



# Market Perspectives

**May 6, 2021**

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**For more information on the contents of this newsletter or the U.S. Grains Council, its mission and programs, please contact Cary Sifferath at (202) 789-0789.**

*The U.S. Grains Council is a private, non-profit partnership of producers and agribusinesses committed to building and expanding international markets for U.S. barley, corn, grain sorghum and their products. The Council is headquartered in Washington, D.C. and has ten international offices that oversee programs in more than 50 countries. Financial support from our private industry members, including state checkoffs, agribusinesses, state entities and others, triggers federal matching funds from the USDA resulting in a combined program value of more than \$26 million.*

## Chicago Board of Trade Market News

Week in Review: CBOT July Corn Contract					
Cents/Bu	Friday April 30	Monday May 3	Tuesday May 4	Wednesday May 5	Thursday May 6
Change	25.00	6.25	17.25	11.75	10.25
Closing Price	673.25	679.50	696.75	708.50	718.75
Factors Affecting the Market	July corn started the day lower but finished limit-up. Another contract high in the spot May contract and no deliveries against it helped July futures rally. Brazil's second corn crop is still suffering from drought and the weather forecast offers no relief. Argentina's corn harvest lags its normal pace and low water in the Parana river is delaying logistics.	July corn traded to a new contract high but settled near the end of its daily range. Brazil's pollinating crop endured high temps over the weekend and no rain. U.S. export inspections were supportive and Friday's CFTC report showed funds still heavily long corn. Chinese corn prices are near \$10.75/bu. - a price that will keep it in the market for corn.	Overnight weakness found solid buying interest and corn settled sharply higher and at a new contract high. Resistance came at \$7, and the market could not trade above that level. Still, this marks the highest settlement in 8 years. U.S. corn is 46 percent planted; a 5-year high China imported 48.3 mill. gallons of U.S. ethanol in February.	Another contract high came as corn settled above \$7 for the first time since 2013. Bear spreading developed as new crop futures are undervalued. Brazil's drought places greater need for a strong U.S. crop, and all the western U.S. is struggling with drought. Ethanol production was steady last week while stocks fell 20 percent below 2020.	July corn posted its 4th straight contract high. Support came from Brazil's hot/dry weather forecast and a record high for Brazilian FOB offers. USDA said 5.4 Mbu of corn were sold for export last week while 86.4 Mbu were exported. New crop sales totaled 4.2 Mbu. The export data was supportive as were rumors of Chinese buying.

**Outlook:** July corn futures are 45 ½ cents (6.8 percent) higher this week as the 2021 bull market continues. July corn settled above \$7.00/bushel on Wednesday, the first time a July corn contract has done so since 2013. Old-crop/new-crop bear spreads have become increasingly popular this week with traders seeing a need to bid up new crop prices with drought expanding in the U.S. and Brazil. Funds have been solid buyers on this week's rally, though old-crop trading volumes have fallen.

Brazil's weather forecast remains hot and dry for the key second corn crop producing states of Mato Grosso, Parana, and Mato Grosso do Sul. Temperatures this week and next are forecast to be above-average in most of central Brazil while the south sees some relief from cooler conditions. All of central and southern Brazil is forecast to receive nearly no precipitation over the next week, which will draw soil moisture levels to near-zero for parts of the country. The two-week forecast features heavy rains for southern Brazil, but Mato Grosso will remain exceptionally dry. The current forecast does nothing to stop the deterioration of Brazil's safrinha corn crop yields.

The ongoing drought in Parana, Brazil caused the state's corn conditions ratings to fall significantly this week. The share of the crop rated good/excellent fell from 40 percent last week to just 28 percent this week. The trend is not isolated to Parana and the nearby state of Mato Grosso do Sul reported that only 13 percent of its safrinha crop was rated in "good" condition. Mato Grosso's Institute of Agricultural Economics (IMEA) lowered its corn yield forecast by 2 percent to 6.07 MT/ha (96.3 Bu/ac). IMEA said in its 3 May 2021 report yields were projected to be 6.7 percent lower than the prior year.

Two additional concerns for the global corn markets are the delay in Argentina's corn harvest and low water levels in the Parana river. The Argentine corn harvest is lagging its normal pace as farmers elect to finish the soybean harvest before returning their focus to corn. Recent rains have also delayed fieldwork for harvesting both crops. Additionally, low draft levels in the Parana river are altering logistics trends and forcing more corn to be loaded in southern ports to complete vessels. These two factors are helping keep markets nervous and support prices.

