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## GENERAL COMMENTS

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Stronger domestic demand is pushing prices for DDGS FOB ethanol plants higher this week. Kansas City soymeal prices, up \$2.50/MT, are also helping support the DDGS market as soymeal futures rallied sharply Wednesday and Thursday. DDGS are priced at 115 percent of cash corn values, down from the prior week and above the five-year average ratio of 109 percent. The DDGS/soymeal price ratio is 0.43, above both last week's value and the three-year average.

The domestic DDGS market is stronger this week with increased usage from the livestock industry and supplies remaining below year-ago levels. DDGS merchandisers report that the domestic/export price spread has narrowed in recent weeks and fall/winter domestic demand is appearing, which will support prices going forward.

On the export market, asking prices are higher this week but exporters report buyers are remaining patient so far. Sources note a few DDGS combo vessels have been traded this week but markets have been quiet otherwise. Barge CIF NOLA offers are up \$12/MT for September positions while October/November offers are up \$7-8/MT. FOB NOLA offers are \$8-9/MT higher this week with rail delivered DDGS rising \$8/MT as well. Offers for 40-foot containers to Southeast Asia are mostly steady/slightly lower this week, averaging \$240/MT.



DDGS Price Table: August 13, 2020 (USD/MT) (Quantity, availability, payment and delivery terms vary)			
Delivery Point Quality Min. 35% Pro-fat combined	September	October	November
Barge CIF New Orleans	191	196	197
FOB Vessel GULF	208	209	211
Rail delivered PNW	203	206	208
Rail delivered California	206	208	209
Mid-Bridge Laredo, TX	204	207	210
FOB Lethbridge, Alberta	175	177	178
40 ft. Containers to South Korea (Busan)	230	230	231
40 ft. Containers to Taiwan (Kaohsiung)	229	229	230
40 ft. Containers to Philippines (Manila)	238	238	239
40 ft. Containers to Indonesia (Jakarta)	232	232	233
40 ft. Containers to Malaysia (Port Kelang)	235	235	236
40 ft. Containers to Vietnam (HCMC)	234	234	235
40 ft. Containers to Japan (Yokohama)	239	239	240
40 ft. containers to Thailand (LCMB)	239	239	240
40 ft. Containers to China (Shanghai)	236	236	237
40 ft. Containers to Bangladesh (Chittagong)	260	260	251
40 ft. Containers to Myanmar (Yangon)	255	255	256
KC Rail Yard (delivered ramp)	183	183	184
Elwood, IL Rail Yard (delivered ramp)	182	182	184

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.

## OCEAN FREIGHT MARKET

It was another up week in nearby Dry-Bulk markets as increased North and South American demand from grain and soymeal cargoes emboldened vessel owners. Black Sea freight also jumped higher due to additional Egyptian wheat demand.

The Capesize market, however, did not act with the same excitement and is mostly flat this week. Grain freight demand, by itself, cannot keep Dry-Bulk markets supported, so we will have to see how the Capesize and other markets react next week. Daily hire rates for Panamax vessels increased from \$13,000/day to \$13,950/day for September. Markets however remain inverted (or in backwardation) as the focus is entirely on the nearby positions. Panamax freight for the Q4 period is trading at \$12,500/day with Q1 2021 at just \$9,750/day.

Source: O'Neil Commodity Consulting



Bulk Freight Indices for HSS — Heavy Grain, Sorghum and Soybeans*			
August 13 2020			
Route and Vessel Size	Current Week (USD/MT)	Change from Previous Report	Remarks
55,000 U.S. Gulf-Japan	\$44.50	Up \$2.00	Handymax \$46.00 mt
55,000 U.S. PNW- Japan	\$24.25	Up \$1.50	Handymax \$25.50 mt
66,000 U.S. Gulf – China	\$43.50	Up \$2.00	North China
PNW to China	\$23.50	Up \$1.50	
25,000 U.S. Gulf - Veracruz, México	\$17.75	Up \$1.00	3,000 MT daily discharge rate
30-36,000+ U.S. Gulf - Veracruz, México	\$15.00	Up \$1.00	Deep draft and 6,000 MT per day discharge rate.
30-38,000 U.S. Gulf - Colombia	\$20.75	Up \$1.50	<u>West Coast Colombia at \$30.75</u>
<u>East Coast Colombia</u>	<u>\$29.50</u>		USG to E/C 50,000 mt at \$17.50
From Argentina	\$34.00		
43-45,000 U.S. Gulf - Guatemala	\$29.00	Up \$2.00	Acajutla/Quetzal - 8,000 out
26-30,000 U.S. Gulf – Algeria	\$39.00	Up \$1.50	8,000 mt daily discharge
	\$41.00		3,000 mt daily discharge
26-30,000 US Gulf - Morocco	\$40.50	Up \$1.50	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt	\$29.00	Up \$2.00	60,000 -55,000 mt
PNW to Egypt	\$29.25		Romania- Russia- Ukraine \$16.00-\$16.10 -\$16.40 France \$20.00
60-70,000 U.S. Gulf – Europe, Rotterdam	\$20.00	Unchanged	Handymax at +\$1.75 more
Brazil, Santos – China	\$33.00	Up \$2.00	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 \$2.00	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.

