

**Transportation and Export Report for 11 January 2018****Ocean Freight Insights and Comments:**

Dry-bulk ocean freight markets attempted to rally back from last week's big fall. At week's end things are slightly improved week over week, but most of the strength from early in the week has diminished.

We are still seeing good volatility in the Baltic indices. Yesterday the SC1-USGulf to China index was up 939 point on the day; today it is down 594 points. Physical markets are slightly better as vessel owners remain optimistic and stubborn and try to hold out for the higher figures they desire. Last week the U.S. Gulf Panamax market to China was down \$1.25/mt; this week it is up \$1.50/mt; so there is no big overall net change in things.

**BALTIC DRY-BULK PANAMAX INDEX CHANGES**

Panamax Ocean Freight Indices				
11-Jan-18	This Week	Last Week	Difference	Percent Change
P2A : Gulf/Atlantic - Japan	18385	17917	468	2.6%
P3A - PNW/Pacific - Japan	9859	9632	227	2.4%
S1C -USGULF-China-So.Japan	24322	22256	2,066	9.3%

Recent history of freight values for Capesize vessels of Iron-Ore from West Australia to South China:

Four weeks ago:	\$ 8.75-\$9.90
Three weeks ago:	\$ 8.70-\$9.90
Two weeks ago:	\$ 9.75-\$10.00
One week ago:	\$ 5.40-\$7.00
This week	\$ 6.20-\$6.75

**US Vessel Line-Ups/Estimated vessel berthing delays at U.S. Export Grain Elevators:**

Mississippi River:	(10 elevators)	4-8 days
Miss. River Mid-Stream loaders:	(6+ Rigs)	0-1 days
Texas Gulf	(6 elevators)	0-7 days
Pacific Northwest:	(9 elevators)	0-8 days

Panamax Market Spreads to Asia -China					
11-Jan-18	PNW	GULF	Bushel Spread	MT Spread	Advantage
CORN	0.96	0.61	0.35	\$13.78	PNW
SOYBEANS	0.92	0.52	0.40	\$15.75	PNW
OCEAN FREIGHT	\$23.50	\$44.00	.52-.56	\$20.50	FEB.

### Recent Reported Vessel Fixtures:

Barley Handymax from Argentina to Algeria at estimated \$38.50/mt.

Route and Vessel Size	Current Week USD/MT	Change from previous week	Remarks
55,000 U.S. Gulf-Japan	\$44.75	Up \$1.75	Handymax \$45.00/mt
55,000 U.S. PNW- Japan	\$24.50	Up \$0.50	Handymax at \$25.25/mt
65,000 U.S. Gulf – China	\$44.00	Up \$1.50	North or South China
PNW to China	\$23.50	Up \$0.50	
25,000 U.S. Gulf- Veracruz, México	\$16.25	Up \$0.25	3,000 MT daily discharge rate
35-40,000 U.S. Gulf- Veracruz, México	\$14.25	Up \$0.25	Deep draft and 6,000 MT per day discharge rate.
25/35,000 U.S. Gulf- <u>East Coast Colombia</u>	\$20.25	Unchanged	<u>West Coast Colombia at \$28.50</u>
From Argentina	\$33.00		
40-45,000 U.S. Gulf - Guatemala	\$28.50	Unchanged	Acajutla/Quetzal - 8,000 out
26-30,000 U.S. Gulf – Algeria	\$31.50	Up \$0.50	8,000 mt daily discharge
	\$33.50		3,000 mt daily discharge
26-30,000 US Gulf-Morocco	\$30.75	Up \$0.50	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt	\$28.75	Up \$0.50	55,000 -60,000 mt
PNW to Egypt	\$27.75		Russia Black Sea to Egypt \$15.00
60-70,000 U.S. Gulf – Europe – Rotterdam	\$17.25	Up \$0.50	Handymax at +\$2.00 more
Brazil, Santos – China	\$34.00	Up \$2.00	54-59,000 Supramax-Panamax
Brazil, Santos – China	\$33.00		60-66,000 Post Panamax
Itacoatiara-Port Up River North Brazil	\$36.50		60-66,000 mt
56-60,000 Argentina-China Deep draft	\$39.75	Up \$2.00	Up River with Top Off \$42.00

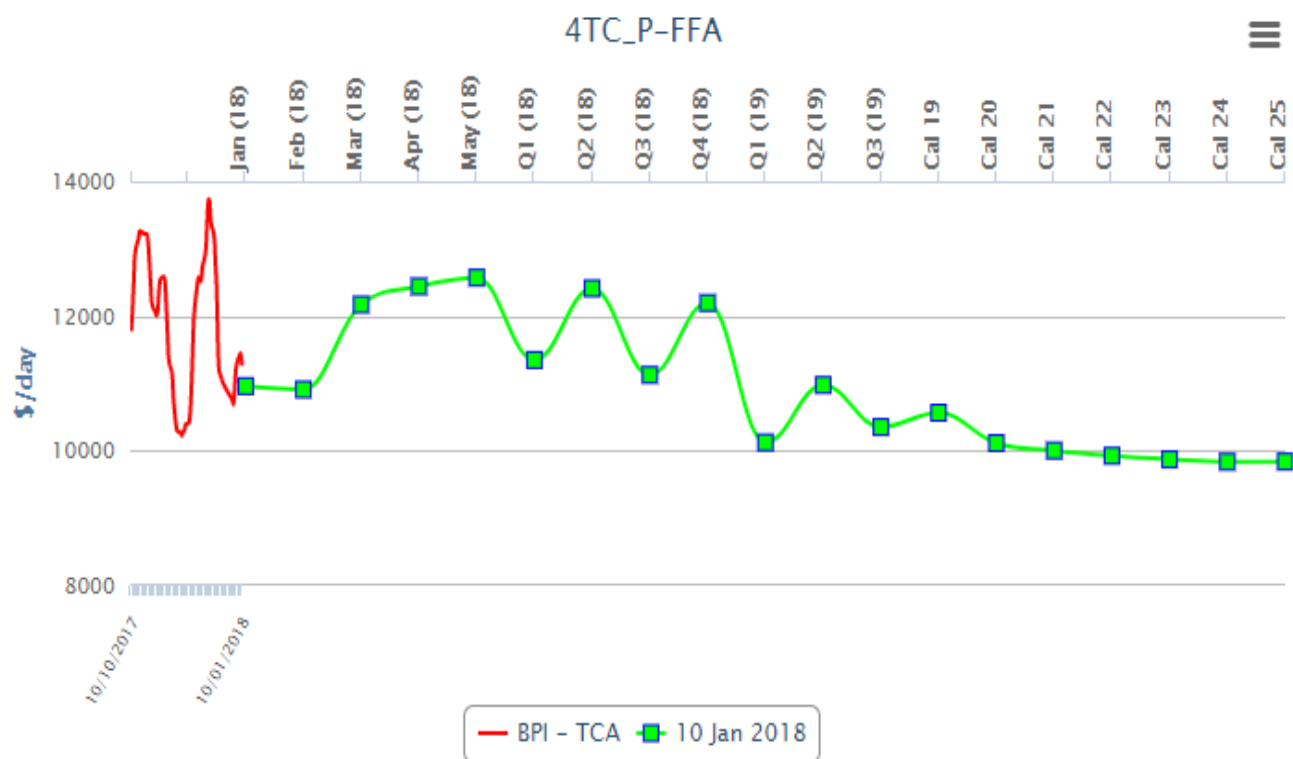
#### **Nautical Miles: To Xiamen China (South China)**

**US Gulf (NOLA) (via Panamá Canal) – 10,232 nautical miles (32 days)**

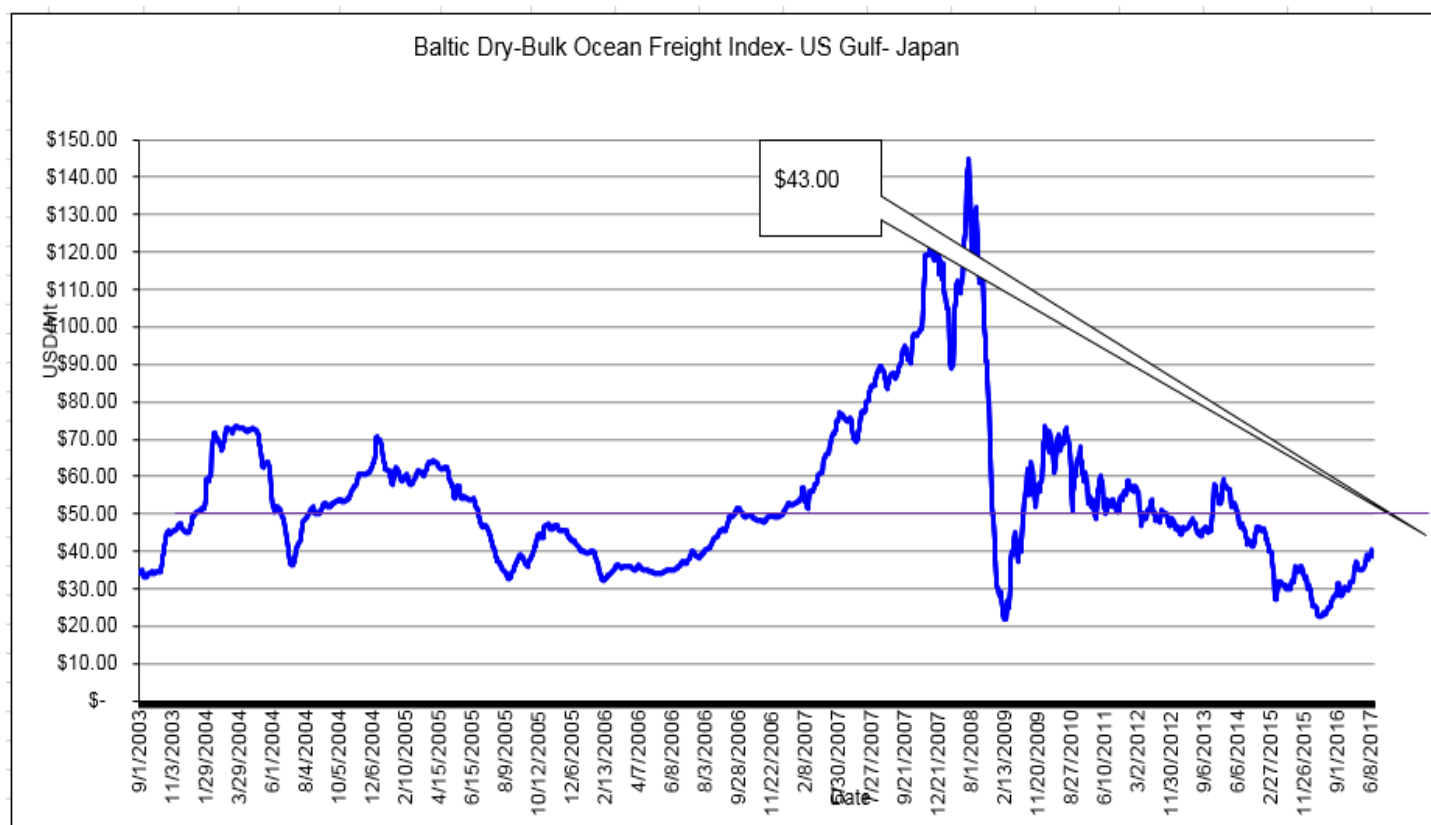
**Santos Brazil (via Cape of Good Hope) - 10,441 nautical miles (33 days)**

