



**August 27, 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 August 21	Monday August 24	Tuesday August 25	Wednesday August 26	Thursday August 27
<b>Change</b>	1.25	4.50	9.50	-0.25	4.25
<b>Closing Price</b>	340.50	345.00	354.50	354.25	358.50
<b>Factors Affecting the Market</b>	December corn turned higher after 3 days of lower trade. The market is looking at a hot/dry weekend that will likely cut crop conditions ratings 1-2%. USDA said 15.9 Mbu of corn was sold to China for 2020/21, a positive sign for demand. Outside markets finished higher with the S&P 500 nearing record highs.	Corn moved towards its trading range top as the weekend offered no rain for much of the Corn Belt. A dry August now has traders questioning if record yields and production can be reached. USDA reported 35.1 Mbu of export inspections last week, below what was needed. The U.S. dollar firmed 28 bps.	A surprise 5% cut in the good/excellent crop rating sent corn sharply higher and above trading range highs. Funds covered 30,000+ short contracts and end-users were active buyers too. UDA said 20 Mbu of corn was sold for 2020/21 export this morning, another sign that demand remains strong.	After Tuesday's rally, corn was quiet. Forecasts call for a wetter trend for the Corn Belt after Hurricane Laura makes landfall this week. That should aid corn conditions and help maintain yields. Ethanol production was slightly higher while stocks grew slightly as well. The S&P 500 hit its fourth straight record high.	Strong export sales, including 29.4 Mbu to China, are supporting CBOT corn futures. Hot/dry Corn Belt weather is cutting yield forecasts and firming prices. Forecasts are variable, with the latest runs holding less rain than expected earlier. The market looks to test major resistance at \$3.63 soon.

**Outlook:** December corn futures are 18 cents (5.3 percent) higher this week as a surprisingly large decrease in U.S. corn conditions prompted massive short covering and end-user buying. Funds are paring back their net short position while end-users increase pricing ideas as charts turn bullish. The market made quick work of technical resistance points and is looking to test the 1 July daily high.

Monday's Crop Progress report surprised the market with a 5 percent decline in the good/excellent rating for U.S. corn. The market was expecting a 1-2 percent decline due to ongoing dryness in Iowa and parts of the Western Corn Belt. The larger-than-expected decline in ratings pushed futures higher as prospects for a record-large crop are increasingly in question. Despite the dry Midwest conditions, the International Grains Council increased its forecast of the U.S. corn crop to 384.2 MMT (15.125 billion bushels). That estimate is still below USDA's current forecast and the 2016/17 record crop of 384.8 MMT (15.148 billion bushels).

The weekly Export Sales report featured net old-crop corn sales of 270,400 MT and net new-crop sales of 1.18 MMT. Weekly exports were down 22 percent from the prior week at 939,100 MT and were sufficient to put 2019/20 YTD bookings at 44.491 MMT – down 11 percent from the prior year and in-line with USDA's forecast. Notably, new crop outstanding sales currently total 13.384 MMT, up 142 percent from the prior year.

International market developments continue to support expectations for strong 2020/21 U.S. corn demand. Brazilian cash and export prices have risen steadily this summer, leaving U.S. Gulf export offers priced at a significant discount to Brazil. At the same time, Chinese demand is increasing, partly

due to the country's rebuilding hog herd and shifting away from inferior feed ingredients. China has sold roughly 51.5 MMT of temporary state corn reserves over 13 weeks, out of the 52 MMT of corn offered in those auctions. China has also been actively procuring U.S. corn, buying another 747,000 MT (29.4 million bushels) on Wednesday, per the USDA's daily export sales report. According to USDA's weekly Export Sales report, China has booked 6.386 MMT (248 million bushels) of corn from the U.S. for the 2020/21 marketing year.

From a technical standpoint, December corn futures are showing significant strength. The chart gap left by Tuesday morning's open remains unfilled and now stands as technical support. The market quickly traded through psychological resistance at \$3.50 on Tuesday and has not thoroughly tested that point again. Momentum indicators point to higher trade and the market is not yet overbought. The next upside target is the 1 July daily high at \$3.63, which is also where the 200-day moving average also lies. On the downside, there is emerging trendline support at \$3.50 ½, and then at the bottom of the open chart gap (\$3.45 ½).

