

Transportation and Export Report for 10 October 2019

Ocean Freight Insights and Comments:

Last week's physical rates in the Dry-Bulk sector were down \$0.25/mt to unchanged; this week they are unchanged to up \$0.25/mt. So, it appears that things have, at least for the moment, bottomed out and Traders are evaluating what should happen next. Obviously, nothing dramatic is taking place and the march to IMO2020 continues without much market help for the increases in operating cost. On the positive front there is a growing availability of compliant low sulfur fuel at ports around the globe. This fuel is now readily available in the U.S. Gulf.

BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices				
10-Oct-19	This Week	Last Week	Difference	Percent Change
P2A : Gulf/Atlantic - Japan	25573	24059	1,514	6.3%
P3A - PNW/Pacific - Japan	13525	11364	2,161	19.0%
S1C -USGULF-China-So.Japan	26136	27441	-1,305	-4.8%
P7- Trial- Miss. River - Qingdao	50770	49383	1,387	2.8%
P8- Trial- Santos - Qingdao	38842	38000	842	2.2%

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

Four weeks ago:	\$10.50-\$11.00
Three weeks ago:	\$10.50-\$11.00
Two weeks ago:	\$8.50 -\$9.00
One week ago:	\$8.50-\$9.20
This week	\$9.20- \$9.50

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

Mississippi River:	(10 elevators)	2-10 days (2 facilities not currently operating)
Miss. River Mid-Stream loaders:	(6+ Rigs)	0-3 days
Texas Gulf	(5 elevators)	0-4 days
Pacific Northwest:	(9 elevators)	0-10 days (only 1 facility over 4 days)

Panamax Market Spreads to Asia -China					
10-Oct-19	PNW	GULF	Bushel Spread	MT Spread	Advantage
CORN	0.95	0.52	0.43	\$16.93	PNW
SOYBEANS	0.90	0.47	0.43	\$16.93	PNW
OCEAN FREIGHT	\$28.00	\$50.50	.57-.61	\$22.50	November

Recent Reported Vessel Fixtures:

Soybean Panamax USG to Spain is running \$24.25/mt.

Soybean Brazil to Spain at about \$26.75/mt.

30,000 mt Corn Northern Brazil to Vera Cruz, Mexico \$21.00-\$21.50/mt .To U.S. E/C about \$24.00-24.75/mt

Route and Vessel Size	Current Week USD/MT	Change from previous week	Remarks
55,000 U.S. Gulf-Japan	\$51.50	Up \$0.25	Handymax \$52.50 mt
55,000 U.S. PNW- Japan	\$28.50	Unchanged	Handymax \$29.25 mt
66,000 U.S. Gulf – China PNW to China	\$50.50 \$28.00	Up \$0.25 Unchanged	North China
25,000 U.S. Gulf- Veracruz, México	\$18.75	Unchanged	3,000 MT daily discharge rate
30-35,000+ U.S. Gulf- Veracruz, México	\$16.00	Unchanged	Deep draft and 6,000 MT per day discharge rate.
25/37,000 U.S. Gulf- <u>East Coast Colombia</u> From Argentina	\$20.00 \$39.00	Down \$1.00	<u>West Coast Colombia at \$33.00</u> USG to E/C 50,000 mt at \$18.00
43-45,000 U.S. Gulf - Guatemala	\$29.50	Up \$0.50	Acajutla/Quetzal - 8,000 out
26-30,000 U.S. Gulf – Algeria	\$36.25 \$37.25	Unchanged	8,000 mt daily discharge 3,000 mt daily discharge
26-30,000 US Gulf-Morocco	\$37.75	Unchanged	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt PNW to Egypt	\$31.50 \$31.75	Unchanged	60,000 -55,000 mt Romania- Russia- Ukraine \$18.75 -\$16.75 -\$17.00 (France \$21.25-\$21.50)
60-70,000 U.S. Gulf – Europe – Rotterdam	\$19.75	Up \$0.25	Handymax at +\$1.75 more
Brazil, Santos – China Brazil, Santos – China Itacoatiara-Port Upriver North Brazil	\$38.75 \$39.25 \$40.50	Down \$0.25	54-59,000 Supramax-Panamax 60-66,000 Post Panamax 60-66,000 mt
56-60,000 Argentina/Rosario- China Deep Draft	\$41.50	Down \$0.25	Upriver with BB Top Off \$44.50

- The above rate estimates reflect the 30-45-day forward ocean freight markets.

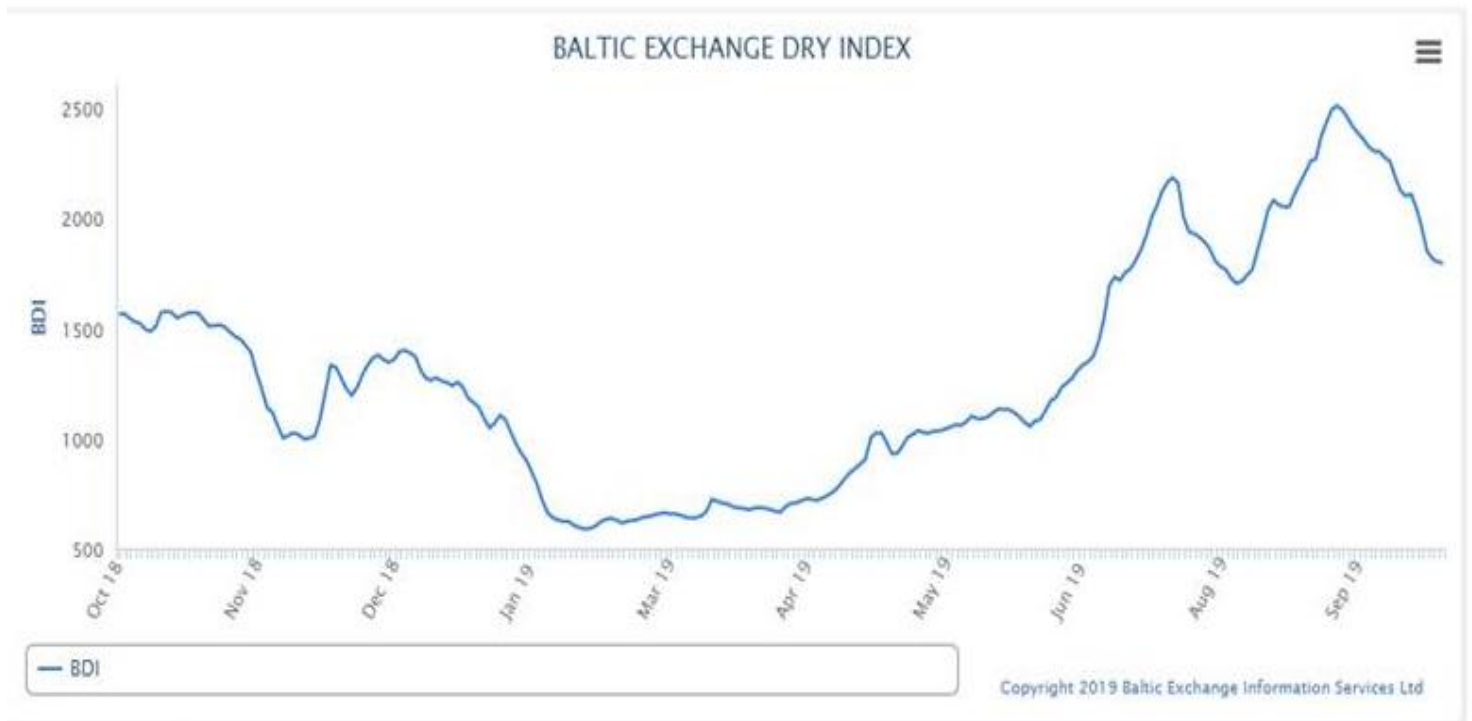
Nautical Miles: To Xiamen China (South China)