**Rasario Argentina (via Cape Horn) - 10,751 nautical miles (34 days)**

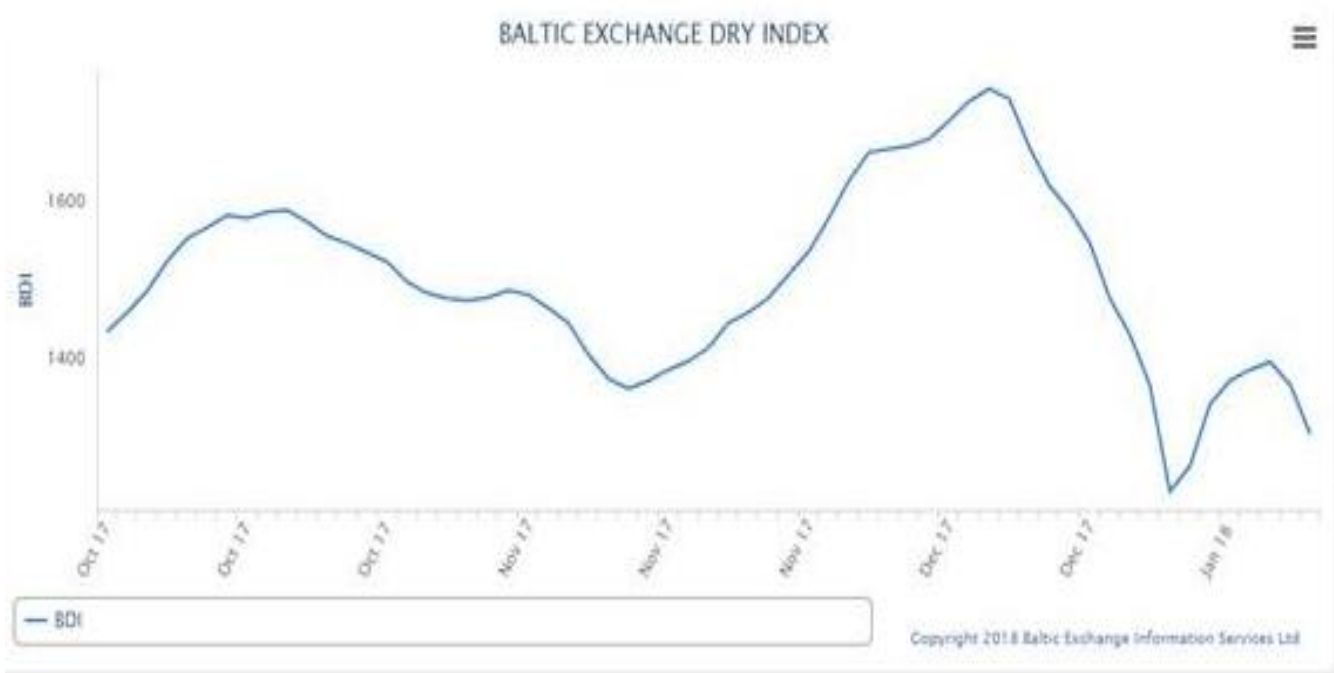
### Forward Curve for Baltic BPI Panamax Vessel Freight



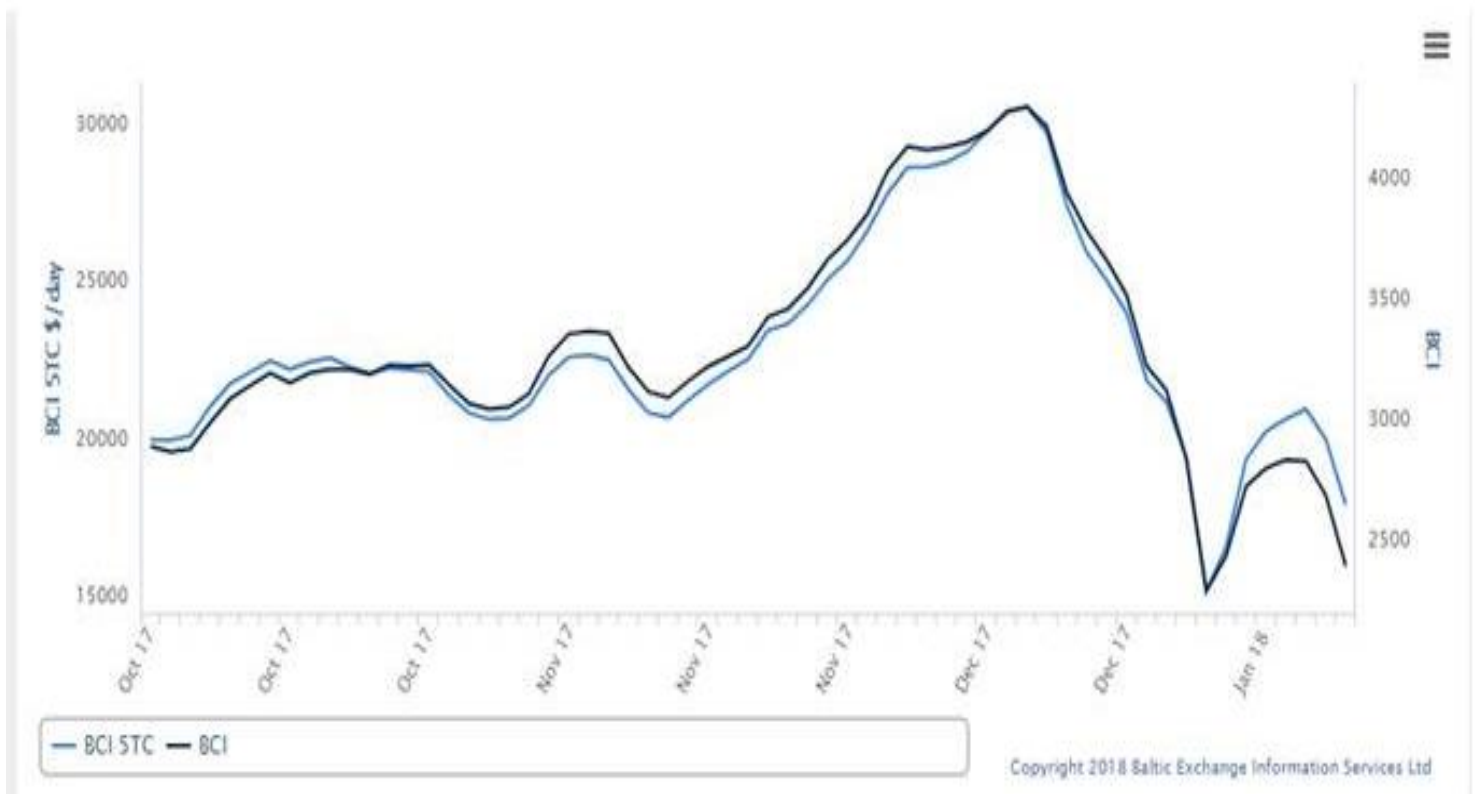
Copyright 2018 Baltic Exchange Information Services Ltd



