



Market Perspectives

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June 15, 2023

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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.



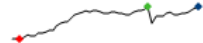




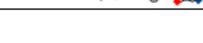
The U.S. Grains Council is a private, non-profit partnership of producers and agribusinesses committed to building and expanding international markets for U.S. barley, corn, grain sorghum and their products. The Council is headquartered in Washington, D.C. and has ten international offices that oversee 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: CME Corn July Contract					
Cents/Bu	Friday June 9	Monday June 12	Tuesday June 13	Wednesday June 14	Thursday June 15
Change	-6	13	-4.75	-4.75	15.5
Closing Price	604.25	617.25	612.50	607.75	623.25
Factors Affecting the Market	The USDA WASDE report did not lower corn production as expected and the market backed off some of the recent gains awaiting more weather information.	Continued dry weather is threatening the crop and on good volume there was weather premium added. The December contract added 18.75 cents and is approaching resistance at 557/bushel.	Old crop July lost 4.75 cents, but new crop futures rose with December adding 2-cents to close at 551.25/bushel.	The market is technically overbought and there was profit-taking on the correction. Notably, the decline on new crop contracts was much shallower with September down 1-cent and December down 2-cents.	The forecast for higher temps and too little rain spiked the market with July futures hitting a two-month high and new crop December futures rising 25.25 cents to 574.5/bushel. Technically the market is overbought but weather is in the driver's seat right now.

Outlook: While corn planted and emerged is ahead of the usual schedule, the lack of moisture prompted USDA to lower the amount rated Good/Excellent by 3 percent points down to 61 percent. Based on the current forecast for more heat but still inadequate moisture, that rating is likely to go still lower. A reasonable expectation for the upcoming USDA Planted Acreage report is that the survey will show farmers planted less corn due to overly dry soils as the Drought Monitor looks the worst since 2012. The market could continue to build weather premium for the rest of June unless some dramatic change occurs in the amount of rainfall hitting the heart of the Corn Belt.

Interest Rates and Macroeconomic Markets, June 15, 2023

	Last*	Weekly Change	Weekly % Change	Monthly Change	Monthly % Change	1-Year History
Interest Rates						
U.S. Prime	7.8	0.0	0.0%	0.0	0.0%	
LIBOR (6 Month)	5.3	0.0	0.3%	0.2	3.9%	
LIBOR (1 Year)	5.7	0.1	1.2%	0.4	7.0%	
S&P 500	3,981.4	-31.0	-0.8%	-198.4	-4.7%	
Dow Jones Industrials	33,003.6	-150.3	-0.5%	-1,050.4	-3.1%	
U.S. Dollar	105.0	0.4	0.4%	3.2	3.2%	
WTI Crude	77.9	2.5	3.3%	2.0	2.7%	
Brent Crude	84.5	2.5	3.1%	2.3	2.8%	

Source: DTN ProphetX, World Perspectives, Inc.

CBOT July Corn Futures



Source: DTN ProphetX

Current Market Values:

Futures Price Performance: Week Ending June 15, 2023			
Commodity	15-Jun	9-Jun	Net Change
Corn			
Jul 23	623.25	604.25	19.00
Sep 23	570.00	524.50	45.50
Dec 23	574.50	530.50	44.00
Mar 24	582.25	540.25	42.00
Soybeans			
Jul 23	1428.25	1386.50	41.75
Aug 23	1368.50	1296.00	72.50
Sep 23	1309.00	1218.00	91.00
Nov 23	1292.25	1204.25	88.00
Soymeal			
Jul 23	394.20	397.20	-3.00
Aug 23	390.40	390.00	0.40
Sep 23	386.80	379.10	7.70
Oct 23	383.30	368.90	14.40
Soyoil			
Jul 23	58.43	54.59	3.84
Aug 23	57.45	53.50	3.95
Sep 23	56.88	52.75	4.13
Oct 23	56.56	52.18	4.38
SRW			
Jul 23	661.50	630.25	31.25
Sep 23	672.75	641.75	31.00
Dec 23	686.75	658.00	28.75
Mar 24	699.00	672.00	27.00
HRW			
Jul 23	812.75	797.75	15.00
Sep 23	808.75	793.75	15.00
Dec 23	806.00	792.75	13.25
Mar 24	799.75	788.50	11.25
MGEX (HRS)			
Jul 23	809.25	811.75	-2.50
Sep 23	807.75	812.50	-4.75
Dec 23	812.25	817.50	-5.25
Mar 24	818.25	823.25	-5.00

