



October 8, 2020

CONTENTS

Chicago Board of Trade Market News2

CBOT December Corn Futures.....4

U.S. Weather/Crop Progress6

U.S. Export Statistics7

FOB9

Distiller’s Dried Grains with Solubles (DDGS)..... 11

Country News 12

Ocean Freight Markets and Spreads 13

Ocean Freight Comments..... 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 December Contract | | | | | |
|--|---|---|--|--|---|
| \$/Bu | Friday October 2 | Monday October 5 | Tuesday October 6 | Wednesday October 7 | Thursday October 8 |
| Change | -3.00 | -0.25 | 5.50 | 3.75 | -1.75 |
| Closing Price | 379.75 | 379.50 | 385.00 | 388.75 | 387.00 |
| Factors Affecting the Market | Corn pulled back but posted a 14-cent gain for the week. Traders booked profits heading into the weekend. U.S. harvest continues to progress quickly, with good weather for the Midwest. Export demand remains a major support for the ag markets this year. Outside markets weighed on the CBOT with the USD trading higher and crude oil falling. | Corn traded quietly and ended lower as bulls regroup. China concludes the Golden Week holiday this week and demand in the interim is modest. USDA said 34.0 Mbu were inspected for export last week, bringing YTD inspections up 81%. Mexico bought 6.4 Mbu in USDA's daily export sales news. The USD fell 33 bps. | December corn posted an upside breakout from a bull flag, sparking heavy fund buying. Speculative money continues to flow into the CBOT ahead of the Oct. WASDE. Late Monday, USDA said 25% of U.S. corn has been harvested, in-line with the average pace. Outside markets were lower, with U.S. stocks in the red. | Follow-through buying continued to push corn higher with the market settling above \$3.90 for the first time since Jan. Ethanol production grew last week. Analysts are looking for cuts to the U.S. corn crop in the Oct. WASDE, with lower world ending stocks too. Macro markets are focused on the U.S. VP debate tonight. | Corn finished slightly lower as heavy losses in wheat futures pressured the grain. Technically, the market posted a hook reversal, but the Oct. WASDE will have more influence on future price direction. S. American weather turns wetter, which also weighed on markets. Outside markets were higher, despite steady U.S. jobless claims. |

Outlook: December corn futures are 7.25 cents (1.9 percent) higher this week as demand remains supportive and speculative money continues to flow into agricultural futures markets. Last week's Grain Stocks report was bullish corn, and funds have continued to trade the tighter-supply outlook. Friday's WASDE will likely be important for determining the CBOT's direction as harvest continues to advance across the U.S.

Strong export demand continues to support the CBOT and U.S. cash market rallies. Exporters booked 1.225 MMT of net sales last week and increased the export pace 25 percent above the prior week. Shipments totaled 934,000 MT for the week ending October 1, bringing YTD exports to 3.67 MMT – up 77 percent. YTD bookings now total 25.8 MMT, up 159 percent from this time last year. The aggressive pace of this year's sales and shipments has many in the trade expecting USDA to increase its estimate of the 2020/21 U.S. export program in the October WASDE.

Typically, the October WASDE reflects a continuation of the supply increase/decrease adjustments USDA made from the August to the September reports. In this case, since the September WASDE and Grain Stocks reports showed tightening supplies, most in the trade are looking for smaller U.S. production and ending stocks in the October report.

Analysts surveyed by Dow Jones expect, on average, the U.S. 2020 corn yield to reach 11.16 MT/ha (177.7 bushels/acre), which would be below the September WASDE but above year-ago levels. Production is expected to be near 376.143 MMT (14.808 billion bushels) and 2020/21 ending stocks

are forecast at 53.673 MMT (2.113 billion bushels). The ending stocks figure, if realized, would be 15% lower than USDA's September forecast. Internationally, analysts are looking for 300.1 MMT of 2020/21 ending stocks, down 6.7 MMT from USDA's current estimate.

Cash corn prices continue to firm around the U.S. with basis remaining steady despite the advancing harvest. Grain elevators are increasing bids to keep the grain pipeline full to meet export commitments and farm sales have been somewhat light as producers focus on harvest activities. U.S. cash prices are 2 percent higher this week at \$142.75/MT (\$3.63/bushel).

