

Transportation and Export Report for 18 April 2019

Ocean Freight Insights and Comments:

Dry-Bulk ocean freight markets mostly steamed around in circles this week. Markets did move slightly higher early in the week but lost momentum at week's end. We are now entering the Easter week three-day holiday period and must expect things to remain rather quiet until everyone returns to work on Monday. Container shipping companies are trying to prepare for the year end IMO2020 regulations deadline and are attempting to place a \$150/TEU fuel sur-charge into their Q4 contracts. We will have to see if BCO's accept this and which carriers hold the line on the charges.

The US Texas Gulf will lose one grain export facility June 1 as the Corpus Christi public elevator switches over to liquid/oil cargo.

BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices				
18-Apr-19	This Week	Last Week	Difference	Percent Change
P2A : Gulf/Atlantic - Japan	16825	15909	916	5.8%
P3A - PNW/Pacific - Japan	7621	6632	989	14.9%
S1C -USGULF-China-So.Japan	17144	17056	88	0.5%
P7- Trial-Miss. Rive - Qingdao	41792	41393	399	1.0%
P8- Trial-Santos - Qingdao	31688	31160	528	1.7%

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	\$5.00-\$5.40

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

Mississippi River:	(10 elevators)	3-6 days
Miss. River Mid-Stream loaders:	(6+ Rigs)	0-5 days
Texas Gulf	(6 elevators)	0-7 days (Going to lose one Facility for Grain June1)
Pacific Northwest:	(9 elevators)	4-22 days (only 1 facility over 8 days)

Panamax Market Spreads to Asia -China					
18-Apr-19	PNW	GULF	Bushel Spread	MT Spread	Advantage
CORN	1.03	0.62	0.41	\$16.14	PNW
SOYBEANS	0.85	0.38	0.47	\$18.50	Both
OCEAN FREIGHT	\$22.50	\$41.25	.48 -.51	\$18.75	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	\$23.00	Down \$0.50	Handymax \$23.50 mt
66,000 U.S. Gulf – China PNW to China	\$41.25 \$22.50	Up \$0.25 Down \$0.50	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	\$15.25	Up \$0.25	Handymax at +\$1.75 more
Brazil, Santos – China Brazil, Santos – China Itacoatiara-Port Up River North Brazil	\$31.75 \$32.00 \$5.75	Down \$0.50	54-59,000 Supramax-Panamax 60-66,000 Post Panamax 60-66,000 mt
56-60,000 Argentina/Rosario- China Deep Draft	\$35.00	Down \$0.50	Up River with BB Top Off \$38.00

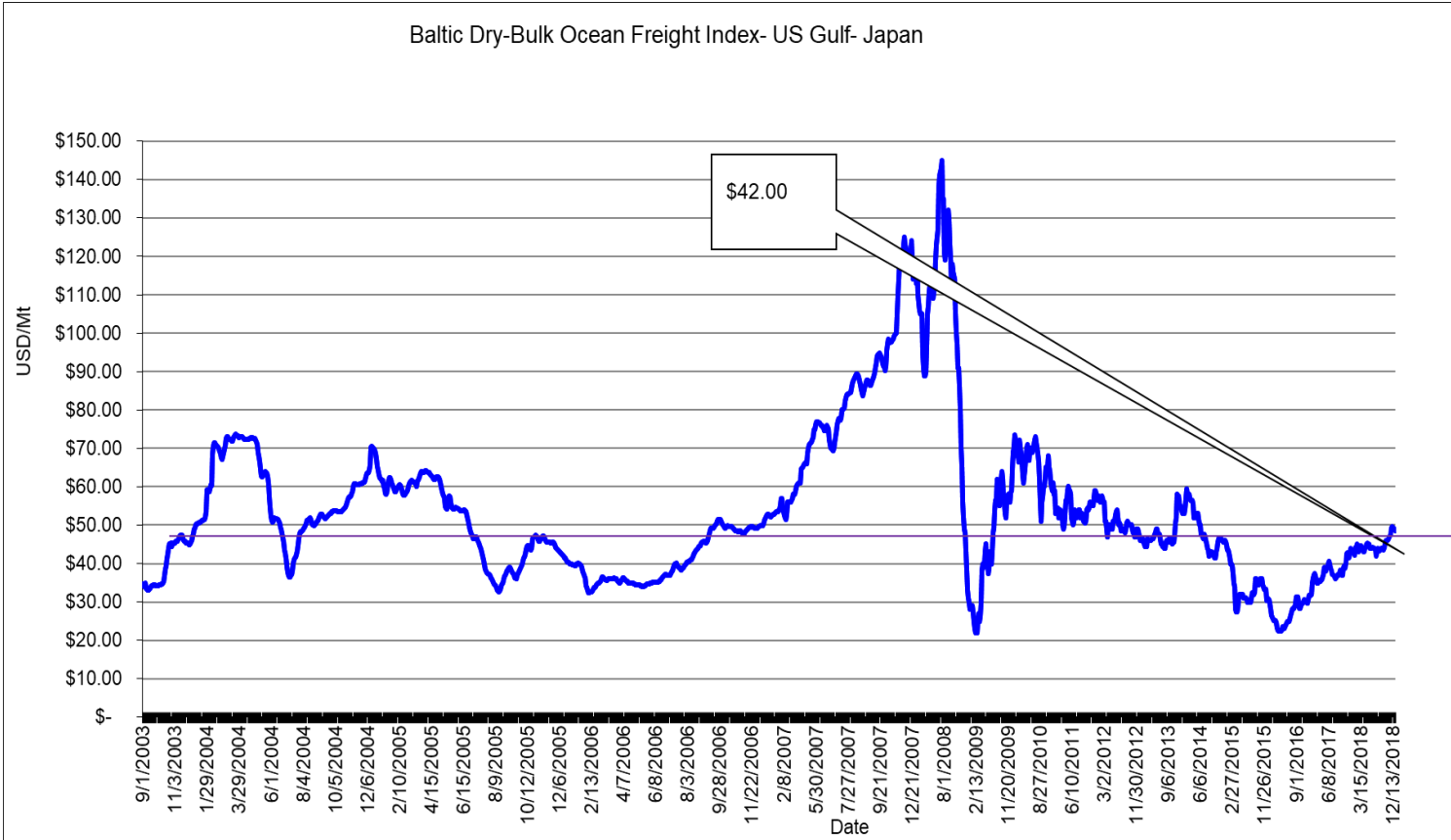
- The above rate estimates reflect the 30-45-day forward ocean freight markets.

Nautical Miles: To Xiamen China (South China)

