

Transportation and Export Report for 5 December 2019

Ocean Freight Insights and Comments:

Looks like Dry-Bulk markets finally found bottom last week as they have bounced back a bit this week. There does not seem to be any real change in the overall market fundamentals. I think the technical and paper Traders simply got tired of seeing things move down and thought these lower index levels were a buying opportunity. Nothing goes in one direction forever, but it will certainly take more than this logic to sustain a rally.

BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices				
5-Dec-19	This Week	Last Week	Difference	Percent Change
P2A : Gulf/Atlantic - Japan	18868	16518	2,350	14.2%
P3A - PNW/Pacific - Japan	10942	8146	2,796	34.3%
S1C -USGULF-China-So.Japan	20886	20886	0	0.0%
P7- Trial- Miss. River - Qingdao	44479	42950	1,529	3.6%
P8- Trial- Santos - Qingdao	31607	31096	511	1.6%

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

Four weeks ago:	\$9.00-\$9.20
Three weeks ago:	\$8.85-\$9.25
Two weeks ago:	\$8.35 -\$8.85
One week ago:	\$8.65-\$8.80
This week	\$9.85-\$10.65

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

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

Panamax Market Spreads to Asia -China					
5-Dec-19	PNW	GULF	Bushel Spread	MT Spread	Advantage
CORN	1.02	0.60	0.42	\$16.53	PNW
SOYBEANS	0.90	0.63	0.27	\$10.63	PNW
OCEAN FREIGHT	\$24.75	\$45.00	.51-.55	\$20.25	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	\$46.75	Up \$0.50	Handymax \$47.75 mt
55,000 U.S. PNW- Japan	\$25.25	Up \$0.50	Handymax \$26.75 mt
66,000 U.S. Gulf – China PNW to China	\$45.00 \$24.75	Up \$0.50 Up \$0.75	North China
25,000 U.S. Gulf- Veracruz, México	\$17.75	Up \$0.25	3,000 MT daily discharge rate
30-36,000+ U.S. Gulf- Veracruz, México	\$15.00	Up \$0.25	Deep draft and 6,000 MT per day discharge rate.
30-38,000 U.S. Gulf- <u>East Coast Colombia</u> From Argentina	\$19.75 \$40.00	Up \$0.75	<u>West Coast Colombia at \$32.00</u> USG to E/C 50,000 mt at \$17.25
43-45,000 U.S. Gulf - Guatemala	\$29.50	Up \$0.50	Acajutla/Quetzal - 8,000 out
26-30,000 U.S. Gulf – Algeria	\$34.50 \$35.50	Up \$0.50	8,000 mt daily discharge 3,000 mt daily discharge
26-30,000 US Gulf-Morocco	\$35.50	Up \$0.50	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt PNW to Egypt	\$28.25 \$28.75	Up \$0.50	60,000 -55,000 mt Romania- Russia- Ukraine \$14.50 -\$14.00 -\$14.75 (France \$17.00-\$17.50)
60-70,000 U.S. Gulf – Europe – Rotterdam	\$19.50	Up \$1.00	Handymax at +\$1.75 more
Brazil, Santos – China Brazil, Santos – China Northern Coast Brazil	\$34.25 \$33.75 \$35.00	Up \$0.25	54-59,000 Supramax-Panamax 60-66,000 Post Panamax 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

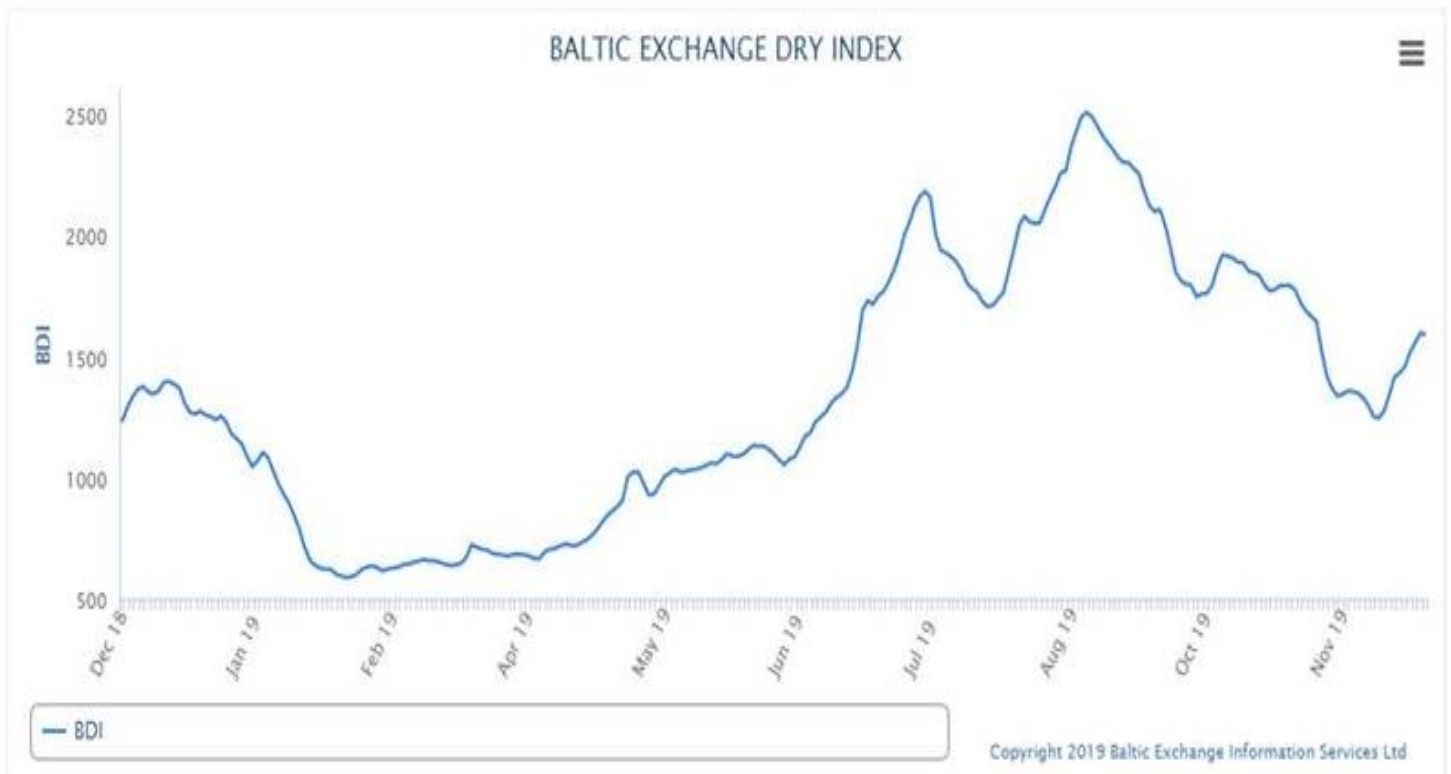
- The above rate estimates reflect the 30-45-day forward ocean freight markets.