Interest Rates and Macroeconomic Markets, August 27, 2020						
	Last*	Weekly Change	Weekly % Change	Monthly Change	Monthly % Change	1-Year History
<b>Interest Rates</b>						
U.S. Prime	3.3	0.0	0.0%	0.0	0.0%	
LIBOR (6 Month)	0.3	0.0	0.9%	0.0	-2.6%	
LIBOR (1 Year)	0.4	0.0	0.2%	0.0	-3.3%	
S&P 500	3,488.9	103.4	3.1%	242.7	7.5%	
Dow Jones Industrials	28,537.3	797.5	2.9%	2,223.6	8.5%	
U.S. Dollar	93.0	0.2	0.2%	0.0	0.0%	
WTI Crude	43.0	0.2	0.4%	3.1	7.7%	
Brent Crude	45.6	0.7	1.5%	2.3	5.4%	

Source: DTN ProphetX, World Perspectives, Inc.

\* Last price as of 3:46 PM ET

# CBOT December Corn Futures



Source: DTN ProphetX

**Current Market Values:**

<b>Futures Price Performance: Week Ending August 27, 2020</b>			
<b>Commodity</b>	<b>27-Aug</b>	<b>21-Aug</b>	<b>Net Change</b>
<b>Corn</b>			
Sep 20	344.25	327.00	17.25
Dec 20	358.50	340.50	18.00
Mar 21	369.50	353.00	16.50
May 21	376.00	360.50	15.50
<b>Soybeans</b>			
Sep 20	937.25	900.75	36.50
Nov 20	942.00	904.75	37.25
Jan 21	947.50	911.25	36.25
Mar 21	947.50	913.50	34.00
<b>Soymeal</b>			
Sep 20	294.90	290.20	4.70
Oct 20	297.70	293.00	4.70
Dec 20	303.10	297.50	5.60
Jan 21	304.90	299.00	5.90
<b>Soyoil</b>			
Sep 20	33.31	31.41	1.90
Oct 20	33.31	31.46	1.85
Dec 20	33.50	31.67	1.83
Jan 21	33.58	31.82	1.76
<b>SRW</b>			
Sep 20	542.50	527.25	15.25
Dec 20	550.75	535.00	15.75
Mar 21	557.75	541.50	16.25
May 21	561.50	546.00	15.50
<b>HRW</b>			
Sep 20	460.75	445.75	15.00
Dec 20	472.25	456.75	15.50
Mar 21	482.75	466.75	16.00
May 21	490.50	475.00	15.50
<b>MGEX (HRS)</b>			
Sep 20	522.75	515.00	7.75
Dec 20	540.50	529.00	11.50
Mar 21	552.00	540.00	12.00
May 21	559.75	548.75	11.00

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

## U.S. Weather/Crop Progress

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U.S. Crop Conditions: August 23, 2020					
Commodity	Very Poor	Poor	Fair	Good	Excellent
Corn	4%	8%	24%	49%	15%
Sorghum	5%	11%	30%	43%	11%
Barley	1%	3%	16%	58%	22%

Source: USDA, World Perspectives, Inc.

**U.S. Drought Monitor Weather Forecast:** The NWS WPC 7-Day Quantitative Precipitation Forecast (QPF) calls for very heavy rainfall accumulations in association with Hurricane Laura making landfall along the Gulf coast of Louisiana and Texas. Along the coast, rainfall accumulations are expected to range from 3 to 15 inches while areas inland in the Lower Mississippi River Basin are expected to see moderate-to-heavy accumulations (2-to-10 inches). In the Midwest, moderate rainfall accumulations (2-to-5 inches) are expected across parts of the region including Missouri, Iowa, Minnesota, Wisconsin, and Michigan as well as in parts of the Northeast. Out West, generally dry conditions are forecasted with the exception of some light precipitation (generally <1 inch accumulations) in isolated areas of Arizona, New Mexico, and Colorado. Further northward, isolated mountain showers and thunderstorms are expected in the Northern Rockies of Wyoming and Montana with light accumulations (generally <1 inch).

