

Transportation and Export Report for 12 December 2019

Ocean Freight Insights and Comments:

Last week the Dry-Bulk market may have found bottom, but if so, this week it simply scrapped along the bottom as it slowly moved forward in time. It was largely a lackluster week in global freight markets. With the Christmas holiday rapidly approaching, it is not likely that things will heat up soon.

BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices				
12-Dec-19	This Week	Last Week	Difference	Percent Change
P2A : Gulf/Atlantic - Japan	18809	18868	-59	-0.3%
P3A - PNW/Pacific - Japan	10382	10942	-560	-5.1%
S1C -USGULF-China-So.Japan	23072	20886	2,186	10.5%
P7- Trial- Miss. River - Qingdao	46329	44479	1,850	4.2%
P8- Trial- Santos - Qingdao	33279	31607	1,672	5.3%

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

Four weeks ago:	\$8.85-\$9.25
Three weeks ago:	\$8.35-\$8.85
Two weeks ago:	\$8.65-\$8.80
One week ago:	\$9.85-\$10.65
This week	\$9.35-\$10.35

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

Mississippi River:	(10 elevators)	2-7 days (2 facilities not currently operating)
Miss. River Mid-Stream loaders:	(6+ Rigs)	0-0 days
Texas Gulf	(5 elevators)	0-4 days
Pacific Northwest:	(9 elevators)	2-8 days

Panamax Market Spreads to Asia -China					
12-Dec-19	PNW	GULF	Bushel Spread	MT Spread	Advantage
CORN	1.00	0.61	0.31	\$12.20	PNW
SOYBEANS	0.92	0.69	0.23	\$9.05	PNW
OCEAN FREIGHT	\$25.25	\$47.50	.57-.61	\$22.25	January

Recent Reported Vessel Fixtures:

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

Soybean Brazil to Spain at about \$23.25/mt.

30,000 mt Corn Northern Brazil to Vera Cruz, Mexico \$19.00-\$19.50/mt .To U.S. E/C about \$22.00-22.50/mt

Route and Vessel Size	Current Week USD/MT	Change from previous week	Remarks
55,000 U.S. Gulf-Japan	\$47.25	Up \$0.50	Handymax \$48.00 mt
55,000 U.S. PNW- Japan	\$25.75	Up \$0.50	Handymax \$26.75 mt
66,000 U.S. Gulf – China	\$46.50	Up \$0.50	North China
PNW to China	\$25.25	Up \$0.50	
25,000 U.S. Gulf- Veracruz, México	\$17.75	Unchanged	3,000 MT daily discharge rate
30-36,000+ U.S. Gulf- Veracruz, México	\$15.00	Unchanged	Deep draft and 6,000 MT per day discharge rate.
30-38,000 U.S. Gulf- <u>East Coast Colombia</u>	\$20.00	Up \$0.25	<u>West Coast Colombia at \$32.50</u>
From Argentina	\$40.00		USG to E/C 50,000 mt at \$17.50
43-45,000 U.S. Gulf - Guatemala	\$29.75	Up \$0.25	Acajutla/Quetzal - 8,000 out
26-30,000 U.S. Gulf – Algeria	\$34.75 \$35.75	Up \$0.25	8,000 mt daily discharge 3,000 mt daily discharge
26-30,000 US Gulf-Morocco	\$35.75	Up \$0.25	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt	\$28.50	Up \$0.25	60,000 -55,000 mt
PNW to Egypt	\$29.00		Romania- Russia- Ukraine \$14.00 -\$15.00 -\$145.00 (France \$18.00)
60-70,000 U.S. Gulf – Europe – Rotterdam	\$19.25	Down \$0.25	Handymax at +\$1.75 more
Brazil, Santos – China	\$34.25	Unchanged	54-59,000 Supramax-Panamax
Brazil, Santos – China	\$33.75		60-66,000 Post Panamax
Northern Coast Brazil	\$35.00		Upriver No. Brazil Plus -55,000 mt Plus \$8.00/mt
56-60,000 Argentina/Rosario- China Deep Draft	\$37.00	Up \$0.50	Upriver with BB Top Off \$41.00

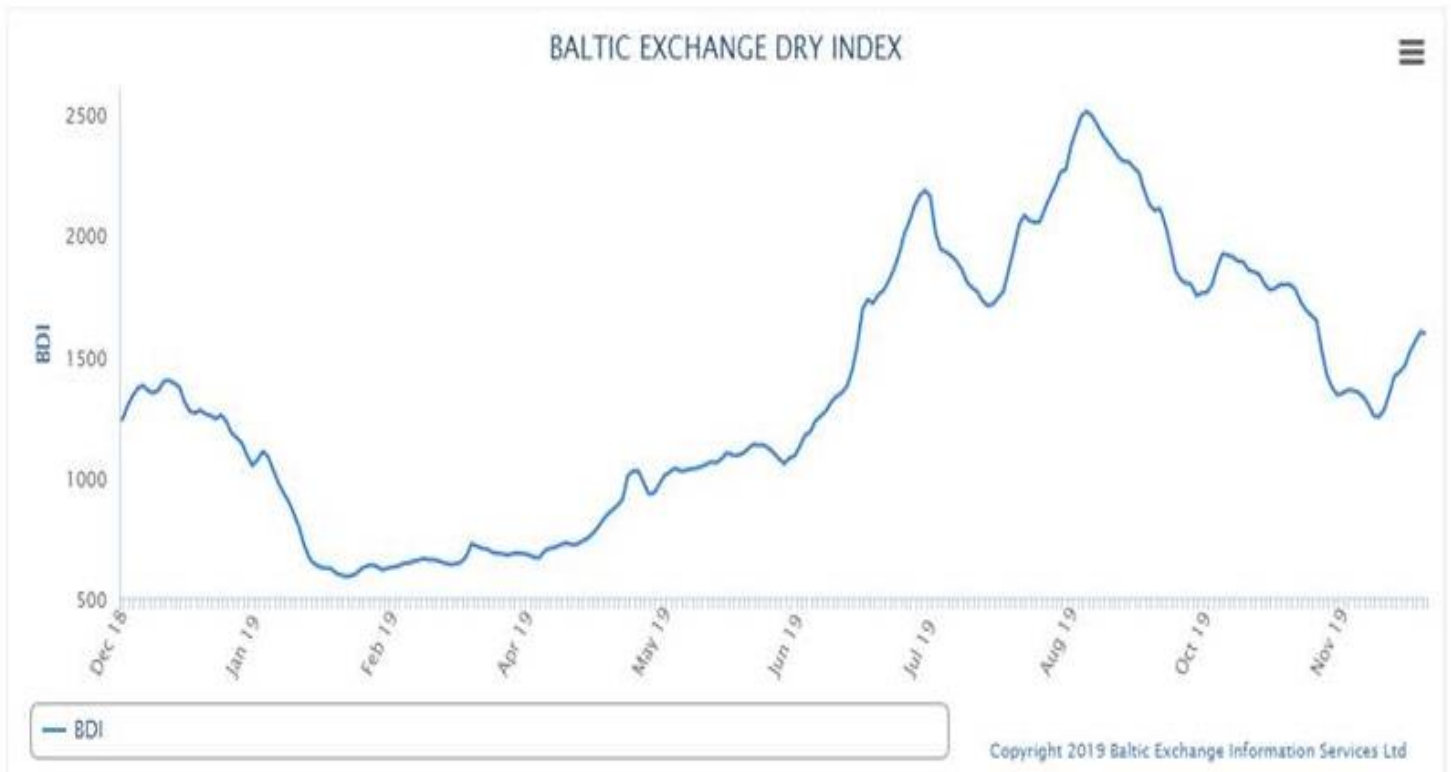
- The above rate estimates reflect the 30-45-day forward ocean freight markets.

