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GENERAL COMMENTS

U.S. DDGS prices are down \$4/MT this week, trading within their recent, sideways range. Two weeks of strong gains in ethanol production have increased spot DDGS supplies and created modest pressure on prices. Kansas City soymeal prices are down \$5/MT this week as the futures market remains weak and a headwind for cash values. The DDGS/Kansas City soymeal ratio sits at 0.57 this week, steady with the prior week and above the three-year average of 0.47. The DDGS/cash corn ratio is higher this week at 1.04, up from 1.02 last week but below the three-year average of 1.09.

On the export market, DDGS values are slightly lower with Barge CIF NOLA rates down \$4-5/MT for Q4 shipment and down \$1/MT for January 2022. A gradual weakening of CIF rates has helped CIF Gulf DDGS values ease lower as well. FOB Gulf offers are down \$1/MT this week, on average, with the bid-ask spread widening slightly. Container freight rates have leveled off or posted small declines this week, which has allowed offers for 40-foot containers to move some \$4/MT lower this week. Brokers say Asian demand remains quiet for containerized DDGS, but it is expected to increase later this fall.

Please note that FOB Gulf markets will likely be more volatile than normal as the industry works to recover full capacity in New Orleans area export facilities. There are significant questions about elevation capacity and availability and the DDGS market will have to compete with other grains as the U.S. new crop harvest approaches. Consequently, both flat prices and spreads versus other markets may see greater than normal volatility.

DDGS Price Table: October 14, 2021 (USD/MT) (Quantity, availability, payment and delivery terms vary)			
Delivery Point Quality Min. 35% Pro-fat combined	November	December	January
Barge CIF New Orleans	243	244	249
FOB Vessel GULF	265	265	267
Rail delivered PNW	280	283	285
Rail delivered California	286	288	290
Mid-Bridge Laredo, TX	281	284	286
FOB Lethbridge, Alberta	272	274	278
40 ft. Containers to South Korea (Busan)			
40 ft. Containers to Taiwan (Kaohsiung)	350	350	350
40 ft. Containers to Philippines (Manila)			
40 ft. Containers to Indonesia (Jakarta)	352	352	352
40 ft. Containers to Malaysia (Port Kelang)	348	348	348
40 ft. Containers to Vietnam (HCMC)	348	348	348
40 ft. Containers to Japan (Yokohama)			
40 ft. containers to Thailand (LCMB)	352	352	352
40 ft. Containers to China (Shanghai)			
40 ft. Containers to Bangladesh (Chittagong)			
40 ft. Containers to Myanmar (Yangon)	352	352	352
KC Rail Yard (delivered ramp)			
Elwood, IL Rail Yard (delivered ramp)	235	238	240

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.

**** Note that FOB Gulf and other DDGS markets may be more volatile than normal going forward as the industry works to recover full operations and capacity in the U.S. Gulf region following Hurricane Ida.**

OCEAN FREIGHT MARKET

Volatility continues to be the key word in dry-bulk markets. The Capesize vessel market experienced a substantial selloff as paper traders decided to take profits from the previous rally. Spot Capesize vessel rates dropped from \$85,000 to \$74,500/day. Maybe things just moved up too high to fast? Panamax and Supramax vessel markets, however remained strong and even gained a little ground this week. All freight markets continue to be severely inverted with all the focus on the spot and 30-day periods.

Container rates have topped out and even dropped back slightly. Big logistical problems remain, however, and will most likely be with us for the next 4-6 months. Do your holiday shopping early.

Source: O'Neil Commodity Consulting



Bulk Freight Indices for HSS — Heavy Grain, Sorghum and Soybeans*			
October 14, 2021			
Route and Vessel Size	Current Week (USD/MT)	Change from Previous Report	Remarks
55,000 U.S. Gulf-Japan	\$84.75	Up \$0.50	Handymax \$85.00/MT
55,000 U.S. PNW- Japan	\$47.00	Up \$0.50	Handymax \$47.00/MT
66,000 U.S. Gulf – China	\$84.00	Up \$0.50	North China
PNW to China	\$46.50	Up \$0.50	
25,000 U.S. Gulf - Veracruz, México	\$30.25	Up \$0.25	3,000 MT daily discharge rate
30-36,000+ U.S. Gulf - Veracruz, México	\$28.25	Up \$0.25	Deep draft and 6,000 MT per day discharge rate.
30-38,000 U.S. Gulf - Colombia	\$46.25 \$45.25 \$62.25	Up \$0.25	<u>West Coast Colombia at \$54.50</u>
50,000 MT U.S. Gulf to East Coast Colombia			
From Argentina			
43-45,000 U.S. Gulf - Guatemala	\$51.75	Up \$0.25	Acajutla/Quetzal - 8,000 out
26-30,000 U.S. Gulf – Algeria	\$68.50 \$70.50	Up \$0.50	8,000 MT daily discharge 3,000 MT daily discharge
26-30,000 US Gulf - Morocco	\$66.00	Up \$0.50	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt	\$69.50	Up \$0.50	60,000 -55,000 MT - Egypt Romania – Russia - Ukraine \$32.50 - \$33.00 - \$34.25 France \$44.00
PNW to Egypt	\$69.75		
60-70,000 U.S. Gulf – Europe, Rotterdam	\$33.25	Down \$2.00	Handymax at +\$2.00 more
Brazil, Santos – China	\$68.50	Down \$1.00	54-59,000 Supramax-Panamax 60-66,000 Post Panamax Upriver No. Brazil Plus -55,000 MT Plus \$7.50-8.00/MT
Brazil, Santos – China	\$68.00		
Northern Coast Brazil - China	\$69.00		
56-60,000 Argentina/Rosario-China, Deep Draft	\$73.75	Down \$1.00	Upriver with BB Top Off Plus \$3.75 - 4.00/MT

