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GENERAL COMMENTS

Stronger domestic demand is pushing prices for DDGS FOB ethanol plants \$2/MT higher this week. Merchandisers report that buying interest from the cattle feeding industry for the fall is increasing and supporting values. Rail-delivered DDGS prices are up \$6-7/MT for spot/fall delivery. Kansas City soymeal prices, up \$4.30/MT, continue to rally and help support DDGS and other feedstuff markets. DDGS are priced at 113 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 0.41, below both last week's value and the three-year average.

On the export market, asking prices continue to firm as increasing domestic demand is tightening near-term supplies. Offers for DDGS Barge CIF NOLA are up \$1-2/MT for September/October delivery while FOB Gulf offers are up \$4-5/MT. Prices for 40-foot containers to Southeast Asia are down slightly this week, averaging \$237/MT. Exporters note that destination markets have recently been trading at a discount to replacement values as inventories were secure at lower prices. Industry sources say that once those lower priced inventories clear, export demand will be price supportive.

DDGS Price Table: August 20, 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	200	205	206
FOB Vessel GULF	214	214	215
Rail delivered PNW	208	210	212
Rail delivered California	218	219	220
Mid-Bridge Laredo, TX	209	209	213
FOB Lethbridge, Alberta	187	188	190
40 ft. Containers to South Korea (Busan)	228	229	230
40 ft. Containers to Taiwan (Kaohsiung)	226	227	228
40 ft. Containers to Philippines (Manila)	235	236	237
40 ft. Containers to Indonesia (Jakarta)	229	230	231
40 ft. Containers to Malaysia (Port Kelang)	233	234	235
40 ft. Containers to Vietnam (HCMC)	231	232	233
40 ft. Containers to Japan (Yokohama)	236	237	238
40 ft. containers to Thailand (LCMB)	236	237	238
40 ft. Containers to China (Shanghai)	233	234	235
40 ft. Containers to Bangladesh (Chittagong)	257	258	259
40 ft. Containers to Myanmar (Yangon)	253	254	255
KC Rail Yard (delivered ramp)	188	188	189
Elwood, IL Rail Yard (delivered ramp)	187	187	188

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

After a brief run up in freight values, markets have now plateaued and seem to be reassessing conditions. This week saw Dry-Bulk sellers taking advantage of the inverted market (backwardation) situation and taking profits. The inverted markets also attracted better volumes of vessels for hire.

The Capesize sector lost \$600/day in daily hire rates on Wednesday. Daily hire rates for Panamax vessels lost nearly \$600/day over the course of the week and are now trading down from \$13,200/day to \$12,600/day for September. The market tone is currently described as “cautious”.

Source: O’Neil Commodity Consulting

Bulk Freight Indices for HSS — Heavy Grain, Sorghum and Soybeans* August 20, 2020			
Route and Vessel Size	Current Week (USD/MT)	Change from Previous Report	Remarks
55,000 U.S. Gulf-Japan	\$44.50	Unchanged	Handymax \$46.00 mt
55,000 U.S. PNW- Japan	\$24.25	Unchanged	Handymax \$25.50 mt
66,000 U.S. Gulf – China	\$43.50	Unchanged	North China
PNW to China	\$23.50	Unchanged	
25,000 U.S. Gulf - Veracruz, México	\$17.75	Unchanged	3,000 MT daily discharge rate
30-36,000+ U.S. Gulf - Veracruz, México	\$15.00	Unchanged	Deep draft and 6,000 MT per day discharge rate.
30-38,000 U.S. Gulf - Colombia	\$20.75	Unchanged	West Coast Colombia at \$30.75
East Coast Colombia	\$29.50		USG to E/C 50,000 mt at \$17.50
From Argentina	\$34.00		
43-45,000 U.S. Gulf - Guatemala	\$29.00	Unchanged	Acajutla/Quetzal - 8,000 out
26-30,000 U.S. Gulf – Algeria	\$39.00	Unchanged	8,000 mt daily discharge
	\$41.00		3,000 mt daily discharge
26-30,000 US Gulf - Morocco	\$40.50	Unchanged	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt	\$29.00	Unchanged	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	\$19.75	Down \$0.25	Handymax at +\$1.75 more
Brazil, Santos – China	\$32.50	Down \$0.50	54-59,000 Supramax-Panamax
Brazil, Santos – China	\$32.00		60-66,000 Post Panamax
Northern Coast Brazil - China	\$35.50		Upriver No. Brazil Plus - 55,000 mt Plus \$7.50/mt
56-60,000 Argentina/Rosario-China, Deep Draft	\$36.50	Down \$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.

