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GENERAL COMMENTS

Domestic DDGS demand remains strong amid a continued year-over-year decrease in ethanol and DDGS production. DDGS merchandisers note that DDGS use by the animal feeding industry is expected to be higher in Q4 2020 due to lower slaughter rates earlier this year. FOB ethanol plant DDGS prices are \$1-2/MT higher this week while Kansas City soymeal prices are down \$2.00/MT. DDGS are priced at 116 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 0.44, up from the prior week and above the three-year average of 0.42.

Exporters report that international destinations have started booking product for fall shipment. Combined with a firmer domestic market, the additional buying interest has pushed prices higher. Barge CIF NOLA offers are up \$2-3/MT from the prior week while FOB Gulf offers are up \$3/MT for October and \$2 for November/December. Rail-delivered DDGS are up \$4/MT this week for fall delivery while offers for 40-foot containers to Southeast Asia are up \$2-3/MT at \$244-246/MT.

DDGS Price Table: September 10, 2020 (USD/MT) (Quantity, availability, payment and delivery terms vary)			
Delivery Point Quality Min. 35% Pro-fat combined	October	November	December
Barge CIF New Orleans	209	209	209
FOB Vessel GULF	217	218	218
Rail delivered PNW	213	215	216
Rail delivered California	226	227	228
Mid-Bridge Laredo, TX	212	214	216
FOB Lethbridge, Alberta	198	202	203
40 ft. Containers to South Korea (Busan)	235	236	237
40 ft. Containers to Taiwan (Kaohsiung)	234	235	236
40 ft. Containers to Philippines (Manila)	243	244	245
40 ft. Containers to Indonesia (Jakarta)	236	237	238
40 ft. Containers to Malaysia (Port Kelang)	240	241	242
40 ft. Containers to Vietnam (HCMC)	239	240	241
40 ft. Containers to Japan (Yokohama)	244	245	246
40 ft. containers to Thailand (LCMB)	244	245	246
40 ft. Containers to China (Shanghai)	241	242	243
40 ft. Containers to Bangladesh (Chittagong)	265	266	267
40 ft. Containers to Myanmar (Yangon)	260	261	262
KC Rail Yard (delivered ramp)	198	199	200
Elwood, IL Rail Yard (delivered ramp)	194	195	196

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

As mentioned last week, dull markets are not bullish. Dry-bulk freight markets continue to suffer from soft demand and vessel owners are in reverse mode, always wanting to get the last value traded but having to accept something lower.

Daily hire rates for Q4 2020 Panamax vessels traded at \$12,800/day early in the week but slipped to \$11,500/day at the week's end. Q1 2021 traded at \$9,100/day while Q4 Supramax vessel daily hire rates hit \$10,100/day and Q1 2021 traded at \$8,000/day.

Chinese demand for grains has been the only bright spot for vessel owners, but it has not been enough to keep rates up. Chinese grain demand has increased vessel lineups at U.S. Gulf and PNW ports and the coming fall harvest will only increase the vessel congestion at U.S. ports. FOB buyers may wish to nominate their vessels early in the shipping period. CIF buyers should understand that their shipments will likely be executed late in the contract shipping period.

