

## Transportation and Export Report for 25 April 2019

### Ocean Freight Insights and Comments:

Paper trading help hold up Dry-bulk markets this week. But, once again, it was not an exciting week in global freight markets.

The Capesize sector showed the best strength as business increased from Western Australia to China. There were several global ocean freight conferences taking place this week with the biggest topic being the rapidly approaching IMO2020 low sulfur fuel requirements and just how vessel owners and operators will be able to recoup the added expense related to such. It does not look like anyone has a good answer to this question.

### BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices				
25-Apr-19	This Week	Last Week	Difference	Percent Change
P2A : Gulf/Atlantic - Japan	17059	16825	234	1.4%
P3A - PNW/Pacific - Japan	7896	7621	275	3.6%
S1C -USGULF-China-So.Japan	16975	17144	-169	-1.0%
P7- Trial-Miss. Rive - Qingdao	42420	41792	628	1.5%
P8- Trial-Santos - Qingdao	31782	31688	94	0.3%

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

Four weeks ago:	\$4.80-\$5.45
Three weeks ago:	\$5.80-\$6.20
Two weeks ago:	\$4.65-\$4.95
One week ago:	\$5.00-\$5.40
This week	\$5.45-\$6.00

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

Mississippi River:	(10 elevators)	3-7 days
Miss. River Mid-Stream loaders:	(6+ Rigs)	0-4 days
Texas Gulf	(6 elevators)	0-10 days (only 1 facility over 4 days)
Pacific Northwest:	(9 elevators)	6-18 days (only 1 facility over 10 days)

Panamax Market Spreads to Asia -China					
25-Apr-19	PNW	GULF	Bushel Spread	MT Spread	Advantage
CORN	0.93	0.53	0.40	\$15.75	PNW
SOYBEANS	0.83	0.35	0.48	\$18.90	Both
OCEAN FREIGHT	\$22.50	\$41.75	.49 - .52	\$19.25	JUNE

**Recent Reported Vessel Fixtures:**

Soybean Panamax USG to Spain is running \$19.50/mt.

Soybean Brazil to Spain can be done at \$21.75/mt.

66,000 mt Itaquí, Brazil to N China April 24-30 at \$32.50 fio 8000shex/8000shex - Cargill

63,000 mt Itaquí, Brazil to China April 20- April -May 5 at \$33.00 fio 8000sshex/8000sshex - CNR

Route and Vessel Size	Current Week USD/MT	Change from previous week	Remarks
55,000 U.S. Gulf-Japan	\$42.25	Up \$0.25	Handymax \$42.75 mt
55,000 U.S. PNW- Japan	\$23.00	Unchanged	Handymax \$23.50 mt
66,000 U.S. Gulf – China PNW to China	\$41.75 \$22.50	Up \$0.50 Unchanged	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	\$33.25 \$34.25	Up \$0.25	8,000 mt daily discharge 3,000 mt daily discharge
26-30,000 US Gulf-Morocco	\$35.00	Up \$0.25	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	\$15.75	Up \$0.75	Handymax at +\$1.75 more
Brazil, Santos – China Brazil, Santos – China Itacoatiara-Port Up River North Brazil	\$32.50 \$32.75 \$36.25	Up \$0.75	54-59,000 Supramax-Panamax 60-66,000 Post Panamax 60-66,000 mt
56-60,000 Argentina/Rosario- China Deep Draft	\$35.75	Up \$0.75	Up River with BB Top Off \$38.00

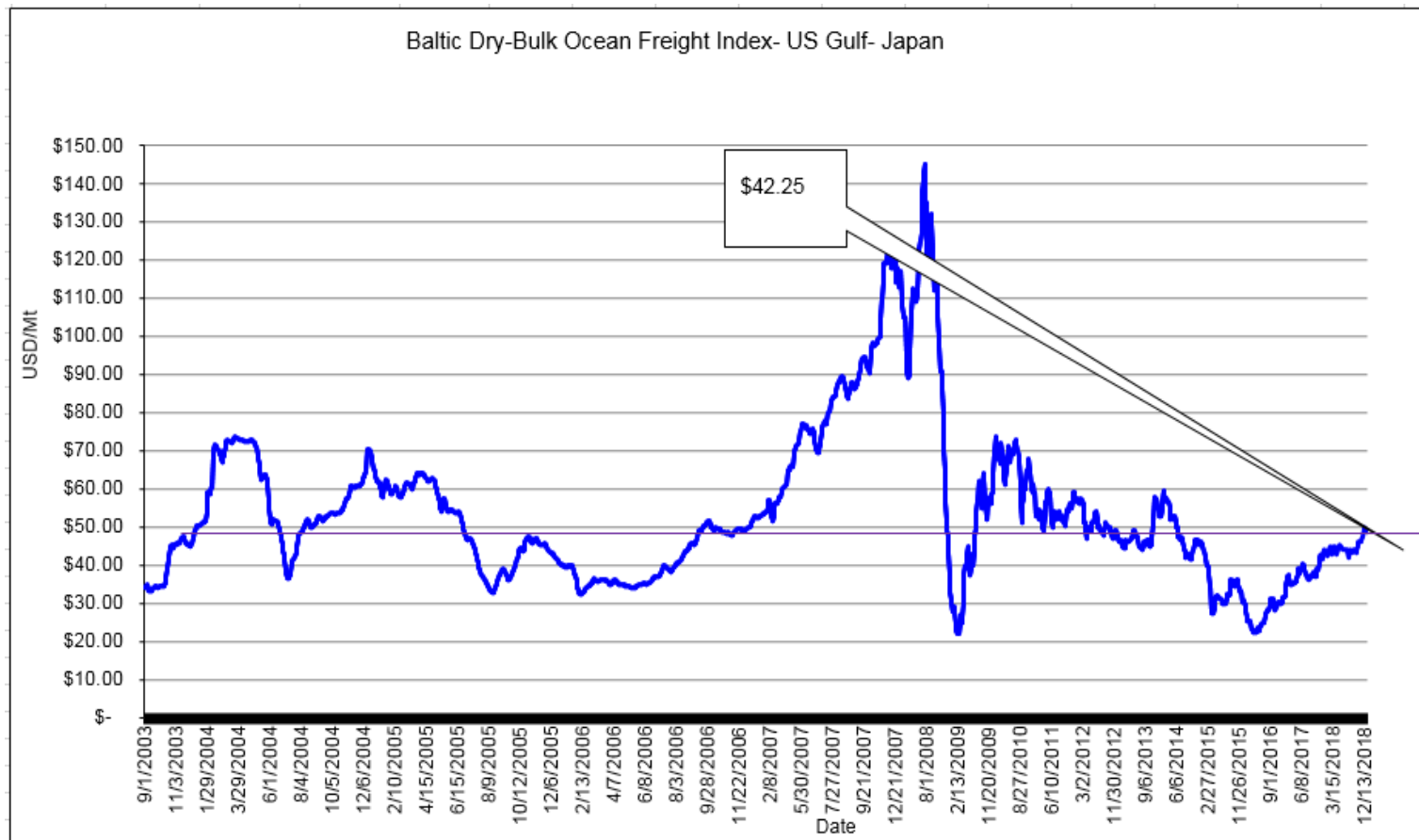
- The above rate estimates reflect the 30-45-day forward ocean freight markets.

