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CHICAGO BOARD OF TRADE MARKET NEWS

Week in Review: CME Corn December Contract					
\$/Bu	Friday 13 November	Monday 16 November	Tuesday 17 November	Wednesday 18 November	Thursday 19 November
Change	-0.0375	0.0175	0.0200	-0.0025	0.0200
Closing Price	3.5825	3.60	3.62	3.6175	3.642
Factors Affecting the Market	Weekly corn export sales (600 KMT) were reported at the high end of the range but it doesn't close the sales goal gap; plus China's large surplus stocks are still in focus.	USDA announced 1.44 MMT of corn export sales to Mexico, with a third slated for the next marketing year. This netted a small rally.	Initially weaker, commercials came in and bought the downside, showing a floor. U.S. corn is the cheapest for now, until competitors' crops come in.	There was no news affecting corn and yet the volume was large at 220,000 contracts traded, even if the change in prices were minimal.	Grains were cautiously higher on a falling dollar and corn benefited from relatively stronger weekly export sales.

Outlook: Forecasting the market has grown difficult. Corn export sales are in the expected range with some near-term opportunity given that the U.S. is offering the lowest priced product at this time. There are still some

For more information on the contents of this newsletter or the U.S. Grains Council, its mission and programs, please contact Manuel Sanchez or Alvaro Cordero at (202) 789-0789.

The U.S. Grains Council is a private, non-profit partnership of producers and agribusinesses committed to building and expanding international markets for U.S. barley, corn, grain sorghum and their products. The Council is headquartered in Washington, D.C. and has ten international offices that oversee programs in more than 50 countries. Financial support from our private industry members, including state checkoffs, agribusinesses, state entities and others, triggers federal matching funds from the USDA resulting in a combined program value of more than \$26 million.

global economic uncertainties, though market reactions were calmer than expected following the terrorist attacks in Paris. The strong dollar and an impending interest rate hike remain watchful factors.

Monsanto offered more bullish news to its investors with a prediction that corn prices will recover to \$4.50 per bushel during the next eight to 12 months. That would be 14 percent to 34 percent above the corn price range forecast issued by USDA for the marketing year. At the same time that grain markets have been trading in a narrow range, there has been strong downward pressure on cattle.

A major near-term factor could be the presidential election runoff in Argentina this Saturday. Candidate Mauricio Macri has promised to reduce taxes on corn exports and his opponent, Daniel Scioli, has hinted at such a move. Regardless of which candidate wins, some level of devaluation of the peso is expected to follow.

CBOT DECEMBER CORN FUTURES



Source: Prophet X

Current Market Values:

Futures Price Performance: Week Ending November 19, 2015			
Commodity	19-Nov	13-Nov	Net Change
Corn			
Dec 15	364.25	358.25	6.00
Mar 16	370.25	365.50	4.75
May 16	375.75	371.75	4.00
Jul 16	380.75	377.00	3.75
Soybeans			
Jan 16	860.00	855.25	4.75
Mar 16	863.00	856.25	6.75
May 16	869.00	862.00	7.00
Jul 16	875.25	868.25	7.00
Soymeal			
Dec 15	286.60	288.80	-2.20
Jan 16	286.70	289.50	-2.80
Mar 16	287.20	289.40	-2.20
May 16	289.40	290.50	-1.10
Soyoil			
Dec 15	27.55	27.04	0.51
Jan 16	27.84	27.32	0.52
Mar 16	28.09	27.54	0.55
May 16	28.32	27.75	0.57
SRW			
Dec 15	490.75	495.75	-5.00
Mar 16	492.25	497.75	-5.50
May 16	495.50	501.25	-5.75
Jul 16	498.00	502.50	-4.50
HRW			
Dec 15	462.50	465.50	-3.00
Mar 16	476.25	479.75	-3.50
May 16	486.50	489.50	-3.00
Jul 16	496.75	499.75	-3.00
MGEX (HRS)			
Dec 15	508.75	504.25	4.50
Mar 16	509.75	509.25	0.50
May 16	519.50	519.50	0.00
Jul 16	529.50	530.50	-1.00

*Price unit: Cents and quarter-cents/bu (5,000 bu)

