

Transportation and Export Report for 11 April 2019

Ocean Freight Insights and Comments:

It was another rather dull week in Dry-Bulk shipping markets. And, as you probably know, it takes fresh bullish news to move a market up. Since such news was lacking most freight markets settled the week unchanged or slightly lower. Week by week the vessel owners are approaching the IMO2020 deadline and know they will face higher low sulfur fuel costs; but owners continue to believe the market will bail them out and compensate them through higher rates. The reality is that we simply are not seeing evidence of that theory materialize yet. Container shippers should fully expect to see fuel sur-charge fees placed into their contracts very soon.

BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices				
11-Apr-19	This Week	Last Week	Difference	Percent Change
P2A : Gulf/Atlantic - Japan	15909	16409	-500	-3.0%
P3A - PNW/Pacific - Japan	6632	7271	-639	-8.8%
S1C -USGULF-China-So.Japan	17056	17514	-458	-2.6%
P7- Trial-Miss. Rive - Qingdao	41393	41197	196	0.5%
P8- Trial-Santos - Qingdao	31160	32162	-1,002	-3.1%

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

Four weeks ago:	\$4.95-\$5.30
Three weeks ago:	\$4.80-\$5.45
Two weeks ago:	\$5.80-\$6.20
One week ago:	\$4.65-\$4.95
This week	\$4.40-\$4.90

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

Mississippi River:	(10 elevators)	4-8 days
Miss. River Mid-Stream loaders:	(6+ Rigs)	0-10 days
Texas Gulf	(6 elevators)	1-7 days
Pacific Northwest:	(9 elevators)	1-24 days (only 1 facility over 11 days)

Panamax Market Spreads to Asia -China					
11-Apr-19	PNW	GULF	Bushel Spread	MT Spread	Advantage
CORN	1.06	0.62	0.44	\$17.32	Both
SOYBEANS	0.82	0.36	0.46	PNW	Both
OCEAN FREIGHT	\$23.00	\$41.00	.46 -.49	\$18.00	MAY

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	\$42.00	Unchanged	Handymax \$42.50 mt
55,000 U.S. PNW- Japan	\$23.50	Down \$0.25	Handymax \$24.00 mt
66,000 U.S. Gulf – China PNW to China	\$41.00 \$23.00	Up \$.025 Down \$0.25	North China
25,000 U.S. Gulf- Veracruz, México	\$16.50	Unchanged	3,000 MT daily discharge rate
30-35,000+ U.S. Gulf- Veracruz, México	\$14.00	Unchanged	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	Unchanged	8,000 mt daily discharge 3,000 mt daily discharge
26-30,000 US Gulf-Morocco	\$34.75	Unchanged	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt PNW to Egypt	\$27.50 \$28.25	Unchanged	60,000 -55,000 mt Russia Black Sea Romania - Egypt \$10.50--\$12.60 (France \$17.00-\$17.50)
60-70,000 U.S. Gulf – Europe – Rotterdam	\$15.00	Down \$0.25	Handymax at +\$1.75 more
Brazil, Santos – China Brazil, Santos – China Itacoatiara-Port Up River North Brazil	\$32.25 \$32.50 \$36.25	Up \$0.25	54-59,000 Supramax-Panamax 60-66,000 Post Panamax 60-66,000 mt
56-60,000 Argentina/Rosario- China Deep Draft	\$35.50	UP \$0.25	Up River with BB Top Off \$38.25

- 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)

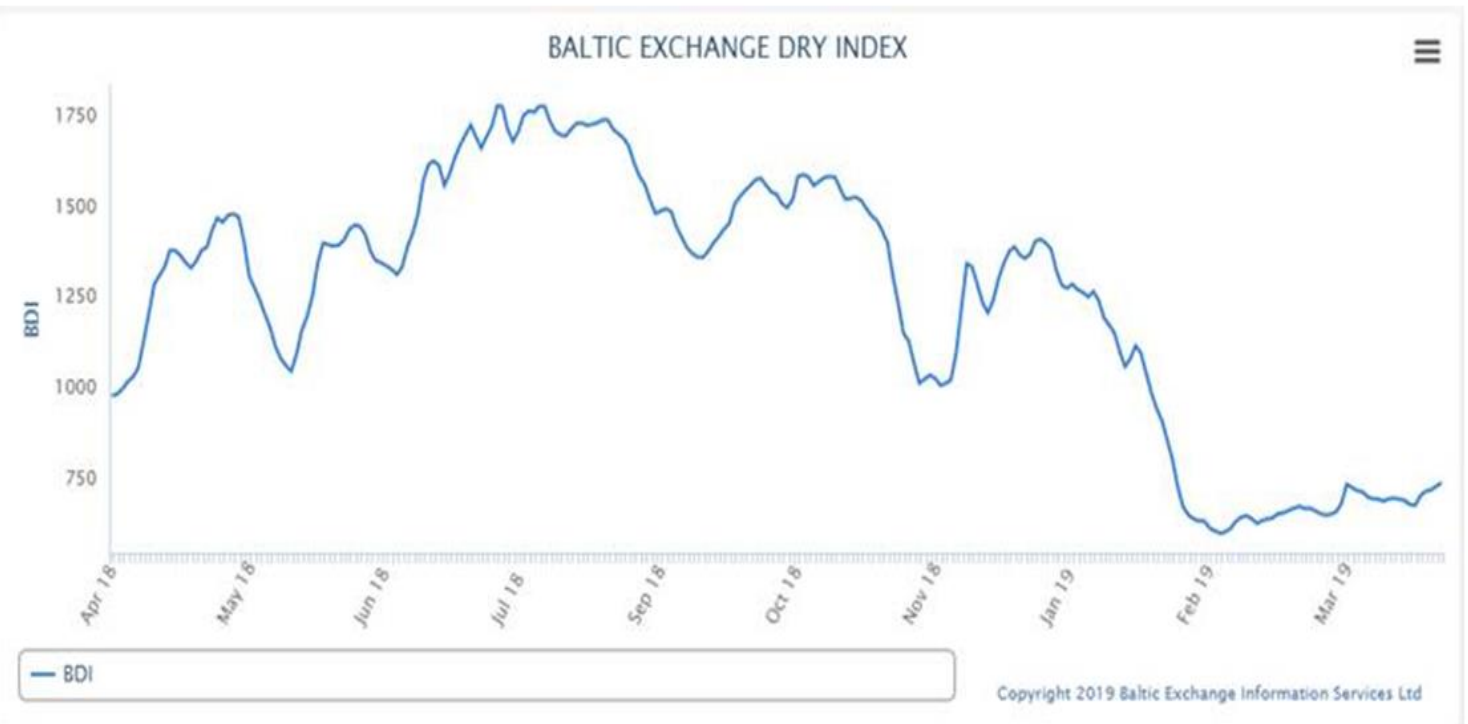
Santos Brazil (via Cape of Good Hope) - 10,441 nautical miles (33 days)