The CPC 6-10-day Outlook calls for a moderate-to-high probability of above-normal temperatures in the Far West, Southwest, South, Southeast, and Mid-Atlantic states, while a high probability of below-normal temperatures are expected across the remainder of the West, Plains states, and the Midwest. In terms of precipitation, there is a moderate-to-high probability of above-normal precipitation across most of the eastern half of the U.S., Northern Rockies, and Alaska. Drier-than-normal conditions are forecast for the Pacific Northwest, Four Corners states, and the Gulf Coast region of Texas and Mississippi.

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

## U.S. Export Statistics

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U.S. Export Sales and Exports: Week Ending August 20, 2020					
Commodity	Gross Sales (MT)	Exports (MT)	YTD Exports (000 MT)	YTD Bookings (000 MT)	% Change YTD Bookings
Wheat	790,400	646,400	6,049.6	11,878.2	7%
Corn	322,500	939,100	42,158.0	44,491.8	-11%
Sorghum	0	56,100	4,396.1	4,625.2	168%
Barley	0	300	8.4	39.2	-31%

Source: USDA, World Perspectives, Inc.

**Corn:** Net sales of 270,400 MT for 2019/2020 were up noticeably from the previous week and from the prior 4-week average. Increases primarily for Japan (97,900 MT, including decreases of 7,700 MT), Taiwan (91,200 MT), Mexico (62,300 MT, including decreases of 11,100 MT), Colombia (45,800 MT, including 65,000 MT switched from unknown destinations and decreases of 27,700 MT), and China (19,400 MT), were offset by reductions primarily for unknown destinations (64,500 MT).

For 2020/2021, net sales of 1,180,500 MT primarily for China (666,000 MT), Mexico (233,000 MT), unknown destinations (156,200 MT), Japan (50,000 MT), and Guatemala (20,300 MT), were offset by reductions for Canada (4,600 MT).

Exports of 939,100 MT were down 22 percent from the previous week and 10 percent from the prior 4-week average. The destinations were primarily to Mexico (255,300 MT), Japan (227,600 MT), Colombia (219,100 MT), China (135,400 MT), and Canada (33,300 MT).

*Optional Origin Sales:* For 2019/2020, the current outstanding balance of 390,000 MT is for South Korea (260,000 MT), Vietnam (65,000 MT), and Taiwan (65,000 MT). For 2020/2021, the current outstanding balance of 260,000 MT is for Vietnam (195,000 MT) and South Korea (65,000 MT).

**Barley:** No net sales for 2020/2021 were reported for the week. Exports of 300 MT were down 25 percent from the previous week and 83 percent from the prior 4-week average. The destination was Japan.

**Sorghum:** Net sales reductions of 3,900 MT for 2019/2020 were down 16 percent from the previous week and down noticeably from the prior 4-week average. Increases reported for China (56,100 MT, including 60,000 MT switched from unknown destinations and decreases of 3,900 MT), were offset by reductions for unknown destinations (60,000 MT). For 2020/2021, net sales of 312,500 MT were reported for China (177,000 MT) and unknown destinations (135,500 MT). Exports of 56,100 MT were up 16 percent from the previous week, but down 71 percent from the prior 4-week average. The destination was China.

## U.S. Export Inspections: Week Ending August 20, 2020

Commodity (MT)	Export Inspections		Current Market YTD	Previous YTD	YTD as Percent of Previous
	Current Week	Previous Week			
Barley	0	1,996	2,461	2,938	84%
Corn	892,031	1,075,251	41,266,727	46,814,947	88%
Sorghum	70,357	83,934	4,793,955	2,008,964	239%
Soybeans	1,150,832	924,486	42,241,831	44,451,168	95%
Wheat	569,593	494,680	6,228,505	6,039,908	103%

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 August 20, 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	467,987	55%	30,673	92%	70,113	100%
PNW	226,598	26%	0	0%	0	0%
Interior Export Rail	163,982	19%	2,791	8%	244	0%
<b>Total (Metric Tons)</b>	<b>858,567</b>	<b>100%</b>	<b>33,464</b>	<b>100%</b>	<b>70,357</b>	<b>100%</b>
White Corn Shipments by Country (MT)			33,464	to Mexico		
<b>Total White Corn</b>			<b>33,464</b>			
Sorghum Shipments by Country (MT)					56,333 14,000 24	to China to Sudan to Mexico
<b>Total Sorghum</b>					<b>70,357</b>	

Source: USDA, World Perspectives, Inc.