U.S. WEATHER/CROP PROGRESS

U.S. Drought Monitor Weather Forecast: As the current USDM week came to a close, a strong cold front was moving across the Plains towards the Mississippi Valley. Several inches of rain had already fallen from eastern Texas to Mississippi and northward to Missouri and Illinois during the first day of the period for the November 24 USDM. For the upcoming four days (November 19-23), which will fill out the November 24 USDM week, the front and low pressure system will drop one inch or more of precipitation across the Southeast to Mid-Atlantic States and parts of the Great Lakes and Northeast. Two inches or more of rain are predicted for parts of Alabama to the Southern Appalachians. A band of precipitation is forecast from the Upper Mississippi Valley, across the Central Plains and Wyoming, to the Pacific Northwest, with amounts ranging generally from a tenth to half an inch, but locally to an inch or more, especially in western Oregon. No precipitation is predicted for most of California to the Southern Plains, or along the Canadian border from Washington to North Dakota. Temperatures are forecast to be below normal, except for parts of the Southwest, Southeast, and Northeast.

For the ensuing five days (November 24-28), the odds favor below median precipitation in the Pacific Northwest and along the entire East Coast of the CONUS. With a southerly flow out of the Gulf of Mexico, above-median precipitation is expected across the rest of the country, especially across the southern and central Plains to Midwest. Below-normal temperatures are expected across most of the West and into the northern Plains, with above-normal temperatures from New Mexico to the Great Lakes and eastward, except for near-normal temperatures in the Southeast.

Follow this link to view current U.S. and international weather patterns and the future outlook: [Weather and Crop Bulletin](#).

U.S. EXPORT STATISTICS

Export Sales and Exports: Week Ending November 12, 2015					
Commodity	Gross Sales (MT)	Exports (MT)	YTD Exports (000MT)	YTD Bookings (000MT)	% Change YTD Bookings
Wheat	733,300	347,000	9,299.5	13,783.6	-15%
Corn	858,200	389,000	5,775.6	14,543.1	-30%
Sorghum	409,300	272,000	2,262.3	4,289.2	14%
Barley	0	1,300	20.5	26.1	-71%

Source: USDA, World Perspectives, Inc.

Corn: Net sales of 779,800 MT for 2015/2016 – a marketing-year high – were up 26 percent from the previous week and 46 percent from the prior 4-week average. Increases were reported for Mexico (233,500 MT), Japan (184,500 MT, including 56,900 MT switched from unknown destinations), unknown destinations (178,700 MT), South Korea (62,000 MT), Peru (46,500 MT), and Guatemala (24,200 MT, including 21,700 MT switched from unknown destinations). Reductions were reported for the French West Indies (6,600 MT). Exports of 389,000 MT were up 44 percent from the previous week, but down 3 percent from the prior 4-week average. The

primary destinations were Mexico (119,200 MT), Japan (106,400 MT), Peru (61,000 MT), Guatemala (30,000 MT), Colombia (25,200 MT), and Taiwan (14,700 MT).

Optional Origin Sales: For 2015/2016, outstanding optional origin sales total 395,000 MT, all unknown destinations.

Barley: Net sales reductions of 1,500 MT for 2015/2016 – a marketing-year low – were reported for Israel. Exports of 1,300 MT were reported to Israel (700 MT), South Korea (300 MT), and Japan (300 MT).

Sorghum: Net sales of 404,100 MT for 2015/2016 – a marketing-year high – were up noticeably from the previous week and from the prior 4-week average. Increases were reported for China (346,000 MT, including 117,000 MT switched from unknown destinations and decreases of 5,200 MT), unknown destinations (57,000 MT), and Mexico (1,000 MT). Exports of 272,000 MT were up 62 percent from the previous week and 33 percent from prior 4-week average. The destinations were China (259,400 MT) and Mexico (12,600 MT).

U.S. Export Inspections: Week Ending November 12, 2015

Commodity (MT)	Export Inspections		Current Market YTD	Previous YTD	YTD as Percent of Previous
	Current Week	Previous Week			
Barley	1,493	908	25,908	67,115	39%
Corn	373,618	295,701	5,912,309	7,806,995	76%
Sorghum	272,925	179,614	2,390,142	1,803,345	133%
Soybeans	2,160,990	2,031,137	16,200,650	16,624,873	97%
Wheat	279,013	288,312	9,618,079	11,421,868	84%

Source: USDA/AMS. *Marketing Year is June 1-May 31 for wheat and barley and September 1-August 31 for corn, sorghum and soybeans. Week-to-week reports will vary due to exporter reported conditions and cancellations to previous week's reports.