Nautical Miles: To Xiamen China (South China)

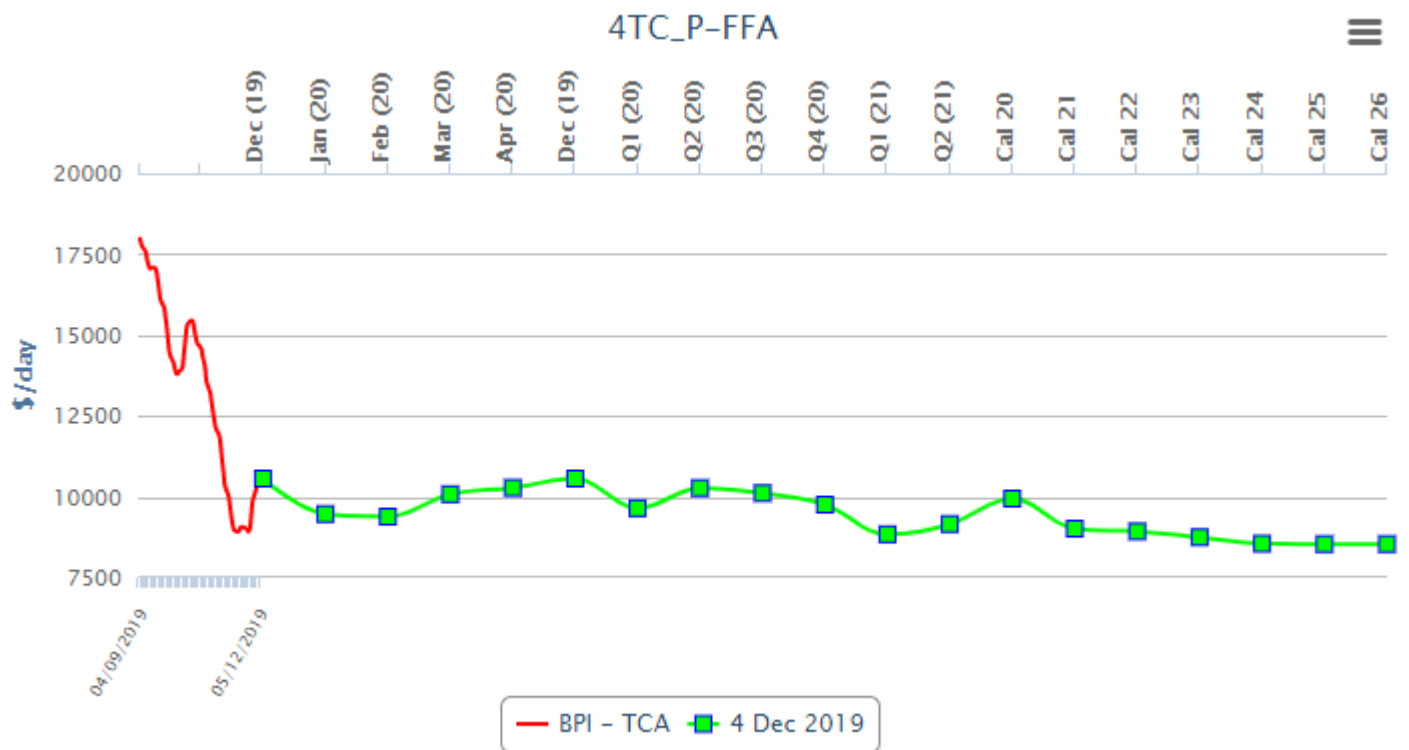
US Gulf (NOLA) (via Panamá Canal) – 10,232 nautical miles (32 days)

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

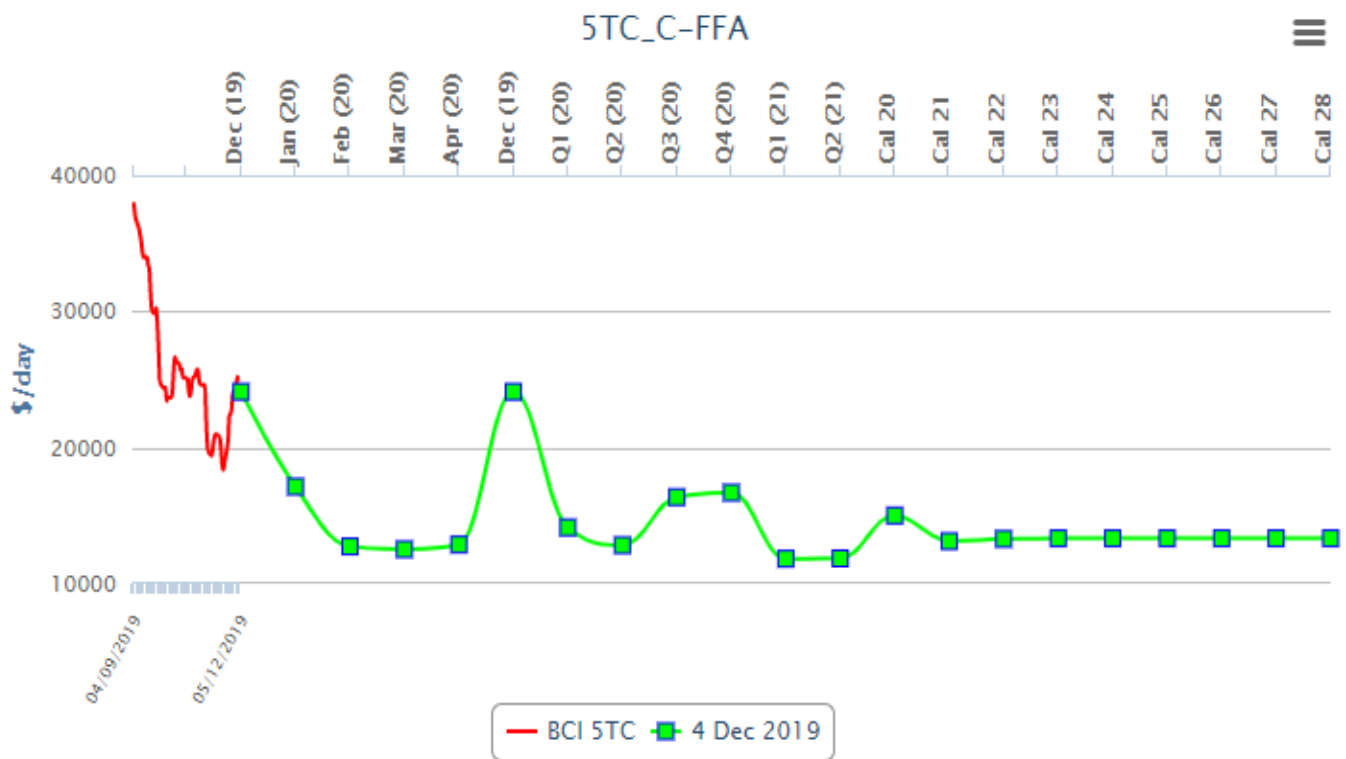
Baltic Dry Bulk Index.