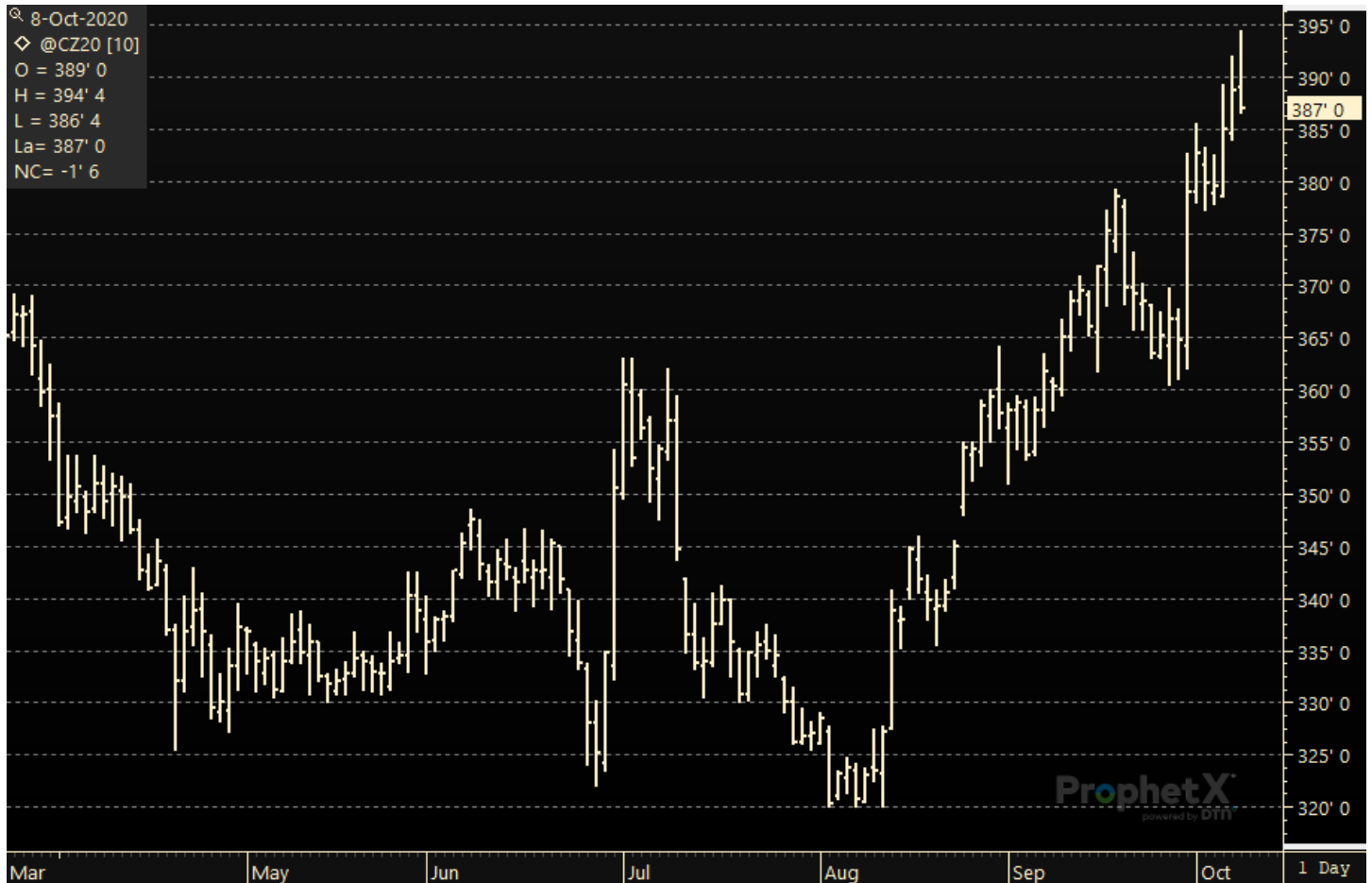
From a technical standpoint, December corn futures are continuing their trend higher but posted a hook reversal Thursday afternoon as wheat futures broke lower. The reversal may signal that traders are positioning for the October WASDE or may be looking for further demand confirmation before carrying the market to new highs. December corn is exhibiting many of the hallmarks of a bull market including rising open interest, strong technical indicators, and heavy trading volume, among others. The October WASDE will be the biggest factor in determining the market's future direction, but the current technical picture leans bullish.