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

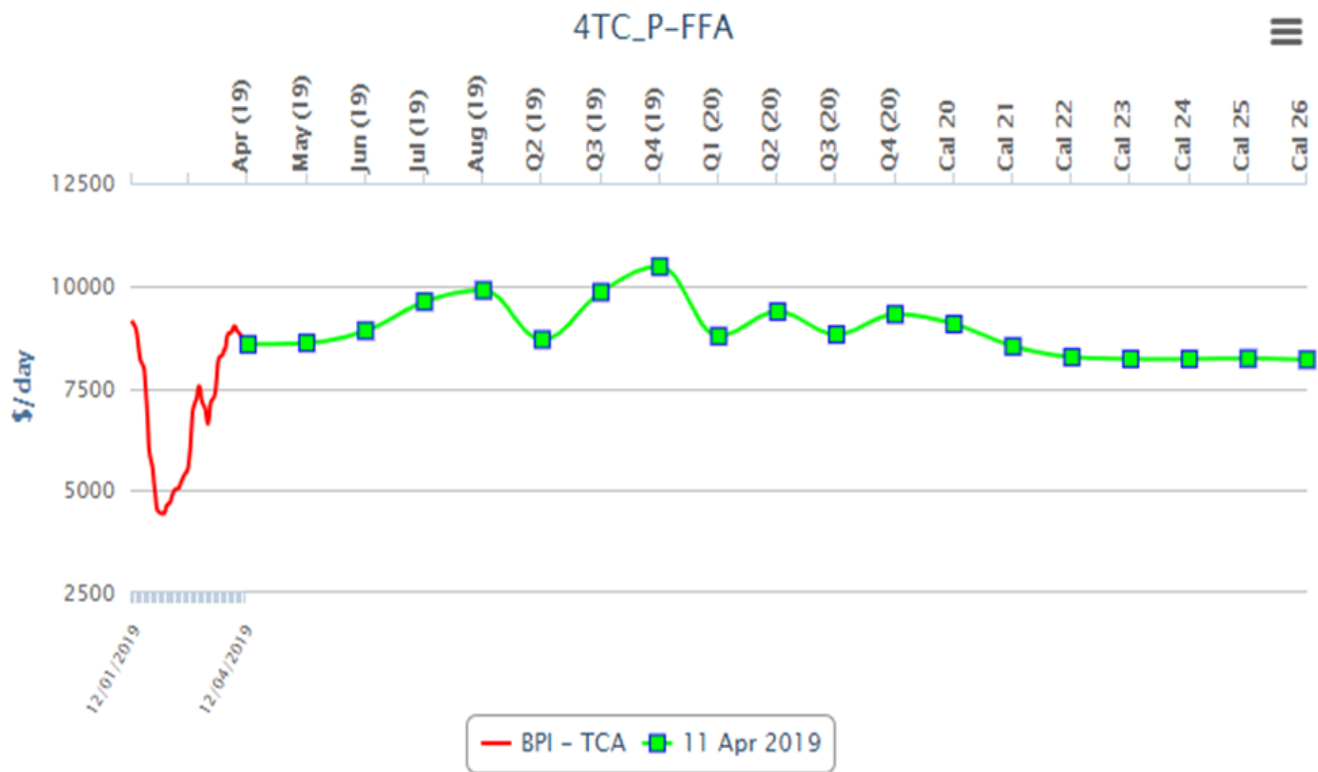
Baltic Dry-Bulk Ocean Freight Index- US Gulf- Japan



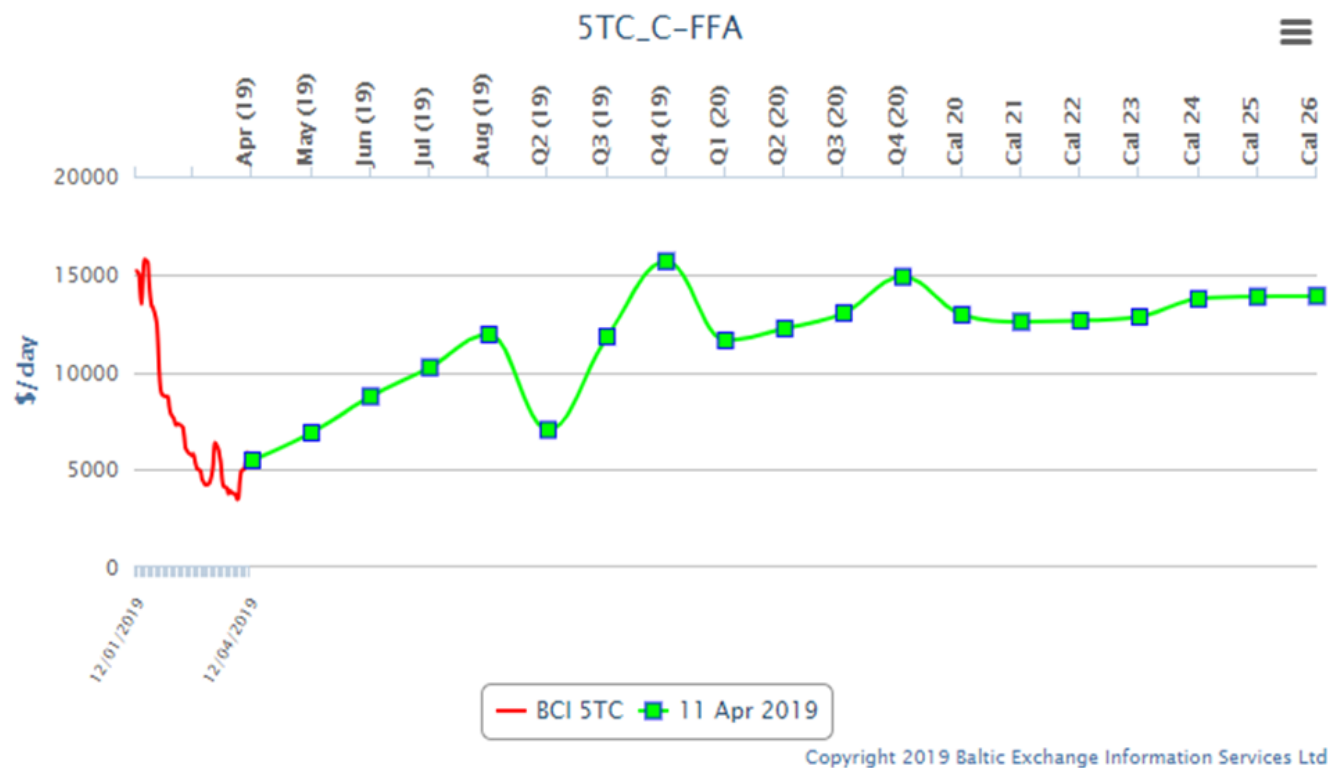
Baltic Dry Index.