USDA Grain Inspections for Export Report: Week Ending November 12, 2015						
Last Week	YC	% of Total	WC	% of Total	Sorghum	% of Total
Lakes	0	0%	0	0%	0	0%
Atlantic	0	0%	0	0%	980	0%
Gulf	239,069	67%	10,317	65%	259,399	95%
PNW	0	0%	0	0%	0	0%
Interior Export Rail	118,743	33%	5,489	35%	12,546	5%
Total (Metric Tons)	357,812	100%	15,806	100%	272,925	100%
White Corn Shipments by Country (MT)			10,317	to El Salvador		
			5,489	to Mexico		
Total White Corn (MT)			15,806			
Sorghum Shipments by Country (MT)					260,379	to China
					12,546	to Mexico
Total Sorghum (MT)					272,925	

Source: USDA, World Perspectives, Inc.

FOB

Yellow Corn (USD/MT FOB Vessel)				
YC FOB Vessel Max. 15.0% Moisture	GULF		PNW	
	Basis (#2 YC)	Flat Price (#2 YC)	Basis (#2 YC)	Flat Price (#2 YC)
LH November	+0.72 Z	\$171.74	-	-
December	+0.74 Z	\$172.53	+0.90 Z	\$178.83
January	+0.66 H	\$171.74	+0.82 H	\$178.04
February	+0.67 H	\$172.14	+0.82 H	\$178.04

#2 White Corn (U.S. \$/MT FOB Vessel)		
Max. 15.0% Moisture	December	January
Gulf	\$205	\$205

Sorghum (USD/MT FOB Vessel)				
#2 YGS FOB Vessel Max 14.0% Moisture	NOLA		TEXAS	
	Basis	Flat Price	Basis	Flat Price
November	+1.15 Z	\$188.67	+1.00 Z	\$182.77
December	+1.10 Z	\$186.70	+0.95 Z	\$180.80
January	+1.05 H	\$187.10	+0.90 H	\$181.19

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Barley: Feed Barley (FOB USD/MT)		
	November	December
FOB PNW	-	\$225

Prices reflect the month of October, 2015.

Corn Gluten Feed Pellets (CGFP) (FOB Vessel U.S. \$/MT)			
	December	January	February
New Orleans	\$163	\$163	\$163
Quantity 5,000 MT			
Corn Gluten Meal (CGM) (FOB Vessel U.S. \$/MT)			
	December	January	February
Bulk 60% Pro. New Orleans	\$598	\$598	\$598
*5-10,000 MT Minimum			

*All prices are market estimates.

DDGS Price Table: November 19, 2015 (USD/MT) (Quantity, availability, payment and delivery terms vary)			
Delivery Point Quality Min. 35% Pro-fat combined	Dec.	Jan.	Feb.
Barge CIF New Orleans	176	177	177
FOB Vessel GULF	182	183	183
Rail delivered PNW	190	193	194
Rail delivered California	194	197	198
Mid-Bridge Laredo, TX	193	194	194
FOB Lethbridge, Alberta	167	168	168
40 ft. Containers to South Korea (Busan)	217	215	215
40 ft. Containers to Taiwan (Kaohsiung)	222	219	219
40 ft. Containers to Philippines (Manila)	233	231	231
40 ft. Containers to Indonesia (Jakarta)	230	228	228
40 ft. Containers to Malaysia (Port Kelang)	238	236	236
40 ft. Containers to Vietnam (HCMC)	230	229	229
40 ft. Containers to Japan (Yokohama)	226	224	224
40 ft. containers to Thailand (LCMB)	227	224	224
40 ft. Containers to Shanghai, China	219	218	218
KC & Elwood, IL Rail Yard (delivered Ramp)	174	175	175

Source: WPI, *Prices are based on offer indications only; terms of delivery, payment and quality may vary from one supplier to another, impacting the actual value of the price.