**Nautical Miles: To Xiamen China (South China)**

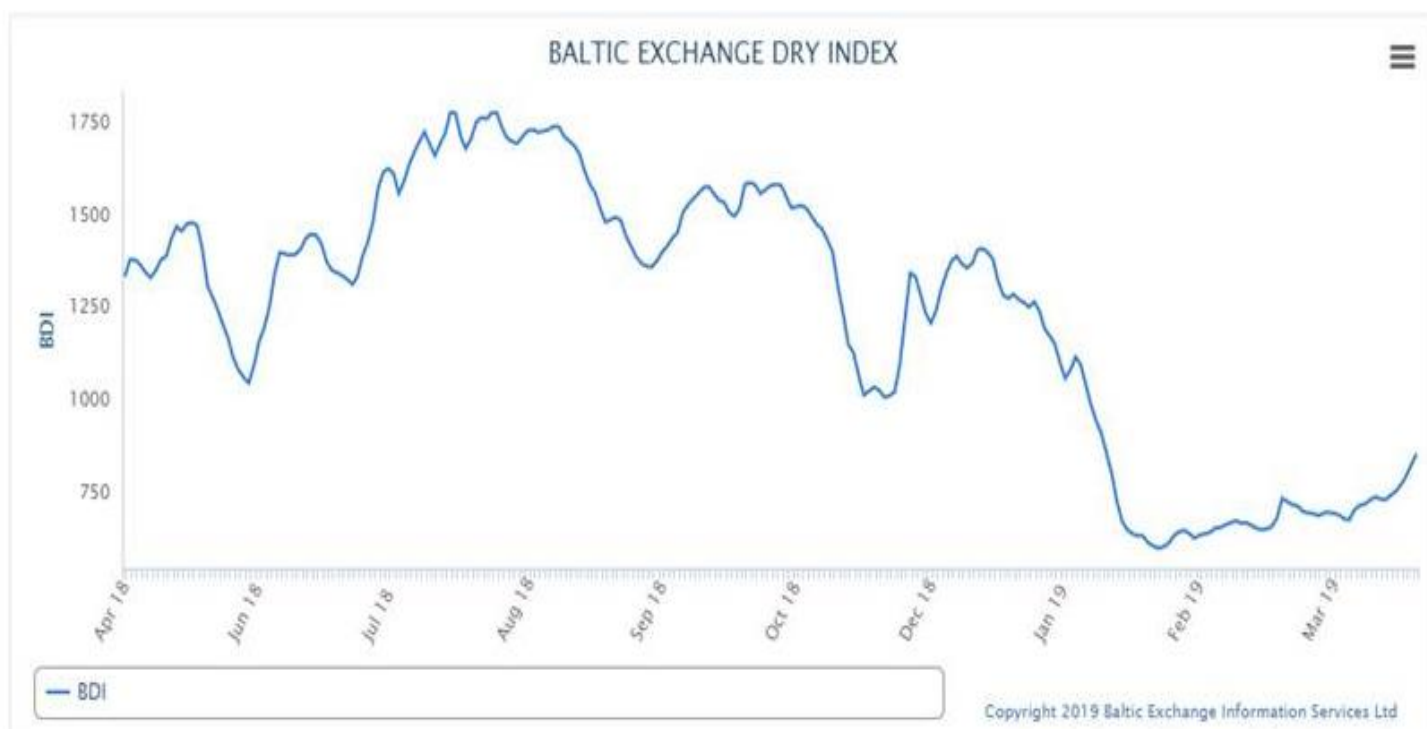
**US Gulf (NOLA) (via Panamá Canal) – 10,232 nautical miles (32 days)**

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

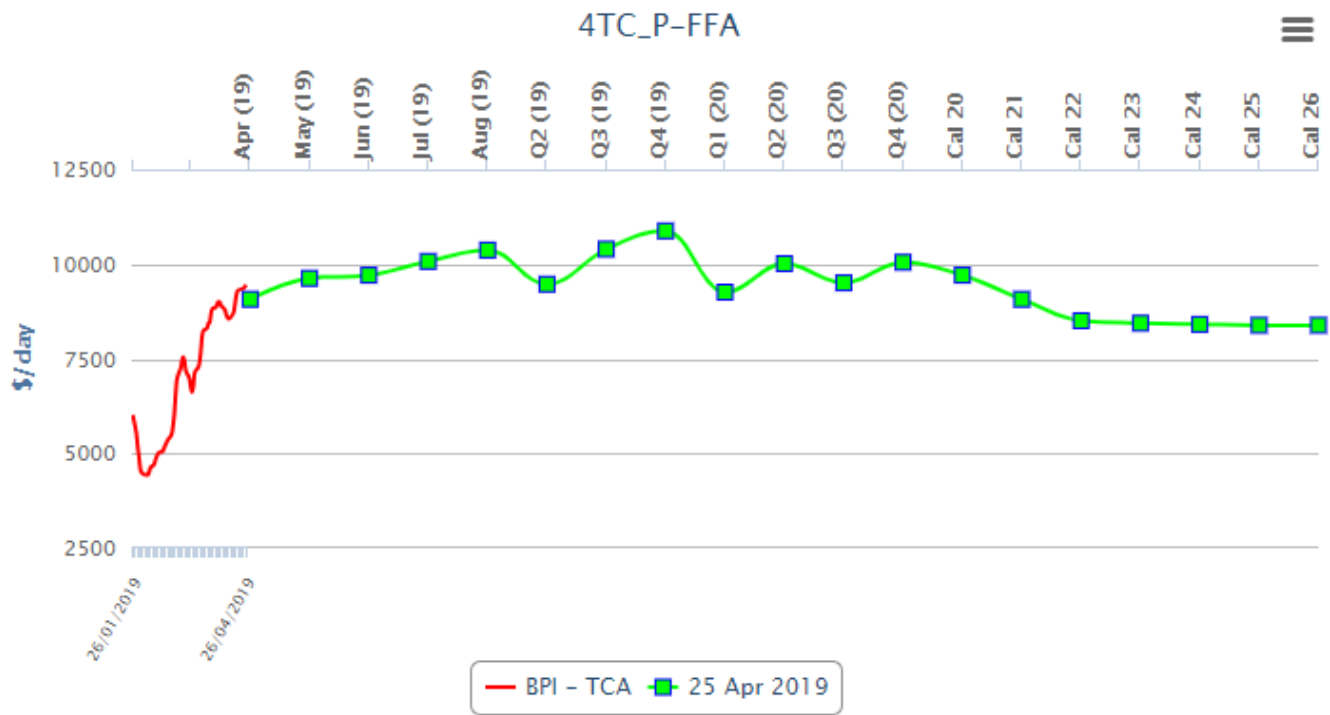
Rosario Argentina (via Cape Horn) - 10,751 nautical miles (34 days)