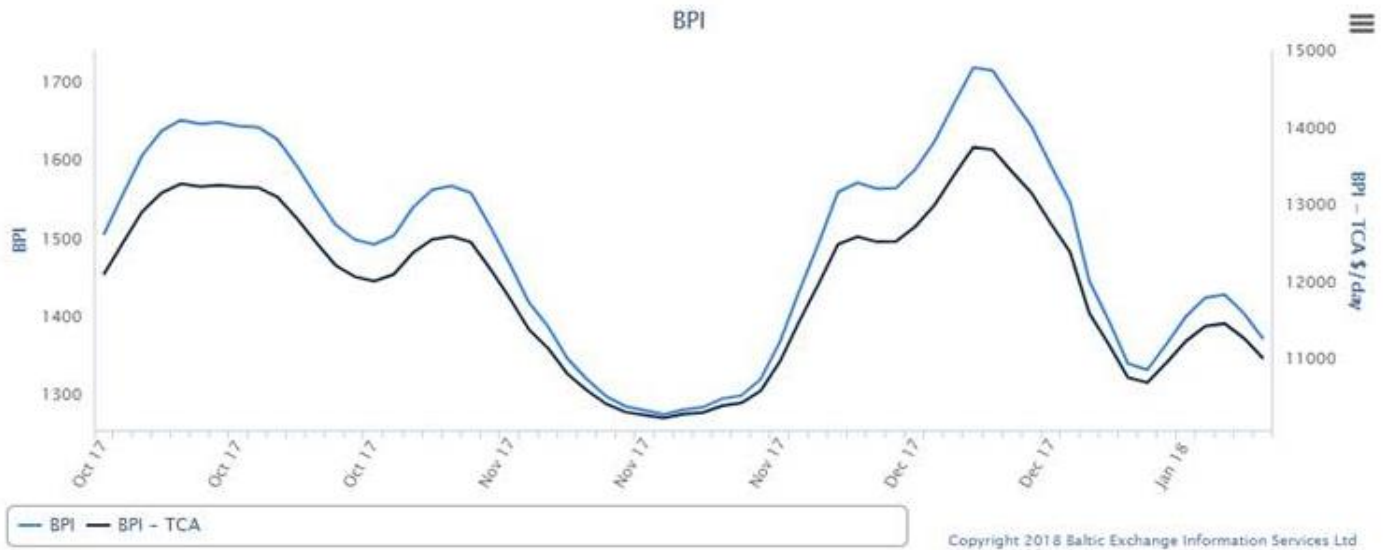
## Baltic Exchange Dry Bulk Index



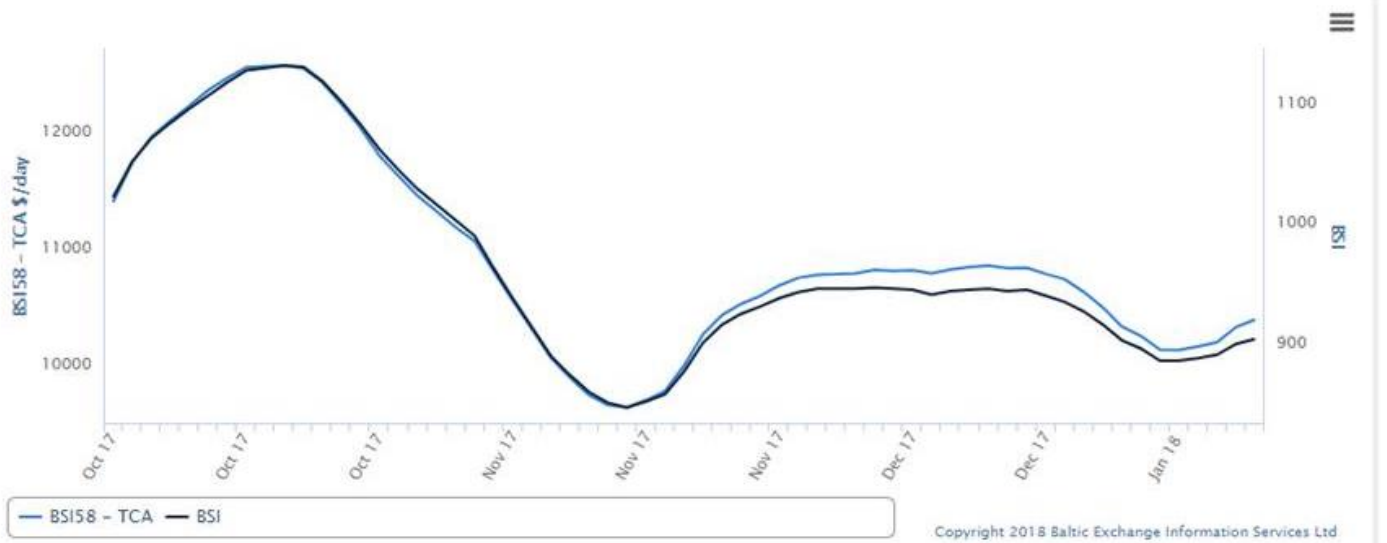
## Baltic Capesize Index



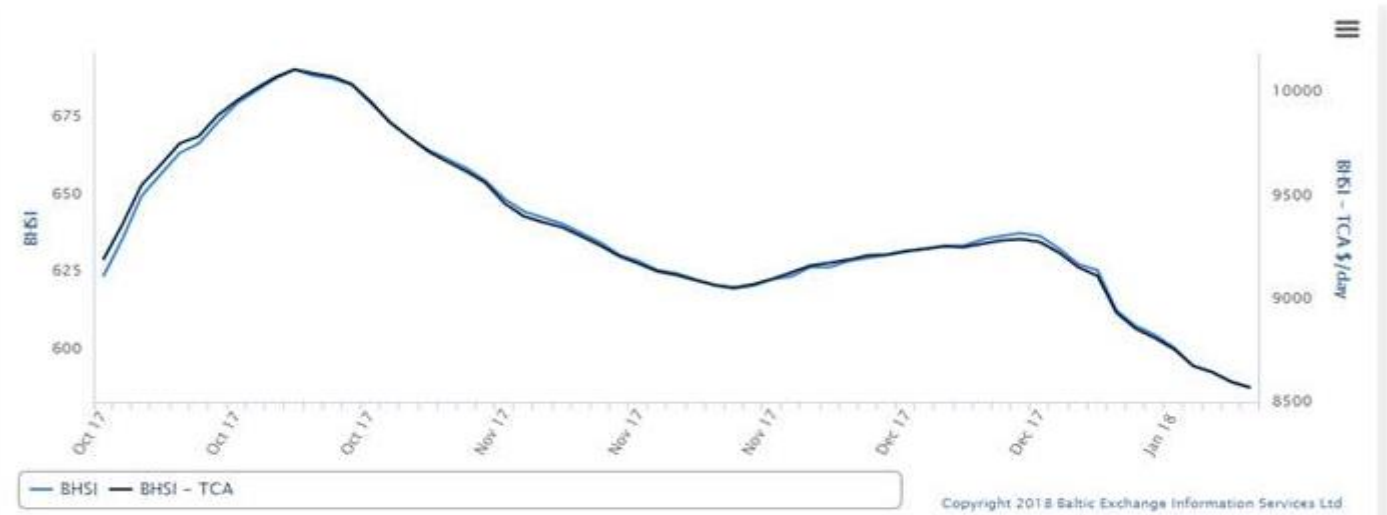
### Baltic Panamax Index



### Baltic Supramax Vessel Index



### Baltic Handy Size



# Yamamizu Shipping

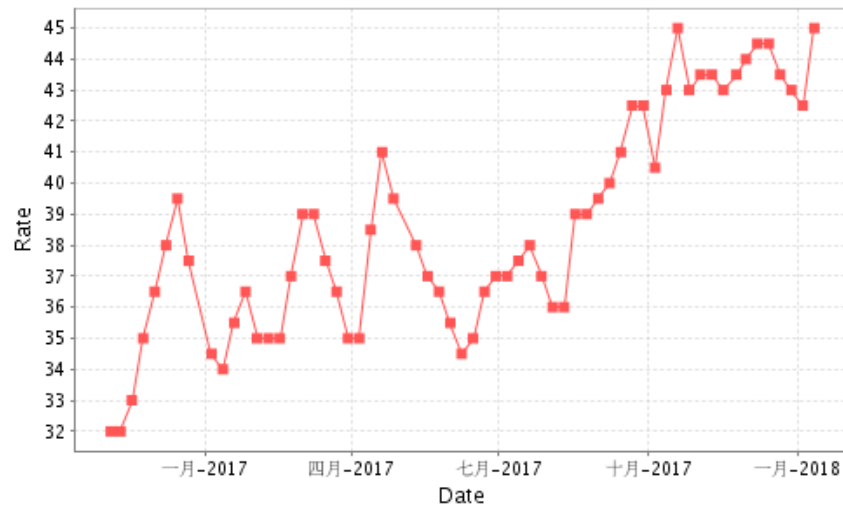
[Profile](#)
[History](#)
[Organization](#)
[Service](#)
[Access Map](#)
[Yamamizu Index](#)

## USG/Japan Index Result

Date From: 2016-11-01

Date To: 2018-01-12





## China Import Dry Bulk Freight Index(CDFI)

2018-01-11

Route	Size MT	Cargo/Vessel Size	Unit	Rate	Change
Composite Index			Point	810.51	-12.41
Iron ore Freight Index			Point	765.70	-21.46
Santos(Brazil)—North China	60000/10%	Soybean	\$/ton	32.335	0.050
Tacoma(West America)—North China	60000/10%	Soybean	\$/ton	23.405	-0.025
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	43.327	-0.191
Mississippi(US Gulf)—North China	55000/10%	Soybean	\$/ton	44.944	-0.156

**11 January 2018 U.S. FOB Vessel Export Market Values:**

<b>U.S. Yellow Corn (USD/MT) FOB Vessel</b>				
# 2 YC	U.S. Gulf #2 YC		PNW #2 YC	
15.0 % Moisture	Basis	Flat Price	Basis	Flat Price
<b>Feb.</b>	0.61	<b>\$161.31</b>	0.96	<b>\$175.09</b>
<b>Mar.</b>	0.58	<b>\$160.13</b>	0.91	<b>\$173.12</b>
<b>Apr.</b>	0.48	<b>\$159.44</b>	0.83	<b>\$173.22</b>
<b>May</b>	0.48	<b>\$159.44</b>	0.85	<b>\$174.01</b>
<b>June</b>	0.41	<b>\$159.83</b>	0.78	<b>\$174.40</b>
<b>July</b>	0.42	<b>\$160.23</b>	0.80	<b>\$175.19</b>

The Gulf spread between #2 and #3 YC is currently about 02 cents per bushel (0.80 per MT)

<b>SORGHUM (USD/MT) FOB VESSEL</b>				
#2 YGS Fob Vessel	NOLA		TEXAS	
Max. 14.0%	BASIS	FLAT PRICE	BASIS	FLAT PRICE
<b>Feb.</b>	1.70	<b>\$204.22</b>	1.60	<b>\$200.28</b>
<b>Mar.</b>	1.70	<b>\$204.22</b>	1.60	<b>\$200.28</b>
<b>Apr.</b>	1.70	<b>\$207.47</b>	1.60	<b>\$203.57</b>
<b>May</b>	1.70	<b>\$207.47</b>	1.60	<b>\$203.53</b>
<b>June</b>	1.60	<b>\$206.68</b>	1.55	<b>\$204.71</b>

Fob vessel Texas Gulf #2 Sorghum is about 124 the value of #2 Yellow Corn at NOLA  
Sorghum has gotten to be a thin trade and interior and export handling margins have widened out to reflect the risk.

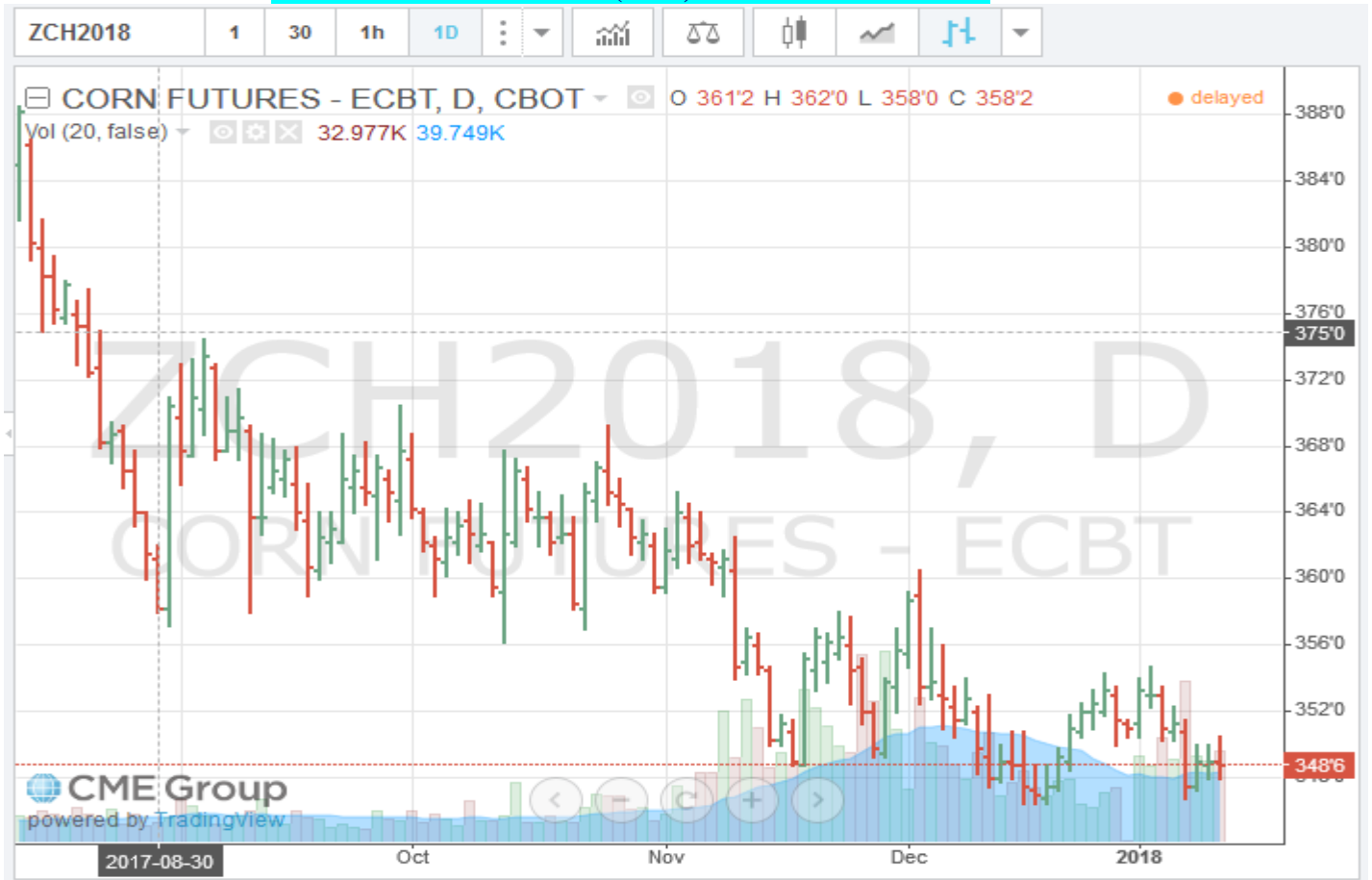
**U.S. SRW Wheat Fob Vessel at the Center U.S. Gulf**