**FOB**

<b>Yellow Corn (USD/MT FOB Vessel*)</b>				
<b>YC FOB Vessel Max. 15.0% Moisture</b>	<b>GULF</b>		<b>PNW</b>	
	<b>Basis (#2 YC)</b>	<b>Flat Price (#2 YC)</b>	<b>Basis (#2 YC)</b>	<b>Flat Price (#2 YC)</b>
<b>September</b>	0.97+U	\$173.51	1.52+U	\$195.17
<b>October</b>	0.97+Z	\$179.12	1.50+Z	\$199.99
<b>November</b>	0.95+Z	\$178.53	1.49+Z	\$199.59

<b>#2 White Corn (U.S. \$/MT FOB Vessel*)</b>			
<b>Max. 15.0% Moisture</b>	<b>September</b>	<b>October</b>	<b>November</b>
<b>Gulf</b>	N/A	N/A	N/A

<b>Sorghum (USD/MT FOB Vessel*)</b>				
<b>#2 YGS FOB Vessel Max 14.0% Moisture</b>	<b>NOLA</b>		<b>TEXAS</b>	
	<b>Basis</b>	<b>Flat Price</b>	<b>Basis</b>	<b>Flat Price</b>
<b>September</b>	2.65+U	\$239.85	2.50+U	\$233.94
<b>October</b>	2.65+Z	\$245.46	2.50+Z	\$239.55
<b>November</b>	2.65+Z	\$245.46	2.45+Z	\$237.58

<b>Corn Gluten Feed Pellets (CGFP) (FOB Vessel U.S. \$/MT*)</b>			
	<b>September</b>	<b>October</b>	<b>November</b>
<b>New Orleans</b>	\$180	\$180	\$180
<i>Quantity 5,000 MT</i>			
<b>Corn Gluten Meal (CGM) (FOB Vessel U.S. \$/MT*)</b>			
<b>Bulk 60% Pro.</b>	<b>September</b>	<b>October</b>	<b>November</b>
<b>New Orleans</b>	\$520	\$520	\$520
<i>*5-10,000 MT Minimum</i>			

*\*Prices are based on offer indications only. Quoted prices are believed to reflect current market conditions but may vary from actual offers. Terms of delivery, payment, and quality may vary from one supplier to another, impacting the actual value of the price.*

**DDGS Price Table: August 27, 2020 (USD/MT)**  
 (Quantity, availability, payment and delivery terms vary)

<b>Delivery Point Quality Min. 35% Pro-fat combined</b>	<b>September</b>	<b>October</b>	<b>November</b>
Barge CIF New Orleans	209	210	210
FOB Vessel GULF	216	217	218
Rail delivered PNW	N/A	N/A	N/A
Rail delivered California	235	235	235
Mid-Bridge Laredo, TX	N/A	N/A	N/A
FOB Lethbridge, Alberta	N/A	N/A	N/A
40 ft. Containers to South Korea (Busan)	233	233	233
40 ft. Containers to Taiwan (Kaohsiung)	231	231	231
40 ft. Containers to Philippines (Manila)	240	240	240
40 ft. Containers to Indonesia (Jakarta)	234	234	234
40 ft. Containers to Malaysia (Port Kelang)	238	238	238
40 ft. Containers to Vietnam (HCMC)	236	236	236
40 ft. Containers to Japan (Yokohama)	241	241	241
40 ft. containers to Thailand (LCMB)	241	241	241
40 ft. Containers to China (Shanghai)	238	238	238
40 ft. Containers to Bangladesh (Chittagong)	262	262	262
40 ft. Containers to Myanmar (Yangon)	258	258	258
KC Rail Yard (delivered ramp)	193	193	194
Elwood, IL Rail Yard (delivered ramp)	194	194	195

