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GENERAL COMMENTS

U.S. DDGS values continue to firm with FOB ethanol plant prices up \$10/MT this week. Brokers report strong domestic demand from the livestock feeding industry is not expected to peak until Q1 2021. The demand continues to underpin the DDGS market. Kansas City soymeal values are up \$10/MT this week as CBOT futures and exports of that commodity remain strong. DDGS are priced at 124 percent of cash corn prices, up from the prior week and above the three-year average of 109 percent. DDGS are valued at 44 percent of soymeal prices, up from the prior week and above the three-year average of 42 percent.

DDGS merchandisers report the barge market for November and December continues to firm based on higher demand from exporters. Skyrocketing barge freight rates due to strong export demand for nearly every agricultural product is helping prices firm as well. Industry sources expect rising barge freight to push more DDGS into the domestic market. Barge rates are expected to continue rising into January, February, and March.

Barge CIF NOLA values are up \$3/MT for spot positions and early 2021 positions have risen even more. FOB Gulf indications are wide-ranging this week but are up \$8-9/MT for spot shipment. Exporters report wide bid/ask spreads for export DDGS and that purchases are being made at offers and sales are made at bids, but that trades “don’t really seem to move the brackets.” Lower freight rates have allowed offers for 40-foot containers to Southeast Asia to retreat a little this week, with the average offer hitting \$288/MT.

DDGS Price Table: November 5, 2020 (USD/MT) (Quantity, availability, payment and delivery terms vary)			
Delivery Point Quality Min. 35% Pro-fat combined	December	January	February
Barge CIF New Orleans	255	252	252
FOB Vessel GULF	270	265	264
Rail delivered PNW	262	261	260
Rail delivered California	270	268	267
Mid-Bridge Laredo, TX	266	264	263
FOB Lethbridge, Alberta	247	245	245
40 ft. Containers to South Korea (Busan)	283	283	283
40 ft. Containers to Taiwan (Kaohsiung)	280	280	280
40 ft. Containers to Philippines (Manila)	288	288	288
40 ft. Containers to Indonesia (Jakarta)	280	280	280
40 ft. Containers to Malaysia (Port Kelang)	283	283	283
40 ft. Containers to Vietnam (HCMC)	280	280	280
40 ft. Containers to Japan (Yokohama)	291	291	291
40 ft. containers to Thailand (LCMB)	292	292	292
40 ft. Containers to China (Shanghai)	289	289	289
40 ft. Containers to Bangladesh (Chittagong)	311	311	311
40 ft. Containers to Myanmar (Yangon)	306	306	306
KC Rail Yard (delivered ramp)	240	240	240
Elwood, IL Rail Yard (delivered ramp)	235	235	234

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 a quiet week in Dry-Bulk markets and as such, rates slipped slightly lower. Markets need continued good news for support and that was missing this week. On the positive side, both the Chinese and U.S. economies are performing better than expected and vessel owners are anxiously waiting for this to translate into better cargo demand. COVID fears and impacts are resting on the other side of this balance scale.

Average daily earnings for December Panamax vessels dropped to \$9,500/day. Inland container availability is becoming scarcer and more expensive for U.S. shippers of containerized grains. Though more challenging than in previous times, weekly volumes of containerized grains from the U.S. continue to improve and export markets are being served.

