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GENERAL COMMENTS

U.S. DDGS prices are down \$1.50/MT this week as ethanol run rates remain steady and domestic demand is quiet. The recent rally in soymeal futures and cash prices (Kansas City cash values are up \$8.20/MT this week) has increased DDGS' competitiveness in feed rations, but end-users are reportedly well-covered for Q4 needs. The DDGS/Kansas City soymeal ratio sits at 0.50 this week, down from the prior week and above the three-year average of 0.47. The DDGS/cash corn ratio is lower this week at 0.92, down from 0.94 last week and below the three-year average of 1.09.

Export markets for DDGS are quiet again this week, though values are firming slightly. Barge CIF NOLA offers are steady/down \$1/MT as freight rates ease from recent highs while FOB Gulf offers are up \$4 for November shipment and \$2/MT for December/January. Bids and offers for containerized DDGS into Southeast Asia remain spotty with light trade, but indications are mostly higher and average \$358/MT this week.

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: November 4, 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 | 251 | 252 | 252 |
| FOB Vessel GULF | 268 | 266 | 268 |
| Rail delivered PNW | 290 | 292 | 294 |
| Rail delivered California | 298 | 299 | 302 |
| Mid-Bridge Laredo, TX | 289 | 290 | 293 |
| FOB Lethbridge, Alberta | 286 | 289 | 290 |
| 40 ft. Containers to South Korea (Busan) | 340 | 340 | 340 |
| 40 ft. Containers to Taiwan (Kaohsiung) | 345 | 345 | 345 |
| 40 ft. Containers to Philippines (Manila) | 360 | 360 | 360 |
| 40 ft. Containers to Indonesia (Jakarta) | 355 | 355 | 355 |
| 40 ft. Containers to Malaysia (Port Kelang) | 353 | 353 | 353 |
| 40 ft. Containers to Vietnam (HCMC) | 355 | 355 | 355 |
| 40 ft. Containers to Japan (Yokohama) | | | |
| 40 ft. containers to Thailand (LCMB) | 365 | 365 | 365 |
| 40 ft. Containers to China (Shanghai) | | | |
| 40 ft. Containers to Bangladesh (Chittagong) | 415 | 415 | 415 |
| 40 ft. Containers to Myanmar (Yangon) | 355 | 355 | 355 |
| KC Rail Yard (delivered ramp) | | | |
| Elwood, IL Rail Yard (delivered ramp) | 243 | 244 | 245 |

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

Markets are proving that “what goes up, must come down”. This year, dry-bulk markets have provided something for everyone, but timing has been everything. After seeing daily hire rates reach 13-year highs in early October, there has been a dramatic selloff. Paper traders decided it was time to take profits and physical markets have been exhibiting a seasonal slowdown in cargo demand as December and Q1 2022 draw near.

Previous exuberance and bullish expectations have softened, and many are now projecting a return to more traditional seasonal market patterns heading into 2022. This would suggest less volatility and less excitement in 2022, but one cannot forget that new vessel additions to the fleet will not keep pace with expected cargo growth over the next three years. Therefore, considerable price uncertainty remains.

Container rates have dropped slightly, but the backlog of ships waiting off the U.S. West Coast continues and logistics remain a mess.