Baltic Panamax Forward Curve Chart



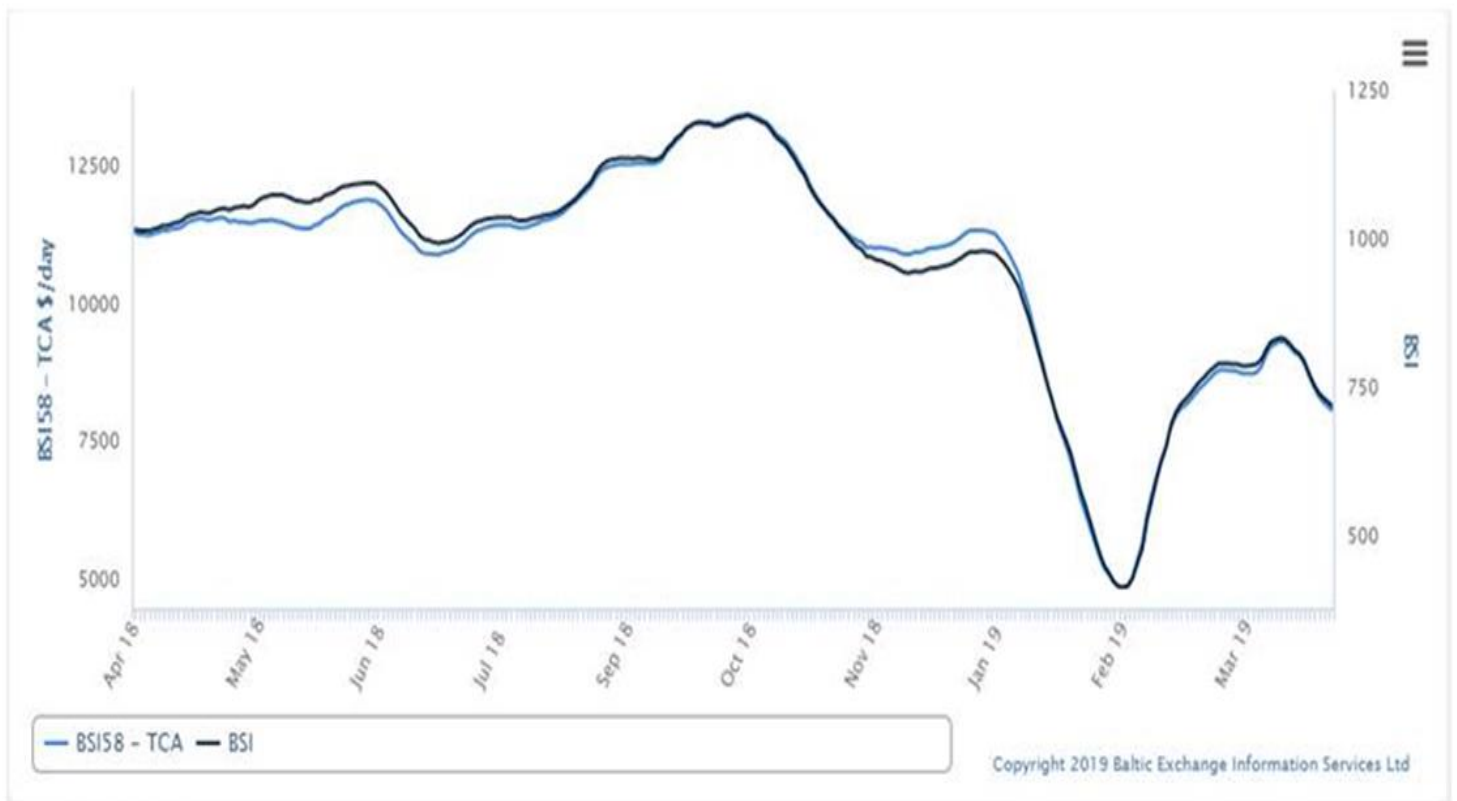
Baltic Capesize Index



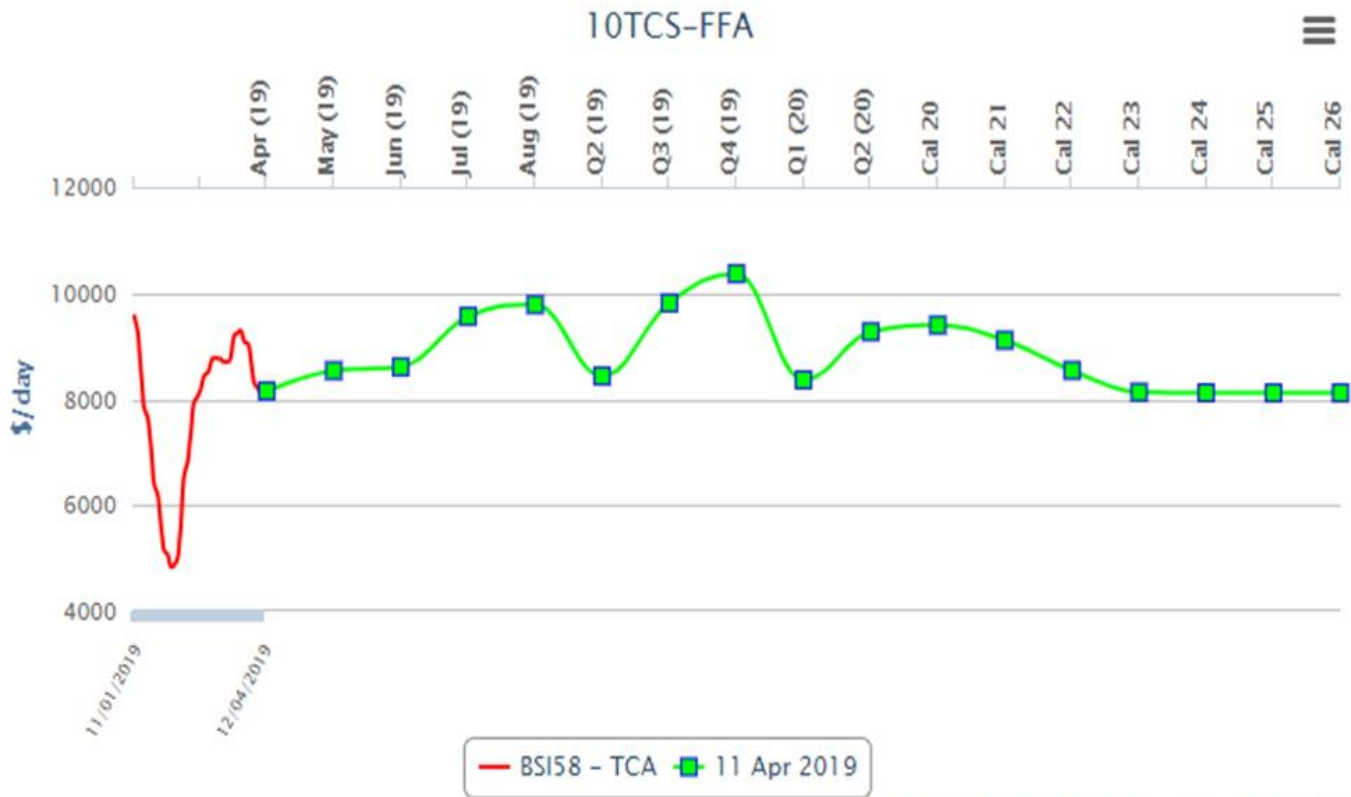
Baltic Panamax Index



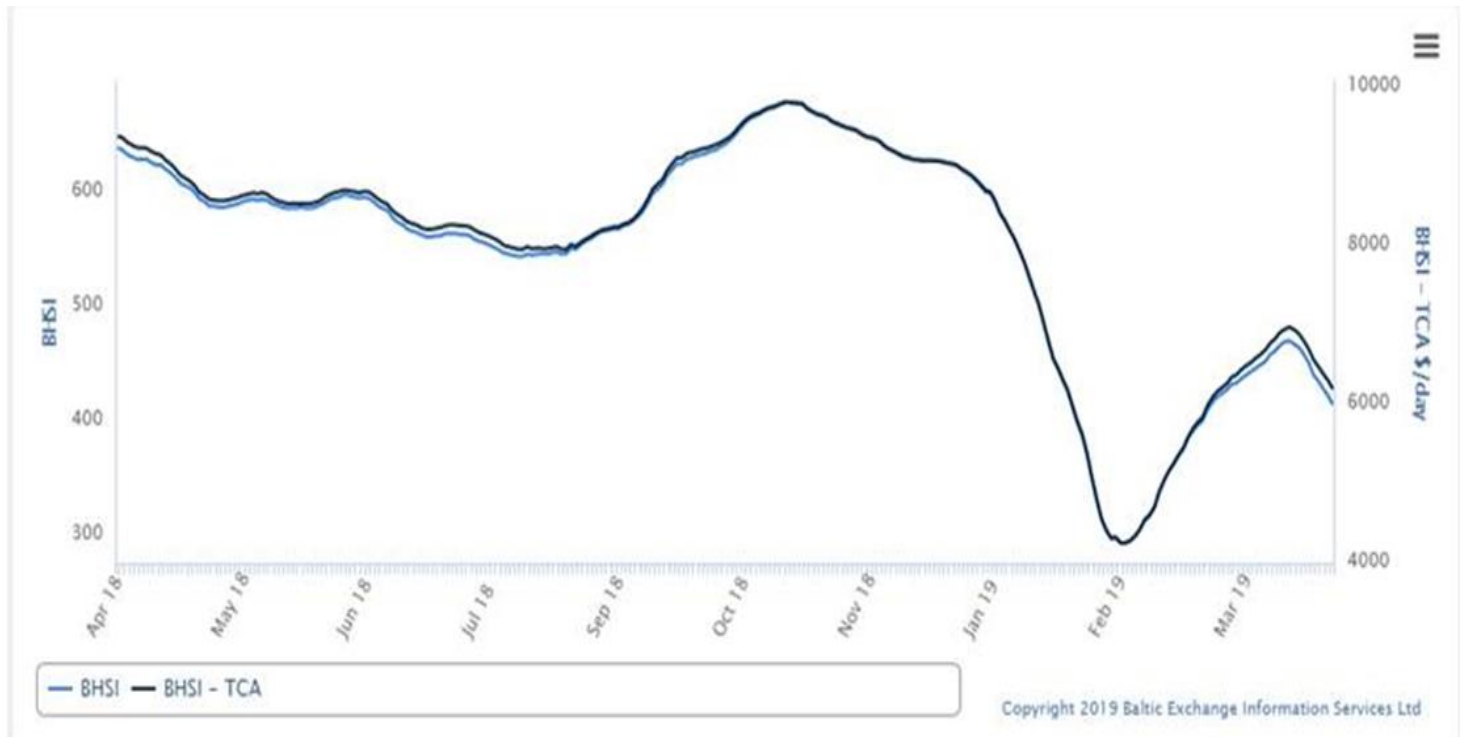
Baltic Supramax Vessel Index



Supramax Dry-Bulk Forward Curv



Baltic Handy Size

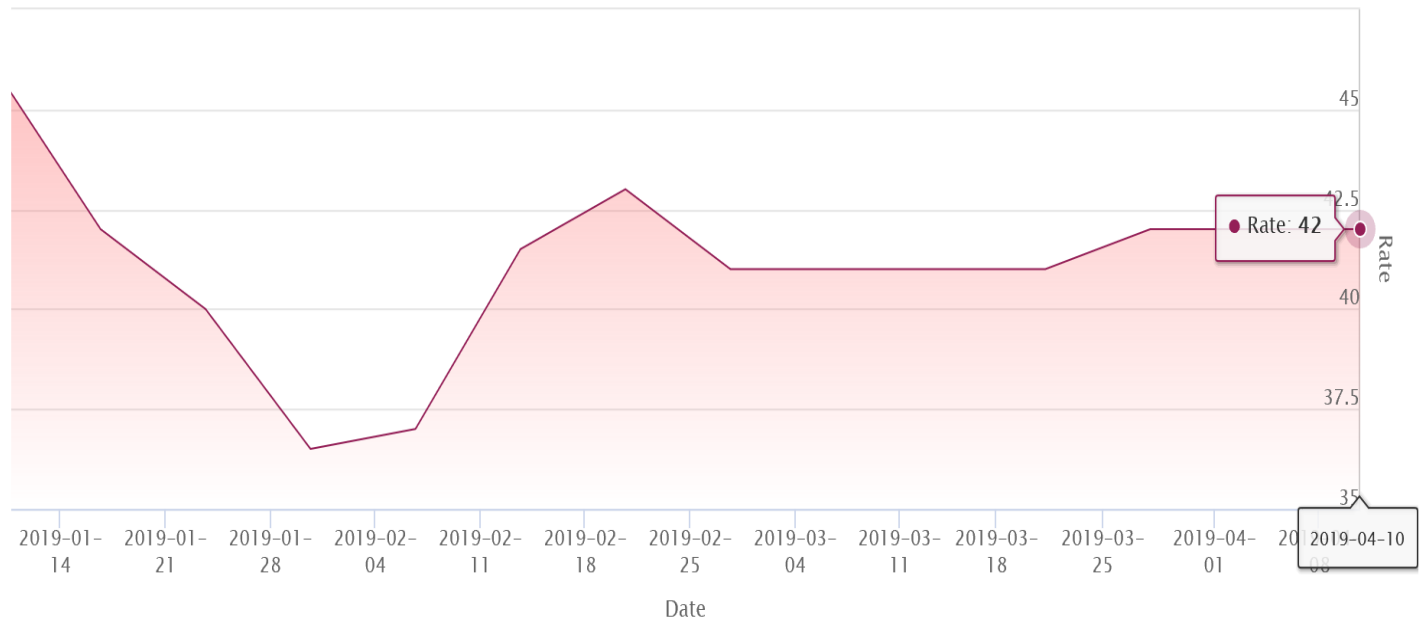


YAMAMIZU Index



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

From 2019-01-10 To 2019-04-10



China Import Dry Bulk Freight Index(CDFI)

2019-04-11

Route	Size MT	Cargo/Vessel Size	Unit	Rate	Change
Composite Index			Point	705.44	-0.70
Iron ore Freight Index			Point	613.31	2.27
Soybean Freight Index			Point	919.76	-5.52
Santos(Brazil)—North China	60000/10%	Soybean	\$/ton	31.160	-0.296
Tacoma(West America)—North China	60000/10%	Soybean	\$/ton	22.260	-0.151
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	41.219	-0.033
Mississippi(US Gulf)—North China	55000/10%	Soybean	\$/ton	42.906	-0.089

11 April 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
May	0.61	\$165.74	1.05	\$183.06
June	0.53	\$166.03	0.94	\$182.17
July	0.54	\$166.43	0.95	\$182.57
Aug.	0.52	\$168.79	0.94	\$185.32
Sept.	0.57	\$170.76	0.98	\$186.90
Oct.	0.50	\$172.63	0.93	\$189.56

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
May	0.95	\$179.12	0.80	\$173.22
June	0.95	\$182.57	0.75	\$174.69
July	0.95	\$182.57	0.75	\$174.69
Aug.	0.95	\$185.72	0.70	\$175.88
Sept.	1.00	\$187.69	0.75	\$177.84