| Interest Rates and Macroeconomic Markets, October 8, 2020 | | | | | | |
|---|----------|---------------|-----------------|----------------|------------------|----------------|
| | Last* | Weekly Change | Weekly % Change | Monthly Change | Monthly % Change | 1-Year History |
| Interest Rates | | | | | | |
| U.S. Prime | 3.3 | 0.0 | 0.0% | 0.0 | 0.0% | |
| LIBOR (6 Month) | 0.3 | 0.0 | -3.7% | 0.0 | -12.3% | |
| LIBOR (1 Year) | 0.3 | 0.0 | -3.4% | -0.1 | -16.1% | |
| S&P 500 | 3,446.8 | 66.0 | 2.0% | 107.6 | 3.2% | |
| Dow Jones Industrials | 28,425.7 | 608.8 | 2.2% | 891.1 | 3.2% | |
| U.S. Dollar | 93.6 | -0.1 | -0.1% | 0.3 | 0.3% | |
| WTI Crude | 41.2 | 2.5 | 6.5% | 3.9 | 10.5% | |
| Brent Crude | 43.4 | 2.5 | 6.0% | 3.3 | 8.3% | |

Source: DTN ProphetX, World Perspectives, Inc.

* Last price as of 3:56 PM ET

CBOT December Corn Futures



Source: DTN ProphetX

Current Market Values:

| Futures Price Performance: Week Ending October 8, 2020 | | | |
|---|--------------|--------------|-------------------|
| Commodity | 8-Oct | 2-Oct | Net Change |
| Corn | | | |
| Dec 20 | 387.00 | 379.75 | 7.25 |
| Mar 21 | 394.75 | 389.25 | 5.50 |
| May 21 | 399.75 | 394.75 | 5.00 |
| Jul 21 | 403.00 | 398.50 | 4.50 |
| Soybeans | | | |
| Nov 20 | 1050.00 | 1020.75 | 29.25 |
| Jan 21 | 1048.00 | 1024.75 | 23.25 |
| Mar 21 | 1023.00 | 1018.75 | 4.25 |
| May 21 | 1017.25 | 1017.00 | 0.25 |
| Soymeal | | | |
| Oct 20 | 359.20 | 349.40 | 9.80 |
| Dec 20 | 359.60 | 351.90 | 7.70 |
| Jan 21 | 356.80 | 350.50 | 6.30 |
| Mar 21 | 344.90 | 346.90 | -2.00 |
| Soyoil | | | |
| Oct 20 | 33.24 | 31.94 | 1.30 |
| Dec 20 | 33.00 | 31.66 | 1.34 |
| Jan 21 | 33.03 | 31.75 | 1.28 |
| Mar 21 | 32.98 | 31.90 | 1.08 |
| SRW | | | |
| Dec 20 | 595.25 | 573.25 | 22.00 |
| Mar 21 | 598.75 | 579.50 | 19.25 |
| May 21 | 599.75 | 583.50 | 16.25 |
| Jul 21 | 593.50 | 581.00 | 12.50 |
| HRW | | | |
| Dec 20 | 528.75 | 509.50 | 19.25 |
| Mar 21 | 537.50 | 518.50 | 19.00 |
| May 21 | 543.75 | 525.25 | 18.50 |
| Jul 21 | 548.75 | 531.00 | 17.75 |
| MGEX (HRS) | | | |
| Dec 20 | 542.50 | 531.75 | 10.75 |
| Mar 21 | 555.50 | 544.75 | 10.75 |
| May 21 | 564.50 | 554.25 | 10.25 |
| Jul 21 | 573.25 | 563.25 | 10.00 |

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

U.S. Weather/Crop Progress

| U.S. Crop Conditions: October 4, 2020 | | | | | |
|---------------------------------------|-----------|------|------|------|-----------|
| Commodity | Very Poor | Poor | Fair | Good | Excellent |
| Corn | 4% | 9% | 25% | 48% | 14% |
| Sorghum | 5% | 12% | 32% | 40% | 11% |
| Barley | - | - | - | - | - |

Source: USDA, World Perspectives, Inc.

U.S. Drought Monitor Weather Forecast: Over the next 5-7 days, it is anticipated that precipitation chances will be greatest in the East and Southeast, with the greatest precipitation associated with Hurricane Delta. A more active pattern over the Pacific Northwest will likely bring precipitation into that area and into the northern Rocky Mountains. Areas of the northern Plains are also anticipating less than an inch of precipitation. Temperatures will be above normal for almost the entire country, with portions of the Plains having departures of up to 12 degrees above normal.