Baltic Panamax Forward Curve Chart

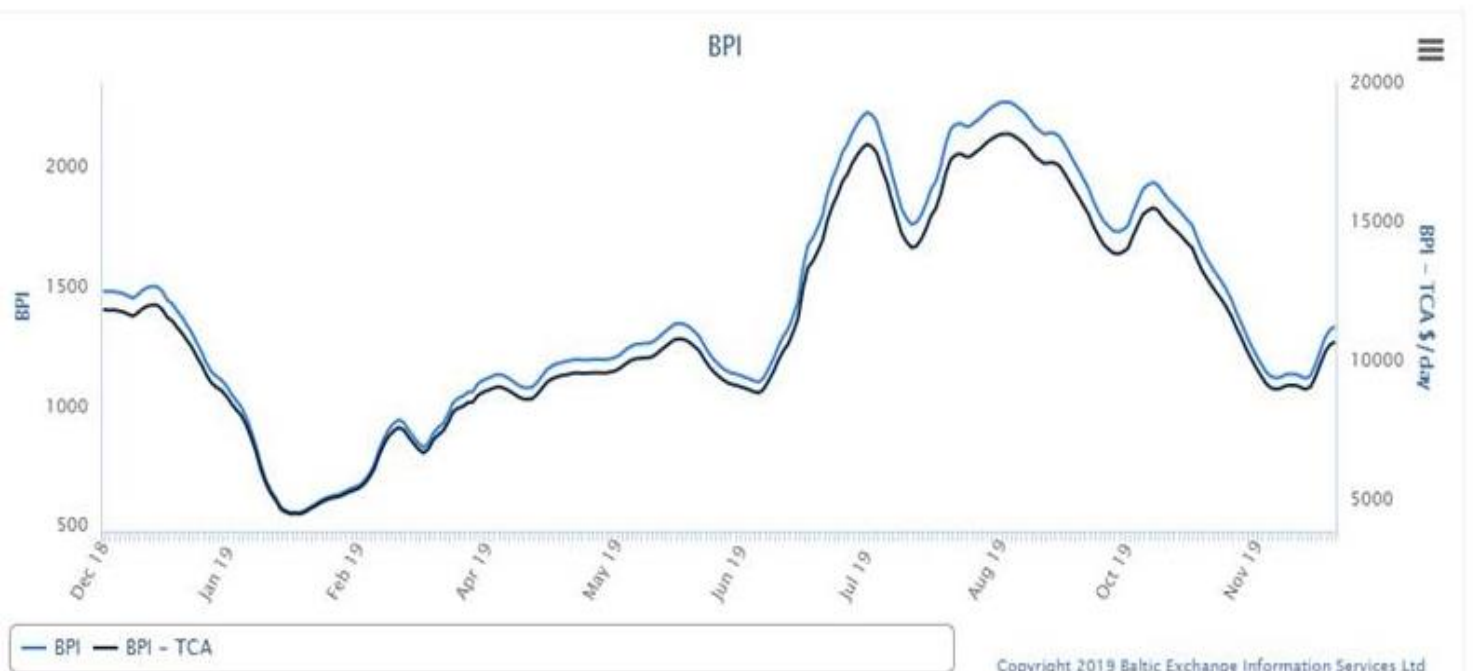


Baltic Capesize Forward Curve Chart



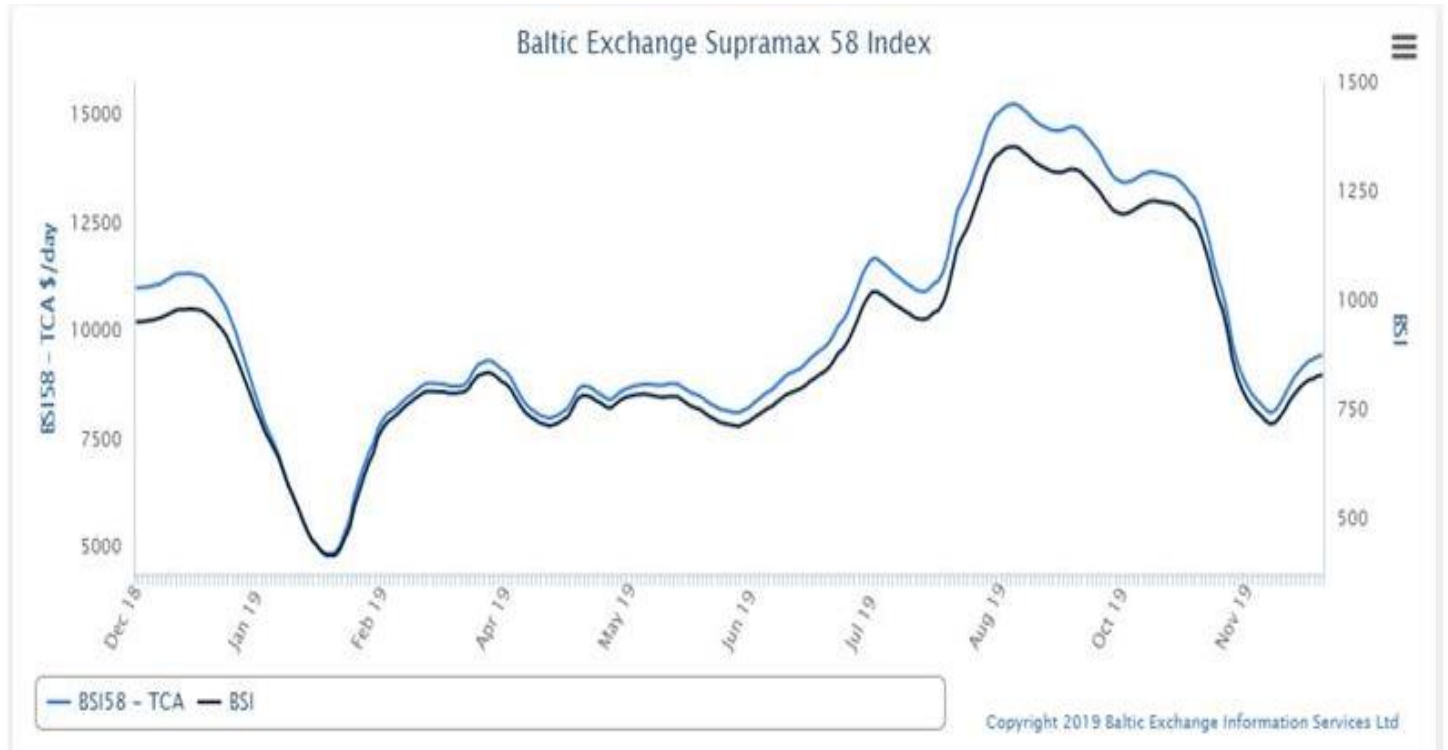
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Baltic Panamax Index