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

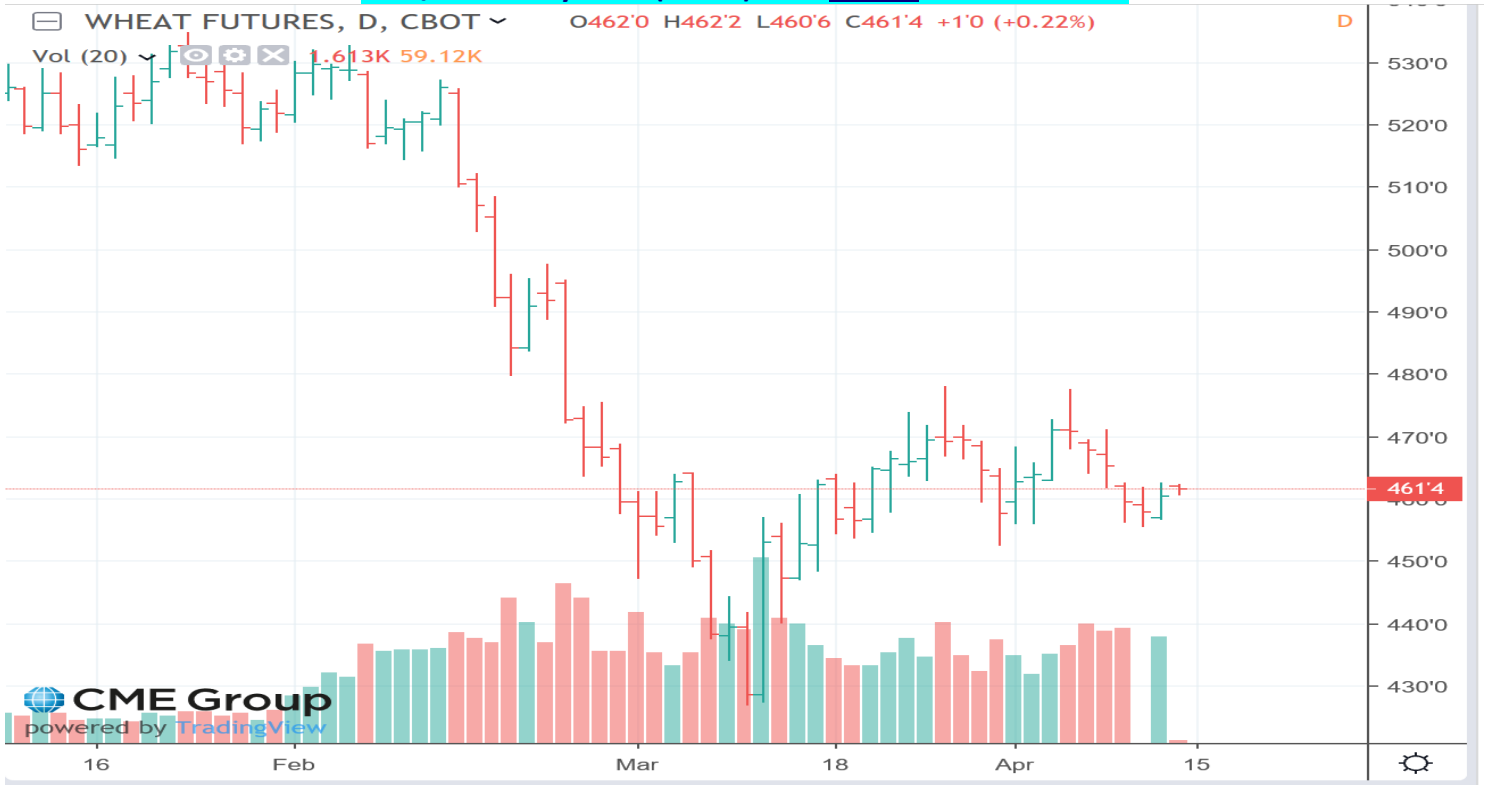
SRW Wheat	USD/MT	Fob Vessel	US Gulf	
	May	June	July	Aug.
FOB U.S. GULF	\$204.11	\$202.27	\$202.27	\$205.03
Basis	0.95	0.85	0.85	0.85
WK	4.6050			
WN	4.6550			
WU	4.7300			

CME Futures Market Close						
CORN Month	Futures Symbol	Thursday Close Bushel	Thursday Close MT.	Last week Bushel	Last Week MT.	Difference Bushel
May	CK	\$3.6000	\$141.72	\$ 3.6525	\$143.79	(\$0.0525)
July	CN	\$3.6875	\$145.17	\$ 3.7425	\$147.33	(\$0.0550)
Sept.	CU	\$3.7675	\$148.32	\$ 3.8250	\$150.58	(\$0.0575)
Dec.	CZ	\$3.8850	\$152.94	\$ 3.9225	\$154.42	(\$0.0375)
March	CH	\$4.0225	\$158.36	\$ 4.0600	\$159.83	(\$0.0375)

CBOT May 2019 (CK19) Corn Futures Chart –



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



U.S. Soybean and SBM Markets Fob Vessel:

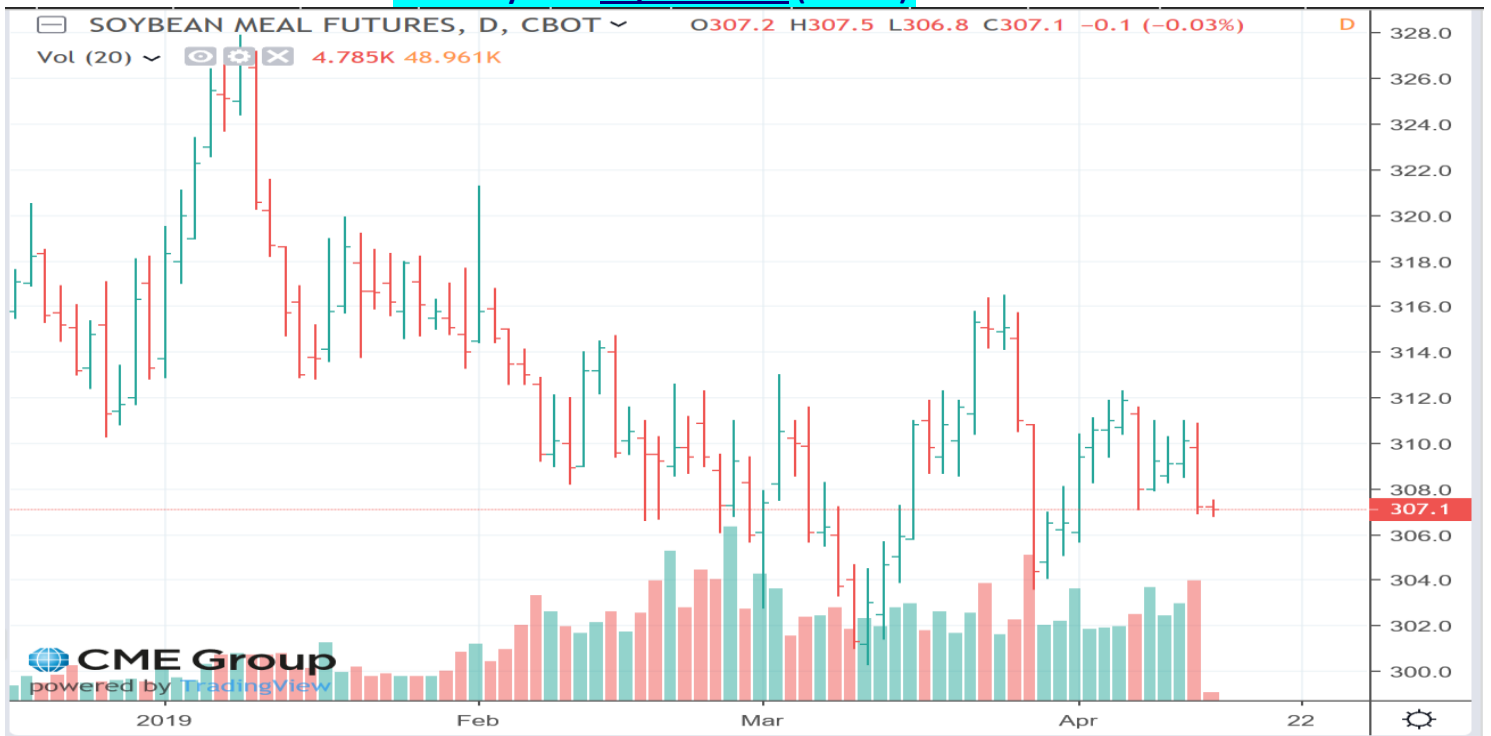
U.S. Yellow Soybeans (USD/MT) FOB Vessel				
# 2 YSB	U.S. Gulf #2 YSB		PNW #2 YSB	
14.0 % Moisture	Basis	Flat Price	Basis	Flat Price
May	0.36	\$342.17	0.85	\$360.18
June	0.30	\$344.93	0.80	\$363.30
July	0.37	\$347.50	0.85	\$365.14
Aug.	0.38	\$349.98	0.85	\$367.25
Sept.	0.40	\$352.37	0.85	\$368.90
Soybean Futures				
May	\$ 8.9525			
July	\$ 9.0875			
Aug.	\$ 9.1450			
Sept.	\$ 9.1900			
Nov.	\$ 9.2825			
Jan.	\$ 9.3825			

