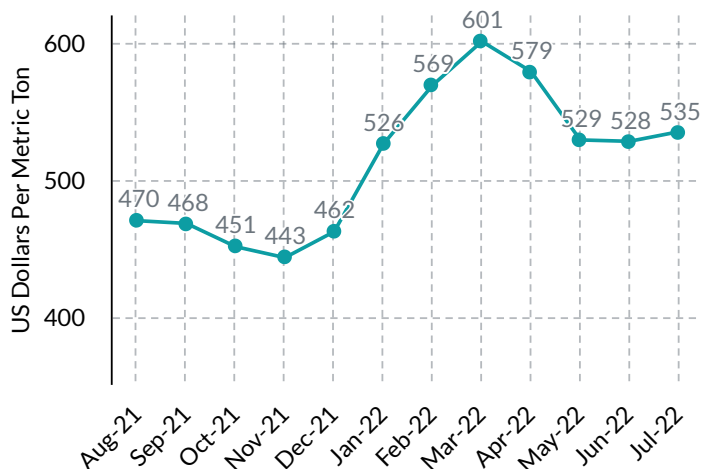
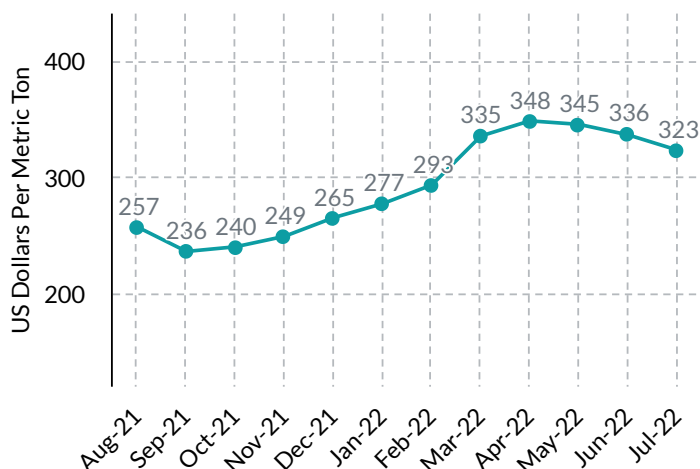


RAW MATERIAL PRICE UPDATES

Global Soybean Meal Price



Global Corn Price



Soybean Meal Futures End of Day Settlement Price

483.03

US\$ per metric ton

As of: Monday, September 19, 2022

Corn Futures End of Day Settlement Price

272.44

US\$ per metric ton

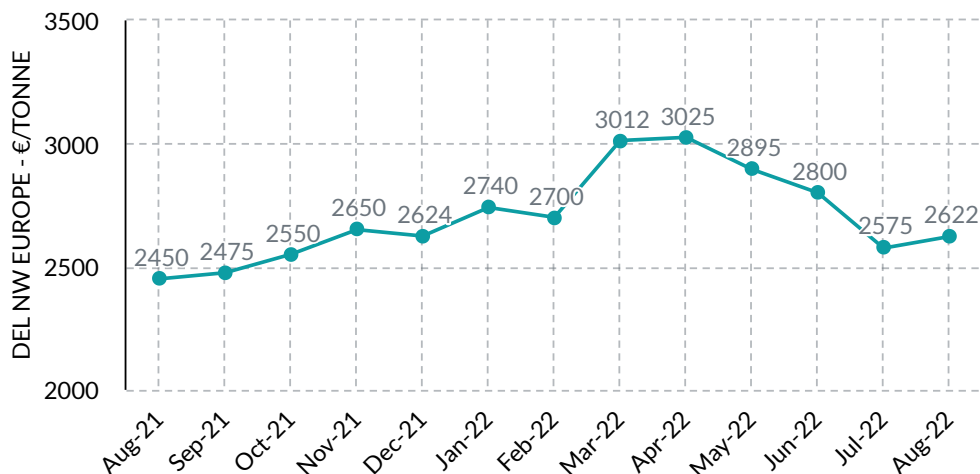
As of: Tuesday, September 20, 2022

Source: [CBOT](#)- [CME Group](#)

- Average international soybean values strengthened during August, the IGC GOI sub-Index advancing modestly m/m, to take y/y gains to 14 percent Soybean 2022/23 production raised marginally on higher forecasts mainly for the US and Brazil, more than offsetting a downward revision for India.
- More recently, soybean sentiment was dampened by an improved Midwest weather backdrop, coupled with a downturn in external markets, including energy and equities, amid heightened worries about a potentially protracted global economic slowdown.
- Corn export prices firmed during August, with movements in outside markets contributing to market volatility at times. Corn 2022 production cut largely on sharp downturn in EU harvest prospects, as well as for the US, lowering the global forecast to 2.4 percent below last year's output.
- Despite seasonally rising supplies, prices in Brazil increased on strong overseas demand and hopes for an early start to shipments to China. Quotations in Argentina advanced amid firming buying interest, with worries about La Nina potentially persisting into 2023.
- USDA Export tracking Numbers: Soybean exports for the period ending August 31 of 424,100 MT brought accumulated exports to 57,188,800 MT, down 6% from the prior year's total of 60,570,500 MT. Corn exports for the period ending August 31 of 1,014,800 MT brought accumulated exports to 59,763,700 MT, down 11% from the prior year's total of 66,957,900 MT. China was the biggest buyer of both corn and soybeans

Source: CBOT – CME Group, Agricultural Market Information System, agriculture.com

Global Copper Sulphate Market Price



DEL NW EUROPE (High Price)

2695

€/TONNE

As of: Monday, September 19, 2022

- European spot prices for copper sulphate averaged €2,940/tonne DEL NWE in Q2, increasing by 5% from Q1 and by 18% year on year.
- Shrinking copper demand in Europe due to a manufacturing recession caused by the energy crisis will dominate market sentiment for some time with prices likely to retreat towards two-year lows early next year.
- Copper prices typically react to the ebb and flow of demand in China, which accounts for half of global consumption estimated at around 25 million tonnes this year. However, currently Europe demand which accounts for 15%-20% is making an effect on the market.
- Although demand for feed and feed ingredients remains weak, electricity and gas prices are squeezing producer margins.
- The average copper price for Q3 2021 quarter-to-date was \$9,419/tonne, while the average copper price for Q2 2021 was \$9,687/tonne. The September month-to-date average was \$9,423/tonne. The August average was \$9,323/tonne.