The USDA's weekly Export Sales report featured 137,000 MT of net sales and 2.195 MMT of exports. The export figure was up 15 percent from the prior week and puts YTD exports at 43.503 MMT (up 81 percent). The corn export pace is still on track to exceed USDA's current forecast and analysts are looking for the agency to increase its projection in next week's May WASDE.

July corn futures are in a strong trend higher and show few signs of slowing down. The market posted four consecutive new contract highs as of Thursday's close and also made a psychologically and technically important close above \$7.00 on Wednesday. Funds continue to be net buyers and end-users are scaling-up pricing ideas, offering support on any break in the market.

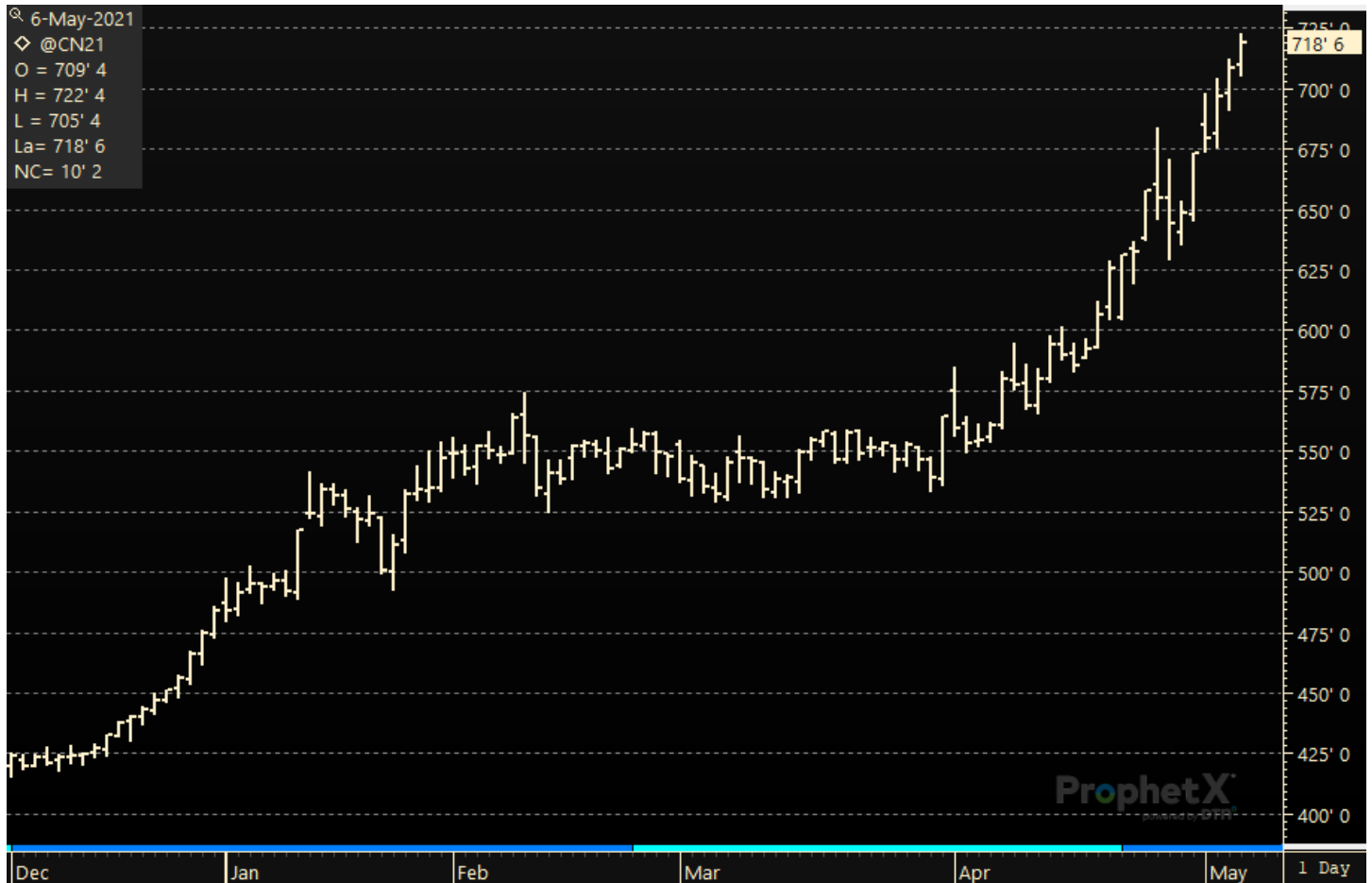
Two technical factors suggest some caution is warranted, however. First, the 14-day relative strength index (RSI) closed at 83.2 Thursday afternoon, reflecting a deeply overbought market. An RSI above 80 often indicates the market is ready for a correction lower. The second factor is that this week's rally has come with declining trading volumes. The declining volume suggests underlying buying interest may be waning for the contract. Overall, however, the charts remain extremely constructive and with no signs (so far) of a market top or reversal, the outlook remains higher.