Nautical Miles: To Xiamen China (South China)

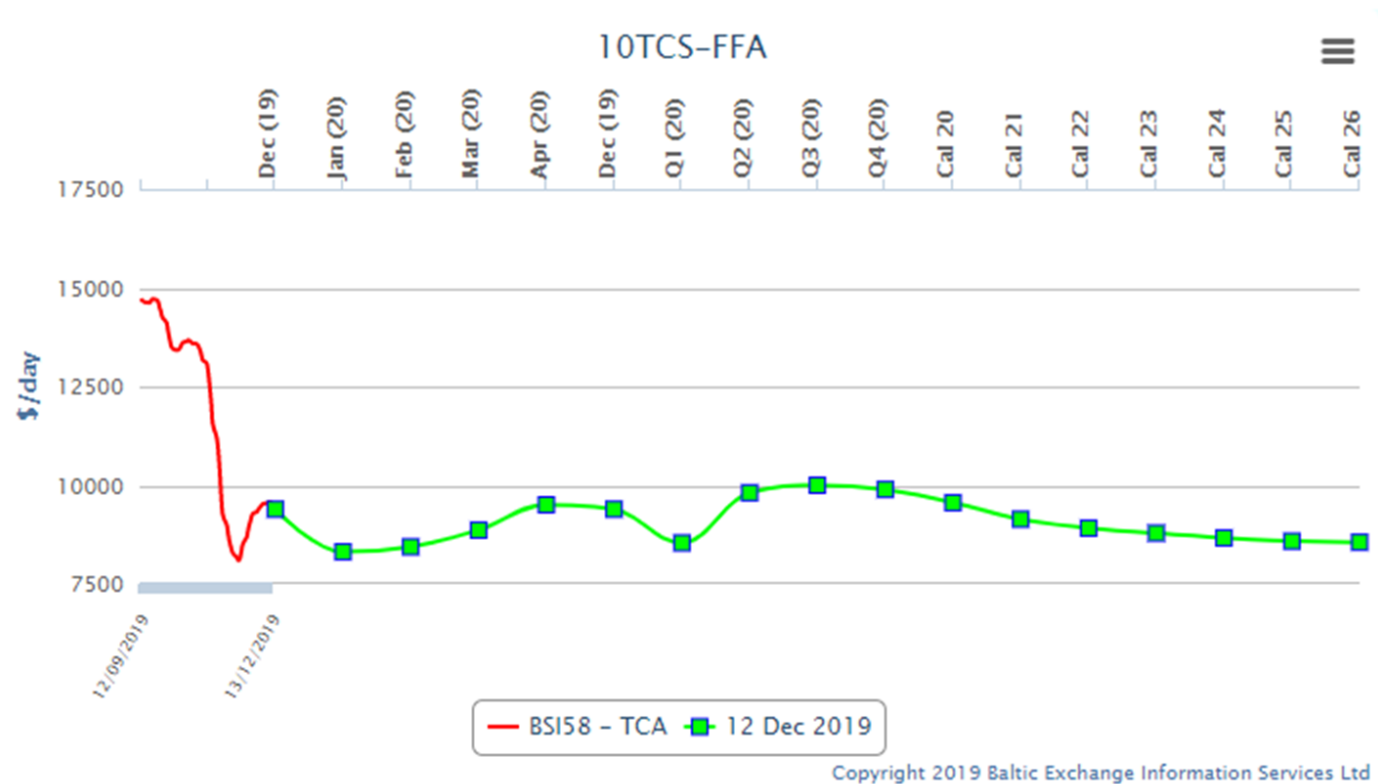
US Gulf (NOLA) (via Panamá Canal) – 10,232 nautical miles (32 days)

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

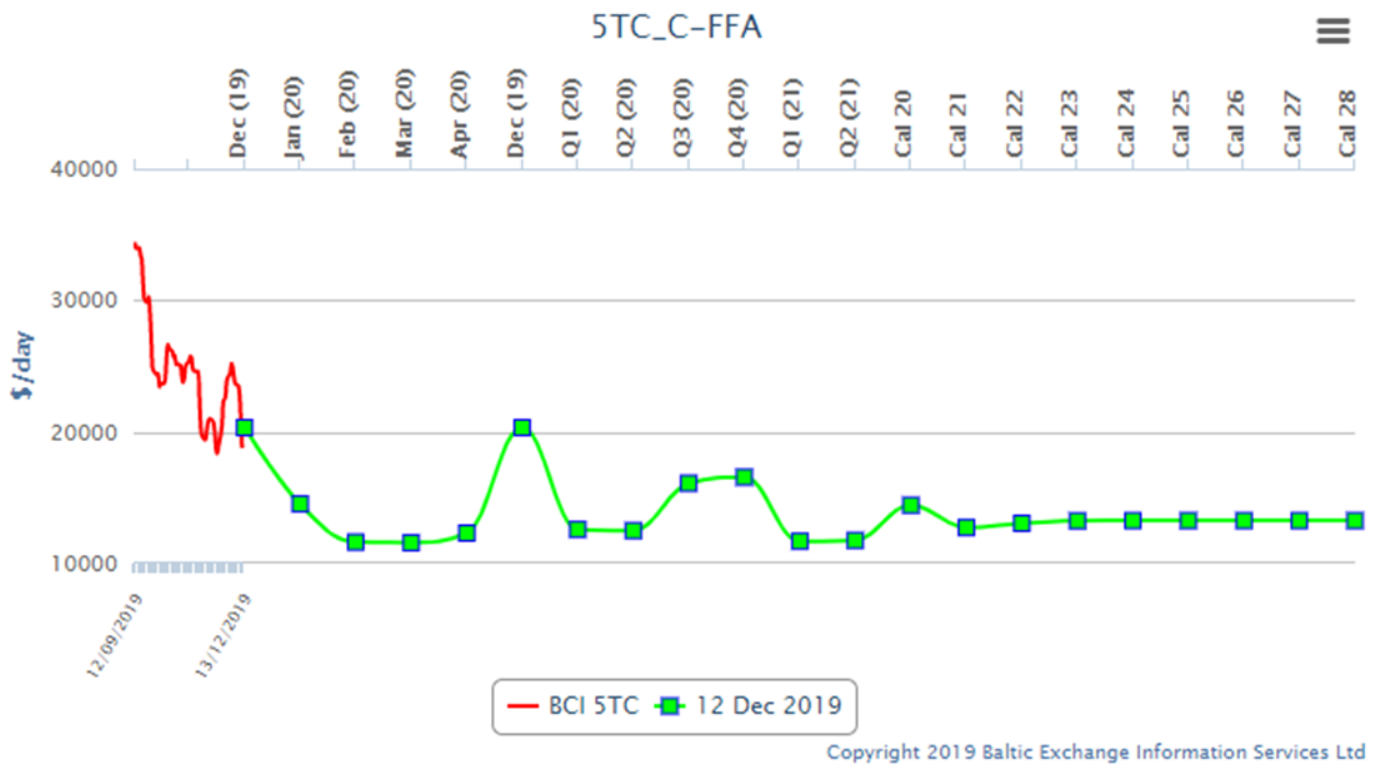
Baltic Dry Bulk Index.