Source: O'Neil Commodity Consulting

*Numbers for this table based on previous night's closing values.

LATEST EXPORT FIGURES

Calendar Year (January-December):

Partner	2018	2019	2020	JAN-AUG20	JAN-AUG21	CHANGE Y/Y (%)	CHANGE Y/Y (MT)
<i>World Total</i>	11,799,279	10,792,499	10,930,190	7,045,804	7,732,646	10%	686,842
Mexico	2,012,746	2,022,752	1,732,282	1,161,376	1,578,941	36%	417,565
Vietnam	1,246,899	1,202,103	1,280,377	797,223	957,602	20%	160,379
Korea, South	1,139,457	1,242,497	1,263,476	823,790	726,926	-12%	-96,864
Indonesia	843,582	913,488	934,261	604,079	580,485	-4%	-23,594
Thailand	1,016,581	574,380	848,838	670,148	274,333	-59%	-395,815
Turkey	887,129	577,364	790,455	481,083	627,686	30%	146,603
Japan	465,962	516,881	463,118	290,939	303,381	4%	12,442
Canada	664,483	643,994	397,450	258,869	393,687	52%	134,818
Ireland	396,265	277,440	291,278	171,820	210,790	23%	38,970
Philippines	196,418	261,977	281,101	180,069	138,741	-23%	-41,328
New Zealand(*)	250,081	208,571	278,870	175,679	156,402	-11%	-19,277
China	192,174	174,338	271,697	123,320	220,243	79%	96,923
Taiwan	220,547	242,521	241,254	164,750	152,214	-8%	-12,536
Colombia	220,222	200,615	209,961	117,420	176,191	50%	58,771
Israel(*)	276,156	212,153	196,975	151,435	151,122	0%	-313
Morocco	190,682	223,352	188,929	125,411	172,650	38%	47,239
Egypt	193,254	142,141	182,822	94,610	139,935	48%	45,325
Bangladesh	150,788	160,873	164,989	85,895	123,162	43%	37,267
United Kingdom	323,780	180,625	121,609	104,219	106,629	2%	2,410
Costa Rica	77,142	92,651	83,807	54,604	53,466	-2%	-1,138
Honduras	53,526	62,508	75,218	40,416	42,478	5%	2,062
Guatemala	66,435	73,214	73,335	47,371	63,453	34%	16,082
Spain	213,717	103,369	64,670	20,699	110,246	433%	89,547
Burma	70,156	71,137	64,270	32,203	17,781	-45%	-14,422

Marketing Year (September-August):