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

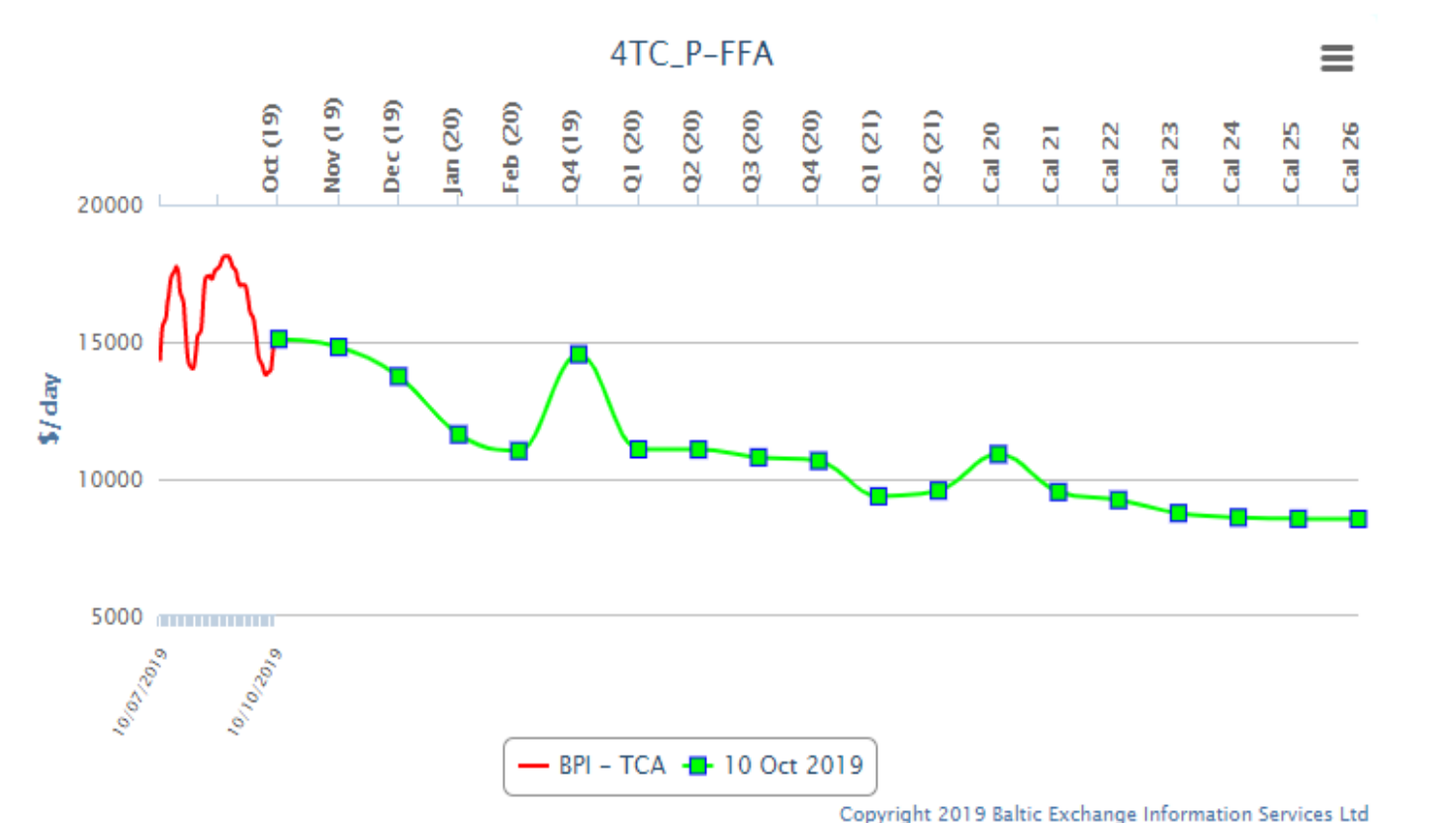
Santos Brazil (via Cape of Good Hope) - 10,441 nautical miles (33 days)

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

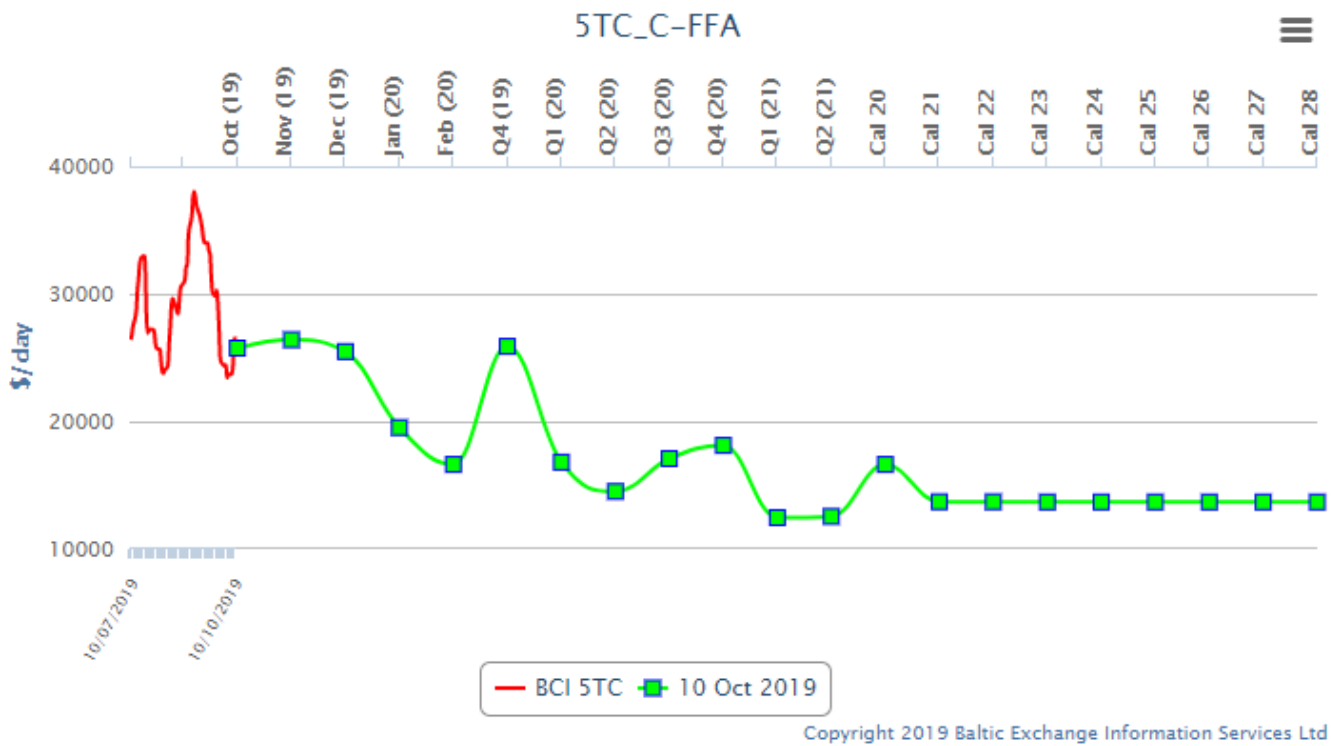
Baltic Dry Bulk Index.



