



July 2, 2020

The COVID-19 pandemic is changing the markets and our working situations on a day-to-day basis - but what is not changing is the U.S. Grains Council’s commitment to you, our members’ valued customers.

The Council’s staff worldwide are committed to providing you the service and market information you have come to expect from us during this time. While we are teleworking, we remain ready to assist you and encourage you to contact us as issues or questions arise.

The Council wishes all our customers around the world good health and safety during this trying time.

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For more information on the contents of this newsletter or the U.S. Grains Council, its mission and programs, please contact Cary Sifferath 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.

Chicago Board of Trade Market News

Week in Review: CME Corn December Contract					
\$/Bu	Friday June 26	Monday June 29	Tuesday June 30	Wednesday July 1	Thursday July 2
Change	-2.75	9.50	15.75	10.00	-7.00
Closing Price	325.25	334.75	350.50	360.50	353.50
Factors Affecting the Market	Corn futures extended their contract low as good Midwest weather and rising Covid-19 cases pressured trader sentiment. There are few weather threats for the U.S. corn crop and demand remains steady. Outside markets were sharply lower as investors became worried about renewed covid-19 lockdowns.	Pre-report positioning and short covering off contract lows sent corn futures higher. The U.S. weather forecast is trending warm/dry as corn starts to pollinate. USDA's reports tomorrow are likely bearish with large corn stocks and planted acreage. Most traders are looking for 96.5 M acres planted to corn.	USDA estimated that 92 M acres were planted to corn, 5 M less than the March forecast and well below pre-report guesses. Funds, previously heavily short corn, covered a large portion of that position, sending prices higher. Farmers liquidated old crop stocks. The bearish Grain Stocks report was largely ignored.	Short covering continued and drove the market higher, triggering buy-stops as Dec. futures passed \$3.50 and the 100-day moving avg. Farmers sold old crop stocks and hedged 2020 crops. Macro markets were mixed despite friendly economic data as investors are cautious amid rising covid-19 cases.	Trade ahead of the long holiday weekend was light and mild profit taking pushed corn off its recent highs. The market is adjusting to a smaller supply outlook, but one that is still ample. Hot weekend weather will likely support Monday's trade. Outside markets were higher as the unemployment rate fell.

Outlook: December corn futures are 28 ¼ cents (8.5 percent) higher this week after the USDA surprised the market with a smaller than expected corn acreage estimate. The acreage report estimated farmers planted 37.232 million hectares (92 million acres) to corn, down sharply from the agency's prior forecast of 39.225 million hectares (97 million acres). Traders focused almost exclusively on the smaller acreage figure and the neutral/bearish Grain Stocks report, issued the same day, had little impact on the market.

The 5-million-acre reduction between USDA's March and June planted area forecasts was due largely decreases in the northern Plains and parts of the Corn Belt. Notably, North Dakota farmers lowered their corn plantings by some 323,000 hectares (800,000 acres) while Nebraska and South Dakota cut well over 202,000 hectares (500,000 acres) from their planting intentions. Perhaps most interestingly, key corn producing states including Illinois and Indiana saw significant acreage changes, with those two states in particular cutting 161,000 hectares (400,000 acres) from corn plantings. The USDA's report showed only a few, historically minor corn-producing states increasing acreage from the March report, including Utah, Oklahoma, Kentucky, and Wisconsin.

Other key statistics from the June acreage report include a modest reduction in sorghum area (now estimated at 2.26 million hectares or 5.6 million acres), with Texas and Kansas cutting plantings by 40,400 hectares (100,000 acres) and 20,000 hectares (50,000 acres), respectively. USDA increased 2020 U.S. oat planted area by 52,000 hectares (130,000 acres) and made a modest increase to barley planted area. In total, USDA estimates that 41.9 million hectares (103.6 million acres) were planted to feed grains in 2020, up 3 percent from 2019.

The U.S. corn crop is approaching the yield-critical time of mid-July pollination in overall excellent shape. Seventy-three percent of the crop is rated in good/excellent condition, up slightly from the prior week and USDA notes that 4 percent of the crop is silking. That figure is slightly behind average but the coming week's forecast for warm/dry weather should help accelerate crop development. The long-term forecast is still devoid of threatening heat/dryness, meaning pollination and kernel fill should occur during favorable weather.