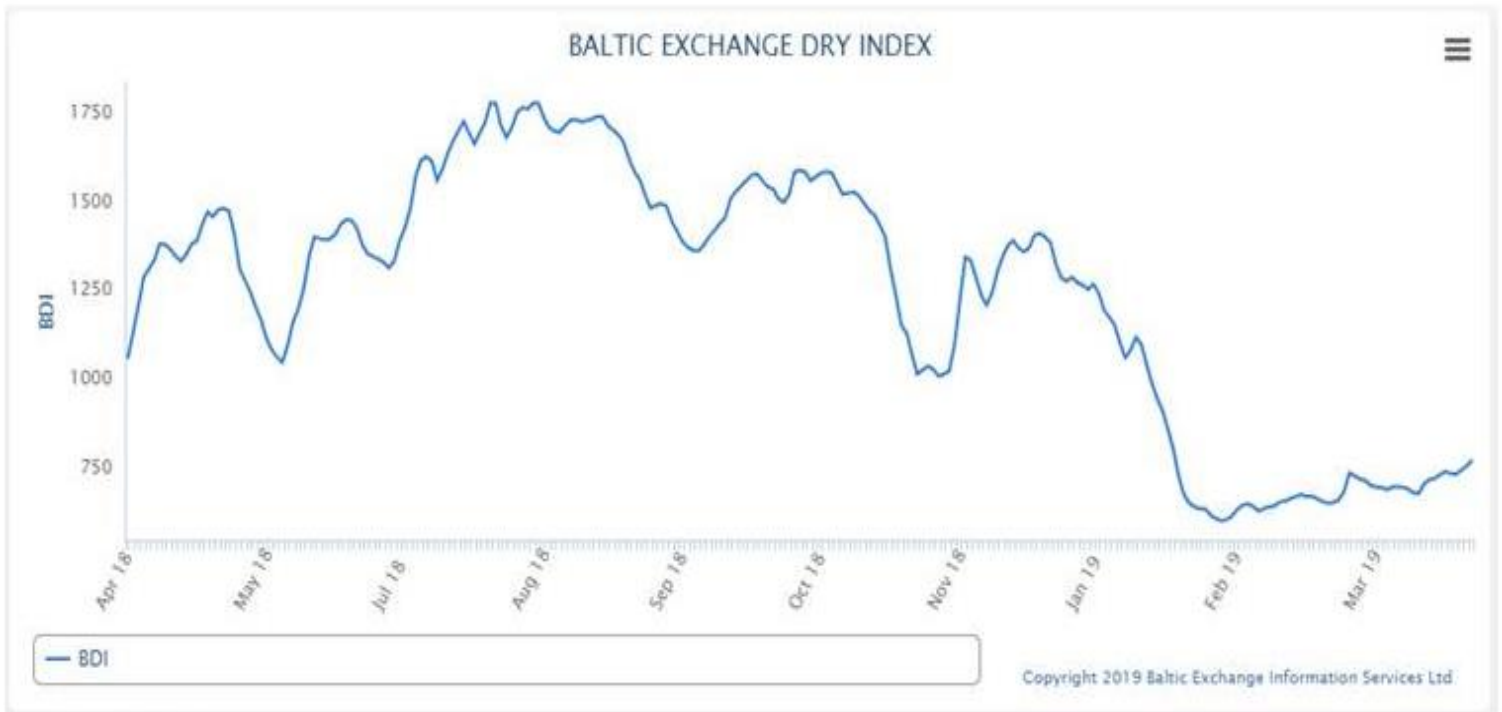
US Gulf (NOLA) (via Panamá Canal) – 10,232 nautical miles (32 days)

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

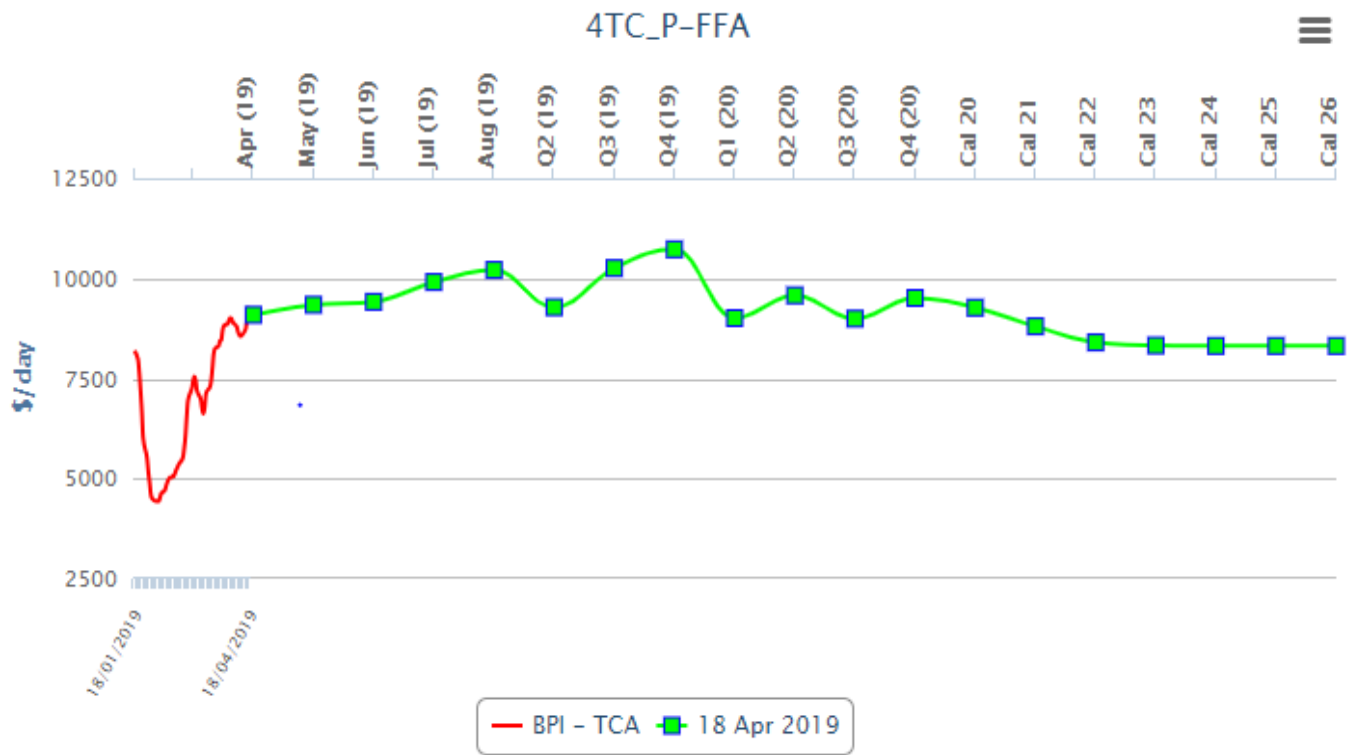
Rosario Argentina (via Cape Horn) - 10,751 nautical miles (34 days)



Baltic Dry Index.

