



DRY BULK WEEKLY

WEEK 18 | Monday, 10 May 2021



D&F
SHIPPING MARKET ANALYSIS

LATEST COMMODITY NEWS

Iron Ore

IRON ORE HITS NEW HEIGHTS AMIDST STRONG STEEL DEMAND WHILE CHINA SCRAMBLES TO COOL THE MARKET

Coal

US THERMAL COAL EXPORTS HIT 26-MONTH HIGH WHILE COLOMBIA EXPORTS SLIP

Grains

FRENCH APRIL WHEAT EXPORTS EX-EU 27+1 SLUMP TO A 9-YEAR LOW

US CORN FUTURES TOPS \$7 FOR THE FIRST TIME IN 8 YEARS

SOYBEAN STOCKS TO FALL FOR THE SECOND CONSECUTIVE SEASON AS CONSUMPTION INCREASES

Week	S&P Transactions	Demolition Sales	Newbuilding Orders
18	9	1	11
17	11		14
16	18		22
15	13	2	3
Total	51	3	50

Top 5 Destination Countries of Ships in Ballast by Vessel Size (Week 19 Arrivals)

Size Group ● Capesize ● Handysize ● Panamax ● Supramax



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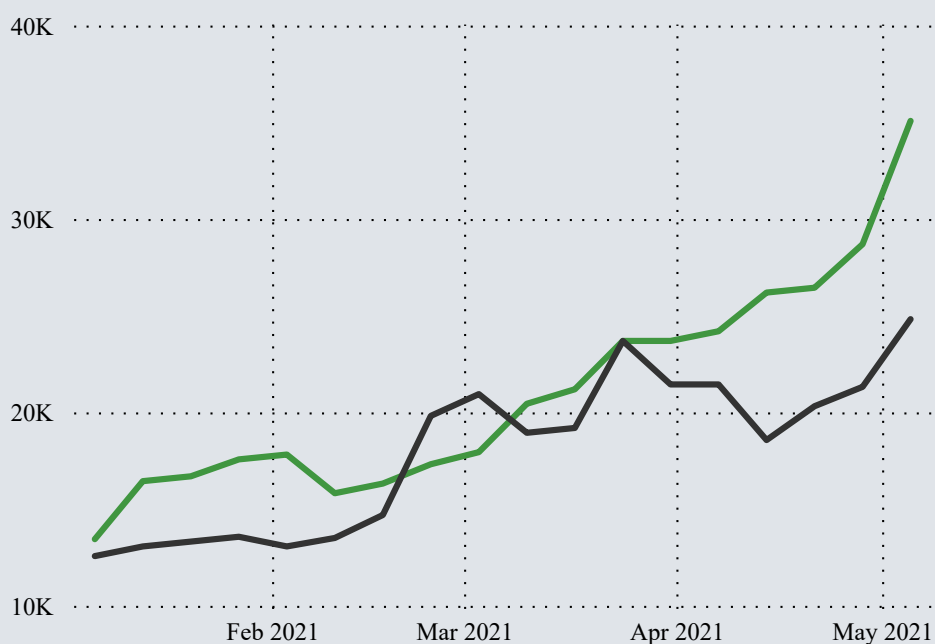
Commodities Markets

Weekly Commodity Updates

Broker's Meeting Point - Available Cargoes

6M TC Hire Rate Average

Size ● CAPESIZE ● PANAMAX



Sale & Purchase Market



Latest Transactions

Week	Ships Sold	Built	DWT ▼	Reported Price (US\$)	Country/ Region of Buyer	Owner	Notes
18	GRAND VENTURE	2005	206,296	\$16,400,000			
18	LOWLANDS ORCHID	2005	176,193	\$15,400,000	China	COBELFRET GROUP	
18	BLESSED LUCK	2004	76,704	\$12,500,000		EUROBULK	
18	SILVIA AMBITION	2012	56,797		China	BEST SOAR LIMITED	\$ 26,000,000 en bloc
18	SILVIA GLORY	2012	56,797		China	BEST EXCELLENCE CORPORATION LIMITED	\$ 26,000,000 en bloc
18	SUPERIOR	2012	56,556	\$14,000,000		LEROS MANAGEMENT	
18	PACIFIC BRIGHT	2013	56,512	\$15,000,000	China	DONGJIN INTEC	
18	BERGE BANDAI	2016	39,359	\$18,000,000		NISSHIN SHIPPING	
18	FORTUNE BAY	2011	29,092	\$9,500,000		ASIAN SHIPPING S.A.	

The buying interest in the secondhand market continued softened for the second week in a row. An even lower count of vessels changed hands during the past week compared to the week before. This time only nine vessel sales came to light while shipowners' interest seems to be focused on smaller size classes.

Unlike previous weeks, the age range of the transactions extended to 15-20 years with one sale each for Panamax, Capesize and VLBC sizes. However, most of the ships sold stayed between 5 to 10 years as five out of the nine vessels had their place in that age category. Meanwhile, only one transaction was reported for a 5-years-old ship.