### Baltic Dry Index.

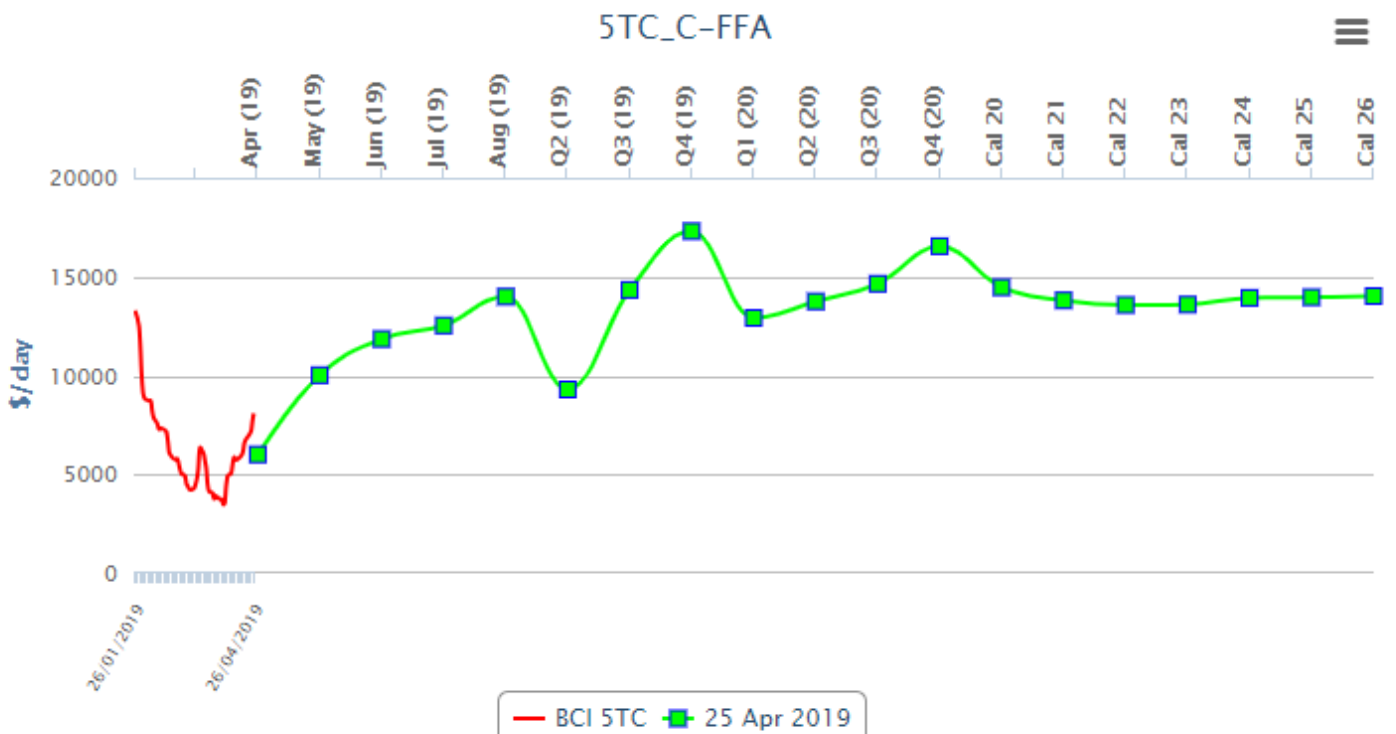


## Baltic Panamax Forward Curve Chart



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## Baltic Capesize Index



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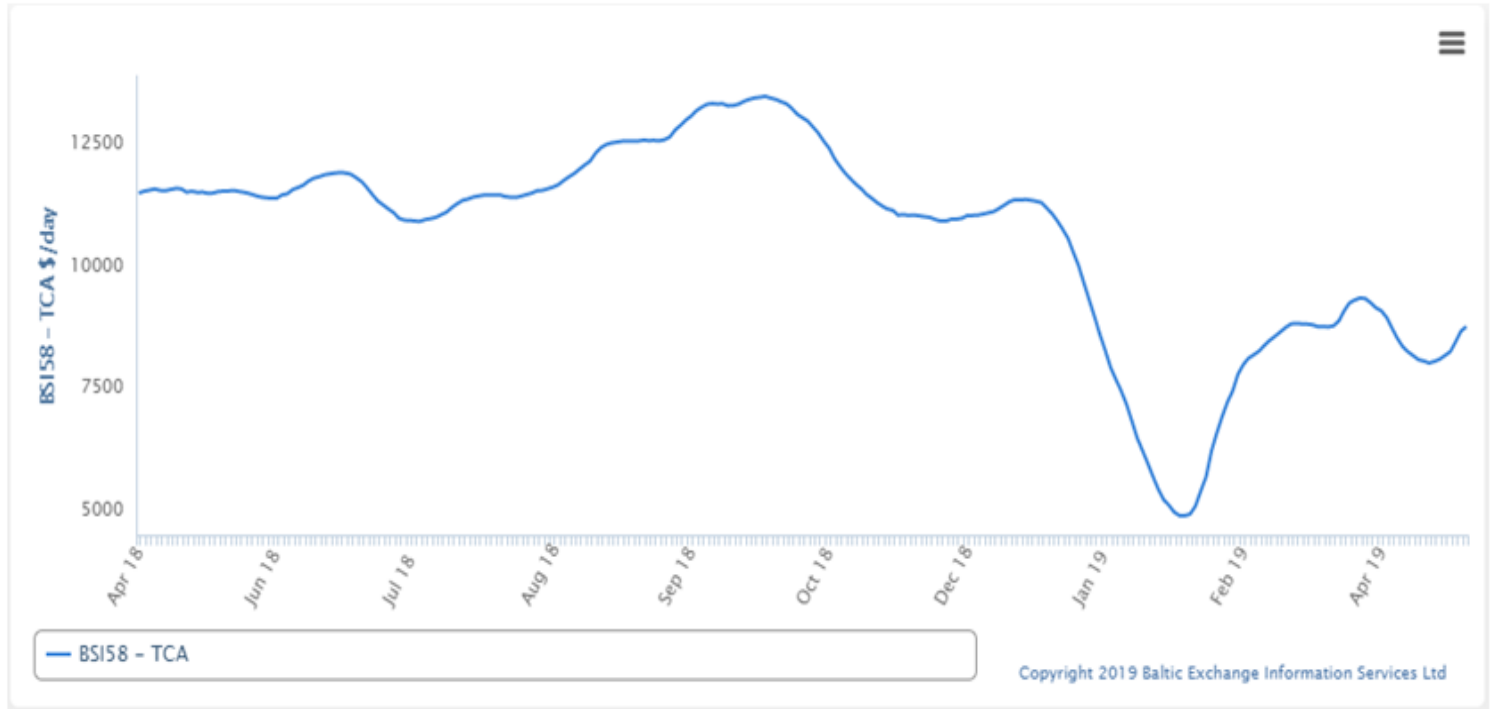
## Baltic Panamax Index