The weekly Export Sales report featured net corn sales of 361,000 MT and exports of 1.439 MMT. Exports were up 10 percent from the prior week and in-line with market expectations. Recent shipments put YTD exports at 33.8 MMT (down 21 percent) while YTD bookings (exports plus unshipped sales) stand at 42.3 MMT (down 13 percent). The report also featured 131,000 MT of sorghum exports. YTD sorghum exports are up 153 percent as international demand has remained exceptionally strong.

From a technical standpoint, December corn futures have put in near-term lows (last week's contract lows) and have handily overcome technical resistance. Following Tuesday's acreage report release, the market quickly jumped above resistance at \$3.48-3.50 and triggered buy-stops on Wednesday as it moved above the 100-day MA. December futures have struggled to move above \$3.65, however, and mild profit taking pushed the market lower on Thursday.

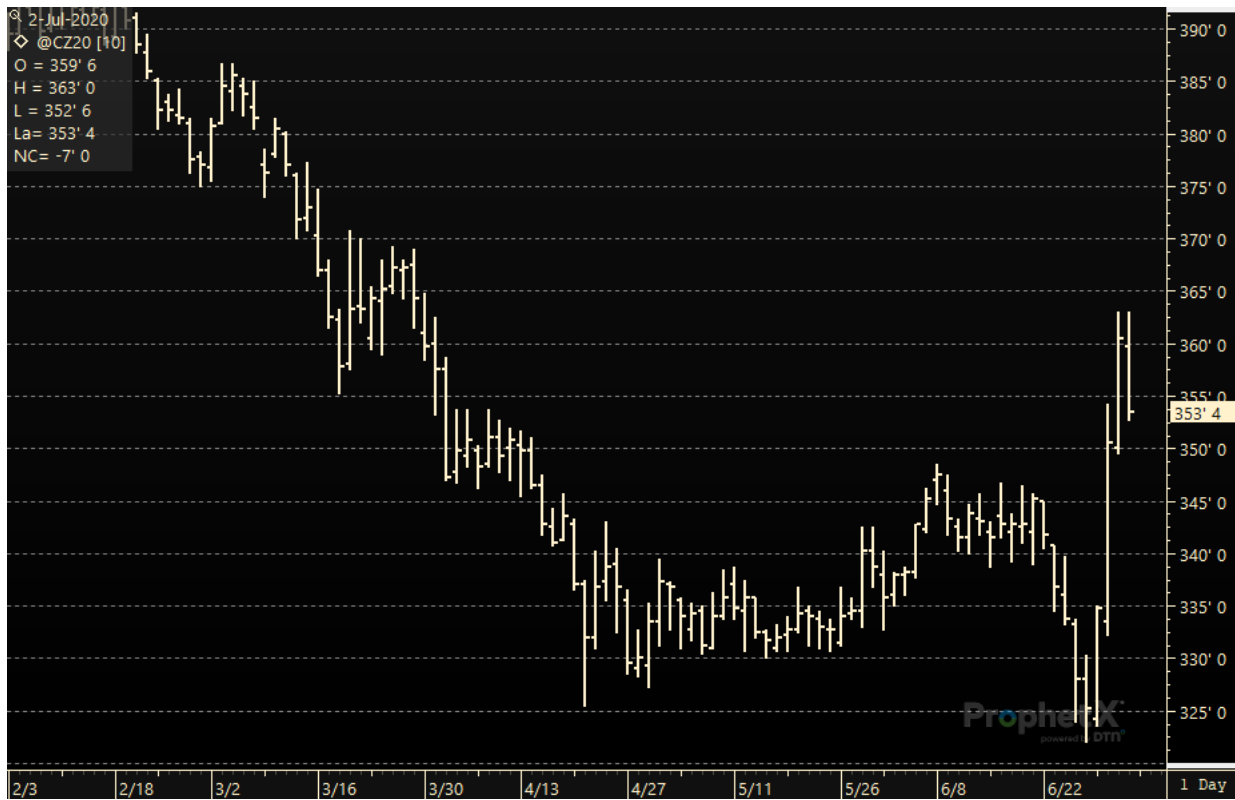
Looking forward, former resistance at the 100-day MA is now turning into major support (notably, that stopped Thursday's selling). A weekend forecast for hot/dry weather for most of the corn-growing regions of the U.S. will likely put funds in a short covering mood again on Monday. The next upside target is psychological resistance/the 200-day MA at \$3.75/3.76. Unless extended weather forecasts retain a hot/dry trend through July, it is doubtful that the market will be able to move substantially higher than \$3.75. Consequently, the outlook is for wide-ranging but sideways trade between \$3.50 and \$3.75.