The 6-10-day outlooks show the greatest probabilities to record above-normal temperatures are along both the West and East coasts as well as the Northeast, with below-normal chances of above-normal temperatures in Alaska. The precipitation outlook has above-normal chances of below-normal precipitation over the western half of the United States and above-normal chances of above-normal precipitation over much of the South, Midwest, and Mid-Atlantic and into the Northeast.

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 October 1, 2020 | | | | | |
|--|------------------|--------------|----------------------|-----------------------|-----------------------|
| Commodity | Gross Sales (MT) | Exports (MT) | YTD Exports (000 MT) | YTD Bookings (000 MT) | % Change YTD Bookings |
| Wheat | 575,400 | 702,700 | 9,490.7 | 14,520.8 | 8% |
| Corn | 1,441,500 | 934,800 | 3,677.8 | 25,847.8 | 159% |
| Sorghum | 132,400 | 157,600 | 392.7 | 2,935.1 | 1871% |
| Barley | 0 | 200 | 8.7 | 42.0 | -27% |

Source: USDA, World Perspectives, Inc.

Corn: Net sales of 1,225,700 MT for 2020/2021 primarily for Japan (360,100 MT, including 39,600 MT switched from unknown destinations and decreases of 41,500 MT), Mexico (332,700 MT, including decreases of 1,300 MT), unknown destinations (310,900 MT), Colombia (93,400 MT, including 34,000 MT switched from unknown destinations and decreases of 2,900 MT), and Panama (52,600 MT), were offset by reductions for Taiwan (71,800 MT), Peru (24,100 MT), and El Salvador (7,700 MT). Exports of 934,800 MT were primarily to China (349,900 MT), Mexico (275,400 MT), Colombia (121,600 MT), Japan (81,600 MT), and Costa Rica (46,200 MT).

Optional Origin Sales: For 2020/2021, the current outstanding balance of 739,800 MT is for Vietnam (260,000 MT), Taiwan (204,200 MT), Argentina (127,000 MT), South Korea (65,000 MT), and Ukraine (30,000 MT).

Barley: No net sales were reported for the week. Exports of 200 MT were to South Korea.

Sorghum: Net sales of 132,400 MT for 2020/2021 resulted in increases for China (215,400 MT, including 83,000 MT switched from unknown destinations), were offset by reductions for unknown destinations (83,000 MT). Exports of 157,600 MT were primarily to China.

| U.S. Export Inspections: Week Ending October 1, 2020 | | | | | |
|--|--------------------|---------------|--------------------|--------------|----------------------------|
| Commodity (MT) | Export Inspections | | Current Market YTD | Previous YTD | YTD as Percent of Previous |
| | Current Week | Previous Week | | | |
| Barley | 1,397 | 0 | 7,124 | 8,625 | 83% |
| Corn | 863,995 | 826,995 | 3,667,612 | 2,025,672 | 181% |
| Sorghum | 157,647 | 58,243 | 461,755 | 189,351 | 244% |
| Soybeans | 1,667,068 | 1,296,568 | 6,600,720 | 4,206,806 | 157% |
| Wheat | 643,671 | 586,916 | 9,887,993 | 9,000,900 | 110% |

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 October 1, 2020

| Region | YC | % of Total | WC | % of Total | Sorghum | % of Total |
|--------------------------------------|----------------|-------------|--------------|--------------------------|----------------|-------------|
| Lakes | 0 | 0% | 0 | 0% | 0 | 0% |
| Atlantic | 9,099 | 1% | 0 | 0% | 0 | 0% |
| Gulf | 609,595 | 71% | 0 | 0% | 157,647 | 100% |
| PNW | 96,235 | 11% | 367 | 24% | 0 | 0% |
| Interior Export Rail | 147,254 | 17% | 1,146 | 76% | 0 | 0% |
| Total (Metric Tons) | 862,183 | 100% | 1,513 | 100% | 157,647 | 100% |
| White Corn Shipments by Country (MT) | | | 1,146 367 | to Mexico to S. Korea | | |
| Total White Corn | | | 1,513 | | | |
| Sorghum Shipments by Country (MT) | | | | | 157,647 | to China |
| Total Sorghum | | | | | 157,647 | |

Source: USDA, World Perspectives, Inc.

