

Transportation and Export Report for 21 March 2019

Ocean Freight Insights and Comments:

Paper traders and short covering helped move the Baltic indices up this week. They must be reading the tweets and news stories about being “close” to a resolution to the U.S.- China tariff war and obviously not paying attention to the other stories about the slowdown in global economies. So, we will have to wait and see which factors have the most significant impact over the long term. Dry-Bulk markets were led upward by the Capesize sector, but that market was starting to look weaker at weeks end. We will most likely continue to experience an up and down rolling market for the next few months.

Below is the link to the latest release from NOAA

<https://www.noaa.gov/media-release/spring-outlook-historic-widespread-flooding-to-continue-through-may>

BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices				
21-Mar-19	This Week	Last Week	Difference	Percent Change
P2A : Gulf/Atlantic - Japan	14501	13189	1,312	9.9%
P3A - PNW/Pacific - Japan	8216	8698	-482	-5.5%
S1C -USGULF-China-So.Japan	17231	16700	531	3.2%

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

Four weeks ago:	\$4.85-\$5.20
Three weeks ago:	\$5.15-\$5.50
Two weeks ago:	\$4.95-\$5.30
One week ago:	\$4.80-\$5.45
This week	\$5.80-\$6.20

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

Mississippi River:	(10 elevators)	4-9 days
Miss. River Mid-Stream loaders:	(6+ Rigs)	0-7 days
Texas Gulf	(6 elevators)	0-7 days
Pacific Northwest:	(9 elevators)	8-19 days

Panamax Market Spreads to Asia -China					
21-Mar-19	PNW	GULF	Bushel Spread	MT Spread	Advantage
CORN	1.13	0.65	0.48	\$18.90	GULF
SOYBEANS	0.85	0.56	0.29	\$10.66	PNW
OCEAN FREIGHT	\$23.00	\$39.00	.41 -.44	\$16.00	April

Recent Reported Vessel Fixtures:

Soybean Panamax USG to Spain is running \$18.75/mt.

Soybean Brazil to Spain can be done at \$21.00/mt.

Route and Vessel Size	Current Week USD/MT	Change from previous week	Remarks
55,000 U.S. Gulf-Japan	\$41.00	Up \$1.00	Handymax \$41.50 mt
55,000 U.S. PNW- Japan	\$23.50	Up \$0.50	Handymax \$23.00 mt
66,000 U.S. Gulf – China PNW to China	\$39.00 \$23.00	Up \$0.75 Up \$0.50	North China
25,000 U.S. Gulf- Veracruz, México	\$16.50	Up \$0.25	3,000 MT daily discharge rate
30-35,000+ U.S. Gulf- Veracruz, México	\$14.00	Up \$0.25	Deep draft and 6,000 MT per day discharge rate.
25/35,000 U.S. Gulf- <u>East Coast Colombia</u> From Argentina	\$20.00 \$33.00	Unchanged	<u>West Coast Colombia at \$29.50</u>
43-45,000 U.S. Gulf - Guatemala	\$29.25	Unchanged	Acajutla/Quetzal - 8,000 out
26-30,000 U.S. Gulf – Algeria	\$33.00 \$34.00	Up \$0.75	8,000 mt daily discharge 3,000 mt daily discharge
26-30,000 US Gulf-Morocco	\$35.00	Up \$0.75	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt PNW to Egypt	\$27.75 \$28.25	UP \$1.00	60,000 -55,000 mt Russia Black Sea Romania - Egypt \$14.00-\$14.50 (France \$17.75-\$18.50)
60-70,000 U.S. Gulf – Europe – Rotterdam	\$16.50	Up \$0.75	Handymax at +\$1.75 more
Brazil, Santos – China Brazil, Santos – China Itacoatiara-Port Up River North Brazil	\$31.00 \$30.25 \$34.00	Up \$1.50	54-59,000 Supramax-Panamax 60-66,000 Post Panamax 60-66,000 mt
56-60,000 Argentina/Rosario- China Deep Draft	\$34.75	UP \$1.50	Up River with BB Top Off \$37.75

- 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)

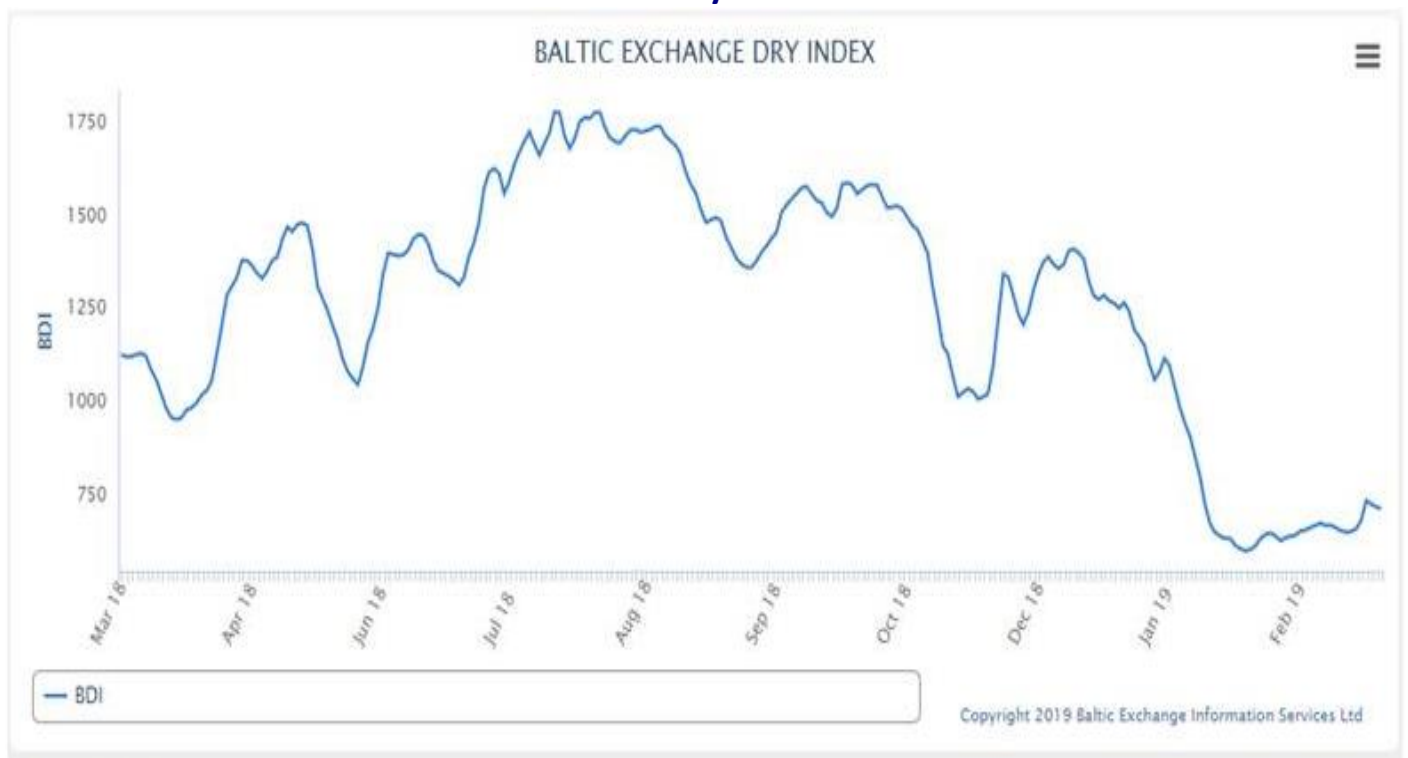
Santos Brazil (via Cape of Good Hope) - 10,441 nautical miles (33 days)

