



# U.S. GRAINS COUNCIL

## Market Perspectives

---

August 1, 2024

# Table of Contents

---

- Chicago Board of Trade Market News ..... 3
  - Outlook..... 4
- CBOT September 2024 Corn Futures ..... 5
  - Current Market Values..... 5
- U.S. Weather/Crop Progress..... 6
  - Highlights: ..... 6
  - Outlook: ..... 7
- FOB..... 9
- Distiller’s Dried Grains with Solubles (DDGS) ..... 10
  - DDGS Comments..... 10
- Ocean Freight Markets and Spreads..... 11
  - Ocean Freight Comments ..... 11
- U.S. Export Statistics ..... 13
  - Corn..... 13
  - Barley ..... 13
  - Sorghum..... 14

**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 September Contract |  |  |   |  |   |
|---|--|--|---|--|---|
| Cents/Bu                                    | Friday,<br>July 26, 2024   | Monday,<br>July 29, 2024   | Tuesday,<br>July 30, 2024   | Wednesday,<br>July 31, 2024  | Thursday,<br>Aug 1, 2024  |
| Change                                      | -11.50   | 1.75   | -7.50   | -6.00  | -1.25   |
| Closing Price                               | 394.50   | 396.25   | 388.75  | 382.75   | 382.00  |
| Factors Affecting the Market                | Overnight trade was mixed with corn up 1 cent, soybeans down 4 cents and wheat unchanged. The daytime trade saw prices weaken with corn down 7 to 8 cents, soybeans down nearly 20 cents and wheat down 9 to 10 cents. The U.S. GFS weather model is producing a tropical system for the NE U.S. next week and allows some cooler temperatures to spread across the eastern half of the U.S. after August 8 <sup>th</sup> and this is making traders less confident in the “hot & dry” forecast for the western Cornbelt. The EU weather model still calls for extreme heat and dryness. But these types of blips in the weather forecasts can add a lot of day-to-day volatility in grain prices. Weekly export sales were supportive with 745,200 mt of corn sold for the 2024/25 marketing year. The capital markets staged a strong rebound on Friday on expectations of a Fed rate cut in Sept. | CBOT futures were lower overnight with soybeans leading the way down dropping 16 cents, corn down 2 cents and wheat down 3 cents. Friday’s sharp losses and weekend news about the U.S. establishing a new military command base in Japan to bolster its SE Asian Pacific presence helped propel the selling. Wheat, soybeans, and soyoil futures scored new contract lows in the decline. The heat is on across North America with above to much above normal temps forecast into August 8 <sup>th</sup> . The heat will push crop maturities with Canadian & Western Cornbelt crops suffering from deepening dryness. Kansas will be the epicenter of the heat with numerous days in the 100s in many places around the region. Central and Eastern Cornbelt weather has the potential for significant rainfall coverage ahead of the hot weather. | CBOT futures were lower overnight again with soybeans down 12 cents, corn down 3 cents and wheat down 11 cents. Corn futures closed out the Tuesday session with 3 to 7 ½ cent lower trade, as better crop ratings and a less threatening forecast provided no support. A wetter outlook for the next week weighed on the market. The 7-day forecast shows 1–2-inch rainfall totals for much of MN, WI, IA, IL, IN, and OH. Crop Progress data from Monday afternoon showed 77% of the U.S. corn crop was silking as of July 28, 1% point above the 5-year average. Most of the northern states, MN and the Dakotas, were lagging their average. NASS also reported 30% of the crop in the dough stage, 8 points faster than normal. U.S. corn condition ratings were up 1% point from the week prior to 68% in G/E conditions. In general, Eastern areas improved, NW areas declined in condition ratings. | CBOT prices were in rebound mode overnight with soybeans up 10 cents, wheat up 2 cents and corn unchanged. The daytime session turned lower again. Shortly after the open, soybeans were down 5 cents, corn down 6 cents and wheat down 5 to 8 cents. The Bank of Japan raised its lending rate to 0.25%, the first time it has been “positive” in nearly a quarter century in an attempt to support the value of the Yen. The dollar weakened on this news and if the U.S. Federal Reserve begins to lower its rates in September, that should allow the dollar to weaken further. Oil prices rallied in response to the weakening dollar. The heat is on in the Central U.S. Plains states with temps in the upper 90s to low 100s. Areas receiving this will see rapid crop maturity, shorter earfill time, and likely some reduction in yield potential. Iowa, IL and IN will see scattered showers which will dampen the heat effects in these areas and likely enhance yields there. | Mixed and quiet overnight trade with corn down 1 cent, wheat up 3 cents, and soybeans up 2 cents. During the daytime session, corn drifted lower, wheat remained firm, and soybeans moved lower on weakness in soyoil. The stock market opened higher but fell sharply once the market digested some tech-related earnings reports and started focusing on recent weakness in consumer spending. WTI crude oil futures were also lower which added to the negative tone for corn and soybeans. NASS has confirmed that its August crop production report will include acreage adjustments from FSA data. These adjustments have normally come later in the year but will be in the August report. The trade expects total corn and soybean acres to decline by at least two million acres, likely spread evenly between corn and soybeans. Complicated weather scenario setting up with heat and dryness continuing in the western Cornbelt and heavy rains for the eastern Cornbelt. |