Interest Rates and Macroeconomic Markets, May 6, 2021						
	Last*	Weekly Change	Weekly % Change	Monthly Change	Monthly % Change	1-Year History
<b>Interest Rates</b>						
U.S. Prime	3.3	0.0	0.0%	0.0	0.0%	
LIBOR (6 Month)	0.2	0.0	-2.6%	0.0	-4.5%	
LIBOR (1 Year)	0.3	0.0	-1.7%	0.0	-2.2%	
S&P 500	4,199.0	-12.4	-0.3%	101.9	2.5%	
Dow Jones Industrials	34,536.0	475.7	1.4%	1,032.5	3.1%	
U.S. Dollar	90.9	0.3	0.3%	-1.1	-1.2%	
WTI Crude	64.8	-0.2	-0.3%	5.2	8.8%	
Brent Crude	68.2	0.1	0.2%	5.0	7.9%	

Source: DTN ProphetX, World Perspectives, Inc.

\* Last price as of 3:50 PM ET

# CBOT July Corn Futures



Source: DTN ProphetX

**Current Market Values:**

<b>Futures Price Performance: Week Ending May 6, 2021</b>			
<b>Commodity</b>	<b>6-May</b>	<b>30-Apr</b>	<b>Net Change</b>
<b>Corn</b>			
May 21	759.50	740.00	19.50
Jul 21	718.75	673.25	45.50
Sep 21	645.50	592.25	53.25
Dec 21	625.50	563.75	61.75
<b>Soybeans</b>			
May 21	1605.50	1571.00	34.50
Jul 21	1569.50	1534.25	35.25
Aug 21	1515.75	1471.25	44.50
Sep 21	1443.50	1381.25	62.25
<b>Soymeal</b>			
May 21	427.70	426.00	1.70
Jul 21	427.30	426.10	1.20
Aug 21	421.60	419.70	1.90
Sep 21	415.40	411.90	3.50
<b>Soyoil</b>			
May 21	66.25	68.46	-2.21
Jul 21	64.35	62.39	1.96
Aug 21	61.09	57.47	3.62
Sep 21	59.45	54.44	5.01
<b>SRW</b>			
May 21	764.25	742.50	21.75
Jul 21	753.25	734.75	18.50
Sep 21	754.25	732.25	22.00
Dec 21	757.50	732.75	24.75
<b>HRW</b>			
May 21	717.75	698.25	19.50
Jul 21	726.75	703.50	23.25
Sep 21	731.25	707.25	24.00
Dec 21	737.75	713.25	24.50
<b>MGEX (HRS)</b>			
May 21	784.50	763.25	21.25
Jul 21	790.50	763.75	26.75
Sep 21	795.00	768.25	26.75
Dec 21	796.25	771.00	25.25

\*Price unit: Cents and quarter-cents/bu. (5,000 bu.)

## U.S. Weather/Crop Progress

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U.S. Crop Planting Progress				
Commodity	May 2, 2021	Last Week	Last Year	5-year avg.
Corn	46%	17%	48%	36%
Sorghum	20%	19%	22%	24%
Barley	53%	35%	39%	41%

Source: USDA, World Perspectives, Inc.

**U.S. Drought Monitor Weather Forecast:** The NWS WPC 7-Day Quantitative Precipitation Forecast (QPF) calls for moderate-to-heavy liquid accumulations ranging from 2 to 4+ inches across the mid-South and lower Midwest while portions of the Plains, Northeast, Mid-Atlantic, and the Southeast are expected to receive <1-inch accumulations. In the Intermountain West and Pacific Northwest, light precipitation (<1-inch accumulations) is forecasted for areas of the central and northern Rockies, and portions of the Cascades.

The CPC 6-10-day Outlook calls for a moderate-to-high probability of above-normal temperatures in the Far West, Southwest, Great Basin, and Florida while a high probability of below-normal temperatures is forecasted across most of the Eastern Tier. In terms of precipitation, there is a moderate probability of above-normal precipitation across areas of the central and southern Plains, as well as the southeastern tier of the U.S. Below-normal precipitation is expected across the Pacific Northwest, Great Plains, and areas of the Intermountain West.

