

Transportation and Export Report for 5 November 2020

It was a quiet week in Dry-Bulk markets and as such rates slipped slightly lower. Markets need continued good news for support, and such was simply missing this week. On the positive side, both Chinese and U.S. economies are performing better than expected and vessel owners are anxiously waiting for this to translate into better cargo demand; COVID fears and impacts are resting on the other side of this balance scale.

Average daily earnings for December Panamax vessels dropped to \$9,500/day.

Inland container availability is becoming more difficult, and more expensive, for U.S. shippers of containerized Grains. Though more challenging than in previous times, weekly volumes of containerized Grains from the U.S. continue to improve, and export markets are being served.

BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices					
5-Nov-2020		This Week	Last Week	Difference	Percent Change
P2A : Gulf/Atlantic - Japan	per day	19991	21195	-1,204	-5.7%
P3A - PNW/Pacific -Korea	per day	9716	10973	-1,257	-11.5%
S1C -USGULF-China-So.Japan	per day	21297	21661	-364	-1.7%
P7- Trial- Miss. River - Qingdao	per ton	39.583	40.943	-1.4	-3.3%
P8- Trial- Santos - Qingdao	per ton	28.429	29.321	-0.9	-3.0%

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

Four weeks ago:	\$10.45-\$11.00
Three weeks ago:	\$8.00-\$9.20
Two weeks ago:	\$7.20-\$7.65
One week ago:	\$7.50-\$8.00
This week	\$7.20-\$7.75

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

Mississippi River:	(10 elevators)	4-14 days (2 facilities not currently operating)
Miss. River Mid-Stream loaders:	(6+ Rigs)	0-6 days
Texas Gulf	(6 elevators)	0-8 days (only 1 Facility over 4 days)
Pacific Northwest:	(9 elevators)	3-7 days

Panamax Market Spreads to Asia -China					
5-Nov-2020	PNW	GULF	Bushel Spread	MT Spread	Advantage
CORN	1.88	1.55	0.33	\$12.99	PNW
SOYBEANS	1.85	1.50	0.35	\$13.78	GULF
OCEAN FREIGHT	\$22.50	\$41.00	.47-.50	\$18.50	December

Recent Reported Vessel Fixtures:

**** Below rates are estimates for the nearby-30-day slots. 60-90 days forward rates will usually be higher.**

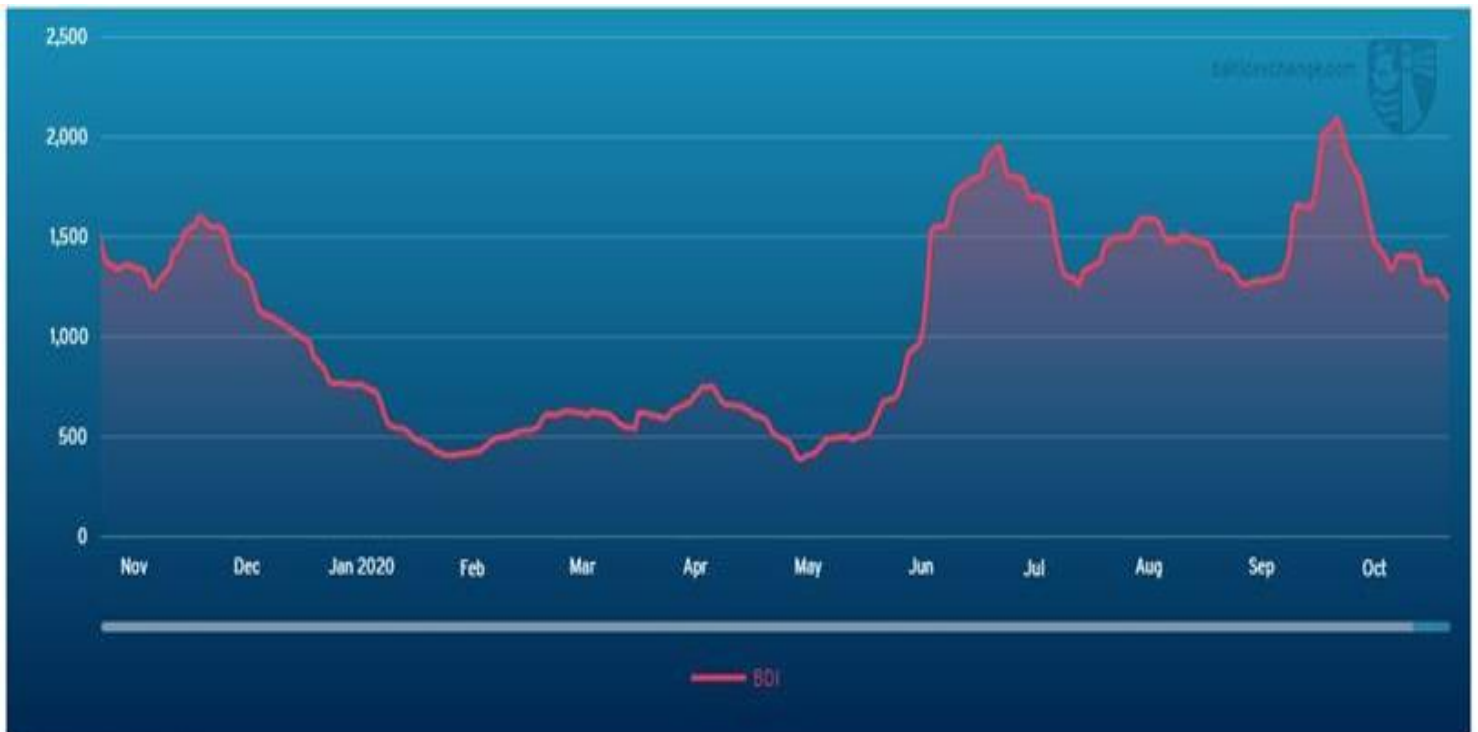
Soybean Panamax USG to Spain is running \$20.50-\$21.50/mt.

Soybean Brazil to Spain about \$23.75-24.75/mt.