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

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

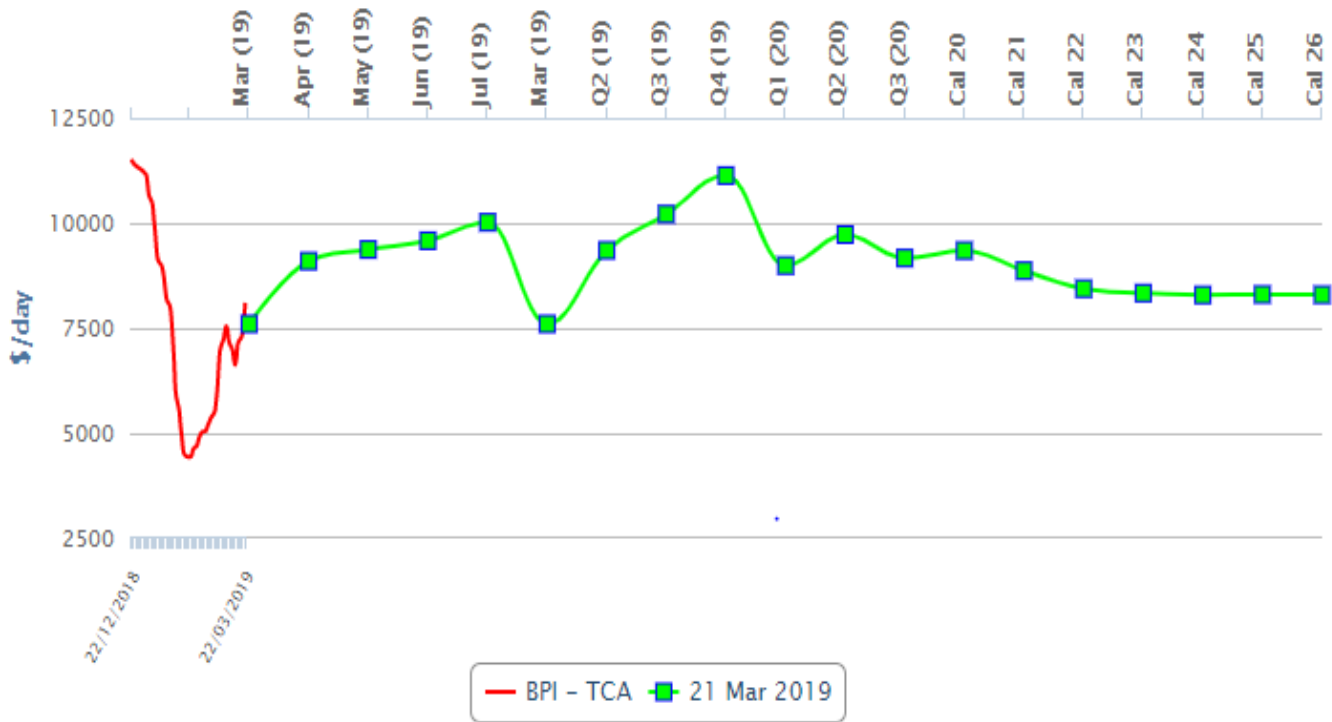


Baltic Dry Index.



Baltic Panamax Forward Curve Chart

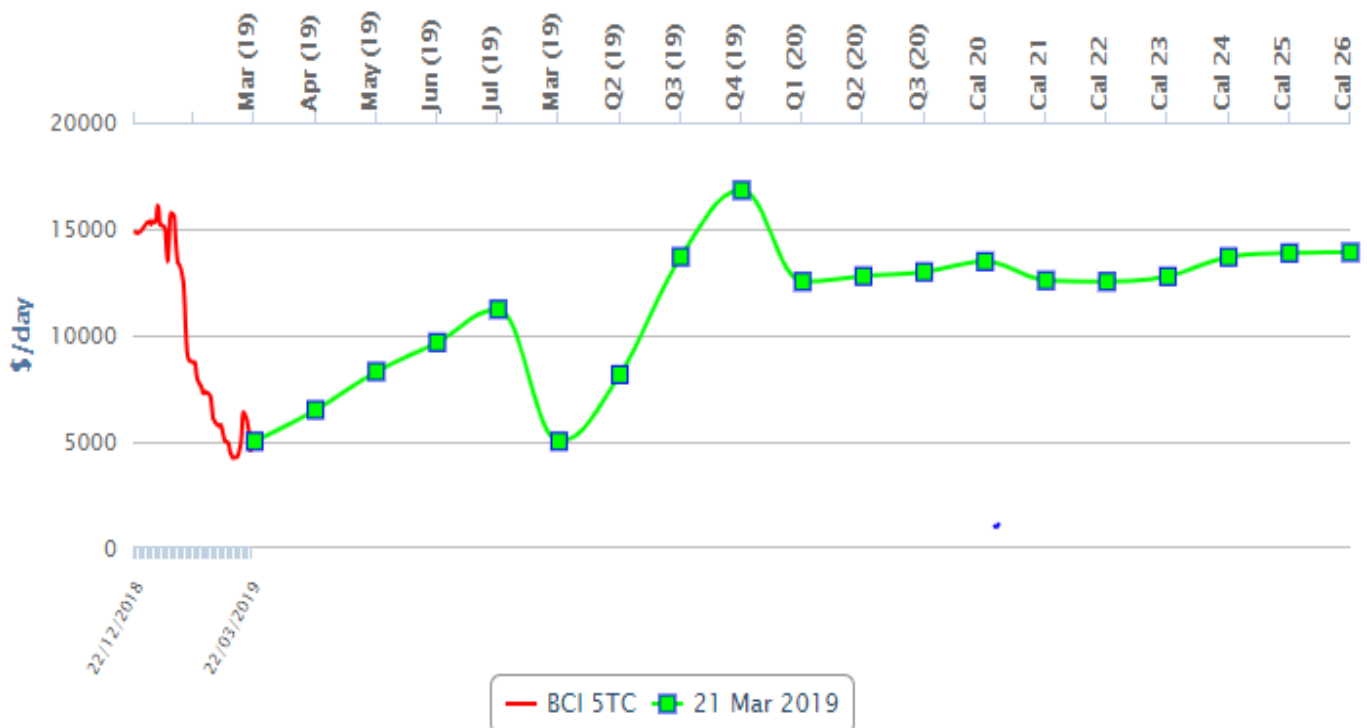
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Baltic Capesize Index

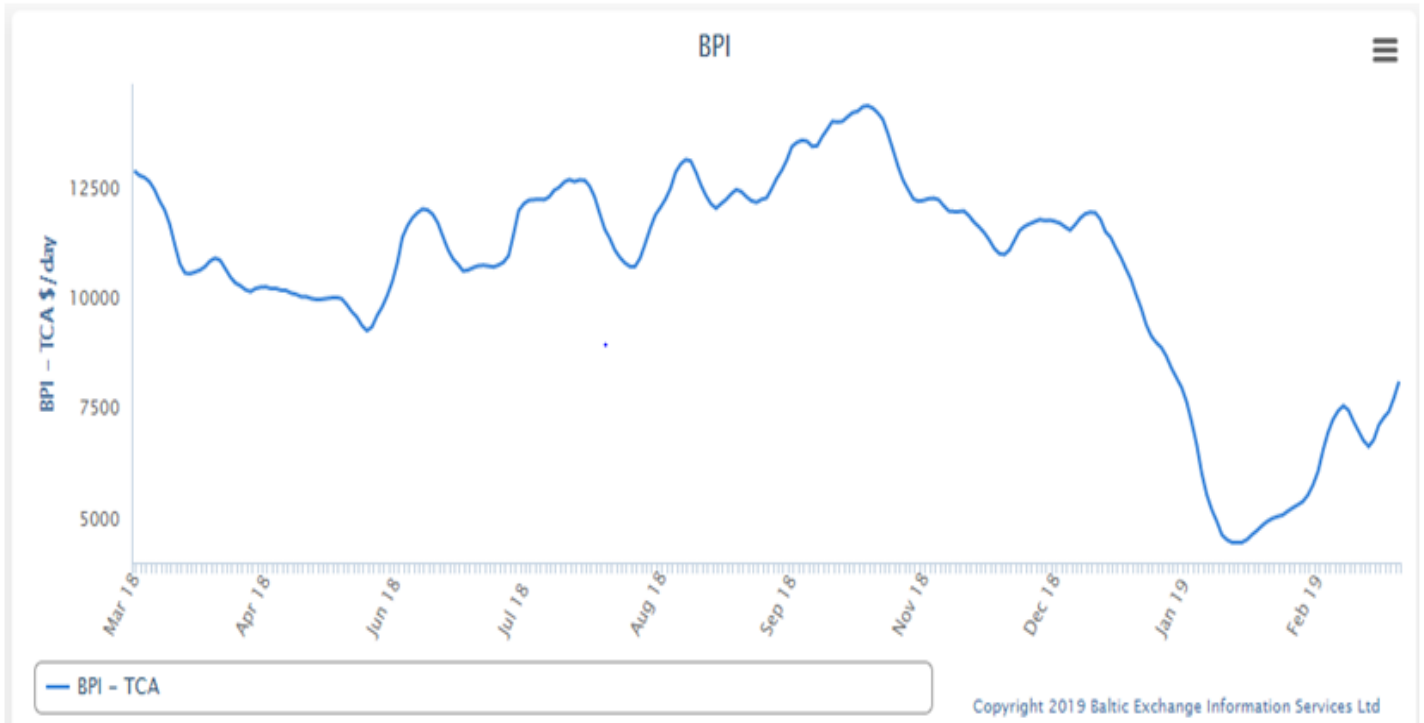
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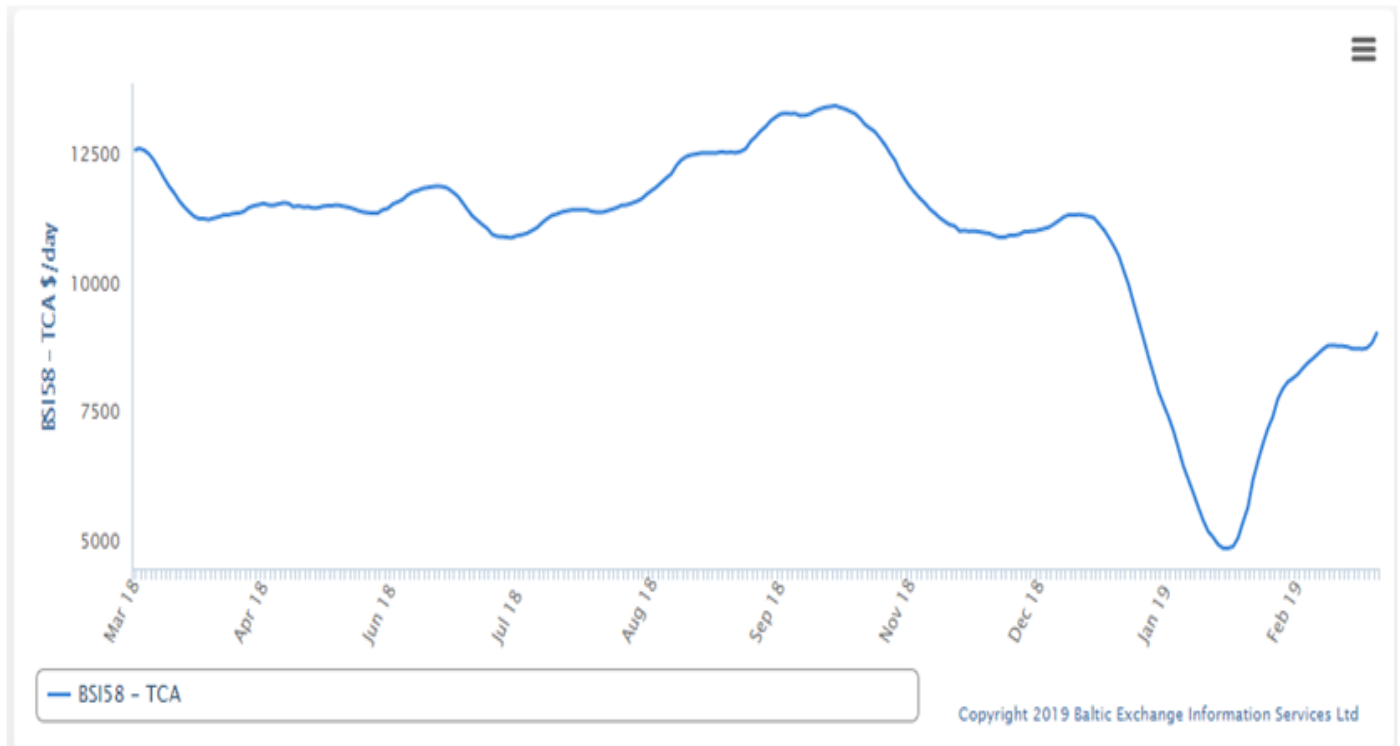
Baltic Panamax Index