DISTILLERS DRIED GRAINS WITH SOLUBLES (DDGS)

DDGS Comments: DDGS merchandisers indicate there is customer interest in January shipments, and some looking to January through March shipments, which may explain some of the current slowness. It is unclear

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that prices will be any lower than given the narrow trading range for corn presently, indicating a floor, and the notice to investors by Monsanto (see the Outlook section of this report) that even predicts an forthcoming increase in corn prices. All of this may encourage more to begin locking in prices sooner rather than later.

December and January DDGS prices fell slightly this past week versus the week before. The most significant change was a 4.4 percent drop in the cost of a 40 foot container to South Korea (Busan). There was no change in the price of DDGS delivered CIF NOLA by barge, Mid-Bridge Laredo, or for 40 foot containers to Jakarta.

Ethanol Comments: Crude oil futures remain in decline with December dropping below \$40/barrel. The slide was triggered by a U.S. Energy Information Administration report that 300,000 barrels of crude had been added to inventory over the past week.

Fuel ethanol stocks were up 2.1 percent (400,000 barrels) from a week earlier, despite production being down 7,000 barrels/day from a week ago. Overall, production per day this past week was up 0.5 percent from a year earlier and stocks are up 11 percent. There were no net imports of ethanol for the past week, compared to 26,000 barrels a week earlier.

The International Energy Agency issued its World Energy Outlook for 2015 and predicted that renewable energy would fulfill more than five percent of transportation fuel demand by 2040, assuming continued government mandates for blending, and that 70 percent of that fuel would be ethanol. The Agency projects investments in biofuel supplies to average \$15 billion per year over the period with the bulk concentrated in the U.S., Brazil and EU, and some increase in China and India. Note that this is down from the \$27 billion peak reached in 2007, but one-third higher than during the 2010-2013 period.

- Illinois differential is \$1.75 per bushel, in comparison to \$1.70 the prior week and \$3.73 a year ago.
- Iowa differential is \$1.49 per bushel, in comparison to \$1.47 the prior week and \$3.36 a year ago.
- Nebraska differential is \$1.71 per bushel, in comparison to \$1.71 the prior week and \$3.50 a year ago.
- South Dakota differential is \$1.73 per bushel, in comparison to \$1.67 the prior week and \$3.42 a year ago.

COUNTRY NEWS

Argentina: Traders and farmers may be overly optimistic for their preferred candidate, Mauricio Macri, in this Saturday's presidential election runoff. The polls were wrong in the first round of voting and they currently show Macri up by only around five points over Daniel Scioli, with 11 percent voters still undecided. (Bloomberg)

Britain: The UK signed a five year agreement to supply China with 750 KMT of malting barley for the growing beer industry. (Reuters)

Iraq: ISIS has geographic control over 40 percent of Iraq's barley crop, which unlike oil fields, is not easily destroyed by air campaigns. The jihadist group can make hundreds of millions of dollars via its control of agriculture. (Bloomberg)

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Ukraine: Feed barley prices increased (\$133-146/MT bid) this past week for domestic use and even higher (\$154/MT) near ports as exporters gave processors stronger competition for supplies. FOB offers were unchanged. (WPI)