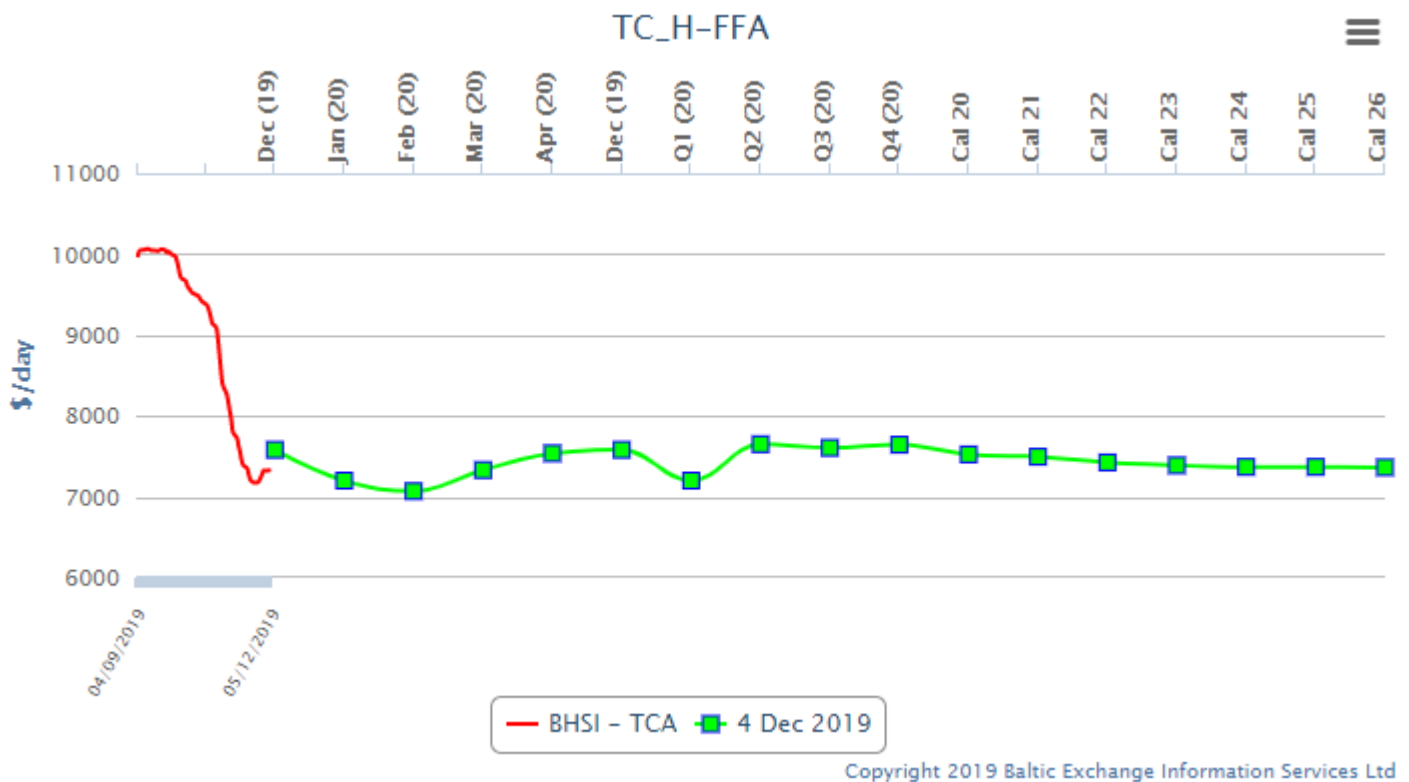


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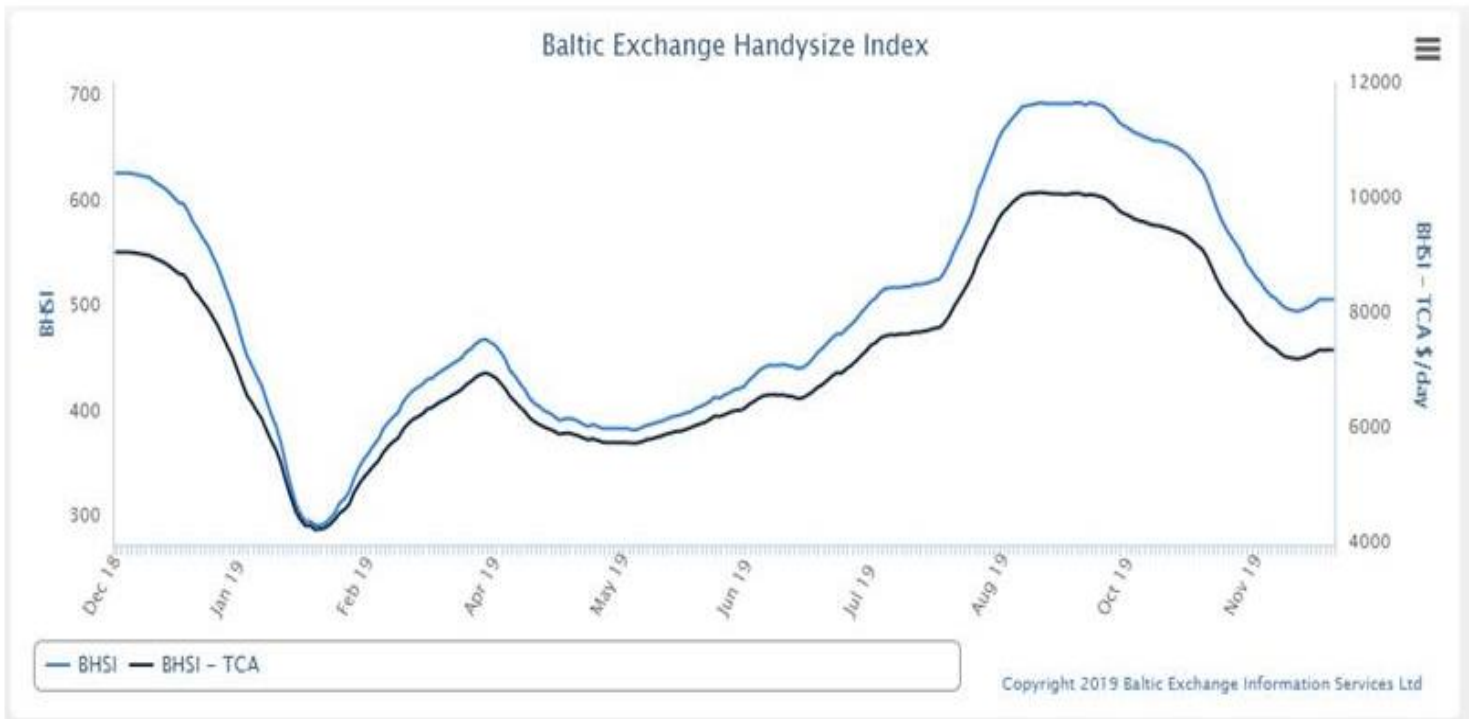
Baltic Supramax Vessel Index