## Outlook

The heat is on in the U.S. Plains states and the market doesn't care. Corn, soybean and wheat prices dropped sharply Friday and continued the weakness through the first several trading days of the week. Crop condition rating dropped slightly in the western areas of the Cornbelt but improved in the Eastern Cornbelt with good rainfall coverage before warmer temperatures arrived. Crop consultant, Dr. Michael Cordonnier left his corn yield forecast at 181.5 bushels per acre and U.S. corn production at 14.97 billion bushels. He noted that July weather was generally favorable for crop development with rain where needed and soil moisture often replenished before above normal temperatures developed.

Most of the U.S. corn crop pollinated under favorable conditions and this sets the stage for relatively large crops, even record yields, if August weather is not too detrimental. Corn acres in Kansas and Nebraska are most likely to experience excessively hot temperatures in the next week to 10 days. Central Cornbelt and Eastern Cornbelt acres are likely to see some moisture ahead of above normal temperatures. The heat in early August is likely to speed up maturity of the corn crop and shorten the time for earfill which usually results in a few less bushels as the weight of each ear may be less than optimal.

A crop tour in Bulgaria tends to confirm that corn production in southeastern Europe, Romania, and Ukraine could be significantly less than last year if the pictures of damaged ears are representative of widespread crop damage in the area. Excessive heat and dryness have been seen across much of that area throughout the spring and summer growing season.

The Bank of Japan raised its lending rate to 0.25% for the first time in 20+ years. In response to the rate hike, the dollar weakened, and the yen strengthened. Japan's central bank hinted at additional rate hikes to help lower the cost of imported goods like food and fuel. The U.S. Federal Reserve is expected to lower its key lending rates beginning in September and this could signal the start of a rate-easing cycle by the Federal Reserve which should help rebalance international currencies in a way that favors more grain sales from the U.S.

The "looming outlook question" is "why is China being so slow in picking up U.S. corn and soybeans supplies when U.S. prices are very competitive with prices in South America?" Cash-connected trade sources are confident that China will secure sizeable quantities of U.S. corn and soybeans, but the timing is quite uncertain. To date, China has booked about 1 MMTs to Brazilian corn (via vessel counts) which is 5 MMT below last year's record sales pace. With U.S. corn cheaper than Brazilian offers, one would think that China may be considering switching to U.S.-origin corn for future corn import demand. Brazilian corn prices have not fallen as fast as U.S. corn prices as Brazilian farmers are not wanting to sell corn below the government's minimum price offer. U.S. corn prices are low enough that they should attract more attention from foreign buyers. One wonders if the attention U.S. lawmakers are putting on allegations of fake Used Cooking Oil (UCO) being imported from China are affecting other aspects of U.S.-China ag trade.

CBOT corn prices have already priced in a record U.S. corn yield, with some suggesting that current prices reflect a national yield expectation of 184 to 185 bushels per acre. Central and eastern Cornbelt acres will have to carry that record yield as western Cornbelt acres are being hurried along and stressed.

## CBOT September 2024 Corn Futures



## Current Market Values

| Futures Price Performance: Week Ending August 1, 2024  |          |           |            |
|--|----------|-----------|------------|
| Commodity/Contract month   | 1-Aug-24 | 25-Jul-24 | Net Change |
| <b>Corn</b>  |          |           |            |
| Sep 24   | 382.00   | 406.00    | -24.00     |
| Dec 24   | 398.50   | 420.75    | -22.25     |
| Mar 25   | 415.25   | 435.25    | -20.00     |
| May 25   | 426.25   | 445.50    | -19.25     |
| <b>Soybeans</b>  |          |           |            |
| Aug 24   | 1022.00  | 1116.00   | -94.00     |
| Sep 24   | 1009.00  | 1074.50   | -65.50     |
| Nov 24   | 1016.50  | 1079.50   | -63.00     |
| Jan 25   | 1032.25  | 1093.75   | -61.50     |
| <b>Soybean Meal</b>  |          |           |            |
| Aug 24   | 355.90   | 352.40    | 3.50       |
| Sep 24   | 328.00   | 334.20    | -6.20      |
| Oct 24   | 314.90   | 326.60    | -11.70     |
| Dec 24   | 316.20   | 329.20    | -13.00     |
| *Price Unit: Corn/Soybeans: Cents and quarter-cents/bu. (5,000 bu.); Meal: \$/ton (100 tons) |          |           |            |