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

U.S. Weather/Crop Progress

U.S. Crop Planting Progress				
Commodity	June 11, 2023	Last Week	Last Year	5-year avg.
Corn	n/a	n/a	n/a	n/a
Sorghum	64%	49%	65%	68%
Barley	97%	92%	96%	98%

Source: USDA NASS, World Perspectives, Inc.

U.S. Crop Conditions Ratings: June 11, 2023					
Commodity	Very Poor	Poor	Fair	Good	Excellent
Corn	2%	6%	31%	51%	10%
Sorghum	2%	6%	35%	49%	8%
Barley	1%	5%	36%	56%	2%

Source: USDA NASS, World Perspectives, Inc.

U.S. Drought Monitor Weather Forecast: According to the Weather Prediction Center, over the next 6 days (June 15 - 20) warm temperatures are forecast to build across central portions of the lower 48 states, with cooler temperatures forecast across much of the Intermountain West and the West Coast leading up to June 20. Generally seasonal temperatures are likely east of the Mississippi River. Rainfall is forecast across a large swath of the lower 48 states from the Pacific Northwest to the Southeast, and northward along the East Coast. In the Southeast, heavy precipitation (in excess of 5 inches) is forecast for parts of the Deep South and the central and eastern Gulf Coast region.

During the next 6 to 10 days (June 20 - 24), the Climate Prediction Center favors below normal temperatures across the western third of the lower 48 states, and across parts of the Mid-Atlantic coast and Appalachians. Above normal temperatures are favored for the Great Plains, Mississippi River Valley, Great Lakes, interior Northeast, and southern Florida. Above normal precipitation is indicated across northwestern and north-central portions of the lower 48 states, and across the Southeast and Mid-Atlantic states. Below normal precipitation is weakly favored across parts of southern Texas and extending into the Four Corners region, parts of the Midwest, and northern New England.

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

U.S. Export Statistics

U.S. Export Sales and Exports: Week Ending June 8, 2023					
Commodity	Gross Sales (MT)	Exports (MT)	YTD Exports (000 MT)	YTD Bookings (000 MT)	% Change YTD Bookings
Wheat	203,000	249,700	439.9	3,951.2	-18%
Corn	315,100	1,192,600	32,978.1	38,612.0	-35%
Sorghum	115,500	52,100	1,458.0	1,956.3	-71%
Barley	7,000	0	0.0	16.3	18%

Source: USDA, World Perspectives, Inc.

Corn: Net sales of 273,300 MT for 2022/2023 were up 58 percent from the previous week and up noticeably from the prior 4-week average. Increases primarily for Japan (173,300 MT, including 160,500 MT switched from unknown destinations and decreases of 7,700 MT), Mexico (157,700 MT, including 31,000 MT switched from unknown destinations and decreases of 2,200 MT), Colombia (113,700 MT, including 91,000 MT switched from unknown destinations and decreases of 17,700 MT), Honduras (60,200 MT, including 7,500 MT switched from Nicaragua and decreases of 5,200 MT), and Guatemala (19,600 MT), were offset by reductions for unknown destinations (279,500 MT), Nicaragua (7,500 MT), the French West Indies (7,300 MT), and China (600 MT). Net sales of 21,100 MT for 2023/2024 were primarily for Honduras (9,800 MT) and Canada (8,200 MT). Exports of 1,192,600 MT were down 4 percent from the previous week and 10 percent from the prior 4-week average. The destinations were primarily to Mexico (367,000 MT), Japan (304,500 MT), China (204,500 MT), Colombia (139,600 MT), and South Korea (67,600 MT).

Barley: Total net sales of 7,000 MT for 2023/2024 were for Mexico. No exports were reported for the week.