<b>SRW Wheat</b>	<b>USD/MT</b>	<b>Fob Vessel</b>	<b>US Gulf</b>	
	<b>Feb.</b>	<b>Mar.</b>	<b>Apr.</b>	<b>May</b>
FOB U.S. GULF	\$184.91	\$184.91	\$186.20	\$186.93
Basis	0.70	0.70	0.60	0.62
WH	4.3325			
WK	4.4675			
WN	4.5875			

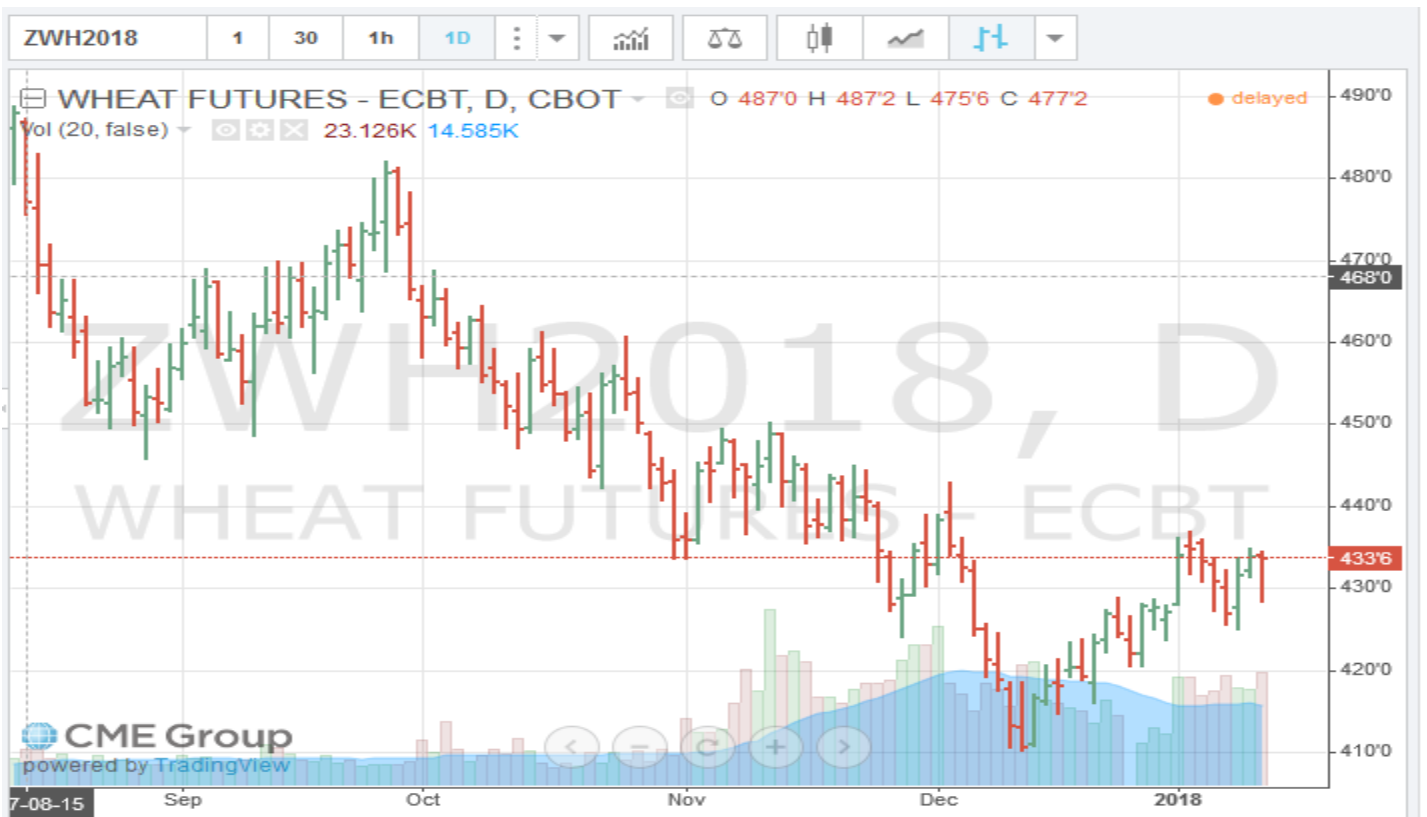
<b>CME CORN FUTURES MARKET CLOSE- Thursday</b>						
CBOT		Friday	Friday			
CORN	Futures	Close	Close	Last week	Last Week	Difference
Month	Symbol	Bushel	MT.	Bushel	MT.	Bushel
Mar.	CH	\$3.4875	\$137.30	\$ 3.5100	\$138.18	(\$0.0225)
May	CK	\$3.5700	\$140.54	\$ 3.5925	\$141.43	(\$0.0225)
July	CN	\$3.6500	\$143.69	\$ 3.6775	\$144.78	(\$0.0275)
Sept.	CU	\$3.7300	\$146.84	\$ 3.7500	\$147.63	(\$0.0200)
Dec.	CZ	\$3.8275	\$150.68	\$ 3.8450	\$151.37	(\$0.0175)