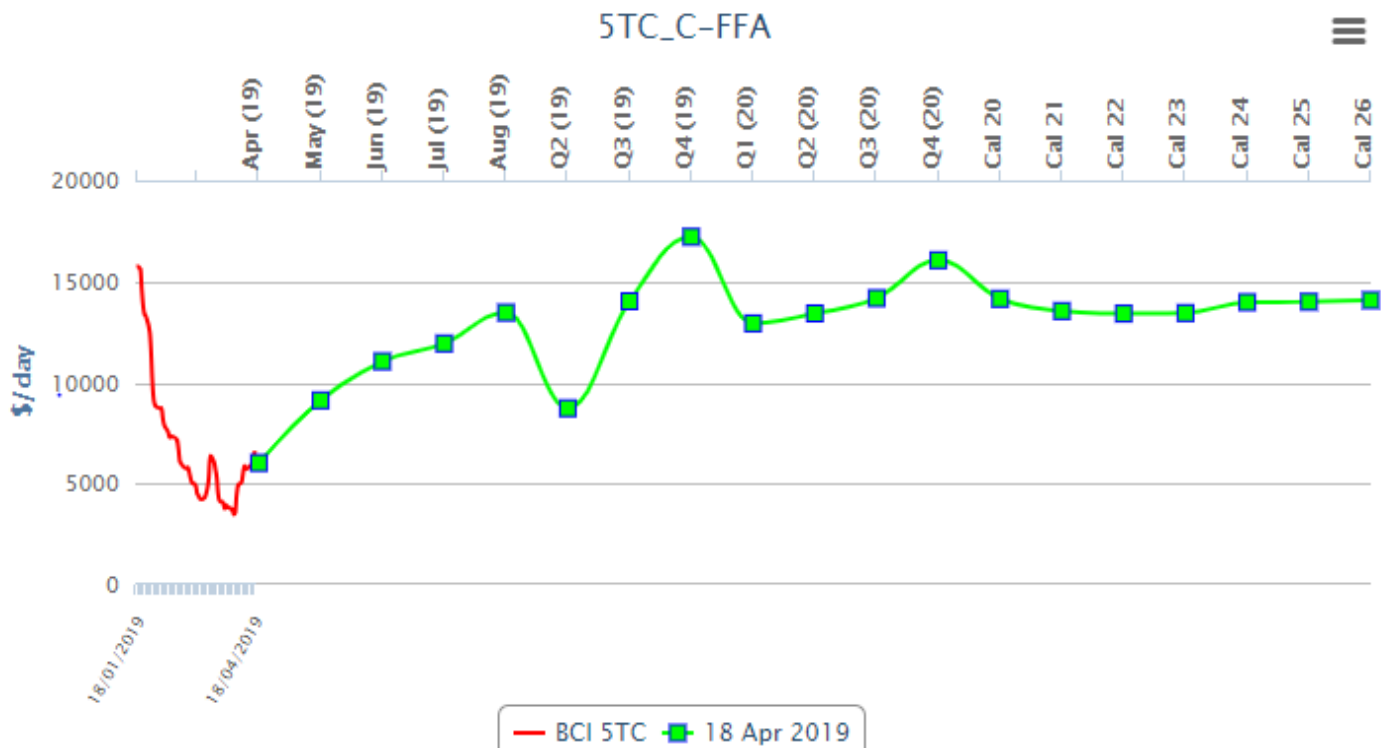


Baltic Panamax Forward Curve Chart



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Baltic Capesize Index



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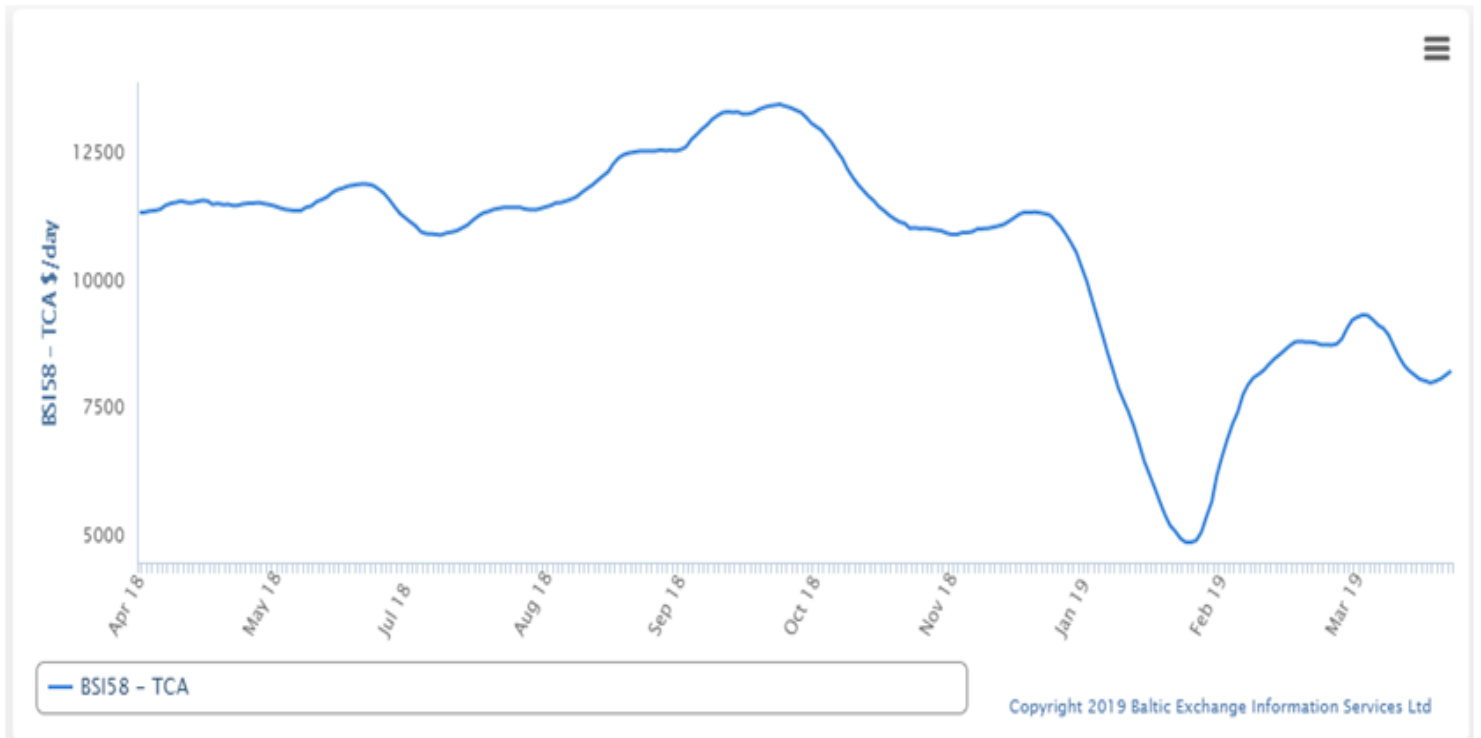
Baltic Panamax Index