U.S. SBM (USD/MT) FOB Vessel		
Fob U.S. Gulf Port	47.5 Pro. SBM	
max 12.5 % moisture	Basis	Flat Price
May	6.00	\$ 345.30
June	4.00	\$ 343.10
July	2.00	\$ 345.08
Aug.	2.00	\$ 345.08
Sept.	2.00	\$ 346.85
SBM Futures		
SMK	307.20	
SMN	311.00	
SMQ	312.60	
SMU	314.20	
SMV	315.60	
SMZ	318.40	

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 28 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	811.3	43,195.4	60,330	72%	2,011.4
Sorghum	63.1	1,010.4	2,160	47%	0.0
Soybeans	2037.8	43,639.8	51,030	86%	742.6
Wheat	731.0	24,323.7	26,260	93%	1,192.4
Barley	0.0	59.4	110	54%	31.6

U.S. EXPORT INSPECTIONS:

Monday's report 08 April 2019 for the Export week ending 04 April 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	1,035,423	1,259,267	30,714,750	26,509,043	116%
Sorghum	16,636	58,354	1,052,926	4,169,788	25%
Soybeans	888,160	731,590	30,187,372	41,905,536	72%
Wheat	538,808	454,287	19,389,025	20,357,155	95%
Barley	0	1,200	9,010	21,071	43%

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

U.S. EXPORT INSPECTIONS:

Monday's report 08 April 2019 for the Export week ending 04 April 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%	62,407	7%
Gulf	574,856	56%	10,705	97%	0	0%	308,950	35%
PNW	306,716	30%	294	3%	3,000	18%	394,451	44%
Interior Export Rail	142,852	14%	0	0%	13,636	82%	122,352	14%
Metric Tons	1,024,424		10,999		16,636		888,160	

Sorghum Shipments: metric tons

3,000	Japan
13,636	Mexico
16,636	Total

White Corn metric tons

Shipments:	7,974	El Salvador
	2,731	Guatemala
	294	Korea Rep
	10,999	Total

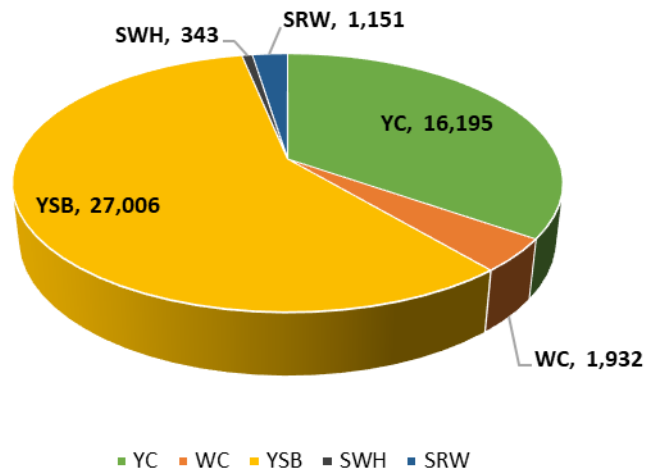
Export Inspection Highlights

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).*

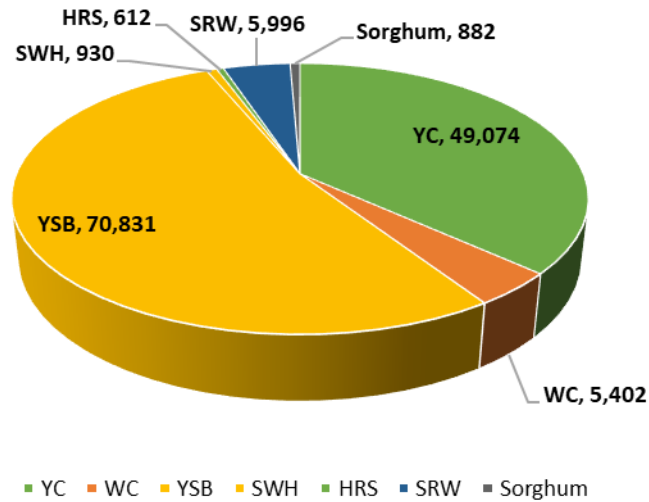
CONTAINER SHIPMENTS of GRAIN									
USDA Grain Inspections Report:		4-Apr-2019							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	SWH	HRW	Sorghum	TOTAL
China Main			416						416
China T	27,964		12,021	367					40,352
Hong Kong	1,028								1,028
Costa Rica									0
Indonesia			9,932						9,932
French Poly									0
Japan	49		807						856
Korea Republic	2,350		832	245					3,427
Nepal			3,207						3,207
Malaysia	367		9,722						10,089
Burma			612						612
Philippines	294		2,032						2,326
Thailand			11,412						11,412
Qatar	686								686
Bangladesh									0
Vietnam			7,197						7,197
Sub total	32,738	0	58,190	612	0	0	0	0	83,657
USDA Corrections/Additions to previous reports:									
China T	(9,781)								-9,781
China Main									0
Hong Kong									0
Korea Rep.									0
Nepal									0
Japan									0
Philippines									0
Indonesia			294						294
Malaysia									0
Thailand									0
Vietnam									0
Canada									0
Bangladesh									0
Sub total	-9,781	0	294	0	0	0	0	0	-9,487
Mt. Grand Total	22,957	0	58,484	612	0	0	0	0	74,170
Number of containers	998	0	2,543	27	0	0	0	0	