### CME/CBOT March 2018 (CH8) Corn Futures Chart –



### CME/CBOT March 2018 (WH8) SRW Wheat Futures Chart –



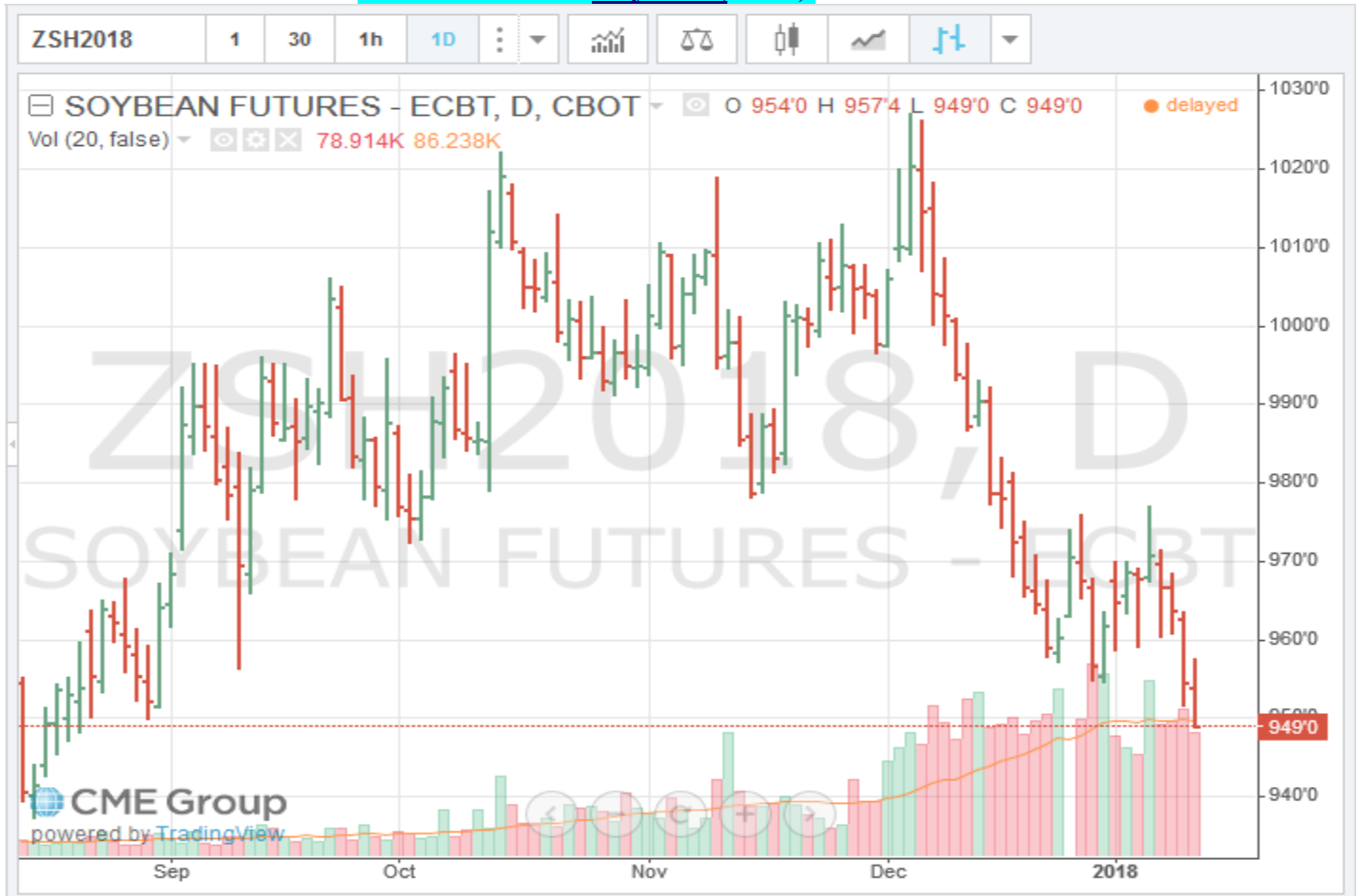


## U.S. Soybean and SBM Markets Fob Vessel:

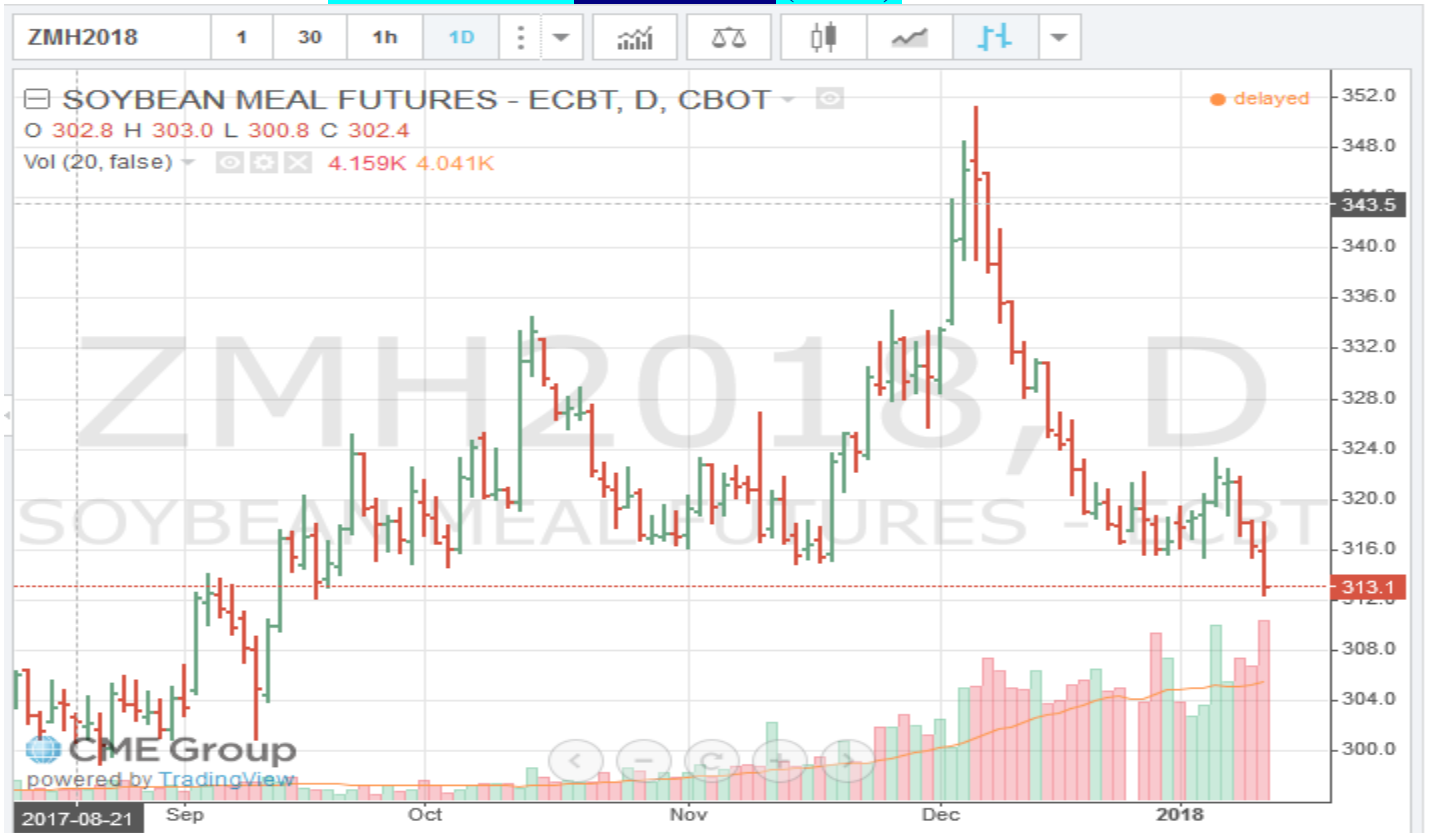
<b>U.S. Yellow Soybeans (USD/MT) FOB Vessel</b>				
# 2 YSB	U.S. Gulf #2 YSB		PNW #2 YSB	
14.0 % Moisture	Basis	Flat Price	Basis	Flat Price
<b>Feb.</b>	0.52	<b>\$368.17</b>	0.92	<b>\$382.87</b>
<b>Mar.</b>	0.49	<b>\$367.07</b>	0.88	<b>\$381.40</b>
<b>Apr.</b>	0.41	<b>\$368.17</b>	0.78	<b>\$381.76</b>
<b>May.</b>	0.42	<b>\$368.54</b>	0.80	<b>\$382.50</b>
<b>June</b>	0.37	<b>\$370.19</b>	0.77	<b>\$384.89</b>
<b>Soybean Futures</b>				
<b>Jan.</b>	\$ 9.4050			
<b>Mar.</b>	\$ 9.5000			
<b>May.</b>	\$ 9.6100			
<b>July</b>	\$ 9.7050			
<b>Aug.</b>	\$ 9.7350			
<b>Sept.</b>	\$ 9.7150			

<b>U.S. SBM (USD/MT) FOB Vessel</b>		
Fob U.S. Gulf Port	47.5 Pro. SBM	
max 12.5 % moisture	Basis	Flat Price
<b>Feb.</b>	-2.00	<b>\$ 342.99</b>
<b>Mar.</b>	-2.00	<b>\$ 342.99</b>
<b>Apr.</b>	-3.00	<b>\$ 345.85</b>
<b>May</b>	-4.00	<b>\$ 347.95</b>
<b>June</b>	-3.00	<b>\$ 349.05</b>
<b>SBM Futures</b>		
<b>SMF</b>	309.60	
<b>SMH</b>	313.10	
<b>SMK</b>	316.70	
<b>SMN</b>	319.60	
<b>SMQ</b>	320.20	
<b>SMU</b>	320.40	

### CME March 2018 Soybean (SH18) Futures Chart



### CME March 2018 Soybean Meal (SMH8) Futures Chart



## U.S. EXPORT STATISTICS: Report Activity as of Week Ending 28 December 2017

### Thursday-Weekly U.S. Export Sales

Commodity	New Sales (000 MT)	YTD Export Commitments **(000 MT)	Total Projected Export Program for Year (000 MT)	Percent of Export Projection	Total Sales for Next Marketing Year '17- 18 (000 MT)
Corn	369.4	26,671.0	48,900	55%	1,134.6
Sorghum	61.9	4,410.8	6,600	67%	0.0
Soybeans	631.3	41,065.7	60,560	68%	535.8
Wheat	246.0	19,469.8	26,540	73%	203.8
Barley	0.0	36.4	110	33%	7.1

## U.S. EXPORT INSPECTIONS:

Monday's report 08 January 2018 for the Export week ending 04 January 2018

	Export Inspections		Current Market Year YTD	Previous Year to Date	2017 YTD as Percent of 2016 YTD
	This Week	Previous Week			
Corn	849,226	726,499	11,428,938	17,929,224	64%
Sorghum	839	123,689	1,643,589	1,980,235	83%
Soybeans	1,183,089	1,210,704	29,577,235	34,472,191	86%
Wheat	234,418	275,069	14,765,190	15,801,144	93%
Barley	0	0	18,182	28,785	63%

For further Export Sales details: <http://www.fas.usda.gov/export-sales/esrd1.html>

## U.S. EXPORT INSPECTIONS:

Monday's report 08 January 2018 for the Export week ending 04 January 2018

Last Week							
(Metric Tons)	YC	%	WC	%	Sorghum	%	Soybeans %
Lakes	0	0%	0	0%	0	0%	0 0%
Atlantic	0	0%	0	0%	0	0%	4,653 0%
Gulf	565,989	68%	13,728	87%	0	0%	822,930 70%
PNW	132,564	16%	122	1%	0	0%	329,681 28%
Interior Export Rail	134,827	16%	1,996	13%	839	100%	25,825 2%
Metric Tons	833,380		15,846		839		1,183,089

Sorghum Shipments:	metric tons	
	839	Mexico
	839	Total

White Corn	metric tons	
Shipments:	1,996	Mexico
	122	Korea Rep.
	13,728	Colombia
	15,846	Total

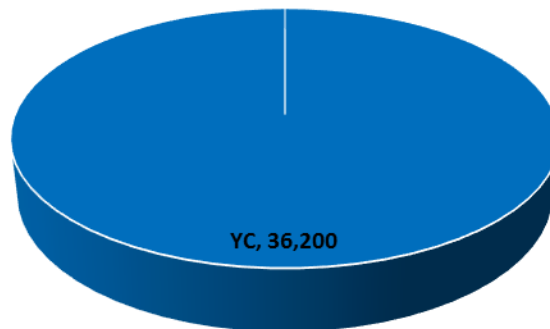
## Export Inspection Highlights

**Data sheet below:** *USDA weekly export inspections report with corrections to the last three weeks' grain export inspections reports. (This usually covers a 2-5 week prior time frame).*

CONTAINER SHIPMENTS of GRAIN									
USDA Grain Inspections Report:		4-Jan-2018							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	SWH	HRW	Sorghum	TOTAL
China Main			465						465
China T	8,322		11,604						19,926
Hong Kong	955								955
Costa Rica	73								73
Indonesia			6,094						6,094
French Polynesia									0
Japan	318		244						562
Korea Republic	1,470		1,396						2,866
Panama									0
Malaysia	122		490						612
Ireland									0
Philippines			343						343
Thailand			3,720						3,720
Sri Lanka									0
Burma									0
Vietnam			1,469						1,469
Sub total	11,260	0	25,825	0	0	0	0	0	35,616
USDA Corrections/Additions to previous reports:									
China T			1,567						1,567
China Main								1,567	1,567
Hong Kong									0
Korea Rep.									0
Canada									0
Japan									0
Philippines									0
Indonesia			5,631						5,631
Malaysia			147						147
Thailand			367						367
Vietnam			318						318
Kenya									0
Panama									0
Sub total	0	0	8,030	0	0	0	0	1,567	9,597
<b>Mt. Grand Total</b>	<b>11,260</b>	<b>0</b>	<b>33,855</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,567</b>	<b>45,213</b>
Number of containers	490	0	1,472	0	0	0	0	68	

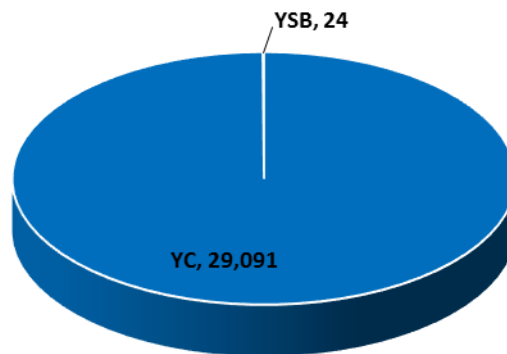
Jan - Dec 2016 Annual Totals versus 2017 Jan.-Dec. Annual Container Shipments (in MT)

**2017 Container Shipments to Hong Kong**



■ YC

**2016 Container Shipments to Hong Kong**



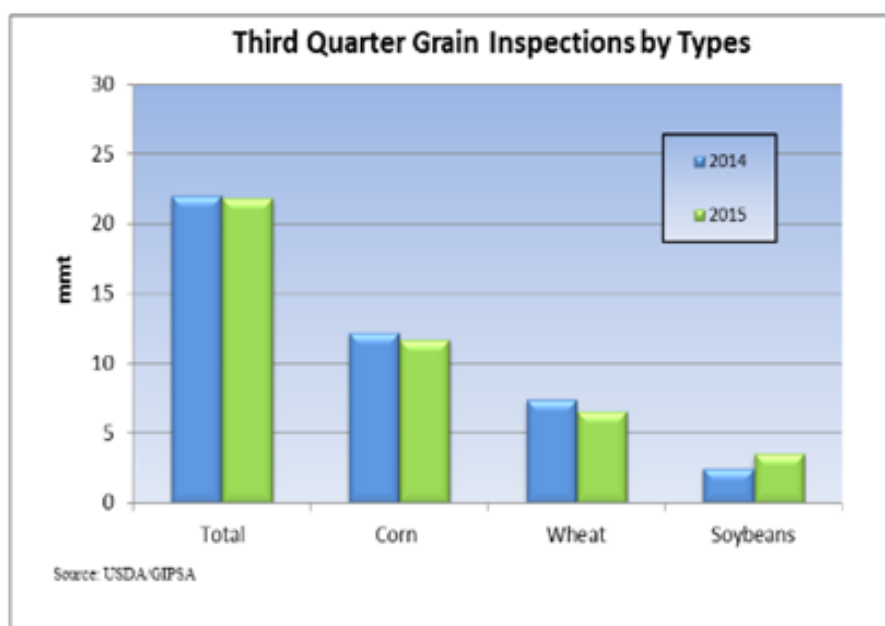
■ YC ■ YSB

Grain Inspections for Export by U.S. Port Regions:  
U.S. Gulf and Pacific Northwest 2016 YTD vs. 2017 YTD