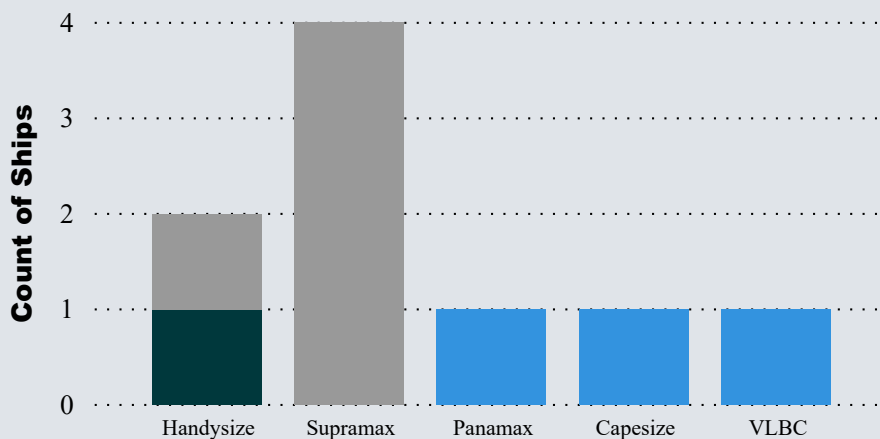
Despite the dry bulk freight market momentum, the past week closed with less activity in the S&P market reaching a new year-low in terms of transactions per week. While positive freight rates remain, shipowners' attention seems shifted to newbuilds, hinting on their expectations for the medium-term future.

Sale of the week:

The Luxembourg-based Cobelfret Group sold the 2005-built LOWLANDS ORCHID to Chinese buyers for US\$15.4 M. LOWLANDS ORCHID is a capesize vessel sailing under the flag of Singapore. Built by Japanese Universal Shipbuilding Corporation - Tsu Shipyard, the vessel has a carrying capacity of 176,193 t DWT. Her length overall (LOA) is 289 meters, and her width is 45 meters.

Reported Ship Sales by Age and Size (Week 18)

Age Group ● 0-5 years ● 15-20 years ● 5-10 years



Weekly Volume of Sales

Size	16	17	18	Total
Supramax	4	3	4	11
Capesize	7	2	1	10
Panamax	1	3	1	5
Ultramax	3	1		4
Handysize	1		2	3
Kamsarmax		2		2
VLBC	1		1	2
Post Panamax	1			1
Total	18	11	9	38

Annual Volume of Sales

Size Group	2019	2020	2021
Supramax	125	125	76
Handysize	119	128	54
Panamax	86	56	38
Kamsarmax	35	52	46
Ultramax	44	46	41
Capesize	25	53	33
Handymax	26	12	3
Post Panamax	15	9	11
VLBC	8	19	5
Total	482	500	307

Latest Transactions

Week	Vessel	Vessel Age	Location of Delivery	USD / LDT	LDT (MT)	Sale Price
18	MV Vika	23			9,664	

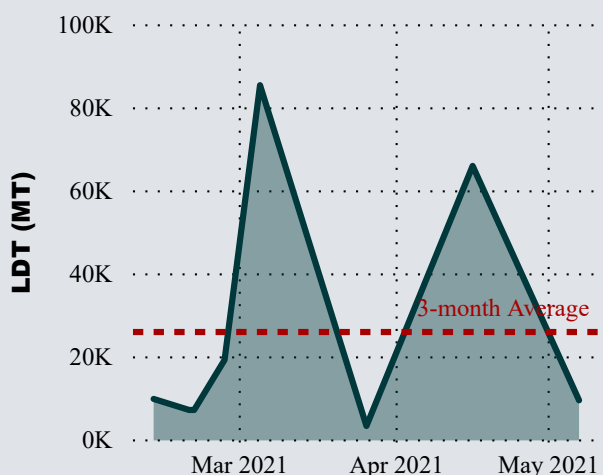
Demolition Prices for Bulkcarriers- Week Average (USD/LDT)

Market	Wk 16	Wk 17	Wk 18	WoW%
Bangladesh	497	510	524	2.7%
Pakistan	488	504	519	3.0%
India	471	477	488	2.3%
Turkey	250	250	250	0.0%

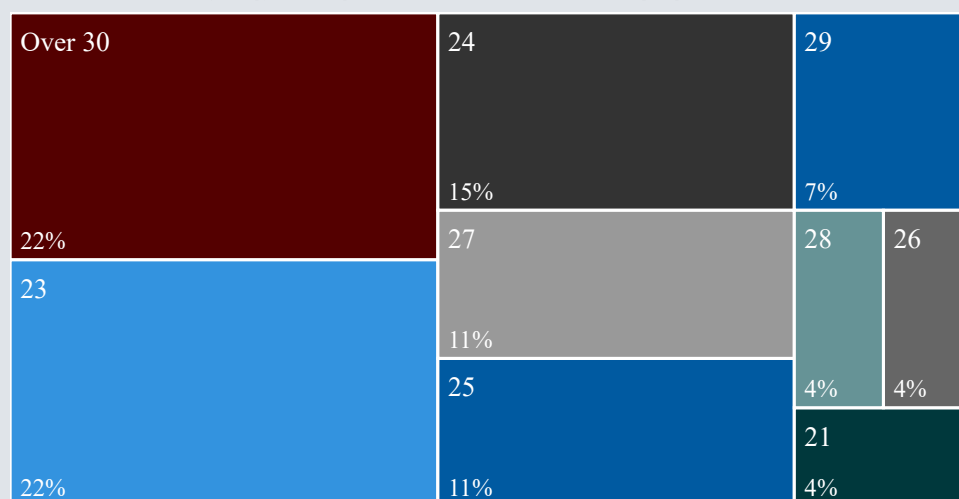
There was movement in the demolition market this week, with one vessel reported sold to shipbreakers. The 23-year-old VARNA SHIPYARD BULGARIA built vessel was sold to Pakistani at recyclers at an all-time high of USD520/LDT. This is despite the constraints the demolition companies are under due to a restriction in sale of Oxygen.