Follow this link to view current U.S. and international weather patterns and future outlook: [Weather and Crop Bulletin](#).

## U.S. Export Statistics

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U.S. Export Sales and Exports: Week Ending April 29, 2021					
Commodity	Gross Sales (MT)	Exports (MT)	YTD Exports (000 MT)	YTD Bookings (000 MT)	% Change YTD Bookings
Wheat	71,100	585,600	22,482.9	25,497.5	-3%
Corn	613,000	2,195,100	43,503.3	67,856.9	81%
Sorghum	6,200	175,900	5,524.2	7,158.2	99%
Barley	1,000	400	25.5	30.6	-39%

Source: USDA, World Perspectives, Inc.

**Corn:** Net sales of 137,400 MT for 2020/2021 were down 74 percent from the previous week and 72 percent from the prior 4-week average. Increases primarily for Japan (206,800 MT, including 109,600 MT switched from unknown destinations and decreases of 1,800 MT), Mexico (141,600 MT, including decreases of 9,400 MT), South Korea (121,700 MT, including 65,000 MT switched from unknown destinations and decreases of 12,800 MT), Colombia (118,600 MT, including 100,000 MT switched from unknown destinations and decreases of 37,800 MT), and China (83,100 MT, including 64,000 MT switched from unknown destinations), were offset by reductions primarily for unknown destinations (559,100 MT). For 2021/2022, net sales of 106,200 MT were reported for unknown destinations (50,800 MT), Japan (32,500 MT), and Mexico (22,900 MT).

Exports of 2,195,100 MT were up 15 percent from the previous week and 19 percent from the prior 4-week average. The destinations were primarily to China (698,100 MT), Japan (448,600 MT), Mexico (293,100 MT), South Korea (255,900 MT), and Colombia (136,600 MT).

*Optional Origin Sales:* For 2020/2021, options were exercised to export 8,900 MT to China from other than the United States. The current outstanding balance of 268,500 MT is for unknown destinations (189,500 MT) and South Korea (79,000 MT).

**Barley:** Net sales of 1,000 MT for 2020/2021 were up noticeably from the previous week and from the prior 4-week average. Increases were reported for South Korea (600 MT) and Canada (400 MT). Exports of 400 MT were down 3 percent from the previous week and 17 percent from the prior 4-week average. The destinations were to South Korea (200 MT), Taiwan (100 MT), and Canada (100 MT).

**Sorghum:** Total net sales of 200 MT for 2020/2021 were down noticeably from the previous week and from the prior 4-week average. Increases were for China, including decreases of 6,000 MT. For 2021/2022, total net sales of 55,000 MT were for China. Exports of 175,900 MT were down 27 percent from the previous week and 54 percent from the prior 4-week average. The destination was to China.

### U.S. Export Inspections: Week Ending April 29, 2021

Commodity (MT)	Export Inspections		Current Market YTD	Previous YTD	YTD as Percent of Previous
	Current Week	Previous Week			
Barley	499	24	33,143	30,548	108%
Corn	2,139,077	1,954,012	43,374,708	23,775,758	182%
Sorghum	235,496	182,614	5,618,016	2,647,538	212%
Soybeans	143,418	284,074	55,458,814	33,778,843	164%
Wheat	509,932	581,087	23,128,846	23,096,816	100%

Source: USDA/AMS. \*Marketing Year is June 1-May 31 for wheat and barley and Sept. 1-Aug. 31 for corn, sorghum and soybeans. Week-to-week reports will vary due to exporter reported conditions & cancellations to previous week's reports.

### USDA Grain Inspections for Export Report: Week Ending April 29, 2021

Region	YC	% of Total	WC	% of Total	Sorghum	% of Total
Lakes	0	0%	0	0%	0	0%
Atlantic	0	0%	0	0%	0	0%
Gulf	1,157,868	56%	50,531	95%	163,745	70%
PNW	694,280	33%	122	0%	69,255	29%
Interior Export Rail	233,781	11%	2,495	5%	2,496	1%
<b>Total (Metric Tons)</b>	<b>2,085,929</b>	<b>100%</b>	<b>53,148</b>	<b>100%</b>	<b>235,496</b>	<b>100%</b>
White Corn Shipments by Country (MT)			33,995 14,030 5,001 122	to Mexico to El Salvador to Colombia to S. Korea		
<b>Total White Corn</b>			<b>53,148</b>			
Sorghum Shipments by Country (MT)					232,976 2,496 24	to China to Mexico to UK
<b>Total Sorghum</b>					<b>235,496</b>	

Source: USDA, World Perspectives, Inc.