### Panamax

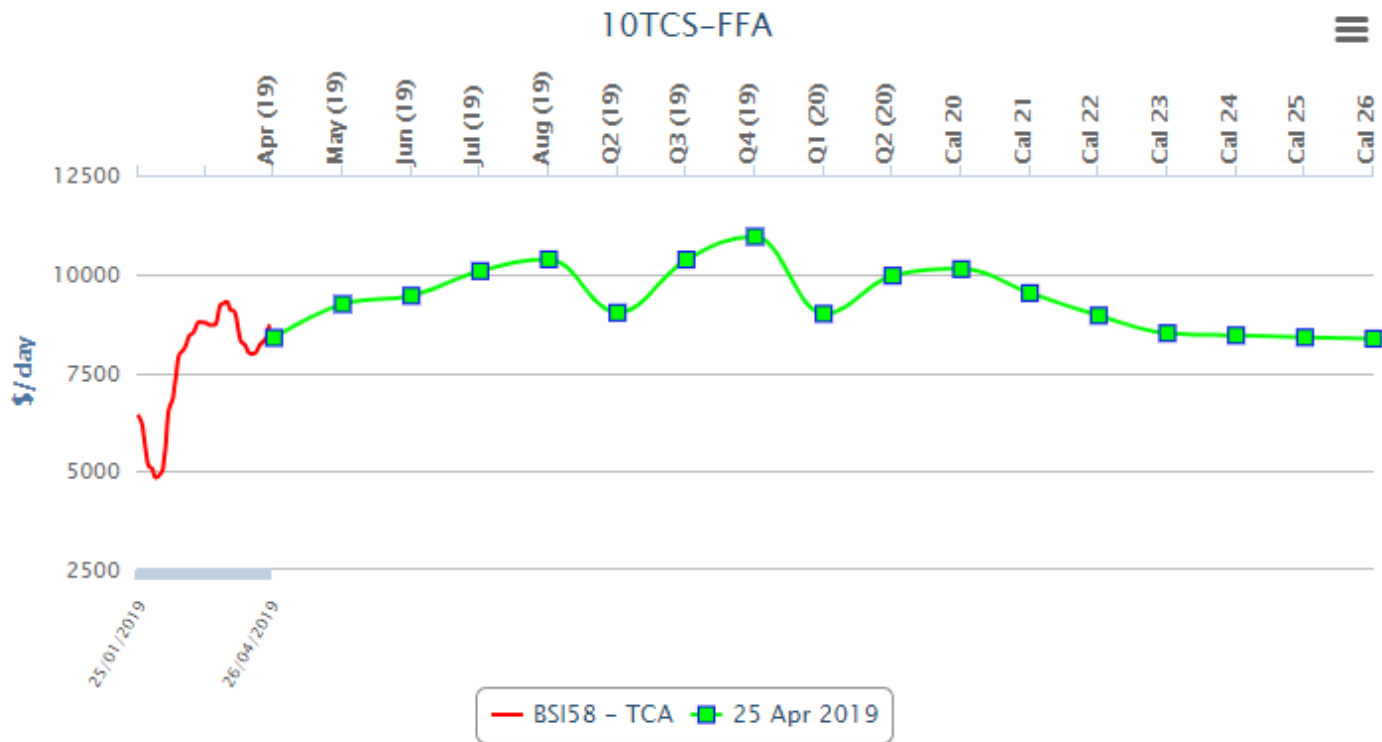


## Baltic Supramax Vessel Index

### Supramax



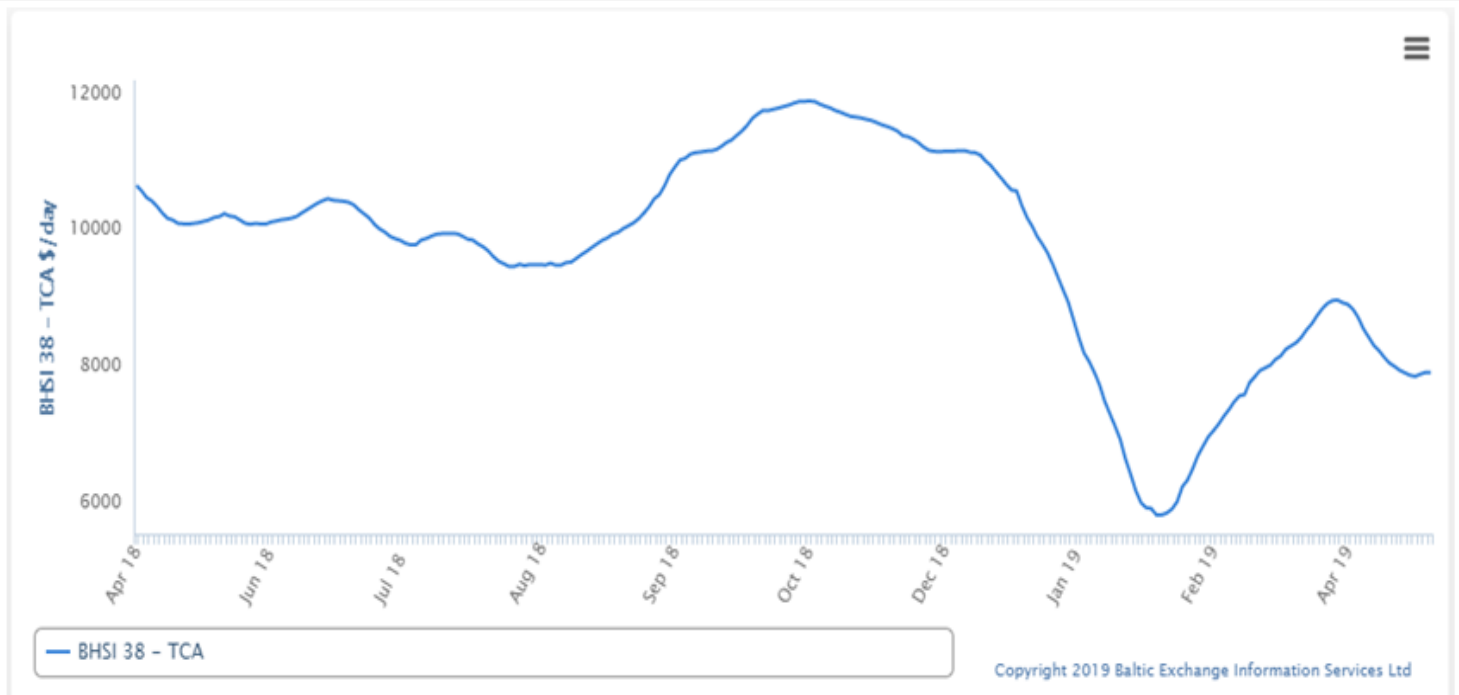
## Supramax Dry-Bulk Forward Curv



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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 2019-04-24



## China Import Dry Bulk Freight Index(CDFI) 2019-04-25

Route	Size MT	Cargo/Vessel Size	Unit	Rate	Change
Composite Index			Point	763.77	5.35
Iron ore Freight Index			Point	680.56	6.87
Soybean Freight Index			Point	940.78	0.86
Santos(Brazil)—North China	60000/10%	Soybean	\$/ton	31.910	-0.055
Tacoma(West America)—North China	60000/10%	Soybean	\$/ton	22.690	0.035
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	42.198	0.212
Mississippi(US Gulf)—North China	55000/10%	Soybean	\$/ton	43.749	0.105

**25 April 2019 U.S. FOB Vessel Export Market Values:**

<b>U.S. Yellow Corn (USD/MT) FOB Vessel</b>				
#2 YC	GULF # 2 YC		PNW # 3 YC	
Max. 14.5% moisture	BASIS	FLAT PRICE	BASIS	FLAT PRICE
<b>June</b>	0.53	<b>\$161.51</b>	0.93	<b>\$177.25</b>
<b>July</b>	0.54	<b>\$161.90</b>	0.95	<b>\$178.04</b>
<b>Aug.</b>	0.50	<b>\$163.57</b>	0.92	<b>\$180.11</b>
<b>Sept.</b>	0.57	<b>\$166.33</b>	0.97	<b>\$182.08</b>
<b>Oct.</b>	0.52	<b>\$168.99</b>	0.91	<b>\$184.34</b>
<b>Nov.</b>	0.54	<b>\$169.77</b>	0.93	<b>\$185.13</b>

The Gulf spread between #2 & #3 YC is currently about .025 cents per bushel (0.98/mt)

<b>SORGHUM (USD/MT) FOB VESSEL</b>				
#2 YGS Fob Vessel	NOLA		TEXAS	
Max. 14.0% moisture	BASIS	FLAT PRICE	BASIS	FLAT PRICE
<b>June</b>	1.00	<b>\$180.01</b>	0.90	<b>\$176.07</b>
<b>July</b>	0.95	<b>\$178.04</b>	0.85	<b>\$174.10</b>
<b>Aug.</b>	0.95	<b>\$181.29</b>	0.73	<b>\$172.63</b>
<b>Sept.</b>	1.00	<b>\$183.26</b>	0.75	<b>\$173.42</b>
<b>Oct.</b>	1.00	<b>\$187.88</b>	0.70	<b>\$176.07</b>