Panamax

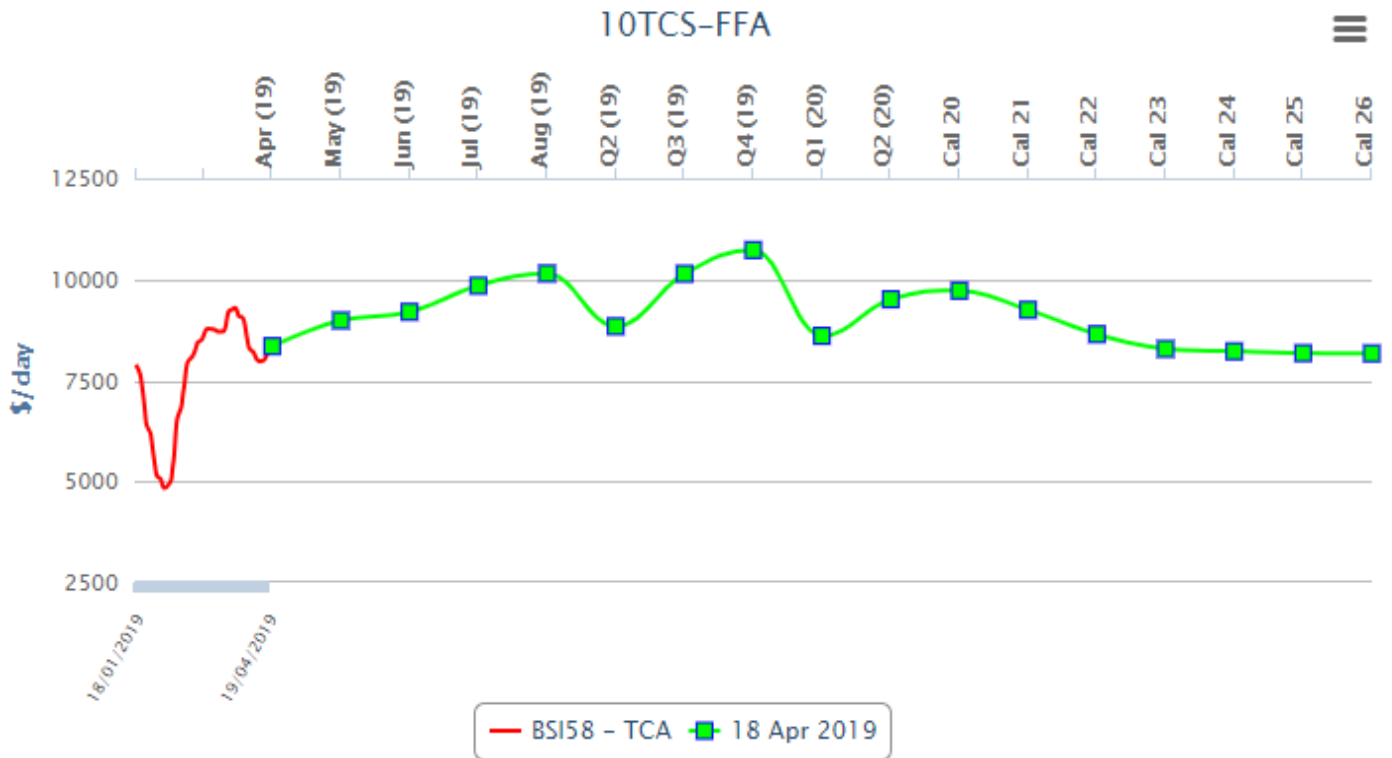


Baltic Supramax Vessel Index

Supramax



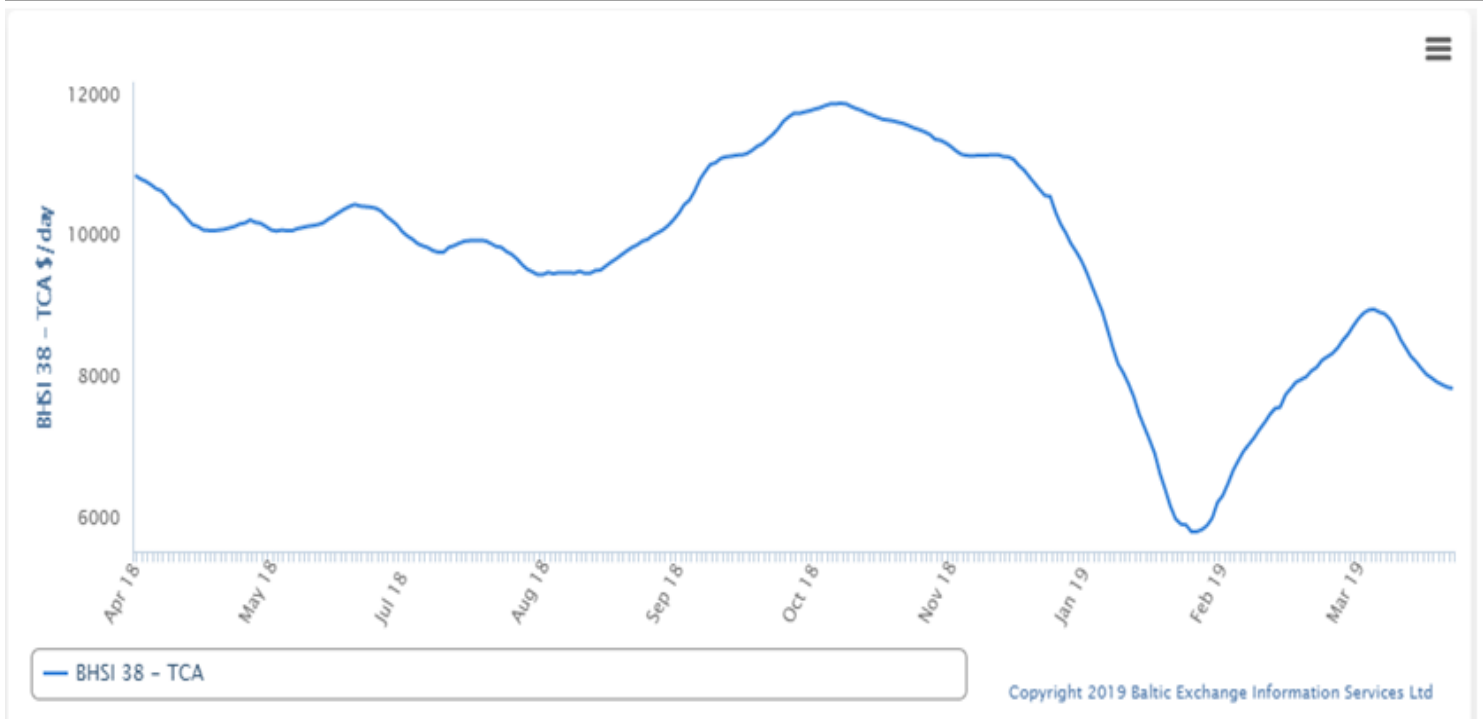
Supramax Dry-Bulk Forward Curv



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Baltic Handy Size

Handysize



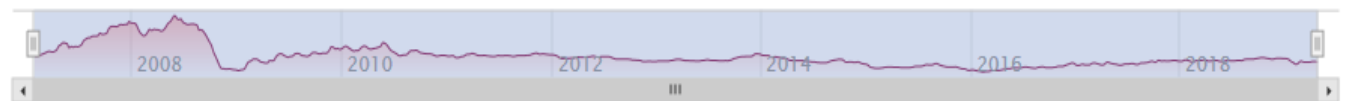
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YAMAMIZU Index



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

From 2007-01-29 To 2019-04-17



China Import Dry Bulk Freight Index(CDFI)

2019-04-18

Route	Size MT	Cargo/Vessel Size	Unit	Rate	Change
Composite Index			Point	725.64	3.79
Iron ore Freight Index			Point	631.36	1.49
Soybean Freight Index			Point	930.52	2.74
Santos(Brazil)—North China	60000/10%	Soybean	\$/ton	31.635	0.085
Tacoma(West America)—North China	60000/10%	Soybean	\$/ton	22.410	0.060
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	41.607	0.152
Mississippi(US Gulf)—North China	55000/10%	Soybean	\$/ton	43.213	0.121

18 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	0.62	\$165.54	1.03	\$181.68
June	0.53	\$165.44	0.93	\$181.19
July	0.54	\$165.84	0.95	\$181.98
Aug.	0.51	\$167.71	0.92	\$183.85
Sept.	0.56	\$169.68	0.97	\$185.82
Oct.	0.50	\$171.74	0.91	\$187.88

The Gulf spread between #2 & #3 YC is currently about .025 cents per bushel (0.98/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	\$178.53	0.80	\$172.63
June	0.95	\$181.98	0.80	\$176.07
July	0.95	\$181.98	0.85	\$178.04
Aug.	0.95	\$185.03	0.75	\$177.16
Sept.	1.00	\$187.00	0.80	\$179.12