Sorghum: Net sales of 114,200 MT for 2022/2023 were up 75 percent from the previous week and up noticeably from the prior 4-week average. Increases were reported for China (109,200 MT, including decreases of 1,400 MT and 55,000 MT - late) and Mexico (5,000 MT). Exports of 52,100 MT were up 3 percent from the previous week, but down 19 percent from the prior 4-week average. The destination was to China.

U.S. Export Inspections: Week Ending June 8, 2023

Commodity (MT)	Export Inspections		Current Market YTD	Previous YTD	YTD as Percent of Previous
	Current Week	Previous Week			
Barley	0	0	0	0	0%
Corn	1,169,134	1,206,808	31,102,774	44,988,423	-31%
Sorghum	59,161	49,861	1,778,921	6,469,020	-73%
Soybeans	140,179	222,305	48,837,286	50,529,510	-3%
Wheat	246,559	304,400	317,051	638,625	-50%

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 June 8, 2023

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	630,374	54%	0	0%	58,825	99%
PNW	332,446	28%	269	100%	0	0%
Interior Export Rail	206,045	18%	0	0%	336	1%
Total (Metric Tons)	1,168,865	100%	269	100%	59,161	100%
White Corn Shipments by Country (MT)			269	to Mexico		
Total White Corn			269			
Sorghum Shipments by Country (MT)					6,809 51,469 367 336	to Chad to China to Mozambique to Mexico
Total Sorghum					59,161	

Source: USDA, World Perspectives, Inc.

Yellow Corn (USD/MT FOB Vessel*)				
YC FOB Vessel Max. 15.0% Moisture	GULF		PNW	
	Basis	Flat Price	Basis	Flat Price
	(#2 YC)	(#2 YC)	(#2 YC)	(#2 YC)
June	0.78+N	\$276.07	1.37+N	\$299.10
July	0.57+N	\$267.80	1.16+N	\$290.83
August	1.10+U	\$267.70	1.71+U	\$291.52
September	0.75+U	\$253.92	1.36+U	\$277.74
October	0.80+Z	\$257.66	1.40+Z	\$281.09
November	0.85+Z	\$259.63	1.43+Z	\$282.27

Sorghum (USD/MT FOB Vessel*)				
#2 YGS FOB Vessel Max 14.0% Moisture	NOLA		TEXAS	
	Basis	Flat Price	Basis	Flat Price
June	N/A	N/A	1.30+N	\$296.54
July	N/A	N/A	1.15+N	\$290.63
August	N/A	N/A	1.60+U	\$287.39

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

Corn Gluten Feed Pellets (CGFP) (FOB Vessel U.S. \$/MT*)			
	June	July	August
New Orleans	\$230	\$230	\$230
<i>Quantity 5,000 MT</i>			

Corn Gluten Meal (CGM) (FOB Vessel U.S. \$/MT*)			
Bulk 60% Pro.	June	July	August
New Orleans	\$680	\$680	\$680
<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.*

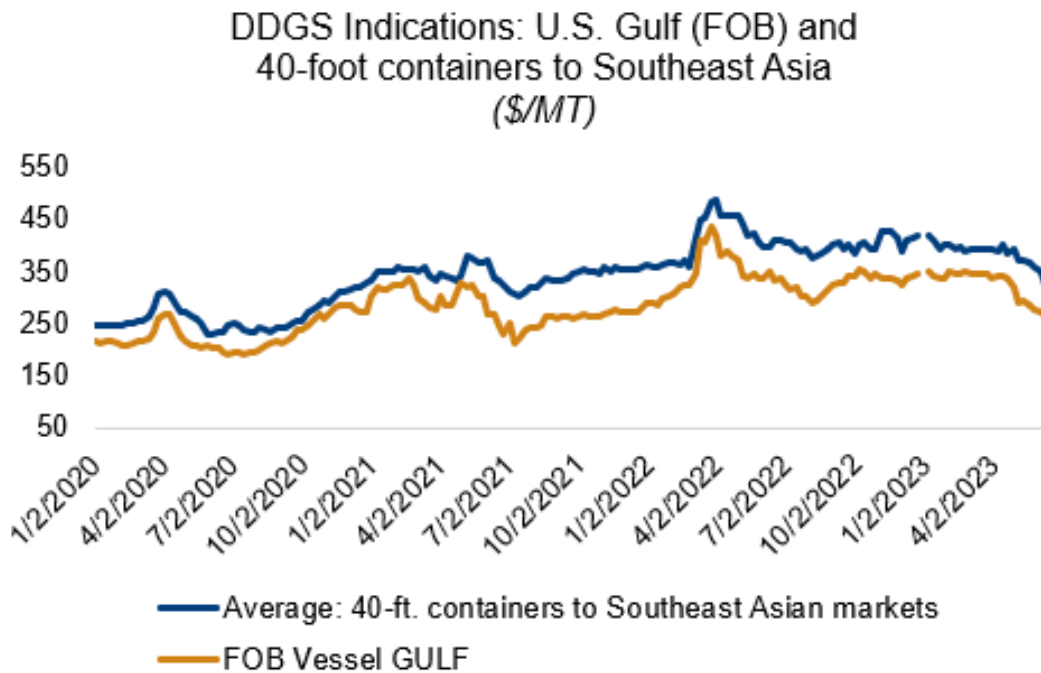
DDGS Price Table: June 15, 2023 (USD/MT)
 (Quantity, availability, payment, and delivery terms vary)