Baltic Panamax Forward Curve Chart

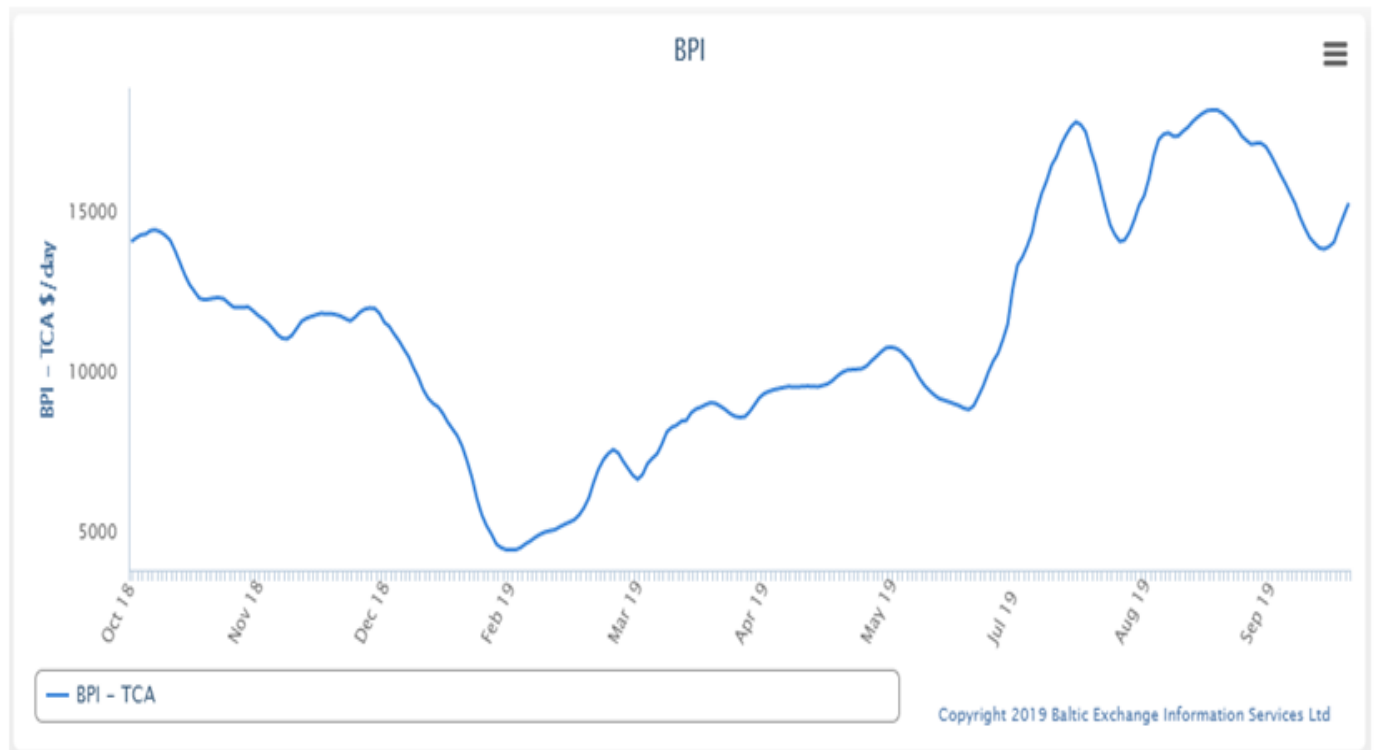


Baltic Capesize Forward Curve Chart



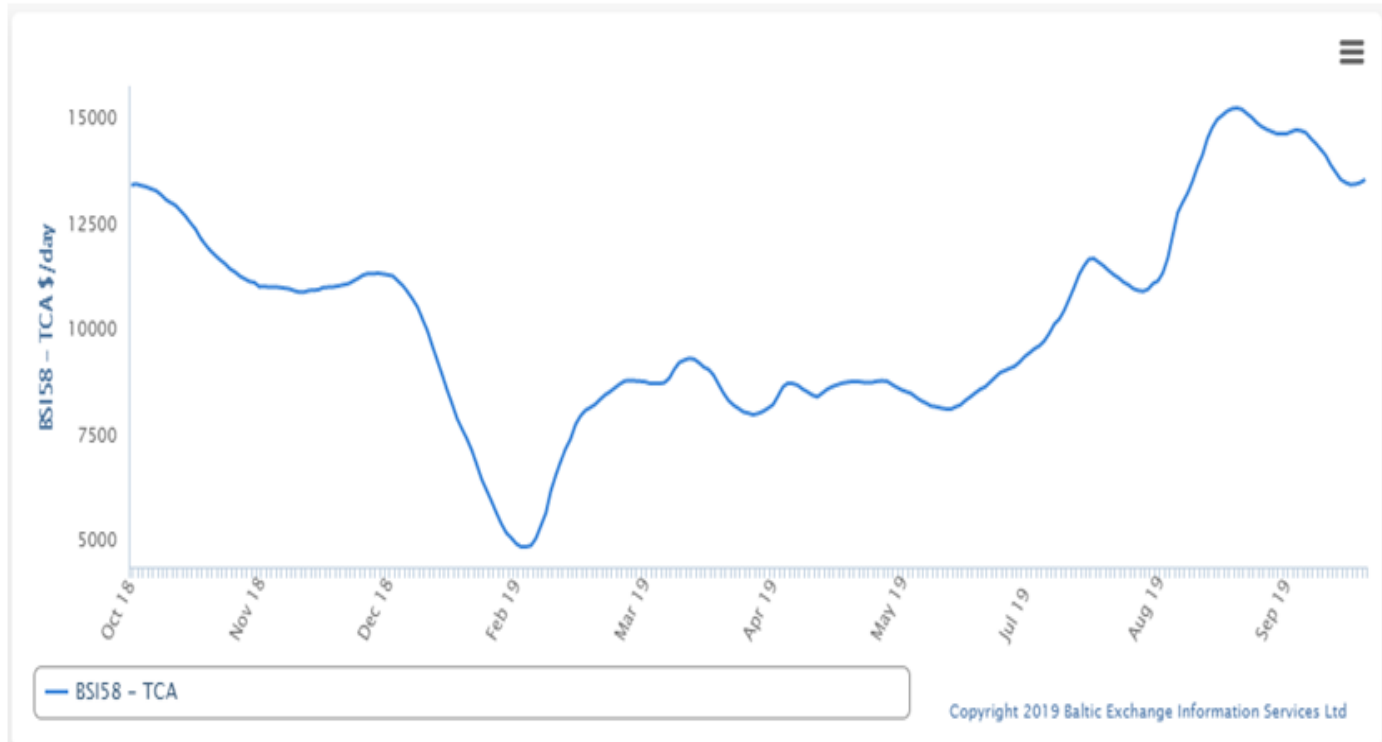
Baltic Panamax Index

Panamax

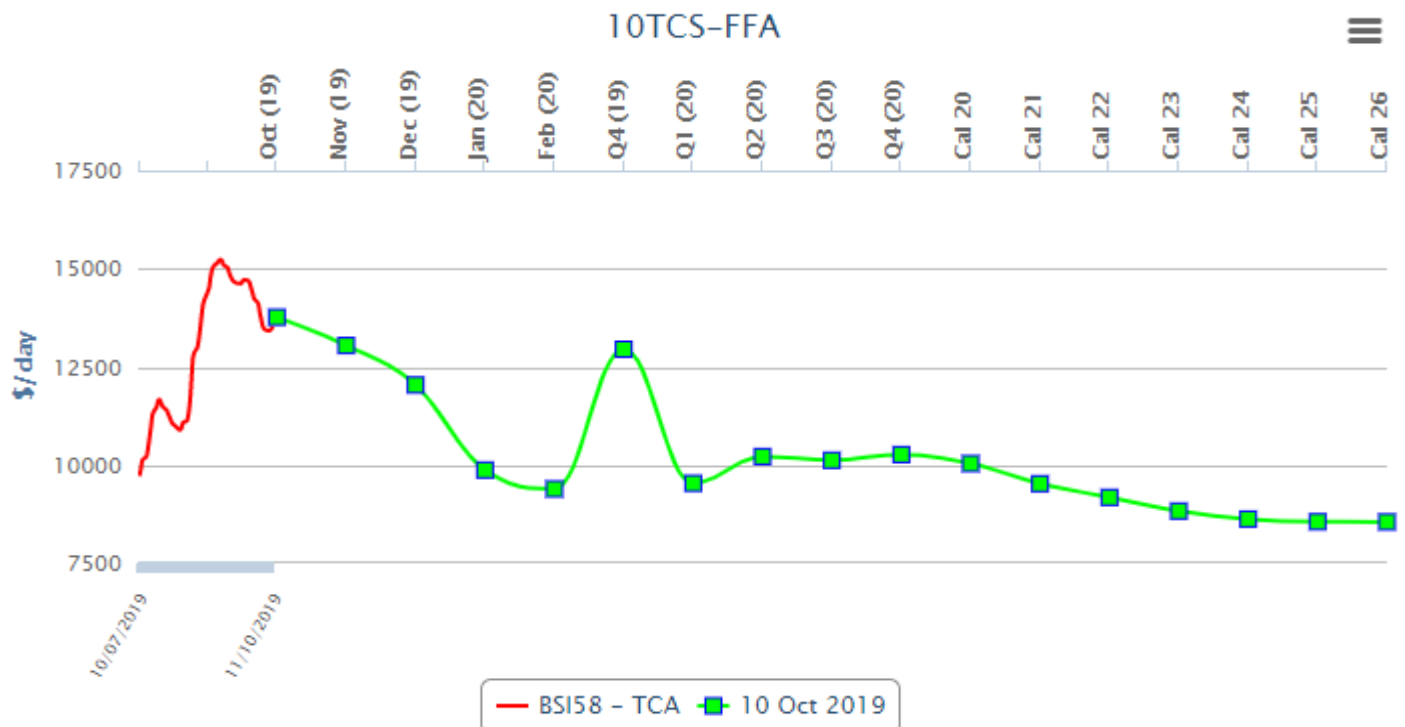


Baltic Supramax Vessel Index

Supramax

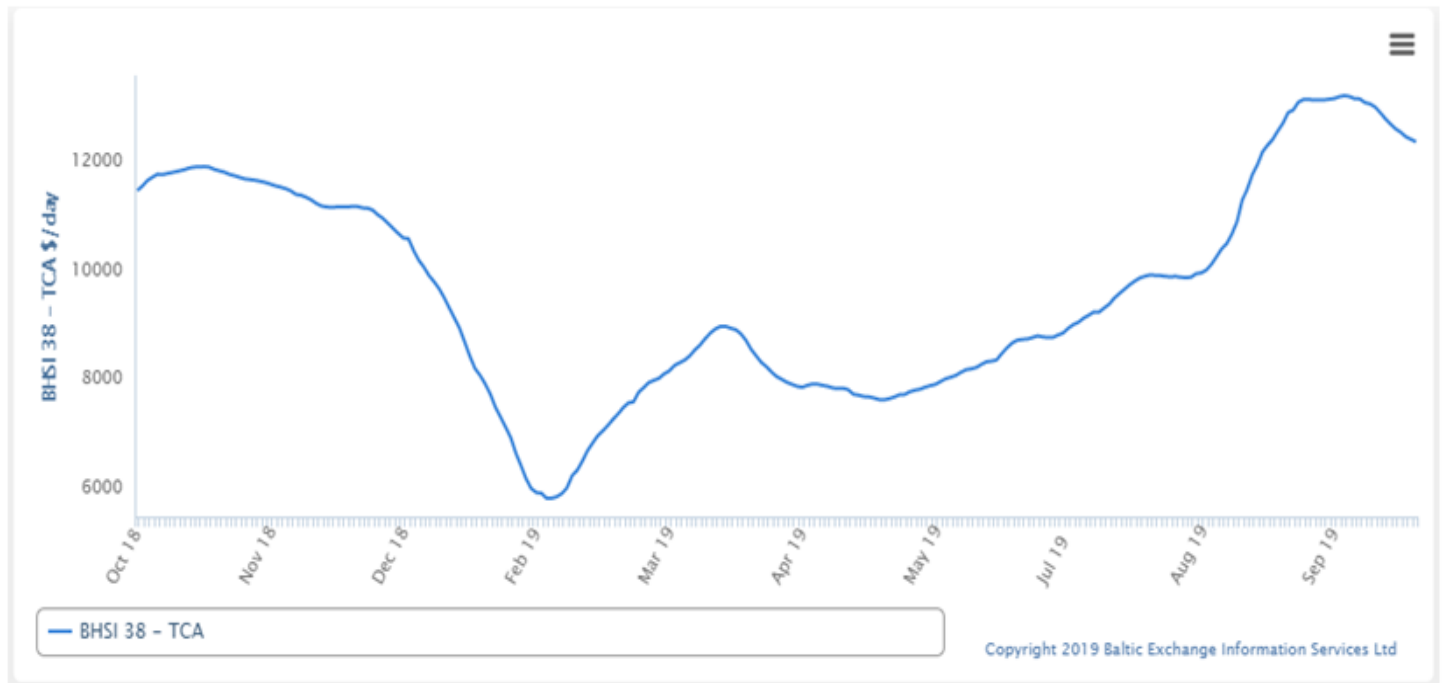


Supramax Dry-Bulk Forward Curve



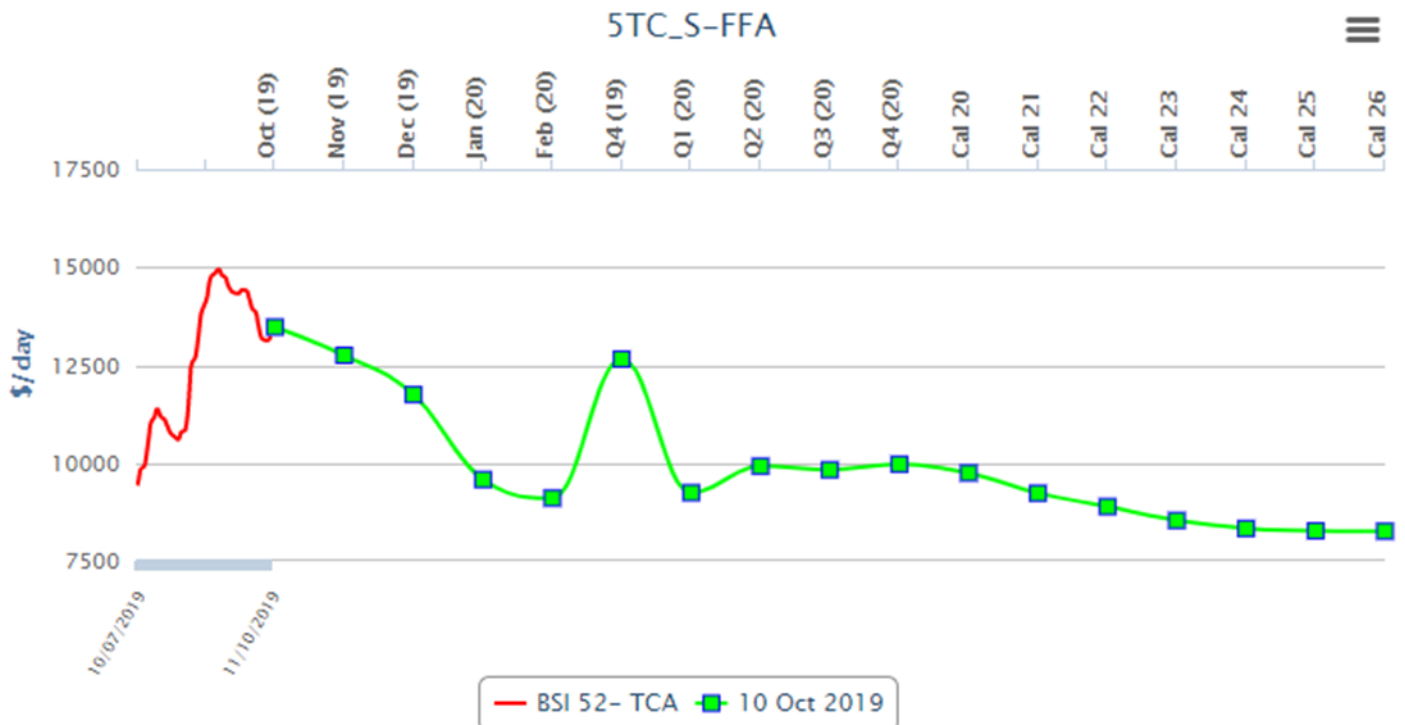
Baltic Handy Size Vessel Index

Handysize



Baltic Handy Size Forward Curve

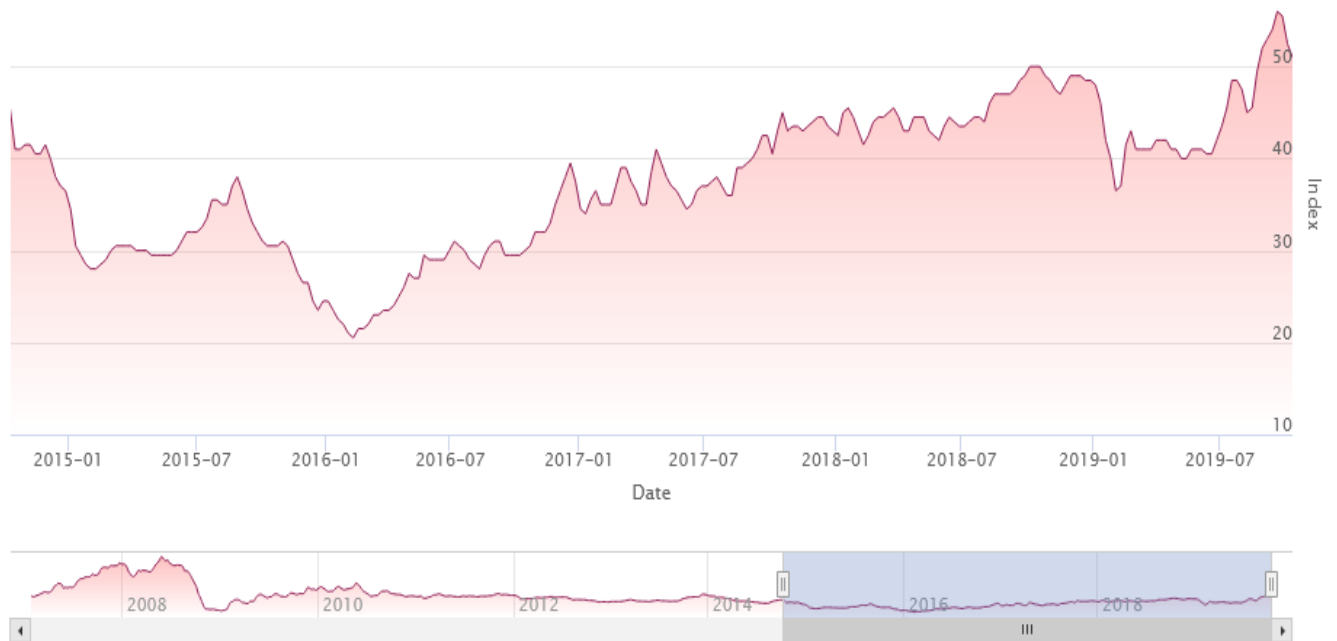
5TC_S-FFA



YAMAMIZU Index


Zoom **1m** 3m 6m YTD 1y 3y **5y** All

From 2014-10-09 To 2019-10-09



China Import Dry Bulk Freight Index					
2019-10-10					
Description	Size MT	Cargo/Vessel Size	Unit	Rate	Change
Composite Index			Point	1096.08	12.6
Iron ore Freight Index			Point	1119.83	20.1
Dampier(West Australia)-Qingdao (China)	170000/10%	Iron ore	\$/ton	9.469	0.045
Soybean Freight Index			Point	1146.18	4.29