Fierce competition for tonnage buoyed by rising steel prices continues to drive rates in an upward direction. Bangladesh recyclers this week pushed the boundaries even higher offering USD524/LDT a 2.7% jump from the previous week, similarly Pakistan LDT rates have been climbing up, increasing 3.0% from week 17 to USD519/LDT. LDT rates in India are increased 2.3% to USD488/LDT as prices continues to strengthen in major markets in Asia. Turkey demolition rates remain at USD250/LDT with the country facing a barrage of problems from new Coronavirus restrictions. The current situation of the market remains an on-going situation with prices not seen to be letting off in the near future. With no end in sight for lockdowns Pakistan and Bangladesh while the situation in India continues to defile every intervention deployed so far while the oncoming Eid celebrations will further weigh on recyclers capacity.

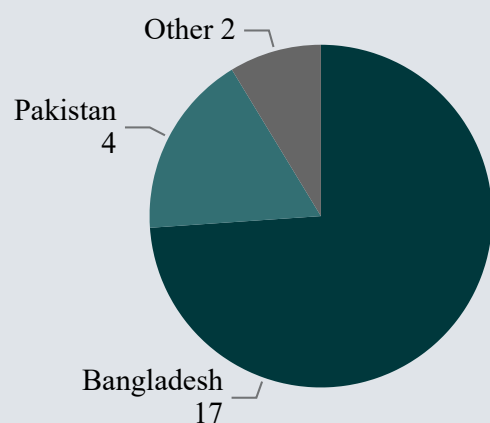
Demolition Activity in the Last 3 Months



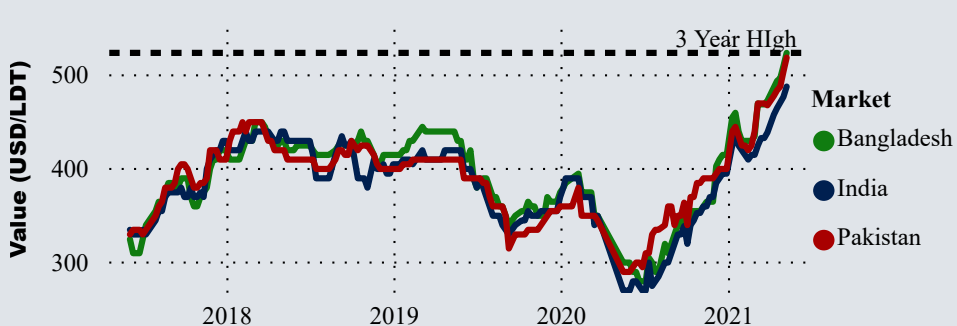
Demolition Age (years) of Vessels in 2021(%)



Location of Delivery - No. Vessels 2021



Demolition Prices (US\$/LDT)



Shipbuilding Market



Latest Orders

Week	Size	Units	Delivery	Buyer	Shipbuilder
18	KAMSARMAX	8	2023/2024	CBD Leasing	COSCO Yangzhou, China
18	NEWCASTLEMAX (LNG DUAL FUEL)	3	2023/2024	Eastern Pacific Shipping	New Times SB, China

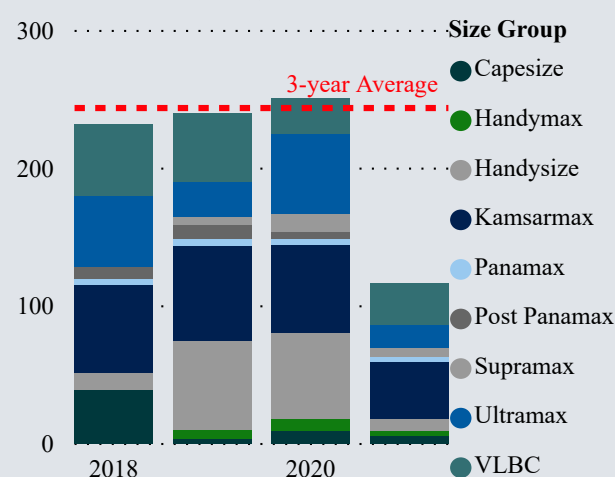
Newbuilding Market Price by Size (Week 18)

Year	Handysize	Ultramax	Panamax	Kamsarmax	Capesize
2021	\$25,000,000	\$28,000,000	\$29,000,000	\$32,000,000	\$53,000,000
2020	\$25,000,000	\$30,000,000	\$31,000,000	\$32,000,000	\$50,000,000
2019	\$26,000,000	\$31,000,000	\$32,000,000	\$33,000,000	\$51,000,000