**FOB**

<b>Yellow Corn (USD/MT FOB Vessel*)</b>				
<b>YC FOB Vessel Max. 15.0% Moisture</b>	<b>GULF</b>		<b>PNW</b>	
	<b>Basis (#2 YC)</b>	<b>Flat Price (#2 YC)</b>	<b>Basis (#2 YC)</b>	<b>Flat Price (#2 YC)</b>
<b>May</b>	0.75+K	\$328.52	1.47+K	\$356.67
<b>June</b>	0.90+N	\$318.39	1.64+N	\$347.32
<b>July</b>	0.90+N	\$318.19	1.64+N	\$347.32

<b>#2 White Corn (U.S. \$/MT FOB Vessel*)</b>			
<b>Max. 15.0% Moisture</b>	<b>May</b>	<b>June</b>	<b>July</b>
<b>Gulf</b>	N/A	N/A	N/A

<b>Sorghum (USD/MT FOB Vessel*)</b>				
<b>#2 YGS FOB Vessel Max 14.0% Moisture</b>	<b>NOLA</b>		<b>TEXAS</b>	
	<b>Basis</b>	<b>Flat Price</b>	<b>Basis</b>	<b>Flat Price</b>
<b>May</b>	N/A	N/A	3.20+K	\$424.98
<b>June</b>	N/A	N/A	3.20+N	\$408.93
<b>July</b>	N/A	N/A	3.20+N	\$408.93

<b>Corn Gluten Feed Pellets (CGFP) (FOB Vessel U.S. \$/MT*)</b>			
	<b>June</b>	<b>July</b>	<b>August</b>
<b>New Orleans</b>	\$285	\$285	\$285
<i>Quantity 5,000 MT</i>			
<b>Corn Gluten Meal (CGM) (FOB Vessel U.S. \$/MT*)</b>			
<b>Bulk 60% Pro.</b>	<b>June</b>	<b>July</b>	<b>August</b>
<b>New Orleans</b>	\$780	\$780	\$780
<i>*5-10,000 MT Minimum</i>			

*\*Prices are based on offer indications only. Quoted prices are believed to reflect current market conditions but may vary from actual offers. Terms of delivery, payment, and quality may vary from one supplier to another, impacting the actual value of the price.*

**DDGS Price Table: May 6, 2021 (USD/MT)**  
 (Quantity, availability, payment and delivery terms vary)

<b>Delivery Point Quality Min. 35% Pro-fat combined</b>	<b>June</b>	<b>July</b>	<b>August</b>
Barge CIF New Orleans	317	318	318
FOB Vessel GULF	322	324	324
Rail delivered PNW	334	334	334
Rail delivered California	342	341	341
Mid-Bridge Laredo, TX	334	335	335
FOB Lethbridge, Alberta	325	325	323
40 ft. Containers to South Korea (Busan)	365	365	365
40 ft. Containers to Taiwan (Kaohsiung)	370	370	370
40 ft. Containers to Philippines (Manila)	380	380	380
40 ft. Containers to Indonesia (Jakarta)	375	375	375
40 ft. Containers to Malaysia (Port Kelang)	380	380	380
40 ft. Containers to Vietnam (HCMC)	385	385	385
40 ft. Containers to Japan (Yokohama)	380	380	380
40 ft. containers to Thailand (LCMB)	380	380	380
40 ft. Containers to China (Shanghai)	375	375	375
40 ft. Containers to Bangladesh (Chittagong)	380	380	380
40 ft. Containers to Myanmar (Yangon)	375	375	375
KC Rail Yard (delivered ramp)	295	295	295
Elwood, IL Rail Yard (delivered ramp)	299	300	300

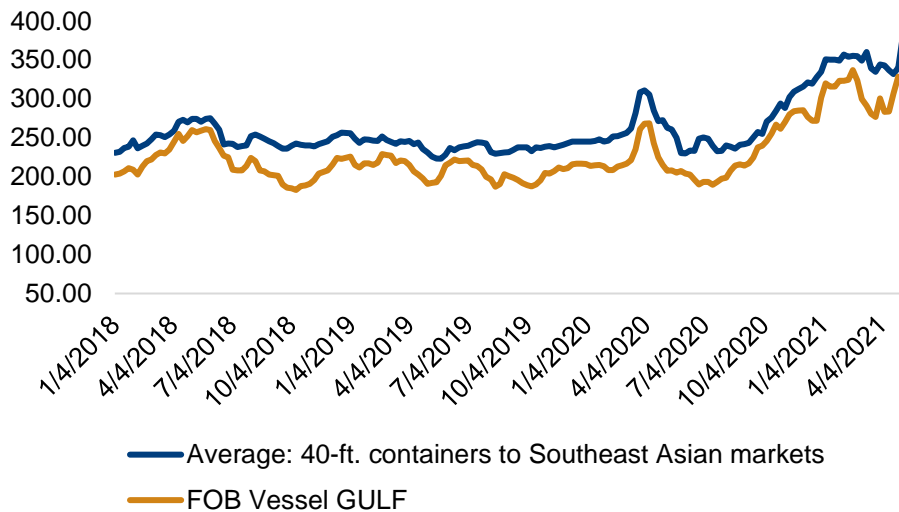
*Source: World Perspectives, Inc. \*Prices are based on offer indications only; terms of delivery, payment and quality may vary from one supplier to another, impacting the actual value of the price.*