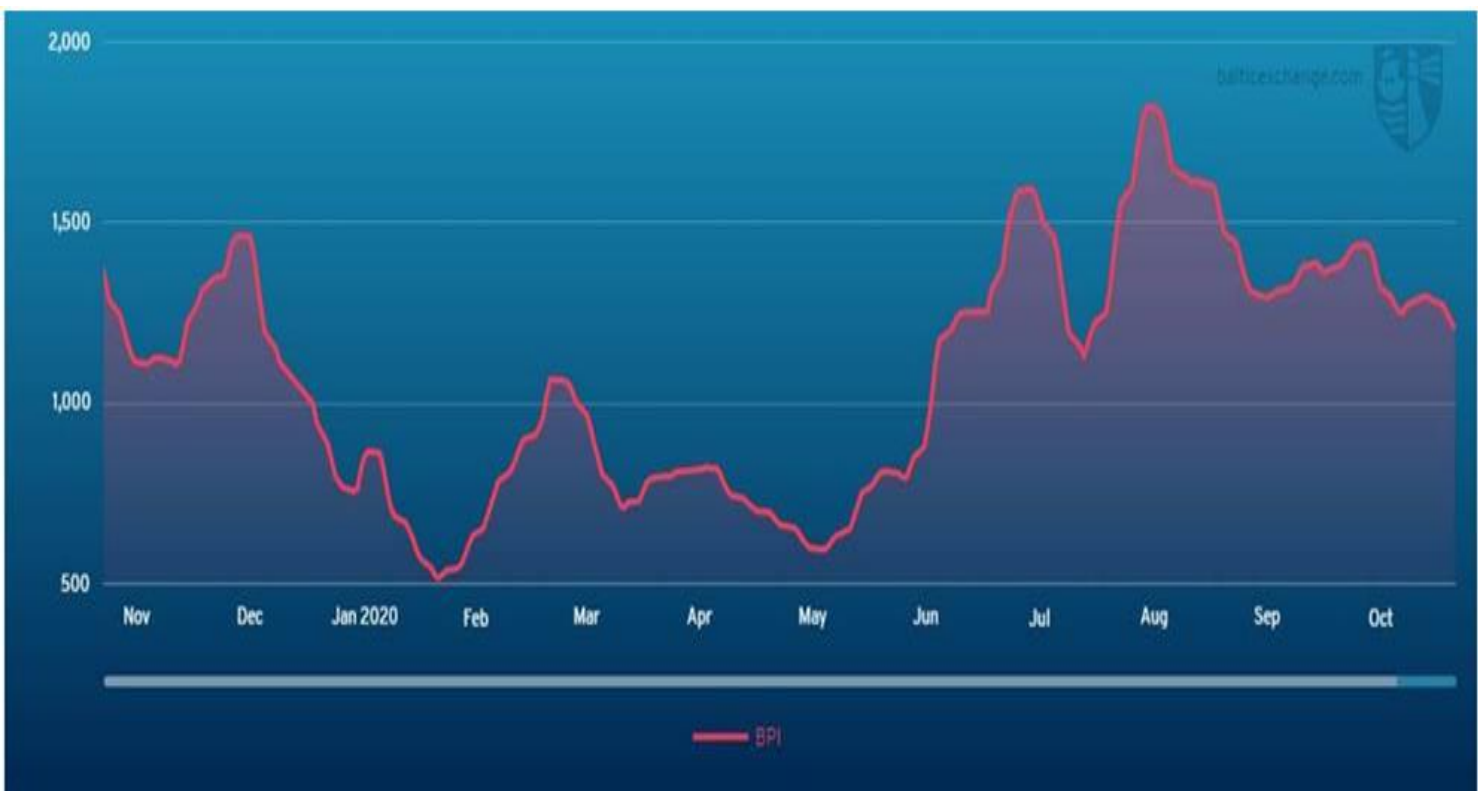
30,000 mt Corn Northern Brazil to Vera Cruz, Mexico \$18.25-\$19.25/mt .To U.S. E/C about \$21.00-22.00/mt

Route and Vessel Size	Current Week USD/MT	Change from previous week	Remarks
55,000 U.S. Gulf-Japan	\$42.25	Down \$0.25	Handymax \$44.75 mt
55,000 U.S. PNW- Japan	\$23.25	Down \$0.25	Handymax \$24.75 mt
66,000 U.S. Gulf – China	\$41.00	Down \$0.25	North China
PNW to China	\$22.50	Down \$0.25	
25,000 U.S. Gulf- Veracruz, México	\$17.25	Unchanged	3,000 MT daily discharge rate
30-36,000+ U.S. Gulf- Veracruz, México	\$14.25	Unchanged	Deep draft and 6,000 MT per day discharge rate.
30-38,000 U.S. Gulf- Colombia	\$20.00	Unchanged	<u>West Coast Colombia at \$31.50</u>
<u>East Coast Colombia</u> From Argentina	<u>\$30.25</u> \$31.25		USG to E/C 50,000 mt at \$16.25
43-45,000 U.S. Gulf - Guatemala	\$28.75	Unchanged	Acajutla/Quetzal - 8,000 out
26-30,000 U.S. Gulf – Algeria	\$38.50 \$40.50	Unchanged	8,000 mt daily discharge 3,000 mt daily discharge
26-30,000 US Gulf-Morocco	\$39.75	Unchanged	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt	\$27.25	Down \$0.25	60,000 -55,000 mt -Egypt
PNW to Egypt	\$28.25		Romania- Russia- Ukraine \$13.50-\$14.00 -\$14.50 France \$17.50
60-70,000 U.S. Gulf – Europe – Rotterdam	\$19.00	Unchanged	Handymax at +\$1.75 more
Brazil, Santos – China	\$31.25	Unchanged	54-59,000 Supramax-Panamax
Brazil, Santos – China	\$28.00		60-66,000 Post Panamax
Northern Coast Brazil	\$34.25		Upriver No. Brazil Plus -55,000 mt Plus \$7.50/mt
56-60,000 Argentina/Rosario- China Deep Draft	\$34.50	Unchanged	Upriver with BB Top Off Plus \$3.75 mt