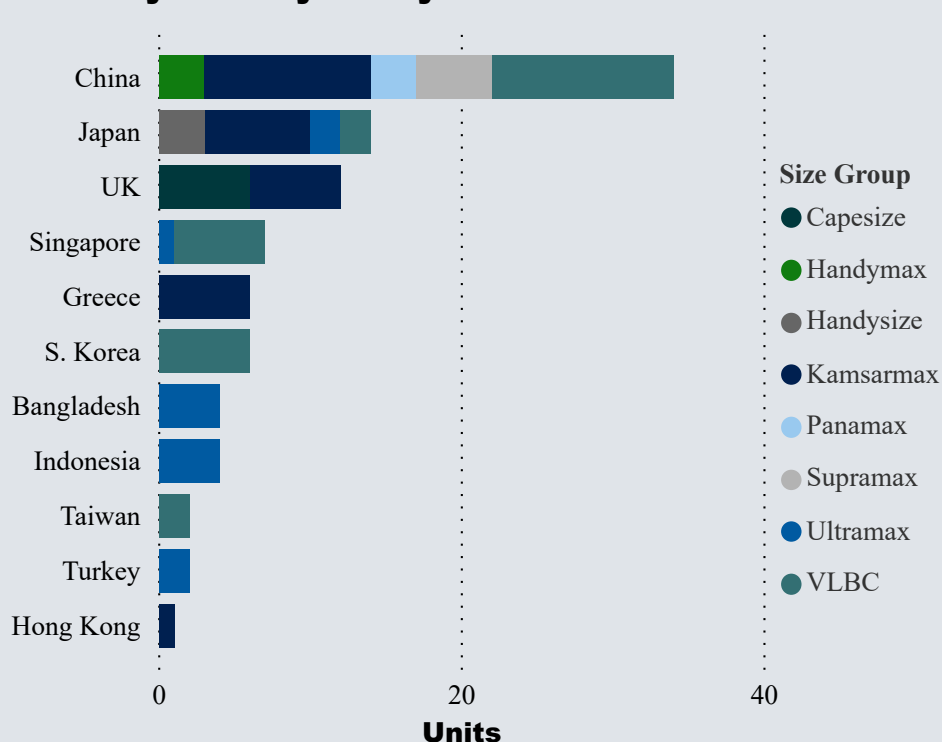
Delivery Year by Size

Size Group	2021/2022	2022	2022/2023	2023	Total
Kamsarmax		35	15	28	78
Handysize	9	40	3	3	55
VLBC		23	2	26	51
Ultramax	3	41		5	49
Supramax		12		7	19
Capesize		2		13	15
Handymax	4	3			7
Post Panamax		3		2	5
Panamax		4			4
Total	16	163	20	84	283

Units Ordered by Year and Size Group



Orders by Country of Buyer - 2021



This week's newbuild deal sees Chinese shipyards exchanging contract with ship owners from neighbouring areas. Hong Kong based CBD leasing has contracted China's COSCO yangzhou, for 8 new Kamsarmax newbuilds with a delivery schedule of 2023/2024. Similarly Eastern pacific has been reported to have struck a deal for 3 units of Newcastlemax newbuilds from the Newtimes SB, China. The Singapore based company will begin taking delivery of the vessel in 2023 with the last of the LNG Dual fuelled bulkers to be delivered in 2024. With this order Newtimes SB continues to extend its stronghold on the newbuild market, cementing its place as the market leader so far in 2021.

In the meantime, Newbuild prices for Capesize have increased USD500,000 from last week, nevertheless prices for other vessel class remained unchanged from week 17. Well documented problems continue to plague the newbuild market and this could be compounded even further with Shipyards forced to raise newbuild prices significant to accommodate the rising cost of steel.

Bunker Prices & Port Activity



Bunker Prices

Port	VLSFO	MGO	IFO380	IFO180
Fujairah				
23/04/2021	500.50	597.00	396.50	
30/04/2021	506.50	609.50	401.50	
07/05/2021	512.50	616.50	412.00	
Hong Kong				
23/04/2021	487.50	503.00	397.00	
30/04/2021	495.50	514.00	399.00	
07/05/2021	508.00	525.50	406.50	
Houston				
23/04/2021	483.00	557.50	376.00	
30/04/2021	483.00	564.50	383.50	
07/05/2021	500.00	578.50	392.50	
LA/Long Beach				
23/04/2021	518.50	624.00	419.00	
30/04/2021	538.50	615.00	417.00	
07/05/2021	552.00	645.00	434.00	
New York				
23/04/2021	504.50	583.00	396.50	
30/04/2021	509.00	572.00	398.50	
07/05/2021	515.50	609.00	401.50	
Rotterdam				
23/04/2021	475.00	524.00	375.50	
30/04/2021	491.50	535.50	383.50	
07/05/2021	496.00	555.00	390.00	
Santos				
23/04/2021	488.00	656.00		
30/04/2021	504.00	670.00		
07/05/2021	506.00	659.00		
Singapore				
23/04/2021	496.50	531.50	391.50	
30/04/2021	503.00	539.50	396.00	
07/05/2021	506.50	562.50	400.50	

Average bunker Prices

Date	VLSFO	MGO	IFO380	IFO180
23/04/2021	494.19	572.00	393.14	
30/04/2021	503.88	577.50	397.00	
07/05/2021	512.06	593.88	405.29	

The average VLSFO price has risen for the consecutive week after dipping below USD 5000/mt in week 16. VLSFO sold for 1.6% more than it did last week with a USD 13.5/mt increase in LA Long Beach port price pushing the port to the top of the pile in terms of highest prices, while lowest port prices were in Rotterdam at USD496/ mt.