Delivery Point Quality Min. 35% Pro-fat combined	July	August	September
Barge CIF New Orleans	256	254	253
FOB Vessel GULF	264	261	259
Rail delivered PNW	286	286	286
Rail delivered California	293	291	289
Mid-Bridge Laredo, TX	280	280	280
FOB Lethbridge, Alberta	275	272	267
40 ft. Containers to South Korea (Busan)	308	304	304
40 ft. Containers to Taiwan (Kaohsiung)	339	335	335
40 ft. Containers to Philippines (Manila)	328	324	324
40 ft. Containers to Indonesia (Jakarta)	320	317	315
40 ft. Containers to Malaysia (Port Kelang)	325	323	319
40 ft. Containers to Vietnam (HCMC)	322	319	317
40 ft. Containers to Japan (Yokohama)	N/A	N/A	N/A
40 ft. containers to Thailand (LCMB)	325	323	319
40 ft. Containers to China (Shanghai)	N/A	N/A	N/A
40 ft. Containers to Bangladesh (Chittagong)	N/A	N/A	N/A
40 ft. Containers to Myanmar (Yangon)	320	317	315
KC Rail Yard (delivered ramp)	268	267	266
Elwood, IL Rail Yard (delivered ramp)	264	263	262

*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: DDGS are \$3/MT higher this week following last week's 1.8 percent decline in ethanol production. Corn prices are rising but after the 3.1 percent draw down in ethanol stocks last week there is still a need to supply the market. The DDGS/KC ratio is .53, up slightly from last week's .52 ratio. And it is higher than the three-year average of .5. The DDGS/cash corn ratio is .99, up slightly from last week's .98 ratio and below the three-year avg of 1.03. Barge rates, North American rail rates and containers to Southeast Asia were all mostly higher, though FOB Gulf vessel rates declined.



Source: World Perspectives, Inc.

Country News

Algeria: State agency ONAB tendered for 140 KMT of corn and 105 KMT was believed to be purchased at \$260/MT C&F based on optional origin and delivery in June/July. (Refinitiv)

Brazil: Conab increased its estimate for the safrinha corn crop to 96.3 MMT and increased the overall corn crop by 0.15 percent. AgRural says 2.2 percent of the overall safrinha corn crop has been harvested. The amount of corn rated good in Paraná was lowered. IMEA reports that with 3.9 percent completed, forward sales of corn in Mato Grosso have increased. Emater says the Rio Grande do Sul corn harvest is near complete. (Reuters; AgriCensus)

EU: European grain trade association Coceral lowered its forecast for this year's grain production due to dry weather in northern Europe and Spain. Barley was deemed most adversely impacted. FranceAgriMer said the French winter barley crop would be the largest since 2019. French corn sowing is nearing the finish as conditions for the crop ease. (Reuters; AgriCensus)

Iran: State agency SLAL tendered for corn. (AgriCensus)

Russia: The export tax on corn was lowered for June 14 – 20. (AgriCensus)

South Korea: Feed companies purchased a total of 198 KMT of corn for October/November delivery with NOFI taking 138 KMT of the haul. (AgriCensus)

