nigeria)	57			11/15/2019	359.4	417.9	525
	East Mediterranean (Italy)	41			11/8/2019	363.8	422.0	541
	West Mediterranean (Morocco)	36			11/1/2019	368.4	425.0	442
	Persian Gulf (Iraq)				10/25/2019	368.8	425.0	500
	Middle East (Egypt)				10/18/2019	371.3	425.0	563
	Japan		47	46	10/11/2019	373.6	426.5	617
Mid Atlantic	N. South America (Venezuela)	33			10/4/2019	371.1	426.5	571
	West Africa (Nigeria)	56			9/27/2019	376.8	431.5	548
	Middle East (Egypt)			56	9/20/2019	381.8	432.3	559
PNW	W. South America (Peru/Ecu)	26			7/26/2019	373.7	428.3	565
	S. South America (Chile)	30			7/19/2019	377.1	429.9	559
	N. South America (Colombia)	31			7/12/2019	368.8	429.9	567
	Persian Gulf (Iraq)			59	7/2/2019	359.5	428.8	502
	Middle East (Egypt)			28	6/28/2019	359.5	428.8	502
	East Africa (Djibouti/Mombasa)		43	41	6/21/2019	355.1	424.6	555
	South Asia (Mal/Indon/Phil/Sing)		37	29	6/14/2019	352.4	422.6	527
	Taiwan		25	24	6/7/2019	354.7	424.3	489
	South Korea		24	23	5/31/2019	352.6	424.3	524
		Japan		27	26	5/24/2019	351.6	424.3

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
1/3/20	N/A	59.73	1.439	4.067	1.300	15.99	0.896	108.1	62.07
12/27/19	115.3	59.81	1.433	4.046	1.308	16.00	0.895	109.4	62.01
12/20/19	115.8	59.63	1.450	4.102	1.315	16.02	0.903	109.4	62.22
12/13/19	115.7	59.64	1.455	4.108	1.317	16.07	0.899	109.4	62.82
1/3/19	115.4	37.41	1.427	3.756	1.349	17.86	0.878	107.7	68.69
1/3/15	102.90	8.535	1.230	2.679	1.167	7.185	0.830	120.3	59.52
1 year change	N/A	59.66%	0.79%	8.27%	-3.62%	-10.47%	2.10%	0.40%	-9.64%
5 year change	N/A	599.84%	16.99%	51.80%	11.38%	122.56%	7.97%	-10.17%	4.29%