Baltic Panamax Forward Curve Chart



Baltic Capesize Forward Curve Chart



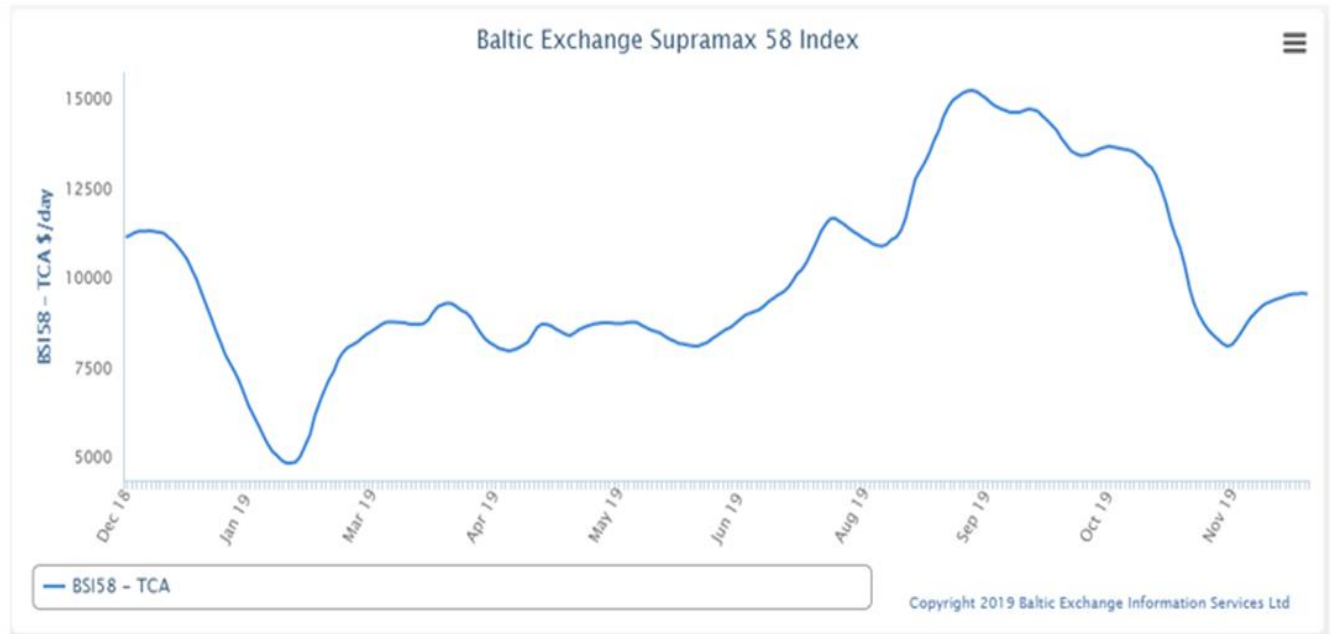
Baltic Panamax Index

Panamax

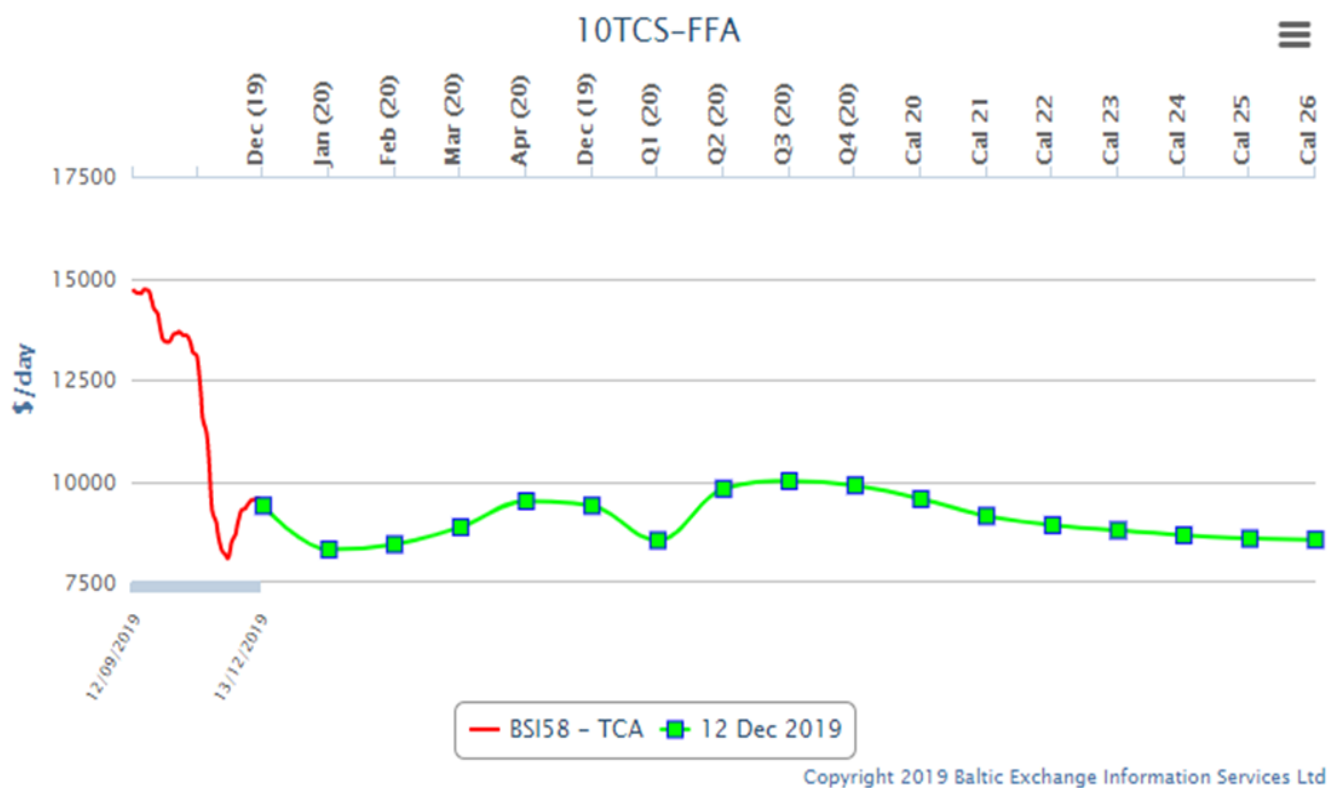


Baltic Supramax Vessel Index

Supramax

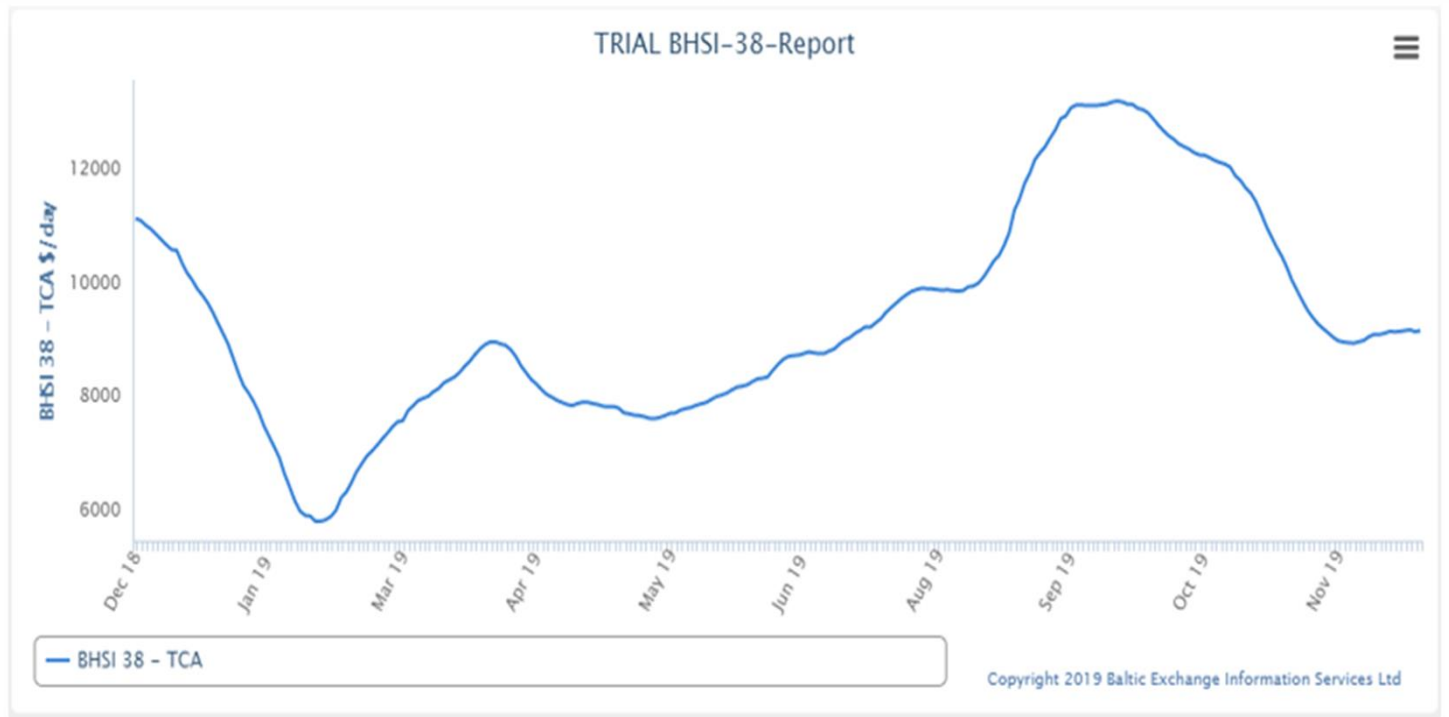


Supramax Dry-Bulk Forward Curve

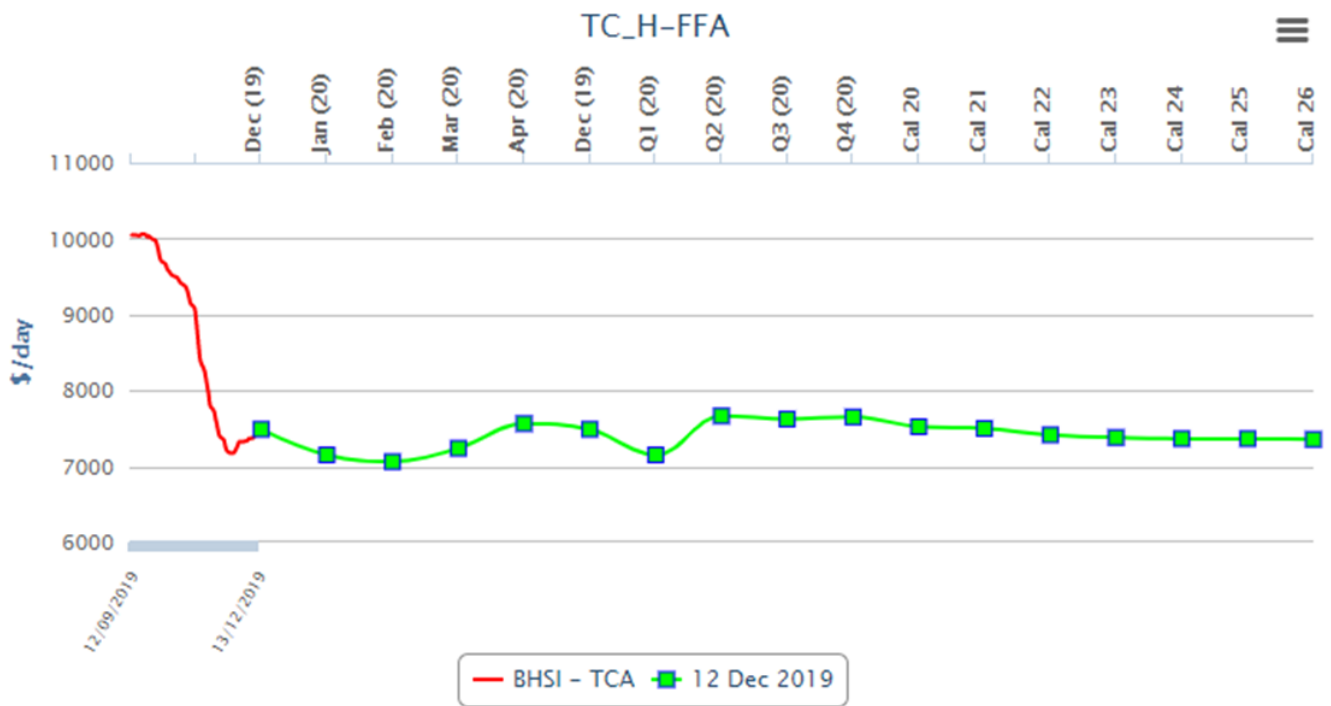


Baltic Handy Size Vessel Index

Handysize



Baltic Handy Size Forward Curve

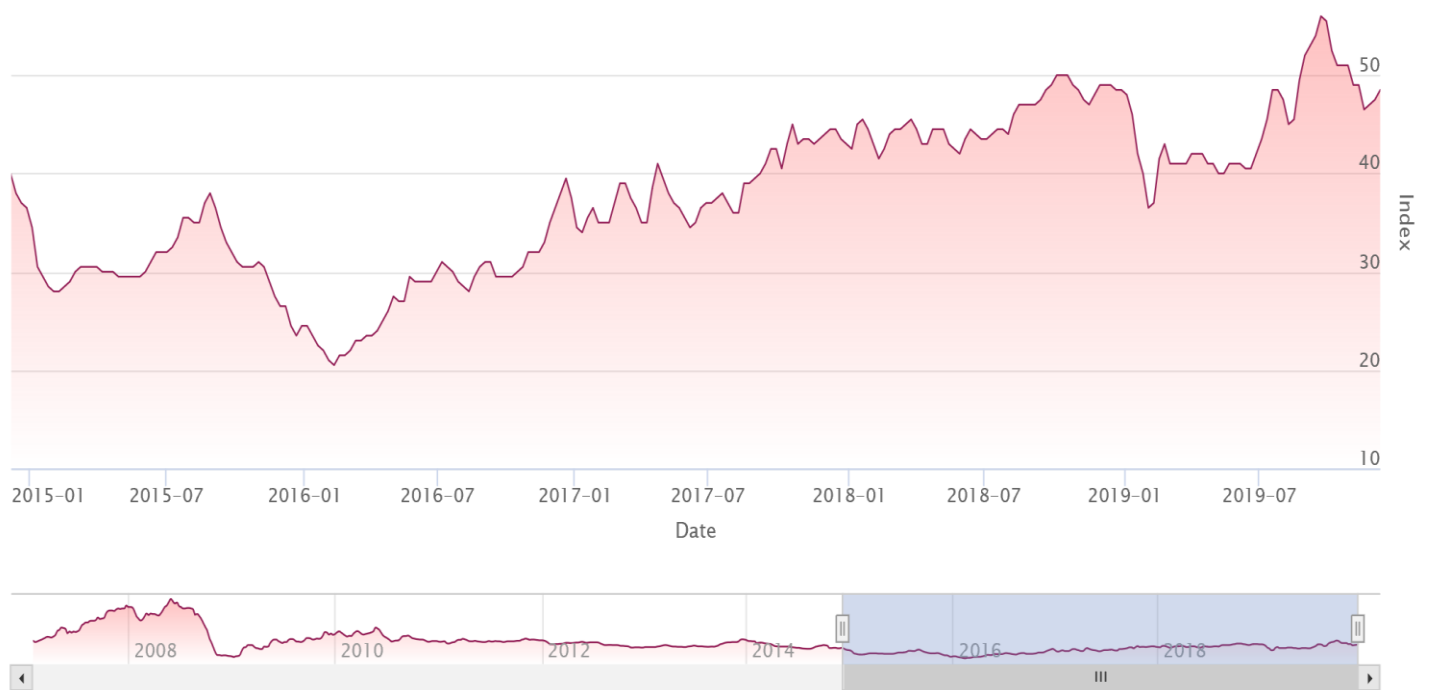


YAMAMIZU Index



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

From 2014-12-04 To 2019-12-04



China Import Dry Bulk Freight Index					
2019-12-11					
Description	Size MT	Cargo/Vessel Size	Unit	Rate	Change
Composite Index			Point	991.57	-15.3
Iron ore Freight Index			Point	1057.7	-33.47
Dampier(West Australia)-Qingdao (China)	170000/10%	Iron ore	\$/ton	9.778	-0.296
Soybean Freight Index			Point	1001.87	4.06
Santos(Brazil)—North China	60000/10%	Soybean	\$/ton	33.381	0.081
Tacoma(West America)—North China	60000/10%	Soybean	\$/ton	25.031	0.069
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	45.443	0.329
Mississippi(US Gulf)—North China	55000/10%	Soybean	\$/ton	47.183	0.242

12 December 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
Jan.	0.61	\$172.73	1.00	\$188.08
Feb.	0.64	\$173.91	1.00	\$188.08
Mar.	0.66	\$174.69	1.01	\$188.47
April	0.63	\$176.07	1.02	\$191.43
May	0.65	\$176.86	1.04	\$192.21
June	0.60	\$177.16	1.02	\$193.69

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
Jan.	0.95	\$186.11	0.70	\$176.27
Feb.	0.95	\$186.11	0.70	\$176.27
Mar.	0.95	\$186.11	0.70	\$176.27
April	0.95	\$188.67	0.70	\$178.83
May	0.95	\$188.67	0.70	\$178.83