Panamax

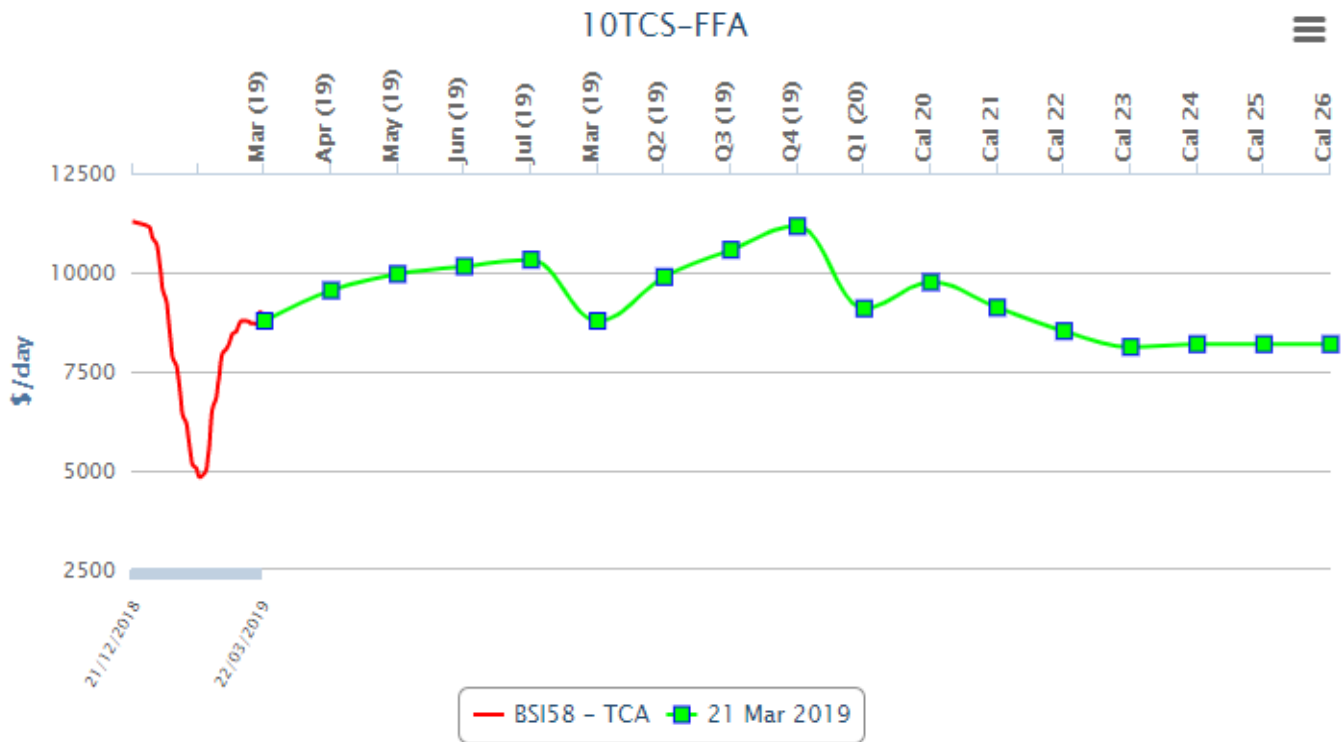


Baltic Supramax Vessel Index

Supramax

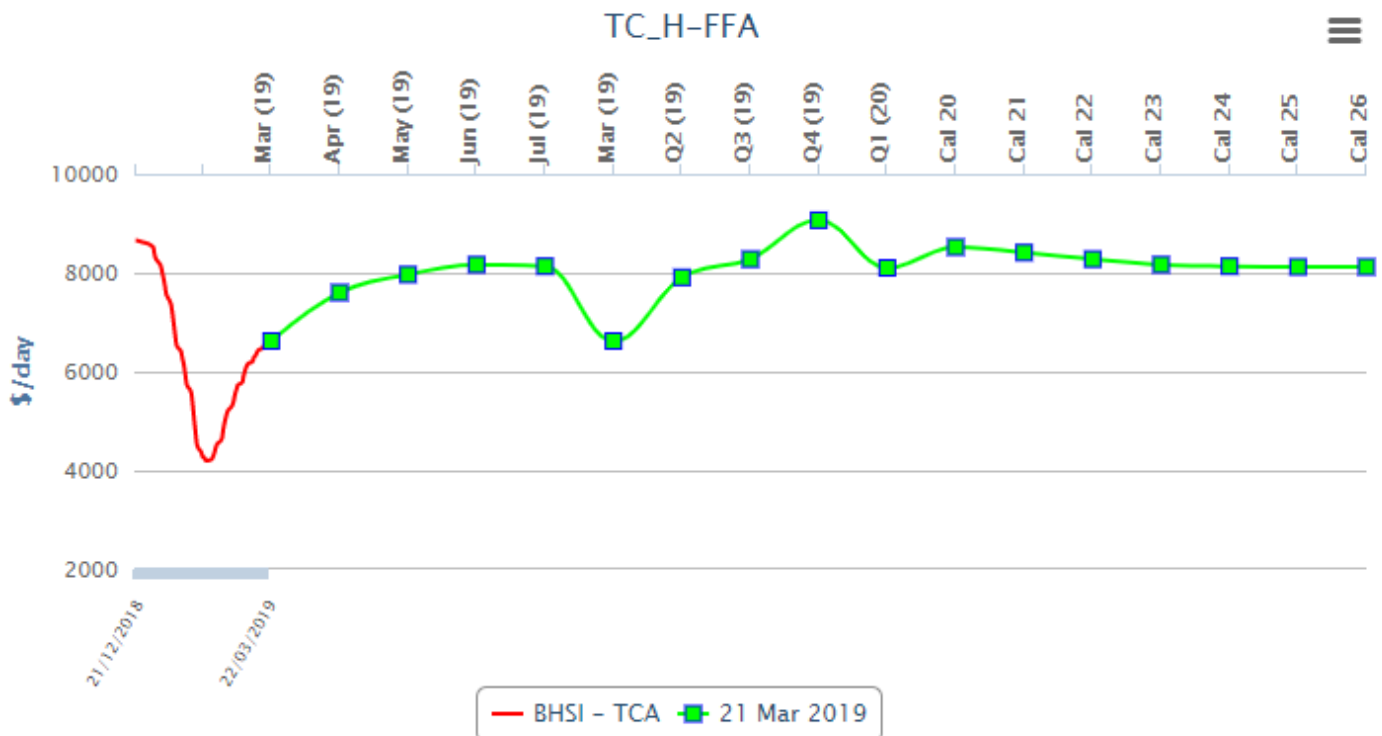


Supramax Dry-Bulk Forward Curv



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Baltic Handy Size



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YAMAMIZU Index



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

From 2007-01-29 To 2019-03-13



China Import Dry Bulk Freight Index(CDFI)					
2019-03-21					
Route	Size MT	Cargo/Vessel Size	Unit	Rate	Change
Composite Index			Point	715.23	-8.66
Iron ore Freight Index			Point	610.48	-21.77
Soybean Freight Index			Point	908.28	14.67
Santos(Brazil)—North China	60000/10%	Soybean	\$/ton	31.310	0.819
Tacoma(West America)—North China	60000/10%	Soybean	\$/ton	23.075	0.057
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	39.071	0.331
Mississippi(US Gulf)—North China	55000/10%	Soybean	\$/ton	40.875	0.177