## Distiller's Dried Grains with Solubles (DDGS)

**DDGS Comments:** U.S. DDGS prices are \$20/MT higher this week as the commodity bull market continues. Merchandisers note DDGS sellers are “losing on a relative value to corn” but ethanol margins are still structured to favor additional DDGS production. Domestic buyers have reportedly bought little of their forward needs and are now covering amid the price rally. The DDGS/cash corn ratio is 0.86, down from the prior week and below the three-year average of 1.10. The DDGS/Kansas City soymeal ratio is higher than last week at 0.53 and above the three-year average of 0.42.

On the export front, DDGS prices are mostly higher. Barge CIF NOLA offers are up \$12/MT for June positions while FOB NOLA offers are down \$3-6/MT this week at \$322/MT for June shipment and \$324/MT for July. U.S. rail rates are steady while 40-foot containers to Southeast Asia are up \$30/MT at \$379/MT.

DDGS Indications: U.S. Gulf (FOB) and  
40-foot containers to Southeast Asia  
(\$/MT)



Source: World Perspectives, Inc.

## Country News

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**Argentina:** The Buenos Aires Grain Exchange reported that 22 percent of the country's corn has been harvest, down from the five-year average of 32 percent. It also says the barley production area for 2021/22 will be 1.15 million hectares, an increase of 28 percent. The corn harvest is slow and so is farmer selling as they prioritize the soybean crop, which itself is behind average harvesting. The International Grains Council raised its estimate of the Argentine corn crop by 5.3 percent to 59.3 MMT. Water levels are low and now the death of the minister in charge of dredging the Parana River is believed to slow the contracting for continued operations. (Bloomberg; AgriCensus; Reuters)

**Brazil:** The consultancy Safras & Mercado forecasts the 2020/21 corn crop at 104.128 MMT, a 7.6 percent cut from the previous estimate. StoneX lowered its estimate of the crop to 100.25 MMT, a 4.6 percent reduction from a month ago. IMEA reduced its forecast of the Mato Grosso corn crop by 1 percent from a month ago and Deral cut its estimate for the corn crop in Parana by 8.5 percent. The ANEC export association said that good conditions in Mato Grosso would enable corn exports to reach 32 MMT, just a 1.6 MMT reduction from 2020. The trade will be watching USDA's 12 May WASDE for any reductions from its forecast of a 109 MMT Brazilian corn crop.

Helped by the low value of the Real, the government says April corn exports were 130 KMT, versus just 10 KMT a year ago. Corn exports for the year thus far are 23 percent higher with the major markets being Egypt, Vietnam and Iran. However, ANEC says there will likely be no corn exports in May. Corn prices are double their level of a year ago but the government plans to increase the amount of subsidized, low-interest loans that farmers can take out for producing more corn and sorghum. (Reuters; Soybean & Corn Advisor; AgriCensus)

**China:** Importers cancelled 140 KMT of corn orders for 2020/21 but the trade rumors are that China is looking for 2021/22 corn purchases. (Reuters)

**EU:** The International Grains Council raised its estimate of the EU corn crop by 3.6 percent to 67.5 MMT. (Reuters)

**South Africa:** The Crop Estimates Committee said the 2021/22 corn crop will hit 16 MMT. (AgriCensus)

**South Korea:** The Korean Feed Association privately purchased 65 KMT of corn at \$319.35/MT C&F for November delivery. It also tendered for optional origin corn for August and October. Nonghyup Feed Inc. issued a tender for 276 KMT of corn. (Reuters; AgriCensus)