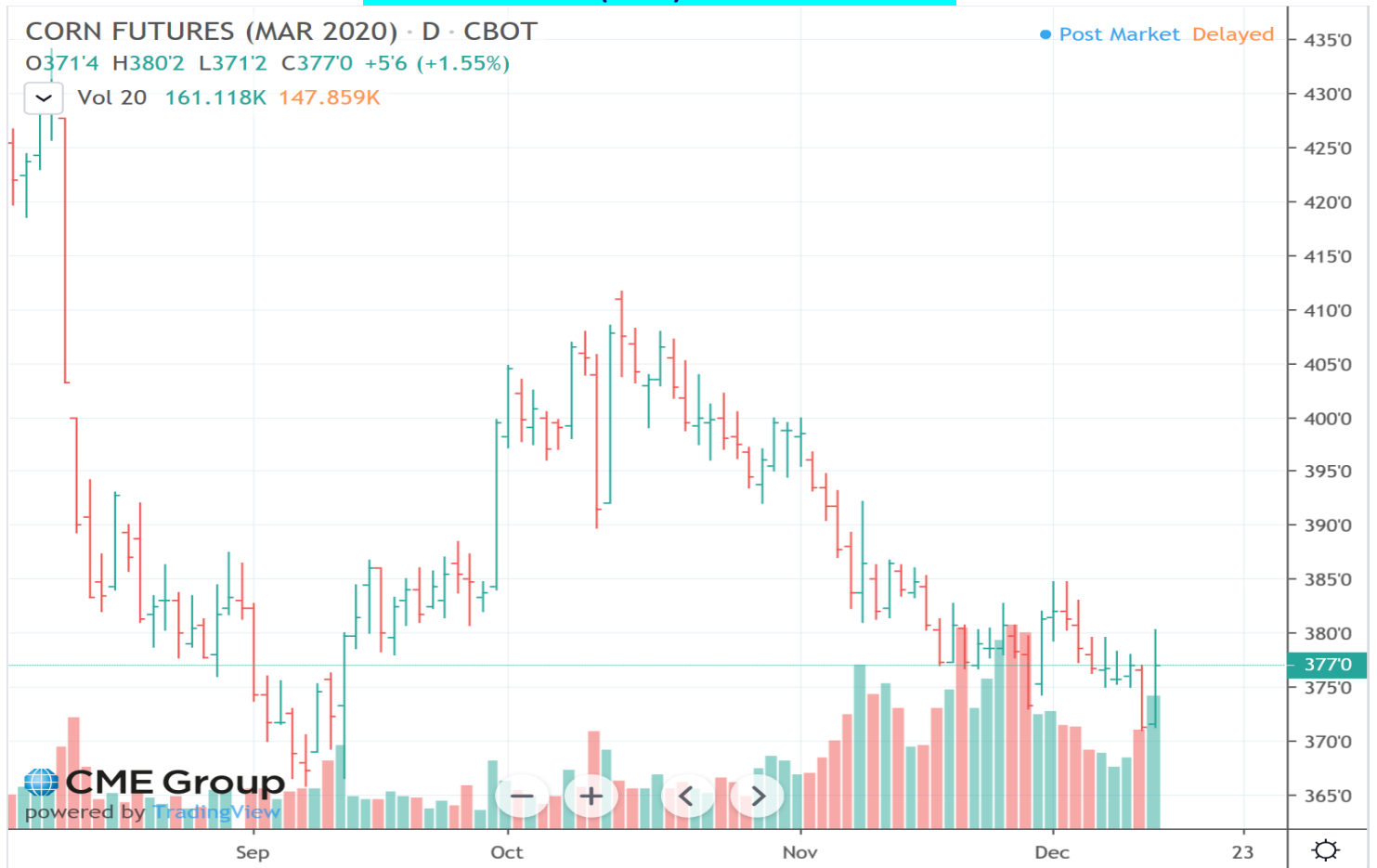
Fob vessel Texas Gulf #2 Sorghum is about 102 % the value of #2 Yellow Corn at NOLA.

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

SRW Wheat	USD/MT	Fob Vessel	US Gulf	
	Jan.	Feb.	Mar.	April
FOB U.S. GULF	\$238.92	\$240.76	\$242.60	\$243.61
Basis	1.20	1.25	1.30	1.30
WZ	5.3925			.
WH	5.3025			
WK	5.3300			

12-Dec-19	Close	This Week	Last Week.	Last Week.	Last Week	
CME Corn Futures	Bushel	MT.	Bushel	Bu. Diff.	MT	MT Diff.
Dec.	\$ 3.6700	\$ 144.48	\$ 3.6550	0.0150	\$ 143.89	\$ 0.59
Mar.	\$ 3.7775	\$ 148.71	\$ 3.7675	0.0100	\$ 148.32	\$ 0.39
May	\$ 3.8425	\$ 151.27	\$ 3.8250	0.0175	\$ 150.58	\$ 0.69
July	\$ 3.9000	\$ 153.53	\$ 3.8700	0.0300	\$ 152.35	\$ 1.18
Sept.	\$ 3.9025	\$ 153.63	\$ 3.8625	0.0400	\$ 152.06	\$ 1.57
Dec.	\$ 3.9325	\$ 154.81	\$ 3.9050	0.0275	\$ 153.73	\$ 1.08

CBOT March. 2019 (CH20) CORN Futures Chart –



CME/CBOT March 2019 (WH20) SRW Wheat Futures Chart –

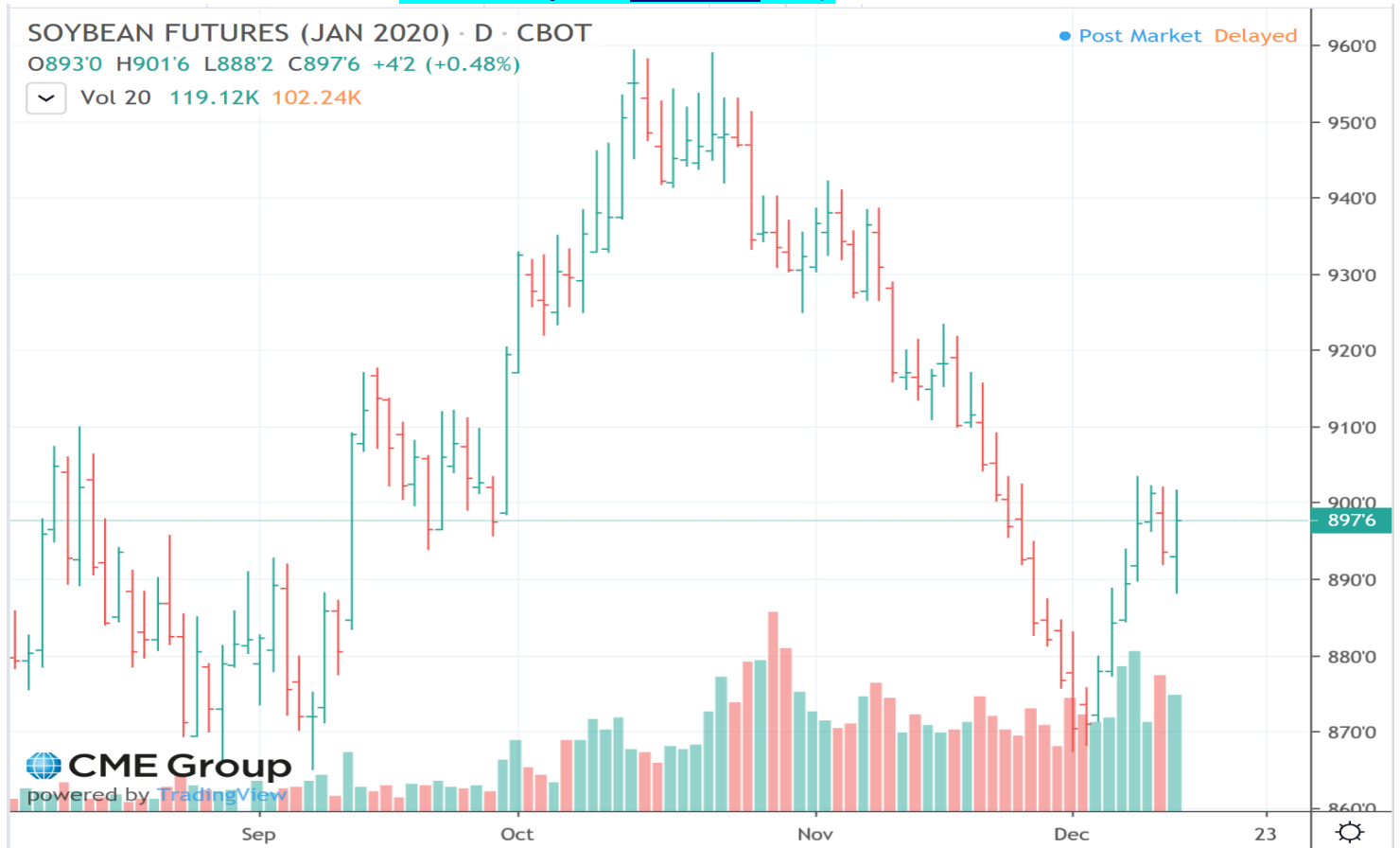


U.S. Soybean and SBM Markets Fob Vessel:

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
Jan.	0.69	\$355.40	0.92	\$363.85
Feb.	0.55	\$355.49	0.84	\$366.15
Mar.	0.58	\$356.59	0.87	\$367.25
April	0.45	\$356.78	0.77	\$368.54
May	0.48	\$357.88	0.80	\$369.64
Soybean Futures				
Jan..	\$ 8.9825			
Mar.	\$ 9.1250			
May	\$ 9.2600			
July	\$ 9.3875			
Aug.	\$ 9.4325			
Sept.	\$ 9.4050			

U.S. SBM (USD/MT) FOB Vessel		
Fob U.S. Gulf Port	47.5 Pro. SBM	
max 12.5 % moisture	Basis	Flat Price
Jan.	12.00	\$ 337.59
Feb.	11.00	\$ 341.44
Mar.	11.00	\$ 341.44
April	10.00	\$ 344.53
May	10.00	\$ 344.53
SBM Futures		
SMZ	292.60	
SMF	294.20	
SMH	298.70	
SMK	302.50	
SMN	306.80	
SMQ	308.50	

CME January 2019 Soybean (SF20) Futures Chart:



CME January 2020 Soybean Meal (SMF20) Futures Chart



U.S. EXPORT STATISTICS: Report Activity as of Week Ending 28 November 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	593.7	14,615.5	46,990	31%	267.1
Sorghum	19.0	926.1	2,790	33%	0.0
Soybeans	708.4	25,944.3	48,310	54%	6.0
Wheat	237.0	16,455.4	25,860	64%	8.9
Barley	0.0	59.1	70	84%	0.0

U.S. EXPORT INSPECTIONS:

Monday's report 09 December 2019 for the Export week ending 05 December 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	481,097	439,633	6,531,846	15,117,606	43%
Sorghum	45,149	132,867	630,960	370,008	171%
Soybeans	1,327,042	1,575,749	17,298,212	14,185,018	122%
Wheat	313,810	334,904	13,017,294	11,032,063	118%
Barley	0	73	15,914	5,824	273%

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

U.S. EXPORT INSPECTIONS:

Monday's report 09 December 2019 for the Export week ending 05 December 2019

Last Week								
(Metric Tons)	YC	%	WC	%	Sorghum	%	Soybeans	%
Lakes	0	0%	0	0%	0	0%	0	0%
Atlantic	0	0%	0	0%	0	0%	43,954	3%
Gulf	227,723	56%	76,610	98%	4,781	11%	763,206	58%
PNW	122	0%	245	0%	0	0%	397,978	30%
Interior Export Rail	175,299	43%	1,098	1%	40,368	89%	121,904	9%
Metric Tons	403,144		77,953		45,149		1,327,042	

Sorghum Shipments:	metric tons	
	4,781	Japan
	40,368	Mexico
	45,149	Total

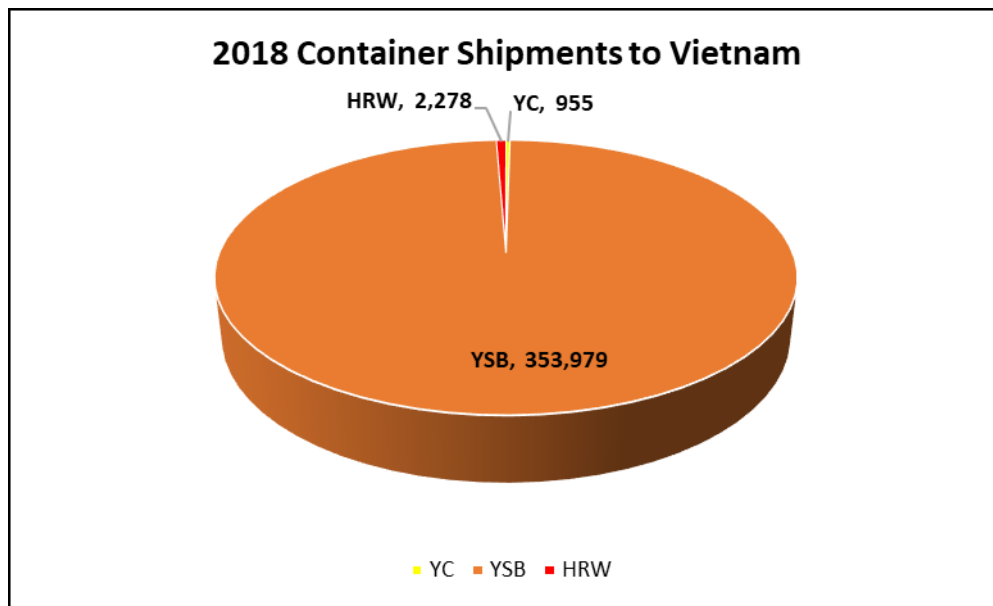
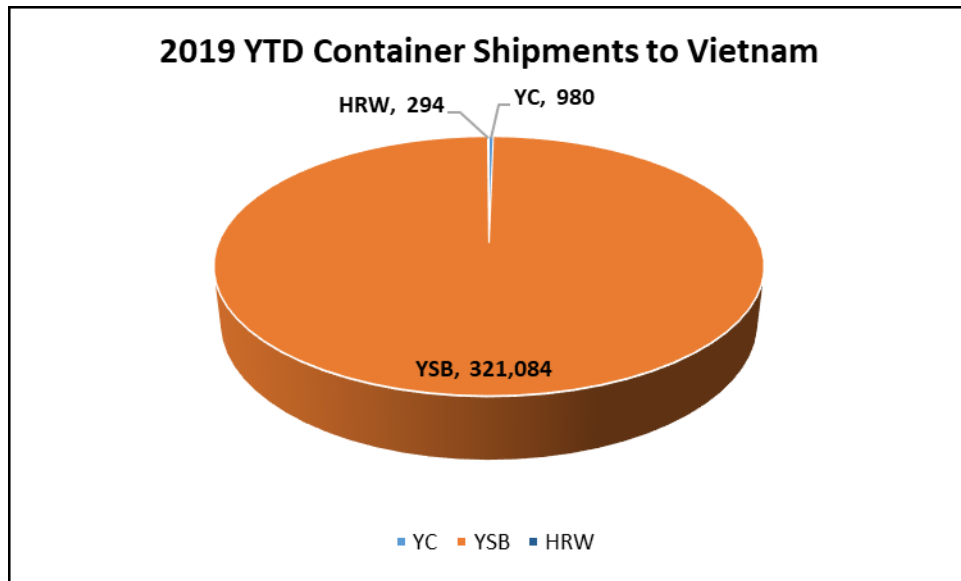
White Corn	metric tons	
Shipments:	17,223	Honduras
	60,485	Mexico
	245	Korea Rep
	77,953	Total