## LATEST EXPORT FIGURES

Calendar Year (January-December):

	CY 2017	CY 2018	CY 2019	JAN-JUN19	JAN-JUN20	CHANGE YTD (%)	CHANGE YTD (MT)
<i>World Total</i>	11,027,217	11,799,279	10,810,389	5,350,544	4,979,179	-7%	-371,365
Mexico	2,184,385	2,012,746	2,028,684	1,063,237	869,916	-18%	-193,321
Korea, South	960,916	1,139,457	1,247,483	635,869	599,444	-6%	-36,425
Vietnam	308,356	1,246,899	1,203,135	561,944	562,867	0%	923
Indonesia	728,185	843,582	913,928	459,902	490,108	7%	30,206
Canada	707,259	664,483	643,982	360,864	182,298	-49%	-178,566
Turkey	1,417,099	887,129	577,364	384,094	257,030	-33%	-127,064
Thailand	739,453	1,016,581	574,380	210,827	477,824	127%	266,997
Japan	473,528	465,962	516,947	257,083	235,621	-8%	-21,462
Ireland	347,360	396,265	277,440	153,813	116,495	-24%	-37,318
Philippines	137,935	196,418	261,970	103,749	115,394	11%	11,645
Taiwan	255,019	220,547	242,815	111,428	124,588	12%	13,160
Morocco	250,419	190,682	223,352	97,709	93,483	-4%	-4,226
Israel(*)	257,972	276,156	212,153	124,185	111,032	-11%	-13,153
New Zealand(*)	183,857	250,081	208,571	44,252	112,921	155%	68,669
Colombia	207,653	220,222	200,615	91,468	94,037	3%	2,569
United Kingdom	213,394	323,780	180,625	107,818	49,069	-54%	-58,749
China	371,667	192,174	179,049	56,289	51,218	-9%	-5,071
Bangladesh	117,010	150,788	160,873	81,512	40,894	-50%	-40,618
Egypt	138,414	193,254	142,591	61,281	58,235	-5%	-3,046
Spain	297,687	213,717	103,369	61,604	0	-100%	-61,604
Costa Rica	89,413	77,142	92,651	47,070	45,817	-3%	-1,253
El Salvador	62,499	70,290	78,451	33,183	31,690	-4%	-1,493
Guatemala	52,224	66,435	73,214	24,997	35,717	43%	10,720
Burma	36,836	70,156	71,137	34,650	20,122	-42%	-14,528