The Baltic Dry Freight Index



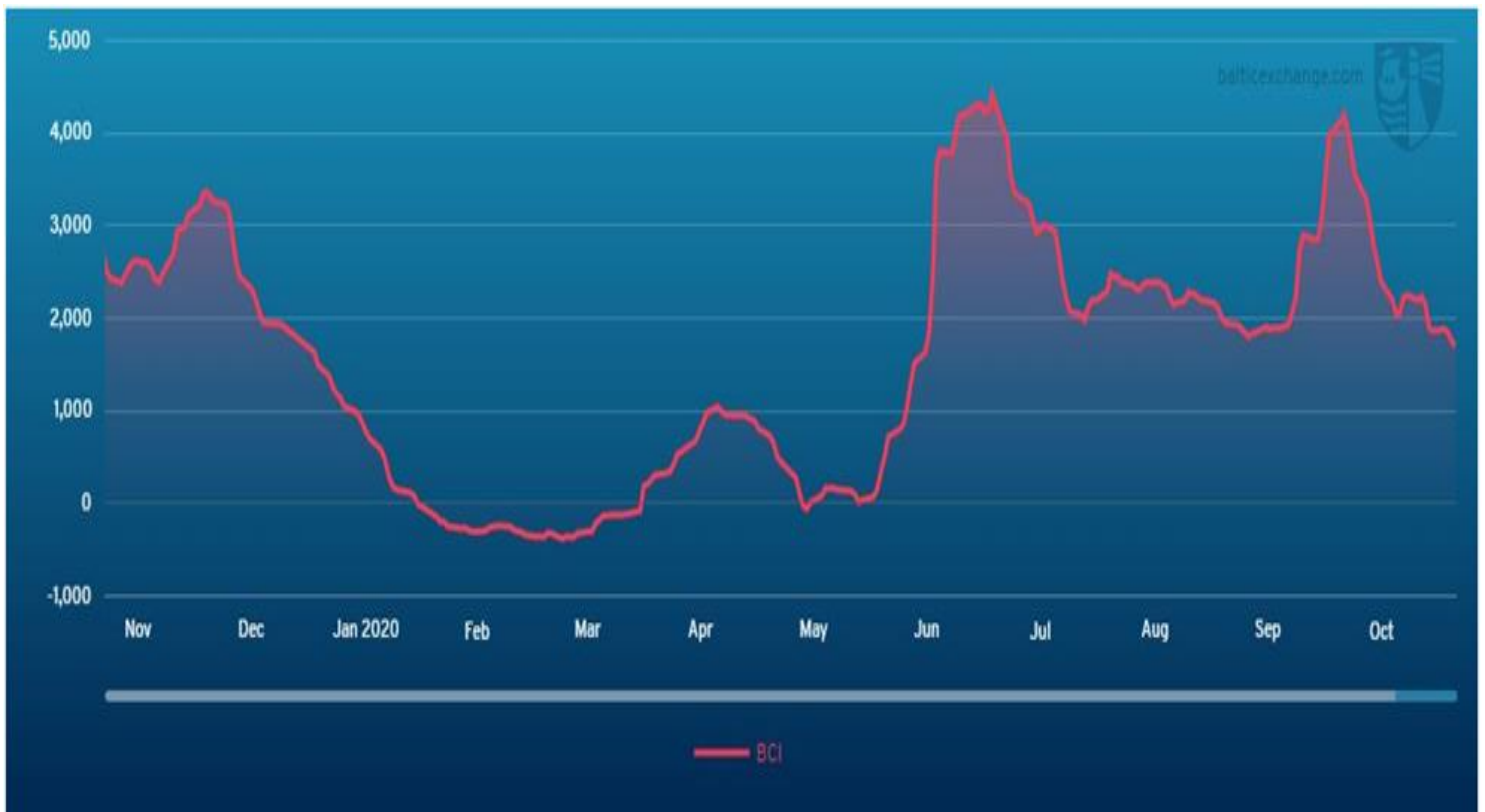
Baltic Panamax Index



Baltic Dry-Bulk Ocean Freight Index- US Gulf- Japan



Capesize Market Chart

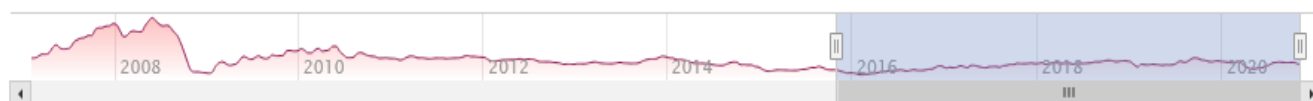
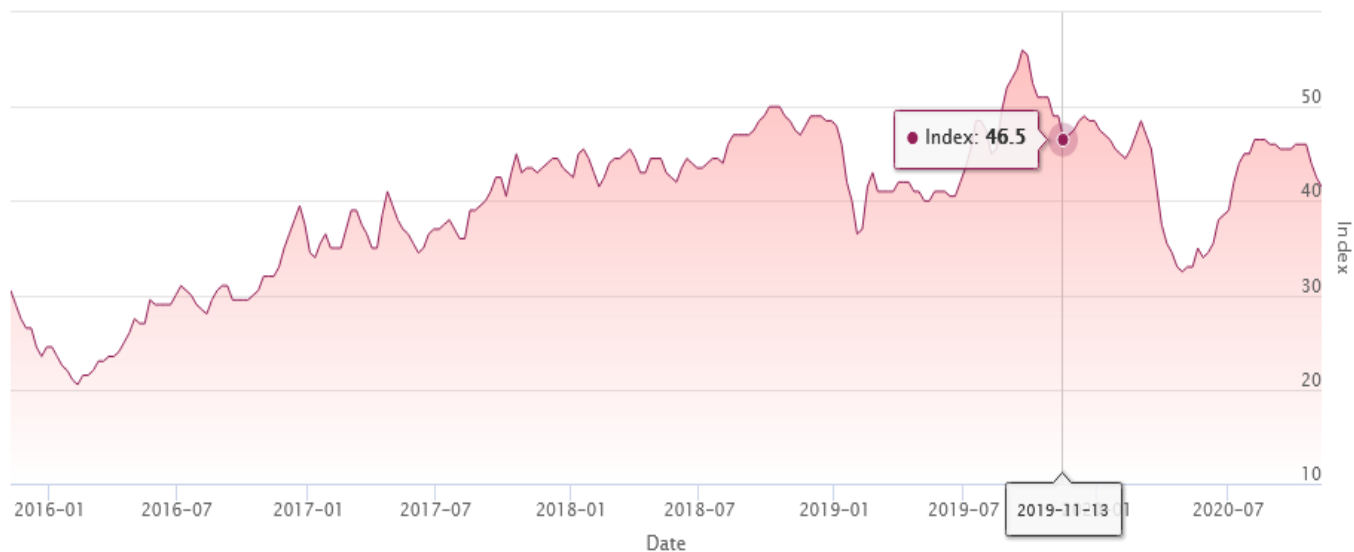


YAMAMIZU Index



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

From 2015-11-04 To 2020-11-04



China Import Dry Bulk Freight Index 2020-10-29

Description	Size MT	Cargo/Vessel Size	Unit	Rate	Change
Composite Index			Point	830.56	-24.96
Iron ore Freight Index			Point	829.96	-43.56
Dampier(West Australia)-Qingdao (China)	170000/10%	Iron ore	\$/ton	7.466	-0.428
Soybean Freight Index			Point	900.88	-6.5
Santos(Brazil)—North China	60000/10%	Soybean	\$/ton	29.67	-0.271
Tacoma(West America)—North China	60000/10%	Soybean	\$/ton	22.586	-0.164
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	41.263	-0.17
Mississippi(US Gulf)—North China	55000/10%	Soybean	\$/ton	43.31	-0.27

5 November 2020 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
Dec.	1.55	\$222.13	1.88	\$235.12
Jan.	1.48	\$221.54	1.83	\$235.32
Feb.	1.30	\$214.46	1.80	\$234.14
Mar.	1.19	\$210.13	1.78	\$233.35
Apr.	0.99	\$203.33	1.47	\$222.23
May	0.94	\$201.37	1.46	\$221.84

The Gulf spread between #2 & #3 YC is currently about .03 cents per bushel (1.18/mt) at USG but is out to .06/bushel in the PNW.