Santos(Brazil)—North China	60000/10%	Soybean	\$/ton	39.156	0.2
Tacoma(West America)—North China	60000/10%	Soybean	\$/ton	28.128	0.106
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	50.575	0.126
Mississippi(US Gulf)—North China	55000/10%	Soybean	\$/ton	52.66	0.042

10 October 2019 U.S. FOB Vessel Export Market Values:

U.S. Yellow Corn (USD/MT) FOB Vessel				
#2 YC	GULF # 2 YC		PNW # 3 YC	
Max. 14.5% moisture	BASIS	FLAT PRICE	BASIS	FLAT PRICE
Nov.	0.52	\$170.17	0.95	\$187.10
Dec.	0.57	\$172.14	0.97	\$187.88
Jan.	0.53	\$174.99	0.95	\$191.52
Feb.	0.56	\$176.17	1.00	\$193.49
Mar.	0.59	\$177.35	1.05	\$195.46
April	0.56	\$178.53	1.05	\$197.82

The Gulf spread between #2 & #3 YC is currently about .03 cents per bushel (1.18/mt)

SORGHUM (USD/MT) FOB VESSEL				
#2 YGS Fob Vessel	NOLA		TEXAS	
Max. 14.0% moisture	BASIS	FLAT PRICE	BASIS	FLAT PRICE
Nov.	0.90	\$187.10	0.70	\$177.25
Dec.	0.95	\$187.10	0.70	\$177.25