## U.S. Weather/Crop Progress

| U.S. Crop Progress (Corn Silking, Barley & Sorghum Headed, SB Blooming ) |      |         |        |          |
|--|------|---------|--------|----------|
| Week Ending/Commodity  | Corn | Sorghum | Barley | Soybeans |
| July 28, 2024  | 77   | 47      | 89     | 77       |
| July 21, 2024  | 61   | 34      | 84     | 65       |
| July 28, 2023  | 79   | 42      | 96     | 79       |
| 5-Year Average   | 76   | 42      | 96     | 74       |
| Source: USDA-NASS, Decision Innovation Solutions                         |      |         |        |          |

| U.S. Crop Condition Rating (Percent) Week Ending: July 28, 2024 |      |         |        |          |
|---|------|---------|--------|----------|
| Rating/Commodity  | Corn | Sorghum | Barley | Soybeans |
| Excellent   | 16   | 10      | 7      | 13       |
| Good  | 52   | 45      | 62     | 54       |
| Fair  | 23   | 32      | 26     | 25       |
| Poor  | 6    | 9       | 5      | 6        |
| Very Poor   | 3    | 4       | 0      | 2        |
| Source: USDA-NASS, Decision Innovation Solutions                |      |         |        |          |

### Highlights:

- 77% of the corn is silking which means that probably half the corn crop has completed pollination and is moving into the dough or ear-fill stage. This is 16 points higher than a week ago, 2 points behind last year, and 1 point ahead of the 5-year average. Sorghum heading is at 47%, 5 points ahead of last year and the 5-year average. Barley heading at 89%, increased 5 points this week but is now 7 points behind last year and 7 points behind the 5-year average. Soybean blooming is at 77%, up 12 points from last week, 2 points behind last year, but 3 points ahead of the 5-year average.
- The corn crop condition held steady this week with the Good/Excellent rating remaining at 68%. Individual state reports show the crop deteriorating in the north and western parts of the Cornbelt but improving in the central and eastern Cornbelt. The barley condition G/E rating declined 5 points to 69%. The soybean condition rating dropped 1 point at 67% G/E.
- In the West, hot weather has returned, with Thursday's high temperatures expected to top 100°F as far north as southeastern Washington. Meanwhile, the Southwestern monsoon circulation is producing a few showers, mainly in Arizona and New Mexico. Nearly 100 Western wildfires are in various stages of containment, with northern California's Park Fire, near Chico, having burned more than 391,000 acres of vegetation and having damaged or destroyed nearly 500 structures.
- On the Plains, hot weather prevails, despite the passage of a weak cold front through parts of Kansas and Oklahoma. South of the front, Thursday's high temperatures should range from 100 to 105°F on the southern Plains. However, temperatures could also reach 100°F as far north as

eastern Montana. The hot, mostly dry conditions favor fieldwork, including small grain harvesting, but are reducing soil moisture for rangeland, pastures, and immature summer crops.

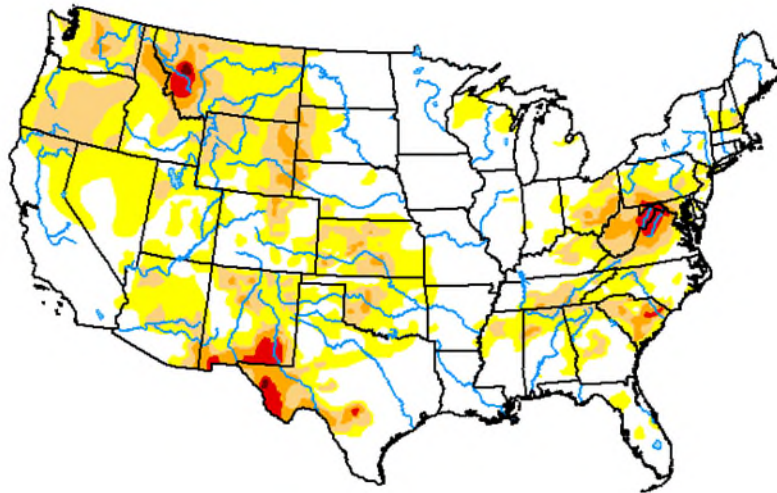
- In the Corn Belt, an active cold front is producing widespread showers and thunderstorms from the Mississippi Valley eastward. Aside from isolated wind and hail damage, along with pockets of flash flooding, rain is benefiting reproductive to filling corn and soybeans. Additionally, temperatures remain favorable for Midwestern summer crops, except in the southwestern corner of the Corn Belt.
- In the South, hot, humid weather is promoting a rapid pace of crop development. Thursday's high temperatures should generally range from 95 to 100°F in non-coastal, low-elevation sites. Lingering drought is primarily confined to the northern and interior sections of the region, with topsoil moisture in Virginia rated 49% very short to short on July 28.