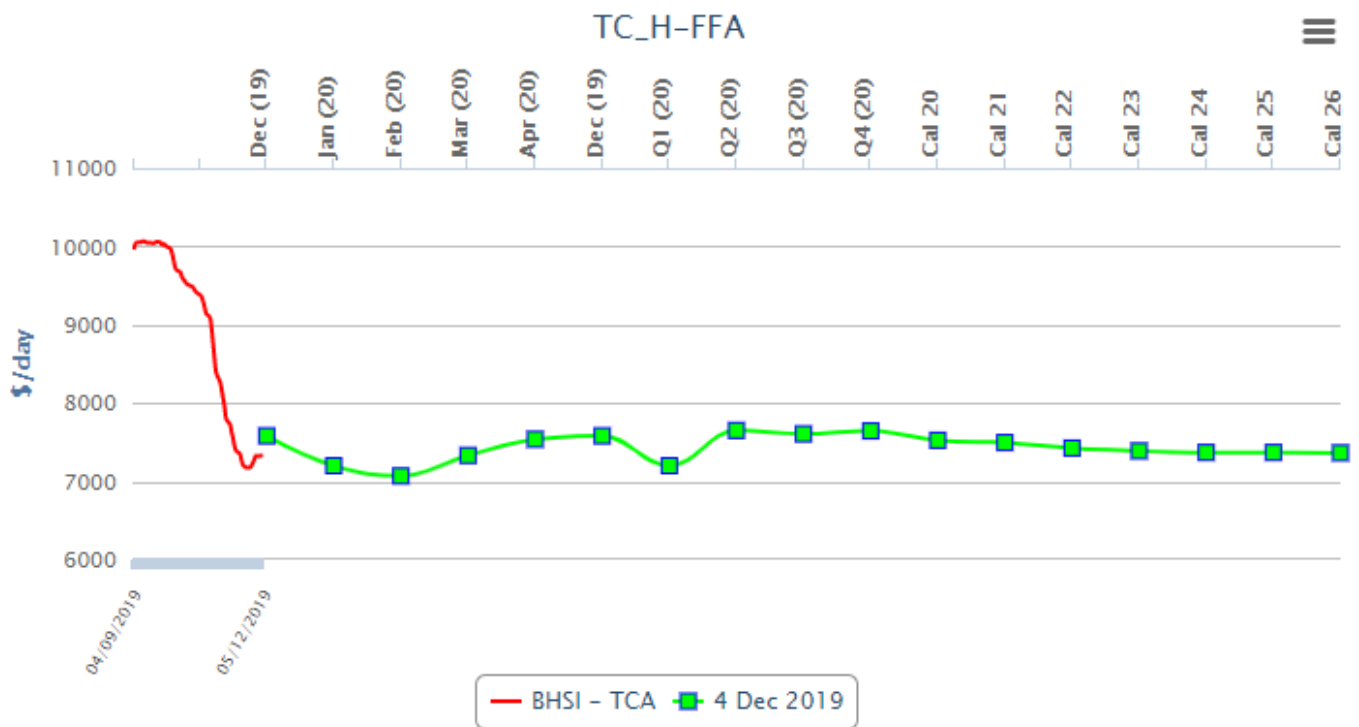
Supramax Dry-Bulk Forward Curve



Baltic Handy Size Vessel Index



Baltic Handy Size Forward Curve

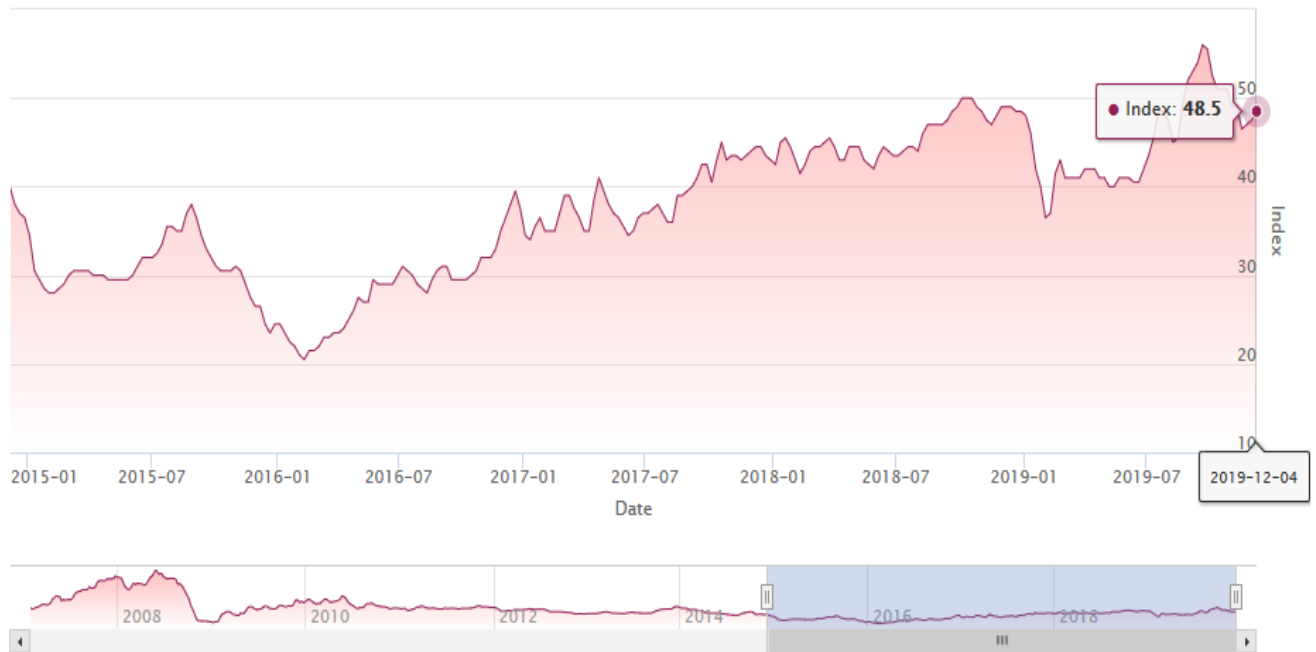


YAMAMIZU Index



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

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



China Import Dry Bulk Freight Index 2019-12-05

Description	Size MT	Cargo/Vessel Size	Unit	Rate	Change
Composite Index			Point	1025.53	-8.28
Iron ore Freight Index			Point	1133.82	-18.86
Dampier(West Australia)-Qingdao (China)	170000/10%	Iron ore	\$/ton	10.457	-0.236
Soybean Freight Index			Point	993.35	0.88
Santos(Brazil)—North China	60000/10%	Soybean	\$/ton	33.194	0.031
Tacoma(West America)—North China	60000/10%	Soybean	\$/ton	24.763	0.089
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	44.836	0
Mississippi(US Gulf)—North China	55000/10%	Soybean	\$/ton	46.825	-0.008

5 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.	0.60	\$171.94	1.02	\$188.47
Feb.	0.64	\$173.51	1.03	\$188.87
Mar.	0.66	\$174.30	1.04	\$189.26
April	0.64	\$175.78	1.02	\$190.74
May	0.65	\$176.17	1.04	\$191.52
June	0.62	\$176.76	1.02	\$192.51

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	\$185.72	0.75	\$177.84
Feb.	0.95	\$185.72	0.75	\$177.84
Mar.	0.95	\$185.72	0.75	\$177.84
April	0.95	\$187.98	0.75	\$180.11
May	0.95	\$187.98	0.75	\$180.11

Fob vessel Texas Gulf #2 Sorghum is about 103 % 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	\$236.54	\$238.37	\$240.21	\$241.77
Basis	1.20	1.25	1.30	1.30
WZ	5.3200			.
WH	5.2375			
WK	5.2800			

21-Nov-19	Close	This Week	Last Week.	Last Week.	Last Week	
CME Corn Futures	Bushel	MT.	Bushel	Bu. Diff.	MT	MT Diff.
Dec.	\$ 3.6850	\$ 145.07	\$ 3.7525	(0.0675)	\$ 147.73	\$ (2.66)
Mar.	\$ 3.7900	\$ 149.20	\$ 3.8375	(0.0475)	\$ 151.07	\$ (1.87)
May	\$ 3.8450	\$ 151.37	\$ 3.9100	(0.0650)	\$ 153.93	\$ (2.56)
July	\$ 3.9000	\$ 153.53	\$ 3.9775	(0.0775)	\$ 156.59	\$ (3.05)
Sept.	\$ 3.8975	\$ 153.44	\$ 3.9475	(0.0500)	\$ 155.40	\$ (1.97)
Dec.	\$ 3.9400	\$ 155.11	\$ 3.9950	(0.0550)	\$ 157.27	\$ (2.17)

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.	0.63	\$348.05	0.90	\$357.97
Feb.	0.49	\$348.23	0.83	\$360.73
Mar.	0.51	\$348.97	0.85	\$361.46
April	0.45	\$352.18	0.78	\$364.31
May	0.50	\$354.02	0.85	\$366.88
Soybean Futures				
Jan..	\$ 8.8425			
Mar.	\$ 8.9875			
May	\$ 9.1350			
July	\$ 9.2675			
Aug.	\$ 9.3075			
Sept.	\$ 9.2925			

U.S. SBM (USD/MT) FOB Vessel		
Fob U.S. Gulf Port	47.5 Pro. SBM	
max 12.5 % moisture	Basis	Flat Price
Jan.	9.00	\$ 342.33
Feb.	9.00	\$ 345.74
Mar.	9.00	\$ 345.74
April	8.00	\$ 347.62
May	9.00	\$ 348.72
SBM Futures		
SMZ	299.50	
SMF	301.50	
SMH	304.60	
SMK	307.30	
SMN	310.10	
SMQ	311.20	

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 21 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	834.6	14,069.4	46,990	30%	264.7
Sorghum	88.7	907.1	2,790	33%	0.0
Soybeans	1691.1	25,260.5	48,310	52%	6.0
Wheat	634.0	16,227.3	25,860	63%	8.9
Barley	0.5	59.1	70	84%	0.0

U.S. EXPORT INSPECTIONS:

Monday's report 02 December 2019 for the Export week ending 28 November 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	428,856	615,968	6,039,038	14,230,025	42%
Sorghum	132,867	5,676	584,829	353,093	166%
Soybeans	1,547,507	1,951,870	15,941,477	13,258,418	120%
Wheat	246,988	434,703	12,615,422	10,582,696	119%
Barley	73	440	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 02 December 2019 for the Export week ending 28 November 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%	18,516 1%
Gulf	249,632	61%	20,576	100%	128,001	96%	1,021,875 66%
PNW	24	0%	0	0%	72	0%	405,755 26%
Interior Export Rail	158,600	39%	24	0%	4,794	4%	101,361 7%
Metric Tons	408,256		20,600		132,867		1,547,507

Sorghum Shipments:	metric tons	
	128,001	China Main
	121	Korea Rep
	4,745	Mexico
	132,867	Total