Interest Rates and Macroeconomic Markets, July 2, 2020						
	Last*	Weekly Change	Weekly % Change	Monthly Change	Monthly % Change	1-Year History
Interest Rates						
U.S. Prime	3.3	0.0	0.0%	0.0	0.0%	
LIBOR (6 Month)	0.4	0.0	1.3%	-0.1	-20.3%	
LIBOR (1 Year)	0.5	0.0	-5.4%	-0.1	-14.7%	
S&P 500						
S&P 500	3,146.6	62.8	2.0%	34.3	1.1%	
Dow Jones Industrials						
Dow Jones Industrials	25,971.6	226.0	0.9%	-310.3	-1.2%	
U.S. Dollar						
U.S. Dollar	97.3	-0.2	-0.2%	0.6	0.6%	
WTI Crude						
WTI Crude	40.4	1.7	4.3%	3.0	8.0%	
Brent Crude						
Brent Crude	42.9	1.7	4.2%	2.9	7.2%	

Source: DTN ProphetX, World Perspectives, Inc.

* Last price as of 3:00 PM ET

CBOT December Corn Futures



Source: DTN ProphetX

Current Market Values:

Futures Price Performance: Week Ending July 2, 2020			
Commodity	2-Jul	26-Jun	Net Change
Corn			
Jul 20	342.50	317.00	25.50
Sep 20	343.50	319.25	24.25
Dec 20	353.50	325.25	28.25
Mar 21	365.00	336.75	28.25
Soybeans			
Jul 20	892.50	865.00	27.50
Aug 20	891.25	860.00	31.25
Sep 20	890.00	857.25	32.75
Nov 20	896.75	861.25	35.50
Soymeal			
Jul 20	293.50	282.10	11.40
Aug 20	296.20	285.30	10.90
Sep 20	298.40	287.00	11.40
Oct 20	300.20	288.20	12.00
Soyoil			
Jul 20	27.96	27.20	0.76
Aug 20	28.09	27.41	0.68
Sep 20	28.26	27.58	0.68
Oct 20	28.42	27.75	0.67
SRW			
Jul 20	490.00	474.00	16.00
Sep 20	492.00	475.75	16.25
Dec 20	499.75	484.00	15.75
Mar 21	507.50	492.75	14.75
HRW			
Jul 20	427.25	421.25	6.00
Sep 20	434.00	427.75	6.25
Dec 20	446.75	441.00	5.75
Mar 21	458.50	454.25	4.25
MGEX (HRS)			
Jul 20	495.75	498.50	-2.75
Sep 20	510.25	508.75	1.50
Dec 20	523.75	523.50	0.25
Mar 21	537.75	538.00	-0.25

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

U.S. Weather/Crop Progress

U.S. Crop Conditions: June 28, 2020					
Commodity	Very Poor	Poor	Fair	Good	Excellent
Corn	1%	4%	22%	57%	16%
Sorghum	3%	11%	41%	41%	4%
Barley	1%	3%	21%	55%	20%

Source: USDA, World Perspectives, Inc.

U.S. Drought Monitor Weather Forecast: During the next 5 days (July 2-6), WPC's QPF showed increased probabilities for precipitation across many of the northern tier states, much of the Mississippi Valley, and Southeast, where many areas are favored to receive up to and exceeding 1 inch of precipitation. The Northern High Plains and the Middle Mississippi Valley are expected to see some of the heaviest rainfall (2-4 inches in some cases). Probabilities drop off quite a bit for many locations just east of the Rockies, where below normal precipitation, high winds, low relative humidity, and above normal temperatures continue to be the driving factors for maintenance and exacerbation of drought conditions. Luckily, temperature anomalies are favored to be near to slightly above normal for much of the next week over the western Plains. Much of the Great Lakes is also favored to miss out on some beneficial rainfall in the upcoming week, in addition to positive temperature anomalies of 8-10 °F.