## Outlook:







Except from the Midwest into the Northeast, hot weather will span much of the country during the next several days. Frequent readings of 100°F or higher will occur at lower elevations of the West, as well as the central and southern Plains and mid-South. Meanwhile, a final round of Midwestern showers will mostly end on Friday, although rain may linger into Saturday in parts of the Ohio Valley. Eastern rain will be slower to depart, with showers continuing through the weekend—and into early next week across the lower Southeast. Farther west, only spotty showers will occur during the next 5 days in the western and central U.S., with some of the most substantial rain (locally 1 to 2 inches) associated with the Southwestern monsoon circulation. Late in the weekend and early next week, thunderstorms may erupt across the northern Plains and upper Midwest, as substantially cooler air begins to surge southward. The NWS 6- to 10-day outlook for August 6 – 10 calls for below-normal temperatures across the North, from eastern Montana to New England, while hotter-than-normal conditions will cover the southern half of the U.S. and the Far West. Meanwhile, near- or above-normal rainfall can be expected nationwide, with central sections of the Rockies and High Plains having the greatest likelihood of experiencing wet weather.

# U.S. Drought Monitor Contiguous U.S. (CONUS)

**July 30, 2024**  
(Released Thursday, Aug. 1, 2024)  
Valid 8 a.m. EDT



**Intensity:**

-  None
-  D0 Abnormally Dry
-  D1 Moderate Drought
-  D2 Severe Drought
-  D3 Extreme Drought
-  D4 Exceptional Drought

*The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. For more information on the Drought Monitor, go to <http://droughtmonitor.unl.edu/About.aspx>*

**Author:**

Lindsay Johnson  
National Drought Mitigation Center



[droughtmonitor.unl.edu](http://droughtmonitor.unl.edu)



# FOB

| Yellow Corn (\$USD/MT FOB Vessel, Values as of July 31, 2024) |                  |                             |                  |                          |                  |                          |
|---|------------------|-----------------------------|------------------|--------------------------|------------------|--------------------------|
| #2 YC FOB Vessel<br>Max. 15% Moisture<br>Delivery Month       | Futures<br>Month | Futures<br>Price<br>(\$/bu) | GULF             |                          | PNW              |                          |
|   |                  |                             | Basis<br>(\$/bu) | Flat Price<br>(\$USD/MT) | Basis<br>(\$/bu) | Flat Price<br>(\$USD/MT) |
| August  | U                | \$3.8275                    | \$0.80           | \$182.18                 | \$1.39           | \$205.40                 |
| September   | U                | \$3.8275                    | \$0.84           | \$183.75                 | \$1.36           | \$204.22                 |
| October   | Z                | \$3.9975                    | \$0.79           | \$188.48                 | N/A              | N/A                      |
| November  | Z                | \$3.9975                    | \$0.84           | \$190.44                 | \$1.42           | \$213.28                 |
| December  | Z                | \$3.9975                    | \$0.85           | \$190.84                 | \$1.45           | \$214.46                 |
| January   | H                | \$4.1575                    | N/A              | N/A                      | N/A              | N/A                      |

| Sorghum (\$USD/MT FOB Vessel, Values as of July 31, 2024) |                  |                             |                  |                          |                  |                          |
|---|------------------|-----------------------------|------------------|--------------------------|------------------|--------------------------|
| #2 YGS FOB Vessel Max.<br>14% Moisture<br>Delivery Month  | Futures<br>Month | Futures<br>Price<br>(\$/bu) | NOLA             |                          | TEXAS            |                          |
|   |                  |                             | Basis<br>(\$/bu) | Flat Price<br>(\$USD/MT) | Basis<br>(\$/bu) | Flat Price<br>(\$USD/MT) |
| August  | Z                | \$3.9975                    | N/A              | N/A                      | \$2.10           | \$240.05                 |
| September   | Z                | \$3.9975                    | N/A              | N/A                      | \$2.10           | \$240.05                 |
| October   | Z                | \$3.9975                    | N/A              | N/A                      | \$2.10           | \$240.05                 |

| Corn Gluten Feed Pellets (\$USD/MT FOB) |                    |                |
|---|--------------------|----------------|
| 21% Protein                             | Central U.S. Barge | Delivered NOLA |
| August                                  | \$93               | \$119          |
| September                               | \$93               | \$129          |
| October                                 | \$93               | \$131          |

| Corn Gluten Meal (\$USD/MT FOB) |                    |                |
|---------------------------------|--------------------|----------------|
| 60% Protein                     | Central U.S. Barge | Delivered NOLA |
| August                          | \$410              | \$468          |
| September                       | \$410              | \$478          |
| October                         | \$410              | \$480          |