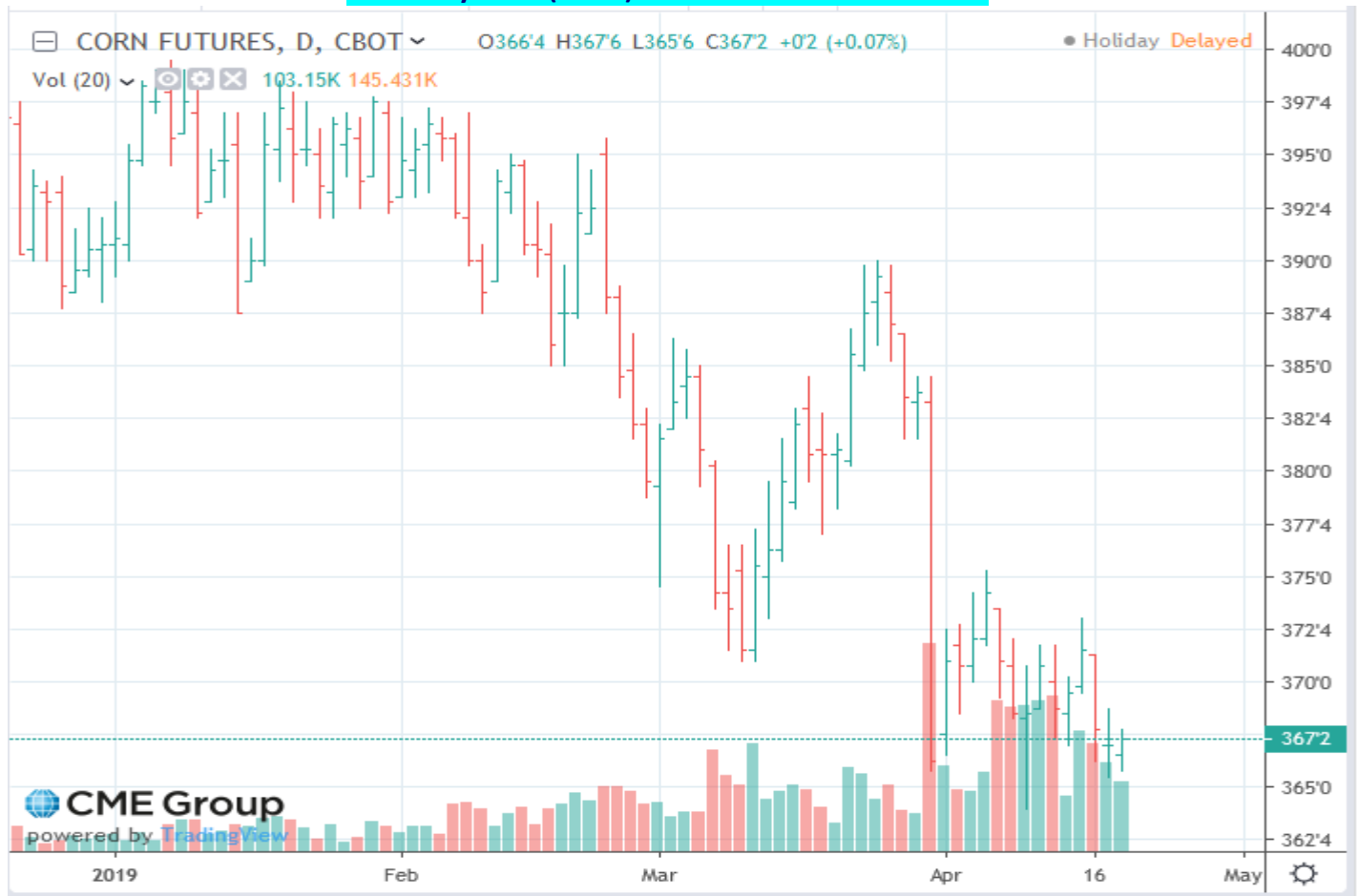
Fob vessel Texas Gulf #2 Sorghum is about 104 % the value of #2 Yellow Corn at NOLA.

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	\$198.14	\$195.93	\$195.93	\$198.32
Basis	0.95	0.85	0.85	0.85
WK	4.4425			
WN	4.4825			
WU	4.5475			

CME Futures Market Close						
CORN	Futures	Thursday	Thursday	Last week	Last Week	Difference
Month	Symbol	Close	Close	Bushel	MT.	Bushel
May	CK	\$3.5850	\$141.13	\$ 3.6000	\$141.72	(\$0.0150)
July	CN	\$3.6725	\$144.58	\$ 3.6875	\$145.17	(\$0.0150)
Sept.	CU	\$3.7500	\$147.63	\$ 3.7675	\$148.32	(\$0.0175)
Dec.	CZ	\$3.8625	\$152.06	\$ 3.8850	\$152.94	(\$0.0225)
March	CH	\$4.0025	\$157.57	\$ 4.0225	\$158.36	(\$0.0200)

CBOT July 2019 (CN19) Corn Futures Chart –



CME/CBOT July 2019 (WN19) SRW Wheat Futures Chart –



U.S. Soybean and SBM Markets Fob Vessel:

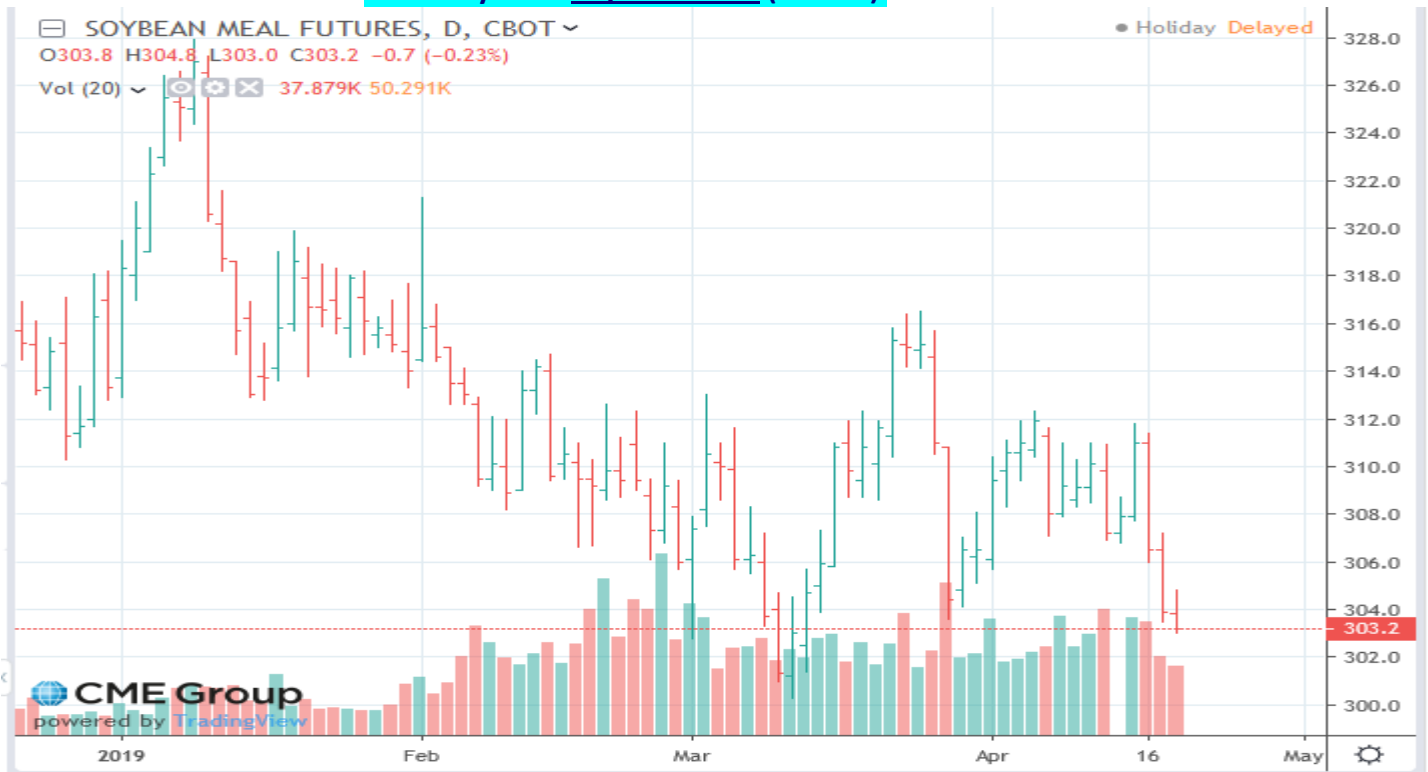
U.S. Yellow Soybeans (USD/MT) FOB Vessel				
# 2 YSB	U.S. Gulf #2 YSB		PNW #2 YSB	
14.0 % Moisture	Basis	Flat Price	Basis	Flat Price
May	0.38	\$337.49	0.85	\$354.76
June	0.33	\$340.70	0.80	\$357.97
July	0.40	\$343.27	0.85	\$359.81
Aug.	0.43	\$346.49	0.85	\$361.92
Sept.	0.44	\$348.60	0.85	\$363.67
Soybean Futures				
May	\$ 8.8050			
July	\$ 8.9425			
Aug.	\$ 9.0000			
Sept.	\$ 9.0475			
Nov.	\$ 9.1350			
Jan.	\$ 9.2375			