**Marketing Year (September-August):**

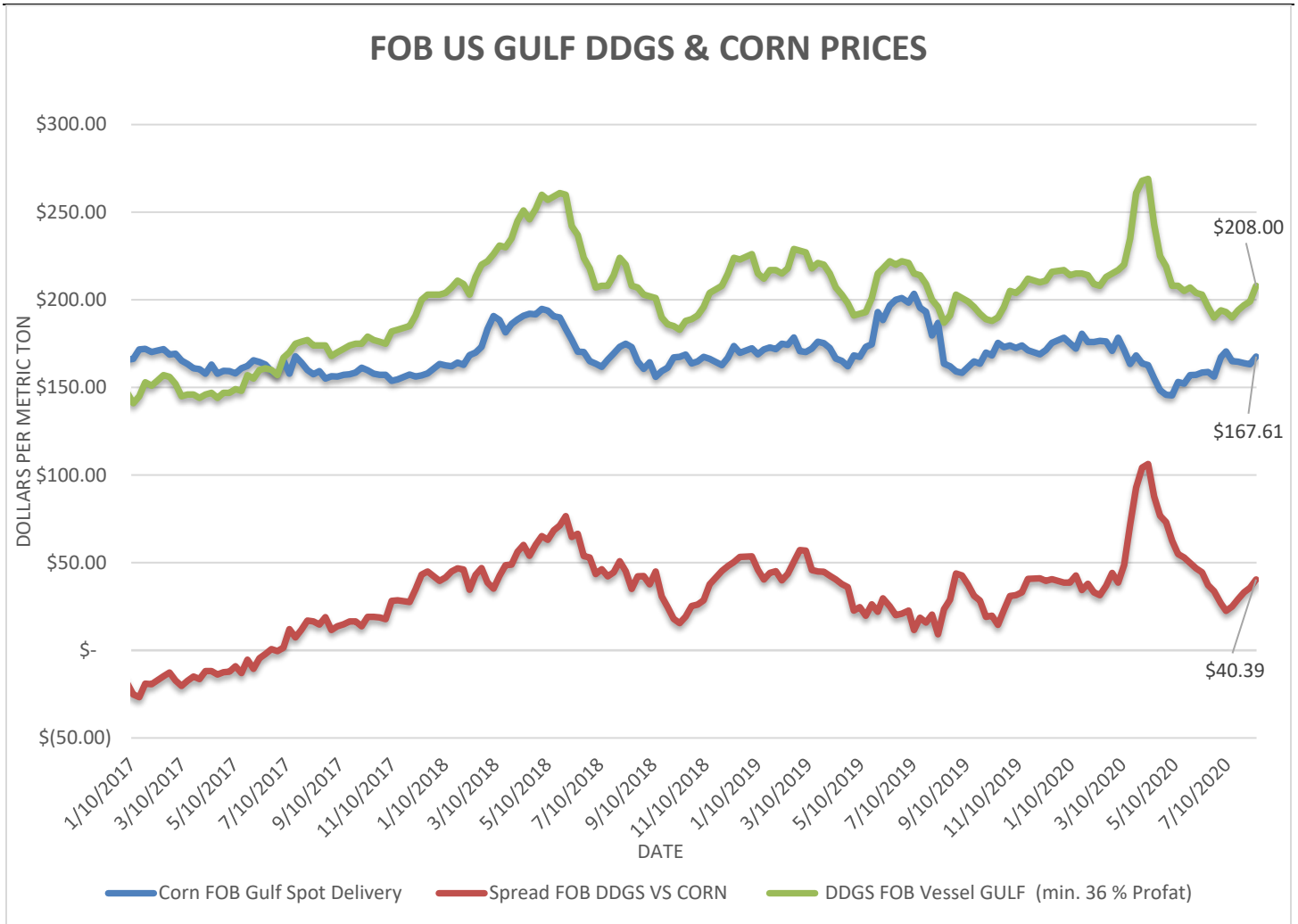
	MY 16/17	MY 17/18	MY 18/19	SEP18-JUN19	SEP19-JUN20	CHANGE YTD (%)	CHANGE YTD (MT)
<i>World Total</i>	11,057,322	11,631,190	11,278,695	9,271,652	8,431,981	-9%	-839,671
Mexico	2,063,793	2,126,783	2,016,966	1,679,875	1,498,272	-11%	-181,603
Vietnam	492,917	1,047,601	1,294,316	1,063,176	972,918	-8%	-90,258
Korea, South	967,740	1,177,720	1,190,000	968,615	989,673	2%	21,058
Indonesia	512,923	809,469	971,736	819,883	792,281	-3%	-27,602
Thailand	786,940	945,404	724,888	571,187	687,676	20%	116,489
Canada	669,247	653,998	701,578	586,121	349,959	-40%	-236,162
Turkey	1,364,617	1,170,598	498,947	426,190	377,543	-11%	-48,647
Japan	427,280	462,677	481,178	412,504	426,811	3%	14,307
United Kingdom	214,781	177,559	362,848	320,971	79,999	-75%	-240,972
Ireland	303,244	383,232	339,843	303,513	203,792	-33%	-99,721
Israel(*)	240,468	290,831	250,648	179,376	127,728	-29%	-51,648
Philippines	151,509	163,693	242,381	185,700	216,934	17%	31,234
Taiwan	261,943	218,083	234,317	190,896	212,554	11%	21,658
Morocco	214,223	211,588	218,396	167,683	168,413	0%	730
New Zealand(*)	151,075	227,074	202,115	144,200	219,325	52%	75,125
Colombia	209,008	202,317	195,446	178,490	186,228	4%	7,738
Spain	335,152	206,518	179,068	137,303	0	-100%	-137,303
Bangladesh	86,822	145,617	178,891	138,151	79,515	-42%	-58,636
China	735,138	160,715	178,169	133,658	129,467	-3%	-4,191
Costa Rica	82,722	84,532	88,074	69,084	72,408	5%	3,324
Egypt	148,755	245,526	79,936	62,739	122,348	95%	59,609
Burma	35,882	51,814	77,273	67,921	47,257	-30%	-20,664
Guatemala	55,705	48,840	75,909	54,553	62,578	15%	8,025
Malaysia	82,100	65,771	63,932	50,731	46,001	-9%	-4,730

**NOTES:**

1. Data Source: Department of Commerce, U.S. Census Bureau, Foreign Trade Statistics
2. (\*) denotes a country that is a summarization of its component countries.
3. Users should use cautious interpretation on QUANTITY reports using mixed units of measure. QUANTITY line items will only include statistics on the units of measure that are equal to, grouped commodities. Or are able to be converted to, the assigned unit of measure of the grouped commodities.
4. Product Group : BICO-HS10

**CHARTS BASED ON MOST RECENT DATA FROM FAS GATS DATABASE (JUNE 2020)**

## FOB US DDGS AND CORN PRICES



## FOB US DDGS AND SOYBEAN MEAL PRICES