The Climate Prediction Center's 6-10 day outlook (July 7-11) shows an amplified pattern with a mean ridge over the central CONUS, and troughing over the West Coast and over the eastern CONUS. Enhanced probabilities of below normal temperatures are favored along the West Coast and interior Pacific Northwest, in association with a mean mid-level trough over the West. Above normal temperatures and below normal precipitation are favored in much of the central CONUS, with probabilities for above normal temperatures extending to the Great Lakes and Northeast, underneath a mean ridge. The active storm track is favored to continue for the northern tier states, with elevated odds for above normal precipitation centered over the Upper Midwest and Great Plains.

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

U.S. Export Statistics

U.S. Export Sales and Exports: Week Ending June 25, 2020					
Commodity	Gross Sales (MT)	Exports (MT)	YTD Exports (000 MT)	YTD Bookings (000 MT)	% Change YTD Bookings
Wheat	490,100	508,600	1,877.6	7,266.3	1%
Corn	432,700	1,439,900	33,882.6	42,313.5	-13%
Sorghum	144,400	131,300	3,313.1	4,156.5	167%
Barley	1,000	800	1.3	41.6	-19%

Source: USDA, World Perspectives, Inc.

Corn: Net sales of 361,100 MT for 2019/2020 were down 22 percent from the previous week and 32 percent from the prior 4-week average. Increases primarily for Japan (240,100 MT, including 192,300 MT switched from unknown destinations and decreases of 1,800 MT), Mexico (168,300 MT, including 61,000 MT switched from unknown destinations and decreases of 14,900 MT), Colombia (75,100 MT, including 63,400 MT switched from unknown destinations and decreases of 200 MT), Peru (41,700 MT), and Tunisia (31,000 MT, including 30,000 MT switched from unknown destinations), were offset by reductions primarily for unknown destinations (282,600 MT). For 2020/2021, net sales of 262,700 MT were primarily for unknown destinations (109,900 MT), Japan (100,500 MT), Mexico (22,400 MT), and Taiwan (13,500 MT). Exports of 1,439,900 MT--a marketing-year high--were up 10 percent from the previous week and 21 percent from the prior 4-week average. The destinations were primarily to Japan (456,700 MT, including 144,600 MT late – see below), Mexico (283,400 MT), South Korea (173,300 MT, including 37,300 MT late – see below), China (144,300 MT), and Colombia (101,600 MT).

Optional Origin Sales: For 2019/2020, the current outstanding balance of 325,000 MT is for South Korea (195,000 MT), Vietnam (65,000 MT), and Taiwan (65,000 MT). For 2020/2021, the current outstanding balance of 195,000 MT is for Vietnam.

Late Reporting: For 2019/2020, net sales totaling 74,100 MT were reported late. These sales were reported for unknown destinations. For 2019/2020, exports totaling 229,800 MT were reported late. The destinations were to Japan (144,600 MT), South Korea (37,300 MT), Tunisia (31,000 MT), and Jamaica (17,000 MT).

Barley: Net sales of 1,000 MT for 2020/2021 were primarily for South Korea (900 MT). Exports of 800 MT were primarily to Japan.

Sorghum: Net sales of 144,400 MT for 2019/2020 were up noticeably from the previous week and from the prior 4-week average. Increases were primarily for China (76,800 MT, including 68,000 MT switched from unknown destinations), unknown destinations (62,800 MT), and Japan (4,700 MT, switched from unknown destinations). For 2020/2021, total net sales of 68,000 MT were for unknown destinations. Exports of 131,300 MT were up 19 percent from the previous week, but down 19 percent from the prior 4-week average. The destinations were to China (125,400 MT), Japan (4,700 MT late - see below), and Mexico (1,200 MT).

Late Reporting: For 2019/2020, exports totaling 4,700 MT were reported late. The destination was to Japan.