Source: O'Neil Commodity Consulting

Bulk Freight Indices for HSS — Heavy Grain, Sorghum and Soybeans*			
November 5, 2020			
Route and Vessel Size	Current Week (USD/MT)	Change from Previous Report	Remarks
55,000 U.S. Gulf-Japan	\$42.25	Down \$0.25	Handymax \$44.75 MT
55,000 U.S. PNW- Japan	\$23.25	Down \$0.25	Handymax \$24.75 MT
66,000 U.S. Gulf – China	\$41.00	Down \$0.25	North China
PNW to China	\$22.50	Down \$0.25	
25,000 U.S. Gulf - Veracruz, México	\$17.25	Unchanged	3,000 MT daily discharge rate
30-36,000+ U.S. Gulf - Veracruz, México	\$14.25	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 \$31.50</u>
<u>East Coast Colombia</u>	<u>\$30.25</u>		USG to E/C 50,000 MT at \$16.25
From Argentina	\$31.25		
43-45,000 U.S. Gulf - Guatemala	\$28.75	Unchanged	Acajutla/Quetzal - 8,000 out
26-30,000 U.S. Gulf – Algeria	\$38.50	Unchanged	8,000 MT daily discharge
	\$40.50		3,000 MT daily discharge
26-30,000 US Gulf - Morocco	\$39.75	Unchanged	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt	\$27.25	Down \$0.25	60,000 -55,000 MT -Egypt
PNW to Egypt	\$28.25		Romania- Russia- Ukraine \$13.50-\$14.00 -\$14.50 France \$17.50
60-70,000 U.S. Gulf – Europe, Rotterdam	\$19.00	Unchanged	Handymax at +\$1.75 more
Brazil, Santos – China	\$31.25	Unchanged	54-59,000 Supramax-Panamax
Brazil, Santos – China	\$28.00		60-66,000 Post Panamax
Northern Coast Brazil - China	\$34.25		Upriver No. Brazil Plus -55,000 MT Plus \$7.50/MT
56-60,000 Argentina/Rosario-China, Deep Draft	\$34.50	Unchanged	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-SEP19	JAN-SEP20	Change YTD (%)	Change YTD (MT)
<i>World Total</i>	11,027,217	11,799,279	10,810,389	8,358,902	8,236,491	-1%	-122,411
Mexico	2,184,385	2,012,746	2,028,684	1,537,214	1,265,556	-18%	-271,658
Korea, South	960,916	1,139,457	1,247,483	950,095	932,781	-2%	-17,314
Vietnam	308,356	1,246,899	1,203,135	916,118	927,518	1%	11,400
Indonesia	728,185	843,582	913,928	681,793	673,153	-1%	-8,640
Canada	707,259	664,483	643,982	516,909	290,761	-44%	-226,148
Turkey	1,417,099	887,129	577,364	522,915	567,270	8%	44,355
Thailand	739,453	1,016,581	574,380	435,375	712,498	64%	277,123
Japan	473,528	465,962	516,947	415,021	405,774	-2%	-9,247
Ireland	347,360	396,265	277,440	222,609	224,793	1%	2,184
Philippines	137,935	196,418	261,970	192,332	230,125	20%	37,793
Taiwan	255,019	220,547	242,815	173,449	183,233	6%	9,784
Morocco	250,419	190,682	223,352	193,421	150,074	-22%	-43,347
Israel(*)	257,972	276,156	212,153	195,457	180,097	-8%	-15,360
New Zealand(*)	183,857	250,081	208,571	161,939	211,413	31%	49,474
Colombia	207,653	220,222	200,615	124,868	147,071	18%	22,203
United Kingdom	213,394	323,780	180,625	149,695	104,219	-30%	-45,476
China	371,667	192,174	179,049	116,340	168,896	45%	52,556
Bangladesh	117,010	150,788	160,873	140,913	108,649	-23%	-32,264
Egypt	138,414	193,254	142,591	96,561	162,011	68%	65,450
Spain	297,687	213,717	103,369	103,369	64,670	-37%	-38,699
Costa Rica	89,413	77,142	92,651	69,367	66,915	-4%	-2,452
El Salvador	62,499	70,290	78,451	40,531	45,904	13%	5,373
Guatemala	52,224	66,435	73,214	48,096	44,018	-8%	-4,078
Burma	36,836	70,156	71,137	51,458	39,955	-22%	-11,503
Malaysia	74,929	64,862	66,809	50,871	36,915	-27%	-13,956
Honduras	44,618	53,526	62,508	46,594	49,974	7%	3,380

Marketing Year (September-August):