Source: O’Neil Commodity Consulting



| Bulk Freight Indices for HSS — Heavy Grain, Sorghum and Soybeans* November 4, 2021 | | | |
|---|-------------------------------|-----------------------------|---|
| Route and Vessel Size | Current Week (USD/MT) | Change from Previous Report | Remarks |
| 55,000 U.S. Gulf-Japan | \$84.50 | Down \$5.00 | Handymax \$85.00/MT |
| 55,000 U.S. PNW- Japan | \$45.25 | Down \$3.75 | Handymax \$46.75/MT |
| 66,000 U.S. Gulf – China | \$83.50 | Down \$5.00 | North China |
| PNW to China | \$44.50 | Down \$3.75 | |
| 25,000 U.S. Gulf - Veracruz, México | \$29.75 | Down \$1.50 | 3,000 MT daily discharge rate |
| 30-36,000+ U.S. Gulf - Veracruz, México | \$27.00 | Down \$1.75 | Deep draft and 6,000 MT per day discharge rate. |
| 30-38,000 U.S. Gulf - Colombia | \$44.00 \$43.00 \$60.00 | Down \$3.00 | West Coast Colombia at \$52.00 |
| 50,000 MT U.S. Gulf to East Coast Colombia | | | |
| From Argentina | | | |
| 43-45,000 U.S. Gulf - Guatemala | \$49.25 | Down 3.00 | Acajutla/Quetzal - 8,000 out |
| 26-30,000 U.S. Gulf – Algeria | \$70.00 \$72.00 | Down \$3.00 | 8,000 MT daily discharge 3,000 MT daily discharge |
| 26-30,000 US Gulf - Morocco | \$67.50 | Down \$3.00 | 5,000 discharge rate |
| 55-60,000 U.S. Gulf –Egypt | \$69.00 | Down \$4.50 | 60,000 - 55,000 MT - Egypt Romania – Russia - Ukraine \$29.55 - 30.00 - 31.00 France \$43.00 |
| PNW to Egypt | \$69.00 | | |
| 60-70,000 U.S. Gulf – Europe, Rotterdam | \$29.00 | Down \$1.50 | Handymax at +\$2.00 more |
| Brazil, Santos – China | \$65.75 | Down \$5.25 | 54-59,000 Supramax-Panamax 60-66,000 Post Panamax |
| Brazil, Santos – China | \$65.25 | | |
| Northern Coast Brazil - China | \$66.25 | | |
| 56-60,000 Argentina/Rosario-China, Deep Draft | \$71.50 | Down \$5.00 | 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 - Sep 2020 | Jan - Sep 2021 | CHANGE Y/Y (%) | CHANGE Y/Y (MT) |
|--------------------|------------|------------|------------|----------------|----------------|----------------|-----------------|
| <i>World Total</i> | 11,799,279 | 10,792,499 | 10,930,190 | 8,171,690 | 8,586,397 | 5% | 414,707 |
| Mexico | 2,012,746 | 2,022,752 | 1,732,282 | 1,255,965 | 1,738,599 | 38% | 482,634 |
| Vietnam | 1,246,899 | 1,202,103 | 1,280,377 | 923,268 | 1,074,327 | 16% | 151,059 |
| Korea, South | 1,139,457 | 1,242,497 | 1,263,476 | 925,478 | 835,012 | -10% | -90,466 |
| Indonesia | 843,582 | 913,488 | 934,261 | 671,026 | 649,209 | -3% | -21,817 |
| Thailand | 1,016,581 | 574,380 | 848,838 | 720,864 | 290,573 | -60% | -430,291 |
| Turkey | 887,129 | 577,364 | 790,455 | 567,270 | 656,175 | 16% | 88,905 |
| Japan | 465,962 | 516,881 | 463,118 | 405,879 | 316,583 | -22% | -89,296 |
| Canada | 664,483 | 643,994 | 397,450 | 292,931 | 487,136 | 66% | 194,205 |
| Ireland | 396,265 | 277,440 | 291,278 | 227,276 | 238,828 | 5% | 11,552 |
| Philippines | 196,418 | 261,977 | 281,101 | 227,941 | 151,659 | -33% | -76,282 |
| New Zealand(*) | 250,081 | 208,571 | 278,870 | 200,679 | 178,402 | -11% | -22,277 |
| China | 192,174 | 174,338 | 271,697 | 165,394 | 270,220 | 63% | 104,826 |
| Taiwan | 220,547 | 242,521 | 241,254 | 182,828 | 166,540 | -9% | -16,288 |
| Colombia | 220,222 | 200,615 | 209,961 | 147,071 | 186,970 | 27% | 39,899 |
| Israel(*) | 276,156 | 212,153 | 196,975 | 175,177 | 165,122 | -6% | -10,055 |
| Morocco | 190,682 | 223,352 | 188,929 | 136,253 | 172,650 | 27% | 36,397 |
| Egypt | 193,254 | 142,141 | 182,822 | 150,895 | 155,186 | 3% | 4,291 |
| Bangladesh | 150,788 | 160,873 | 164,989 | 107,740 | 132,120 | 23% | 24,380 |
| United Kingdom | 323,780 | 180,625 | 121,609 | 104,219 | 106,629 | 2% | 2,410 |
| Costa Rica | 77,142 | 92,651 | 83,807 | 66,915 | 59,807 | -11% | -7,108 |
| Honduras | 53,526 | 62,508 | 75,218 | 49,974 | 47,162 | -6% | -2,812 |
| Guatemala | 66,435 | 73,214 | 73,335 | 47,371 | 63,453 | 34% | 16,082 |
| Spain | 213,717 | 103,369 | 64,670 | 64,670 | 129,624 | 100% | 64,954 |