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	
	<b>June</b>	<b>July</b>	<b>Aug.</b>	<b>Sept.</b>
FOB U.S. GULF	\$193.45	\$193.45	\$196.30	\$196.30
Basis	0.85	0.85	0.85	0.85
WK	4.3475			
WN	4.4150			
WU	4.4925			

<b>CME Futures Market Close</b>						
CORN	Futures	Thursday	Thursday	Last week	Last Week	Difference
Month	Symbol	Close	Close	Bushel	MT.	Bushel
May	CK	\$3.4750	\$136.80	\$ 3.6000	\$141.72	(\$0.1250)
July	CN	\$3.5725	\$140.64	\$ 3.6875	\$145.17	(\$0.1150)
Sept.	CU	\$3.6550	\$143.89	\$ 3.7675	\$148.32	(\$0.1125)
Dec.	CZ	\$3.7725	\$148.52	\$ 3.8850	\$152.94	(\$0.1125)
March	CH	\$3.9250	\$154.52	\$ 4.0225	\$158.36	(\$0.0975)



### CBOT July 2019 (CN19) Corn Futures Chart –



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



**U.S. Soybean and SBM Markets Fob Vessel:**

<b>U.S. Yellow Soybeans (USD/MT) FOB Vessel</b>				
# 2 YSB	<b>U.S. Gulf #2 YSB</b>		<b>PNW #2 YSB</b>	
14.0 % Moisture	Basis	Flat Price	Basis	Flat Price
<b>June</b>	0.35	<b>\$333.54</b>	0.83	<b>\$351.17</b>
<b>July</b>	0.39	<b>\$335.01</b>	0.84	<b>\$351.54</b>
<b>Aug.</b>	0.42	<b>\$338.31</b>	0.85	<b>\$354.11</b>
<b>Sept.</b>	0.45	<b>\$341.35</b>	0.85	<b>\$356.04</b>
<b>Oct.</b>	0.45	<b>\$344.74</b>	0.83	<b>\$358.71</b>
<b>Soybean Futures</b>				
<b>May</b>	\$ 8.5925			
<b>July</b>	\$ 8.7275			
<b>Aug.</b>	\$ 8.7875			
<b>Sept.</b>	\$ 8.8400			
<b>Nov.</b>	\$ 8.9325			
<b>Jan.</b>	\$ 9.0375			

<b>U.S. SBM (USD/MT) FOB Vessel</b>		
Fob U.S. Gulf Port	<b>47.5 Pro. SBM</b>	
max 12.5 % moisture	Basis	Flat Price
<b>June</b>	1.00	<b>\$ 342.44</b>
<b>July</b>	1.00	<b>\$ 342.44</b>
<b>Aug.</b>	1.00	<b>\$ 343.43</b>
<b>Sept.</b>	1.00	<b>\$ 344.75</b>
<b>Oct.</b>	2.00	<b>\$ 346.41</b>
<b>SBM Futures</b>		
<b>SMK</b>	306.00	
<b>SMN</b>	309.60	
<b>SMQ</b>	310.50	
<b>SMU</b>	311.70	
<b>SMV</b>	312.20	
<b>SMZ</b>	314.40	

### CME July 2019 Soybean (SN19) Futures Chart:



### CME July 2019 Soybean Meal (SMN19) Futures Chart



**U.S. EXPORT STATISTICS: Report Activity as of Week Ending 11 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	1028.4	44,690.9	58,420	76%	2,029.9
Sorghum	119.7	1,155.1	2,160	53%	0.0
Soybeans	398.9	44,292.2	51,030	87%	773.7
Wheat	369.4	24,914.4	25,720	97%	1,621.6
Barley	0.0	59.4	110	54%	31.6

**U.S. EXPORT INSPECTIONS:**

Monday's report 22 April 2019 for the Export week ending 18 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	1,353,114	1,183,535	33,279,035	29,823,222	112%
Sorghum	94,208	11,488	1,165,632	4,409,737	26%
Soybeans	382,298	476,224	31,046,807	42,824,326	72%
Wheat	811,130	528,714	20,746,928	21,508,842	96%
Barley	0	0	9,010	21,144	43%

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

**U.S. EXPORT INSPECTIONS:**

Monday's report 22 April 2019 for the Export week ending 18 April 2019

Last Week							
(Metric Tons)	YC	%	WC	%	Sorghum	%	Soybeans %
Lakes	0	0%	0	0%	0	0%	0 0%
Atlantic	7,244	1%	0	0%	0	0%	9,526 2%
Gulf	722,928	56%	69,260	100%	82,499	88%	125,773 33%
PNW	383,684	30%	0	0%	9,835	10%	67,113 18%
Interior Export Rail	169,998	13%	0	0%	1,874	2%	179,886 47%
Metric Tons	1,283,854		69,260		94,208		382,298

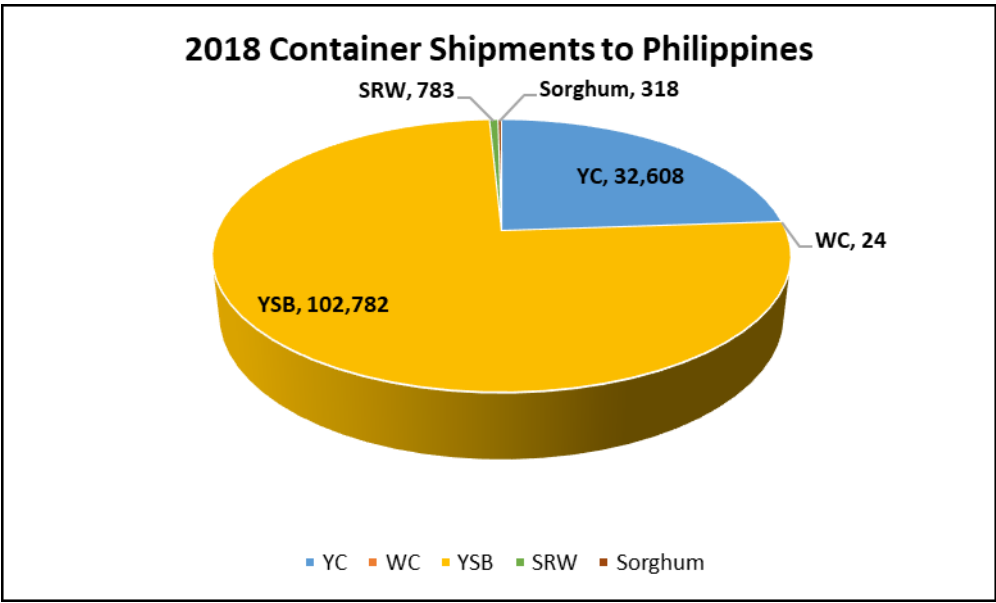
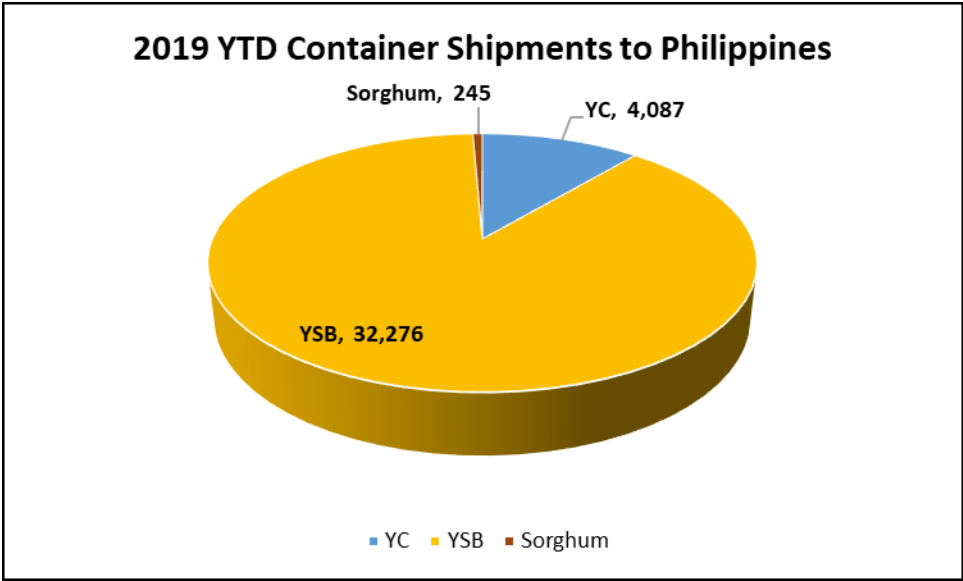
Sorghum Shipments:	metric tons		White Corn	metric tons	
	9,835	Japan	Shipments:	50,752	Colombia
	27,500	Rep S		5,162	Japan
	54,999	Africa		13,346	Mexico
	1,874	Spain		69,260	Total
	94,208	Mexico			
		Total			