U.S. SBM (USD/MT) FOB Vessel		
Fob U.S. Gulf Port	47.5 Pro. SBM	
max 12.5 % moisture	Basis	Flat Price
May	2.00	\$ 336.48
June	2.00	\$ 336.48
July	0.00	\$ 338.25
Aug.	2.00	\$ 340.45
Sept.	2.00	\$ 341.78
SBM Futures		
SMK	303.20	
SMN	306.80	
SMQ	308.00	
SMU	309.50	
SMV	310.90	
SMZ	313.60	

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 04 April 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	759.7	43,743.3	58,420	75%	2,011.4
Sorghum	25.0	1,035.4	2,160	48%	0.0
Soybeans	321.7	43,910.1	51,030	86%	752.6
Wheat	292.2	24,596.7	25,720	96%	1,393.8
Barley	0.0	59.4	110	54%	31.6

U.S. EXPORT INSPECTIONS:

Monday's report 15 April 2019 for the Export week ending 11 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	1,182,140	1,062,381	31,924,526	28,085,236	114%
Sorghum	11,488	16,636	1,064,414	4,286,375	25%
Soybeans	460,667	888,650	30,648,830	42,351,991	72%
Wheat	511,400	554,883	19,917,187	20,862,111	95%
Barley	0	98	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 15 April 2019 for the Export week ending 11 April 2019

Last Week							
(Metric Tons)	YC	%	WC	%	Sorghum	%	Soybeans %
Lakes	0	0%	0	0%	0	0%	24,998 5%
Atlantic	0	0%	0	0%	0	0%	6,760 1%
Gulf	601,426	53%	47,244	100%	0	0%	228,988 50%
PNW	368,925	33%	171	0%	8,700	76%	63,853 14%
Interior Export Rail	164,374	14%	0	0%	2,788	24%	136,068 30%
Metric Tons	1,134,725		47,415		11,488		460,667

Sorghum Shipments:	metric tons	
	8,700	Japan
	367	Haiti
	2,421	Mexico
	11,488	Total

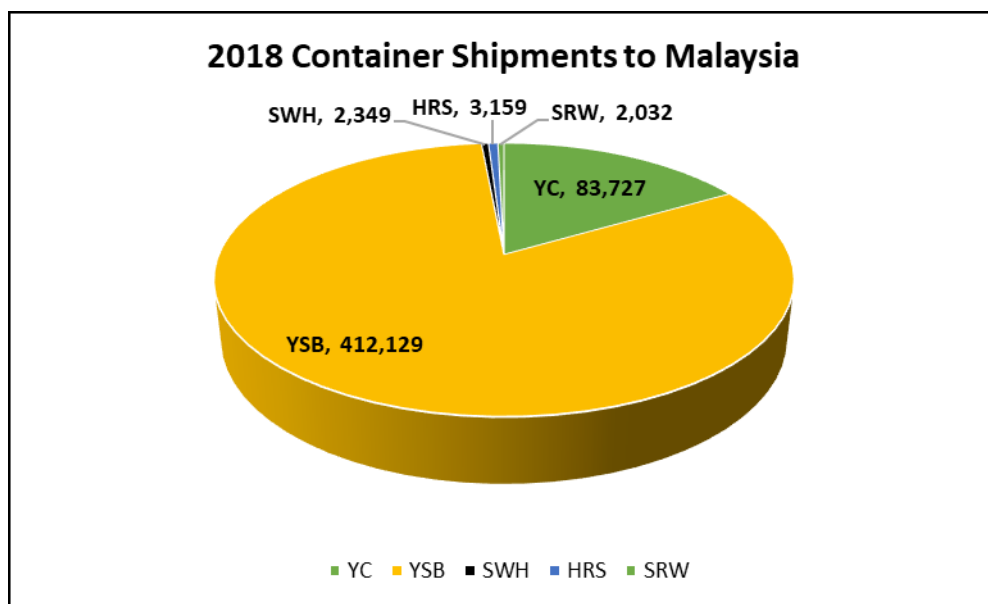
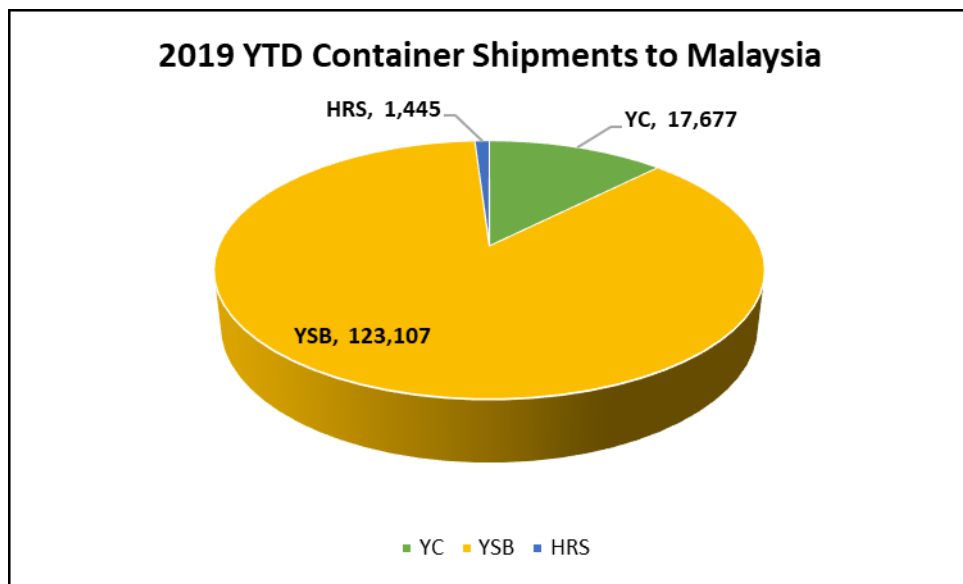
White Corn	metric tons	
Shipments:	7,995	El Salvador
	7,749	Colombia
	31,500	Mexico
	171	Korea Rep
	47,415	Total

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:		11-Apr-2019							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	SWH	HRW	Sorghum	TOTAL
China Main									0
China T	25,461		8,768	196					34,425
Hong Kong	881								881
Costa Rica									0
Indonesia			13,832						13,832
French Poly	318								318
Japan			930						930
Korea Republic	660		3,060	416					4,136
Nepal			7,663						7,663
Malaysia	1,077		5,289						6,366
Haiti								367	367
Philippines	294		2,278						2,572
Thailand			12,956						12,956
Qatar	857								857
Bangladesh									0
Vietnam			5,658						5,658
Sub total	29,548	0	60,434	612	0	0	0	367	84,446
USDA Corrections/Additions to previous reports:									
China T			343						343
China Main			147						147
Hong Kong									0
Korea Rep.									0
Nepal									0
Japan									0
Philippines									0
Indonesia									0
Malaysia									0
Thailand							220		220
Vietnam									0
Canada									0
Bangladesh									0
Sub total	0	0	490	0	0	0	220	0	710
Mt. Grand Total	29,548	0	60,924	612	0	0	220	367	85,156
Number of containers	1,285	0	2,649	27	0	0	10	16	