U.S. Export Inspections: Week Ending June 25, 2020

Commodity (MT)	Export Inspections		Current Market YTD	Previous YTD	YTD as Percent of Previous
	Current Week	Previous Week			
Barley	0	0	367	1,053	35%
Corn	1,234,690	1,295,845	33,230,040	41,759,790	80%
Sorghum	158,657	109,945	4,008,508	1,638,429	245%
Soybeans	324,512	255,810	36,808,094	37,102,106	99%
Wheat	515,359	686,036	2,000,953	1,984,089	101%

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

USDA Grain Inspections for Export Report: Week Ending June 25, 2020

Region	YC	% of Total	WC	% of Total	Sorghum	% of Total
Lakes	0	0%	0	0%	0	0%
Atlantic	0	0%	0	0%	0	0%
Gulf	556,086	47%	57,989	100%	103,773	65%
PNW	450,063	38%	0	0%	54,548	34%
Interior Export Rail	170,552	14%	0	0%	336	0%
Total (Metric Tons)	1,176,701	100%	57,989	100%	158,657	100%
White Corn Shipments by Country (MT)			35,651 15,499 6,839	to Honduras to El Salvador to Colombia		
Total White Corn			57,989			
Sorghum Shipments by Country (MT)					124,731 33,370 336 220	to China to Sudan to Mexico to Haiti
Total Sorghum					158,657	

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)
August	0.82+U	\$167.31	1.05+U	\$176.37
September	0.84+U	\$168.10	1.05+U	\$176.37
October	0.82+Z	\$171.25	1.03+Z	\$179.52

#2 White Corn (U.S. \$/MT FOB Vessel)			
Max. 15.0% Moisture	August	September	October
Gulf	\$143	\$148	\$199

Sorghum (USD/MT FOB Vessel)				
#2 YGS FOB Vessel Max 14.0% Moisture	NOLA		TEXAS	
	Basis	Flat Price	Basis	Flat Price
August	2.40+U	\$229.51	2.10+U	\$217.70
September	2.30+U	\$225.58	2.15+U	\$219.67
October	2.30+Z	\$229.51	2.15+Z	\$223.61

Corn Gluten Feed Pellets (CGFP) (FOB Vessel U.S. \$/MT)			
	August	September	October
New Orleans	\$173	\$173	\$173
<i>Quantity 5,000 MT</i>			
Corn Gluten Meal (CGM) (FOB Vessel U.S. \$/MT)			
Bulk 60% Pro.	August	September	October
New Orleans	\$532	\$546	\$563
<i>*5-10,000 MT Minimum</i>			

DDGS Price Table: July 2, 2020 (USD/MT)
(Quantity, availability, payment and delivery terms vary)

Delivery Point Quality Min. 35% Pro-fat combined	July	August	September
Barge CIF New Orleans	179	187	188
FOB Vessel GULF	194	193	195
Rail delivered PNW	202	204	204
Rail delivered California	206	207	209
Mid-Bridge Laredo, TX	200	202	206
FOB Lethbridge, Alberta	189	190	191
40 ft. Containers to South Korea (Busan)	247	245	246
40 ft. Containers to Taiwan (Kaohsiung)	245	242	243
40 ft. Containers to Philippines (Manila)	251	250	249
40 ft. Containers to Indonesia (Jakarta)	246	243	242
40 ft. Containers to Malaysia (Port Kelang)	247	246	244
40 ft. Containers to Vietnam (HCMC)	243	241	241
40 ft. Containers to Japan (Yokohama)	249	247	247
40 ft. containers to Thailand (LCMB)	249	247	248
40 ft. Containers to China (Shanghai)	249	247	246
40 ft. Containers to Bangladesh (Chittagong)	272	269	268
40 ft. Containers to Myanmar (Yangon)	267	265	266
KC Rail Yard (delivered ramp)	182	181	181
Elwood, IL Rail Yard (delivered ramp)	178	178	178