OCEAN FREIGHT MARKETS AND SPREAD

Bulk Freight Indices for HSS — Heavy Grain, Sorghum and Soybeans*			
Route and Vessel Size	Current Week (USD/MT)	Change from Previous Report	Remarks
55,000 U.S. Gulf-Japan	\$29.50	Down \$1.00	Handymax at \$30.25/MT
55,000 U.S. PNW-Japan	\$15.50	Down \$1.00	Handymax at \$17.00/MT
55,000 U.S. Gulf-China PNW to China	\$28.00 \$14.00	Down \$1.25 Down \$1.00	North China
30,000 U.S. Gulf-Veracruz, México	\$13.75	Down \$0.25	4,000 MT daily discharge rate
40-45,000 U.S. Gulf-Veracruz, México	\$12.00	Down \$0.25	Deep draft and 8,000 MT per day discharge rate.
25/35,000 U.S. Gulf-East Coast Colombia, from Argentina	\$15.50 \$27.50	Down \$0.50 Down \$0.50	West Coast Colombia at \$21.50
36-40,000 U.S. Gulf-Guatemala	\$22.00	Down \$0.25	Acajutla/Quetzal - 8,000 out
26-30,000 U.S. Gulf-Algeria	\$30.50 \$31.50	Down \$0.50 Down \$0.50	8,000 MT daily discharge 3,000 MT daily discharge
25-30,000 U.S. Gulf-Morocco	\$29.50	Unchanged	5,000 discharge rate
55,000 U.S. Gulf-Egypt PNW to Egypt	\$22.50 \$24.00	Down \$0.50 Down \$0.50	55,000 -60,000 MT St. Lawrence to Egypt \$23.00
65-75,000 U.S. Gulf-Europe- Rotterdam	\$13.50	Down \$0.50	Handymax at +\$1.50 more
Brazil, Santos-China	\$20.00 \$19.00	Down \$1.00 Down \$1.00	54-58,000 Supramax- Panamax 60-66,000 Post Panamax
Itacoatiara Port up river Amazonia- China	\$31.00	Down \$1.00	48-53,000 MT (11.5 meter draft)
56-60,000 Argentina-China Upriver with Top-Off	\$27.50	Down \$1.00	—

Source: O'Neil Commodity Consulting

*Numbers for this table based on previous night's closing values.

OCEAN FREIGHT COMMENTS

Transportation and Export Report: Jay O'Neil, O'Neil Commodity Consulting: And so it continues. Global ocean freight markets are showing no mercy towards vessel owners and continue to weaken and make new lows each week. At this point we do not have much farther to go before things reach the levels of February 2014 (7,721).

I'm not sure what more can be said of this market. Rates are dropping like a rock and vessel owners are in big trouble. The shipbuilding yards in Japan, Korea and China are also feeling the hurt and will be scaling back. This is not a positive picture for the entire shipping industry. Meanwhile, the very low Dry-Bulk rates will continue to put considerable competitive pressure on the percentage of containerized grain exports.

Baltic-Panamax Dry-Bulk Indices				
November 18, 2015	This Week	Last Week	Difference	Percent Change
Route				
P2A: Gulf/Atlantic – Japan	8,345	9,064	-719	-7.9%
P3A: PNW/Pacific– Japan	3,155	3,597	-442	-12.3%

Source: O'Neil Commodity Consulting

Below is a recent history of freight values for Capesize vessels of iron ore from Western Australia to China:

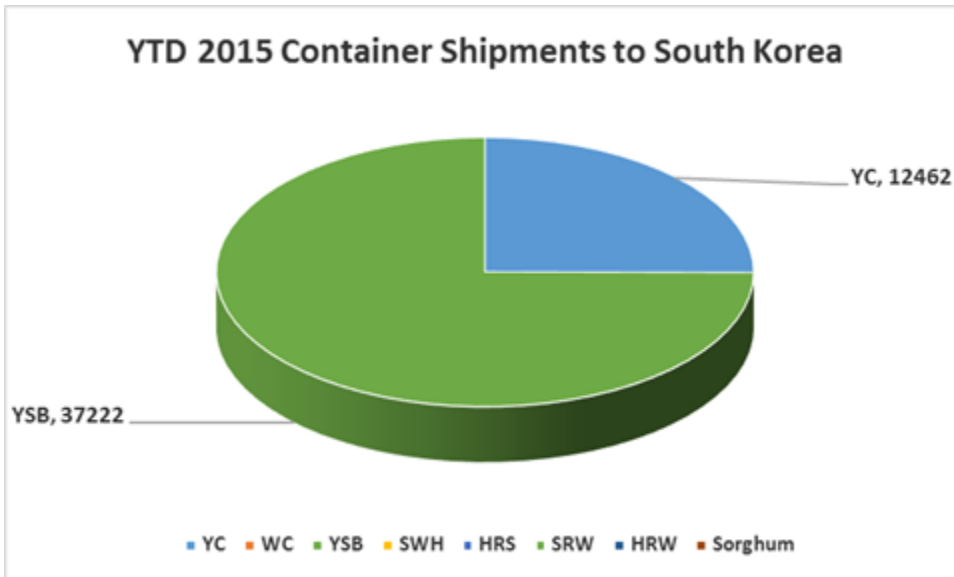
Week of November 19, 2015	
Four weeks ago:	\$4.85-\$5.25
Three weeks ago:	\$4.80-\$5.20
Two weeks ago	\$4.55-\$5.05
One week ago:	\$4.55-\$5.10
This week	\$4.20-\$4.60