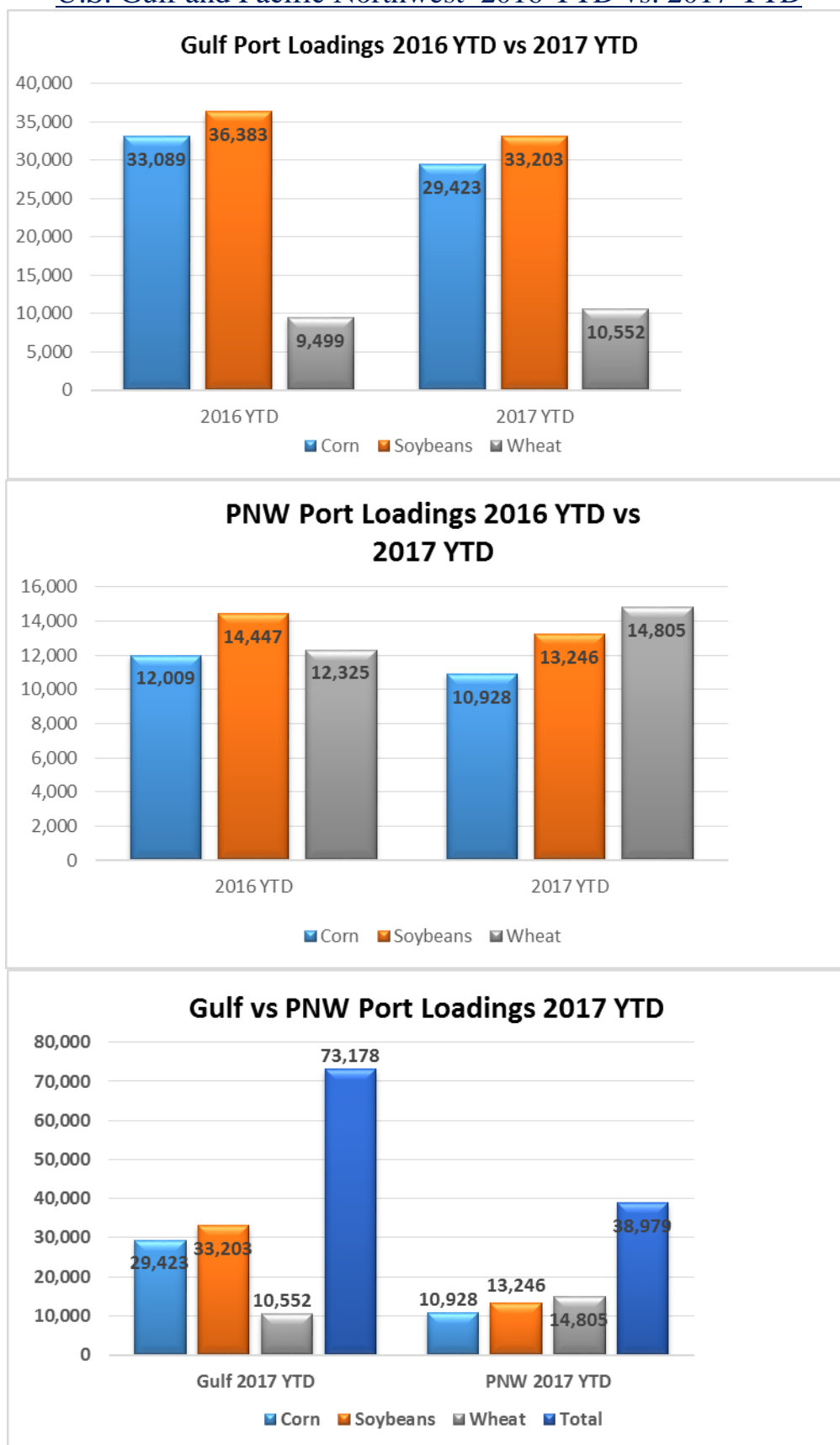
PORT LOADINGS US Gulf				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
<b>GULF</b>				
2016 YTD	33,089	36,383	9,499	78,971
2017 YTD	29,423	33,203	10,552	73,178
2017 as % of 2016	89%	91%	111%	93%

PORT LOADINGS US PNW				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
<b>PNW</b>				
2016 YTD	12,009	14,447	12,325	38,781
2017 YTD	10,928	13,246	14,805	38,979
2017 as % of 2016	91%	92%	120%	101%

PORT LOADINGS GULF vs. PNW				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
2017 Gulf YTD	29,423	33,203	10,552	73,178
2017 PNW YTD	10,928	13,246	14,805	38,979
TOTAL	40,351	46,449	25,357	112,157
Gulf Percentage	73%	71%	42%	65%
PNW Percentage	27%	29%	58%	35%



Grain Inspections for Export by U.S. Port Regions:  
U.S. Gulf and Pacific Northwest 2016 YTD vs. 2017 YTD

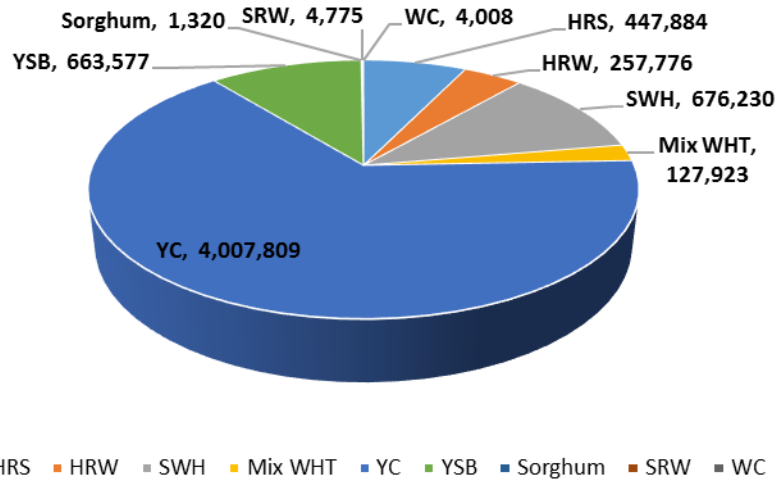


Source: USDA-data

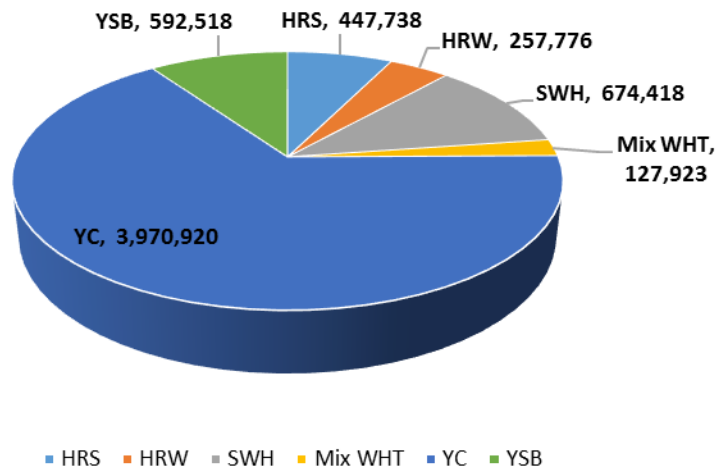


## 2017 Total Grain Exports reported by USDA (in MT)

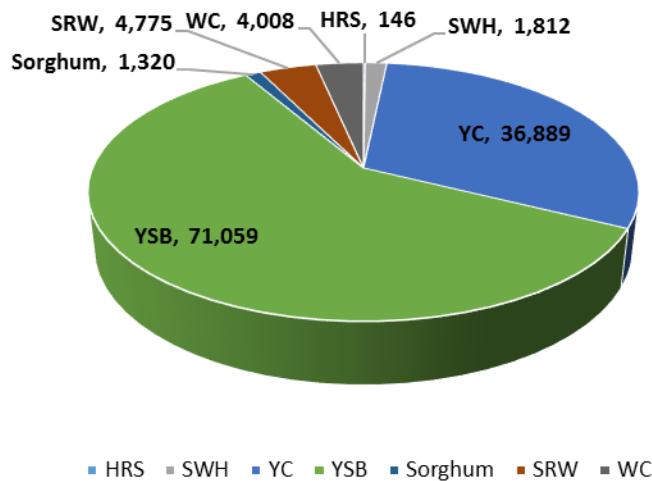
### 2017 Exports to Korea Rep.



### 2017 Exports to Korea Rep. by Vessel



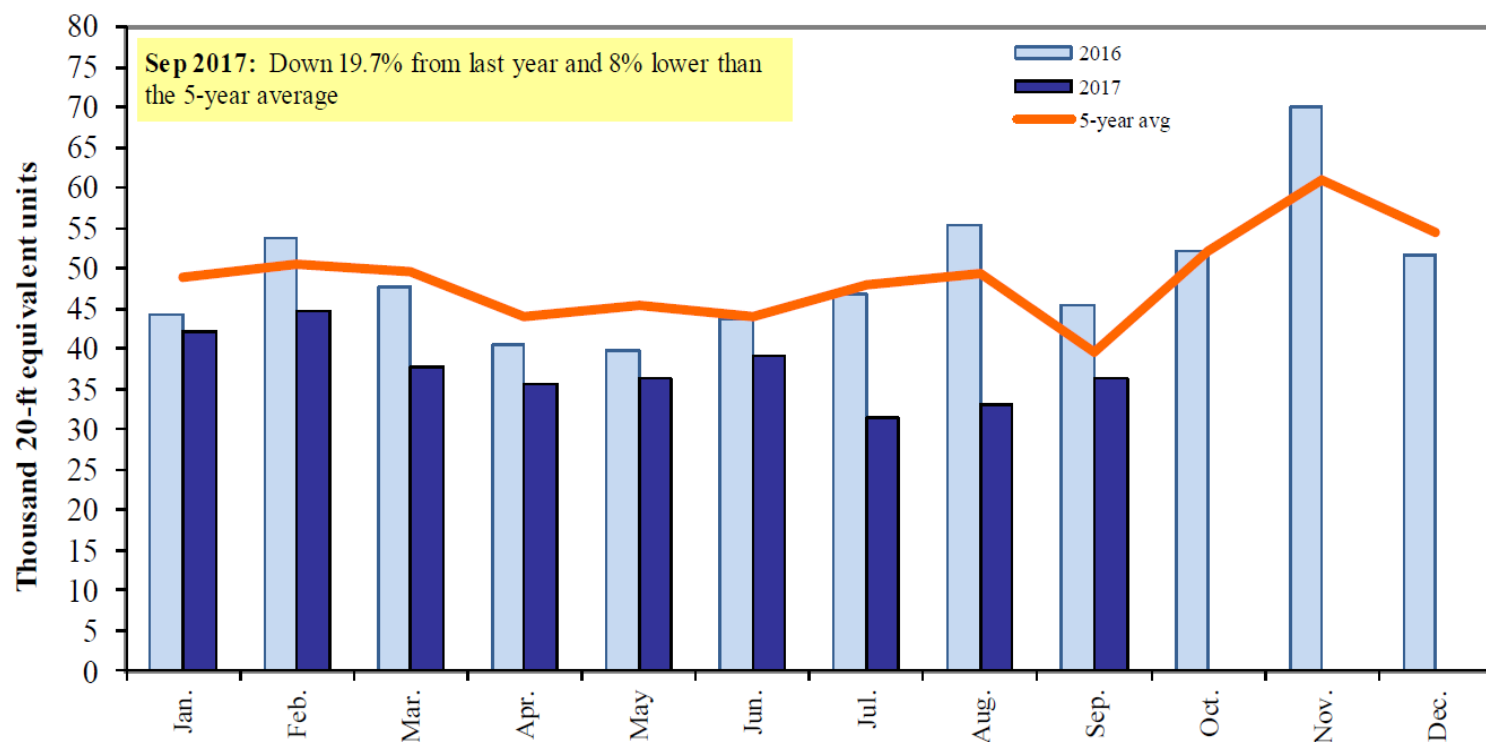
### 2017 Exports to Korea Rep. by Container