| Yellow Corn (USD/MT FOB Vessel*) | | | | |
|---|------------------|-----------------------|------------------|-----------------------|
| YC FOB Vessel Max. 15.0% Moisture | GULF | | PNW | |
| | Basis (#2 YC) | Flat Price (#2 YC) | Basis (#2 YC) | Flat Price (#2 YC) |
| November | 1.45+Z | \$209.44 | 1.97+Z | \$229.91 |
| December | 1.41+Z | \$207.86 | 1.90+Z | \$227.15 |
| January | 1.31+H | \$206.98 | 1.81+H | \$226.46 |

| #2 White Corn (U.S. \$/MT FOB Vessel*) | | | |
|--|----------|----------|---------|
| Max. 15.0% Moisture | November | December | January |
| Gulf | NA | NA | NA |

| Sorghum (USD/MT FOB Vessel*) | | | | |
|---|--------|------------|--------|------------|
| #2 YGS FOB Vessel Max 14.0% Moisture | NOLA | | TEXAS | |
| | Basis | Flat Price | Basis | Flat Price |
| November | 3.30+Z | \$282.27 | 3.00+Z | \$270.46 |
| December | 3.30+Z | \$282.27 | 3.00+Z | \$270.46 |
| January | 3.30+H | \$285.32 | 3.00+H | \$273.51 |

| Corn Gluten Feed Pellets (CGFP) (FOB Vessel U.S. \$/MT*) | | | |
|--|----------|----------|---------|
| | November | December | January |
| New Orleans | \$230 | \$230 | \$230 |
| Quantity 5,000 MT | | | |
| Corn Gluten Meal (CGM) (FOB Vessel U.S. \$/MT*) | | | |
| Bulk 60% Pro. | November | December | January |
| New Orleans | \$550 | \$550 | \$550 |
| *5-10,000 MT Minimum | | | |

*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: October 8, 2020 (USD/MT)
 (Quantity, availability, payment and delivery terms vary)

| Delivery Point Quality Min. 35% Pro-fat combined | November | December | January |
|---|-----------------|-----------------|----------------|
| Barge CIF New Orleans | 239 | 237 | 238 |
| FOB Vessel GULF | 246 | 245 | 246 |
| Rail delivered PNW | 242 | 244 | 246 |
| Rail delivered California | 255 | 255 | 256 |
| Mid-Bridge Laredo, TX | 249 | 250 | 251 |
| FOB Lethbridge, Alberta | 220 | 222 | 224 |
| 40 ft. Containers to South Korea (Busan) | 263 | 263 | 263 |
| 40 ft. Containers to Taiwan (Kaohsiung) | 261 | 261 | 261 |
| 40 ft. Containers to Philippines (Manila) | 270 | 270 | 270 |
| 40 ft. Containers to Indonesia (Jakarta) | 264 | 264 | 264 |
| 40 ft. Containers to Malaysia (Port Kelang) | 268 | 268 | 268 |
| 40 ft. Containers to Vietnam (HCMC) | 266 | 266 | 266 |
| 40 ft. Containers to Japan (Yokohama) | 272 | 272 | 272 |
| 40 ft. containers to Thailand (LCMB) | 272 | 272 | 272 |
| 40 ft. Containers to China (Shanghai) | 268 | 268 | 268 |
| 40 ft. Containers to Bangladesh (Chittagong) | 292 | 292 | 292 |
| 40 ft. Containers to Myanmar (Yangon) | 288 | 288 | 288 |
| KC Rail Yard (delivered ramp) | 219 | 219 | 219 |
| Elwood, IL Rail Yard (delivered ramp) | 216 | 216 | 218 |

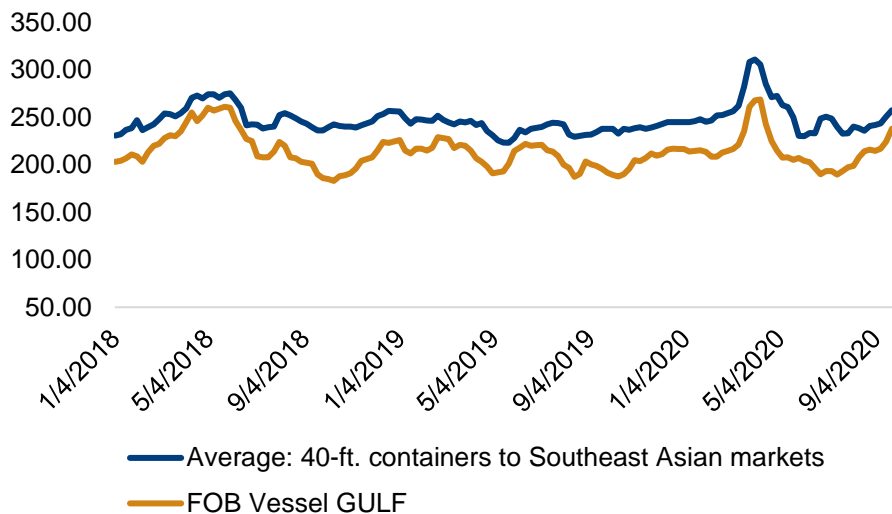
*Source: World Perspectives, Inc. *Prices are based on offer indications only; terms of delivery, payment and quality may vary from one supplier to another, impacting the actual value of the price.*