**Notes:**

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 price. One corn or sorghum bushel equals 56 pounds and one metric ton equals 2,204.62 pounds.

# Distiller's Dried Grains with Solubles (DDGS)

## DDGS Comments

USDA reported DDGS prices averaged \$150 per short ton in the July 26 National Weekly Ethanol Report. Prices were up \$3 from the previous report and down \$6 from the previous month.

The DDGS/cash corn ratio was 1.02, down from 1.03 last week. The DDGS/KC soybean meal ratio was 0.39, unchanged from last week.

The EIA reported U.S. ethanol production averaged 1,109 thousand barrels per day (tbpd) the week ending July 26. This was up 14 tbpd (1.3%) week-over-week and up 42 tbpd (3.9%) with production this time last year. The 4-week average production was 1,091 tbpd, up 11 tbpd from last week. Prices rebounded slightly from last week as production remains strong throughout July.

| DDGS Price Table: July 31, 2024 (USD/MT)<br>(Quantity, availability, payment, and delivery terms vary) |  |           |         |
|--|--|-----------|---------|
| Delivery Point (Quality Min. 35% Pro-fat combined)   | August   | September | October |
| Barge CIF New Orleans  | 177  | 176       | 182     |
| FOB Vessel Gulf  | 181  | 182       | 190     |
| Rail Delivered PNW   | 218  | 219       | 229     |
| Rail Delivered California  | 223  | 224       | 234     |
| Mid-Bridge, Laredo, TX   | 229  | 230       | 240     |
| FOB Lethbridge, Alberta  | 185  | 186       | 194     |
| 40 ft containers to South Korea (Busan)  | 256  | 258       | 269     |
| 40 ft containers to Taiwan (Kaohsiung)   | 262  | 264       | 275     |
| 40 ft containers to Philippines (Manila)   | 304  | 306       | 320     |
| 40 ft containers to Indonesia (Jakarta)  | 289  | 291       | 304     |
| 40 ft containers to Malaysia (Port Kelang)   | 282  | 284       | 297     |
| 40 ft containers to Vietnam (HCMC)   | 266  | 267       | 279     |
| 40 ft containers to Japan (Yokohama)   | 271  | 273       | 284     |
| 40 ft containers to Thailand (LCMB)  | 275  | 277       | 289     |
| 40 ft containers to China (Shanghai)   | 248  | 249       | 260     |
| 40 ft containers to Bangladesh (Chittagong)  | N/A  | N/A       | N/A     |
| 40 ft containers to Myanmar (Yangon)   | 282  | 284       | 297     |
| KC Rail Yard (delivered ramp)  | 200  | 201       | 210     |
| Elwood, IL Rail Yard (delivered ramp)  | 162  | 163       | 170     |
| <b>Source:</b>   | Reuters/Decision Innovation Solutions and Polaris Analytics and Consulting.  |           |         |
| <b>Notes:</b>  | 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 price. |           |         |