21 March 2019 U.S. FOB Vessel Export Market Values:

U.S. Yellow Corn (USD/MT) FOB Vessel				
# 2 YC	U.S. Gulf #2 YC		PNW #3 YC	
15.0 % Moisture	Basis	Flat Price	Basis	Flat Price
April	0.65	\$173.71	1.13	\$192.61
May	0.65	\$173.71	1.05	\$189.46
June	0.55	\$173.42	0.95	\$189.16
July	0.56	\$173.81	0.96	\$189.56
Aug.	0.56	\$176.27	0.95	\$191.62
Sept.	0.60	\$177.84	0.99	\$193.20

The Gulf spread between #2 & #3 YC is currently about 02 cents per bushel (0.80/mt)

SORGHUM (USD/MT) FOB VESSEL				
#2 YGS Fob Vessel	NOLA		TEXAS	
Max. 14.0% moisture	BASIS	FLAT PRICE	BASIS	FLAT PRICE
April	1.00	\$187.49	0.90	\$183.55
May	1.05	\$189.46	0.90	\$183.55
June	1.00	\$191.13	0.86	\$185.62
July	1.00	\$191.13	0.90	\$187.19
Aug.	0.95	\$191.62	0.85	\$187.69

Fob vessel Texas Gulf #2 Sorghum is about 106 % the value of #2 Yellow Corn at NOLA.

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

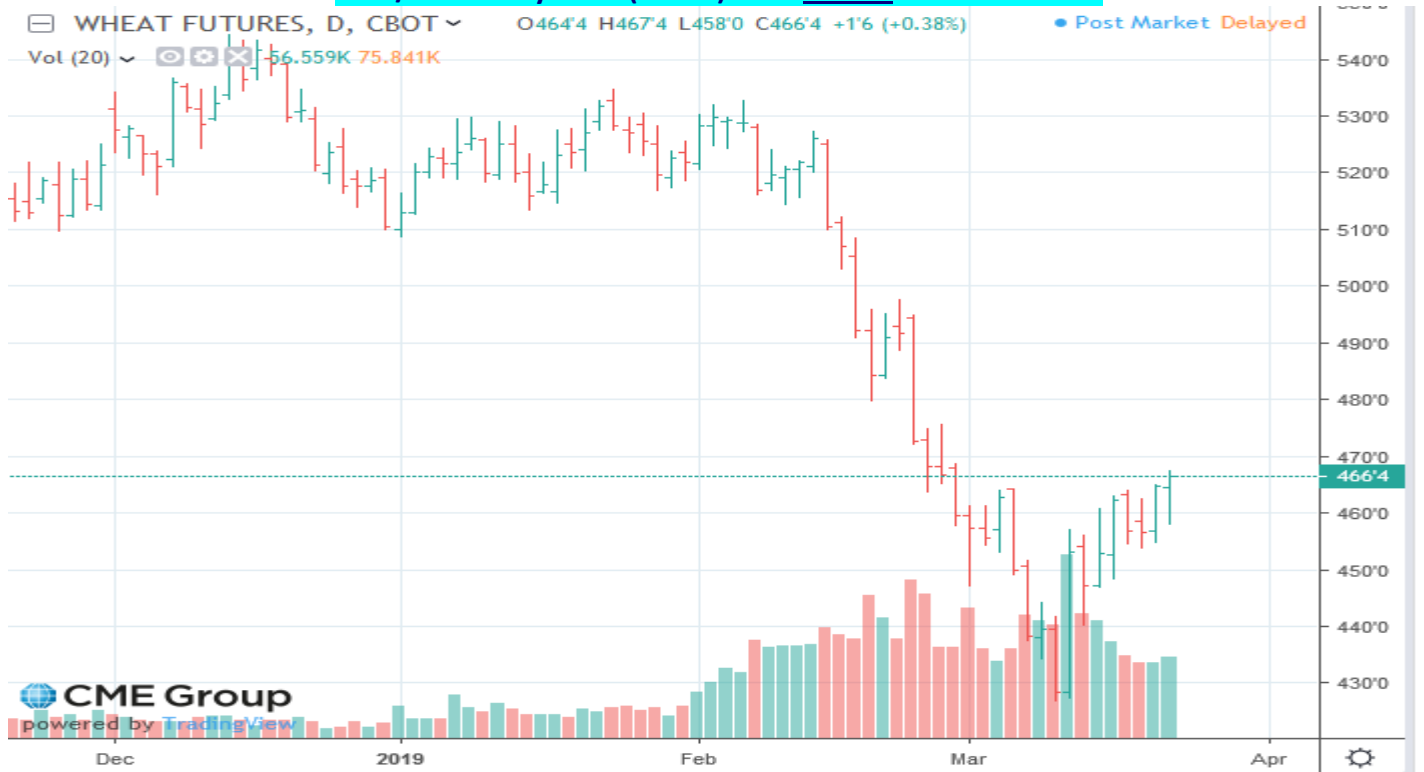
SRW Wheat	USD/MT	Fob Vessel	US Gulf	
	April	May	June	July
FOB U.S. GULF	\$209.99	\$209.99	\$208.15	\$208.15
Basis	1.05	1.05	0.95	0.95
WK	4.6650			
WN	4.7150			
WU	4.8000			

CME Futures Market Close						
CORN	Futures	Thursday	Thursday	Last week	Last Week	Difference
Month	Symbol	Close	Close	Bushel	MT.	Bushel
May	CK	\$3.7625	\$148.12	\$ 3.6525	\$143.79	\$0.1100
July	CN	\$3.8550	\$151.76	\$ 3.7425	\$147.33	\$0.1125
Sept.	CU	\$3.9175	\$154.22	\$ 3.8100	\$149.99	\$0.1075
Dec.	CZ	\$3.9875	\$156.98	\$ 3.8900	\$153.14	\$0.0975
March	CH	\$4.0900	\$161.01	\$ 4.0025	\$157.57	\$0.0875

CBOT May 2019 (CK19) Corn Futures Chart –



CME/CBOT May 2019 (WK19) SRW Wheat Futures Chart –



U.S. Soybean and SBM Markets Fob Vessel:

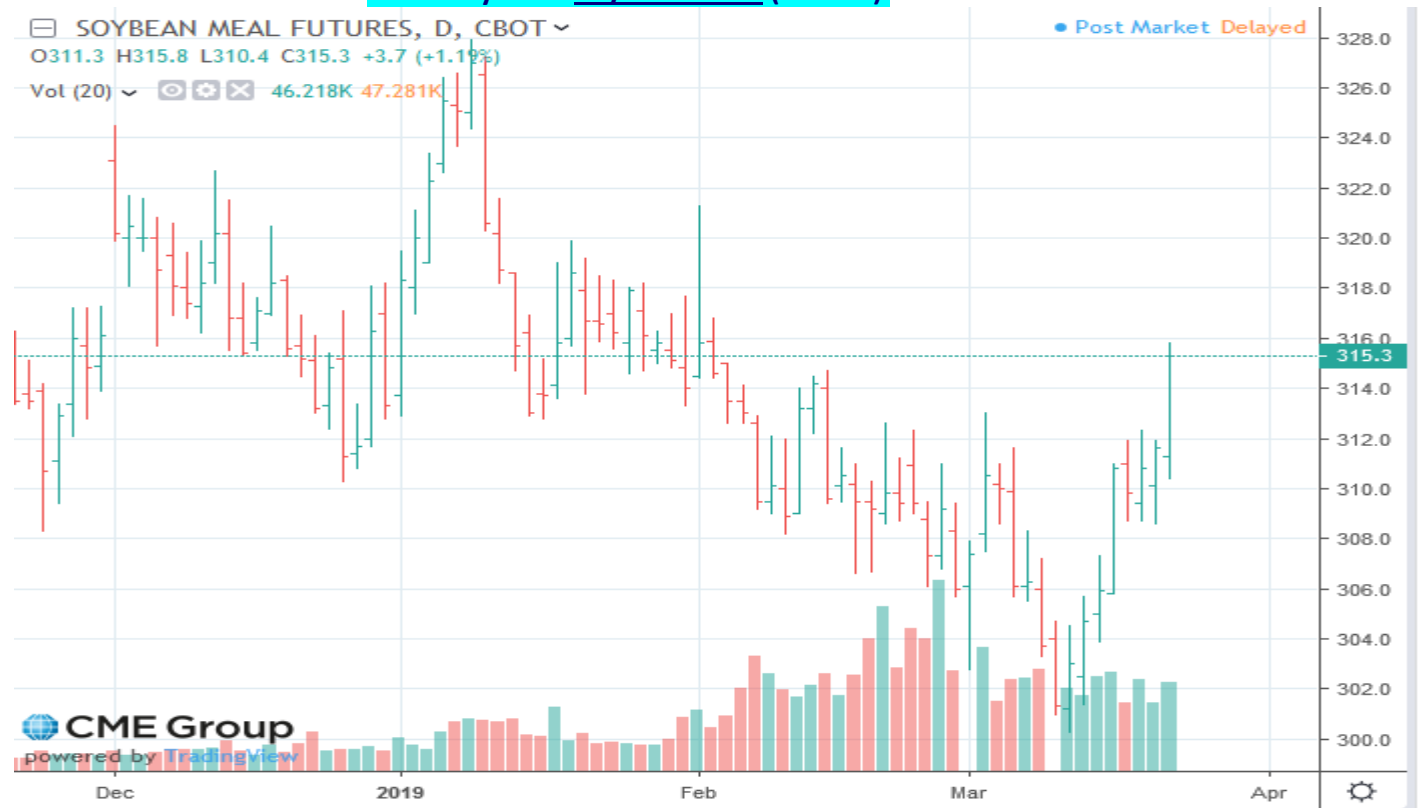
U.S. Yellow Soybeans (USD/MT) FOB Vessel				
# 2 YSB	U.S. Gulf #2 YSB		PNW #2 YSB	
14.0 % Moisture	Basis	Flat Price	Basis	Flat Price
April	0.58	\$351.45	0.87	\$362.11
May	0.60	\$352.18	0.90	\$363.21
June	0.54	\$355.03	0.85	\$366.42
July	0.57	\$356.13	0.86	\$366.79
Aug.	0.52	\$356.50	0.80	\$366.79
Soybean Futures				
May	\$ 8.9850			
July	\$ 9.1225			
Ayg.	\$ 9.1825			
Sept.	\$ 9.2325			
Nov.	\$ 9.3275			
Jan.	\$ 9.4200			