SORGHUM (USD/MT) FOB VESSEL				
#2 YGS Fob Vessel	NOLA		TEXAS	
Max. 14.0% moisture	BASIS	FLAT PRICE	BASIS	FLAT PRICE
Dec.	3.35	\$293.00	3.05	\$281.18
Jan.	3.30	\$293.19	3.00	\$281.38
Feb.	3.00	\$281.38	3.00	\$281.38
Mar.	3.30	\$293.19	3.00	\$281.38
Apr.	3.30	\$294.27	3.00	\$282.46

Fob vessel Texas Gulf #2 Sorghum is about 127% 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	
	Dec.	Jan.	Feb.	Mar.
FOB U.S. GULF	\$273.46	\$273.19	\$271.35	\$269.88
Basis	1.35	1.30	1.25	1.20
WZ	6.0925			.
WH	6.1350			
WK	6.1450			

5-Nov-2020	Close	Close	Last Week.	Last Week.	Last Week	
CME Corn Futures	Bushel	MT.	Bushel	Bu. Diff.	MT	MT Diff.
Dec.	\$ 4.0925	\$ 161.11	\$ 3.9850	0.10750	\$ 156.88	\$ 4.23
Mar.	\$ 4.1475	\$ 163.28	\$ 4.0150	0.1325	\$ 158.06	\$ 5.22
May	\$ 4.1750	\$ 164.36	\$ 4.0325	0.1425	\$ 158.75	\$ 5.61
July	\$ 4.1875	\$ 164.85	\$ 4.0425	0.1450	\$ 159.14	\$ 5.71
Sept.	\$ 3.9575	\$ 155.80	\$ 3.8350	0.1225	\$ 150.98	\$ 4.82
Dec.	\$ 3.9575	\$ 155.80	\$ 3.8375	0.1200	\$ 151.07	\$ 4.72

CBOT December 2020 (CZ20) CORN Futures Chart –



CME/CBOT December 2020 (WZ20) 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
Dec.	1.50	\$460.67	1.85	\$473.53
Jan.	1.40	\$457.00	1.85	\$473.53
Feb.	1.40	\$454.88	1.82	\$470.31
Mar.	1.35	\$453.05	1.80	\$469.58
Apr.	1.30	\$449.65	1.78	\$467.28
Soybean Futures				
Nov.	\$ 11.0175			
Jan.	\$ 11.0375			
Mar.	\$ 10.9800			
May	\$ 10.9375			
July	\$ 10.9100			
Aug.	\$ 10.7725			

U.S. SBM (USD/MT) FOB Vessel		
Fob U.S. Gulf Port	47.5 Pro. SBM	
max 12.5 % moisture	Basis	Flat Price
Dec.	45.00	\$ 477.16
Jan.	45.00	\$ 472.09
Feb.	45.00	\$ 459.96
Mar.	43.00	\$ 457.76
Apr.	47.00	\$ 453.68
SBM Futures		
SMZ	\$ 387.80	
SMF	\$ 383.20	
SMH	\$ 372.20	
SMK	\$ 364.50	
SMN	\$ 362.40	
SMQ	\$ 356.00	

CME January 2021 Soybean (SF21) Futures Chart:



CME December 2020 Soybean Meal (SMZ20) Futures Chart



U.S. EXPORT STATISTICS: Report Activity as of Week Ending 22 October 2020

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 '21-22 (000 MT)
Corn	2,376.4	30,578.3	59,060	52%	206.0
Sorghum	63.0	3,276.8	6,600	50%	204.0
Soybeans	1,809.2	46,970.2	59,880	78%	69.0
Wheat	749.0	16,159.9	26,540	61%	187.0
Barley	0.0	42.0	130	32%	0.0

U.S. EXPORT INSPECTIONS:

Monday's report 02 November 2020 for the Export week ending 29 October 2020

	Export Inspections		Current Market Year YTD	Previous Year to Date	2020/21 YTD as Percent of 2019/20 YTD
	This Week	Previous Week			
Corn	721,623	680,823	6,867,630	3,762,491	183%
Sorghum	94,454	73,531	637,099	375,530	170%
Soybeans	2,082,741	2,818,734	16,584,920	9,556,028	174%
Wheat	287,059	399,645	11,372,672	10,916,185	104%
Barley	0	798	9,867	11,808	84%

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

U.S. EXPORT INSPECTIONS:

Monday's report 02 November 2020 for the Export week ending 29 October 2020

Last Week							
(Metric Tons)	YC	%	WC	%	Sorghum	%	Soybeans %
Lakes	7,435	1%	0	0%	0	0%	33,248 2%
Atlantic	0	0%	0	0%	0	0%	71,555 3%
Gulf	385,514	58%	51,451	100%	94,454	100%	1,111,978 53%
PNW	131,886	20%	0	0%	0	0%	672,241 32%
Interior Export Rail	145,313	22%	24	0%	0	0%	193,719 9%
Metric Tons	670,148		51,475		94,454		2,082,741

Sorghum Shipments: metric tons

94,454 China Main

94,454 Total

White Corn metric tons

Shipments: 17,929 Colombia

20,399 Honduras

13,123 Mexico

24 Ireland

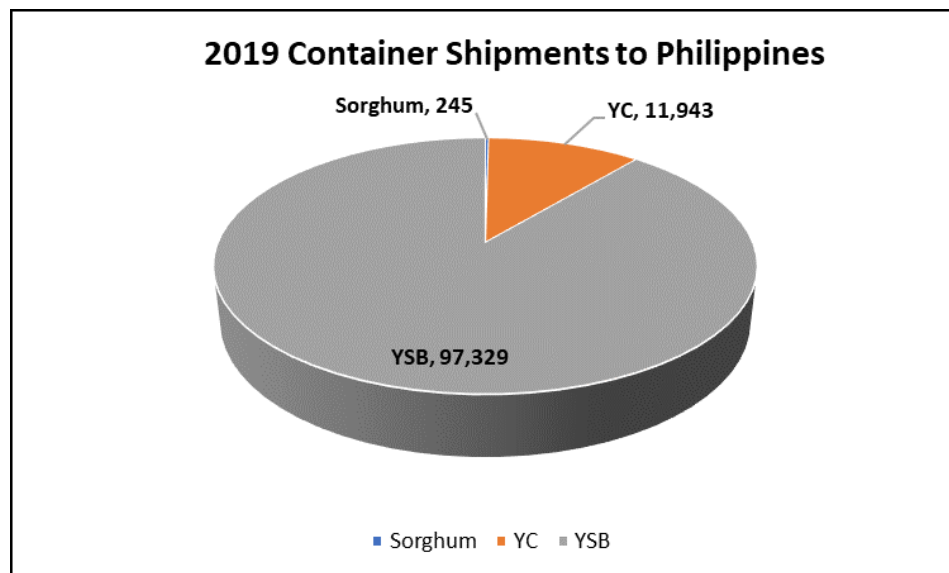
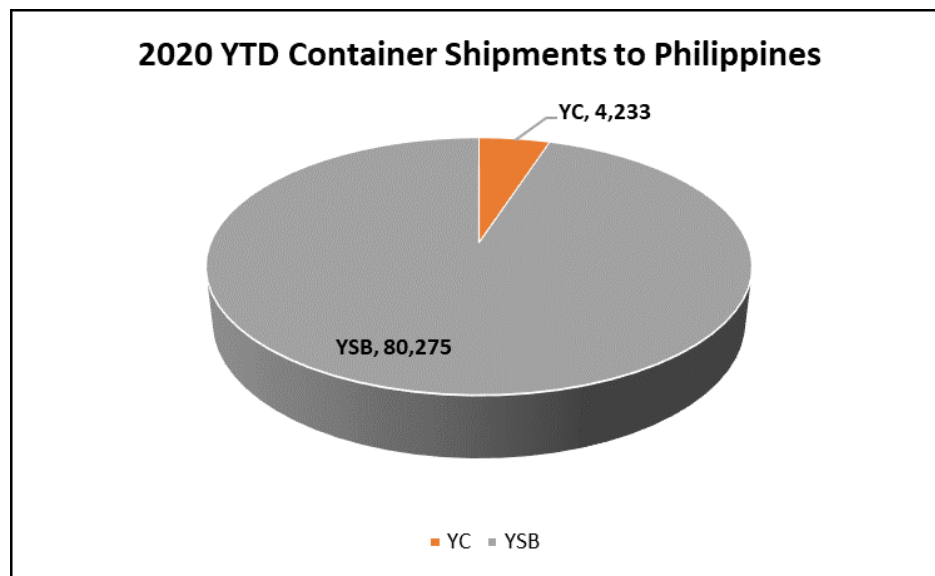
51,475 Total