**Tunisia:** In a tender for feed barley, ODC bought 50 KMT at \$279/MT for June shipment. (Reuters)

**Ukraine:** SovEcon says that Ukraine will produce 36.6 MMT of corn this year based on an area of 5.3 million hectares and a yield of 6.9 MT/Ha. Corn exports for 2020/21 at 19.14 MMT are down. (World Grain)

## Ocean Freight Markets and Spreads

Bulk Freight Indices for HSS — Heavy Grain, Sorghum and Soybeans* May 6, 2021			
Route and Vessel Size	Current Week (USD/MT)	Change from Previous Report	Remarks
55,000 U.S. Gulf-Japan	\$65.00	Up \$2.00	Handymax \$63.50/MT
55,000 U.S. PNW- Japan	\$38.00	Up \$1.50	Handymax \$36.50/MT
66,000 U.S. Gulf – China	\$64.50	Up \$2.50	North China
PNW to China	\$37.50	Up \$1.50	
25,000 U.S. Gulf - Veracruz, México	\$27.00	Up \$0.50	3,000 MT daily discharge rate
30-36,000+ U.S. Gulf - Veracruz, México	\$23.00	Up \$0.50	Deep draft and 6,000 MT per day discharge rate.
30-38,000 U.S. Gulf - Colombia <u>50,000 MT U.S. Gulf to East Coast Colombia</u> From Argentina	\$36.00 <u>\$35.00</u> \$49.00	Up \$1.00	<u>West Coast Colombia at \$48.50</u>
43-45,000 U.S. Gulf - Guatemala	\$42.00	Up \$1.00	Acajutla/Quetzal - 8,000 out
26-30,000 U.S. Gulf – Algeria	\$50.50 \$53.00	Up \$1.50	8,000 MT daily discharge 3,000 MT daily discharge
26-30,000 US Gulf - Morocco	\$49.00	Up \$1.50	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt	\$51.00	Up \$1.75	60,000-55,000 MT - Egypt
PNW to Egypt	\$51.00		Romania – Russia - Ukraine \$18.00 - \$18.50 - \$19.00 France \$27.25
60-70,000 U.S. Gulf – Europe, Rotterdam	\$25.50	Up \$1.25	Handymax at +\$1.75-\$2.00 more
Brazil, Santos – China	\$55.50	Up \$1.50	54-59,000 Supramax-Panamax
Brazil, Santos – China	\$54.50		60-66,000 Post Panamax
Northern Coast Brazil - China	\$56.50		Upriver No. Brazil Plus -55,000 MT Plus \$7.50/MT
56-60,000 Argentina/Rosario-China, Deep Draft	\$60.50	Up \$1.50	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.

## Ocean Freight Comments

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**Transportation and Export Report: Jay O'Neil, O'Neil Commodity Consulting:** If you read ocean freight news articles, they all believe that the stars are aligned for big economic growth, and the super-cycle in commodities and freight has arrived. After all, the stock market is up, commodity prices are booming, so why not ocean freight? If you are investing in Dogecoin or other crypto currencies, why not freight FFA's? Emotions and hope are running strong.

I think the missing puzzle piece, however, is that commodity prices are high because of tight supplies and consumer buying of commercial goods has accelerated due to people staying at home and receiving government stimulus checks. But what happens when these factors end? Volatility remains.

Freight markets did experience a selloff and profit taking overnight and are off their highs for the week.

<b>Baltic-Panamax Dry-Bulk Indices</b>				
<b>May 6, 2021</b>	<b>This Week</b>	<b>Last Week</b>	<b>Difference</b>	<b>Percent Change</b>
Route				
P2A: Gulf/Atlantic – Japan	36,486	33,400	3,086	9.2
P3A: PNW/Pacific– Japan	28,788	26,428	2,360	8.9
S1C: U.S. Gulf-China-S. Japan	26,189	26,766	-577	-2.2