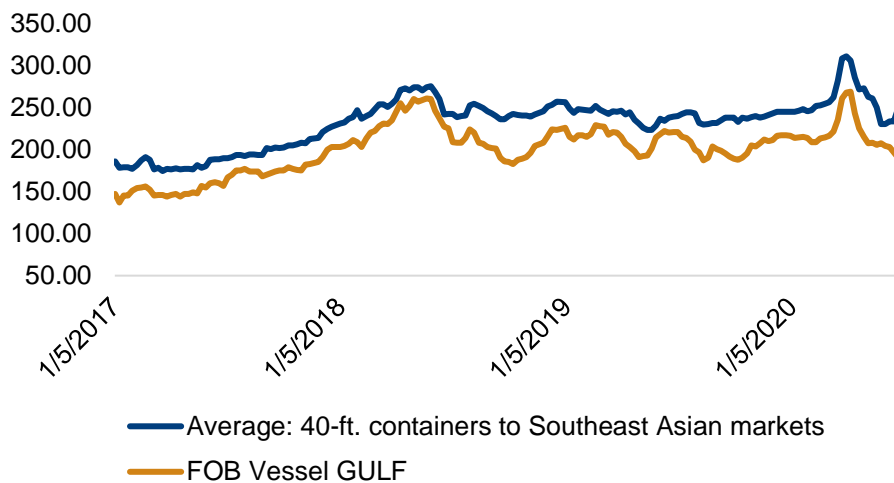
Source: World Perspectives, Inc. *Prices are based on offer indications only; terms of delivery, payment and quality may vary from one supplier to another, impacting the actual value of the price.

Distiller's Dried Grains with Solubles (DDGS)

DDGS Comments: Cash corn prices are higher across the U.S. this week with the CBOT rally leading the way. Basis is slightly weaker, widening to 24 cents under September futures (-24U) as farm sales have been aggressive on the rally. Prices for DDGS FOB ethanol plants are down \$4.00/MT this week while Kansas City soymeal prices are up \$8/MT following a rally in that commodity's futures market. DDGS are priced at 106 percent of cash corn values, down from last week and below the five-year average ratio of 109 percent. The DDGS/soymeal price ratio is 0.42, steady with the prior week and equal to the three-year average.

DDGS prices in the Gulf are firming as near-term supplies remain tight following spring production reductions. Barge CIF NOLA offers are \$10-18/MT higher this week while FOB NOLA offers are up \$6/MT. Merchandisers report that most international buyers have booked summer needs already, which is likely to keep prices steady in the near-term. Values for 40-foot containers to Southeast Asia continue to firm, buoyed by rising ocean freight rates. The average offers for containerized DDGS to Southeast Asia reached \$252/MT this week.

DDGS Indications: U.S. Gulf (FOB) and
40-foot containers to Southeast Asia
(\$/MT)



Source: World Perspectives, Inc.

Country News

Argentina: The Buenos Aires Grain Exchange says that the corn harvest has advanced 7.6 percent. (AgriCensus)

Brazil: The government reduced its estimate for 2019/20 corn production from 100.99 MMT to 100.12 MMT. The corn export estimate was reduced from 34.5 MMT to 33.5 MMT. The exporter association Anec says corn exports are averaging 774,850 MT/month. IMEA says Mato Grosso corn is starting to confront logistics challenges. A Dartmouth study in the journal Nature Sustainability calculates that corn yields are 5 – 10 percent lower due to adverse climate impacts from clearing and planting in the Cerrado. It claims the amazon is being saved at the expense of the Cerrado, where only 3 percent of land is protected from development. The loss of transpiration has reduced rainfall and raised nighttime temperatures. (Reuters; Refinitiv; AgriCensus)

Canada: Stats Canada says the corn planted area will be 3.559 million acres, a 3.7 percent decline from 2019 and the lowest in five years. Barley planted area will be 7.503 million acres, up 1.4 percent from 2019 and the highest since 2009. Oat area is 3.839 million acres, the highest in 12 years and 18 percent above the 5-year average. (Reuters)

China: It has become a seller's market for corn. Trading rules were changed to dampen bidding enthusiasm at sales of reserve corn and premiums subsided in some provinces though it was still 100 percent subscribed. The average price at the latest auction was RMB1,871/MT (\$264.75), a 0.69 percent decline. Wheat is still competitive as a feed ingredient. BRICS estimates the market deficit to be 25-40 MMT and as a result, imports will be 10-20 MMT of corn, sorghum, barley and DDGS, with reserve stocks filling the rest. The Ministry of Agriculture and Rural Affairs estimates corn production this year at 266.5 MMT, creating a 19 MMT deficit compared to demand and imports of 5 MMT priced 7.7 percent lower than domestic prices. The adverse impact of fall army worm is disputed, and hog production is expected to hit 80 percent of normal. (DimSum)

EU: The French barley harvest has begun. (AgriCensus)

South Africa: The Crop Estimates Committee reduced its estimate for the 2020 corn crop by 0.5 percent to 15.5 MMT. (AgriCensus)