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:		29-Oct-2020							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	SWH	HRW	Sorghum	TOTAL
China Main			12,567						12,567
China T	17,063		43,880						60,943
Hong Kong	685								685
Costa Rica	122								122
Indonesia			24,362						24,362
French Poly									0
Japan	245		416						661
Korea Rep.									0
Nepal			2,891						2,891
Malaysia	759		12,707						13,466
Ireland		24							24
Philippines			538						538
Thailand			11,485						11,485
Switzerland									0
India									0
Bangladesh									0
Burma									0
Vietnam			10,332						10,332
Sub Total:	18,874	24	119,178	0	0	0	0	0	138,076
USDA Corrections/Additions to previous reports:									
China T			5,412						5,412
China Main			710						710
Hong Kong									0
Korea Rep.									0
Cambodia									0
Japan			368						368
Philippines									0
Indonesia			931						931
Malaysia			2,033						2,033
Thailand									0
Vietnam			2,057						2,057
Jordan									0
Costa Rica									0
Sub Total:	0	0	11,511	0	0	0	0	0	11,511
Mt. Grand Total	18,874	24	130,689	0	0	0	0	0	149,587
Number of Containers	821	1	5,682	0	0	0	0	0	

Jan - Dec 2019 Annual Totals versus 2020 Jan.-Dec. YTD Total Container Shipments (in MT)



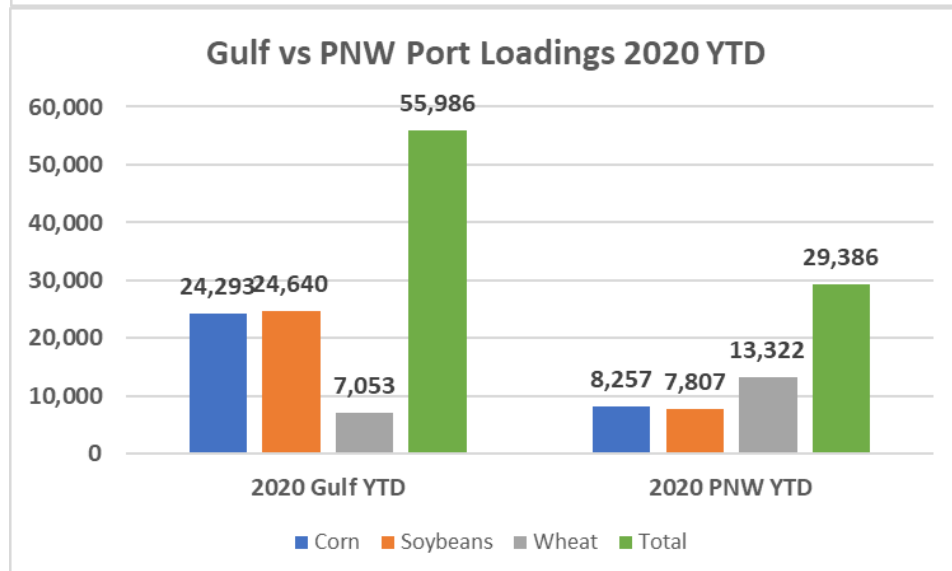
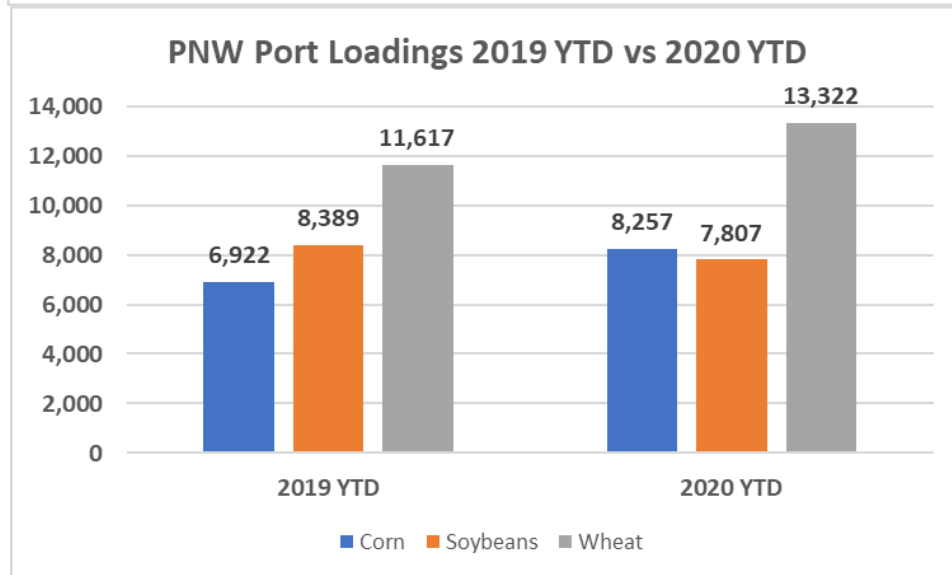
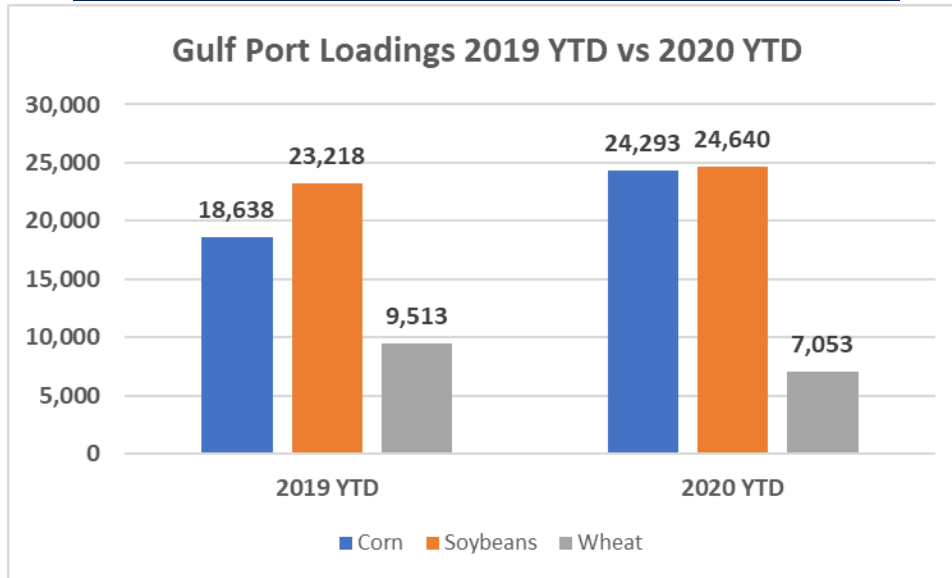
Grain Inspections for Export by U.S. Port Regions:
U.S. Gulf and Pacific Northwest 2019 YTD vs. 2020 YTD