## Ocean Freight Markets and Spreads

| Bulk Freight Rates for HSS – Heavy Grain, Sorghum and Soybeans* |   |           |        |
|---|---|-----------|--------|
| USD/MT  |   |           |        |
| Route and Vessel Size   | 31-Jul-24   | 24-Jul-24 | Change |
| 55,000 U.S. Gulf – Japan  | 64.24   | 63.74     | 0.50   |
| 55,000 U.S. PNW – Japan   | 26.91   | 27.16     | -0.25  |
| 66,000 U.S. Gulf – China  | 52.89   | 52.99     | -0.10  |
| 66,000 U.S. PNW – China   | 27.01   | 27.58     | -0.57  |
| 25,000 U.S. Gulf – Veracruz, Mexico                             | 21.00   | 21.00     | 0.00   |
| 30-36,000 U.S. Gulf – Veracruz, Mexico                          | 11.60   | 14.56     | -2.96  |
| 35,000 US Gulf – Santa Marta, Colombia                          | 14.53   | 17.66     | -3.13  |
| 35,000 US Gulf – Buenaventura, Colombia                         | 26.56   | 29.73     | -3.17  |
| 39,000 Argentina – Buenaventura, Colombia                       | 31.67   | 31.49     | 0.18   |
| 39,000 Argentina – Cartagena, Colombia                          | 32.18   | 32.00     | 0.18   |
| 26-30,000 U.S. Gulf – Morocco                                   | 50.00   | 49.00     | 1.00   |
| 55-60,000 U.S. Gulf – Egypt                                     | 33.00   | 34.00     | -1.00  |
| 55-60,000 U.S. PNW – Egypt                                      | 52.00   | 52.00     | 0.00   |
| 60-70,000 U.S. Gulf – Europe, Rotterdam                         | 29.00   | 28.00     | 1.00   |
| Brazil, Santos – China  | 45.08   | 45.30     | -0.22  |
| Northern Coast Brazil – China                                   | 38.45   | 38.63     | -0.18  |
| 56-60,000 Argentina/Rosario – China Deep Draft                  | 53.40   | 53.63     | -0.23  |
| <b>Source:</b>  | Reuters; *Values for this table based on previous night's closing values.   |           |        |
| <b>Notes:</b>   | Rates are based on offer indications only. Quoted rates are believed to reflect current market conditions but may vary from actual offers. Rates to Colombia have been updated with new routes and information. |           |        |

## Ocean Freight Comments

The early and abundant rains across Panama have recharged Gatun Lake. The lake is a reservoir for the Panama Canal locks to flush vessels across the isthmus, connecting the Atlantic and Pacific Oceans. With a replenished Gatun Lake the Panama Canal Authority will boost daily transit slots by one to 36 by September. The Authority has all but proclaimed canal operations as normal. This is good news ahead of the Northern Hemisphere's fall crop harvest and "traditional" export season that generally runs October through December.

The Houthi's terrorist organization is losing ground to the U.S. and coalition forces. The forces continue to destroy drones and missiles of the Houthis operating in the Red Sea and around the Arabian Peninsula. There have been no confirmed successful attacks by the Houthis for about three weeks. Vessel owners and operators, and shippers remain wary of returning to the shorter Red Sea route between Asia and Europe until the coalition force assures safe passage and the Houthis are marginalized.

The Baltic Dry Index gave up more ground this past week, dropping 8.4% of 156 points to an index of 1,708. Compared to one year ago the BDI is 52% higher this year. The Capesize market pulled the BDI lower, dropping 15.2% or 426 points to a three-month low of 1,808, and is 31.5% higher than one year ago. The Panamax and Supramax markets tried to hold on but felt peer pressure dropping 1.5% and 1.6%, respectively, for the week. The BPI ended the week at 1,739 and is 60.7% above the index level one year ago. The BSI ended the week at 1,363 and is 94.7% above levels one year ago. The smaller vessel sizes are trying to hold ground maintaining their lofty levels over the year. However, dry bulk ocean freight rates are holding a rangebound trajectory, not really breaking out one way or another.

The U.S. Gulf to Japan route was up \$0.50 per metric ton on the week to \$64.24 per metric ton while the route from the Pacific Northwest lost \$0.25 per metric ton to \$26.91 per metric ton. The spread between these two routes widened 2.1% or \$0.75 per metric ton to \$37.33 per metric ton. This is the widest this spread has been since April of this year. Last week the grain routes from the U.S. Gulf to Mexico and Colombia were firmer but this week made an all stop and reversed course. The Gulf to Veracruz rate dropped \$2.96 per metric ton while to Buenaventura, Colombia dropped \$3.17 per metric ton to \$26.56 per metric ton.

| Baltic Panamax Dry Bulk Time Charter Rates |  |           |        |                |
|--|--|-----------|--------|----------------|
| USD/Day                                    |  |           |        |                |
| Route                                      | 31-Jul-24  | 24-Jul-24 | Change | Percent Change |
| P2A: U.S. Gulf/Atlantic – Japan            | 26,258   | 26,234    | 24     | 0.1            |
| P3A: PNW/Pacific – Japan                   | 12,294   | 12,304    | -10    | -0.1           |
| S1C: U.S. Gulf – China/S. Japan            | 25,364   | 26,279    | -915   | -3.5           |
| Source:                                    | Baltic Exchange/Reuters  |           |        |                |
| Notes:                                     | Rates are based on offer indications only. Quoted rates are believed to reflect current market conditions but may vary from actual offers. |           |        |                |