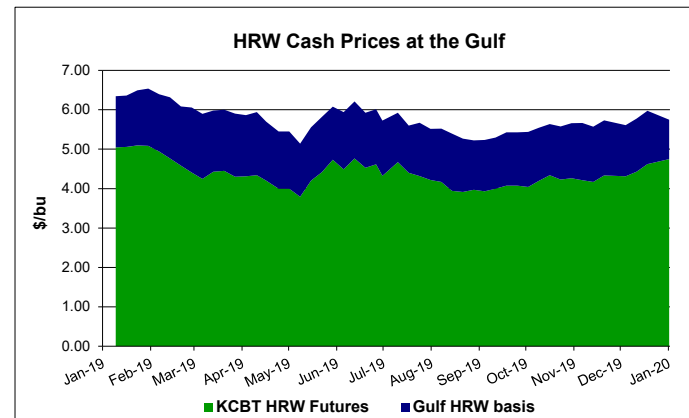
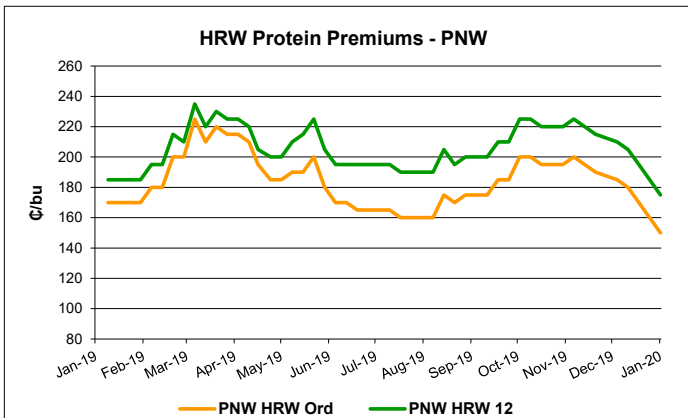
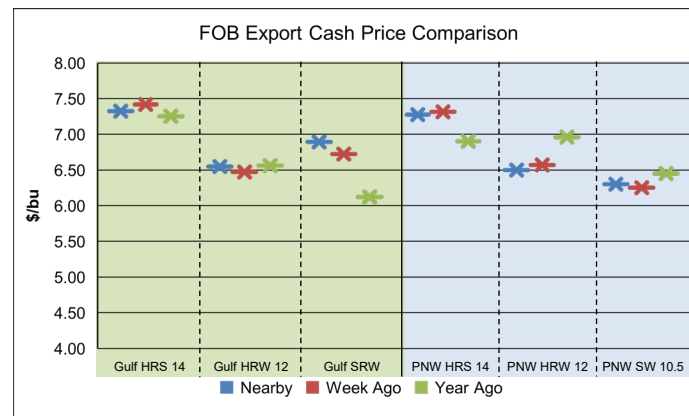
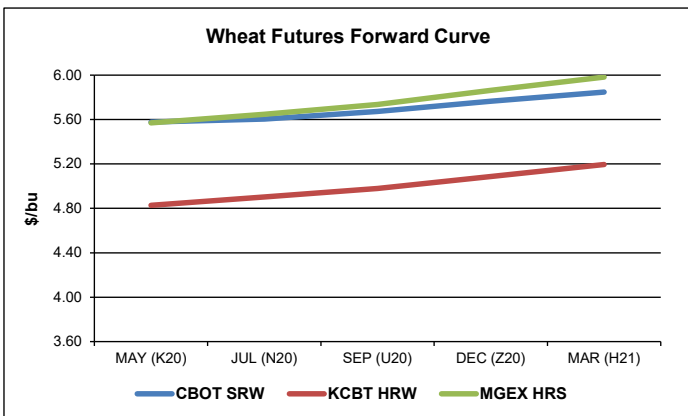
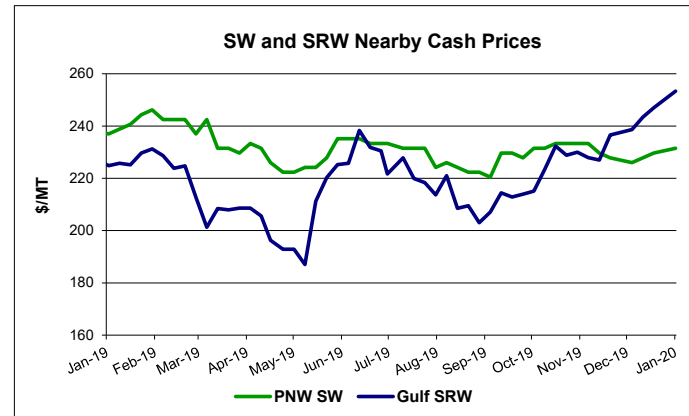
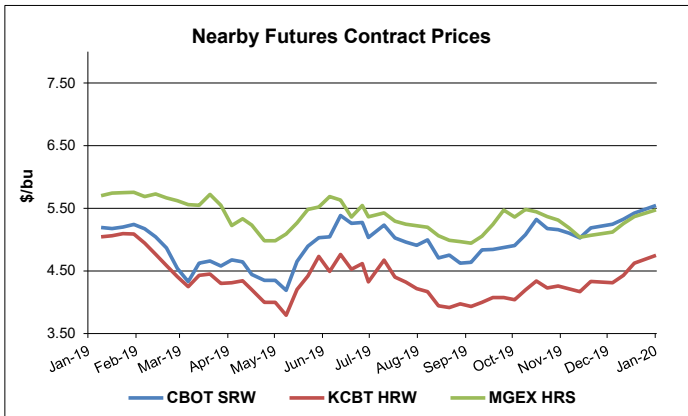
The weekly prices as reported by U.S. Wheat Associates are compiled through research from numerous market sources, including U.S. wheat exporters of all classes from various U.S. ports. The prices reported are representative of the value of number two grade and the proteins indicated. **They are not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

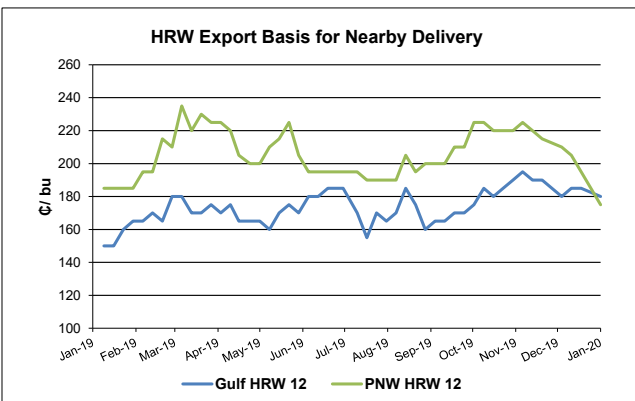
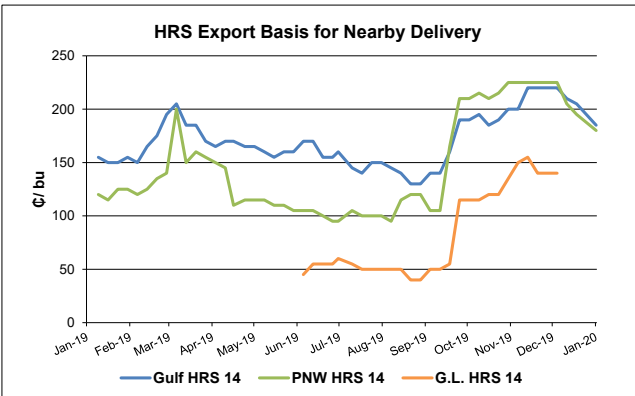
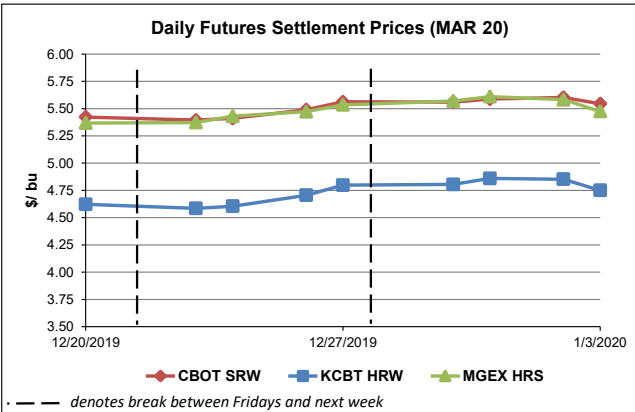
This contact will allow importers to review contract terms and better understand the U.S. grading system, role and function of the Federal Grain Inspection Service (FGIS).