Distiller's Dried Grains with Solubles (DDGS)

DDGS Comments: Bull markets in multiple agricultural commodities are offering broad support to feed grains and feedstuffs prices. FOB ethanol plant prices are up \$2/MT this week with rallies in corn and soymeal offering outside support. DDGS are valued at 112% of cash corn, down from the prior week and above the three-year average of 109%. Kansas City soymeal values are \$14/MT higher this week with CBOT futures and export interest supporting prices. DDGS are valued at 40% of Kansas City soymeal, down from last week and below the three-year average of 42%.

Prices for export DDGS are wide-ranging but mostly higher so far this week. Barge CIF NOLA offers are up \$14/MT for November shipment while FOB Gulf offers are \$10/MT higher for spot positions. U.S. rail rates are averaging \$14/MT higher for November while containerized DDGS destined for Southeast Asia are firmer as well. Market sources report that Asian buying interest has picked up in the last week as some end users remain short-bought. Containerized DDGS for Southeast Asia are up \$17/MT for spot positions and are averaging \$271/MT this week.

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



Source: World Perspectives, Inc.

Country News

Argentina: The port grain inspectors union Urgara has agreed preliminarily to avert further striking amid negotiations over wages. (AgriCensus)

Brazil: Corn exports in September totaled 6.6 MMT versus 6.44 MMT a year ago and corn prices are testing new highs. CONAB forecasts a record corn harvest for the 2020/21 growing season with total production expected to be 105.2 MMT. However, USDA says the country's corn output will be 107 MMT. The area planted will expand, especially in Mato Grosso where there are good yields for the safrinha corn crop. The 2019/20 corn crop used 18.5 million hectares, a 5.7 percent expansion on the previous year. (FAS GAIN; World Grain; AgriCensus)

Canada: Demand for barley exports is lifting prices up off of harvest lows. Feed barley prices are almost back to the highs of this past spring. There will also be more oats and rye available for export. (FarmLead)

EU: The European Commission says maize imports could be 3.2 percent greater due to a drought-impacted domestic crop, but some believe it could go as high as 20 MMT. The French corn harvest reached 32 percent despite late September storms. (Refinitiv; AgriCensus)

Ukraine: Exports are running behind year ago levels with sales thus far being 2.9 MMT of barley and 678,000 tons of corn. ProAgro says corn production this year was 31.74 MMT, versus 34.02 MMT a year ago. The corn harvest is about 20 percent complete. (Refinitiv; AgriCensus)

South Korea: Nonghyup Feed Inc purchased 200 KMT of corn in a tender. (AgriCensus)

Syria: The state buying agency is seeking 50 KMT of corn at tender. (AgriCensus)