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



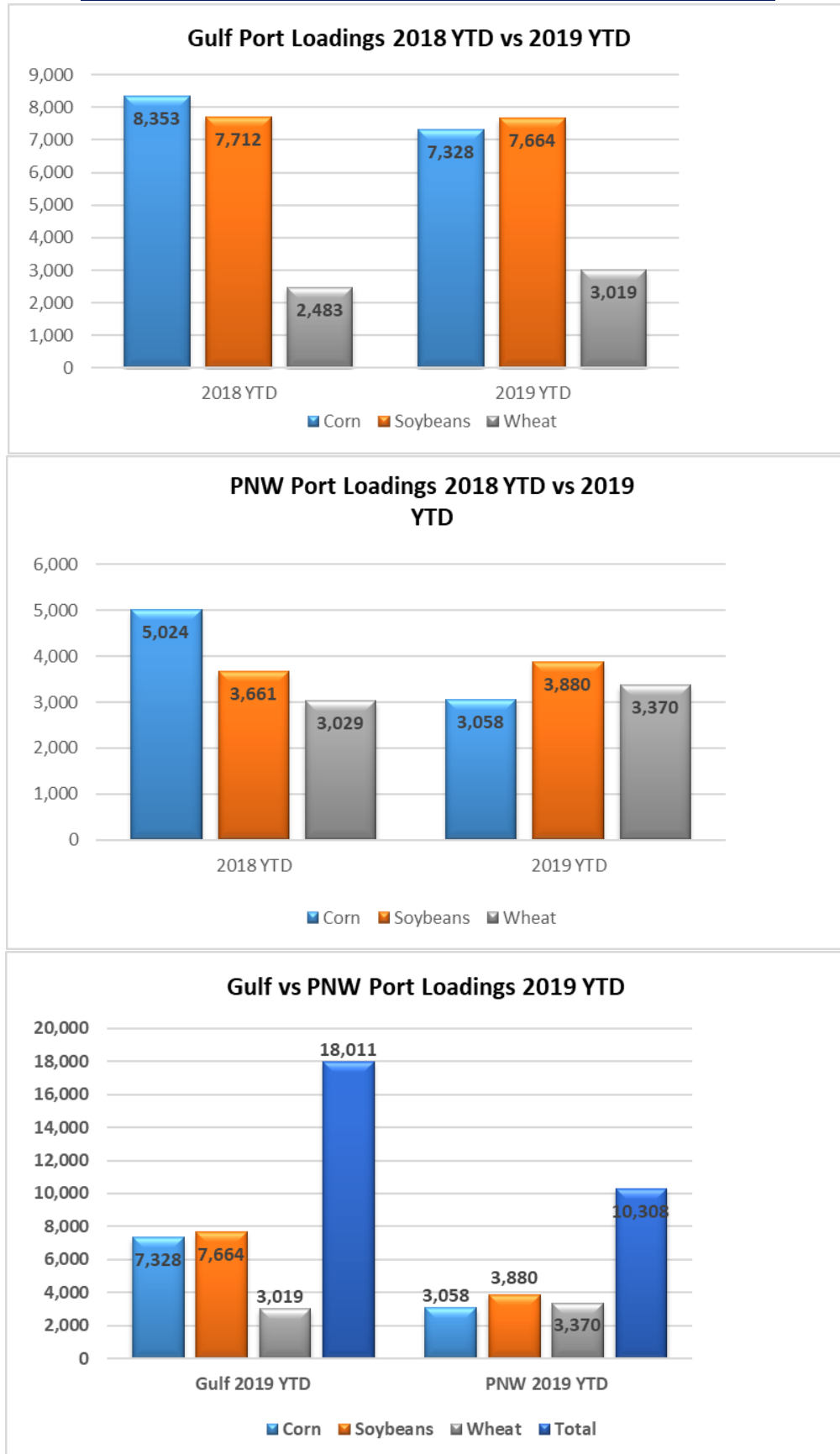
Grain Inspections for Export by U.S. Port Regions:
U.S. Gulf and Pacific Northwest 2018 YTD vs. 2019 YTD

PORT LOADINGS US Gulf				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
GULF				
2018 YTD	8,353	7,712	2,483	18,548
2019 YTD	7,328	7,664	3,019	18,011
2019 as % of 2018	88%	99%	122%	97%

PORT LOADINGS US PNW				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
PNW				
2018 YTD	5,024	3,661	3,029	11,714
2019 YTD	3,058	3,880	3,370	10,308
2019 as % of 2018	61%	106%	111%	88%

PORT LOADINGS GULF vs. PNW				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
2019 Gulf YTD	7,328	7,664	3,019	18,011
2019 PNW YTD	3,058	3,880	3,370	10,308
TOTAL	10,386	11,544	6,389	28,319
Gulf Percentage	71%	66%	47%	64%
PNW Percentage	29%	34%	53%	36%

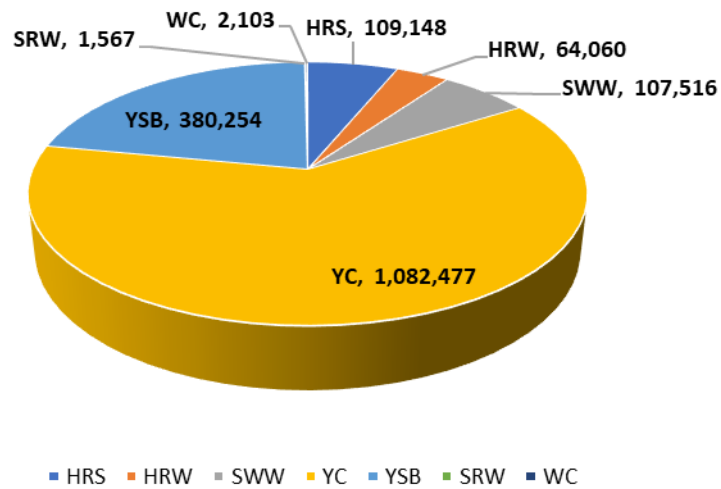
Grain Inspections for Export by U.S. Port Regions (1,000MT):
U.S. Gulf and Pacific Northwest 2018 YTD vs. 2019 YTD