\*\*Please keep in mind that USDA does not report DDGS sales, or they would show as the largest exports by container

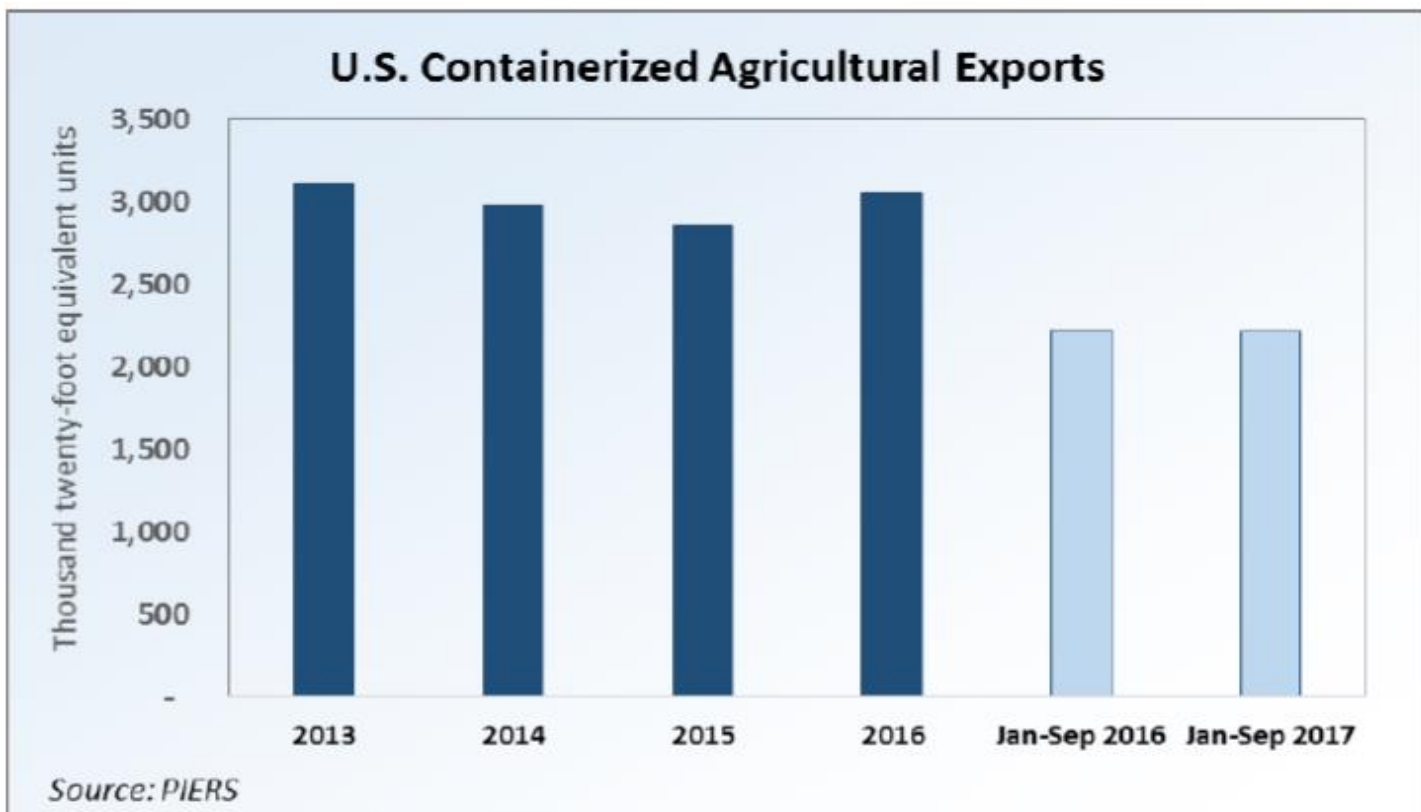
## Shipping News:

### Monthly Shipments of Containerized Grain to Asia

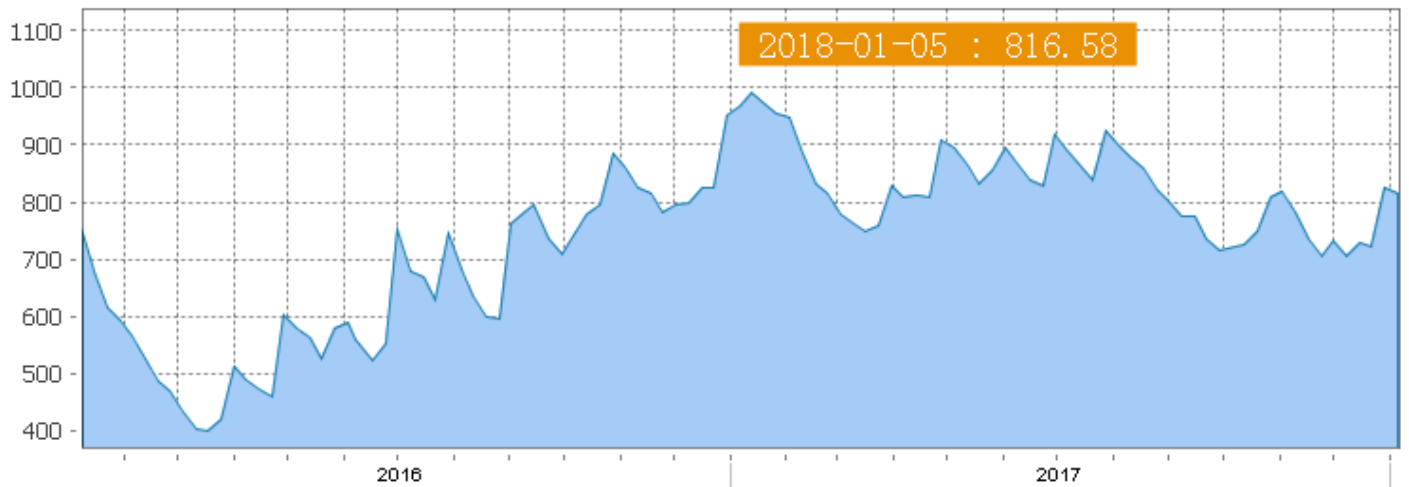


Source: USDA/Agricultural Marketing Service/Transportation Services Division analysis of Port Import Export Reporting Service (PIERS) data.

USDA-



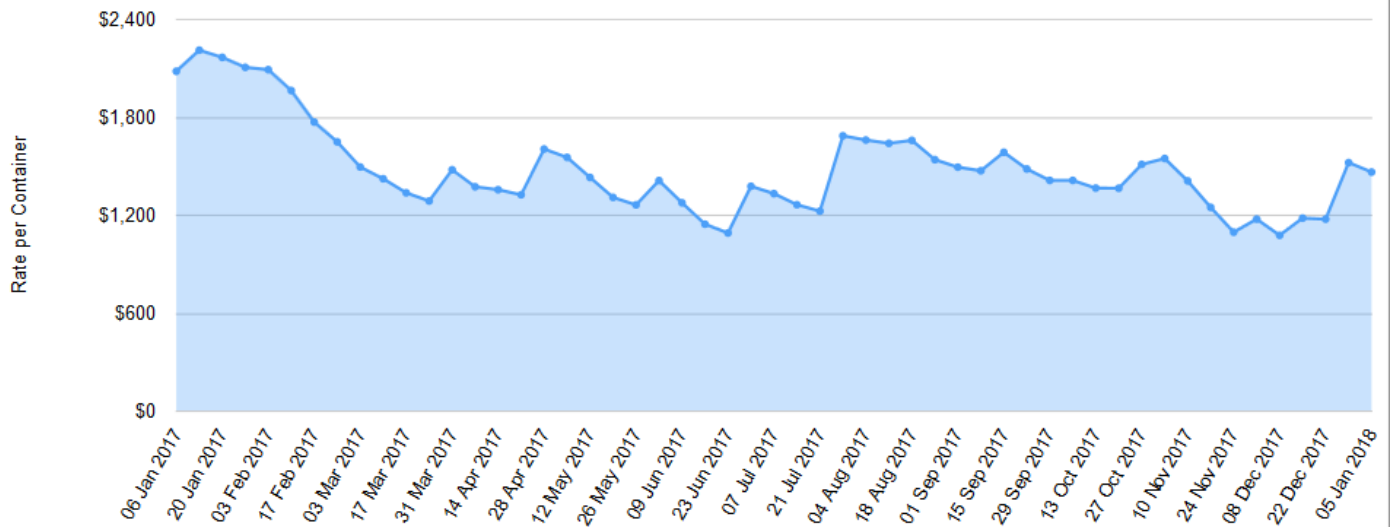
# Shanghai Containerized Freight Index



Shanghai to W. Coast Average Spot Rate (SCFI-Weekly)

	Current 01/05/2018	Previous Reading 12/29/2017	1 Year Ago 01/06/2017
Shanghai to W. Coast Average Spot Rate (SCFI-Weekly)	\$1,465	\$1,523 (▼ -3.8%)	\$2,082 (▼ -29.6%)