Ocean Freight Markets and Spreads

| Bulk Freight Indices for HSS — Heavy Grain, Sorghum and Soybeans* October 8, 2020 | | | |
|--|---------------------------|-----------------------------|--|
| Route and Vessel Size | Current Week (USD/MT) | Change from Previous Report | Remarks |
| 55,000 U.S. Gulf-Japan | \$43.25 | Unchanged | Handymax \$45.50 MT |
| 55,000 U.S. PNW- Japan | \$23.75 | Unchanged | Handymax \$25.00 MT |
| 66,000 U.S. Gulf – China | \$42.25 | Unchanged | North China |
| PNW to China | \$23.00 | Unchanged | |
| 25,000 U.S. Gulf - Veracruz, México | \$17.50 | Unchanged | 3,000 MT daily discharge rate |
| 30-36,000+ U.S. Gulf - Veracruz, México | \$14.50 | Unchanged | Deep draft and 6,000 MT per day discharge rate. |
| 30-38,000 U.S. Gulf - Colombia | \$20.00 | Unchanged | <u>West Coast Colombia at \$31.75</u> |
| <u>East Coast Colombia</u> From Argentina | <u>\$30.50</u> \$31.50 | | USG to E/C 50,000 MT at \$16.50 |
| 43-45,000 U.S. Gulf - Guatemala | \$29.00 | Unchanged | Acajutla/Quetzal - 8,000 out |
| 26-30,000 U.S. Gulf – Algeria | \$38.75 \$40.75 | Unchanged | 8,000 MT daily discharge 3,000 MT daily discharge |
| 26-30,000 US Gulf - Morocco | \$40.00 | Unchanged | 5,000 discharge rate |
| 55-60,000 U.S. Gulf –Egypt | \$28.25 | Unchanged | 60,000 -55,000 MT -Egypt |
| PNW to Egypt | \$29.00 | | Romania- Russia- Ukraine \$13.75-\$13.75 -\$14.00 France \$17.50 |
| 60-70,000 U.S. Gulf – Europe, Rotterdam | \$21.25 | Up \$1.00 | Handymax at +\$1.75 more |
| Brazil, Santos – China | \$31.75 | Down \$1.00 | 54-59,000 Supramax-Panamax |
| Brazil, Santos – China | \$30.25 | | 60-66,000 Post Panamax |
| Northern Coast Brazil - China | \$34.75 | | Upriver No. Brazil Plus -55,000 mt Plus \$7.50/MT |
| 56-60,000 Argentina/Rosario-China, Deep Draft | \$35.00 | Down \$1.00 | 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

Transportation and Export Report: Jay O'Neil, O'Neil Commodity Consulting: Even with China on Golden Week Holiday, dry-bulk markets experienced some rough seas this week. The week started with a strong Capesize market due to an imbalance between Pacific and Atlantic vessel positions/logistics. Daily hire rates for Capesize vessels reached \$30,000/day before trading down to \$26,400 for October. Dry-bulk markets remain severely inverted with Q2 2021 Capesize vessels trading at \$11,800/day.

As is common, Panamax markets took their lead from the Capesize sector and traded higher early in the week but, once again, sold off at week's end. Daily Panamax hire rates are now around \$12,000 for Q-4 2020 and \$10,250 for Q1 2021. The result is that not much changed from last week's values.

It is both interesting and encouraging to see U.S. containerized grain shipments grow back to a trend of 80,000 - 90,000 MT per week. Earlier this year, containerized volumes were averaging 55,000 – 65,000 MT/week. FOB Gulf fobbing margins are very profitable currently, and U.S. grain trading firms should see finances improve.

| Baltic-Panamax Dry-Bulk Indices | | | | |
|---------------------------------|-----------|-----------|------------|----------------|
| October 8, 2020 | This Week | Last Week | Difference | Percent Change |
| Route | | | | |
| P2A: Gulf/Atlantic – Japan | 22,255 | 21,123 | 1,132 | 5.4 |
| P3A: PNW/Pacific– Japan | 11,991 | 11,755 | 236 | 2.0 |
| S1C: U.S. Gulf-China-S. Japan | 25,181 | 24,761 | 420 | 1.7 |

Source: O'Neil Commodity Consulting

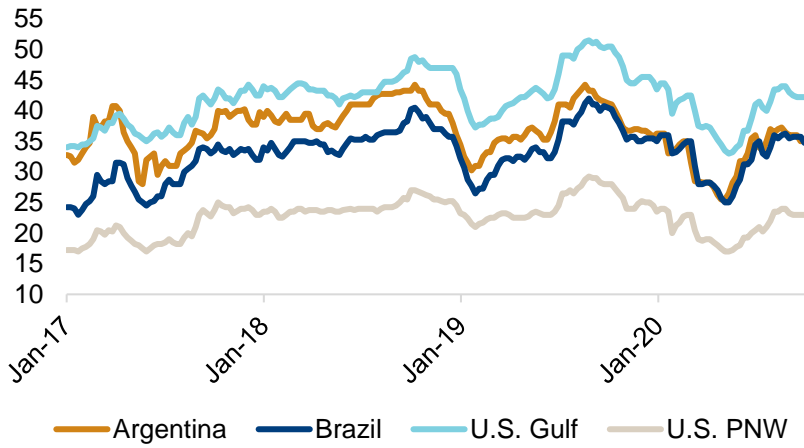
| Capesize Vessel Freight Values Western Australia to South China (iron ore) | |
|---|---------------|
| Four weeks ago: | \$7.00-7.80 |
| Three weeks ago: | \$7.10-7.45 |
| Two weeks ago: | \$7.95-8.65 |
| One week ago: | \$8.25-8.90 |
| This week | \$10.45-11.00 |