Source: FEEDINFO

MARKET TREND & SUPPLY CHAIN UPDATES

EU cuts maize crop forecast by 8%, raises import outlook

- The European Commission has lowered its monthly forecast for this year's maize harvest in the European Union by 5.9 million tonnes, joining other forecasters who have cut their expectations due to torrid weather in the bloc.
- The Commission now sees the EU maize crop at 65.8 million tonnes compared with 71.7 million forecast in late June and 72.7 million harvested last year.
- The Commission did not refer to weather conditions but said the forecast cut mainly reflected lower yield projections for Germany, Spain, France, Italy, Hungary, Romania and Slovakia. Maize crops have endured heatwaves and worsening drought during their crucial summer growth period.

Source: Hellenic Shipping News

Brazil soybean exports down 8.87% in H1 2022 compared to 2021

- With the soybean crop in Brazil, the world's largest producer and exporter of the oilseed, almost completed, with yields amounting to 125.8 tons, 300,000 more than the previous estimate. However, this volume is 9.4 below the 2021 record.
- Processing in Brazil was estimated at a record 48.3 million tons, 200,000 more than the previous forecast and 519,000 more than seen in 2021. As a result, the country's soybean meal production in 2022 was estimated at 37 million tons, a slight increase month on month versus 36.77 million in 2021.
- Soybean oil production is expected to total 9.8 million tons compared to 9.75 million in the June forecast, with growth compared to 2021 9.64 million), despite a lower blend of biodiesel in Brazilian diesel oil in 2022

Source: Hellenic Shipping News

Black Sea Grain Export Challenges

- After nearly six months of record to near-record high global food prices sparked by the abrupt disruption of grain exports from Ukraine, on the heels of tight wheat supplies and high maize demand, Ukraine was finally able to start shipping grains from some of its Black Sea ports in August, thanks to the Black Sea Initiative orchestrated by the United Nations.
- The need for more grain exports from Ukraine is clear. However, so far only vessels that are backed by the UN and Türkiye can ship out of Ukraine's Black Sea ports, and many shipowners and traders continue to be hesitant in view of the high risks involved. Furthermore, the Initiative could expire on November 18; a potential concern given recent statements of the Russian Federation to review the terms of the deal.
- While the Black Sea Initiative offers a glimpse of hope, its duration needs to be extended, and its scope broadened to other ports and routes so that export flows can scale up.

Source: Agricultural Market Information System

African Swine Fever Vaccine Update

- ASF remains a key issue in Asian pig production but rebuilding and recovery have begun in many countries. Recovery efforts are at different paces, but producers can implement common strategies that could help their post-ASF growth.
- Vietnam has paused the introduction of ASF vaccine after hundreds of pigs died following vaccination. Phan Quang Minh, Head of Veterinary Epidemiology at the Department of Veterinary said the farms where the pigs died were not part of the rollout program. “They used the vaccine on wrong animals (pregnant pigs, boars), and without surveillance or instruction of local or Navetco’s veterinarians,” he said. DOV and Navetco are investigating the situation and reviewing the quality of the vaccine.
- As a result of their positive findings in Vinh Phuc province, Ministry officials intend to expand ASF vaccinations soon. Their plans are to deploy up to 600,000 doses. Stricter control of the vaccination process, in accordance with the guidelines of the Ministry, Department of Animal Health instructions, and with the correct vaccination targets will guide the process.

Source: African Swine Fever, The Pig Site

Supply Chain Update

- Supply chain has become of even greater importance over the last two years when the COVID-19 pandemic led to significant disruptions of supplies of materials and goods due to border closures. It was further worsened by the trade rivalry between the West and China and recently by the Russia Ukraine war.
- Operational situation in Asia is stabilizing for ocean however, supply chains will come under further strain in the next few weeks especially in Europe where labor unrest and the impact of climate change (low water levels) add to port congestion and cargo delays.
- The Wall Street firm’s latest Global Trade Monitor lays out where things have improved – like cheaper costs for shipping raw materials, lower delivery times, and fewer logistics backlogs in the US, UK, Taiwan and South Korea.
- DHL reports schedule reliability trending upwards. July was the third consecutive month that schedule reliability improved MoM to 40.5%.
- China’s zero-COVID-19 policies continue to impact areas where new outbreaks occur. However, the impact on customers’ supply chain is much diminished and most Chinese factories, ports and logistics infrastructure operate normally without major disruption. In The situation has improved in Ningbo with experienced waiting time from 3 to 1 day.
- Golden Week, a national holiday in China at the start of October, where all the factories close due to a week-long of festivity, adds additional pressure on freight space.
- According to Morgan Stanley: The countries most exposed to China spillovers are Australia, Brazil, Chile, South Korea and Taiwan. International commerce is going to moderate alongside sluggish consumer demand and a weaker global economy more broadly.

Source: Bloomberg, Maersk, DHL