Source: O'Neil Commodity Consulting



Bulk Freight Indices for HSS — Heavy Grain, Sorghum and Soybeans* September 10, 2020			
Route and Vessel Size	Current Week (USD/MT)	Change from Previous Report	Remarks
55,000 U.S. Gulf-Japan	\$44.00	Down \$1.00	Handymax \$46.50 MT
55,000 U.S. PNW- Japan	\$24.00	Down \$0.75	Handymax \$26.00 MT
66,000 U.S. Gulf – China PNW to China	\$43.00 \$23.25	Down \$1.00 Down \$0.75	North China
25,000 U.S. Gulf - Veracruz, México	\$17.75	Down \$0.25	3,000 MT daily discharge rate
30-36,000+ U.S. Gulf - Veracruz, México	\$14.75	Down \$0.50	Deep draft and 6,000 MT per day discharge rate.
30-38,000 U.S. Gulf - Colombia	\$20.25		<u>West Coast Colombia at \$32.00</u>
<u>East Coast Colombia</u>	<u>\$30.50</u>	Down \$0.25	USG to E/C 50,000 MT at \$17.00
From Argentina	\$32.00		
43-45,000 U.S. Gulf - Guatemala	\$29.00	Down \$0.25	Acajutla/Quetzal - 8,000 out
26-30,000 U.S. Gulf – Algeria	\$39.00 \$41.00	Down \$0.50	8,000 MT daily discharge 3,000 MT daily discharge
26-30,000 US Gulf - Morocco	\$40.25	Down \$0.75	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt	\$29.00		60,000 -55,000 MT
PNW to Egypt	\$29.25	Down \$0.50	Romania- Russia- Ukraine \$15.00-\$15.00 -\$15.50 France \$20.00
60-70,000 U.S. Gulf – Europe, Rotterdam	\$19.50	Down \$0.50	Handymax at + \$1.75/MT
Brazil, Santos – China	\$33.25		54-59,000 Supramax-Panamax
Brazil, Santos – China	\$32.00		60-66,000 Post Panamax
Northern Coast Brazil - China	\$35.50	Down \$0.75	Upriver No. Brazil Plus -55,000 MT + \$7.50MT
56-60,000 Argentina/Rosario- China, Deep Draft	\$36.50	Down \$0.75	Upriver with BB Top Off + \$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	JAN19-JUL19	JAN20-JUL20	CHANGE YTD (%)	CHANGE YTD (MT)
<i>World Total</i>	11,027,217	11,799,279	10,810,389	6,207,311	6,062,187	-2%	-145,124
Mexico	2,184,385	2,012,746	2,028,684	1,223,204	1,032,150	-16%	-191,054
Korea, South	960,916	1,139,457	1,247,483	746,641	719,972	-4%	-26,669
Vietnam	308,356	1,246,899	1,203,135	682,238	670,929	-2%	-11,309
Indonesia	728,185	843,582	913,928	535,737	546,068	2%	10,331
Canada	707,259	664,483	643,982	421,376	217,431	-48%	-203,945
Turkey	1,417,099	887,129	577,364	413,229	400,795	-3%	-12,434
Thailand	739,453	1,016,581	574,380	272,622	619,573	127%	346,951
Japan	473,528	465,962	516,947	300,198	276,891	-8%	-23,307
Ireland	347,360	396,265	277,440	166,436	128,495	-23%	-37,941
Philippines	137,935	196,418	261,970	127,548	148,553	16%	21,005
Taiwan	255,019	220,547	242,815	127,981	140,322	10%	12,341
Morocco	250,419	190,682	223,352	115,603	105,583	-9%	-10,020
Israel(*)	257,972	276,156	212,153	143,308	133,162	-7%	-10,146
New Zealand(*)	183,857	250,081	208,571	69,827	112,921	62%	43,094
Colombia	207,653	220,222	200,615	91,468	94,037	3%	2,569
United Kingdom	213,394	323,780	180,625	107,818	104,193	-3%	-3,625
China	371,667	192,174	179,049	73,659	76,036	3%	2,377
Bangladesh	117,010	150,788	160,873	100,985	65,001	-36%	-35,984
Egypt	138,414	193,254	142,591	64,577	97,029	50%	32,452
Spain	297,687	213,717	103,369	61,604	0	-100%	-61,604
Costa Rica	89,413	77,142	92,651	47,070	50,583	7%	3,513
El Salvador	62,499	70,290	78,451	36,015	34,240	-5%	-1,775
Guatemala	52,224	66,435	73,214	38,061	35,717	-6%	-2,344
Burma	36,836	70,156	71,137	37,996	24,146	-36%	-13,850
Malaysia	74,929	64,862	66,809	35,902	27,467	-23%	-8,435
Honduras	44,618	53,526	62,508	31,940	33,048	3%	1,108
Ecuador	12,477	36,200	50,595	24,025	26,074	9%	2,049
Cambodia	57,291	52,498	50,064	26,416	15,704	-41%	-10,712
Jamaica	16,633	20,950	20,790	11,746	5,680	-52%	-6,066

Marketing Year (September-August):

