

IN THIS ISSUE:

1. GENERAL COMMENTS
2. DDGS REFERENCE PRICES
3. OCEAN FREIGHT MARKET COMMENTS AND INDICATIONS
4. LATEST EXPORT FIGURES (CALENDAR AND CROP YEARS)
5. FOB US DDGS AND CORN PRICES
6. FOB US DDGS AND SOYBEAN MEAL PRICES

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GENERAL COMMENTS

Bull markets in multiple agricultural commodities are offering broad support to feed grains and feedstuffs prices. FOB ethanol plant prices are up \$2/MT this week with rallies in corn and soymeal offering outside support. DDGS are valued at 112% of cash corn, down from the prior week and above the three-year average of 109%. Kansas City soymeal values are \$14/MT higher this week with CBOT futures and export interest supporting prices. DDGS are valued at 40% of Kansas City soymeal, down from last week and below the three-year average of 42%.

Prices for export DDGS are wide-ranging but mostly higher so far this week. Barge CIF NOLA offers are up \$14/MT for November shipment while FOB Gulf offers are \$10/MT higher for spot positions. U.S. rail rates are averaging \$14/MT higher for November while containerized DDGS destined for Southeast Asia are firmer as well. Market sources report that Asian buying interest has picked up in the last week as some end users remain short-bought. Containerized DDGS for Southeast Asia are up \$17/MT for spot positions and are averaging \$271/MT this week.

DDGS Price Table: October 8, 2020 (USD/MT) (Quantity, availability, payment and delivery terms vary)			
Delivery Point Quality Min. 35% Pro-fat combined	November	December	January
Barge CIF New Orleans	239	237	238
FOB Vessel GULF	246	245	246
Rail delivered PNW	242	244	246
Rail delivered California	255	255	256
Mid-Bridge Laredo, TX	249	250	251
FOB Lethbridge, Alberta	220	222	224
40 ft. Containers to South Korea (Busan)	263	263	263
40 ft. Containers to Taiwan (Kaohsiung)	261	261	261
40 ft. Containers to Philippines (Manila)	270	270	270
40 ft. Containers to Indonesia (Jakarta)	264	264	264
40 ft. Containers to Malaysia (Port Kelang)	268	268	268
40 ft. Containers to Vietnam (HCMC)	266	266	266
40 ft. Containers to Japan (Yokohama)	272	272	272
40 ft. containers to Thailand (LCMB)	272	272	272
40 ft. Containers to China (Shanghai)	268	268	268
40 ft. Containers to Bangladesh (Chittagong)	292	292	292
40 ft. Containers to Myanmar (Yangon)	288	288	288
KC Rail Yard (delivered ramp)	219	219	219
Elwood, IL Rail Yard (delivered ramp)	216	216	218

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

Even with China on Golden Week Holiday, dry-bulk markets experienced some rough seas this week. The week started with a strong Capesize market due to an imbalance between Pacific and Atlantic vessel positions/logistics. Daily hire rates for Capesize vessels reached \$30,000/day before trading down to \$26,400 for October. Dry-bulk markets remain severely inverted with Q2 2021 Capesize vessels trading at \$11,800/day. As is common, Panamax markets took their lead from the Capesize sector and traded higher early in the week but, once again, sold off at week's end. Daily Panamax hire rates are now around \$12,000 for Q-4 2020 and \$10,250 for Q1 2021. The result is that not much changed from last week's values.

It is both interesting and encouraging to see U.S. containerized grain shipments grow back to a trend of 80,000 – 90,000 MT per week. Earlier this year, containerized volumes were averaging 55,000 – 65,000 MT/week. FOB Gulf fobbing margins are very profitable currently, and U.S. grain trading firms should see finances improve.

Source: O'Neil Commodity Consulting

Bulk Freight Indices for HSS — Heavy Grain, Sorghum and Soybeans*
October 8, 2020