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:		5-Dec-2019							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	SWH	HRW	Sorghum	TOTAL
China Main									0
China T	5,043		27,552						32,595
Hong Kong	1,418								1,418
Costa Rica									0
Indonesia			17,629						17,629
French Poly									0
Japan			733						733
Korea Republic	1,248		2,057						3,305
Nepal			1,886						1,886
Malaysia	294		6,111						6,405
Malawi			24						24
Philippines			587						587
Thailand			6,121						6,121
Panama									0
Rep S Africa				588					588
Bangladesh									0
Burma				416					416
Vietnam			7,494						7,494
Sub total	8,003	0	70,194	1,004	0	0	0	0	70,703
USDA Corrections/Additions to previous reports:									
China T			2,547						2,547
China Main									0
Hong Kong									0
Korea Rep.									0
Singapore									0
Japan									0
Philippines			490						490
Indonesia			1,807						1,807
Malaysia									0
Thailand									0
Vietnam			1,225						1,225
Canada						48			48
Bangladesh									0
Sub total	0	0	6,069	0	0	48	0	0	6,117
Mt. Grand Total	8,003	0	76,263	1,004	0	48	0	0	76,820
Number of containers	348	0	3,316	44	0	2	0	0	

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



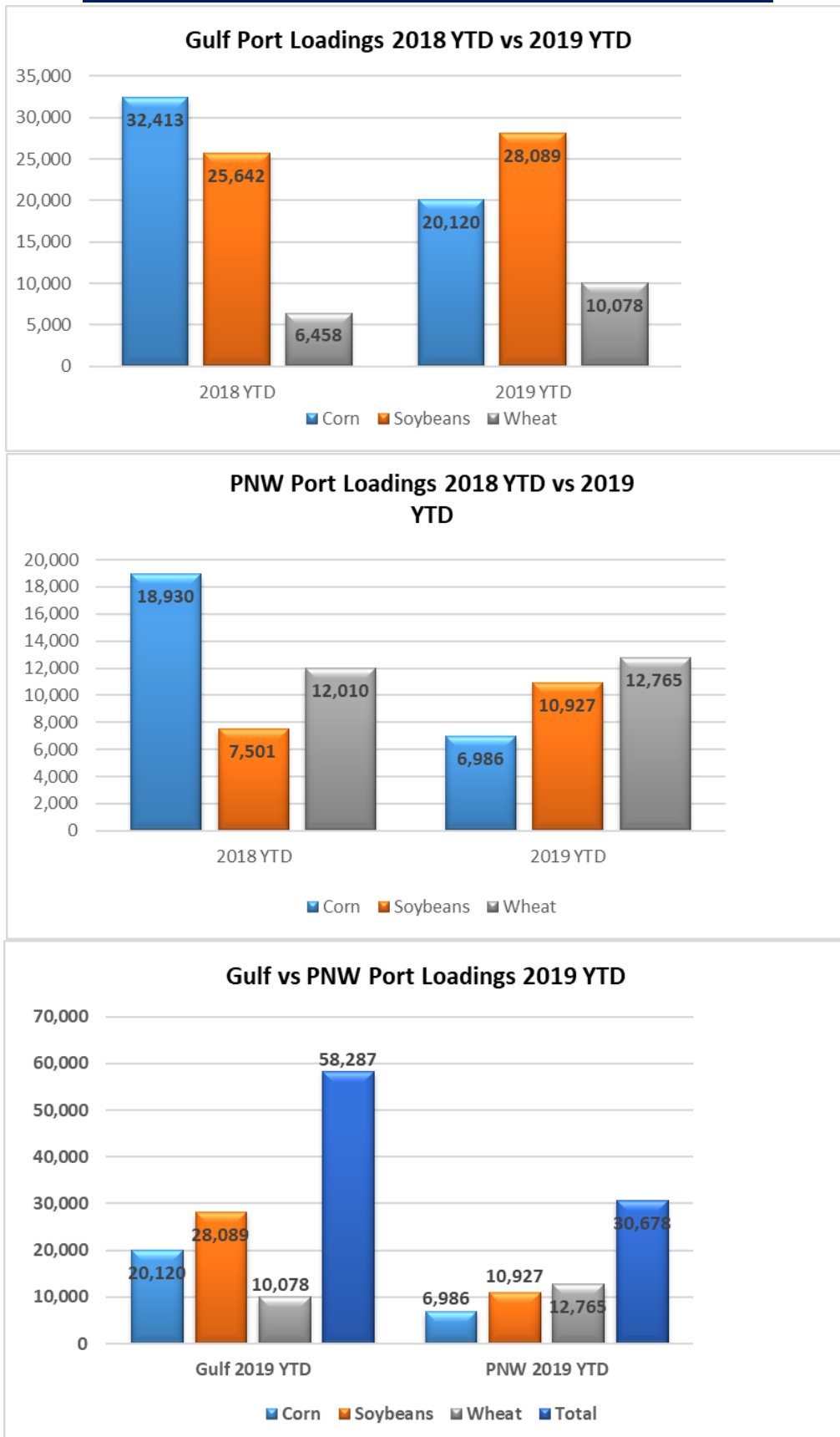
Grain Inspections for Export by U.S. Port Regions:
U.S. Gulf and Pacific Northwest 2018 YTD vs. 2019 YTD

PORT LOADINGS US Gulf				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
GULF				
2018 YTD	32,413	25,642	6,458	64,513
2019 YTD	20,120	28,089	10,078	58,287
2019 as % of 2018	62%	110%	156%	90%

PORT LOADINGS US PNW				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
PNW				
2018 YTD	18,930	7,501	12,010	38,441
2019 YTD	6,986	10,927	12,765	30,678
2019 as % of 2018	37%	146%	106%	80%

PORT LOADINGS GULF vs. PNW				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
2019 Gulf YTD	20,120	28,089	10,078	58,287
2019 PNW YTD	6,986	10,927	12,765	30,678
TOTAL	27,106	39,016	22,843	88,965
Gulf Percentage	74%	72%	44%	66%
PNW Percentage	26%	28%	56%	34%

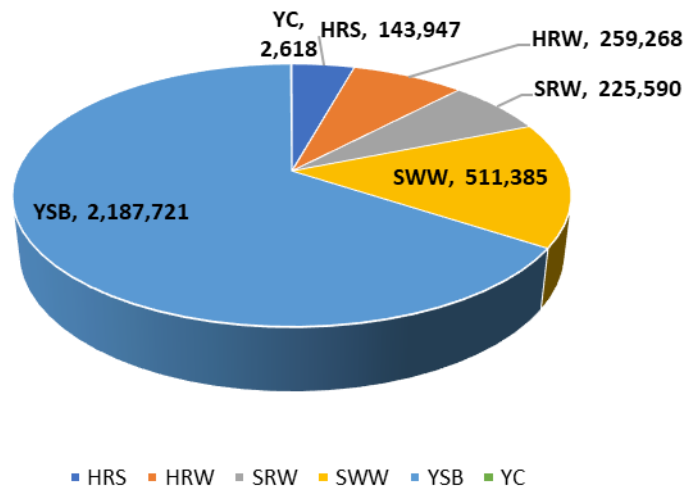
Grain Inspections for Export by U.S. Port Regions (1,000MT):
U.S. Gulf and Pacific Northwest 2018 YTD vs. 2019 YTD