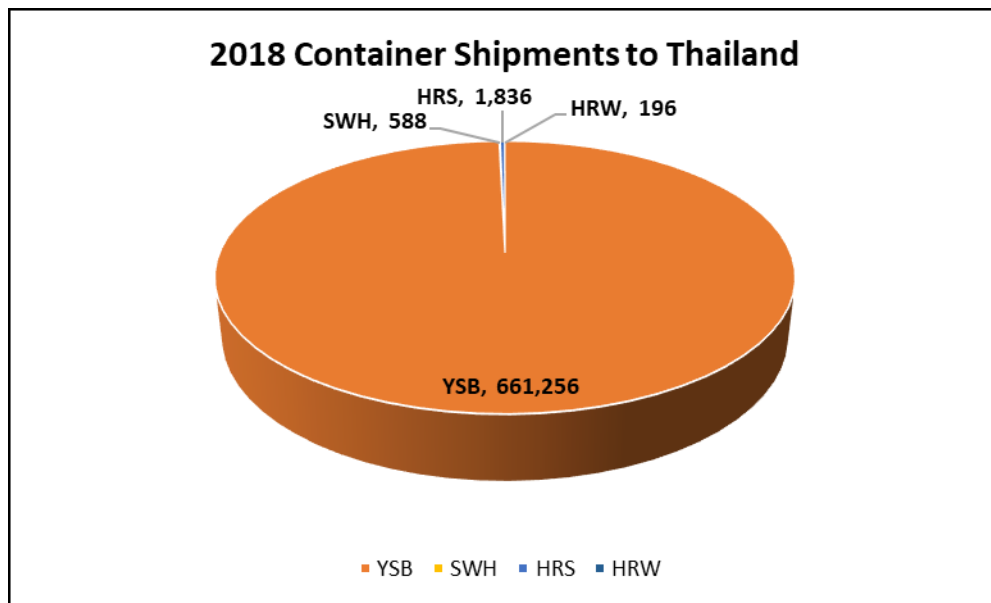
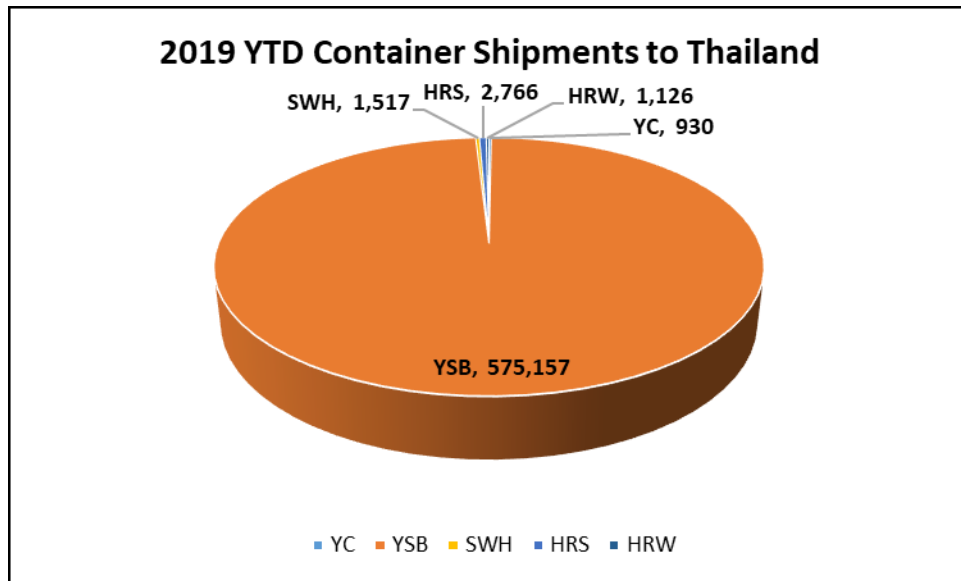
White Corn	metric tons	
Shipments:	10,676	El Salvador
	9,900	Guatemala
	24	Ireland
	20,600	Total

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:		28-Nov-2019							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	SWH	HRW	Sorghum	TOTAL
China Main									0
China T	6,854		34,673						41,527
Hong Kong	636								636
Costa Rica									0
Indonesia			18,289						18,289
French Poly	196								196
Japan	661		539						1,200
Korea Republic	906		612					49	1,567
Nepal			1,323						1,323
Malaysia			5,875				96		5,971
Ireland		24							24
Philippines			441						441
Thailand			10,234						10,234
Panama									0
Cambodia							318		318
Bangladesh									0
Burma									0
Vietnam			7,540						7,540
Sub total	9,253	24	79,526	0	0	0	414	49	81,408
USDA Corrections/Additions to previous reports:									
China T			2,351						2,351
China Main									0
Hong Kong									0
Korea Rep.									0
Singapore									0
Japan									0
Philippines									0
Indonesia			1,690						1,690
Malaysia									0
Thailand			1,077						1,077
Vietnam			441						441
Canada									0
Bangladesh									0
Sub total	0	0	5,559	0	0	0	0	0	5,559
Mt. Grand Total	9,253	24	85,085	0	0	0	414	49	86,967
Number of containers	402	1	3,699	0	0	0	18	2	

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	31,837	24,767	6,323	62,927
2019 YTD	19,855	27,013	9,987	56,855
2019 as % of 2018	62%	109%	158%	90%

PORT LOADINGS US PNW				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
PNW				
2018 YTD	18,609	7,501	11,685	37,795
2019 YTD	6,986	10,499	12,678	30,163
2019 as % of 2018	38%	140%	108%	80%

PORT LOADINGS GULF vs. PNW				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
2019 Gulf YTD	19,855	27,013	9,987	56,855
2019 PNW YTD	6,986	10,499	12,678	30,163
TOTAL	26,841	37,512	22,665	87,018
Gulf Percentage	74%	72%	44%	65%
PNW Percentage	26%	28%	56%	35%