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





Highlights



- All wheat futures rose above closing values since Price Report was last published on Dec. 20, 2019, on technical buying, concerns about tightening supplies in major exporting countries and news that China could buy more U.S. wheat following a Phase 1 trade agreement on Jan. 15, 2020. Since Dec. 20, soft red winter (SRW) futures gained 12 cents to close at \$5.54/bu. Hard red winter (HRW) futures gained 13 cents to close at \$4.75/bu. Hard red spring (HRS) futures rose 11 cents to end at \$5.47/bu. CBOT corn futures lost 12 cents to close at \$3.86/bu. CBOT March soybean future gained 3 cents to close at \$9.41/bu.
- Cheaper rail rates and increased farmer selling over the past two weeks due to higher futures prices pressured HRS and HRW export basis out of the Pacific Northwest (PNW) and Gulf for nearby and deferred deliveries. Tight, diminishing exportable supplies supported SRW export basis for February delivery. The Great Lakes – St. Lawrence Seaway System will close for the season on December 31, 2019 and will re-open in March 2020.
- This week's U.S. wheat commercial sales of 313,000 metric tons (MT) for delivery in 2019/20 were 56% lower than last week's 715,000 MT and in line with trade expectations of 250,000 MT to 800,000 MT. Year-to-date commercial sales of 18.9 million metric tons (MMT) are 6% ahead of last year's pace.
- USDA forecasts 2019/20 U.S. wheat exports will total 26.5 MMT, 4% more than 2018/19, if realized. USDA expects the U.S. to export 10.6 MMT of HRW, 7.10 MMT of HRS, 2.72 MMT of SRW, 5.20 MMT of white wheat and 0.95 MMT of durum.
- During the last week of December, beneficial rainfall improved conditions from the eastern Oklahoma Panhandle and northwest Oklahoma, the western half of Kansas, as well as southern Nebraska. In Kansas, the rain reduced short term drought conditions, although severe drought continues in far western Kansas. Drier weather returned to the Pacific Northwest where abnormal dryness and short-term, moderate drought continues.
- Argentina's government reported a significant drop in export license applications for grain including wheat following a run up in applications before the government implemented a hike in export taxes. farmer selling and export license applications fell heavily in the week ending Dec. 25, 2019, government data showed. *Bolsa de Cereales*, the Buenos Aires Grain Exchange, predicts the Argentinian wheat harvest will reach 18.5 MMT (680 million bushels), down 3% from last year due to drought in the country's central and southern regions
- Agricultural consultancy SovEcon reported Russian wheat export prices were on the rise this week up to \$213/MT FOB. Russia's Agricultural Minister was quoted last week saying Russia is considering a new system for restricting grain exports to keep them at the level of its exportable surplus under "certain conditions."
- Consultancy APK-Inform raised its forecast of Ukraine's 2019/20 wheat harvest by 1.3% to 28.3 MMT while other reports suggest that late-seeded new crop winter wheat there could be vulnerable to adverse winter weather. Total winter wheat seeded area in Ukraine is down slightly compared to last year's crop, government sources reported.
- Stratégie Grains (SG) forecasts total 2019/20 EU wheat production at 153 MMT (5.62 billion bushels), up 12% year-over-year as gains in common wheat production more than offset losses in durum output. SG expects total EU wheat exports to reach 29.6 MMT (1.09 billion bushels), up 37% from last year, if realized.
- According to the Australian Bureau of Agricultural and Resource Economics (ABARE), Australia has issued bulk grain import permits due to extreme drought conditions for the first time since 2006/07. USDA expects Australian wheat imports due to significant drought-related losses will be 20% more than in 2018/19 and more than double the 5-year average. ABARE lowered Australian production to 16.1 MMT, which would be the smallest Australian crop since 2007/08.
- As of Jan. 2, according to *Bolsa de Cereales*, none of Argentina's wheat crop is in good or excellent condition compared to 37% in good condition and 6% in excellent condition this time last year. The Argentinian wheat harvest is 92% complete compared to 91% last year and the 5-year average of 88%.
- The Baltic Dry Index fell 13% from Dec. 20, 2019 to end at 976.
- The U.S. Dollar Index fell from 97.69 on Dec. 20, 2019 to close at 96.93.