Route and Vessel Size	Current Week (USD/MT)	Change from Previous Report	Remarks
55,000 U.S. Gulf-Japan	\$43.25	Unchanged	Handymax \$45.50 MT
55,000 U.S. PNW- Japan	\$23.75	Unchanged	Handymax \$25.00 MT
66,000 U.S. Gulf – China	\$42.25	Unchanged	North China
PNW to China	\$23.00	Unchanged	
25,000 U.S. Gulf - Veracruz, México	\$17.50	Unchanged	3,000 MT daily discharge rate
30-36,000+ U.S. Gulf - Veracruz, México	\$14.50	Unchanged	Deep draft and 6,000 MT per day discharge rate.
30-38,000 U.S. Gulf - Colombia	\$20.00	Unchanged	<u>West Coast Colombia at \$31.75</u>
<u>East Coast Colombia</u>	<u>\$30.50</u>		USG to E/C 50,000 MT at \$16.50
From Argentina	\$31.50		
43-45,000 U.S. Gulf - Guatemala	\$29.00	Unchanged	Acajutla/Quetzal - 8,000 out
26-30,000 U.S. Gulf – Algeria	\$38.75	Unchanged	8,000 MT daily discharge
	\$40.75		3,000 MT daily discharge
26-30,000 US Gulf - Morocco	\$40.00	Unchanged	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt	\$28.25	Unchanged	60,000 -55,000 MT -Egypt
PNW to Egypt	\$29.00		Romania- Russia- Ukraine
			\$13.75-\$13.75 -\$14.00
			France \$17.50
60-70,000 U.S. Gulf – Europe, Rotterdam	\$21.25	Up \$1.00	Handymax at +\$1.75 more
Brazil, Santos – China	\$31.75	Down \$1.00	54-59,000 Supramax-Panamax
Brazil, Santos – China	\$30.25		60-66,000 Post Panamax
Northern Coast Brazil - China	\$34.75		Upriver No. Brazil Plus -55,000 mt
			Plus \$7.50/MT
56-60,000 Argentina/Rosario- China, Deep Draft	\$35.00	Down \$1.00	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-AUG19	JAN-AUG20	CHANGE YTD (%)	CHANGE YTD (MT)
<i>World Total</i>	11,027,217	11,799,279	10,810,389	7,357,587	7,078,327	-4%	-279,260
Mexico	2,184,385	2,012,746	2,028,684	1,400,328	1,170,967	-16%	-229,361
Korea, South	960,916	1,139,457	1,247,483	857,254	831,020	-3%	-26,234
Vietnam	308,356	1,246,899	1,203,135	793,084	802,783	1%	9,699
Indonesia	728,185	843,582	913,928	611,755	606,129	-1%	-5,626
Canada	707,259	664,483	643,982	476,321	257,432	-46%	-218,889
Turkey	1,417,099	887,129	577,364	456,851	481,083	5%	24,232
Thailand	739,453	1,016,581	574,380	364,528	661,756	82%	297,228
Japan	473,528	465,962	516,947	325,757	290,834	-11%	-34,923
Ireland	347,360	396,265	277,440	190,143	169,337	-11%	-20,806
Philippines	137,935	196,418	261,970	160,430	182,253	14%	21,823
Taiwan	255,019	220,547	242,815	154,849	165,434	7%	10,585
Morocco	250,419	190,682	223,352	148,422	127,232	-14%	-21,190
Israel(*)	257,972	276,156	212,153	195,457	151,555	-22%	-43,902
New Zealand(*)	183,857	250,081	208,571	102,167	174,413	71%	72,246
Colombia	207,653	220,222	200,615	108,424	111,865	3%	3,441
United Kingdom	213,394	323,780	180,625	149,695	104,219	-30%	-45,476
China	371,667	192,174	179,049	100,800	126,753	26%	25,953
Bangladesh	117,010	150,788	160,873	122,252	86,804	-29%	-35,448
Egypt	138,414	193,254	142,591	78,478	105,726	35%	27,248
Spain	297,687	213,717	103,369	103,369	20,699	-80%	-82,670
Costa Rica	89,413	77,142	92,651	66,060	54,604	-17%	-11,456
El Salvador	62,499	70,290	78,451	38,783	45,904	18%	7,121
Guatemala	52,224	66,435	73,214	46,353	44,018	-5%	-2,335
Burma	36,836	70,156	71,137	44,002	32,163	-27%	-11,839
Malaysia	74,929	64,862	66,809	44,387	32,289	-27%	-12,098
Honduras	44,618	53,526	62,508	44,284	40,416	-9%	-3,868

Marketing Year (September-August):