PORT LOADINGS US Gulf				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
GULF				
2019 YTD	18,638	23,218	9,513	51,369
2020 YTD	24,293	24,640	7,053	55,986
2020 as % of 2019	130%	106%	74%	109%

PORT LOADINGS US PNW				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
PNW				
2019 YTD	6,922	8,389	11,617	26,928
2020 YTD	8,257	7,807	13,322	29,386
2020 as % of 2019	119%	93%	115%	109%

PORT LOADINGS GULF vs. PNW				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
2020 Gulf YTD	24,293	24,640	7,053	55,986
2020 PNW YTD	8,257	7,807	13,322	29,386
TOTAL	32,550	32,447	20,375	85,372
Gulf Percentage	75%	76%	35%	66%
PNW Percentage	25%	24%	65%	34%

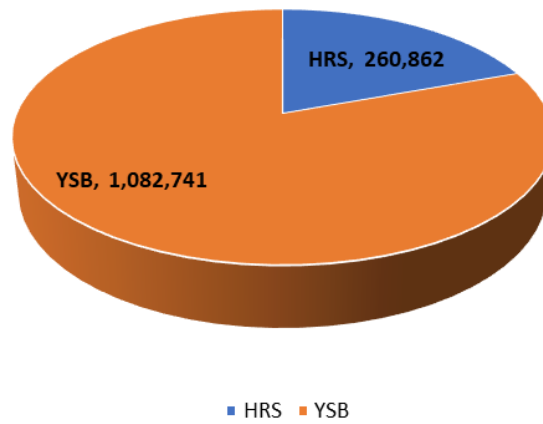
Grain Inspections for Export by U.S. Port Regions (1,000MT):
U.S. Gulf and Pacific Northwest 2019 YTD vs. 2020 YTD