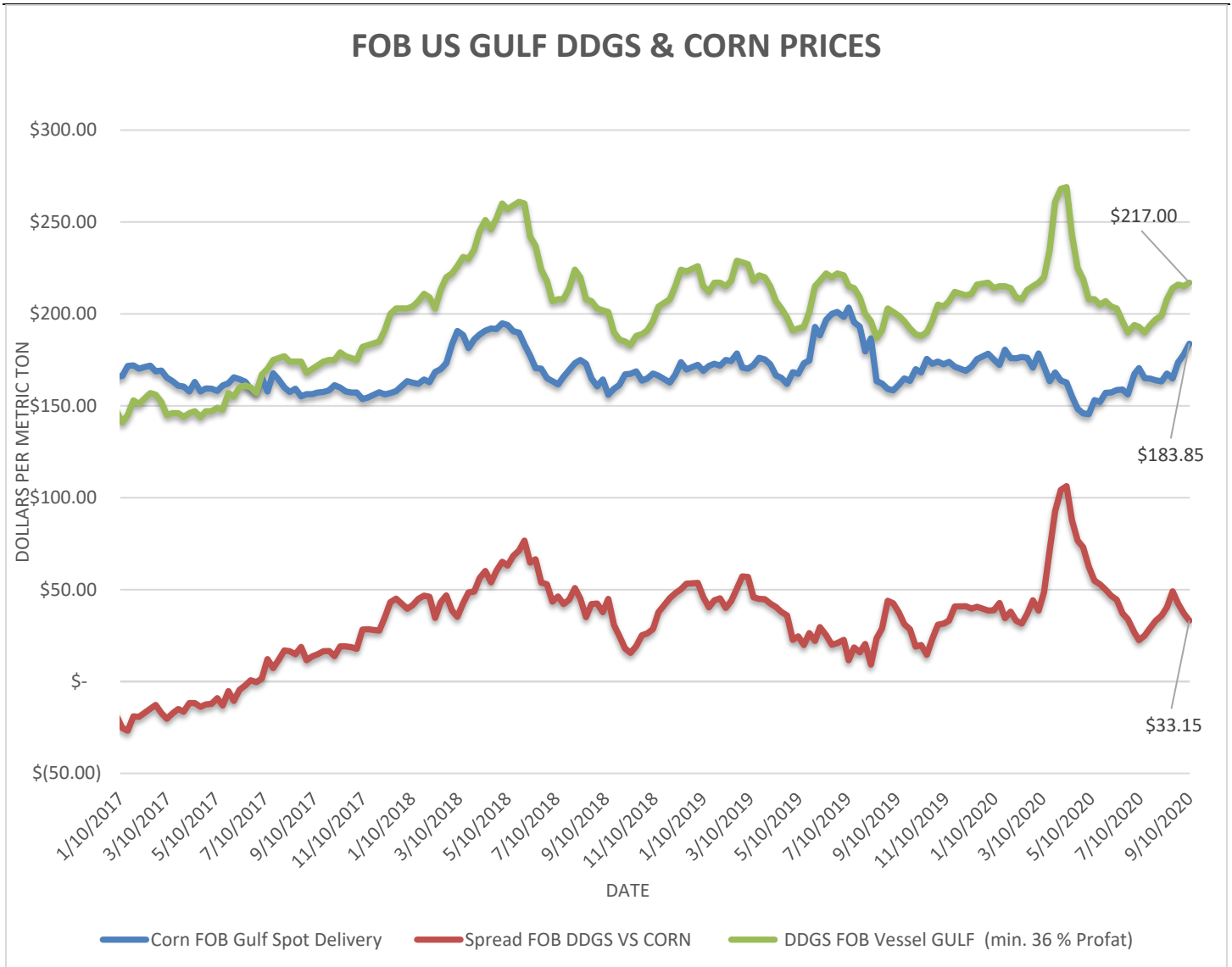
	MY 16-17	MY 17-18	MY 18-19	SEP18-JUL19	SEP19-JUL20	CHANGE YTD (%)	CHANGE YTD (MT)
<i>World Total</i>	11,057,322	11,631,190	11,278,695	10,128,419	9,514,989	-6%	-613,430
Mexico	2,063,793	2,126,783	2,016,966	1,839,842	1,660,506	-10%	-179,336
Vietnam	492,917	1,047,601	1,294,316	1,183,470	1,080,980	-9%	-102,490
Korea, South	967,740	1,177,720	1,190,000	1,079,387	1,110,201	3%	30,814
Indonesia	512,923	809,469	971,736	895,718	848,241	-5%	-47,477
Thailand	786,940	945,404	724,888	632,982	829,425	31%	196,443
Canada	669,247	653,998	701,578	646,633	385,092	-40%	-261,541
Turkey	1,364,617	1,170,598	498,947	455,325	521,308	14%	65,983
Japan	427,280	462,677	481,178	455,619	468,081	3%	12,462
United Kingdom	214,781	177,559	362,848	320,971	135,123	-58%	-185,848
Ireland	303,244	383,232	339,843	316,136	215,792	-32%	-100,344
Israel(*)	240,468	290,831	250,648	198,499	149,858	-25%	-48,641
Philippines	151,509	163,693	242,381	209,499	250,093	19%	40,594
Taiwan	261,943	218,083	234,317	207,449	228,288	10%	20,839
Morocco	214,223	211,588	218,396	185,577	180,513	-3%	-5,064
New Zealand(*)	151,075	227,074	202,115	169,775	219,325	29%	49,550
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	157,624	103,622	-34%	-54,002
China	735,138	160,715	178,169	151,028	154,285	2%	3,257
Costa Rica	82,722	84,532	88,074	69,084	77,174	12%	8,090
Egypt	148,755	245,526	79,936	66,035	161,142	144%	95,107
Burma	35,882	51,814	77,273	71,267	51,281	-28%	-19,986
Guatemala	55,705	48,840	75,909	67,617	62,578	-7%	-5,039
Malaysia	82,100	65,771	63,932	55,447	49,889	-10%	-5,558
El Salvador	62,676	63,421	61,583	58,815	73,908	26%	15,093
Honduras	43,244	51,666	59,954	47,610	51,272	8%	3,662
Cambodia	48,623	56,729	54,048	46,150	31,454	-32%	-14,696
Portugal	48,953	25,567	47,354	39,655	4,949	-88%	-34,706
Ecuador	12,477	19,325	46,921	40,900	46,623	14%	5,723

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 (JULY 2020)

FOB US DDGS AND CORN PRICES



FOB US DDGS AND SOYBEAN MEAL PRICES