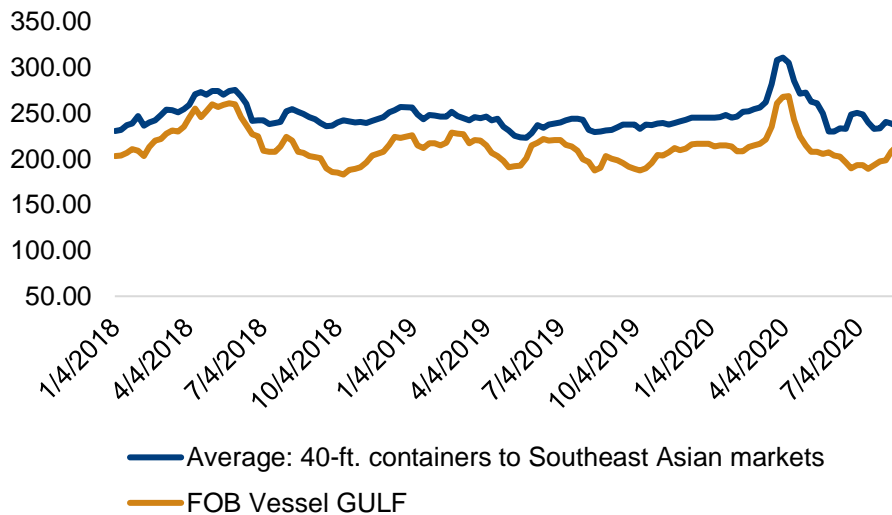
*Source: World Perspectives, Inc. \*Prices are based on offer indications only; terms of delivery, payment and quality may vary from one supplier to another, impacting the actual value of the price.*

## Distiller's Dried Grains with Solubles (DDGS)

**DDGS Comments:** Stronger domestic demand and rising corn prices are pushing FOB ethanol plant DDGS prices \$6.50/MT higher this week. Rail-delivered DDGS to California are up \$17/MT this week while offers for product at KC rail yards or Elwood, IL are up \$5-7/MT. The rally in the soymeal market is continuing and Kansas City soymeal prices are up \$3.50/MT this week. DDGS are priced at 113 percent of cash corn values, equal with last week and above the five-year average ratio of 109 percent. The DDGS/soymeal price ratio is 0.43, above last week's value and the three-year average of 0.42.

Industry sources note limited supply and some short covering continue to help the barge market firm. Barge CIF NOLA offers are up \$7/MT for September positions and up \$4 for October/November. FOB Gulf offers are largely steady this week as buyers remain quiet. Exporters say containers are offered at a discount to bulk vessels, particularly for Asian destinations, but that bulk prices have limited downside risk due to tight supplies and elevations expected this fall.

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



Source: World Perspectives, Inc.

## Country News

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**Argentina:** Farmer selling of old crop corn has slowed and a farm survey by the Buenos Aires Grain Exchange indicates the 2020/21 area planted to corn will be 1.6 percent smaller. The grain inspectors' union will conduct a 36-hour strike starting tomorrow to protest the lack of wage negotiations. (Reuters; AgriCensus)

**Brazil:** Conab forecasts the country will produce 112.9 MMT of corn for 2020/21 versus 102.1 MMT in 2019/20. The second season 2019/20 corn crop is now 86 percent harvested. ANEC lowered its corn export forecast for August to 6.79 MMT versus 7.25 MMT a week ago. The export pace has slowed in August but remains a record. Meanwhile, the B3 exchange posted a new high for corn at BR61/bag (USD181.65/MT) and the government is waiving the import tariff to temper inflation. (AgriCensus)

**China:** The fall army worm is moving faster than expected and for the first time has been found in Liaoning province in the northeastern corn belt. Social media coverage of damaged stored corn caused prices to spike to a new five-year high. The government raised the minimum price for auctioned corn this week and for the first time, not all of it sold. All of the 2015 corn sold but only 87 percent of the 2016 corn and just 50 percent of the 2018 reserve was purchased. (Refinitiv; FarmLead; JCI)

**EU:** Grain trade association COCERAL reduced its EU barley production forecast to 62.5 MMT due to lower yields in France, and revised corn lower by 2.2 MMT to 64.6 MMT. The average EU corn yield was cut 2.4 percent to 8.01 MT/Ha. France Agrimer says corn conditions declined again to 62 percent good/excellent, a 3 percent drop from a week earlier. Thus far, August is the second hottest on record following the driest July in 60 years. Meanwhile, the rise in U.S. corn futures forces Brussels to remove its €0.26/MT import levy. (Refinitiv, World Grain)

**Tunisia:** The government procurement agency ODC bought 75 KMT of barley for September/October delivery at \$208/MT CFR. (AgriCensus)