| Capesize Vessel Freight Values              |  |           |        |                |
|---|--|-----------|--------|----------------|
| Western Australia to South China (iron ore) |  |           |        |                |
|   | 31-Jul-24  | 24-Jul-24 | Change | Percent Change |
| USD/MT                                      | 9.34   | 9.37      | -0.03  | -0.4           |
| Source:                                     | Source: Baltic Exchange/Reuters  |           |        |                |
| Notes:                                      | Rates are based on offer indications only. Quoted rates are believed to reflect current market conditions but may vary from actual offers. |           |        |                |

| U.S. – Asia Market Spreads<br>\$USD/MT |  |       |               |           |
|--|--|-------|---------------|-----------|
| 31-Jul-24                              | PNW  | Gulf  | Bushel Spread | MT Spread |
| #2 Corn                                | 1.39   | 0.80  | 0.59          | 23.23     |
| Soybeans                               | 1.50   | 0.87  | 0.63          | 24.80     |
| Ocean Freight                          | 26.91  | 64.24 |               | 37.33     |
| <b>Source:</b>                         | Reuters, Decision Innovation Solutions & Polaris Analytics and Consulting  |       |               |           |
| <b>Notes:</b>                          | Prices and rates are based on offer indications only. Quoted rates and 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 price. |       |               |           |

## U.S. Export Statistics

| U.S. Export Sales and Exports: Week Ending July 25, 2024 |  |              |                      |                       |                       |
|--|--|--------------|----------------------|-----------------------|-----------------------|
| Commodity  | Gross Sales (MT)   | Exports (MT) | YTD Exports (000 MT) | YTD Bookings (000 MT) | % Change YTD Bookings |
| Wheat  | 303,243  | 454,215      | 2,917.6              | 8,314.2               | 3.6%                  |
| Corn   | 261,204  | 1,035,102    | 48,407.9             | 55,210.6              | 0.3%                  |
| Sorghum  | 165,000  | 59,170       | 5,348.4              | 5,793.1               | 2.9%                  |
| Barley   | 0  | 512          | 1.8                  | 19.4                  | 0.0%                  |
| <b>Source:</b>   | USDA/FAS, Decision Innovation Solutions & Polaris Analytics Consulting |              |                      |                       |                       |

### Corn

Net sales of 167,900 MT for 2023/2024--a marketing-year low--were down 49 percent from the previous week and 60 percent from the prior 4-week average. Increases primarily for Mexico (94,900 MT, including 30,000 MT switched from unknown destinations and decreases of 5,800 MT), South Korea (68,700 MT, including 60,000 MT switched from unknown destinations), Japan (63,900 MT, including 60,000 MT switched from unknown destinations and decreases of 2,900 MT), the United Kingdom (55,000 MT, including 50,000 MT switched from unknown destinations), and Costa Rica (32,300 MT, including 4,000 MT switched from Panama and decreases of 400 MT), were offset by reductions primarily for unknown destinations (134,000 MT), Panama (23,000 MT), El Salvador (11,400 MT), Nicaragua (7,500 MT), and Colombia (4,700 MT). Net sales of 710,900 MT for 2024/2025 were primarily for Mexico (218,300 MT), unknown destinations (213,700 MT), Colombia (69,000 MT), Japan (55,000 MT), and Ireland (40,000 MT). Exports of 1,035,100 MT were down 14 percent from the previous week, but up 1 percent from the prior 4-week average. The destinations were primarily to Mexico (376,700 MT), Japan (313,800 MT), South Korea (138,100 MT), the United Kingdom (55,000 MT), and Colombia (37,700 MT).

### Barley

No net sales for 2023/2024 were reported for the week. Export of 500 MT were to Japan.

## Sorghum

Total net sales of 163,400 MT for 2023/2024 were up noticeably from the previous week and from the prior 4-week average. Increases were for China, including decreases of 1,600 MT. Exports of 59,200 MT were down 12 percent from the previous week and 1 percent from the prior 4-week average. The destination was China.

| U.S. Export Inspections: Week Ending July 25, 2024 |  |               |                    |              |                               |
|--|--|---------------|--------------------|--------------|-------------------------------|
| Commodity (MT)                                     | Export Inspections   |               | Current Market YTD | Previous YTD | YTD Change from Previous Year |
|  | Current Week   | Previous Week |                    |              |                               |
| Barley   | 220  | 100           | 4,285              | 0            | 0%                            |
| Corn   | 1,058,922  | 991,257       | 46,662,924         | 34,824,079   | 34%                           |
| Sorghum  | 54,582   | 68,844        | 5,452,624          | 2,302,880    | 137%                          |
| Soybeans   | 403,268  | 338,255       | 42,764,550         | 50,517,104   | -15%                          |
| Wheat  | 431,233  | 262,610       | 3,048,685          | 2,740,727    | 11%                           |
| <b>Source:</b>                                     | 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. |               |                    |              |                               |