LA/Long beach sold MGO for USD645/ mt up USD30/ mt from last week while cheapest MGO was sold in Hong Kong for USD25.50/ mt with the average prices across ports monitored by D&F stands at USD593.88/ mt adding USD16.30/ mt from last week. Similarly average IFO380 price was up USD8.29/ mt from the preceding week. LA/Long Beach leads other ports selling the IFO380 at USD434/mt while Rotterdam sold for USD 390/ mt.

Time at Port (TAP) and Time at Anchorage (TAA) - Difference WoW

Main Iron Ore and Coal Ports

Port	TAP - WoW	TAA - WoW
Dampier	↓	↑
Hay point	↓	↑
Newcastle	↓	↓
Ponta da madeira	→	↓
Port hedland	↓	↑
Richards bay	↑	↑
Saldanha	↑	↓
Tubarao	↑	↑
Yuzhny	↓	↑

Main Grain Ports

Port	TAP - WoW	TAA - WoW
New orleans	↓	
Portland or	↓	↓
Santos	↓	↑
Paranagua	↓	↓
Rouen	↓	↓
Vancouver	↓	↓
San lorenzo	↑	
Bahia blanca	↑	↑
Rotterdam	↑	↓
Houston	↑	↑

Changes in Bulkcarrier Port Calls

PORT	Δ WoW	Δ WoW(%)	Δ YoY*	Δ YoY(%)
Bahia blanca	↓ -4	-31%	2	29%
Dampier	↑ 6	46%	-2	-10%
Ghent	↓ -6	-50%	-4	-40%
Hay point	↓ -2	-9%	-3	-13%
Houston	→ 0	0%	-5	-28%
New orleans	→ 1	2%	4	11%
Newcastle	↑ 6	18%	7	22%
Paranagua	↓ -3	-14%	0	0%
Ponta da madeira	↓ -4	-31%	4	80%
Port hedland	↑ 4	7%	-5	-8%
Portland or	↓ -2	-33%	-1	-20%
Richards bay	↓ -6	-25%	1	6%
Rotterdam	→ 1	14%	1	14%
Rouen	→ 0	0%	-1	-25%
Saldanha	↑ 2	25%	4	67%
San lorenzo	↑ 4	13%	14	67%
Santos	↓ -8	-17%	10	36%
Tubarao	↓ -1	-6%	5	45%
Vancouver	↑ 3	9%	12	52%
Yuzhny	↓ -2	-25%	-7	-54%

*Compared to Port Calls of the same week in 2020

Top 5 Destination Countries of Ships in Ballast by Vessel Size (Week 19 Arrivals)

Size Group ● Capesize ● Handysize ● Panamax ● Supramax



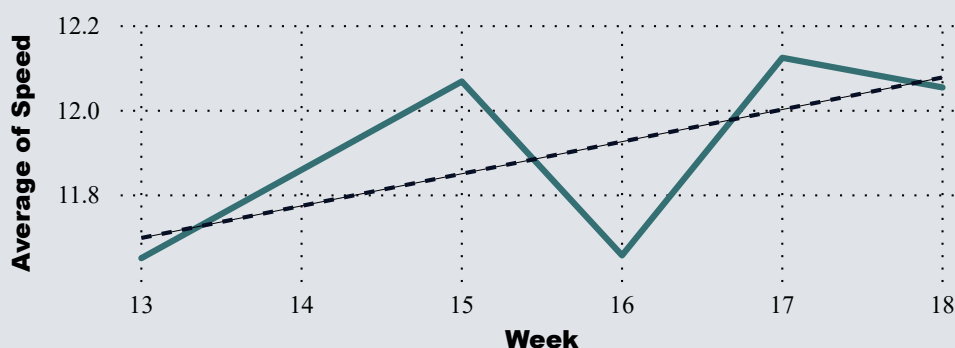
Average Speed of Vessels - Ballast Arrivals - Week 18

Size Group	Average of Speed
Capesize	12.06
Handysize	11.31
Panamax	11.83
Supramax	11.68
Total	11.70

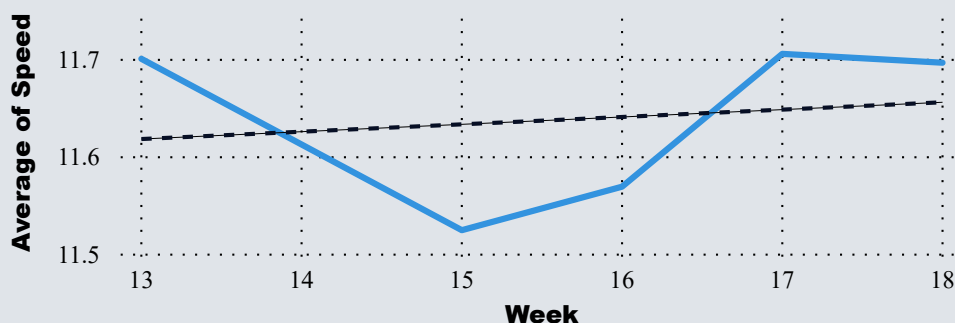
Average Speed of Vessels - Ballast Arrivals - Week 19