U.S. SBM (USD/MT) FOB Vessel		
Fob U.S. Gulf Port	47.5 Pro. SBM	
max 12.5 % moisture	Basis	Flat Price
April	-2.00	\$ 335.05
May	-2.00	\$ 335.05
June	-3.00	\$ 338.14
July	-3.00	\$ 338.14
Aug.	-4.00	\$ 338.80
SBM Futures		
SMK	305.90	
SMN	309.70	
SMQ	311.30	
SMU	313.00	
SMV	314.10	
SMZ	316.10	

CME May 2019 Soybean (SK19) Futures Chart:



CME May 2019 Soybean Meal (SMK19) Futures Chart



U.S. EXPORT STATISTICS: Report Activity as of Week Ending 07 March 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 '17- 18 (000 MT)
Corn	646.7	40,897.6	60,330	68%	1,773.0
Sorghum	10.0	882.4	2,160	41%	0.0
Soybeans	1988.4	41,182.2	51,030	81%	769.5
Wheat	319.5	22,844.7	26,260	87%	705.4
Barley	1.1	60.3	110	55%	30.1

U.S. EXPORT INSPECTIONS:

Monday's report 18 March 2019 for the Export week ending 14 March 2019

	Export Inspections		Current Market Year YTD	Previous Year to Date	2018/19 YTD as Percent of 2017/18 YTD
	This Week	Previous Week			
Corn	795,241	803,351	27,396,964	21,793,321	126%
Sorghum	25,064	64,110	974,198	3,534,319	28%
Soybeans	841,888	887,760	27,688,349	40,230,755	69%
Wheat	353,727	611,955	17,975,835	19,156,627	94%
Barley	73	0	7,047	21,071	33%

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

U.S. EXPORT INSPECTIONS:

Monday's report 18 March 2019 for the Export week ending 14 March 2019

Last Week							
(Metric Tons)	YC	%	WC	%	Sorghum	%	Soybeans %
Lakes	0	0%	0	0%	0	0%	0 0%
Atlantic	7,245	1%	0	0%	0	0%	59,766 7%
Gulf	408,318	53%	25,246	99%	12,230	49%	427,261 51%
PNW	238,572	31%	318	1%	9,908	40%	268,612 32%
Interior Export Rail	115,542	15%	0	0%	2,926	12%	86,249 10%
Metric Tons	769,677		25,564		25,064		841,888

Sorghum Shipments:	metric tons	
	12,230	Cameroon
	9,908	Japan
	147	China Main
	2,779	Mexico
	25,064	Total

White Corn	metric tons	
Shipments:	15,168	El Salvador
	7,282	Guatemala
	2,796	Japan
	318	Korea Rep
	25,564	Total

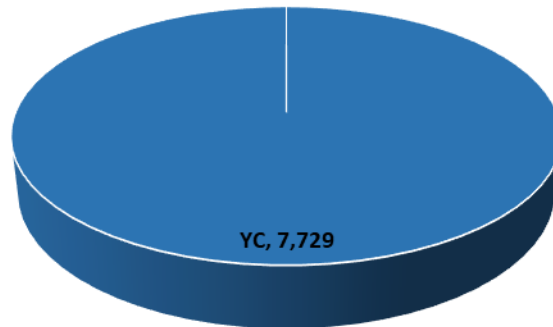
Export Inspection Highlights

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:		14-Mar-2019							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	SWH	HRW	Sorghum	TOTAL
China Main			318					147	465
China T	20,515		18,434	686					39,635
Hong Kong	880								880
Costa Rica									0
Indonesia			24,043	367					24,410
French Poly									0
Japan			1,222						1,222
Korea Republic	905		1,861						2,766
Nepal			3,599						3,599
Malaysia	685		6,784						7,469
Burma			661						661
Philippines	587		3,330						3,917
Thailand			7,934						7,934
Qatar	490								490
Algeria									0
Vietnam			7,860						7,860
Sub total	24,062	0	76,046	1,053	0	0	0	147	92,958
USDA Corrections/Additions to previous reports:									
China T									0
China Main			490						490
Hong Kong									0
Korea Rep.									0
Costa Rica									0
Japan									0
Philippines									0
Indonesia			783						783
Malaysia			1,273						1,273
Thailand			122						122
Vietnam									0
Canada						96			96
Bangladesh									0
Sub total	0	0	2,668	0	0	96	0	0	2,764
Mt. Grand Total	24,062	0	78,714	1,053	0	96	0	147	95,722
Number of containers	1,046	0	3,422	46	0	4	0	6	

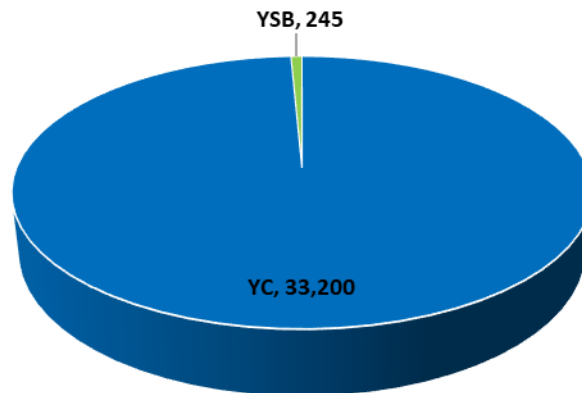
Jan - Dec 2018 Annual Totals versus 2019 Jan.-Dec. YTD Total Container Shipments (in MT)