| U.S. Grain Inspections for Export Report: Week Ending July 25, 2024 |                                   |             |               |             |               |                 |
|---|-----------------------------------|-------------|---------------|-------------|---------------|-----------------|
| Region  | Yellow Corn                       | % of Total  | White Corn    | % of Total  | Sorghum       | % of Total      |
| Lakes   | 0                                 | 0%          | 0             | 0%          | 0             | 0%              |
| Atlantic  | 4,609                             | 0%          | 0             | 0%          | 0             | 0%              |
| Gulf  | 515,470                           | 50%         | 31,268        | 98%         | 54,166        | 99%             |
| PNW   | 257,561                           | 25%         | 0             | 0%          | 0             | 0%              |
| Interior Export Rail  | 249,526                           | 24%         | 488           | 2%          | 392           | 1%              |
| <b>Total (MT)</b>   | <b>1,027,166</b>                  | <b>100%</b> | <b>31,756</b> | <b>100%</b> | <b>54,558</b> | <b>100%</b>     |
| <b>White Corn Shipments by Country (MT)</b>                         |                                   |             | 24,064        | to Colombia |               |                 |
|   |                                   |             | 7,204         | to Honduras |               |                 |
|   |                                   |             | 488           | to Other    |               |                 |
| <b>Total White Corn</b>   |                                   |             | <b>31,756</b> |             |               |                 |
| <b>Sorghum Shipments by Country (MT)</b>                            |                                   |             |               |             | 53,778        | to China        |
|   |                                   |             |               |             | 588           | to South Africa |
|   |                                   |             |               |             | 192           | to Mexico       |
| <b>Total Sorghum</b>  |                                   |             |               |             | <b>54,558</b> |                 |
| <b>Source:</b>  | USDA/AMS Weekly Grain Inspections |             |               |             |               |                 |

| <b>Grain and Soybean Export Inspections by Container and Week</b> |  |                  |               |                 |
|---|--|------------------|---------------|-----------------|
|   | <b>25-Jul-24</b>                               | <b>18-Jul-24</b> | <b>Change</b> | <b>% Change</b> |
|   | <b>Metric Tons</b>                             |                  |               |                 |
| <b>Total</b>  | 87,135   | 93,437           | -6,302        | -7%             |
| <b>Corn</b>   | 11,894   | 15,595           | -3,701        | -24%            |
| <b>Soybeans</b>   | 64,788   | 68,487           | -3,699        | -5%             |
| <b>Wheat</b>  | 9,229  | 8,424            | 805           | 10%             |
| <b>Sorghum</b>  | 1,004  | 931              | 73            | 8%              |
| <b>Barley</b>   | 220  | 0                | 220           | 0%              |
|   | <b>Containers</b>                              |                  |               |                 |
| <b>Total</b>  | 3,559  | 3,816            | -257          | -7%             |
| <b>Corn</b>   | 486  | 637              | -151          | -24%            |
| <b>Soybeans</b>   | 2,646  | 2,797            | -151          | -5%             |
| <b>Wheat</b>  | 377  | 344              | 33            | 10%             |
| <b>Sorghum</b>  | 41   | 38               | 3             | 8%              |
| <b>Barley</b>   | 9  | 0                | 9             | 0%              |
|   | <b>Top 15 Destinations (number containers)</b> |                  |               |                 |
| <b>Indonesia</b>  | 1,168  | 1,315            | -147          | -11%            |
| <b>Taiwan</b>   | 686  | 630              | 56            | 9%              |
| <b>Malaysia</b>   | 496  | 323              | 173           | 54%             |
| <b>China</b>  | 387  | 670              | -283          | -42%            |
| <b>Vietnam</b>  | 291  | 341              | -50           | -15%            |
| <b>Thailand</b>   | 134  | 118              | 16            | 14%             |
| <b>South Korea</b>  | 108  | 93               | 15            | 16%             |
| <b>Philippines</b>  | 91   | 136              | -45           | -33%            |
| <b>Japan</b>  | 87   | 71               | 16            | 23%             |
| <b>UAE</b>  | 25   | 45               | -20           | -44%            |
| <b>Cambodia</b>   | 25   | 0                | 25            | 0%              |
| <b>Nepal</b>  | 24   | 22               | 2             | 9%              |
| <b>South Africa</b>   | 24   | 0                | 24            | 0%              |
| <b>Hong Kong</b>  | 10   | 11               | -1            | -9%             |
| <b>Ireland</b>  | 3  | 0                | 3             | 0%              |
| <b>Source</b>   | <b>USDA/AMS Weekly Grain Inspections</b>       |                  |               |                 |