Size Group	Average of Speed
Capesize	11.99
Handysize	10.91
Panamax	11.87
Supramax	11.41
Total	11.53

Average Speed of Vessels in Ballast by Arrival Week (100,000+ dwt)



Average Speed of Vessels in Ballast by Arrival Week (10,000 - 100,000 dwt)



Top 5 Destination Countries of Ships in Ballast by Vessel Size and Arrival Week

Destination Country	17	18	19	Total
AU	197	138	179	514
Capesize	118	66	91	275
Handysize	11	15	13	39
Panamax	50	40	57	147
Supramax	18	17	18	53
BR	78	89	78	245
Capesize	10	17	16	43
Handysize	16	16	12	44
Panamax	45	50	42	137
Supramax	7	6	8	21
CA	33	37	46	116
Capesize	3	4	6	13
Handysize	8	17	17	42
Panamax	18	16	16	50
Supramax	4		7	11
US	58	52	56	166
Capesize		4	2	6
Handysize	25	19	18	62
Panamax	24	19	26	69
Supramax	9	10	10	29
ZA	31	24	35	90
Capesize	11	10	11	32
Handysize	1	1	3	5
Panamax	12	11	16	39
Supramax	7	2	5	14
Total	397	340	394	1131

As ships over 100K dwt speed up, West Australia's ports witnessed increased activity during the past week. Port Hedland port authorities had four calls more compared to the previous week, while Dampier port showed six calls more. Port Yuzhny decreased again in number of calls with two less than in Week 17. Meanwhile, Brazilian ports of Tubarao and Ponta da Madeira also witnessed a decrease in vessels calls.

Oppositely, the week ended with similar activity in the Australian port of Hay Point as well as in the South African port of Saldanha. Richards Bay, on the other hand, showed less activity (-6 calls week-on-week).

Count of bulkcarrier calls was lower in grain ports of Santos (-8) and Paranagua (-3) in Brazil. Similarly, European port of Ghent and U.S. port of Portland Or also showed decreased activity. On the positive side, port calls in Vancouver were mildly up from the previous week, similar to the Argentinian port of San Lorenzo (+4 calls week-on-week).

GRAINS

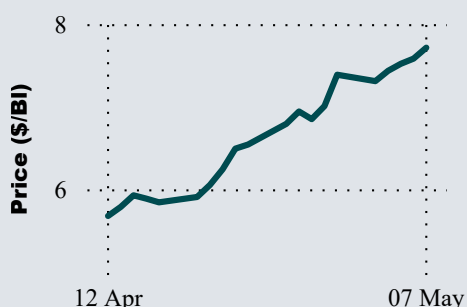
An increased level of shipments was noted to Top 5 destinations by loaded vessels (dwt), with almost 300K mt above the previous week level. Although shipments to China were almost doubled they balanced out the decrease in tonnage going through Panama, keeping the total value of loaded tonnage with an 11% increment week on week.

Corn and Soybean prices continued the upward trend (up by 4.5% and 3.2% respectively) while Wheat was down by 5.4% week-on-week..

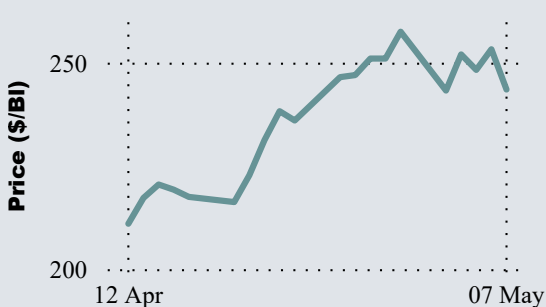
Top 5 Destinations of Loaded Vessels (dwt) Departing on Week 18 - Ships under 100,000 dwt

Origin Port \ Destination	AE	CN	GI	PA	ZA	Total
VANCOUVER	89,772	926,525		81,704		1,098,001
SANTOS	72,873	148,725			252,085	473,683
SAN LORENZO	81,434		37,678		37,194	256,306
PORTLAND OR		55,970				55,970
NEW ORLEANS		63,465	216,860	77,881		458,206
HOUSTON			37,713	76,852		214,565
CORPUS CHRISTI			81,167			81,167
BAHIA BLANCA			63,520			63,520
Total	244,079	1,194,685	536,938	436,437	289,279	2,701,418

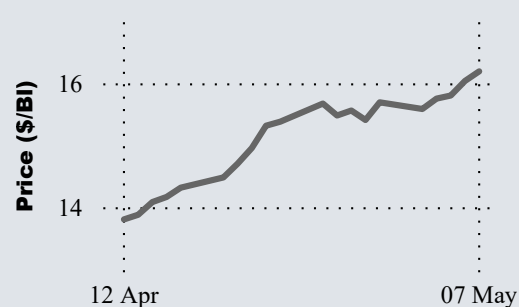
Corn Price (\$/bl)



Wheat Price (\$/t)



Soybean Price (\$/bl)



IRON ORE & COAL

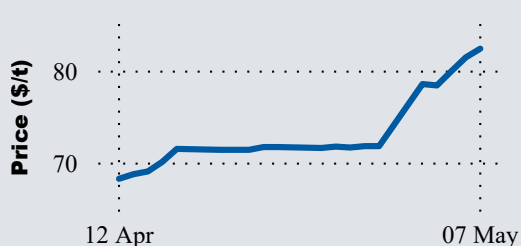
Shipments to Top 5 destinations by loaded vessels (dwt) also were slightly up for ships over 100k dwt. The weekly improvement was mostly due to an increase in loaded tonnage destined to Japan and Taiwan (up by almost 1M mt and 600K mt respectively), balanced out by a contraction of shipments destined to China and South Korea. Moreover, shipments from Ponta Da Madeira to China were down by almost 30% after several weeks at around 1.2M mt.