## 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:		18-Apr-2019							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	SWH	HRW	Sorghum	TOTAL
China Main									0
China T	24,609		13,126	538			661		38,934
Hong Kong	1,053								1,053
Costa Rica	49								49
Indonesia			17,828	392					18,220
French Poly									0
Japan			562						562
Korea Republic	587		2,570						3,157
Nepal			3,942						3,942
Malaysia	906		10,357	807					12,070
Burma				465					465
Philippines	245		759						1,004
Thailand			15,894						15,894
Qatar	955								955
Bangladesh									0
Vietnam			6,193						6,193
Sub total	28,404	0	71,231	2,202	0	0	661	0	95,350
USDA Corrections/Additions to previous reports:									
China T	1,395		931				490		2,816
China Main									0
Hong Kong									0
Korea Rep.									0
Nepal			490						490
Japan			122						122
Philippines									0
Indonesia			2,400						2,400
Malaysia			269						269
Thailand									0
Vietnam			490						490
Burma				637					637
Bangladesh									0
Sub total	1,395	0	4,702	637	0	0	490	0	7,224
<b>Mt. Grand Total</b>	<b>29,799</b>	<b>0</b>	<b>75,933</b>	<b>2,839</b>	<b>0</b>	<b>0</b>	<b>1,151</b>	<b>0</b>	<b>102,574</b>
Number of containers	1,296	0	3,301	123	0	0	50	0	

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



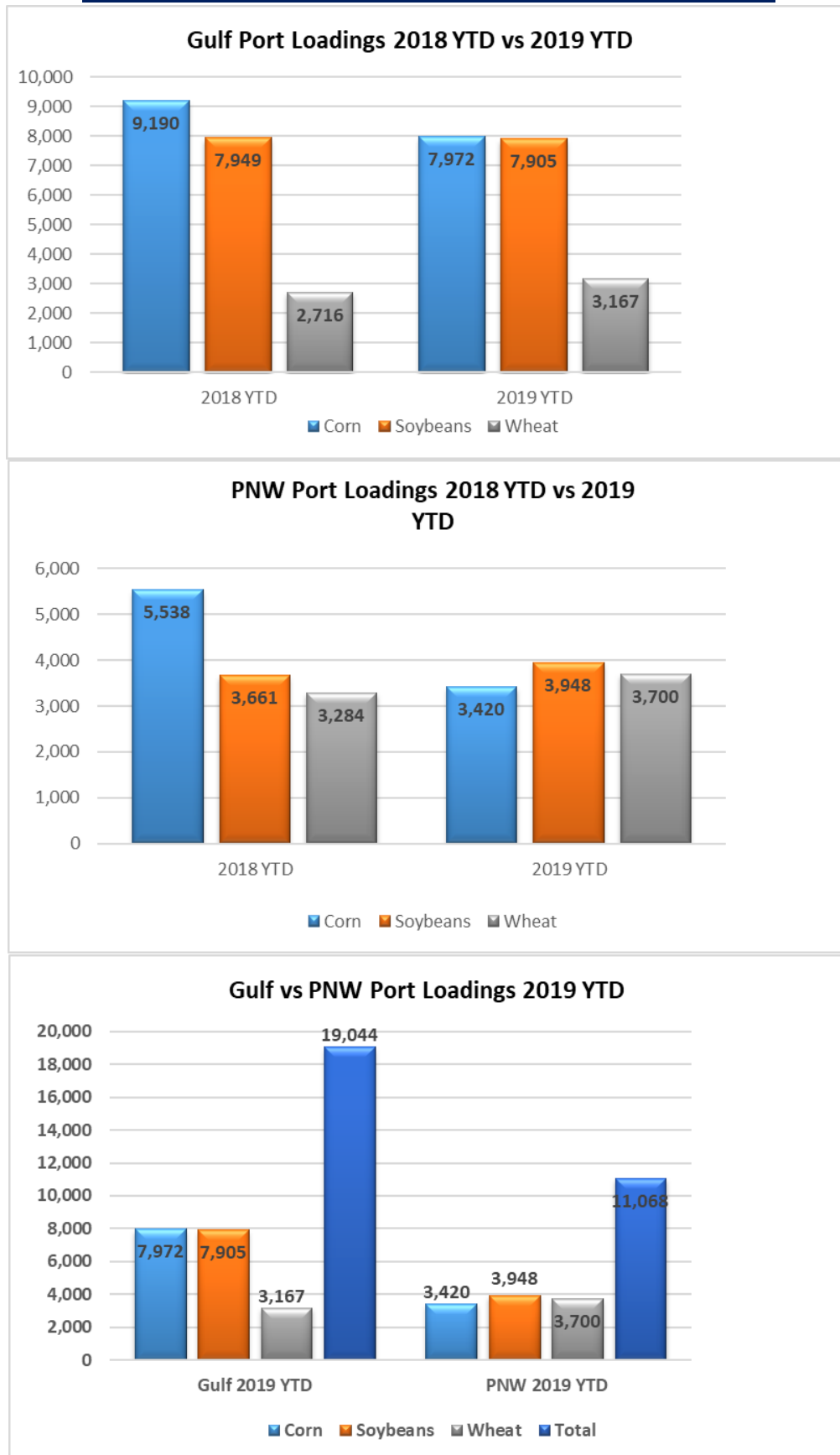
Grain Inspections for Export by U.S. Port Regions:  
U.S. Gulf and Pacific Northwest 2018 YTD vs. 2019 YTD

PORT LOADINGS US Gulf				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
<b>GULF</b>				
2018 YTD	9,190	7,949	2,716	19,855
2019 YTD	7,972	7,905	3,167	19,044
2019 as % of 2018	87%	99%	117%	96%

PORT LOADINGS US PNW				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
<b>PNW</b>				
2018 YTD	5,538	3,661	3,284	12,483
2019 YTD	3,420	3,948	3,700	11,068
2019 as % of 2018	62%	108%	113%	89%

PORT LOADINGS GULF vs. PNW				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
2019 Gulf YTD	7,972	7,905	3,167	19,044
2019 PNW YTD	3,420	3,948	3,700	11,068
TOTAL	11,392	11,853	6,867	30,112
Gulf Percentage	70%	67%	46%	63%
PNW Percentage	30%	33%	54%	37%