Jan.	0.95	\$191.52	0.65	\$179.71
Feb.	0.90	\$189.56	0.65	\$179.71
Mar.	0.95	\$191.52	0.68	\$180.90

Fob vessel Texas Gulf #2 Sorghum is about 104 % the value of #2 Yellow Corn at NOLA.

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

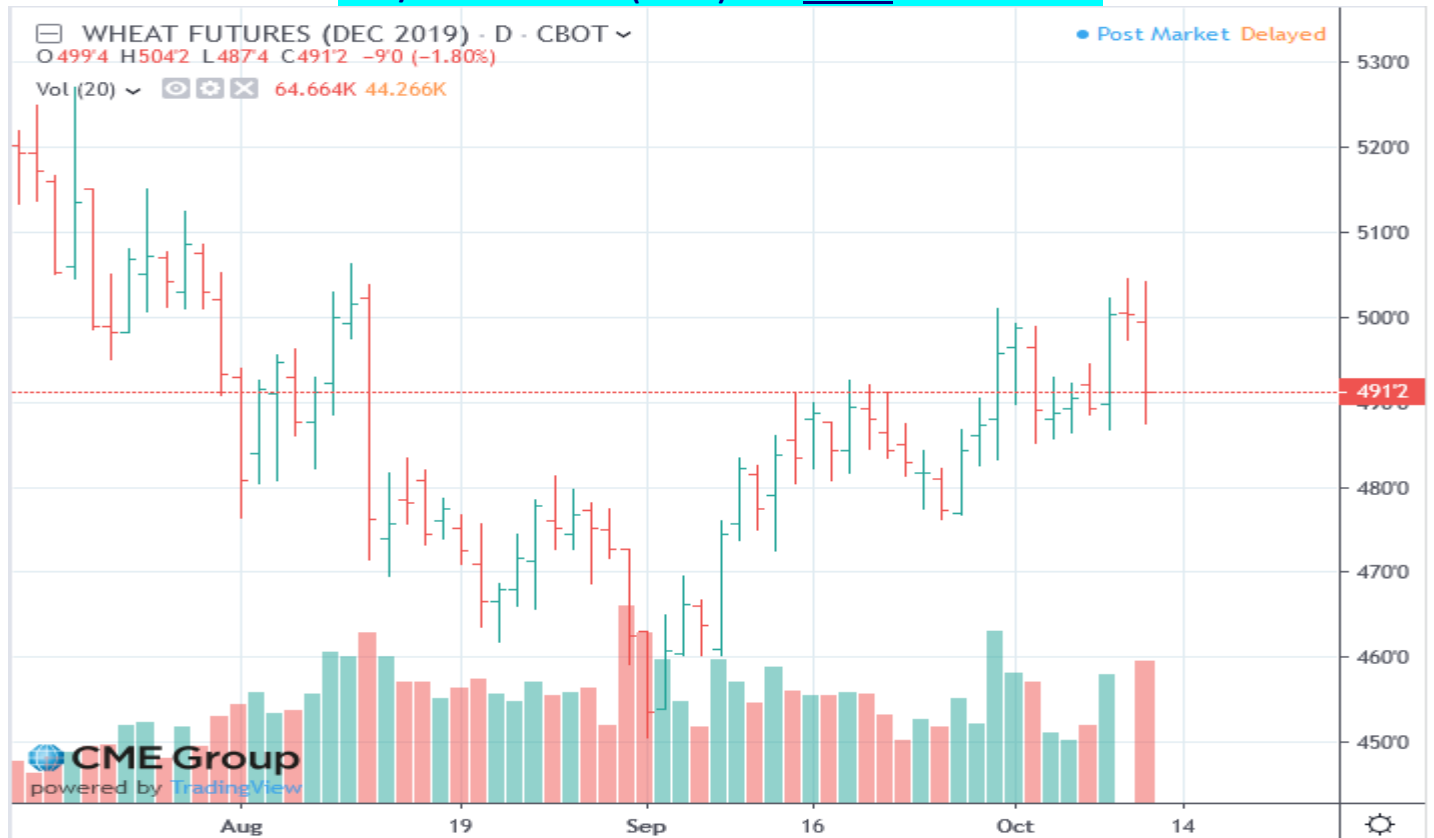
SRW Wheat	USD/MT	Fob Vessel	US Gulf	
	Nov.	Dec.	Jan.	Feb.
FOB U.S. GULF	\$217.89	\$219.73	\$222.21	\$223.31
Basis	1.00	1.05	1.05	1.08
WZ	4.9300			.
WH	4.9975			
WK	5.0525			

10-Oct-19	Close	This Week	Last Week.	Last Week.	Last Week	
CME Corn Futures	Bushel	MT.	Bushel	Bu. Diff.	MT	MT Diff.
Dec.	\$ 3.8025	\$ 149.70	\$ 3.7250	0.0775	\$ 146.65	\$ 3.05
Mar.	\$ 3.9150	\$ 154.13	\$ 3.8475	0.0675	\$ 151.47	\$ 2.66
May	\$ 3.9750	\$ 156.49	\$ 3.9225	0.0525	\$ 154.42	\$ 2.07
July	\$ 4.0225	\$ 158.36	\$ 3.9750	0.0475	\$ 156.49	\$ 1.87
Sept.	\$ 4.0050	\$ 157.67	\$ 3.9950	0.0100	\$ 157.27	\$ 0.39
Dec.	\$ 4.0500	\$ 159.44	\$ 4.0425	0.0075	\$ 159.14	\$ 0.30