Marketing Year (September-August):

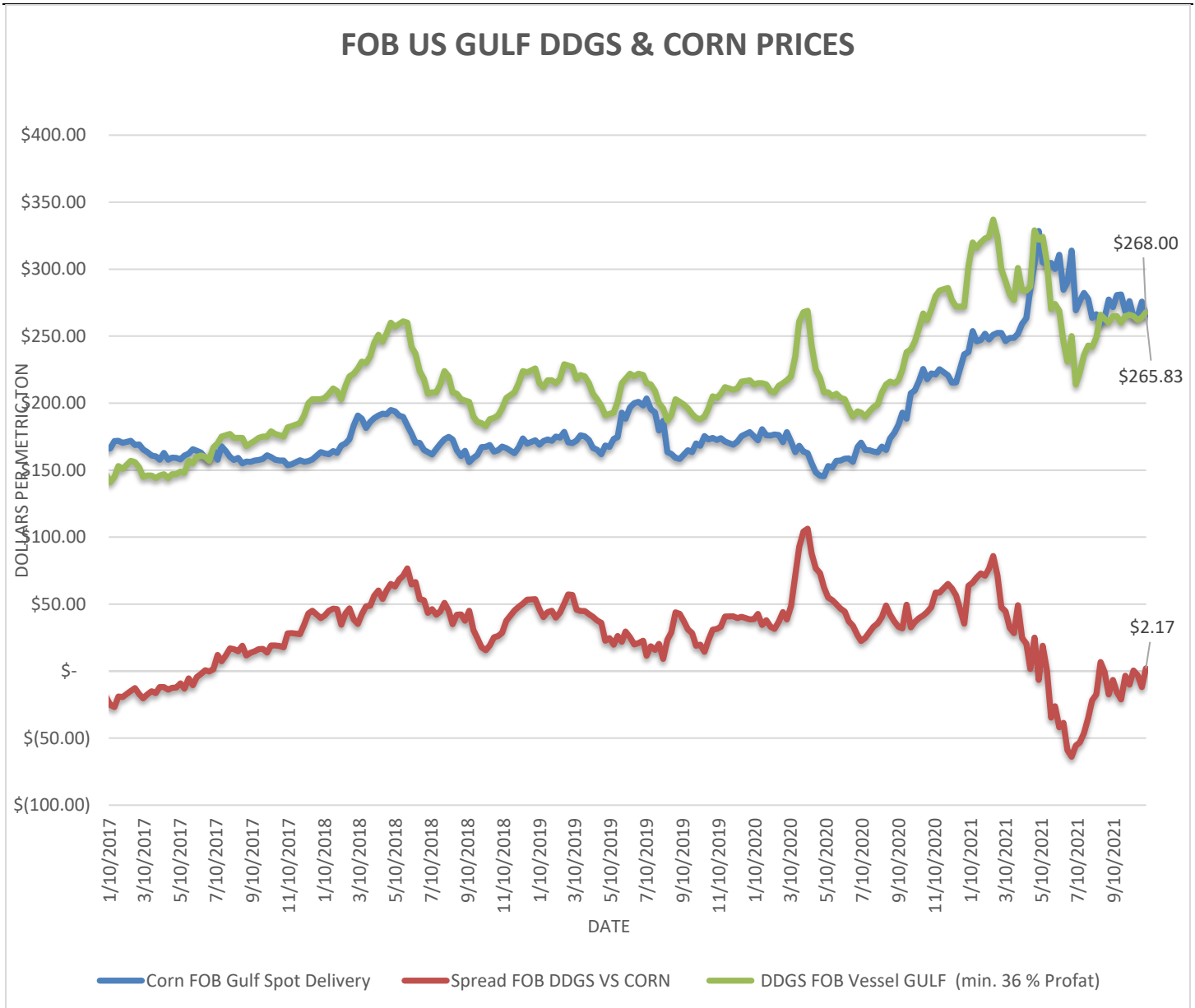
| Partner | MY 18/19 | MY 19/20 | MY 20/21 | Sep-20 | Sep-21 | CHANGE Y/Y (%) | CHANGE Y/Y (MT) |
|--------------------|------------|------------|------------|-----------|---------|----------------|-----------------|
| <i>World Total</i> | 11,271,838 | 10,487,573 | 11,617,032 | 1,125,886 | 853,751 | -24% | -272,135 |
| Mexico | 2,011,034 | 1,789,732 | 2,149,847 | 94,589 | 159,658 | 69% | 65,069 |
| Vietnam | 1,294,321 | 1,206,237 | 1,440,756 | 126,045 | 116,725 | -7% | -9,320 |
| Korea, South | 1,189,038 | 1,209,995 | 1,166,612 | 101,688 | 108,086 | 6% | 6,398 |
| Turkey | 498,947 | 601,596 | 937,058 | 86,187 | 28,489 | -67% | -57,698 |
| Indonesia | 971,736 | 905,812 | 910,667 | 66,947 | 68,724 | 3% | 1,777 |
| Canada | 701,610 | 426,510 | 532,268 | 34,062 | 93,449 | 174% | 59,387 |
| Japan | 481,178 | 482,063 | 475,560 | 114,940 | 13,202 | -89% | -101,738 |
| Thailand | 724,888 | 880,000 | 453,023 | 50,716 | 16,240 | -68% | -34,476 |
| China | 178,169 | 196,858 | 368,620 | 42,074 | 49,977 | 19% | 7,903 |
| Ireland | 339,843 | 259,117 | 330,248 | 55,456 | 28,038 | -49% | -27,418 |