2019 YTD Container Shipments to Hong Kong



■ YC

2018 Container Shipments to Hong Kong



■ YC ■ YSB

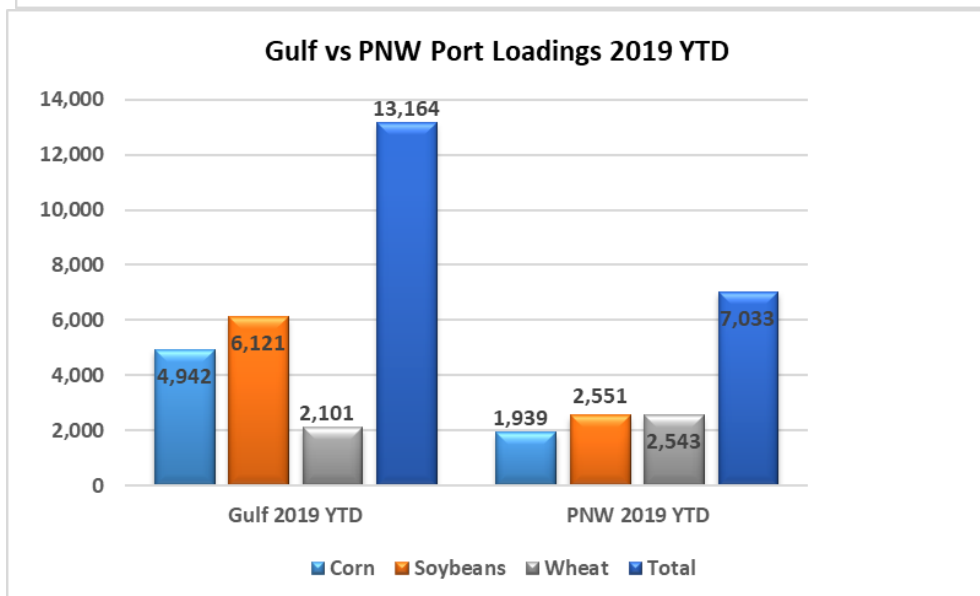
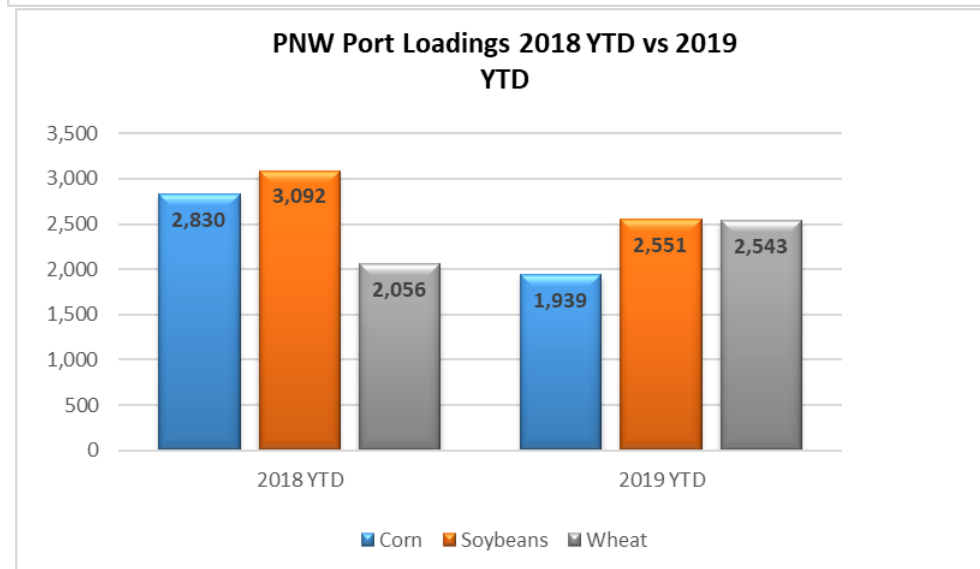
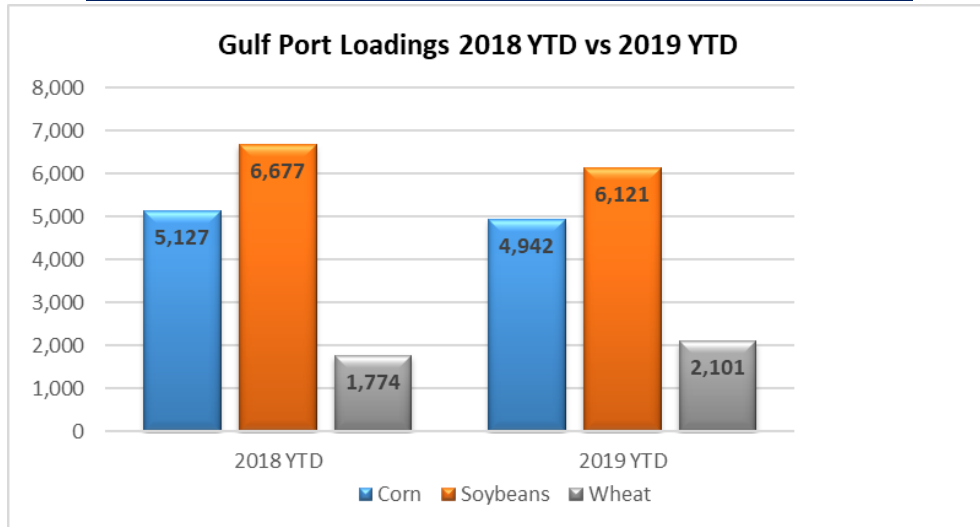
Grain Inspections for Export by U.S. Port Regions:
U.S. Gulf and Pacific Northwest 2018 YTD vs. 2019 YTD

PORT LOADINGS US Gulf				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
GULF				
2018 YTD	5,127	6,677	1,774	13,578
2019 YTD	4,942	6,121	2,101	13,164
2019 as % of 2018	96%	92%	118%	97%

PORT LOADINGS US PNW				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
PNW				
2018 YTD	2,830	3,092	2,056	7,978
2019 YTD	1,939	2,551	2,543	7,033
2019 as % of 2018	69%	83%	124%	88%

PORT LOADINGS GULF vs. PNW				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
2019 Gulf YTD	4,942	6,121	2,101	13,164
2019 PNW YTD	1,939	2,551	2,543	7,033
TOTAL	6,881	8,672	4,644	20,197
Gulf Percentage	72%	71%	45%	65%
PNW Percentage	28%	29%	55%	35%

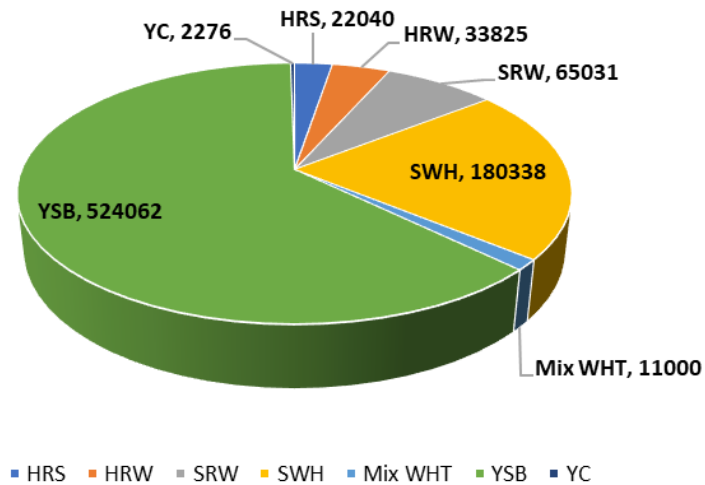
Grain Inspections for Export by U.S. Port Regions (1,000MT):
U.S. Gulf and Pacific Northwest 2018 YTD vs. 2019 YTD