CBOT Dec. 2019 (CZ19) CORN Futures Chart –



CME/CBOT Dec. 2019 (WZ19) SRW Wheat Futures Chart –



U.S. Soybean and SBM Markets Fob Vessel:

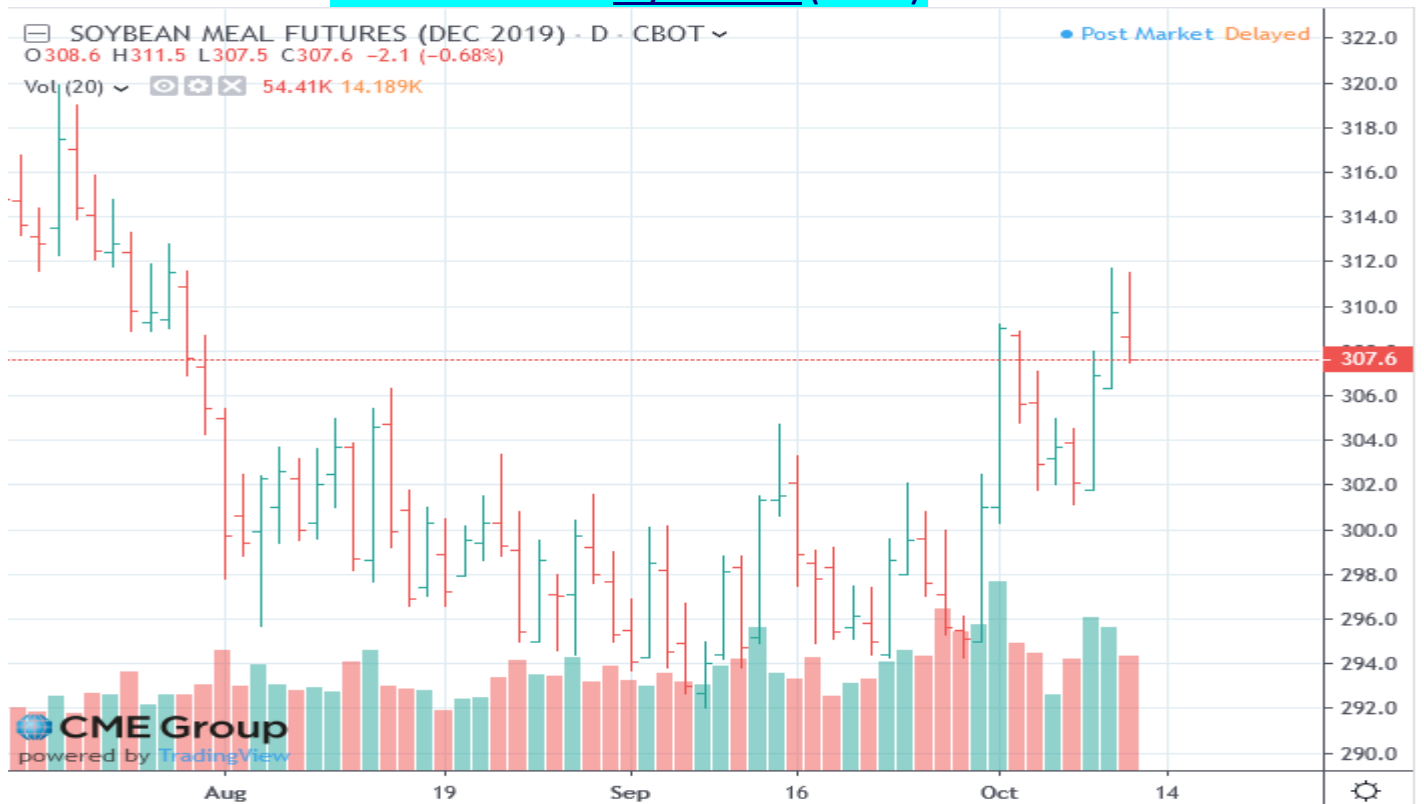
U.S. Yellow Soybeans (USD/MT) FOB Vessel				
# 2 YSB	U.S. Gulf #2 YSB		PNW #2 YSB	
14.0 % Moisture	Basis	Flat Price	Basis	Flat Price
Nov.	0.47	\$356.59	0.90	\$372.39
Dec.	0.45	\$361.00	0.82	\$374.60
Jan.	0.53	\$363.94	0.85	\$375.70
Feb.	0.43	\$364.68	0.76	\$376.80
Mar.	0.47	\$366.15	0.80	\$378.27
Soybean Futures				
Nov.	\$ 9.2350			
Jan.	\$ 9.3750			
Mar.	\$ 9.4950			
May	\$ 9.5900			
July	\$ 9.6850			
August	\$ 9.7150			

U.S. SBM (USD/MT) FOB Vessel		
Fob U.S. Gulf Port	47.5 Pro. SBM	
max 12.5 % moisture	Basis	Flat Price
Nov.	5.00	\$ 344.86
Dec.	5.00	\$ 347.40
Jan.	6.00	\$ 348.50
Feb.	5.00	\$ 351.37
Mar.	5.00	\$ 351.37
SBM Futures		
SMZ	307.80	
SMF	310.10	
SMH	313.70	
SMK	317.60	
SMN	321.70	
SMQ	323.10	

CME Nov. 2019 Soybean (SX19) Futures Chart:



CME December 2019 Soybean Meal (SMZ19) Futures Chart



U.S. EXPORT STATISTICS: Report Activity as of Week Ending 26 September 2019

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 '20- 21 (000 MT)
Corn	615.2	9,711.5	52,070	19%	127.4
Sorghum	0.0	135.1	2,540	5%	0.0
Soybeans	2093.9	14,294.9	48,310	30%	0.0
Wheat	411.3	12,904.6	26,540	49%	8.9
Barley	0.0	57.5	70	82%	0.0

U.S. EXPORT INSPECTIONS:

Monday's report 07 October 2019 for the Export week ending 03 October 2019

	Export Inspections		Current Market Year YTD	Previous Year to Date	2019/20 YTD as Percent of 2018/19 YTD
	This Week	Previous Week			
Corn	466,521	421,735	2,018,784	5,907,650	34%
Sorghum	88,293	15,383	189,351	71,484	265%
Soybeans	1,038,988	986,256	4,193,454	3,579,958	117%
Wheat	385,259	502,915	8,906,748	7,365,932	121%
Barley	2,994	2,595	8,625	3,743	230%

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

U.S. EXPORT INSPECTIONS:

Monday's report 07 October 2019 for the Export week ending 03 October 2019

Last Week								
(Metric Tons)	YC	%	WC	%	Sorghum	%	Soybeans	%
Lakes	0	0%	0	0%	0	0%	0	0%
Atlantic	1,396	0%	0	0%	0	0%	5,191	0%
Gulf	268,344	63%	39,897	100%	81,110	92%	815,085	78%
PNW	0	0%	0	0%	0	0%	57,967	6%
Interior Export Rail	156,884	37%	0	0%	7,183	8%	160,745	15%
Metric Tons	426.624		39.897		88.293		1,038.988	

Sorghum Shipments:	metric tons	
	46,150	Ethiopia
	34,960	Sudan
	7,183	Mexico
	88,293	Total