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

2019 YTD Container Shipments to South Korea



2018 Container Shipments to South Korea



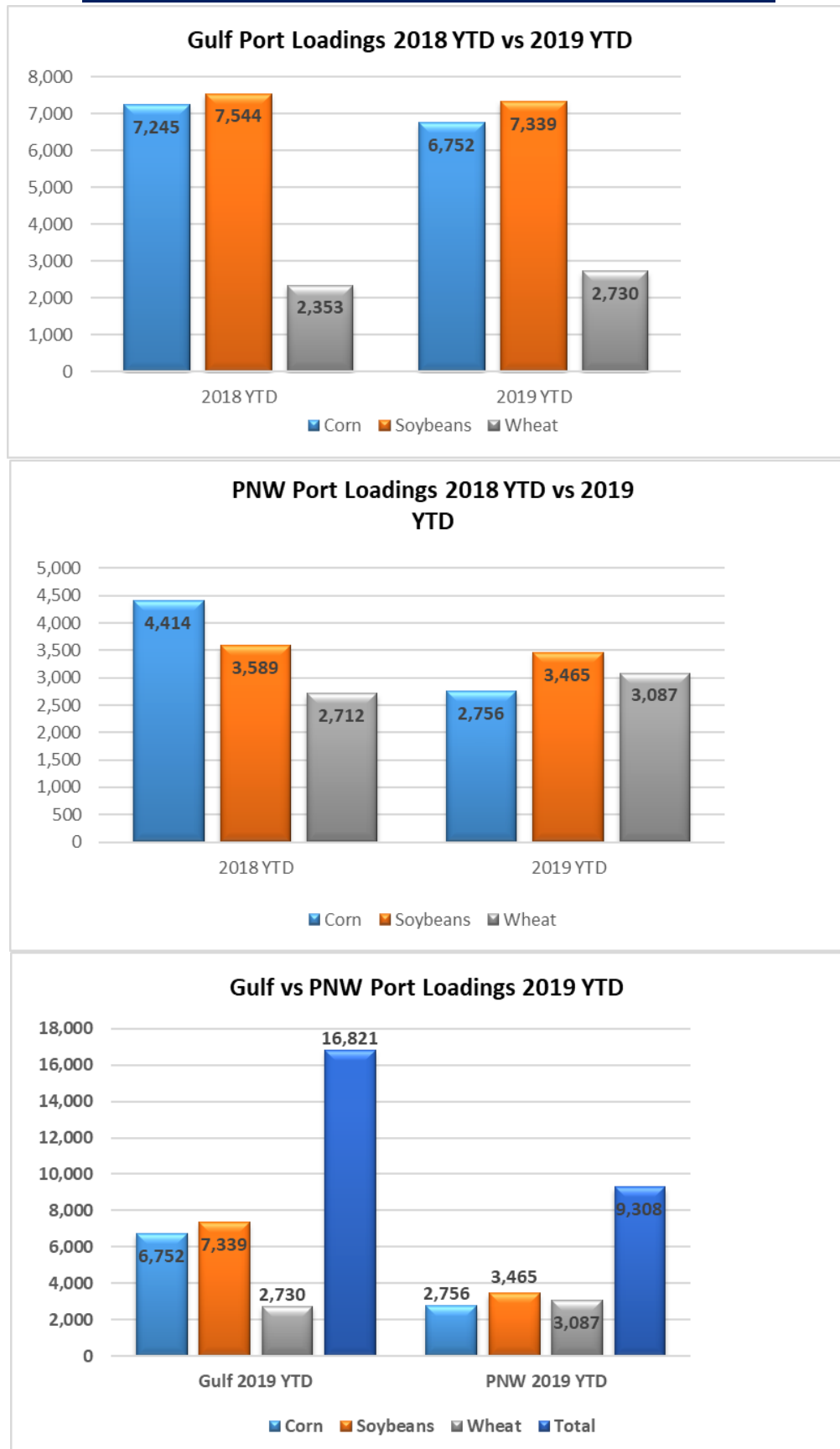
Grain Inspections for Export by U.S. Port Regions:
U.S. Gulf and Pacific Northwest 2018 YTD vs. 2019 YTD

PORT LOADINGS US Gulf				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
GULF				
2018 YTD	7,245	7,544	2,353	17,142
2019 YTD	6,752	7,339	2,730	16,821
2019 as % of 2018	93%	97%	116%	98%

PORT LOADINGS US PNW				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
PNW				
2018 YTD	4,414	3,589	2,712	10,715
2019 YTD	2,756	3,465	3,087	9,308
2019 as % of 2018	62%	97%	114%	87%

PORT LOADINGS GULF vs. PNW				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
2019 Gulf YTD	6,752	7,339	2,730	16,821
2019 PNW YTD	2,756	3,465	3,087	9,308
TOTAL	9,508	10,804	5,817	26,129
Gulf Percentage	71%	68%	47%	64%
PNW Percentage	29%	32%	53%	36%

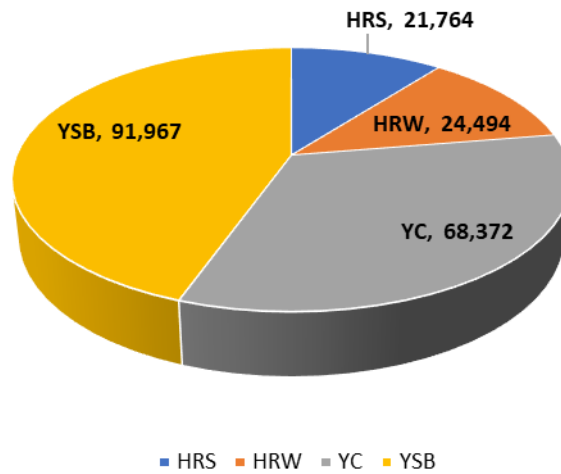
Grain Inspections for Export by U.S. Port Regions (1,000MT):
U.S. Gulf and Pacific Northwest 2018 YTD vs. 2019 YTD