The iron ore price continued the bullish trend, up about \$35/t month-on-month of which some \$25/t were gained in the past week. Coal price, was also boosted during the past week closing with almost \$12/t above the previous Friday value which equates to a 15% increase week-on-week.

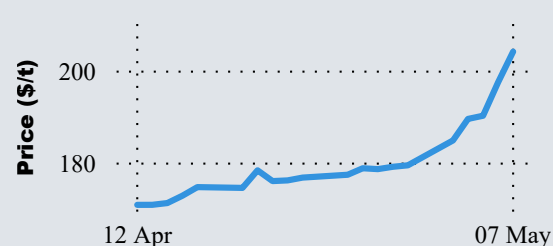
Top 5 Destinations of Loaded Vessels (dwt) Departing on Week 18 - Ships over 100,000 dwt

Origin Port \ Destination	CN	IN	JP	KR	TW	Total
PORT HEDLAND	8,881,638		778,248	572,192	206,629	10,438,707
PORT WALCOTT	2,243,302		1,002,214			3,245,516
DAMPIER	2,766,266				416,000	3,182,266
NEWCASTLE		180,301	1,190,345	480,068	82,200	1,932,914
RICHARDS BAY	444,794	538,227				983,021
HAY POINT			88,106	272,487	538,434	899,027
PONTA DA MADEIRA	831,251					831,251
TUBARAO	612,442					612,442
Total	15,779,693	718,528	3,058,913	1,324,747	1,243,263	22,125,144

Coal Price This Month (\$/t)



Iron Ore Price This Month (\$/t)



IRON ORE

IRON ORE HITS NEW HEIGHTS AMIDST STRONG STEEL DEMAND WHILE CHINA SCRAMBLES TO COOL THE MARKET

China has moved to cool its red-hot steel sector by discouraging exports and boosting imports of some feedstock alternatives to buoyant iron ore, steps largely viewed as short-term measures to calm prices. China's finance ministry announced on April 28 that it will remove export tax rebates for 146 steel products from May 1, while waiving import tariffs for some products, including pig iron, crude steel, recycled steel raw materials and ferrochrome. The end of the export tax rebates may affect about 33.35 million tonnes of steel exports a year, according to Tang Chuanlin, an analyst with CITIC Securities. This is significant as China exported 53.67 million tonnes of steel products in 2020, and in the first quarter of this year it shipped out 17.68 million, up 23.8% from the same period a year earlier.

If the removal of the export rebates renders Chinese steel products uncompetitive in regional markets, it may result in mills reducing output as they will be reluctant to oversupply the domestic market and thus drive down prices and profit margins. At the same time as the authorities moved to restrict exports, they made it cheaper to import some steel feedstocks, which may serve as a substitute for iron ore. While pig iron and recycled and scrap steel aren't direct substitutes for iron ore, they can be used to make steel using electric arc furnaces. Tangshan in March announced year-long production restrictions to curbs emissions. The restrictions have dented steel output and iron ore demand from the city's mills, but the country's steel production has risen. China Iron and Steel Association member mills increased crude steel output to a record high in mid-April as larger mills boosted output to offset curbs by Tangshan's smaller producers

Meanwhile, China's January-April iron ore imports were 381.98mn t, up by 6.7pc from 357.97mn t a year earlier, imports in April rose by 3.1pc from a year earlier to 98.57mn t but were down by 3.5pc from the previous month, according to customs data. Demand for the steel feedstock, especially high- and medium-grade ores, remains strong on firm steel prices and steel production margins. "Steel mills, except those in Tangshan, are running at high operating rates due to the current mills' margins," a Shanghai-based trader said. Similarly, Brazil's iron ore exports totalled 25.8 million tons in April, up 7.5% from last year, while prices for the commodity also rose sharply amid strong demand from China, government data showed Monday.

Iron ore price has been on a steady climb with The Argus ICX 62pc fines index averaging \$179.85/dry metric tonne last month, up by 115.4pc from a year earlier and 7.76pc higher than March. Iron ore has since hit new heights at \$212.75 (CFR Tianjin port) up 5% on Monday after rising more than 14% last week.

Sources: Reuters, Argus media, Riotimes

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COAL

US THERMAL COAL EXPORTS HIT 26-MONTH HIGH WHILE COLOMBIA EXPORTS SLIP

US census bureau data show that thermal coal exports from the US increased by 1.4mn t on the year to 3.8mn t in March, a 26-month high amid recovering power demand and more favourable generation economics for coal in key markets. US thermal coal exports during the first quarter increased by 1.8mn t on the year to 9.3mn t, compared with a 2.7mn t drop in exports a year earlier. This was the fifth consecutive annual rise in monthly exports and a three-year high for the month. Buoyed by a harsh winter across northwest Europe and a weaker coal-to-gas fuel switching incentive in the power sector boosted the need for coal-fired generation this year, supporting demand for US-origin coal.