Source: O'Neil Commodity Consulting

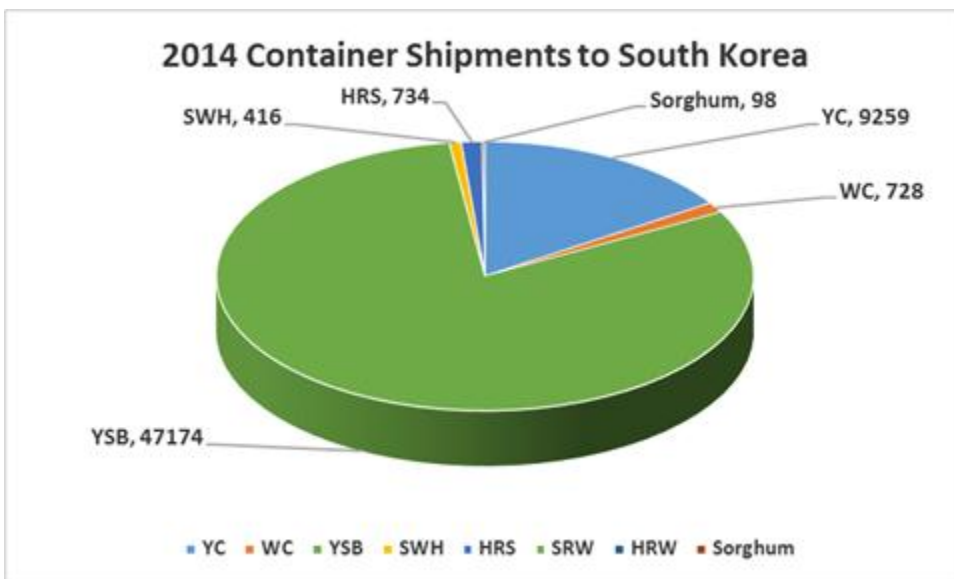
U.S.-Asia Market Spreads					
November 18, 2015	PNW	Gulf	Bushel Spread	MT Spread	Advantage
# 2 Corn	0.90	0.70	0.20	\$7.87	PNW
Soybeans	1.00	0.81	0.19	\$7.48	PNW
Ocean Freight	\$14.00	\$28.00	0.36-0.39	(\$14.00)	Dec.

Source: O'Neil Commodity Consulting

The charts below represent year-to-date 2015 versus January-December 2014 annual totals for container shipments to South Korea.



Source: O'Neil Commodity Consulting



Source: O'Neil Commodity Consulting

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International Freight Rates for Feed Grains – Select Routes Estimated Spot Price (\$/MT) – Week Ending November 19, 2015								
Commodity	Origins	China	Japan	Korea	Colombia	Morocco	Egypt	Saudi Arabia
Corn (Yellow)	Argentina	\$26	\$28	\$27	\$26	\$25	\$21	-
	Brazil	\$19	\$21	\$20	\$23	\$19	\$16	-
Corn (White)	Argentina	\$26	\$28	\$27	\$26	\$25	\$21	-
	Brazil	\$19	\$21	\$20	\$23	\$19	\$16	-
Barley	Argentina	\$26	\$28	\$27	\$26	\$25	\$21	-
	Brazil	\$19	\$21	\$20	\$23	\$19	\$16	-
Sorghum	Argentina	\$26	\$28	\$27	\$26	\$25	\$21	-
	Brazil	\$19	\$21	\$20	\$23	\$19	\$16	-

Note: Bid-ask spreads can vary in width and initial offers may be higher on less active routes.

Source: World Perspectives, Inc.

INTEREST RATES

Interest Rates (%): November 18, 2015			
	Current Week	Last Week	Last Month
U.S. Prime	3.25	3.25	3.25
LIBOR (6 month)	0.60	0.59	0.52
LIBOR (1 year)	0.94	0.90	0.83

Source: www.bankrate.com