Ukraine: Corn sowing will be close to the previous year's level. (AgriCensus)

Ocean Freight Markets and Spreads

Bulk Freight Indices for HSS — Heavy Grain, Sorghum and Soybeans*			
June 15, 2023			
Route and Vessel Size	Current Week (USD/MT)	Change from Previous Report	Remarks
55,000 U.S. Gulf-Japan	\$48.50	Up \$0.50	Handymax \$48.00 MT
55,000 U.S. PNW- Japan	\$27.00	Up \$0.50	Handymax at \$26.50 MT
66,000 U.S. Gulf – China	\$47.50	Up \$0.50	North or South China
PNW to China	\$26.50	Up \$0.50	
25,000 U.S. Gulf - Veracruz, México	\$22.00	Up \$0.25	3,000 MT daily discharge rate
30-36,000+ U.S. Gulf - Veracruz, México	\$18.50	Up \$0.25	Deep draft and 6,000 MT per day discharge rate.
30-38,000 U.S. Gulf - Colombia	\$27.25	Up \$0.25	West Coast Colombia at \$30.25
50,000 MT U.S. Gulf to East Coast Colombia	\$25.25		
From Argentina	\$35.25		
43-45,000 U.S. Gulf - Guatemala	\$29.75	Up \$0.25	Acajutla/Quetzal - 8,000 out
26-30,000 US Gulf - Morocco	\$31.50		5,000 discharge rate
55-60,000 U.S. Gulf –Egypt	\$28.50	Up \$0.50	55,000-60,000 MT Egypt Romania - Russia- Ukraine \$16.00 - \$17.50 - \$49.00 - France \$23.00, Bulgaria \$16.00
PNW to Egypt	\$29.50		
60-70,000 U.S. Gulf – Europe, Rotterdam	\$26.50	Unchanged	Handymax at +\$2.50 more
Brazil, Santos – China	\$38.00	Up \$0.50	54-59,000 Supramax-Panamax 60-66,000 Post Panamax 55-60,000 MT
Brazil, Santos – China	\$36.00		
Northern Coast Brazil - China	\$42.00		
56-60,000 Argentina/Rosario-China, Deep Draft	\$44.00	Up \$0.50	Upriver with Top Off Plus \$3.85-4.75

Source: O'Neil Commodity Consulting

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

Ocean Freight Comments

Transportation and Export Report: Jay O'Neil, O'Neil Commodity Consulting: The biggest news in ocean freight markets this week was the agreement reached between the PMA and ILWU on a new 6-year labor contract for West Coast container ports. This is great news for all consumer supply chain markets and Grain container Traders. On the Dry bulk side, markets remained fairly quiet but did show slight improvement. FFA paper markers were up marginally, and physical markets moved upward by less than \$1.00. /mt in most markets. Panamax FFA July paper up only 1000 points from \$10,500/day to \$11,500/day. Q3 up about the same to at 12,450/day. Q4 is flat at \$12,500/day.

Baltic-Panamax Dry-Bulk Indices				
June 15, 2023	This Week	Last Week	Difference	Percent Change
Route				
P2A: Gulf/Atlantic – Japan	18,564	18,291	273	1.5
P3A: PNW/Pacific– Japan	10,268	9,448	820	8.7
S1C: U.S. Gulf-China-S. Japan	15,339	19,500	-4,161	-21.3

Source: O'Neil Commodity Consulting

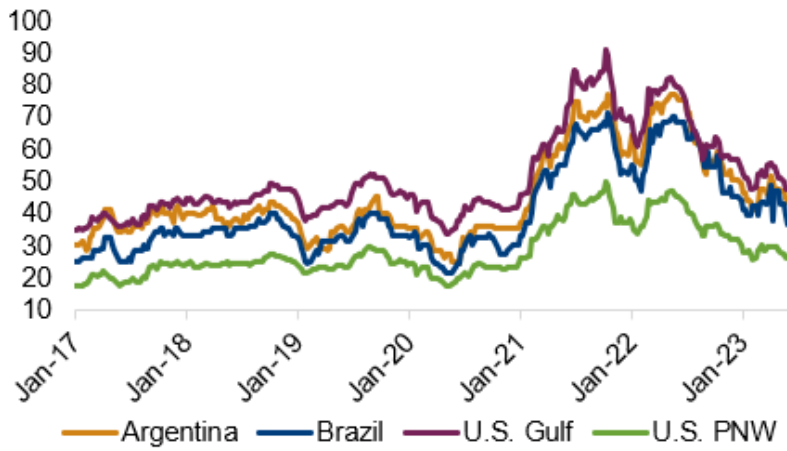
Capesize Vessel Freight Values	
Western Australia to South China (iron ore)	
Four weeks ago:	\$8.70-9.10
Three weeks ago:	\$8.65-8.75
Two weeks ago:	\$7.50-8.12
One week ago:	\$8.20-8.52
This week	\$8.45-8.50