Source: O'Neil Commodity Consulting

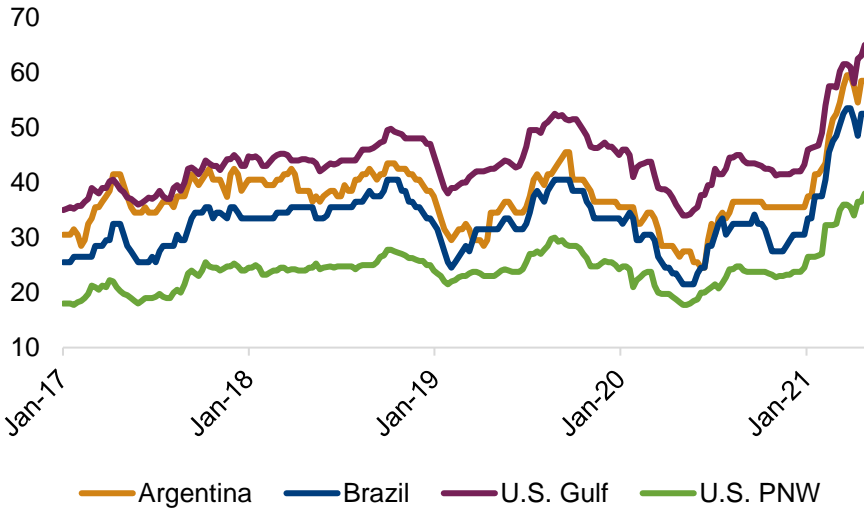
<b>Capesize Vessel Freight Values</b> Western Australia to South China (iron ore)	
Four weeks ago:	\$8.90-10.35
Three weeks ago:	\$10.55-11.50
Two weeks ago:	\$11.10-11.75
One week ago:	\$11.55-13.00
This week	\$14.00-14.80

Source: O'Neil Commodity Consulting

<b>U.S.-Asia Market Spreads</b>					
<b>May 6, 2021</b>	<b>PNW</b>	<b>Gulf</b>	<b>Bushel Spread</b>	<b>MT Spread</b>	<b>Advantage</b>
#2 Corn	1.66	0.95	0.71	\$27.95	Both
Soybeans	1.54	0.83	0.71	\$26.09	Both
Ocean Freight	\$37.50	\$64.50	0.69-0.73	<b>\$27.00</b>	June

Source: O'Neil Commodity Consulting

# Bulk Grain Freight Rates to Japan from Select Origins



Source: World Perspectives, Inc., O'Neil Commodity Consulting

**Bulk Grain Freight Rates for Key Suppliers and Destinations**  
**May 6, 2021**

Origin	Destination	This Week	Monthly Change	Monthly % Change	Yearly Change	Yearly % Change	2-Year History
<i>Panamax/Supramax Vessels</i>							
U.S. Gulf		65.00	4.00	6.6%	30.00	85.7%	
U.S. PNW	Japan	38.00	2.50	7.0%	19.75	108.2%	
Argentina		58.50	-1.00	-1.7%	32.00	120.8%	
Brazil		52.50	-1.00	-1.9%	30.00	133.3%	
U.S. Gulf		64.50	5.00	8.4%	30.00	87.0%	
U.S. PNW	China	37.50	3.00	8.7%	20.00	114.3%	
Argentina		60.50	2.50	4.3%	34.25	130.5%	
Brazil		56.50	3.50	6.6%	30.75	119.4%	
U.S. Gulf		24.00	2.00	9.1%	11.30	89.0%	
Argentina	Europe	24.50	0.00	0.0%	11.00	81.5%	
Brazil		28.50	0.00	0.0%	5.00	21.3%	
Argentina	Saudi Arabia	51.50	1.00	2.0%	3.00	6.2%	
Brazil		51.50	1.00	2.0%	4.00	8.4%	
U.S. Gulf		51.00	3.50	7.4%	28.50	126.7%	
U.S. PNW	Egypt	50.00	3.00	6.4%	26.75	115.1%	
Argentina		34.50	0.00	0.0%	17.00	97.1%	
Brazil		39.50	2.00	5.3%	14.00	54.9%	
<i>Handysize Vessels</i>							
U.S. Gulf		49.00	4.50	10.1%	15.50	46.3%	
U.S. Great Lakes	Morocco	54.00	0.00	0.0%	11.85	28.1%	
Argentina		28.50	-1.00	-3.4%	0.00	0.0%	
Brazil		38.50	3.00	8.5%	12.00	45.3%	
U.S. Great Lakes	Europe	53.00	0.00	0.0%	11.85	28.8%	
Brazil		31.00	-1.00	-3.1%	5.10	19.7%	
Argentina	Algeria	31.50	0.00	0.0%	1.00	3.3%	
Brazil		32.50	0.00	0.0%	2.00	6.6%	
U.S. Gulf		36.00	2.00	5.9%	18.75	108.7%	
U.S. PNW	Colombia	44.00	0.00	0.0%	16.90	62.4%	
Argentina		49.00	2.00	4.3%	17.00	53.1%	
<i>Shipping Indexes</i>							
Baltic Dry Index		3053	981	47.3%	2455	410.5%	

Source: World Perspectives, Inc. and O'Neil Commodity Consulting

Note: Quoted rates are believed to reflect current market conditions but may vary from actual offers. Rates may differ based on delivery terms, demurrage, and other factors.