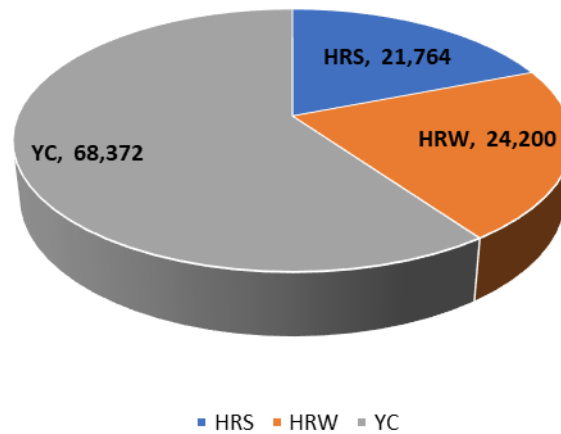
Source: USDA-data

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

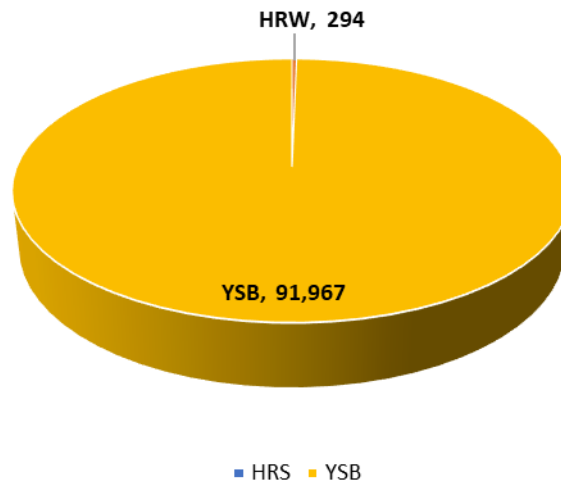
2019 YTD Exports to Vietnam



YTD Exports to Vietnam by Vessel

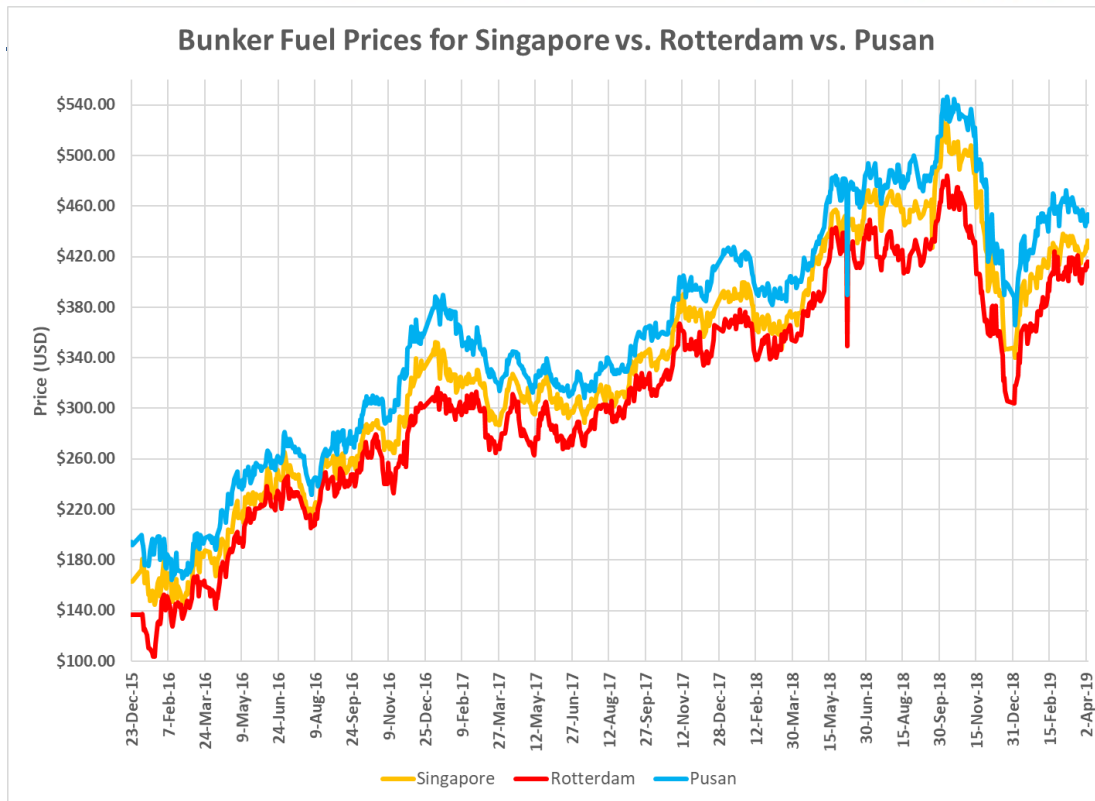
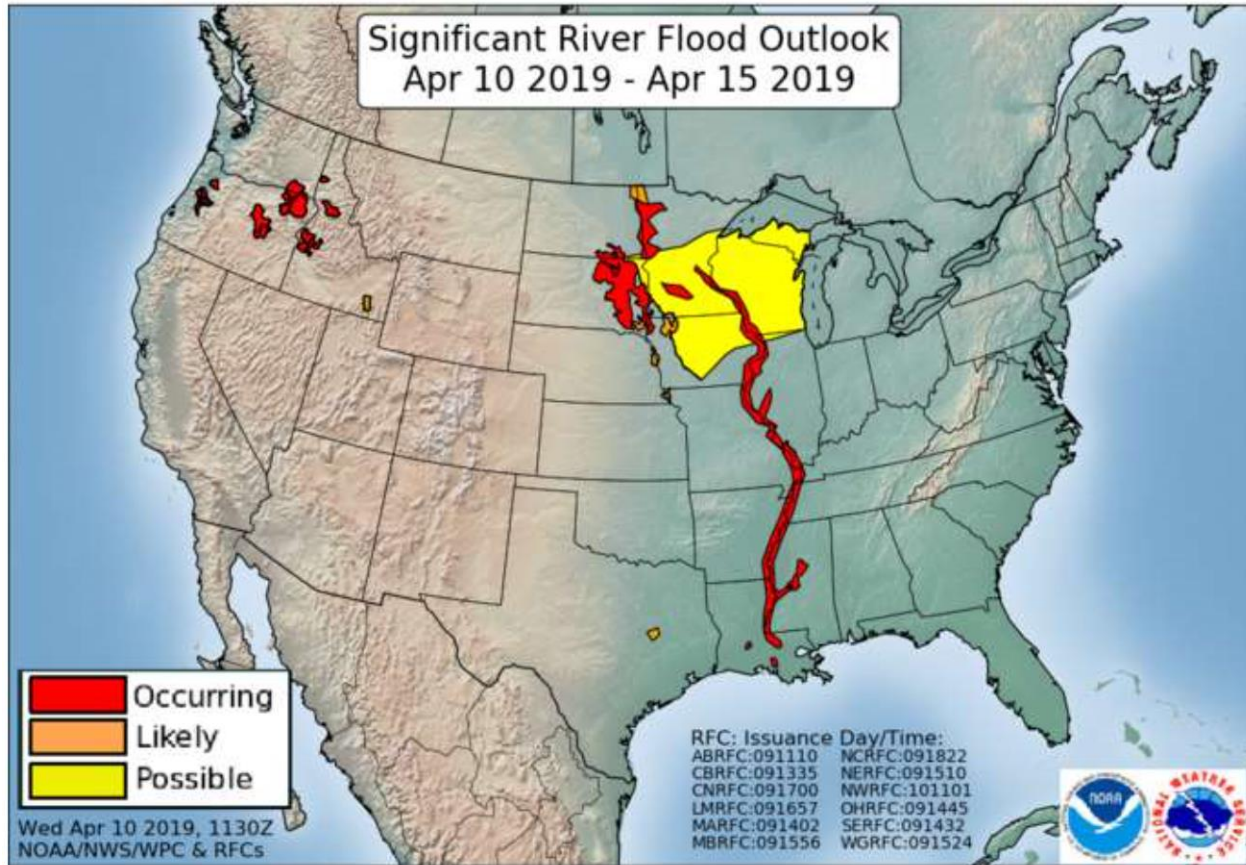


YTD Exports to Vietnam by Container



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

Shipping News



China thermal coal imports to fall 10 million-12 million tonnes in 2019 https://www.drycargomag.com/china-thermal-coal-importsto-fall-10-million-12-million-tonnes-in-2019?utm_source=dlvr.it&utm_medium=twitter ...

Here is my Team in Portland Oregon-



IGP Institute

79 followers

23h



The Grain Purchasing participants are back in the classroom today after a long weekend in Portland, Oregon, visiting a grain export facility.



China Containerized Freight Index



U.S. RIVER BARGE FREIGHT

Current Barge Freight for Placement First Half May 2019

Placement FH May 2019	% of Tariff	MT	Corn BU	Soybeans-Wheat BU
Upper Mississippi	435	\$ 29.68	0.75	0.81
Illinois River (Pekin and South)	395	\$ 20.94	0.53	0.57
Mid-Mississippi	405	\$ 23.75	0.60	0.65
Lower Ohio	340	\$ 16.72	0.42	0.45
St. Louis	290	\$ 12.75	0.32	0.35

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

Secondary Rail Car Market Placement FH. May 2019	BID USD	ASK USD	BID BU.	ASK BU.	BID MT	ASK MT
BNSF Shuttle Trains	\$ -	\$ 100.00	\$ -	\$ 0.03	\$ -	\$ 0.98
UPRR Shuttle Trains	\$ (100.00)	\$ 50.00	\$ (0.03)	\$ 0.01	\$ (0.98)	\$ 0.49

Best Regards,

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