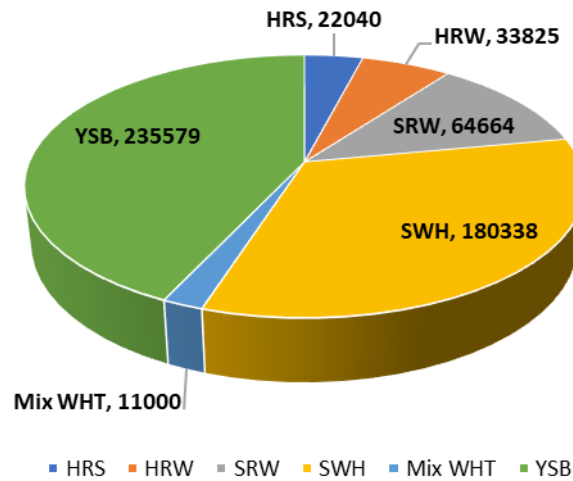
Source: USDA-data

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

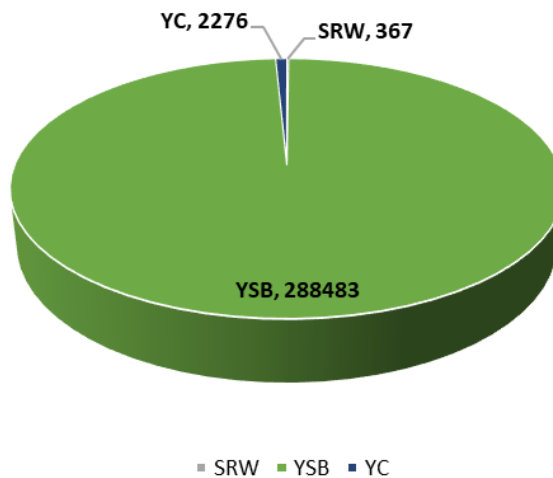
2019 YTD Exports to Indonesia



YTD Exports to Indonesia by Vessel

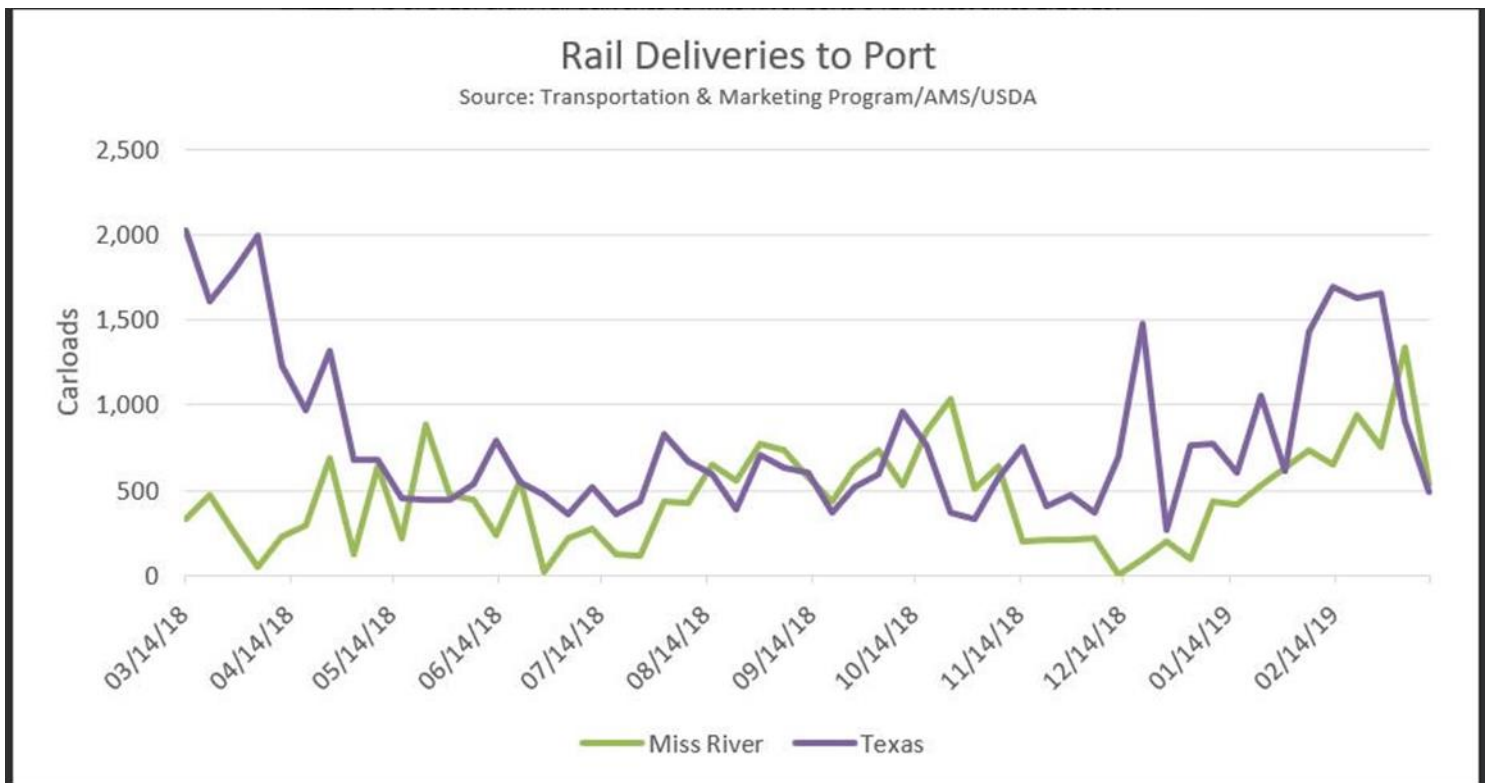
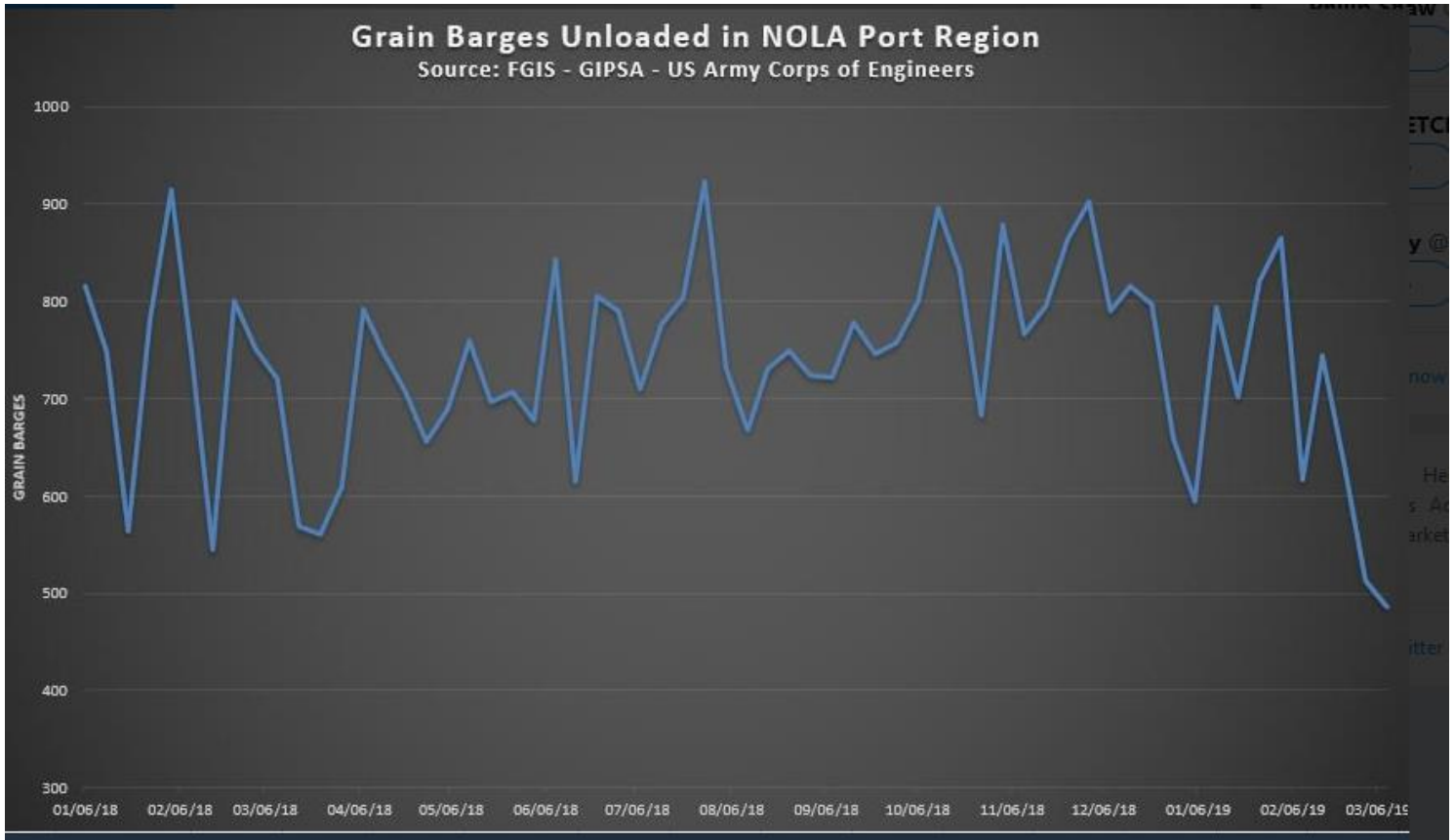


YTD Exports to Indonesia by Container



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

Shipping News

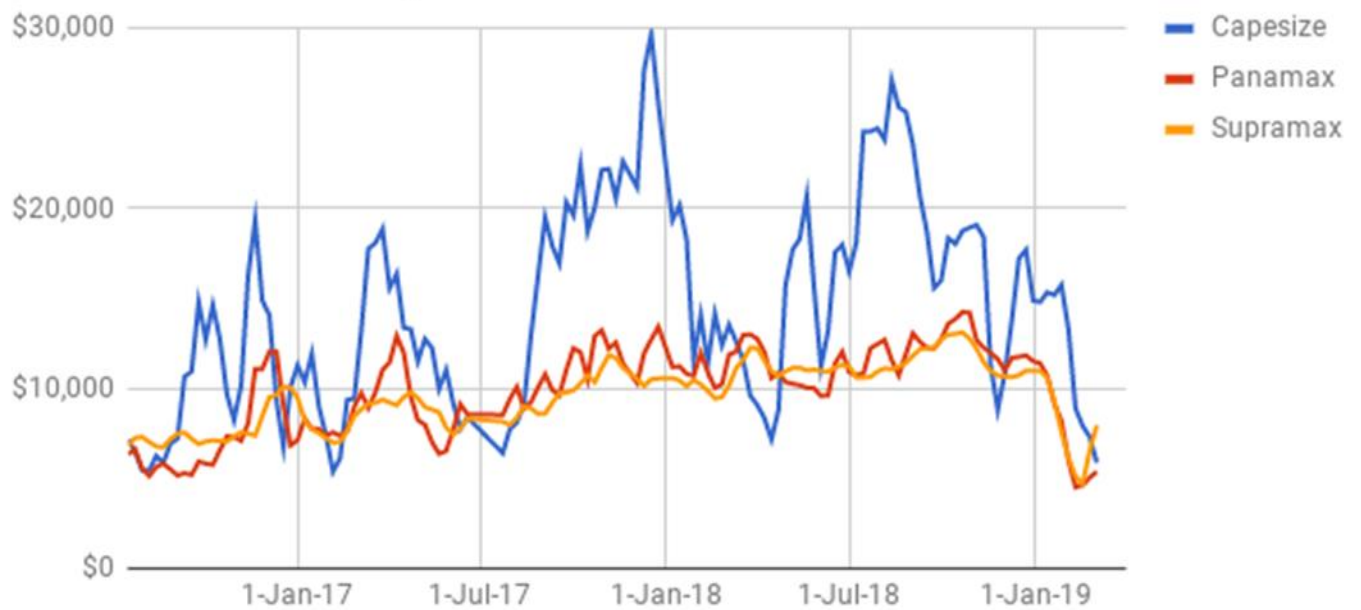


Grain Vessel Loading Activity

Source: Transportation & Marketing Programs/AMS/USDA



Dry Bulk Market Rates



Superior Maritime Retweeted

James Colquhoun @JamesColquhou10 · 54m

🚢 Black Sea dry bulk #freight rates have sunk 18% since early March on a lack of wheat cargoes to load from #Russia 🇷🇺 #Ukraine 🇺🇦 especially to the Med @PlattsAg