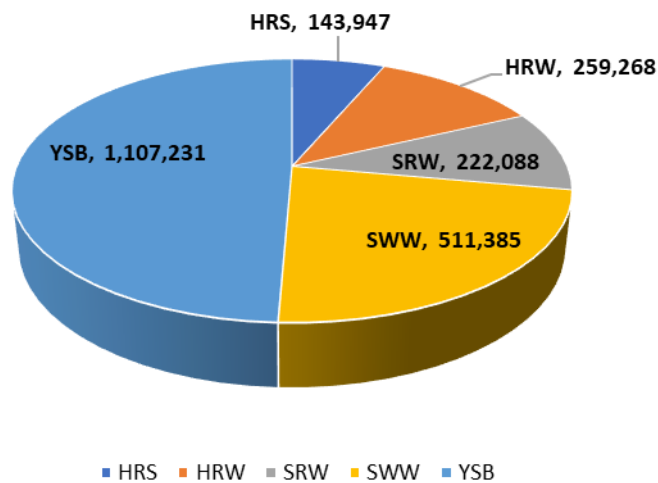
Source: USDA-data

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

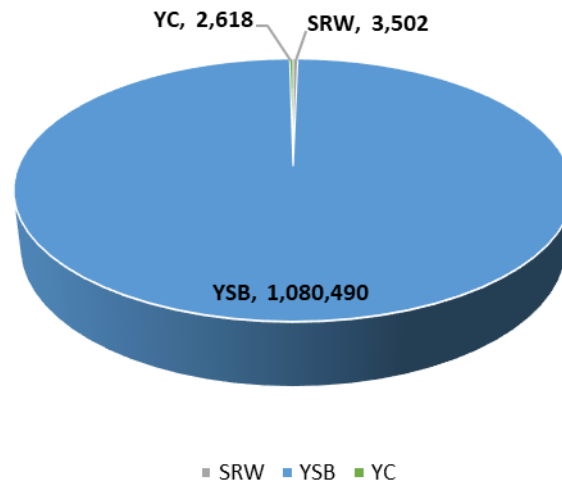
2019 YTD Exports to Indonesia



YTD Exports to Indonesia by Vessel

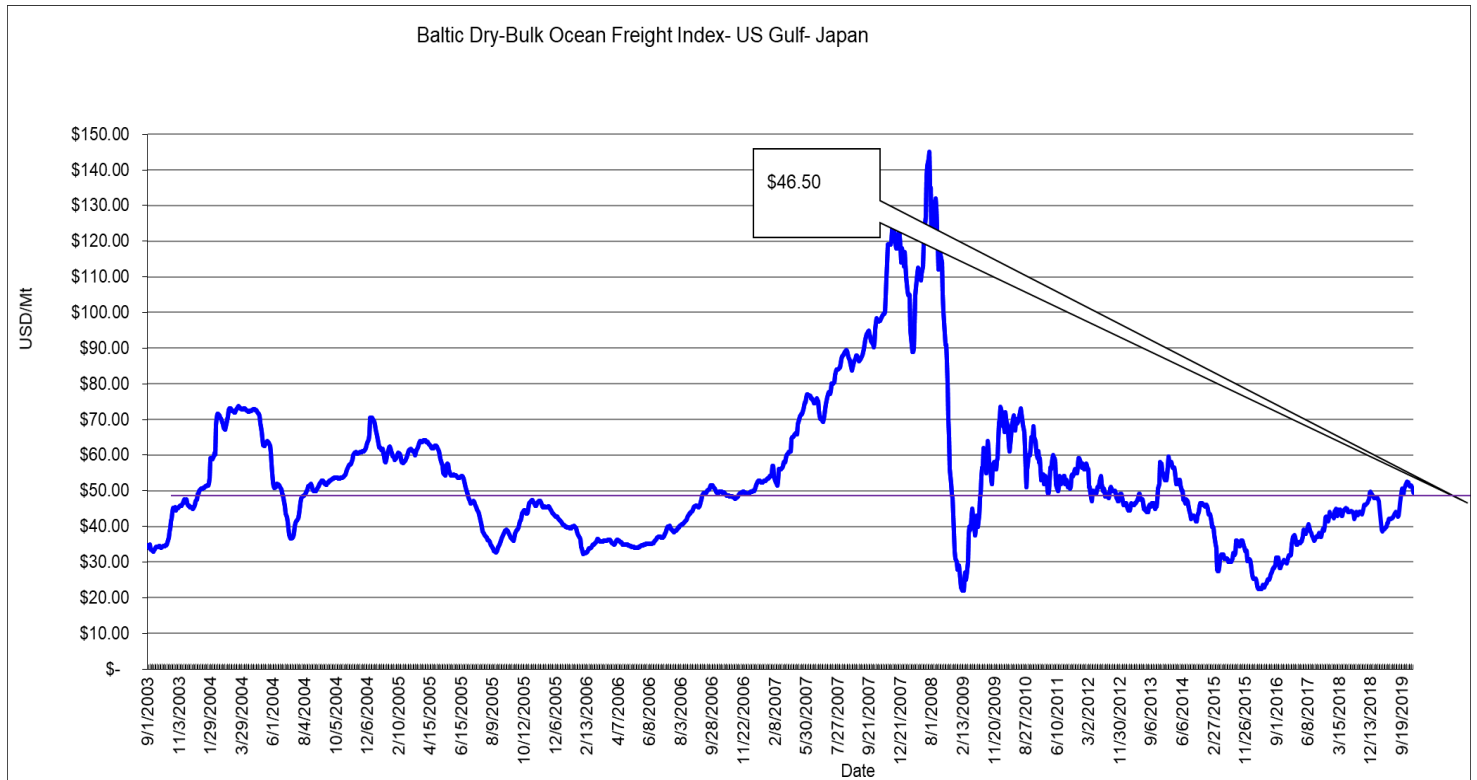


YTD Exports to Indonesia by Container



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

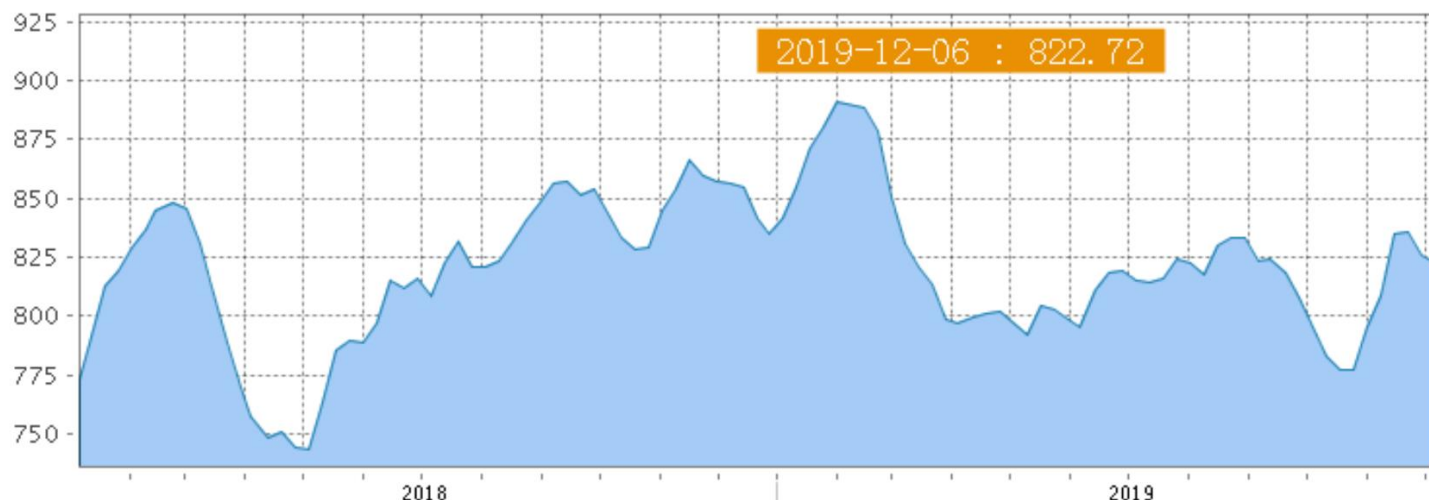
Shipping News



China Import Dry Bulk Freight Index



China Containerized Freight Index



U.S. RIVER BARGE FREIGHT

Current Barge Freight for Placement Last Half January 2020

Placement LH January 2020	% of		Corn	Soybeans-Wheat
	Tariff	MT	BU	BU
Upper Mississippi	Closed	\$ -	0.00	0.00
Illinois River (Pekin and South)	355	\$ 18.82	0.48	0.51
Mid-Mississippi	Closed	\$ -	0.00	0.00
Lower Ohio	255	\$ 12.54	0.32	0.34
St. Louis	250	\$ 11.00	0.28	0.30

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

Secondary Rail Car Market Placement LH. January 2020	BID USD	ASK USD	BID BU.	ASK BU.	BID MT	ASK MT
BNSF Shuttle Trains	\$ (300.00)	\$ (150.00)	\$ (0.08)	\$ (0.04)	\$ (2.95)	\$ (1.48)
UPRR Shuttle Trains	\$ (300.00)	\$ (200.00)	\$ (0.08)	\$ (0.05)	\$ (2.95)	\$ (1.97)

Best Regards,

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