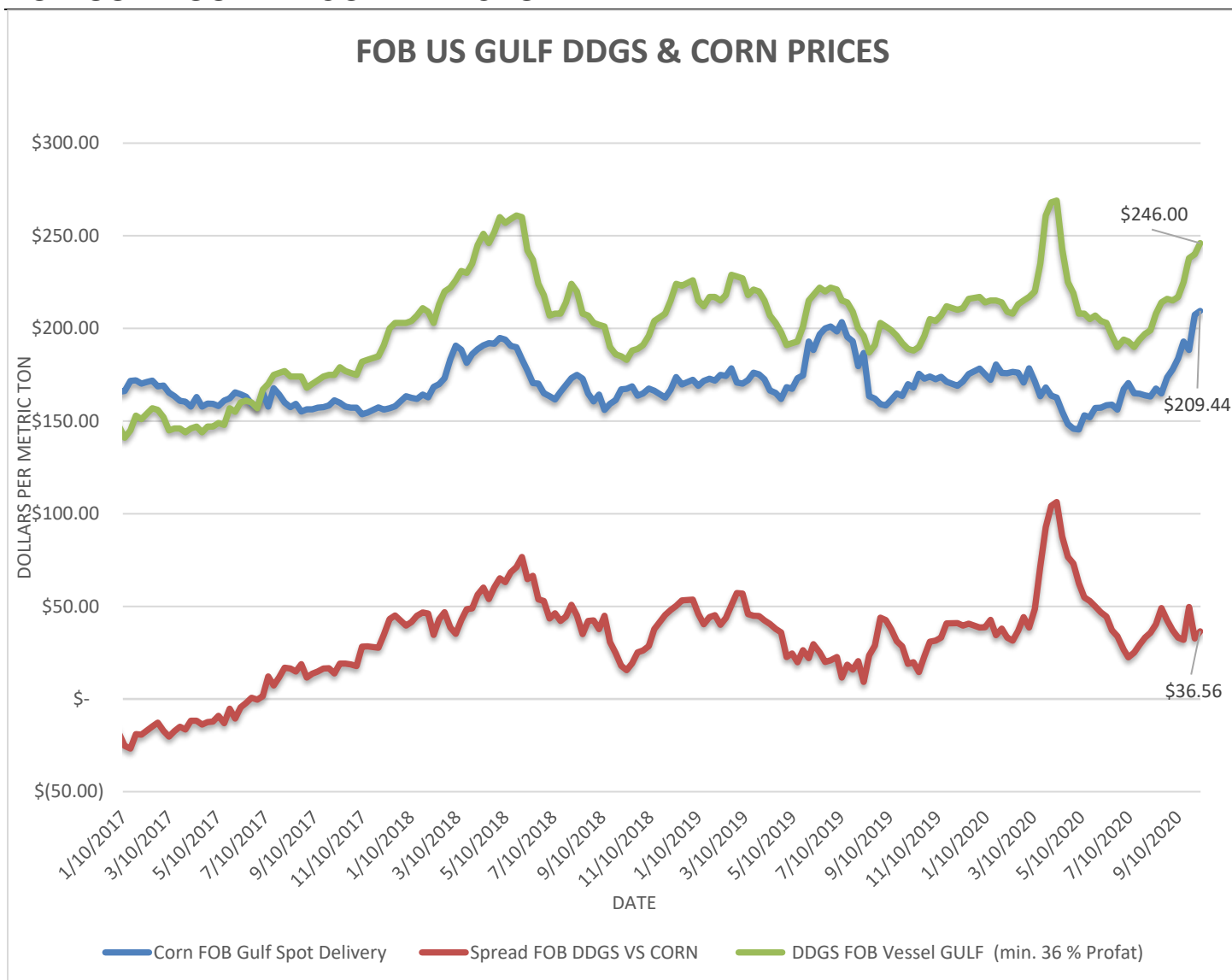
	MY 17/18	MY 18/19	MY 19/20	CHANGE Y/Y (%)	CHANGE Y/Y (MT)
<i>World Total</i>	11,631,190	11,278,695	10,531,129	-7%	-747,566
Mexico	2,126,783	2,016,966	1,799,323	-11%	-217,643
Korea, South	1,177,720	1,190,000	1,221,249	3%	31,249
Vietnam	1,047,601	1,294,316	1,212,834	-6%	-81,482
Indonesia	809,469	971,736	908,302	-7%	-63,434
Thailand	945,404	724,888	871,608	20%	146,720
Turkey	1,170,598	498,947	601,596	21%	102,649
Japan	462,677	481,178	482,024	0%	846
Canada	653,998	701,578	425,093	-39%	-276,485
Philippines	163,693	242,381	283,793	17%	41,412
New Zealand(*)	227,074	202,115	280,817	39%	78,702
Ireland	383,232	339,843	256,634	-24%	-83,209
Taiwan	218,083	234,317	253,400	8%	19,083
China	160,715	178,169	205,002	15%	26,833
Colombia	202,317	195,446	204,056	4%	8,610
Morocco	211,588	218,396	202,162	-7%	-16,234
Egypt	245,526	79,936	169,839	112%	89,903
Israel(*)	290,831	250,648	168,251	-33%	-82,397
United Kingdom	177,559	362,848	135,149	-63%	-227,699
Bangladesh	145,617	178,891	125,425	-30%	-53,466
El Salvador	63,421	61,583	85,572	39%	23,989
Costa Rica	84,532	88,074	81,195	-8%	-6,879
Guatemala	48,840	75,909	70,879	-7%	-5,030
Burma	51,814	77,273	59,298	-23%	-17,975
Honduras	51,666	59,954	58,640	-2%	-1,314
Ecuador	19,325	46,921	56,408	20%	9,487
Malaysia	65,771	63,932	54,711	-14%	-9,221

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 (AUGUST 2020)

FOB US DDGS AND CORN PRICES



FOB US DDGS AND SOYBEAN MEAL PRICES