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

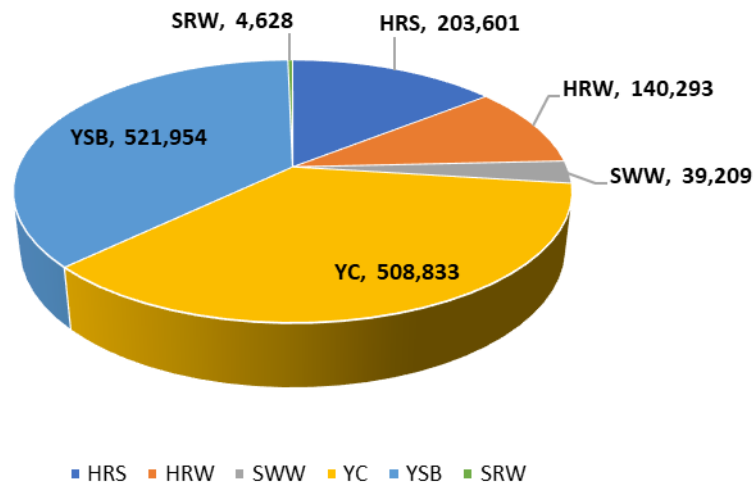


Source: USDA-data

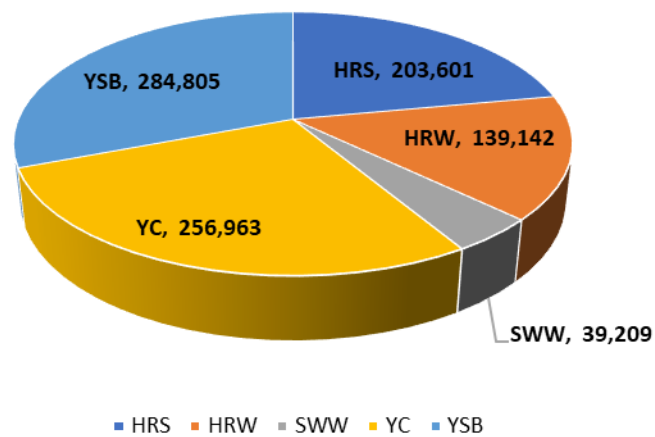


2019 YTD Total Grain Exports reported by USDA (in MT)

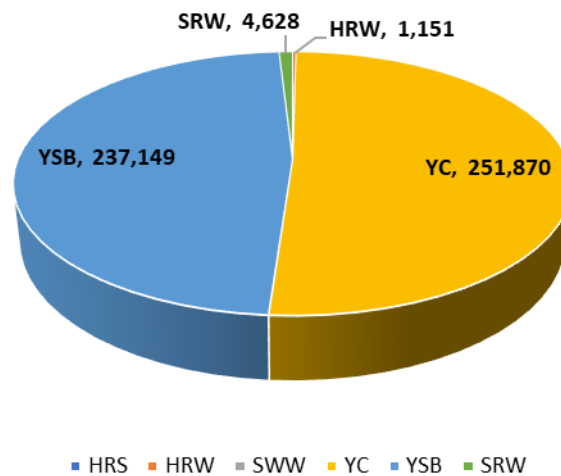
**2019 YTD Exports to China T**



**YTD Exports to China T by Vessel**



**YTD Exports to China T by Container**



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

## Shipping News

**Bloomberg** @business · 26m

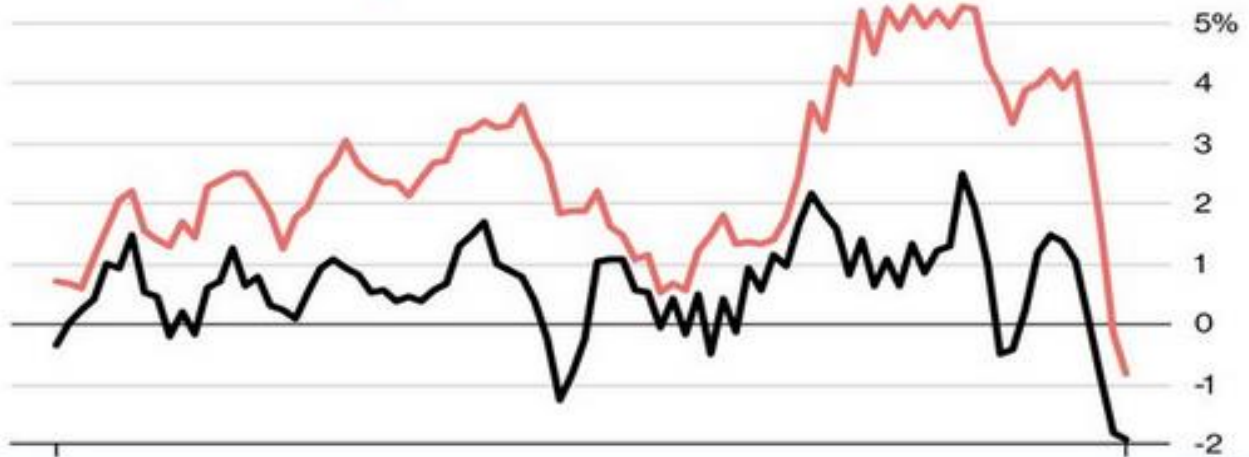
World trade volumes are plunging at the fastest pace in a decade

[bloom.bg/2ZzfpLz](https://bloom.bg/2ZzfpLz)