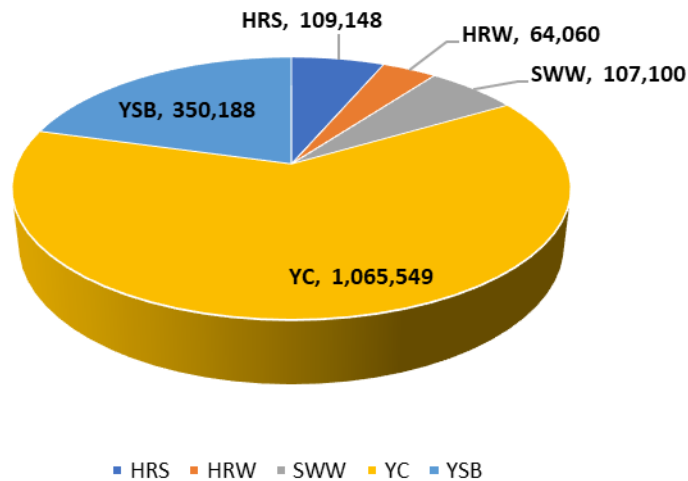
Source: USDA-data

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

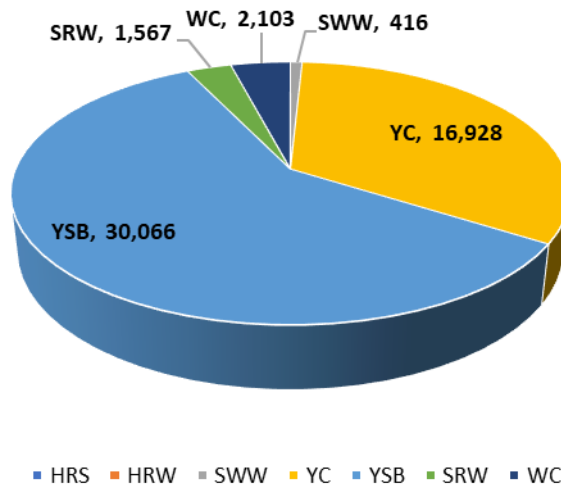
2019 YTD Exports to Korea Rep



YTD Exports to Korea Rep by Vessel



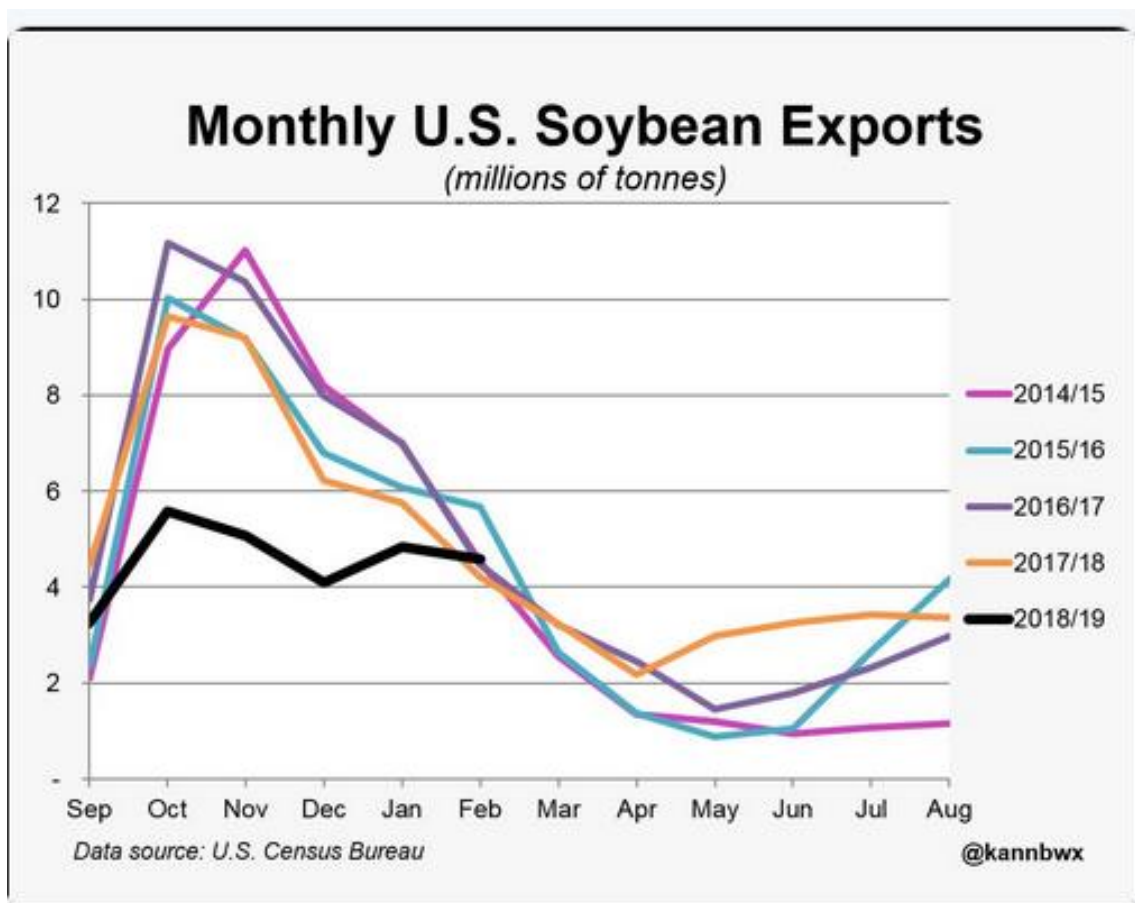
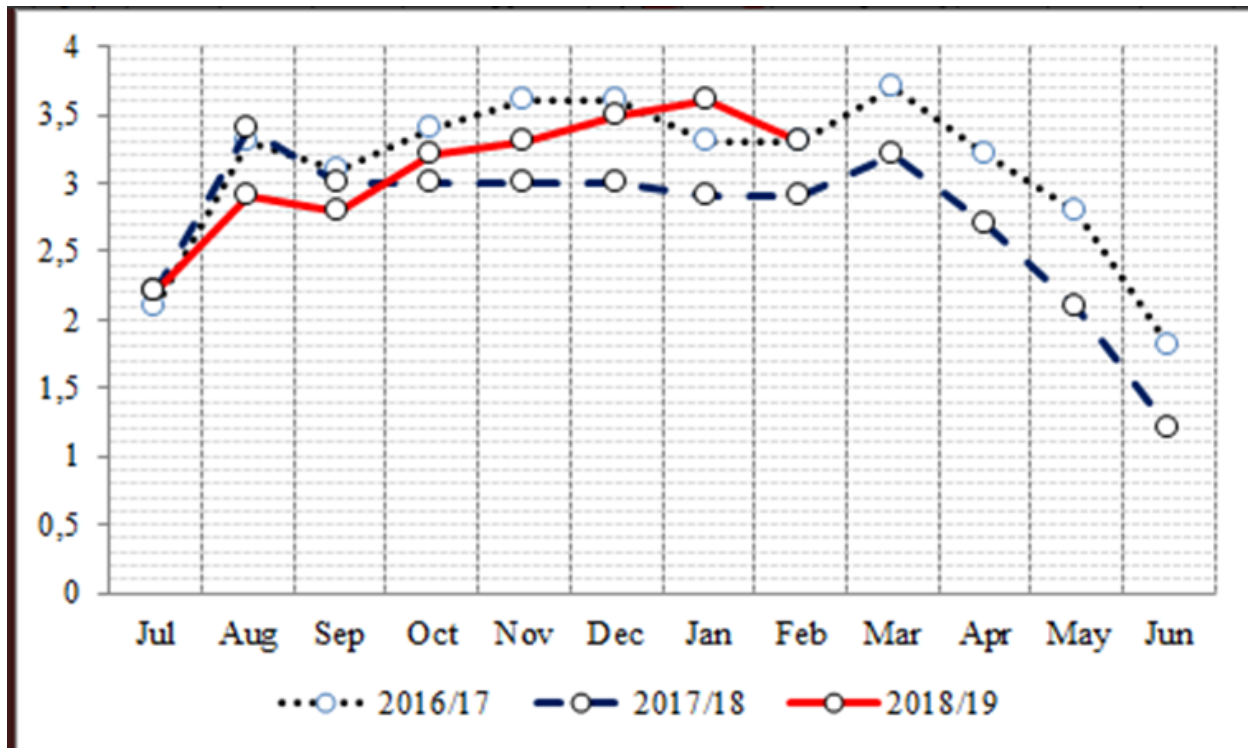
YTD Exports to Korea Rep by Container



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

Shipping News

U.S. GRAIN SHIPMENTS via Rail



Here is my Team at UGC Export facility inPortland 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 Last Half May 2019

Placement LH May 2019	% of		Corn	Soybeans-Wheat
	Tariff	MT	BU	BU
Upper Mississippi	440	\$30.02	0.76	0.82
Illinois River (Pekin and South)	385	\$20.41	0.52	0.56
Mid-Mississippi	405	\$23.75	0.60	0.65
Lower Ohio	320	\$15.73	0.40	0.43
St. Louis	290	\$12.75	0.32	0.35

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

Secondary Rail Car Market Placement LH. May 2019	BID USD	ASK USD	BID BU.	ASK BU.	BID MT	ASK MT
BNSF Shuttle Trains	\$ (200.00)	\$ (100.00)	\$ (0.05)	\$ (0.03)	\$ (1.97)	\$ (0.98)
UPRR Shuttle Trains	\$ (22.00)	\$ (100.00)	\$ (0.01)	\$ (0.03)	\$ (0.22)	\$ (0.98)

Best Regards,

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