| Colombia | 195,446 | 209,611 | 268,732 | 29,651 | 10,779 | -64% | -18,872 |
| New Zealand(*) | 202,115 | 282,083 | 259,593 | 25,000 | 22,000 | -12% | -3,000 |
| Philippines | 242,381 | 281,616 | 239,773 | 47,872 | 12,918 | -73% | -34,954 |
| Morocco | 218,396 | 200,341 | 236,168 | 10,842 | 0 | -100% | -10,842 |
| Taiwan | 234,317 | 252,422 | 228,718 | 18,078 | 14,326 | -21% | -3,752 |
| Egypt | 79,936 | 158,273 | 228,147 | 56,285 | 15,251 | -73% | -41,034 |
| Bangladesh | 178,891 | 124,516 | 202,256 | 21,845 | 8,958 | -59% | -12,887 |
| Israel(*) | 250,648 | 168,131 | 196,662 | 23,742 | 14,000 | -41% | -9,742 |
| Spain | 179,068 | 20,699 | 154,217 | 43,971 | 19,378 | -56% | -24,593 |
| United Kingdom | 362,848 | 135,149 | 124,019 | 0 | 0 | | 0 |
| Guatemala | 75,909 | 74,232 | 89,417 | 0 | 0 | | 0 |
| Costa Rica | 88,074 | 81,195 | 82,669 | 12,311 | 6,341 | -48% | -5,970 |
| Honduras | 59,954 | 58,640 | 77,280 | 9,558 | 4,684 | -51% | -4,874 |

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 (SEPTEMBER 2021)

FOB US DDGS AND CORN PRICES



FOB US DDGS AND SOYBEAN MEAL PRICES