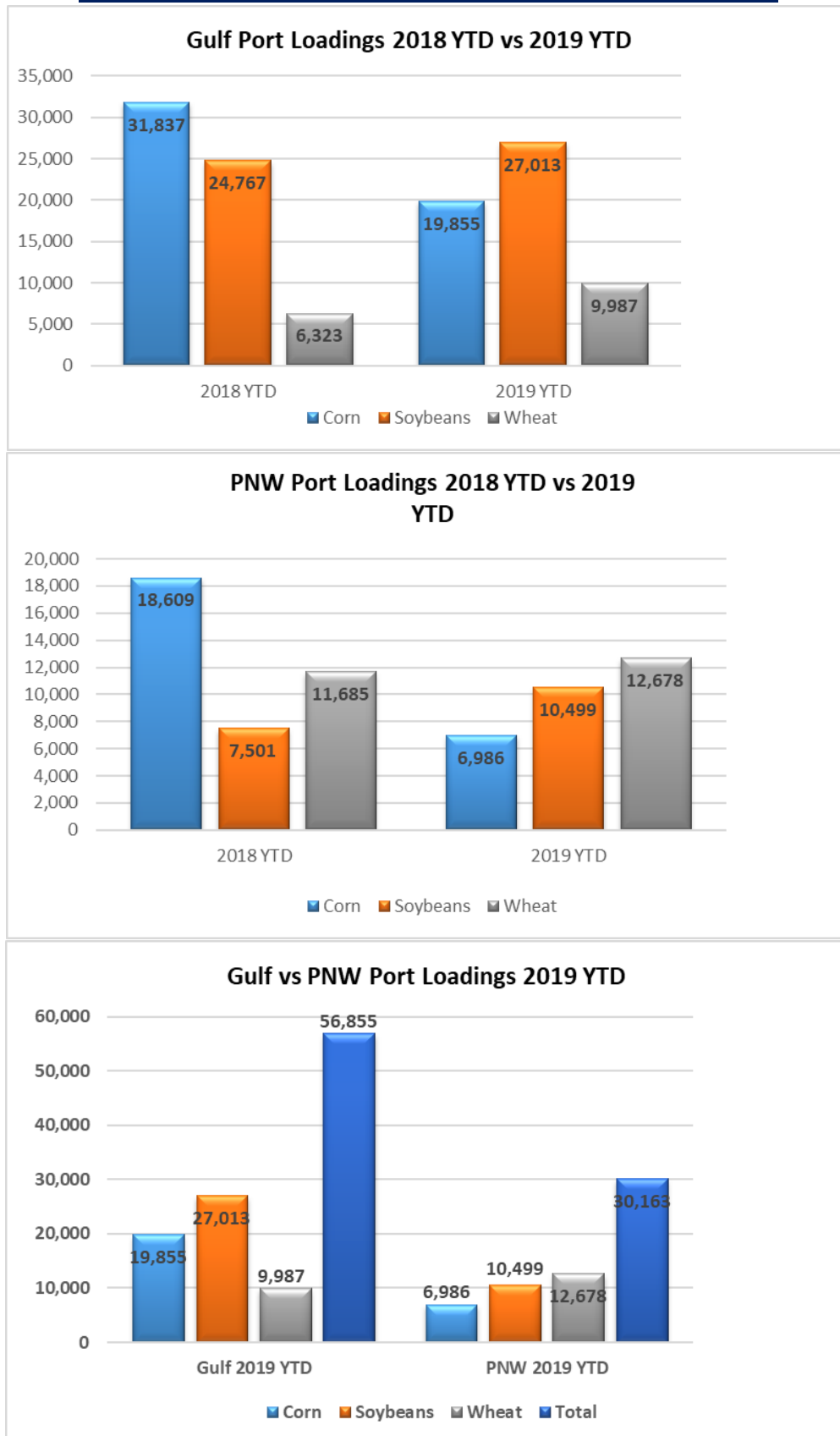


Condorito @Arquitect3 · 11h

#Shipping New orders of vessels plunge 40% in 2019 - This is not a one-time event. New regulation such as "ESG" means that no-one knows which vessels will be obsolete in a decade, why ordering now? Fundamentals are extremely strong. #STNG

splash247.com/newbuild-order...

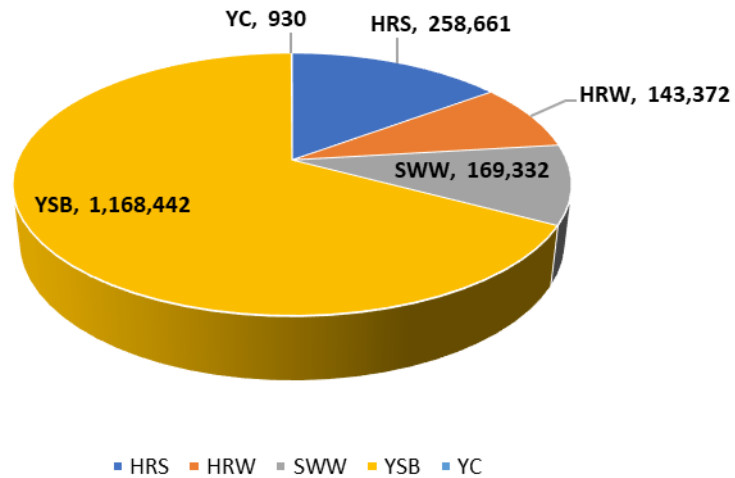
Grain Inspections for Export by U.S. Port Regions (1,000MT):
U.S. Gulf and Pacific Northwest 2018 YTD vs. 2019 YTD