Source: O'Neil Commodity Consulting

| U.S.-Asia Market Spreads | | | | | |
|--------------------------|---------|---------|---------------|----------------|-----------|
| October 8, 2020 | PNW | Gulf | Bushel Spread | MT Spread | Advantage |
| #2 Corn | 1.85 | 1.39 | 0.46 | \$18.11 | BOTH |
| Soybeans | 1.80 | 1.49 | 0.31 | \$11.39 | PNW |
| Ocean Freight | \$23.00 | \$42.25 | 0.49-0.52 | \$19.25 | November |

Source: O'Neil Commodity Consulting

Bulk Grain Freight Rates to China from Select Origins



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

Bulk Grain Freight Rates for Key Suppliers and Destinations
October 8, 2020

| Origin | Destination | This Week | Monthly Change | Monthly % Change | Yearly Change | Yearly % Change | 2-Year History |
|---------------------------------|--------------|-----------|----------------|------------------|---------------|-----------------|----------------|
| <i>Panamax/Supramax Vessels</i> | | | | | | | |
| U.S. Gulf | Japan | 43.25 | -0.75 | -1.7% | -8.25 | -16.0% | |
| U.S. PNW | | 23.75 | -0.25 | -1.0% | -4.75 | -16.7% | |
| Argentina | | 36.50 | 0 | 0.0% | -4 | -9.9% | |
| Brazil | | 32.50 | 0 | 0.0% | -6 | -15.6% | |
| U.S. Gulf | China | 42.25 | -0.75 | -1.7% | -8.25 | -16.3% | |
| U.S. PNW | | 23.00 | -0.25 | -1.1% | -5 | -17.9% | |
| Argentina | | 35.00 | -1.5 | -4.1% | -6.5 | -15.7% | |
| Brazil | | 34.75 | -0.75 | -2.1% | -5.75 | -14.2% | |
| U.S. Gulf | Europe | 20.00 | -0.5 | -2.4% | -0.5 | -2.4% | |
| Argentina | | 20.50 | 0 | 0.0% | -1 | -4.7% | |
| Brazil | | 26.50 | 2 | 8.2% | -3 | -10.2% | |
| Argentina | Saudi Arabia | 40.50 | -2 | -4.7% | 0 | 0.0% | |
| Brazil | | 40.50 | -18 | -30.8% | -4 | -9.0% | |
| U.S. Gulf | Egypt | 28.50 | -2.00 | -6.6% | -4.00 | -12.3% | |
| U.S. PNW | | 29.00 | -1.00 | -3.3% | -2.60 | -8.2% | |
| Argentina | | 27.50 | 0.00 | 0.0% | 3.00 | 12.2% | |
| Brazil | | 31.50 | 2.00 | 6.8% | -1.00 | -3.1% | |
| <i>Handysized Vessels</i> | | | | | | | |
| U.S. Gulf | Morocco | 40.50 | -1.00 | -2.4% | 3.00 | 8.0% | |
| U.S. Great Lakes | | 44.00 | 0.00 | 0.0% | 1.95 | 4.6% | |
| Argentina | | 28.50 | -1.00 | -3.4% | 1.00 | 3.6% | |
| Brazil | | 35.50 | -4.00 | -10.1% | 3.00 | 9.2% | |
| U.S. Great Lakes | Europe | 43.00 | 0.00 | 0.0% | 3.00 | 7.5% | |
| Brazil | | 33.00 | 2.10 | 6.8% | 3.50 | 11.9% | |
| Argentina | Algeria | 30.50 | 0.00 | 0.0% | -1.00 | -3.2% | |
| Brazil | | 32.50 | -1.00 | -3.0% | -2.00 | -5.8% | |
| U.S. Gulf | Colombia | 20.00 | -0.25 | -1.2% | 0.00 | 0.0% | |
| U.S. PNW | | 32.00 | 3.00 | 10.3% | 1.15 | 3.7% | |
| Argentina | | 31.50 | -0.50 | -1.6% | -7.50 | -19.2% | |
| <i>Shipping Indexes</i> | | | | | | | |
| Baltic Dry Index | | 2020 | 671 | 49.7% | 250 | 14.1% | |

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