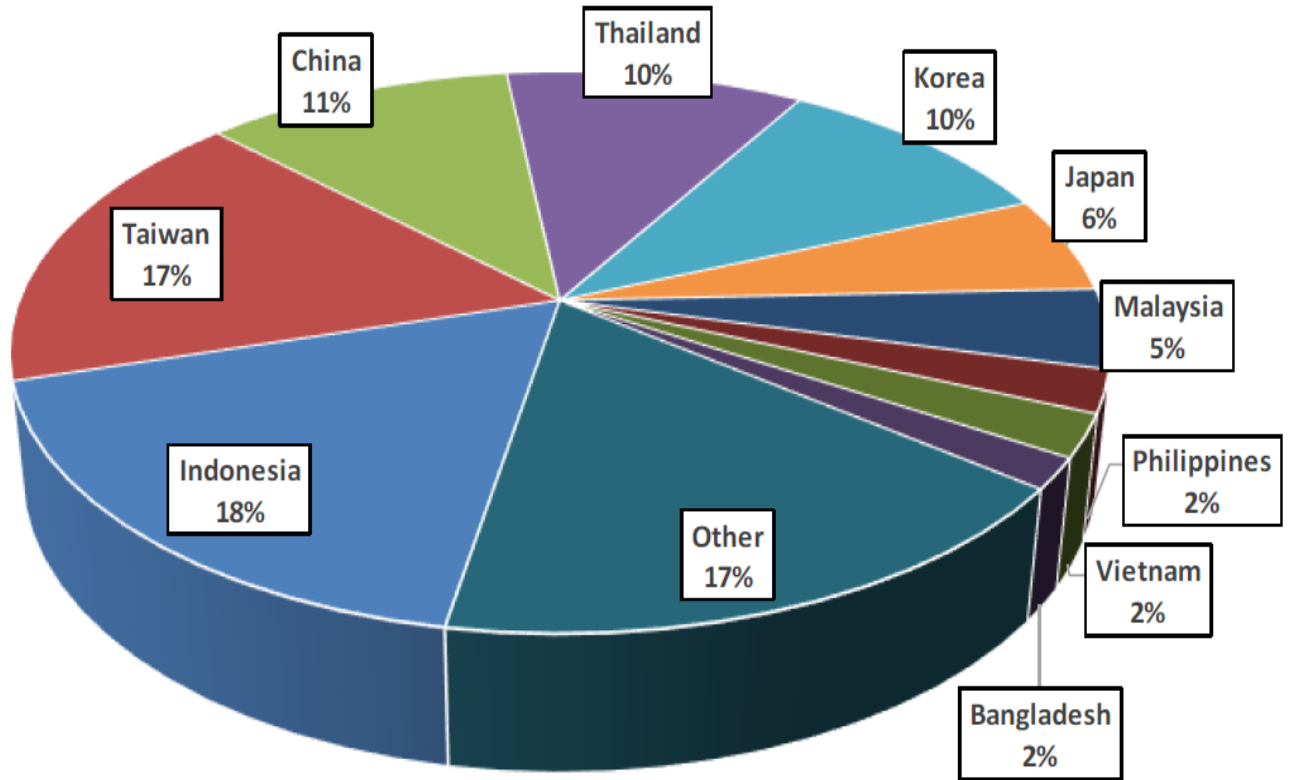
Data last updated: 01/05/2018



USD per 40-foot container (FEU)

Source: Shanghai Shipping Exchange

## Top 10 Destination Markets for U.S. Containerized Grain Exports, January-September 2017



Source: USDA/Agricultural Marketing Service/Transportation Services Division analysis of Port Import Export Reporting Service (PIERS) data

Note: The following Harmonized Tariff Codes are used to calculate containerized grains movements: 100190, 100200, 100300, 100400, 100590, 100700, 110100, 230310, 110220, 110290, 120100, 230210, 230990, 230330, and 120810.

# RBD Armatori declared bankrupt

 JANUARY 11TH, 2018

 NICOLA CAPUZZO

 DRY CARGO, EUROPE, TANKERS

 0 COMMENTS

Naples-based shipping company RBD Armatori was formally declared bankrupt by the Court of Torre Annunziata on Thursday.

A few weeks ago the company controlled by the Rizzo, Bottiglieri and De Carlini families saw the opportunity to present its [third rescue plan](#) dismissed by shareholders and its main creditor, Pillarstone Italy.

Given that situation and the disagreements still existing between the counterparts controlling RBD Armatori, the three managers appointed last summer communicated to the judges of the local court in Torre Annunziata that there aren't the requisite conditions to proceed with a restructuring plan shared both by the creditors and the shareholders.

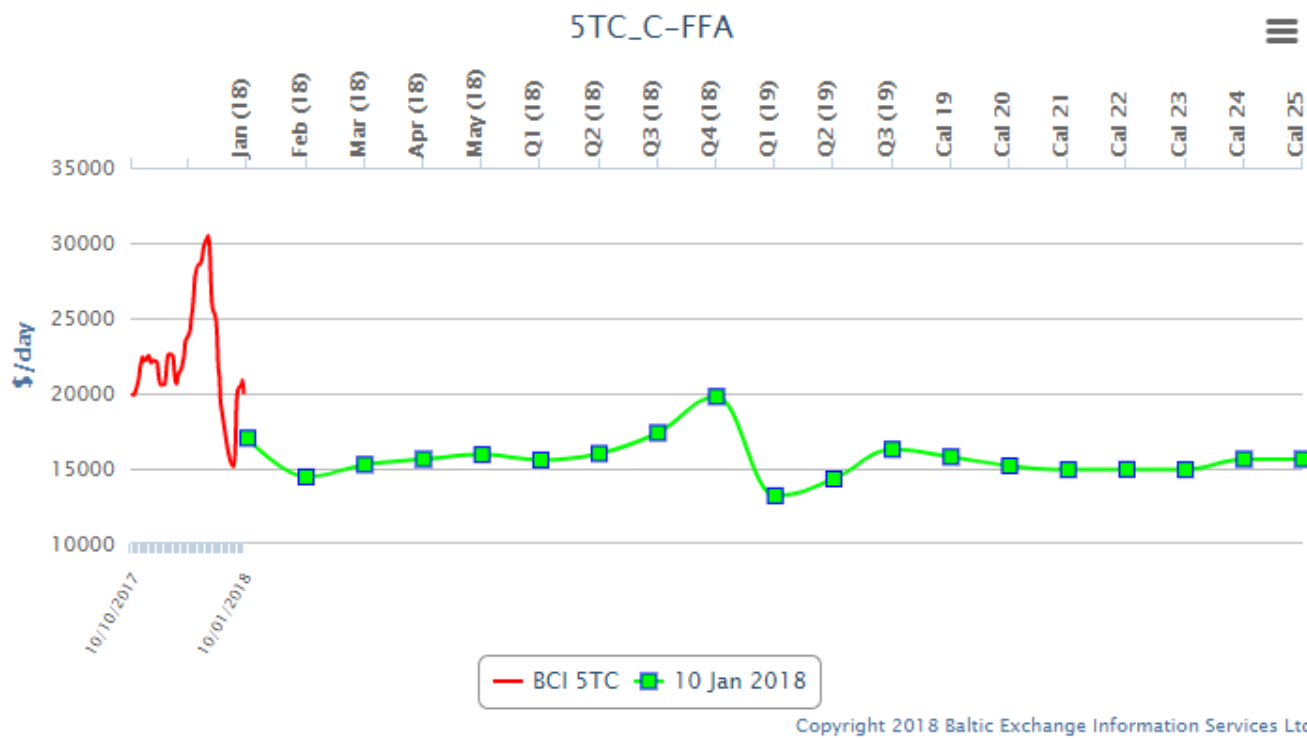
Therefore the court has opted to declare bankruptcy instead of following the option of the extraordinary administration procedure for large companies in Italy.

Last summer KKR-controlled fund [Pillarstone Italy became the main shareholder of RBD Armatori](#) after purchasing non-performing loans previously owned by Banco di Napoli (Intesa Sanpaolo group) and Monte Paschi Siena worth respectively €246m (\$280m) and €314m (\$358m).

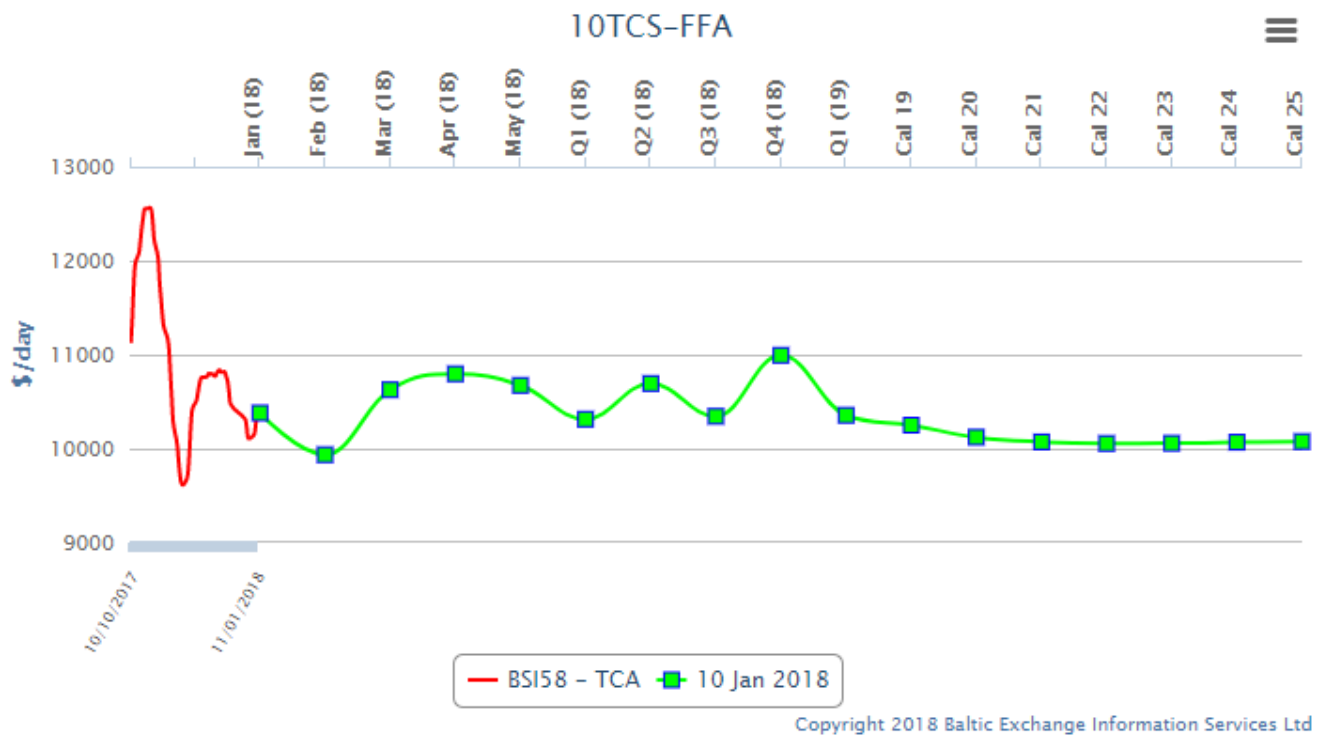
The company's financial exposure with the banks has exceeded \$700m while the overall financial exposure is over \$1bn.

RBD Armatori controls a fleet of 13 bulk carriers and tankers.

## FFA Capesize for the 4 time charter routes



## FFA SUPRAMAX 58 for the 5 time charter routes



**U.S. RIVER BARGE FREIGHT**

**Current Barge Freight for Placement First Half February 2018**

Placement FH February 2018	% of		Corn	Soybeans-Wheat
	Tariff	MT	BU	BU
Upper Mississippi	Closed		0.00	0.00
Illinois River (Pekin and South)	340	\$18.03	0.46	0.49
Mid-Mississippi	Closed		0.00	0.00
Lower Ohio	230	\$11.31	0.29	0.31
St. Louis	235	\$10.34	0.26	0.28

**Secondary Rail Car Market for car placement period: First Half February 2018.**

Secondary Rail Car Market Placement FH February 2018	BID USD	ASK USD	BID BU.	ASK BU.	BID MT	ASK MT
BNSF Shuttle Trains	\$ 200.00	\$ 300.00	\$ 0.05	\$ 0.08	\$ 1.97	\$ 2.95
UPRR Shuttle Trains	\$ (50.00)	\$ 100.00	\$ (0.01)	\$ 0.03	\$ (0.49)	\$ 0.98

Best Regards,

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