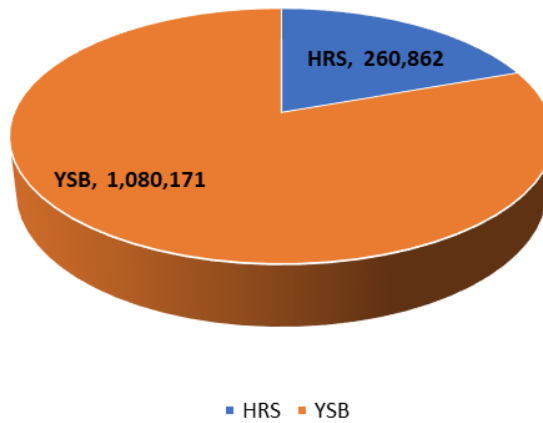
Source: USDA-data

2020 YTD Total Grain Exports reported by USDA (in MT)

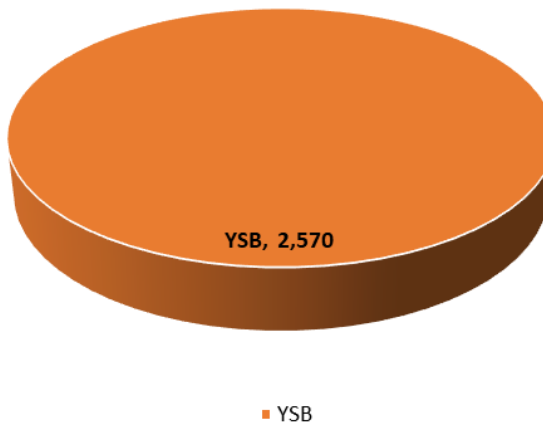
2020 YTD Exports to Bangladesh



YTD Vessel Shipments to Bangladesh

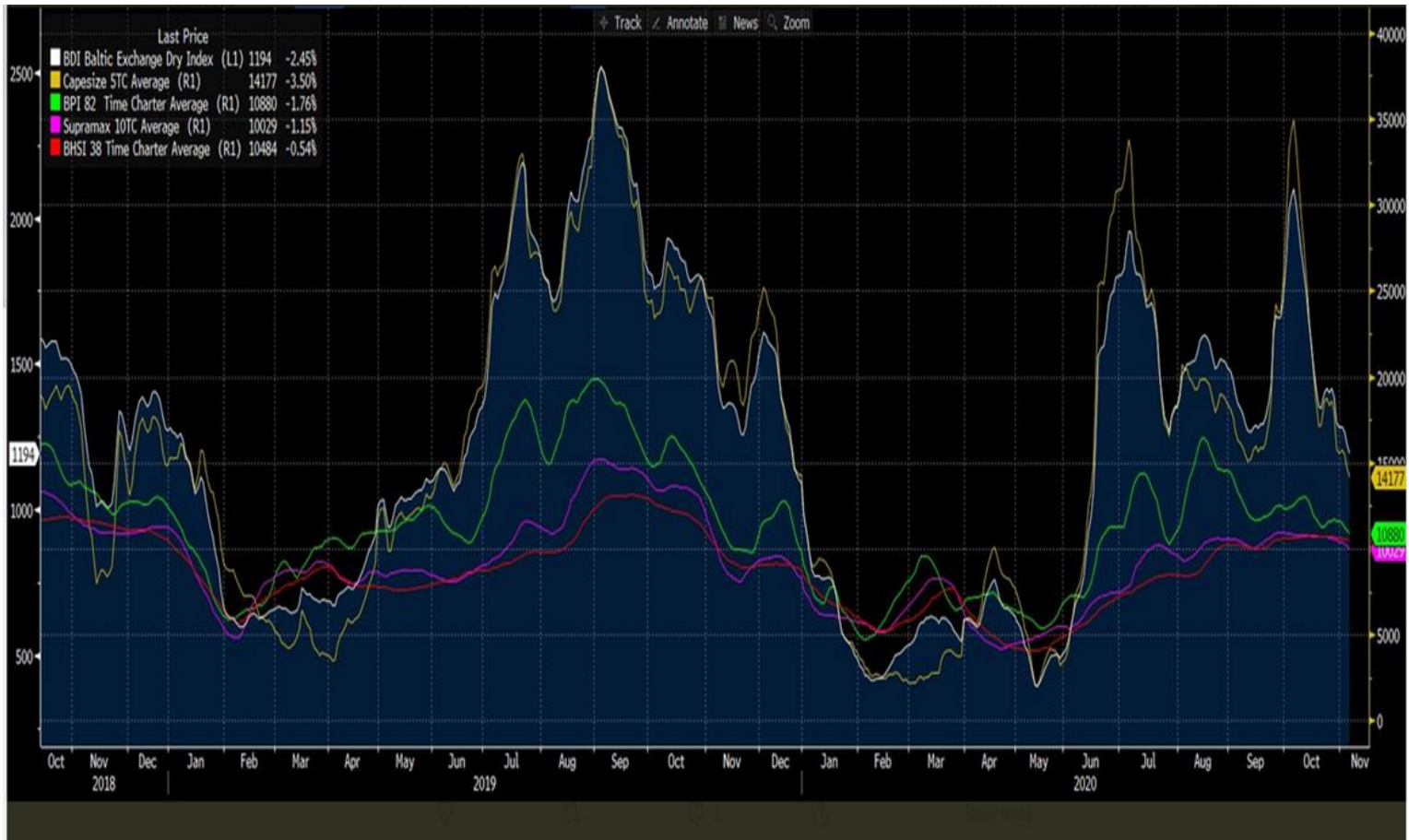


YTD Container Shipments to Bangladesh

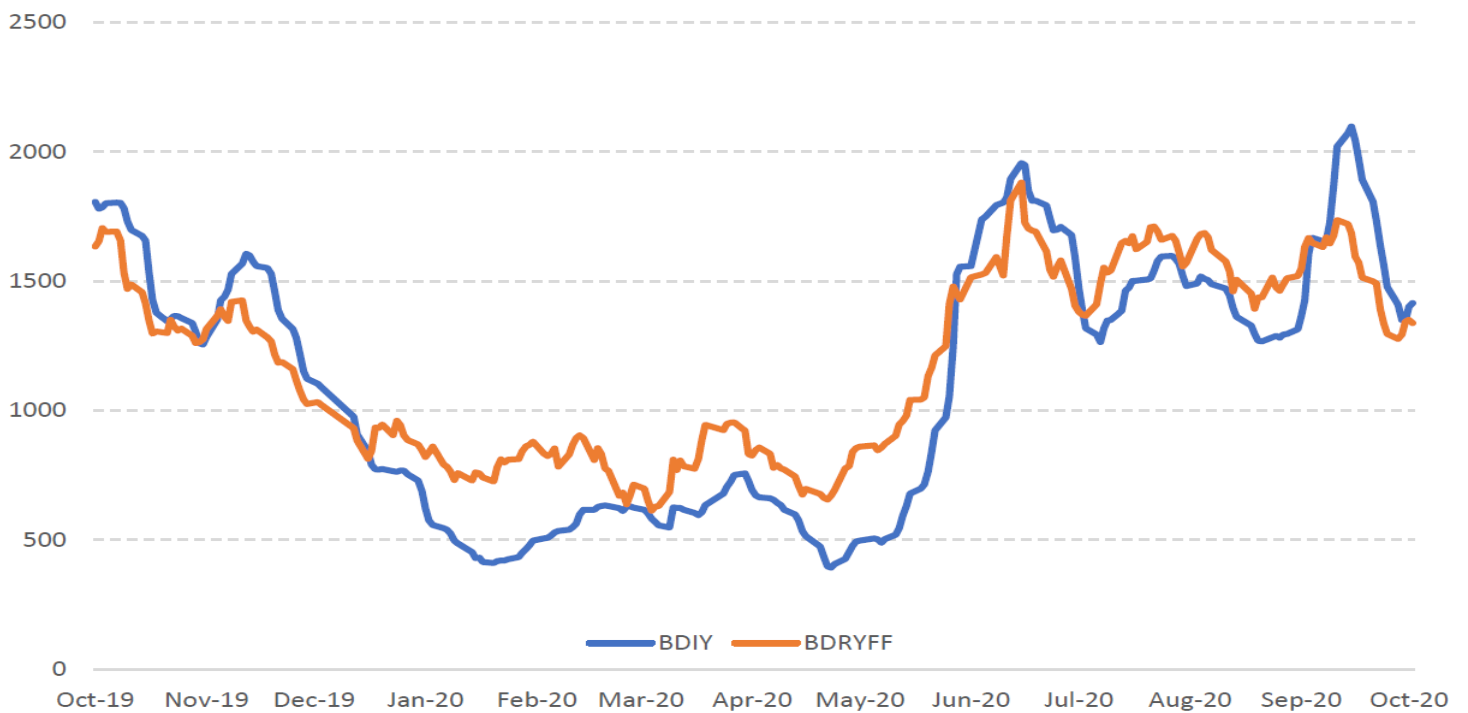


*Please keep in mind that USDA does not report DDGS sales

Shipping News



Baltic Dry Index vs Breakwave Dry Futures Index



Dry Bulk Fundamentals

Demand

	YTD	YOY
China Steel Production	782mt	4.5%
China Steel Inventories	7.1mt	58.3%
China Iron Ore Inventories	128mt	-4.7%
China Iron Ore Imports	868mt	10.8%
China Coal Imports	239mt	-4.5%
China Soybean Imports	75mt	15.5%
Brazil Iron Ore Exports	248mt	-5.4%
Australia Iron Ore Exports	575mt	4.7%

Supply

Dry Bulk Fleet	908dwt	3.3%
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Freight Rates

Baltic Dry Index, Average	1,034	-22.6%
Capesize Spot Rates, Average	12,977	-25.5%
Panamax Spot rates, Average	8,163	-27.4%