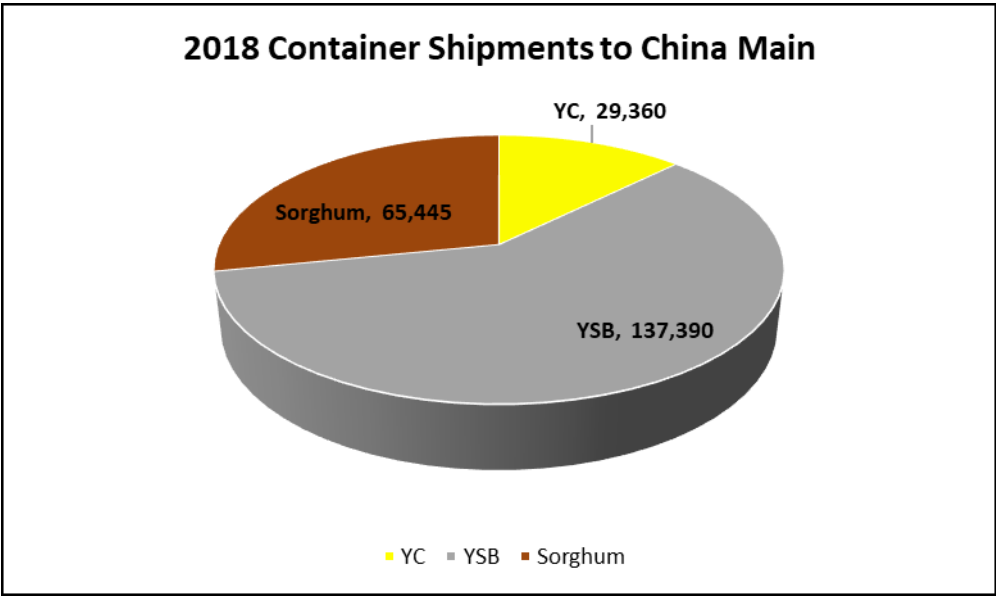
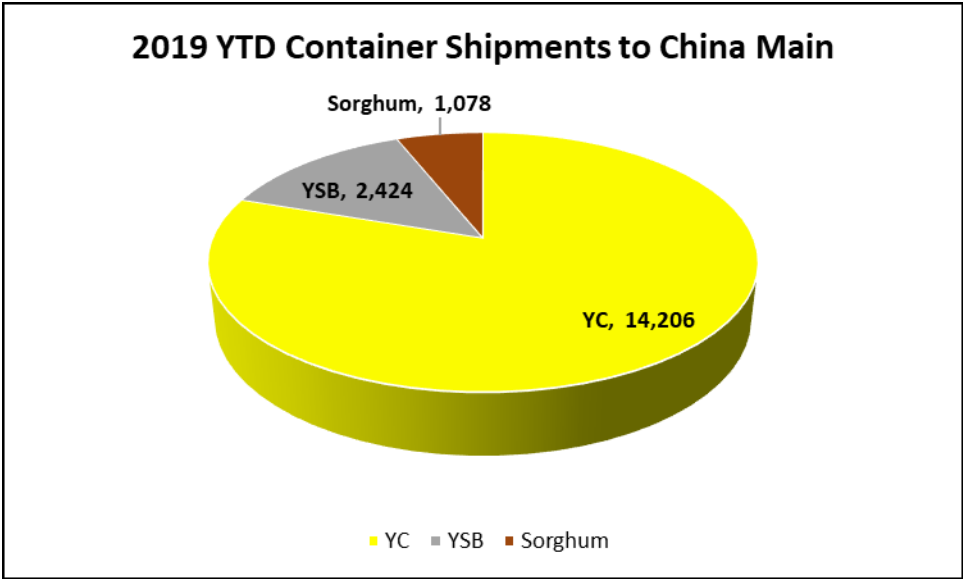
White Corn	metric tons	
Shipments:	29,716	Colombia
	7,881	Honduras
	2,300	Mexico
	39,897	Total

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:		3-Oct-2019							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	SWH	HRW	Sorghum	TOTAL
China Main									0
China T	10,382		18,536						28,918
Hong Kong	856								856
Costa Rica									0
Indonesia			19,220						19,220
French Poly									0
Japan			807						807
Korea Republic	1,004		661	367					2,032
Nepal			1,836						1,836
Malaysia	343		8,056						8,399
Ireland									0
Philippines	514		2,007						2,521
Thailand	465		13,616						14,081
Guyana				147					147
Nicaragua			245						245
Bangladesh									0
Burma									0
Vietnam			7,419						7,419
Sub total	13,564	0	72,403	514	0	0	0	0	78,670
USDA Corrections/Additions to previous reports:									
China T			514						514
China Main									0
Hong Kong									0
Korea Rep.									0
Singapore									0
Japan									0
Philippines									0
Indonesia			931						931
Malaysia			490						490
Thailand			1,421						1,421
Vietnam			612						612
Canada									0
Bangladesh									0
Sub total	0	0	3,968	0	0	0	0	0	3,968
Mt. Grand Total	13,564	0	76,371	514	0	0	0	0	82,638
Number of containers	590	0	3,320	22	0	0	0	0	

Jan - Dec 2018 Annual Totals versus 2019 Jan.-Dec. YTD Total Container Shipments (in MT)



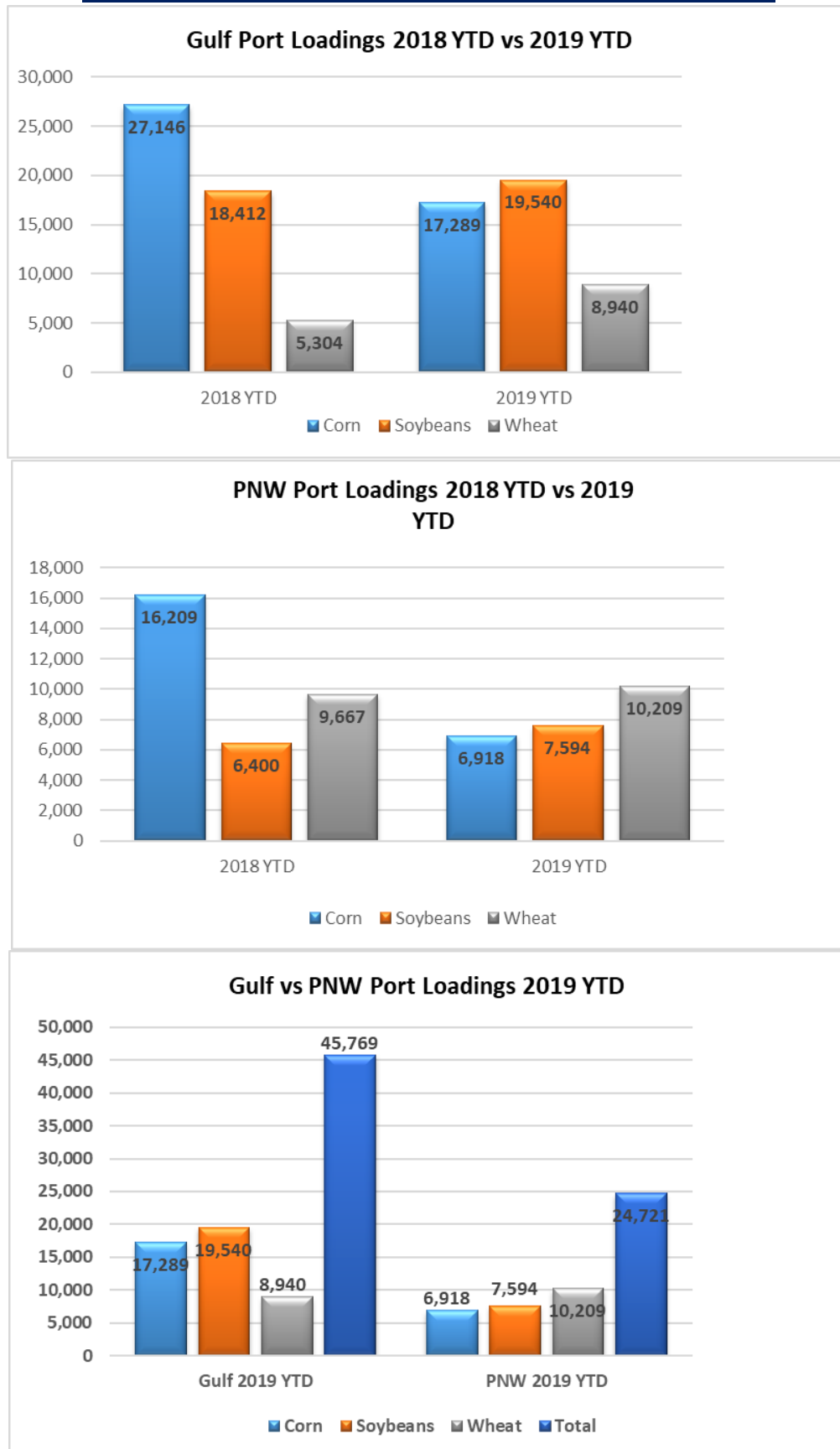
Grain Inspections for Export by U.S. Port Regions:
U.S. Gulf and Pacific Northwest 2018 YTD vs. 2019 YTD

PORT LOADINGS US Gulf				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
GULF				
2018 YTD	27,146	18,412	5,304	50,862
2019 YTD	17,289	19,540	8,940	45,769
2019 as % of 2018	64%	106%	169%	90%

PORT LOADINGS US PNW				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
PNW				
2018 YTD	16,209	6,400	9,667	32,276
2019 YTD	6,918	7,594	10,209	24,721
2019 as % of 2018	43%	119%	106%	77%

