

Beans & Grains Market Comment

- World food prices rose for a seventh consecutive month in December, with all the major categories, barring sugar, posting gains last month, the United Nations food agency said on Thursday.
- Argentina, the world's third-biggest soybean producer and exporter, faces at least another month of relentless dry weather from a La Nina pattern that drove oilseed prices to a six-year high.
- Soybean imports by the world's top buyer are set to shrink in January and February month on month, reflecting low seasonal demand, according to the China National Grain and Oils Information Center. Imports seen at ~8m tons for January and 6m tons for February; compares with 9.6m tons in November and est. 9m tons in December:NOTE: Demand typically weakens in Jan.-Feb. as crushers shut for Lunar New Year Holidays
- China Soybean prices on Thursday fell by Rs 55 to Rs 4,613 per quintal in futures market as participants cut down their positions on weak spot demand.
- On the National Commodity and Derivatives Exchange, soybean contracts for January delivery fell Rs 55, or 1.18 per cent, to Rs 4,613 per quintal with an open interest of 71,045 lots.
- Soybean for February delivery went down by Rs 43, or 0.92 per cent, to Rs 4,633 per quintal with an open interest of 1,75,505 lots.

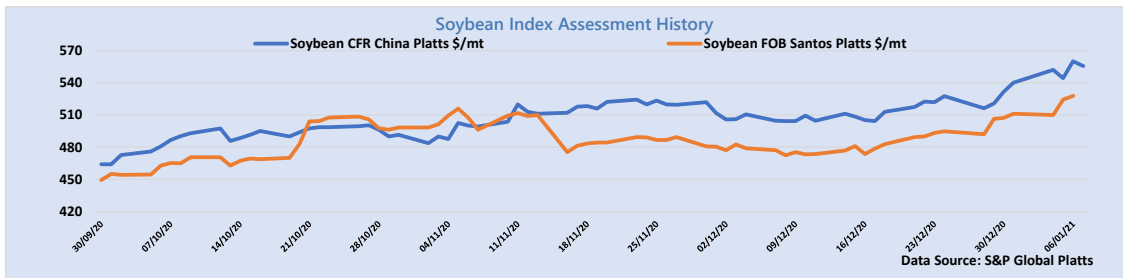
INDEX ASSESSMENTS

Soybean CFR CHINA Platts	\$555.56/MT	Soybean FOB Santos Platts	\$527.85/MT
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Soybean FOB Santos Platts Basis \$/mt				
	Bid	Offer	Close	Chg*
Mar 21	520.20	522.20	521.20	\$1.00
May 21	521.20	523.20	522.20	\$3.40
Jul 21	528.00	530.00	529.00	\$3.20
Aug 21	527.00	529.00	528.00	\$3.20

Black Sea Wheat Platts \$/mt - Indic		
	Close	Chg
Jan 21	273.75	-\$2.00
Feb 21	274.75	-\$0.75
Mar 21	275.25	-\$0.50
Q1 21	274.58	-\$1.08

*changes from previous closing price



Freight Daily Comment / Trades Interests

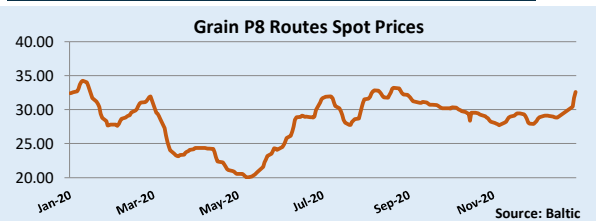
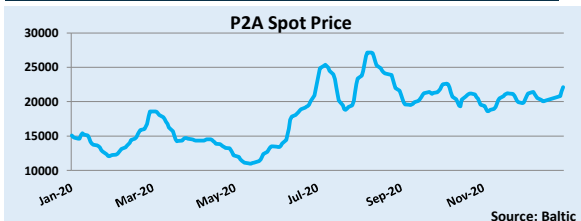
- Despite a negative index yesterday which came as a surprise for many, the cape paper market managed to hold onto its recent gains and closed flat to marginally lower, day on day
- Although there was more weight on the offer, the q1 and q2 contracts remain heavily discounted to the index and therefore each time it dropped, there was a willing buyer to pick it up
- The q3 and q4 is a slightly different kettle of fish, while these continue to have a 17k handle, flattish to the index, it's hard to see how further gains will be made here in the short term unless the spot powers on
- Talking of the spot market, Brazil burst into life yesterday with 15.25, 15.50 and 15.75 fixing on c3 although there remained an abundance of tonnage at 16 on the follow
- All in all, a strong start to the year for the capes with all eyes on the weather radar going forward
- One thing is for sure, with the tce for c5 being far better than c3 we should limit the list of ballasters which should bode well for c3 in the coming weeks

Physical Freight Index Assessments	ROUTE	SPOT	YTD	Ch.24hrs	
P8	Santos to Qingdao 66k \$/mt	\$ /MT	32.60	31.58	2.79%
(Baltic Exchange) P2a	Skaw-Gib trip HK- S Korea	\$ /Day	22095	21476	2.66%

FIS Freight Forward Assessments

P2A - Skaw-Gib trip HK-S Korea incl Taiwan \$/day				
	Bid	Offer	Close	Ch. 24hrs
Jan 21	20000	21000	20500	-\$100
Feb 21	18250	19000	18625	-\$275
Q1 21	19200	20000	19600	-\$300
Q2 21	19650	20350	20000	-\$350
Q3 21	20100	20850	20475	-\$475

P8 - Santos to Qingdao \$/mt				
	Bid	Offer	Close	Ch. 24hrs
Jan 21	31.00	33.00	32.00	\$0.75
Feb 21	32.20	34.20	33.20	\$0.50
Q1 21	31.20	33.10	32.15	\$1.00
Q2 21	30.85	32.85	31.85	\$0.50
Q3 21	33.20	35.20	34.20	-\$0.30



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