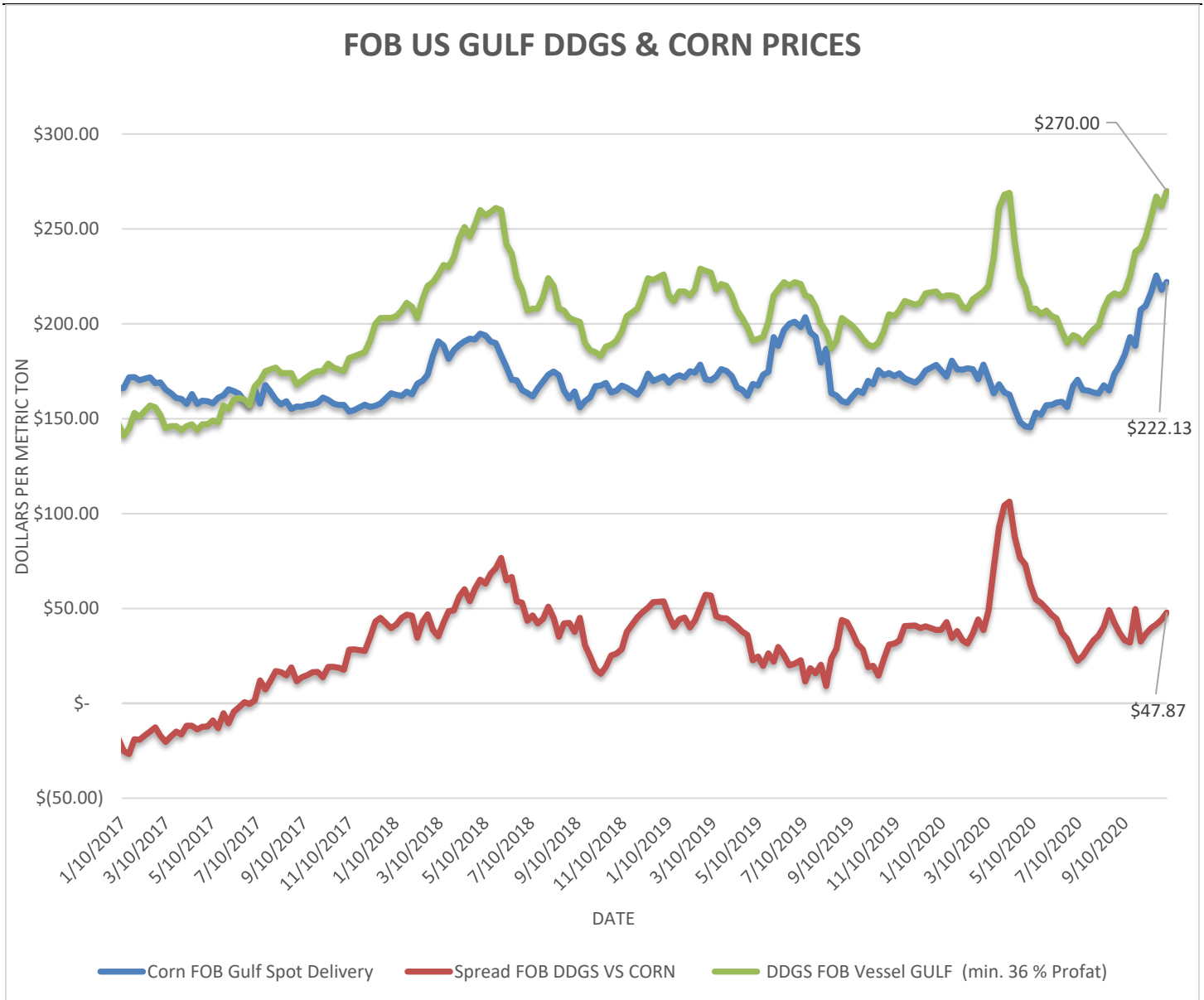
	MY 17/18	MY 18/19	MY 19/20	Sep-19	Sep-20	Change YTD (%)	Change YTD (MT)
World Total	11,631,190	11,278,695	10,531,129	1,001,315	1,158,164	16%	156,849
Mexico	2,126,783	2,016,966	1,799,323	136,886	94,589	-31%	-42,297
Korea, South	1,177,720	1,190,000	1,221,249	92,841	101,761	10%	8,920
Vietnam	1,047,601	1,294,316	1,212,834	123,034	124,735	1%	1,701
Indonesia	809,469	971,736	908,302	70,038	67,024	-4%	-3,014
Thailand	945,404	724,888	871,608	70,847	50,742	-28%	-20,105
Turkey	1,170,598	498,947	601,596	66,064	86,187	30%	20,123
Japan	462,677	481,178	482,024	89,264	114,940	29%	25,676
Canada	653,998	701,578	425,093	40,588	33,329	-18%	-7,259
Philippines	163,693	242,381	283,793	31,902	47,872	50%	15,970
New Zealand(*)	227,074	202,115	280,817	59,772	37,000	-38%	-22,772
Ireland	383,232	339,843	256,634	32,466	55,456	71%	22,990
Taiwan	218,083	234,317	253,400	18,600	17,799	-4%	-801
China	160,715	178,169	205,002	15,540	42,143	171%	26,603
Colombia	202,317	195,446	204,056	16,444	35,206	114%	18,762
Morocco	211,588	218,396	202,162	44,999	22,842	-49%	-22,157
Egypt	245,526	79,936	169,839	18,083	56,285	211%	38,202
Israel(*)	290,831	250,648	168,251	0	28,542	#DIV/0!	28,542
United Kingdom	177,559	362,848	135,149	0	0	#DIV/0!	0
Bangladesh	145,617	178,891	125,425	18,661	21,845	17%	3,184
El Salvador	63,421	61,583	85,572	1,748	0	-100%	-1,748
Costa Rica	84,532	88,074	81,195	3,307	12,311	272%	9,004
Guatemala	48,840	75,909	70,879	1,743	0	-100%	-1,743
Burma	51,814	77,273	59,298	7,456	7,792	5%	336
Honduras	51,666	59,954	58,640	2,310	9,558	314%	7,248
Ecuador	19,325	46,921	56,408	10,464	5,456	-48%	-5,008
Malaysia	65,771	63,932	54,711	6,484	4,626	-29%	-1,858

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