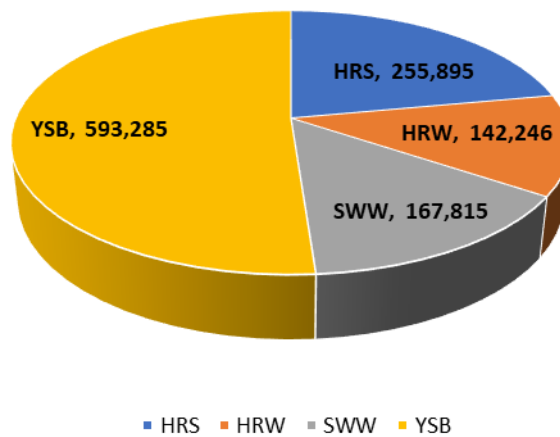
Source: USDA-data

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

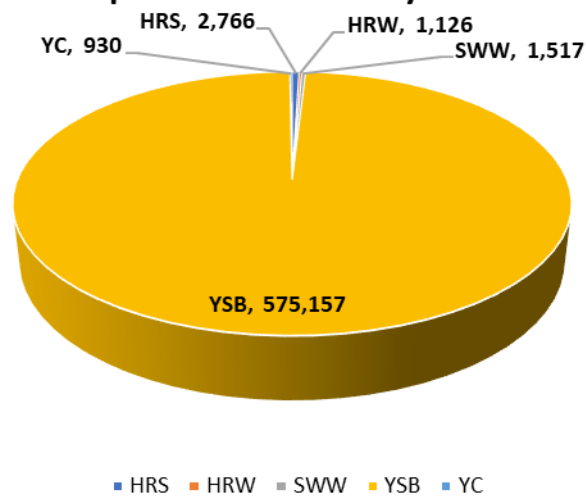
2019 YTD Exports to Thailand



YTD Exports to Thailand by Vessel



YTD Exports to Thailand by Container

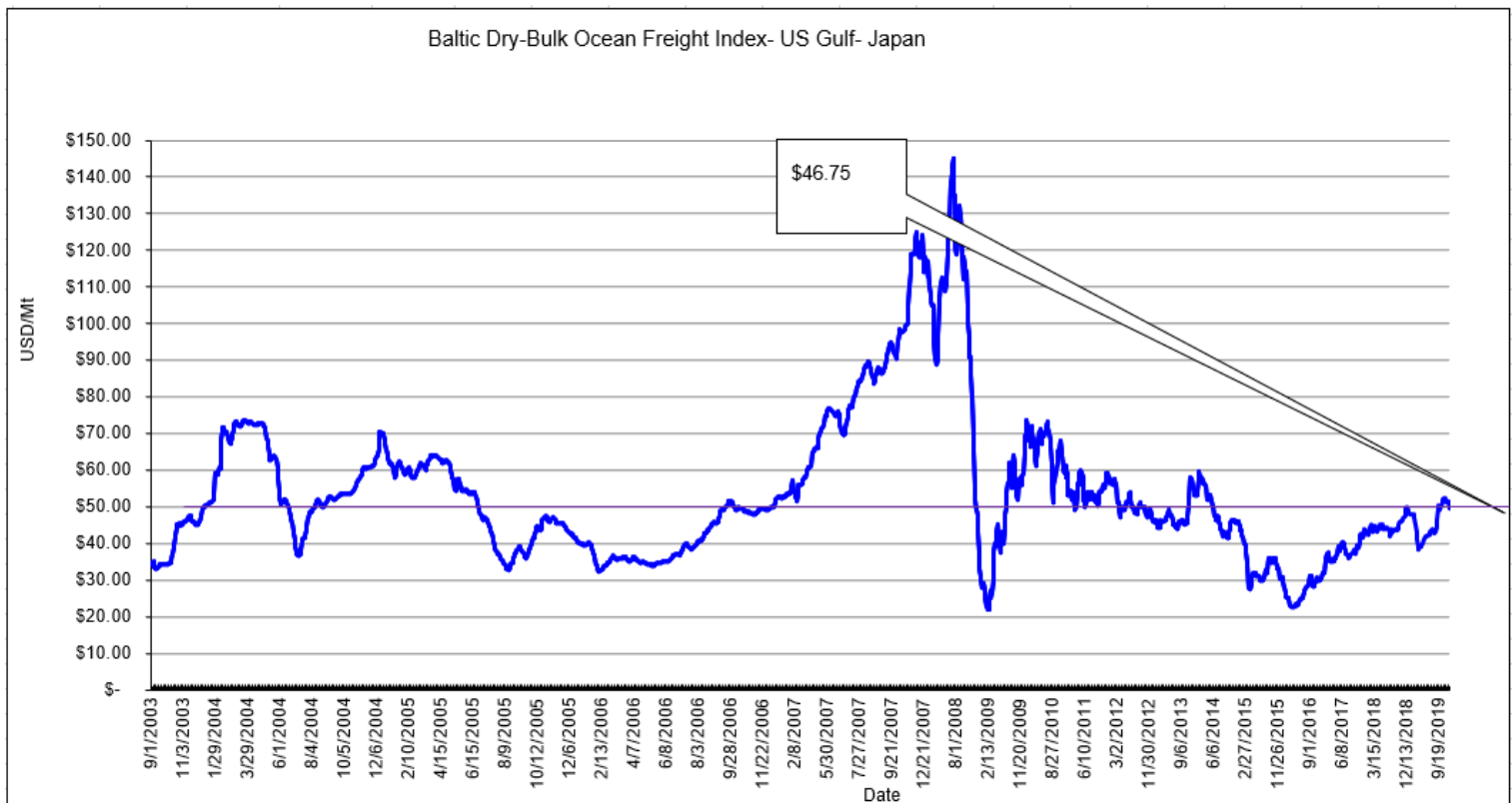
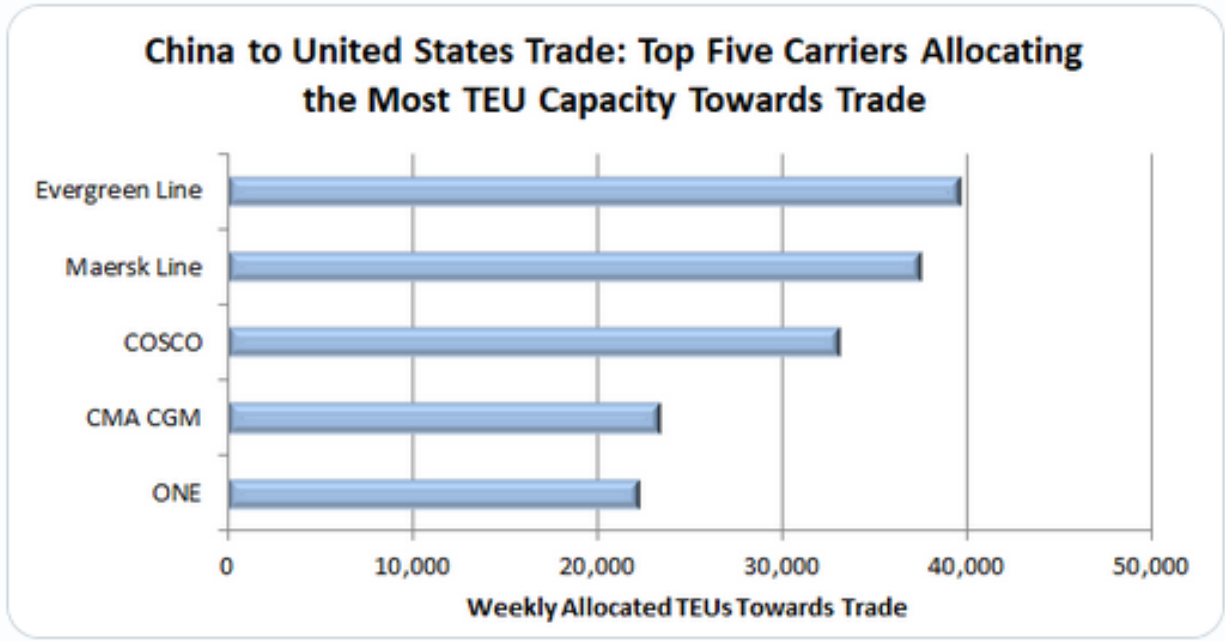


*Please keep in mind that USDA does not report DDGS sales

Shipping News

BlueWater Reporting @BWReporting · 3h

Of the 16 container carriers allocating TEU capacity on the #China to #US trade, Evergreen Line takes the lead, BlueWater's Carrier Trade Route Deployment app shows.





Sam Chambers
@SamChambers



Well this is all a bit embarrassing. It turns out containerlines have been falsifying their CO2 calculations, many of which have been validated by the world's top class societies. What a sham!



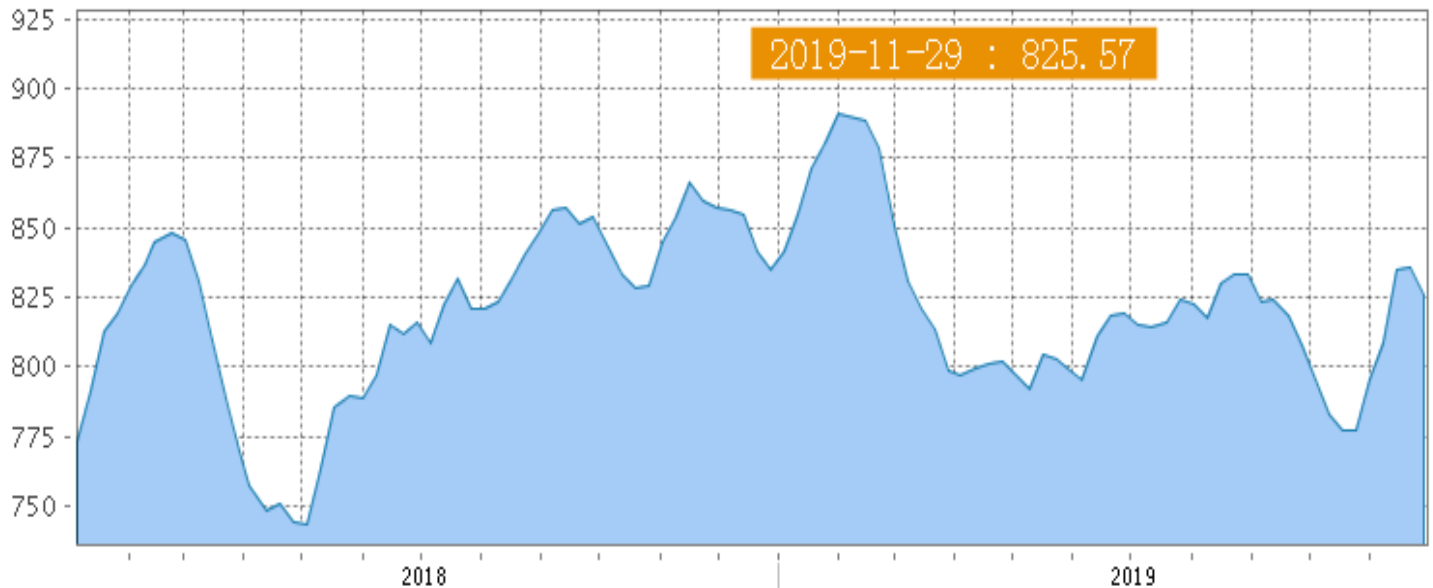
Liner CO2 calculators branded useless -
Shippers keen to track their carbon footprint are being misled by containerlines, significant new research from Copenhagen ...
splash247.com

1:19 AM · Dec 4, 2019 · [Twitter Web App](#)

China Import Dry Bulk Freight Index



China Containerized Freight Index



U.S. RIVER BARGE FREIGHT

Current Barge Freight for Placement First Half January 2020

Placement FH January 2020	% of		Corn	Soybeans-Wheat
	Tariff	MT	BU	BU
Upper Mississippi	Closed	\$ -	0.00	0.00
Illinois River (Pekin and South)	365	\$19.35	0.49	0.53
Mid-Mississippi	Closed	\$ -	0.00	0.00
Lower Ohio	260	\$12.78	0.32	0.35
St. Louis	255	\$11.22	0.28	0.31

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

Secondary Rail Car Market Placement FH. January 2020	BID USD	ASK USD	BID BU.	ASK BU.	BID MT	ASK MT
BNSF Shuttle Trains	\$ (450.00)	\$ (350.00)	\$ (0.11)	\$ (0.09)	\$ (4.43)	\$ (3.44)
UPRR Shuttle Trains	\$ (500.00)	\$ (350.00)	\$ (0.13)	\$ (0.09)	\$ (4.92)	\$ (3.44)

Best Regards,

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