PORT LOADINGS GULF vs. PNW				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
2019 Gulf YTD	17,289	19,540	8,940	45,769
2019 PNW YTD	6,918	7,594	10,209	24,721
TOTAL	24,207	27,134	19,149	70,490
Gulf Percentage	71%	72%	47%	65%
PNW Percentage	29%	28%	53%	35%

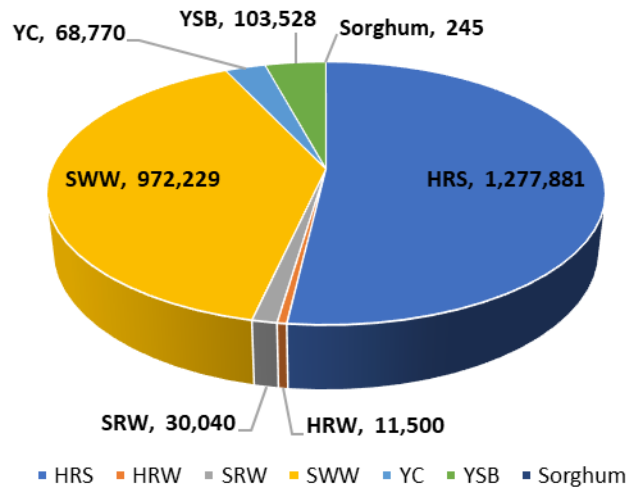
Grain Inspections for Export by U.S. Port Regions (1,000MT):
U.S. Gulf and Pacific Northwest 2018 YTD vs. 2019 YTD



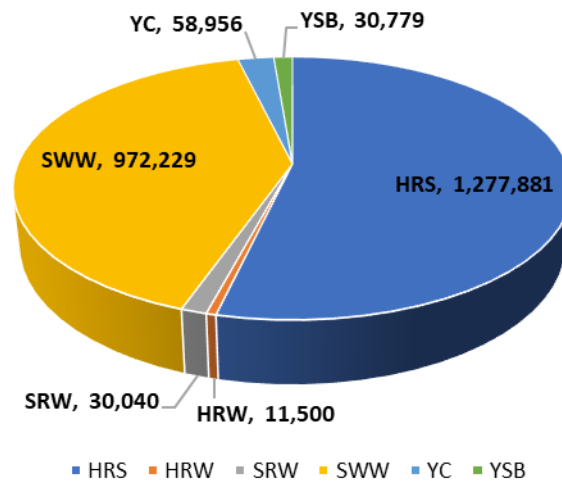
Source: USDA-data

2019 YTD Total Grain Exports reported by USDA (in MT)

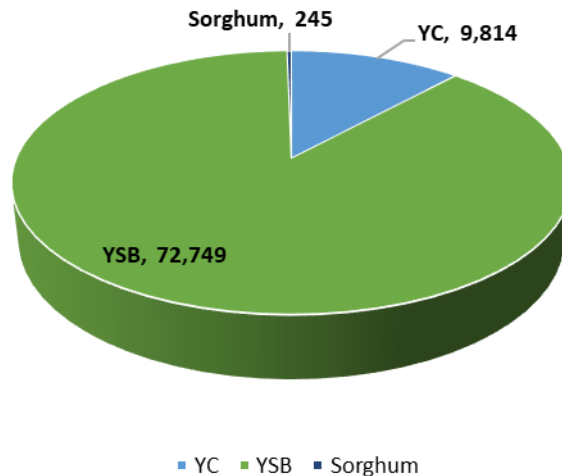
2019 YTD Exports to Philippines



YTD Exports to Philippines by Vessel



YTD Exports to Philippines by Container



*Please keep in mind that USDA does not report DDGS sales

Shipping News

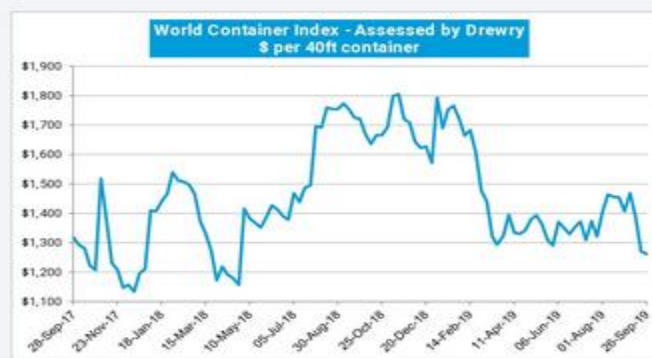
EXCLUSIVE-Ships with 1 mln tonnes of grain stuck outside Iran's ports in payment crisis

More than 20 ships carrying around one million tonnes of grain are stuck outside Iranian ports as U.S. sanctions create payment problems and hamper the country's efforts to import vital commodities, sources directly involved in the trade said. Trading companies such as Bunge and China's COFCO International have been hit by payment delays and additional costs of up to \$15,000 a day as the renewed U.S. restrictions stifle the processing of transactions, trade sources said.

World Container Index - 26 Sep

The World Container Index assessed by Drewry, a composite of container freight rates on 8 major routes to/from the US, Europe and Asia is down by 0.6% to \$1,262.39 per 40ft container (updated Thursday, 26 September 2019).

Two-year spot freight rate trend for the World Container Index:



World Coontainer Index Assessed by Drewry

Our detailed assessment for Thursday, 26 September 2019



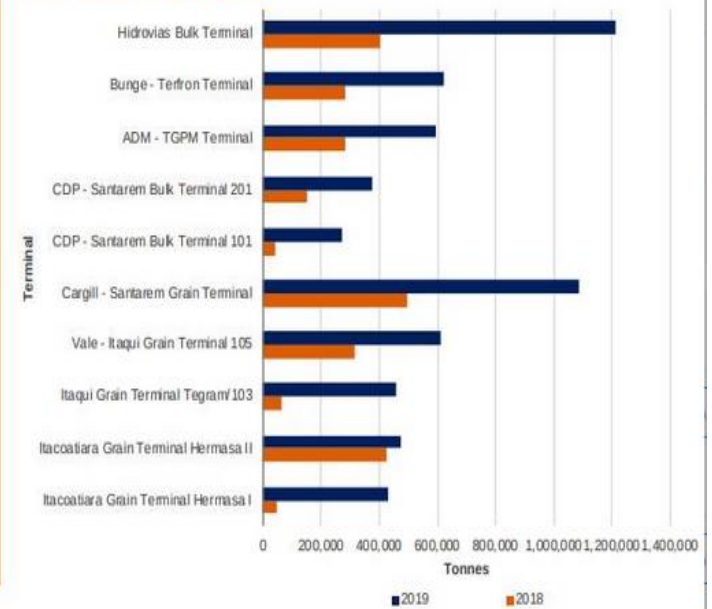
ClipperData @ClipperData · 6h

Our latest special report, "Grain & Oilseed Flows Detected in Real-Time Data," details issues impacting #grain and #oilseed flows.

CARIBBEAN/LATIN AMERICAN MARKET SHARE



BRAZIL NORTHERN ARC TERMINAL LOADING JANUARY-AUGUST



China Containerized Freight Index



China Import Dry Bulk Freight Index



U.S. RIVER BARGE FREIGHT

Current Barge Freight for Placement First Half November 2019

Placement FH November 2019	% of		Corn	Soybeans-Wheat
	Tariff	MT	BU	BU
Upper Mississippi	390	\$26.61	0.68	0.72
Illinois River (Pekin and South)	380	\$20.15	0.51	0.55
Mid-Mississippi	400	\$23.46	0.60	0.64
Lower Ohio	365	\$17.94	0.46	0.49
St. Louis	300	\$13.19	0.34	0.36

Secondary Rail Car Market for car placement period: First Half November 2019.

Secondary Rail Car Market Placement FH. November 2019	BID USD	ASK USD	BID BU.	ASK BU.	BID MT	ASK MT
BNSF Shuttle Trains	\$ 75.00	\$ 200.00	\$ 0.02	\$ 0.05	\$ 0.74	\$ 1.97
UPRR Shuttle Trains	\$ (150.00)	\$ (50.00)	\$ (0.04)	\$ (0.01)	\$ (1.48)	\$ (0.49)

Best Regards,

Jay

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*** The information in this market report is derived from sources believed to be reliable and accurate but cannot be guaranteed. Forward looking projections are never completely accurate, and these markets move quickly.
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