South Korea: MFG bought corn from Cargill priced at \$184/MT. Kocopia purchased 60 KMT of corn from Cofco for October arrival. (AgriCensus)

Thailand: Importers bought 50 KMT of barley. (AgriCensus)

Ukraine: The state weather forecaster for the agriculture department says the corn harvest will be 39 MMT, up from 35.8 MMT a year ago. (Refinitiv)

Ocean Freight Markets and Spreads

Bulk Freight Indices for HSS — Heavy Grain, Sorghum and Soybeans*			
July 2, 2020			
Route and Vessel Size	Current Week (USD/MT)	Change from Previous Report	Remarks
55,000 U.S. Gulf-Japan	\$39.50	Up \$0.25	Handymax \$40.50 mt
55,000 U.S. PNW- Japan	\$20.50	Unchanged	Handymax \$21.00 mt
66,000 U.S. Gulf – China	\$38.75	Up \$0.25	North China
PNW to China	\$20.00	Unchanged	
25,000 U.S. Gulf- Veracruz, México	\$16.00	Unchanged	3,000 MT daily discharge rate
30-35,000+ U.S. Gulf- Veracruz, México	\$13.25	Unchanged	Deep draft and 6,000 MT per day discharge rate.
25-35,000 U.S. Gulf – East Coast, Colombia	\$19.25	Down \$0.25	<u>West Coast Colombia at \$29.00</u> USG to E/C 50,000 mt at \$15.50
From Argentina	\$33.50		
43-45,000 U.S. Gulf - Guatemala	\$28.50	Down \$0.25	Acajutla/Quetzal - 8,000 out
26-30,000 U.S. Gulf – Algeria	\$36.50	Unchanged	8,000 mt daily discharge
	\$37.25		3,000 mt daily discharge
26-30,000 US Gulf-Morocco	\$36.50	Unchanged	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt	\$25.00	Unchanged	60,000 -55,000 mt
PNW to Egypt	\$25.25		Romania- Russia- Ukraine \$11.25-\$12.25 -\$12.50 France \$15.50
60-70,000 U.S. Gulf – Europe, Rotterdam	\$18.25	Up \$0.75	Handymax at +\$1.75 more
Brazil, Santos – China	\$29.00	Unchanged	54-59,000 Supramax- Panamax
Brazil, Santos – China	\$28.50		60-66,000 Post Panamax
Northern Coast Brazil - China	\$32.00		Upriver No. Brazil Plus - 55,000 mt Plus \$7.50/mt
56-60,000 Argentina/Rosario – China, Deep Draft	\$33.00	Unchanged	Upriver with BB Top Off \$36.75

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: Capesize dry-bulk vessels must be using rocket fuel in place of VLSFO as that market continued to skyrocket this week. Capesize owners and sellers felt embolden by the tight supply of available vessels in the Atlantic, and the continued support in paper trading markets. The rally continues to be motivated by increased shipments of iron ore from Brazil, Australia, Canada, and South Africa to China.

Vessel owners now feel that the good days are back and here to stay. Daily hire rates on Capes reached \$31,377/day. Panamax and Supramax markets were supported by the excitement in the Capesize market but could not gain as much enthusiasm. Physical rates in Panamax and Supramax sectors did not move too much this week. The market is still questioning how much further Capesize values can climb. We will have to see if the high marks can be maintained into the weekend.

Baltic-Panamax Dry-Bulk Indices				
July 2, 2020	This Week	Last Week	Difference	Percent Change
Route				
P2A: Gulf/Atlantic – Japan	19,550	18,714	836	4.5
P3A: PNW/Pacific– Japan	9,408	9,875	-467	-4.7
S1C: U.S. Gulf-China-S. Japan	17,481	16,864	617	3.7