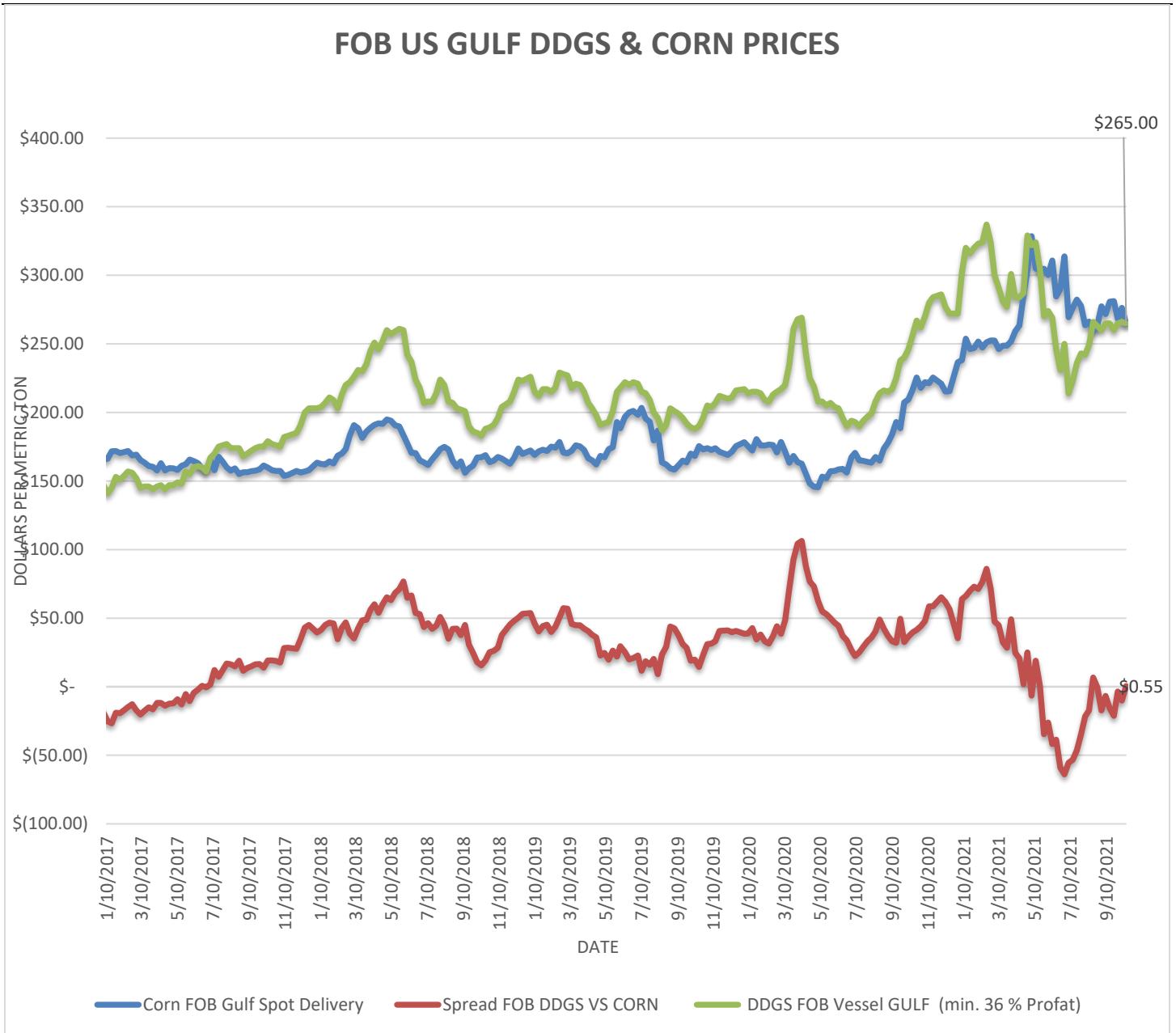
Partner	MY 16/17	MY 17/18	MY 18/19	MY 19/20	MY 20/21	CHANGE Y/Y (%)	CHANGE Y/Y (MT)
<i>World Total</i>	11,057,322	11,631,190	11,271,838	10,487,573	11,617,032	11%	1,129,459
Mexico	2,063,793	2,126,783	2,011,034	1,789,732	2,149,847	20%	360,115
Vietnam	492,917	1,047,601	1,294,321	1,206,237	1,440,756	19%	234,519
Korea, South	967,740	1,177,720	1,189,038	1,209,995	1,166,612	-4%	-43,383
Turkey	1,364,617	1,170,598	498,947	601,596	937,058	56%	335,462
Indonesia	512,923	809,469	971,736	905,812	910,667	1%	4,855
Canada	669,247	653,998	701,610	426,510	532,268	25%	105,758
Japan	427,280	462,677	481,178	482,063	475,560	-1%	-6,503
Thailand	786,940	945,404	724,888	880,000	453,023	-49%	-426,977
China	735,138	160,715	178,169	196,858	368,620	87%	171,762
Ireland	303,244	383,232	339,843	259,117	330,248	27%	71,131
Colombia	209,008	202,317	195,446	209,611	268,732	28%	59,121
New Zealand(*)	151,075	227,074	202,115	282,083	259,593	-8%	-22,490
Philippines	151,509	163,693	242,381	281,616	239,773	-15%	-41,843
Morocco	214,223	211,588	218,396	200,341	236,168	18%	35,827
Taiwan	261,943	218,083	234,317	252,422	228,718	-9%	-23,704
Egypt	148,755	245,526	79,936	158,273	228,147	44%	69,874
Bangladesh	86,822	145,617	178,891	124,516	202,256	62%	77,740
Israel(*)	240,468	290,831	250,648	168,131	196,662	17%	28,531
Spain	335,152	206,518	179,068	20,699	154,217	645%	133,518
United Kingdom	214,781	177,559	362,848	135,149	124,019	-8%	-11,130
Guatemala	55,705	48,840	75,909	74,232	89,417	20%	15,185
Costa Rica	82,722	84,532	88,074	81,195	82,669	2%	1,474
Honduras	43,244	51,666	59,954	58,640	77,280	32%	18,640
El Salvador	62,676	63,421	61,583	79,572	55,444	-30%	-24,128

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 2021)

FOB US DDGS AND CORN PRICES



FOB US DDGS AND SOYBEAN MEAL PRICES