Over 130 Handy/PMX vessels lay unladen @Sam_Eckett

BUT Ukraine #corn 🇺🇦 🌽 set to profit: 4.2mmt in March line up

BLACK SEA DRY BULK FREIGHT RATES



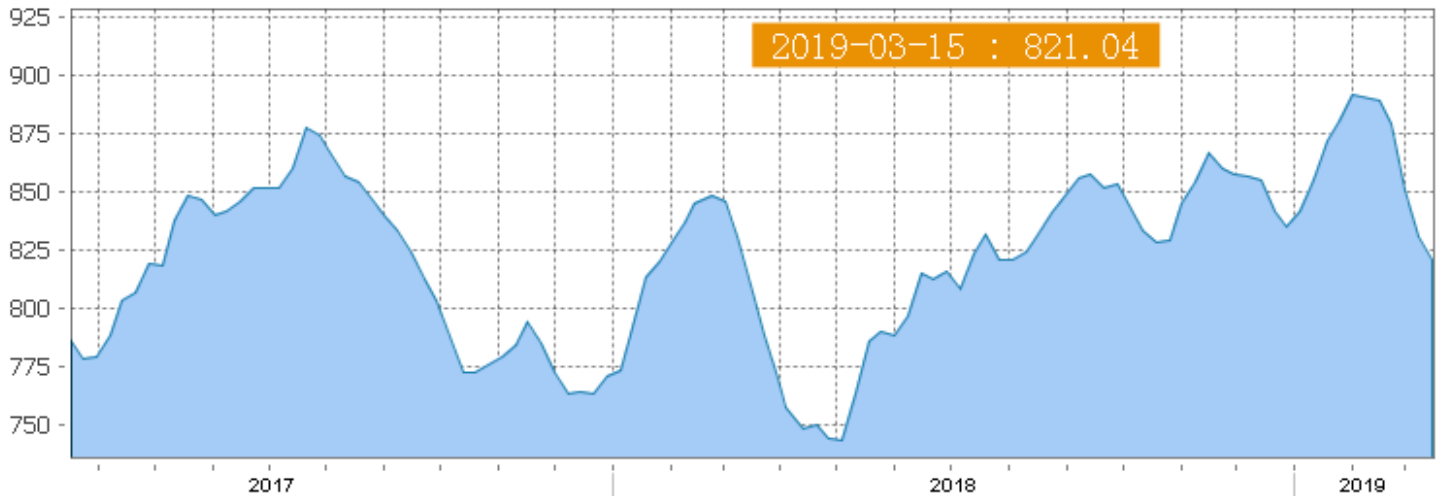
Source: S&P Global Platts

#Arctic ports along the Northern Sea Route have experienced a surge in #cargo — In total, 9.95 million tons were transported to and from ports in the region compared to just 5.5 million tons last year. #trade #energy

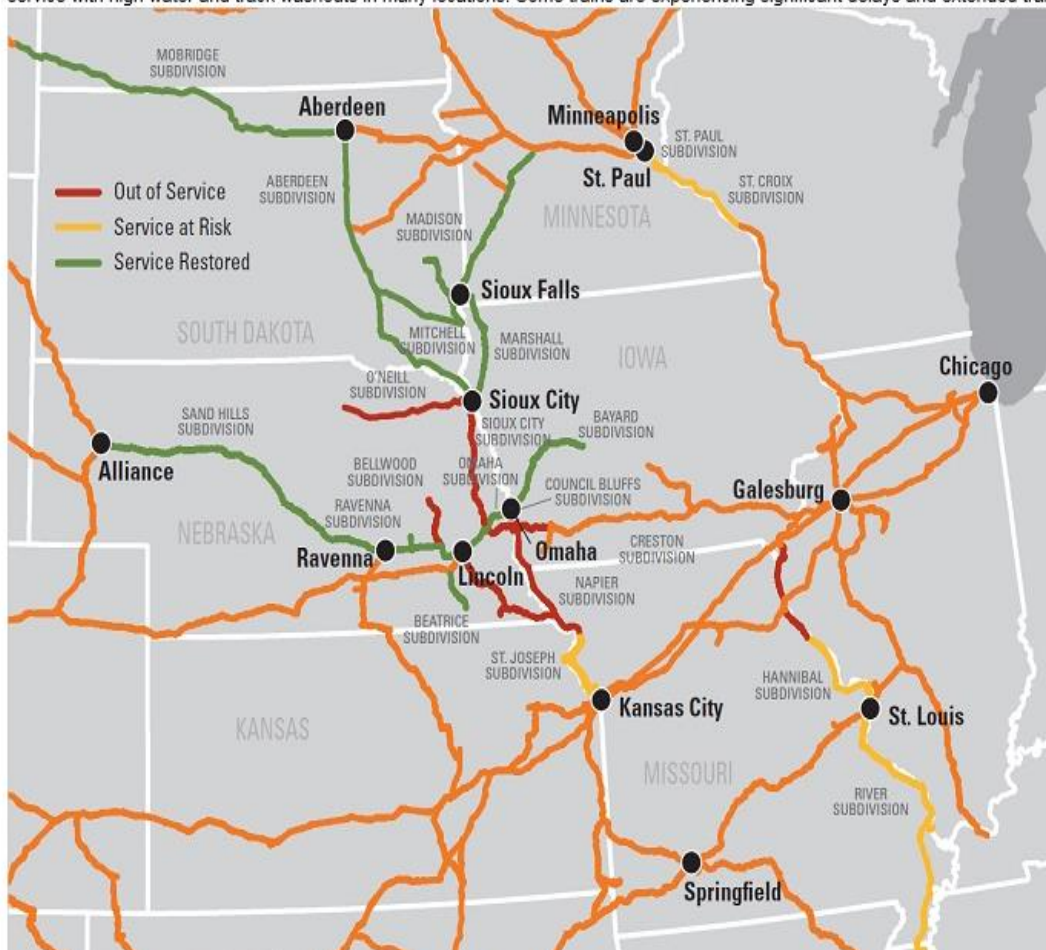


Route	28-Feb-19	07-Mar-19	14-Mar-19	Weekly change (%)	Annual change (%)
Composite Index	\$1,478	\$1,440	\$1,323	-8% ▼	-1% ▼
Shanghai - Rotterdam	\$1,652	\$1,632	\$1,495	-8% ▼	2% ▲
Rotterdam - Shanghai	\$566	\$542	\$542	0%	-36% ▼
Shanghai - Genoa	\$1,745	\$1,729	\$1,550	-10% ▼	7% ▲
Shanghai - Los Angeles	\$1,590	\$1,519	\$1,365	-10% ▼	0%
Los Angeles - Shanghai	\$506	\$497	\$497	0%	1% ▲
Shanghai - New York	\$2,790	\$2,669	\$2,442	-9% ▼	3% ▲
New York - Rotterdam	\$574	\$603	\$566	-6% ▼	11% ▲
Rotterdam - New York	\$1,999	\$2,013	\$1,979	-2% ▼	-4% ▼

China Containerized Freight Index



. BNSF continues to address major disruptions to service and operations in the Midwest caused by record flooding. Multiple subdivisions in Iowa, Nebraska and Missouri remain out of service with high water and track washouts in many locations. Some trains are experiencing significant delays and extended transit times due to service outages in the region.



U.S. RIVER BARGE FREIGHT

Current Barge Freight for Placement First Half April 2019

Placement FH April 2019	% of		Corn	Soybeans-Wheat
	Tariff	MT	BU	BU
Upper Mississippi	560	\$38.21	0.97	1.04
Illinois River (Pekin and South)	490	\$25.98	0.66	0.71
Mid-Mississippi	500	\$29.32	0.74	0.80
Lower Ohio	465	\$22.86	0.58	0.62
St. Louis	390	\$17.15	0.44	0.47

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

Secondary Rail Car Market Placement FH. April 2019	BID USD	ASK USD	BID BU.	ASK BU.	BID MT	ASK MT
BNSF Shuttle Trains	\$ 1,000.00	\$ 1,800.00	\$ 0.25	\$ 0.45	\$ 9.84	\$ 17.72
UPRR Shuttle Trains	\$ 200.00	\$ 600.00	\$ 0.05	\$ 0.15	\$ 1.97	\$ 5.91

Spot secondary rail car markets are close to \$2500 per car.

Best Regards,

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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.
All market data is subject to change with market conditions and Traders opinions.
Please obtain market updates and reconfirm all values with your regular freight supplier before making any trading decisions based on this data. This message and any attachments may contain confidential or privileged information and are only for the use of the intended recipient of this message. If you are not the intended recipient, please notify the sender by return email, and delete or destroy this and all copies of this message and all attachments. Any unauthorized disclosure, use, distribution, or reproduction of this message or any attachments is prohibited and may be unlawful.
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