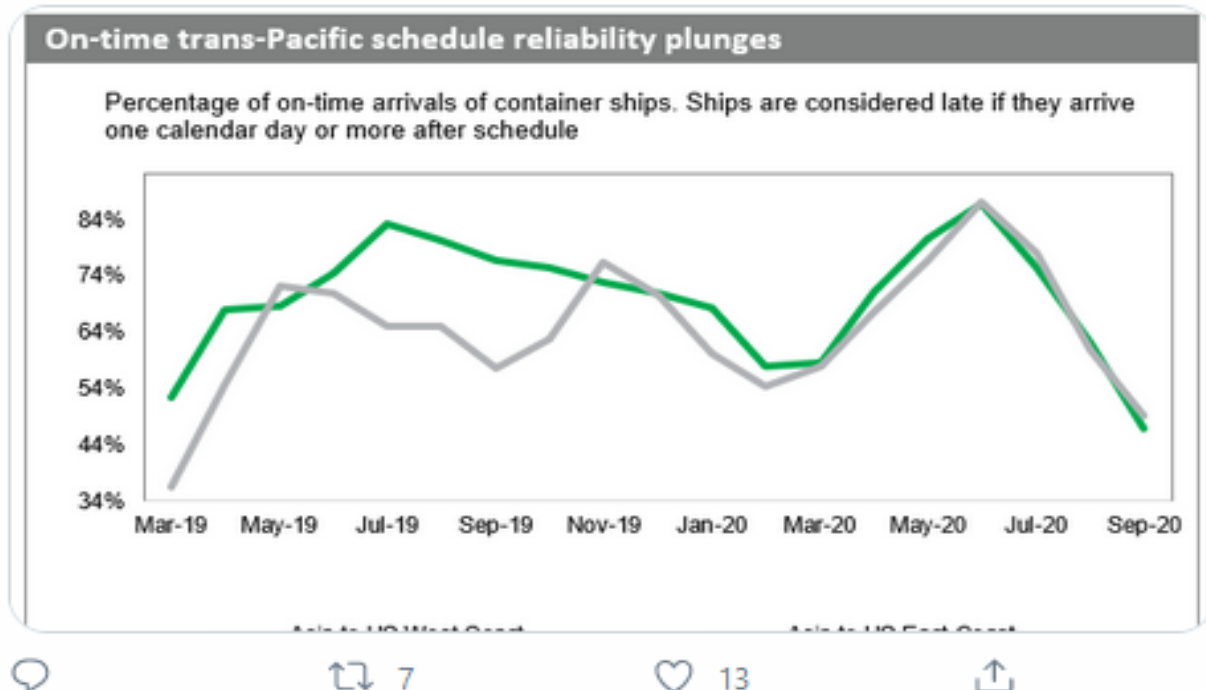
Note: All numbers as of latest available; Sources: Bloomberg and Breakwave Advisors

Peter Tirschwell Retweeted

Mark Szakonyi @MarkSzakonyi · 14h

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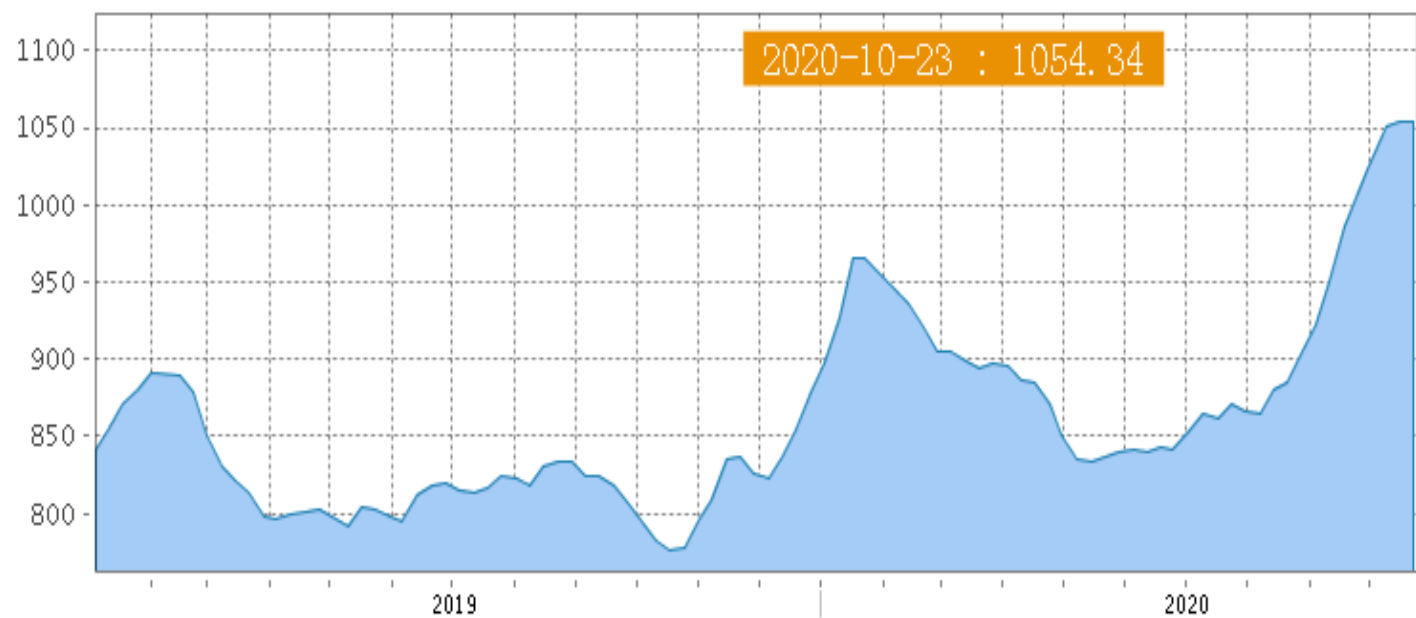
Trans-Pacific reliability below 50 percent, or in other words, eastbound ships have a one-in-two shot of showing at least one calendar day later than scheduled. No wonder premium service guaranteeing transits are hot right now. bit.ly/3kzMpxo



China Import Dry Bulk Freight Index



China Containerized Freight Index



U.S. RIVER BARGE FREIGHT
Current Barge Freight for Placement Last Half November 2020

Placement LH November 2020	% of		Corn	Soybeans-Wheat
	Tariff	MT	BU	BU
Upper Mississippi	Closed	\$ -	0.00	0.00
Illinois River (Pekin and South)	515	\$35.14	0.89	0.96
Mid-Mississippi	540	\$31.67	0.80	0.86
Lower Ohio	505	\$24.83	0.63	0.68
St. Louis	440	\$19.35	0.49	0.53

Secondary Rail Car Market for car placement period: Last Half November 2020.

Secondary Rail Car Market Placement LH. November 2020	BID USD	ASK USD	BID BU.	ASK BU.	BID MT	ASK MT
BNSF Shuttle Trains	\$ 300.00	\$ 500.00	\$ 0.08	\$ 0.13	\$ 2.95	\$ 4.92
UPRR Shuttle Trains	\$ 250.00	\$ 400.00	\$ 0.06	\$ 0.10	\$ 2.46	\$ 3.94

Best Regards,

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