**South Africa:** The Crop Estimates Committee in its seasonal 7<sup>th</sup> forecast cut estimated white corn output by -1.13 percent but raised yellow corn production by 1.48 percent with the net being 15.536 MMT, an 0.05 percent reduction from its 6<sup>th</sup> forecast. That is a smaller reduction than estimated by the trade. The Johannesburg Stock Exchange has initiated a second-tier corn futures contract to address quality issues. (AgriCensus; CEC)

**Ukraine:** Corn prices are sharply higher on concerns that hot, dry weather has hurt the crop. (AgriCensus)

**Vietnam:** An over-supply of grain is causing corn buyers to cancel 240 KMT to 540 KMT worth of purchases, though higher world prices keeps other trades in place. South American corn for August/September delivery was over-bought relative to demand. Sellers are willing to buy back since prices have risen about 17 percent, but the situation has the Philippines considering buying corn from Vietnam, or traders could sell it to China. (Reuters; AgriCensus)

## Ocean Freight Markets and Spreads

Bulk Freight Indices for HSS — Heavy Grain, Sorghum and Soybeans* August 27, 2020			
Route and Vessel Size	Current Week (USD/MT)	Change from Previous Report	Remarks
55,000 U.S. Gulf-Japan	\$45.00	Up \$0.50	Handymax \$46.50 mt
55,000 U.S. PNW- Japan	\$24.75	Up \$0.50	Handymax \$26.00 mt
66,000 U.S. Gulf – China	\$44.00	Up \$0.50	North China
PNW to China	\$24.00	Up \$0.50	
25,000 U.S. Gulf - Veracruz, México	\$18.00	Up \$0.25	3,000 MT daily discharge rate
30-36,000+ U.S. Gulf - Veracruz, México	\$15.25	Up \$0.25	Deep draft and 6,000 MT per day discharge rate.
30-38,000 U.S. Gulf - Colombia	\$21.00	Up \$0.25	<u>West Coast Colombia at \$31.00</u>
<u>East Coast Colombia</u>	<u>\$29.75</u>		USG to E/C 50,000 mt at \$18.00
From Argentina	\$34.00		
43-45,000 U.S. Gulf - Guatemala	\$29.25	Up \$0.25	Acajutla/Quetzal - 8,000 out
26-30,000 U.S. Gulf – Algeria	\$39.50 \$41.50	Up \$0.50	8,000 mt daily discharge 3,000 mt daily discharge
26-30,000 US Gulf - Morocco	\$41.00	Up \$0.50	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt	\$29.50	Up \$0.50	60,000 -55,000 mt
PNW to Egypt	\$29.75		Romania- Russia- Ukraine \$15.00-\$15.00 -\$15.50 France \$20.00
60-70,000 U.S. Gulf – Europe, Rotterdam	\$20.00	Up \$0.25	Handymax at +\$1.75 more
Brazil, Santos – China	\$33.00	Up \$0.50	54-59,000 Supramax- Panamax
Brazil, Santos – China	\$32.50		60-66,000 Post Panamax
Northern Coast Brazil - China	\$36.00		Upriver No. Brazil Plus -55,000 mt Plus \$7.50/mt
56-60,000 Argentina/Rosario- China, Deep Draft	\$37.00	Up \$0.50	Upriver with BB Top Off Plus \$3.75 mt

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:** It was a mixed and not overly exciting week in global Dry-Bulk markets. Capesize and Panamax markets rolled gently up and down all week, showing no trend or significant volatility. By Thursday afternoon, rates settled at slightly higher values as the market continues to hunt for clear direction. Grain cargo demand remains supportive and vessel owners are anticipating a demand surge in September from the U.S. grain harvest. Paper traders have been more active and more optimistic than physical players.