Source: O'Neil Commodity Consulting

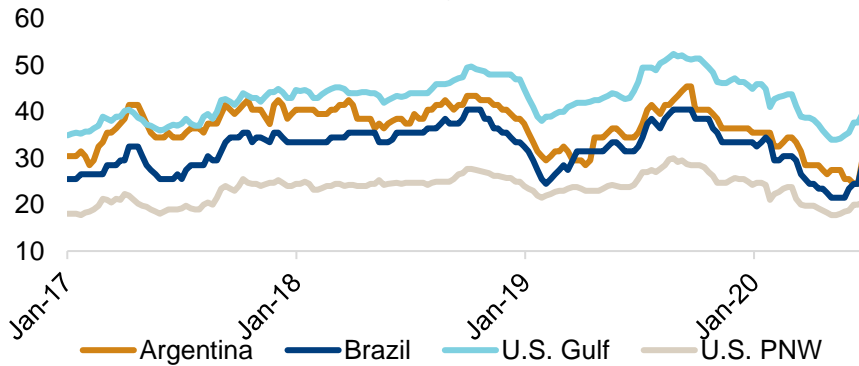
Capesize Vessel Freight Values Western Australia to South China (iron ore)	
Four weeks ago:	\$4.40-5.20
Three weeks ago:	\$5.45-5.70
Two weeks ago:	\$6.40-8.00
One week ago:	\$8.05-9.75
This week	\$10.00-11.00

Source: O'Neil Commodity Consulting

U.S.-Asia Market Spreads					
July 2, 2020	PNW	Gulf	Bushel Spread	MT Spread	Advantage
#2 Corn	0.96	0.88	0.08	\$3.15	PNW
Soybeans	1.22	0.93	0.29	\$10.66	PNW
Ocean Freight	\$20.00	\$38.75	0.48-0.51	\$18.75	August

Source: O'Neil Commodity Consulting

Bulk Grain Freight Rates to Japan from Select Origins



Source: World Perspectives, Inc., O'Neil Commodity Consulting

Bulk Grain Freight Rates for Key Suppliers and Destinations July 2, 2020							
Origin	Destination	This Week	Monthly Change	Monthly % Change	Yearly Change	Yearly % Change	2-Year History
<i>Panamax/Supramax Vessels</i>							
U.S. Gulf	Japan	39.50	4.5	12.9%	-5	-11.2%	
U.S. PNW		20.50	2	10.8%	-3.75	-15.5%	
Argentina		29.50	4	15.7%	-5	-14.5%	
Brazil		28.50	7	32.6%	-3	-9.5%	
U.S. Gulf	China	38.75	4.75	14.0%	-4.75	-10.9%	
U.S. PNW		20.00	2.25	12.7%	-3.5	-14.9%	
Argentina		33.00	4.75	16.8%	-3.5	-9.6%	
Brazil		32.00	4.25	15.3%	-1.25	-3.8%	
U.S. Gulf	Europe	18.50	6	48.0%	1	5.7%	
Argentina		11.50	1	9.5%	-15	-56.6%	
Brazil		21.50	1	4.9%	-5	-18.9%	
Argentina	Saudi Arabia	41.50	-2	-4.6%	9	27.7%	
Brazil		51.50	3	6.2%	14	37.3%	
U.S. Gulf	Egypt	25.50	2.00	8.5%	-2.00	-7.3%	
U.S. PNW		25.00	3.85	18.2%	-4.30	-14.7%	
Argentina		15.50	1.00	6.9%	-10.00	-39.2%	
Brazil		25.50	2.00	8.5%	-4.00	-13.6%	
<i>Handysize Vessels</i>							
U.S. Gulf	Morocco	37.50	5.00	15.4%	3.00	8.7%	
U.S. Great Lakes		42.95	0.80	1.9%	-2.10	-4.7%	
Argentina		29.50	1.00	3.5%	4.00	15.7%	
Brazil		31.50	7.00	28.6%	5.00	18.9%	
U.S. Great Lakes	Europe	42.00	0.85	2.1%	-2.00	-4.5%	
Brazil		22.55	-1.20	-5.1%	-3.90	-14.7%	
Argentina	Algeria	28.50	0.00	0.0%	1.00	3.6%	
Brazil		33.50	2.00	6.3%	5.00	17.5%	
U.S. Gulf	Colombia	19.25	0.75	4.1%	0.25	1.3%	
U.S. PNW		29.00	1.90	7.0%	2.05	7.6%	
Argentina		33.50	-0.25	-0.7%	1.00	3.1%	
<i>Shipping Indexes</i>							
Baltic Dry Index		1749	1229	236.3%	368	26.6%	

Source: World Perspectives, Inc. and O'Neil Commodity Consulting