Combined Coal power output in France, Germany, Spain, and the UK rose by 109pc, or by 2TWh, on the year to 3.8TWh in April, supporting demand for seaborne coal. US thermal coal exports to Europe rose by 497,900t on the year to 538,100t in March. US thermal coal shipments also expanded in Asia for a second consecutive month to 2.3mn t, with Indian imports growing 497,000t on the year to 1.5mn t, rising for an eighth consecutive month as the country geared up to resume industrial activities after easing Covid-19 restrictions. Demand outlook is however poor as new lockdown amid rising coronavirus restrictions are implemented. Combined exports to China, Japan and South Korea decreased by 2,800t on the year to 762,000t in March, as a rise in shipments to China and Japan offset a halving of exports to South Korea to 268,800t.

Meanwhile, Colombia exported roughly 598,272 mt of coal on 12 coal carriers in the week ended May 5. This is down 65.1% from 22 ships carrying 1.71 million mt the previous week, according to commodities data provider Kpler. Panama took the lion share of the shipments receiving 53%, or 317,365 mt, while 148,600 mt and 86,345 mt were shipped to Israel and Chile, respectively, according to the data. In the week ended April 28, Turkey was the top export destination, with 260,018 mt; Brazil, at 205,249 mt; Chile, at 199,179 mt; and the Netherlands, at 186,498 mt. According to data from government statistics agency DANE, Colombian coal exports were at an 11-year low 71.19 million mt in 2020, down 4.7% from 2019 and the lowest since 68.68 million mt was exported in 2009.

Sources: Argus Media, S&P Global Platts

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GRAINS

FRENCH APRIL WHEAT EXPORTS EX-EU27+1 SLUMP TO A 9-YEAR LOW

Refinitiv data show exports of French soft wheat outside the European Union last month were the lowest for an April in nine years. Soft wheat exports to destinations outside the EU-27 and Britain totalled 665,600 tonnes in April, the 10th month of the 2020/21 season, an initial estimate based on Refinitiv loading data showed. This was the lowest April volume since 2011/12, the data showed. April's shipment was also down about a quarter from March's 908,400 tonnes.

Traders say export activity has waned due to dwindling supplies from a small 2020 French harvest, slackening demand from importers and a price rally that left French wheat uncompetitive overseas. While Morocco was the leading destination in April, accounting for 238,900 tonnes, this is nearly a quarter less than the volume shipped there in March. Egypt was the second largest non-EU destination with 126,000 tonnes matching exports to the country in March, however traditional French wheat buyers Algeria, took just 75,500 tonnes in April down from 240,900 in March.

There were no exports to China recorded for the second consecutive month, adding to a lull after Chinese demand drove French exports in the first half of the season. French soft wheat exports are expected at a four-year low over the full July-June 2020/21 season. Grain shipments to all destinations from French ports - including maize, waxy maize and durum wheat - reached 1.1 million tonnes, also the lowest April volume in nine years.

Source: Reuters

US CORN FUTURES TOPS \$7 FOR THE FIRST TIME IN 8 YEARS

U.S. corn futures on Tuesday topped \$7 a bushel in the most-active contract for the first time since 2013 on the back of unfavorable dry crop weather in Brazil. Demand continues to be strong despite prices soaring with demand for corn used to feed livestock and produce ethanol, opening the door for the market to extend gains, U.S. analysts said. There has been "no demand destruction" for crops amid strong profitability for meat production, said Greg Heckman, chief executive officer for global grains trader Bunge Ltd. He adds further that a switch to wheat is only temporary as seen in Asian feed manufacturers using the grain as alternative to corn in livestock feed. "We've got good animal profitability and good demand right now," Heckman said on an earnings call with analysts.

The most actively traded July corn contract on the Chicago Board of Trade (CBOT) settled up 17-1/4 cents at \$6.96-3/4 per bushel. The market earlier reached \$7.04 a bushel, the highest price for a most-active contract since March 2013. Front-month corn futures matched Monday's eight-year high of \$7.58-1/4 a bushel. Supply continues to be a great concern as, weather forecasts in Brazil showed little sign of rain relief for dry southern corn-growing areas, despite U.S. planting progress. Brazil's second annual crop is seen as crucial to boosting short-term availability ahead of the U.S. harvest later in the year. "In Brazil, the dry weather is still predominant and maize crops are suffering," consultancy Agritel said.

Source: Reuters

SOYBEAN STOCKS TO FALL FOR THE SECOND CONSECUTIVE SEASON AS CONSUMPTION INCREASES

Soyabean is set to lose its place as Brazil's top foreign exchange earner. Brazil's iron ore export revenues are set to surge 60% this year and displacing soybeans as the country's number one source of foreign exchange earnings for the first time in six years, Brazil's Foreign Trade Association (AEB) said on Tuesday. This has been fuelled by fast growing iron Ore prices while delayed Soybean harvest reduced exports despite soybean prices also increasing. FOB Prices have kept on increasing as grain prices worldwide rises. Brazilian soybeans FOB price is up by 26 USD/ton to 577 USD/ton. Meanwhile in Argentina, 50% of the soybean areas have been harvested compared to 78% a year earlier while soybean production of 43 million tons is expected, but yields seem to be above expectations and we will probably see an increase.

Source: Reuters, Grainprices

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