Source: O'Neil Commodity Consulting

U.S.-Asia Market Spreads					
June 15, 2023	PNW	Gulf	Bushel Spread	MT Spread	Advantage
#2 Corn	1.20	0.54	0.66	\$25.98	GULF
Soybeans	1.55	0.72	0.83	\$30.50	GULF
Ocean Freight	\$26.00	\$47.00	0.53-0.57	\$21.00	July

Source: O'Neil Commodity Consulting

Bulk Grain Freight Rates to Japan from Select Origins



Source: *World Perspectives, Inc.*

Bulk Grain Freight Rates for Key Suppliers and Destinations
June 15, 2023

Origin	Destination	This Week	Monthly Change	Monthly % Change	Yearly Change	Yearly % Change	2-Year History
<i>Panamax/Supramax Vessels</i>							
U.S. Gulf		48.50	-2.50	-4.9%	-31.00	-39.0%	
U.S. PNW	Japan	27.00	-1.25	-4.4%	-18.25	-40.3%	
Argentina		45.00	-2.00	-4.3%	-30.50	-40.4%	
Brazil		39.00	-4.00	-9.3%	-29.50	-43.1%	
U.S. Gulf	China	47.50	-2.50	-5.0%	-31.00	-39.5%	
U.S. PNW		26.50	-1.25	-4.5%	-18.00	-40.4%	
Argentina		44.00	-1.00	-2.2%	-32.50	-42.5%	
Brazil		38.00	-4.00	-9.5%	-39.50	-51.0%	
U.S. Gulf	Europe	26.80	-3.00	-10.1%	-8.60	-24.3%	
Argentina		42.00	0.00	0.0%	-9.40	-18.3%	
Brazil		42.00	0.00	0.0%	-12.40	-22.8%	
Argentina	Saudi Arabia	64.00	0.00	0.0%	2.50	4.1%	
Brazil		65.00	0.00	0.0%	-0.50	-0.8%	
U.S. Gulf	Egypt	28.50	-1.50	-5.0%	-45.50	-61.5%	
U.S. PNW		29.00	-1.50	-4.9%	-35.50	-55.0%	
Argentina		56.00	0.00	0.0%	-17.50	-23.8%	
Brazil		63.00	0.00	0.0%	-17.50	-21.7%	
<i>Handysize Vessels</i>							
U.S. Gulf	Morocco	31.50	-1.50	-4.5%	-42.00	-57.1%	
U.S. Great Lakes		60.50	-0.50	-0.8%	-0.50	-0.8%	
Argentina		56.00	3.00	5.7%	-9.50	-14.5%	
Brazil		52.00	0.00	0.0%	-16.50	-24.1%	
U.S. Great Lakes	Europe	51.50	-0.50	-1.0%	-11.70	-18.5%	
Brazil		43.50	0.00	0.0%	-25.10	-36.6%	
Argentina	Algeria	56.00	3.00	5.7%	-11.50	-17.0%	
Brazil		53.00	0.00	0.0%	-16.50	-23.7%	
U.S. Gulf	Colombia	27.25	-1.25	-4.4%	-17.75	-39.4%	
U.S. PNW		20.00	0.00	0.0%	-29.80	-59.8%	
Argentina		35.25	-2.75	-7.2%	-21.00	-37.3%	
<i>Shipping Indexes</i>							
Baltic Dry Index		1056	-466	-30.6%	-1204	-53.3%	

Source: World Perspectives, Inc.

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.