Baltic-Panamax Dry-Bulk Indices				
August 27, 2020	This Week	Last Week	Difference	Percent Change
Route				
P2A: Gulf/Atlantic – Japan	24,127	25,827	-1,700	-6.6
P3A: PNW/Pacific– Japan	13,878	13,858	20	0.1
S1C: U.S. Gulf-China-S. Japan	24,386	25,136	-750	-3.0

Source: O'Neil Commodity Consulting

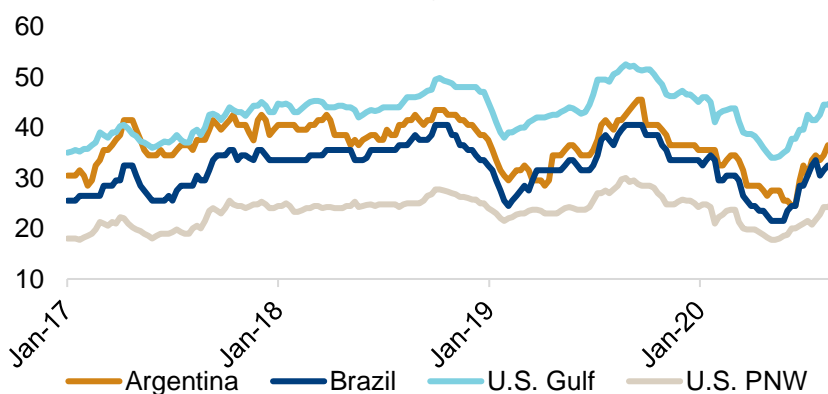
Capesize Vessel Freight Values Western Australia to South China (iron ore)	
Four weeks ago:	\$6.15-7.15
Three weeks ago:	\$7.60-8.50
Two weeks ago:	\$8.10-8.20
One week ago:	\$7.50-8.00
This week	\$7.25-8.50

Source: O'Neil Commodity Consulting

U.S.-Asia Market Spreads					
August 27, 2020	PNW	Gulf	Bushel Spread	MT Spread	Advantage
#2 Corn	1.47	0.97	0.50	\$19.68	Both
Soybeans	1.45	1.05	0.40	\$14.70	PNW
Ocean Freight	\$24.00	\$44.00	0.51-0.54	\$20.00	October

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**  
**August 27, 2020**

Origin	Destination	This Week	Monthly Change	Monthly % Change	Yearly Change	Yearly % Change	2-Year History
<i>Panamax/Supramax Vessels</i>							
U.S. Gulf		45.00	3.5	8.4%	-6.75	-13.0%	
U.S. PNW	Japan	24.75	3	13.8%	-5	-16.8%	
Argentina		36.50	2	5.8%	-5	-12.0%	
Brazil		32.50	-1	-3.0%	-7	-17.7%	
U.S. Gulf		44.00	4	10.0%	-7.25	-14.1%	
U.S. PNW	China	24.00	3	14.3%	-4.75	-16.5%	
Argentina		37.00	3.5	10.4%	-6.5	-14.9%	
Brazil		36.00	3.5	10.8%	-5.25	-12.7%	
U.S. Gulf		20.50	1	5.1%	-1	-4.7%	
Argentina	Europe	19.50	5	34.5%	-6	-23.5%	
Brazil		23.50	-1	-4.1%	-5	-17.5%	
Argentina	Saudi Arabia	42.50	0	0.0%	4	10.4%	
Brazil		56.50	2	3.7%	15	36.1%	
U.S. Gulf		29.50	3.00	11.3%	-3.00	-9.2%	
U.S. PNW	Egypt	29.00	2.00	7.4%	-3.75	-11.5%	
Argentina		25.50	8.00	45.7%	-1.00	-3.8%	
Brazil		29.50	1.00	3.5%	-2.00	-6.3%	
<i>Handysized Vessels</i>							
U.S. Gulf		41.50	3.00	7.8%	3.00	7.8%	
U.S. Great Lakes	Morocco	44.00	1.00	2.3%	-1.00	-2.2%	
Argentina		31.50	1.00	3.3%	6.00	23.5%	
Brazil		38.50	4.00	11.6%	8.00	26.2%	
U.S. Great Lakes	Europe	43.00	2.00	4.9%	-1.05	-2.4%	
Brazil		29.60	2.40	8.8%	0.85	3.0%	
Argentina	Algeria	30.50	0.00	0.0%	3.00	10.9%	
Brazil		34.50	0.00	0.0%	3.00	9.5%	
U.S. Gulf		21.00	2.75	15.1%	-1.00	-4.5%	
U.S. PNW	Colombia	29.00	0.00	0.0%	-1.20	-4.0%	
Argentina		34.00	2.00	6.3%	1.50	4.6%	
<i>Shipping Indexes</i>							
Baltic Dry Index		1491	198	15.3%	-677	-31.2%	

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