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):

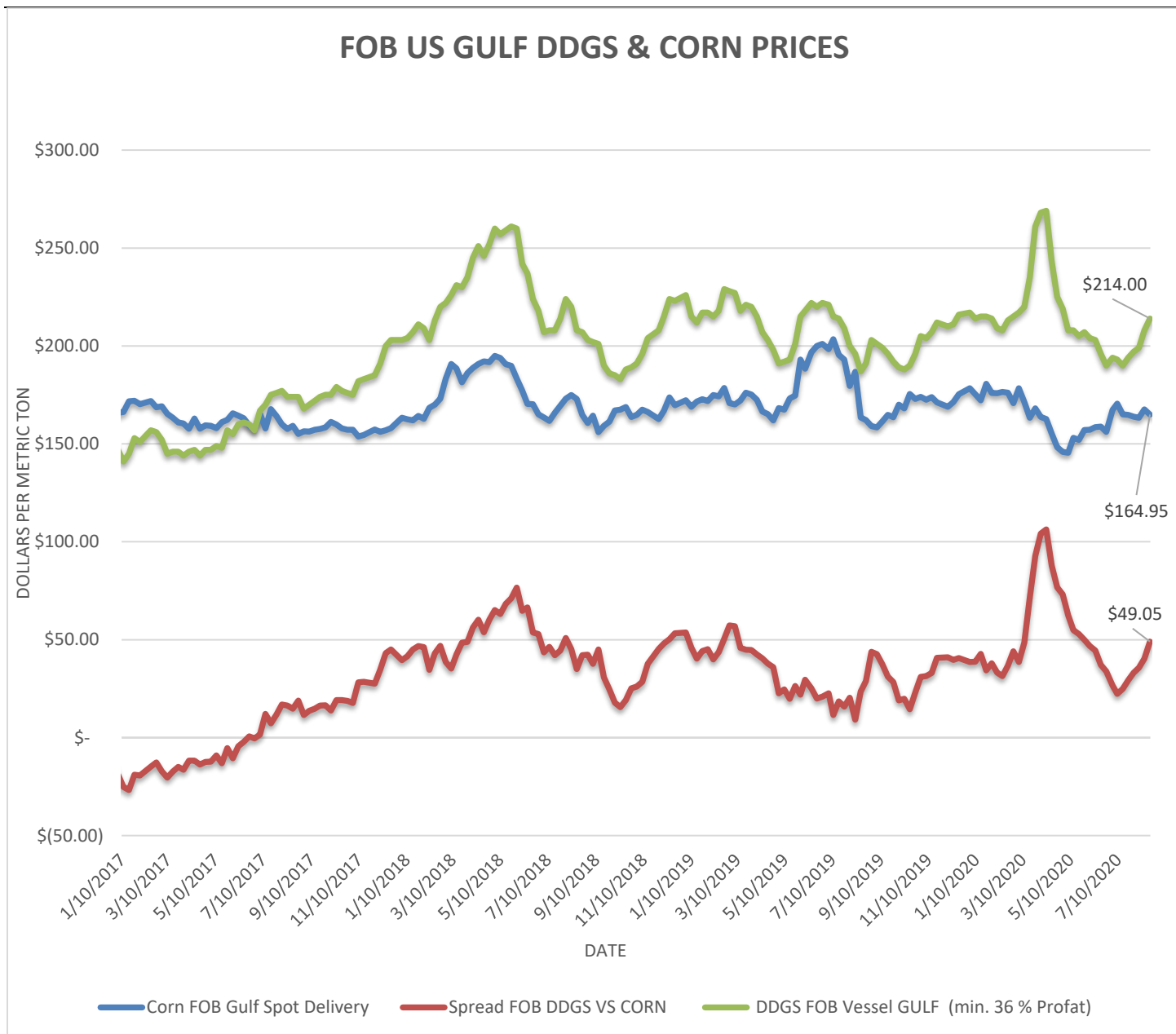
	MY 16/17	MY 17/18	MY 18/19	SEP18-JUN19	SEP19-JUN20	CHANGE YTD (%)	CHANGE YTD (MT)
World Total	11,057,322	11,631,190	11,278,695	9,271,652	8,431,981	-9%	-839,671
Mexico	2,063,793	2,126,783	2,016,966	1,679,875	1,498,272	-11%	-181,603
Vietnam	492,917	1,047,601	1,294,316	1,063,176	972,918	-8%	-90,258
Korea, 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