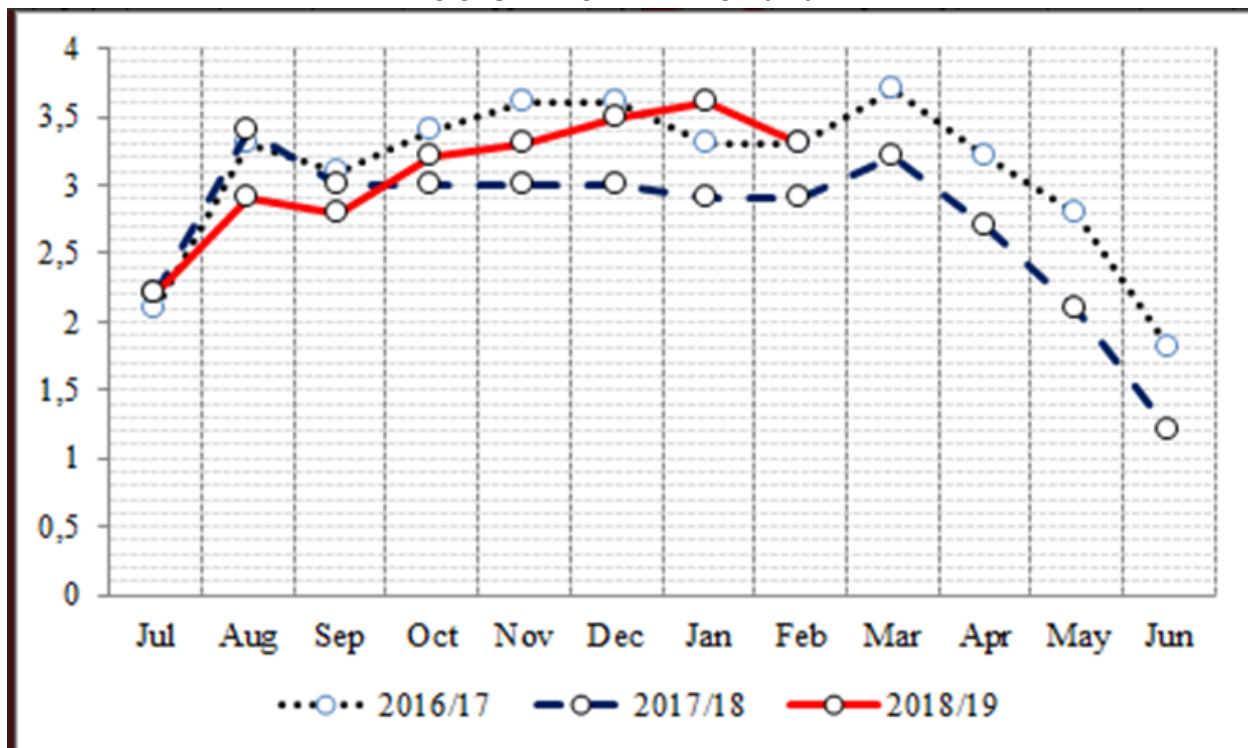
### Getting Worse

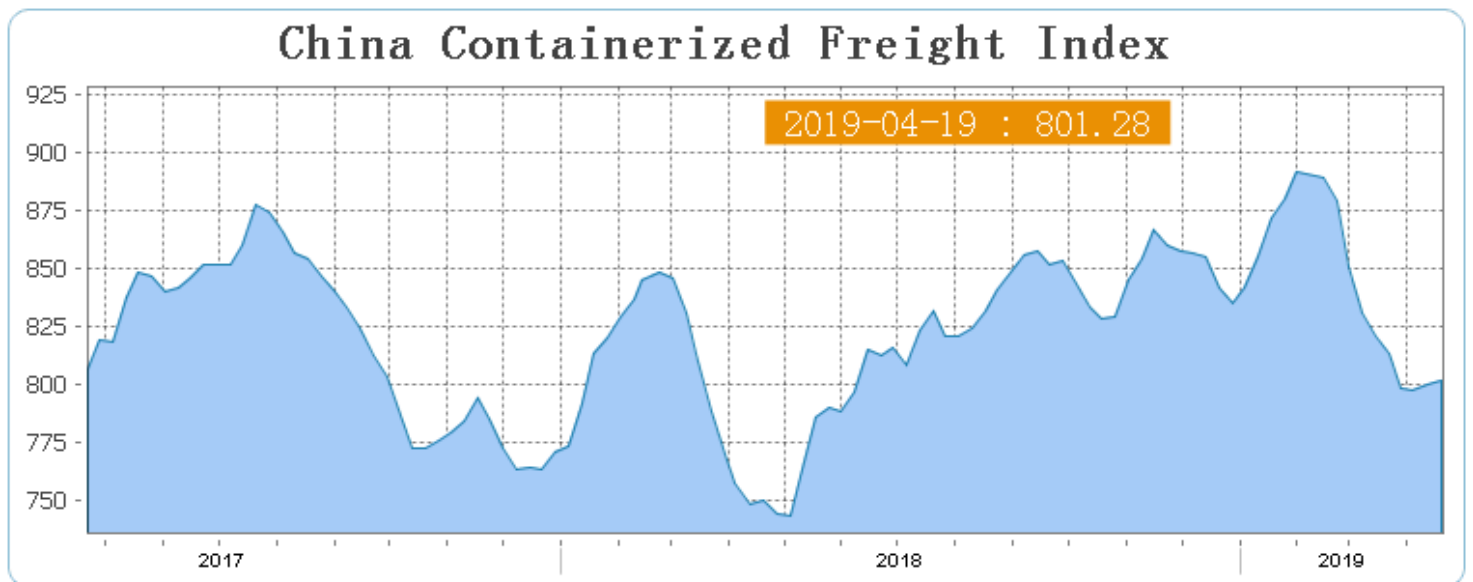
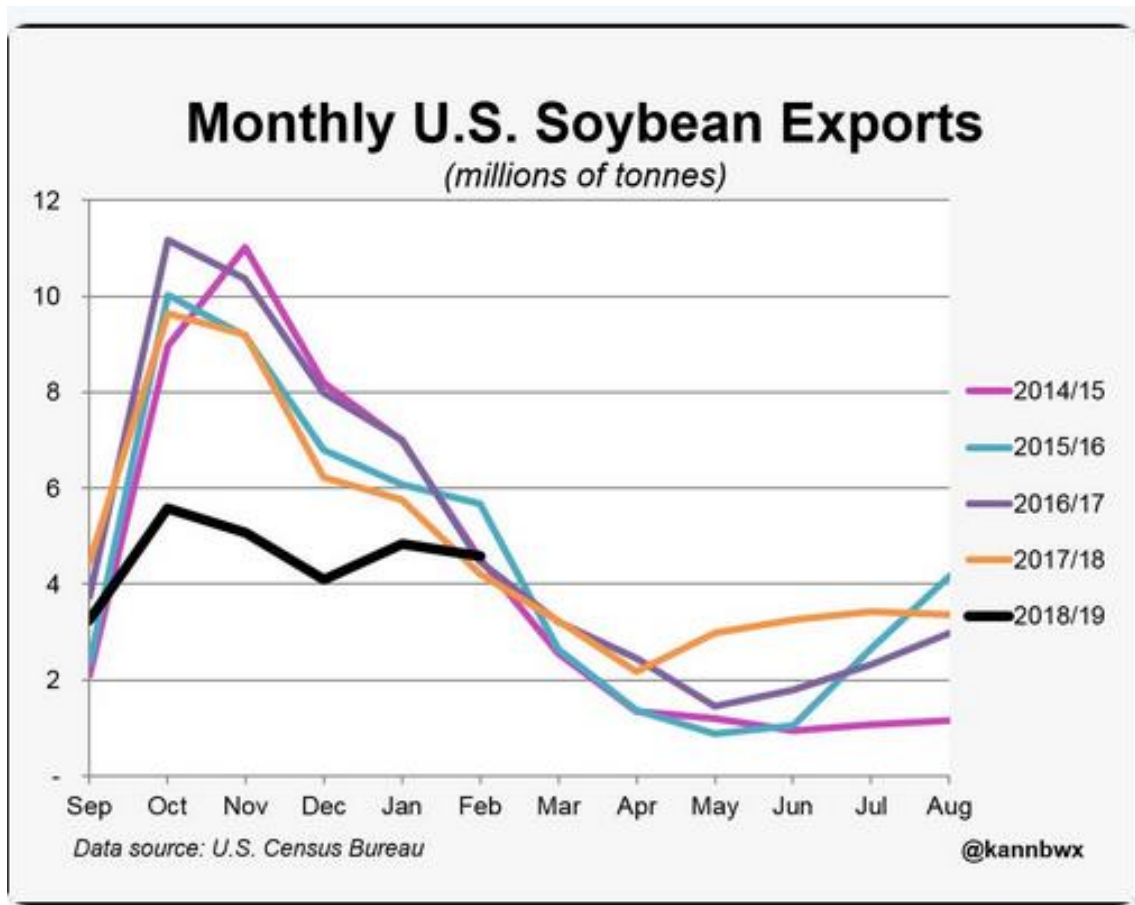
Global trade volumes are falling at the fastest pace in a decade

Trade 3m/3m change    3m vs year earlier



U.S. GRAIN SHIPMENTS via Rail





**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	425	\$29.00	0.74	0.79
Illinois River (Pekin and South)	380	\$20.15	0.51	0.55
Mid-Mississippi	390	\$22.87	0.58	0.62
Lower Ohio	295	\$14.50	0.37	0.39
St. Louis	280	\$12.31	0.31	0.34

**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	\$ (25.00)	\$ 50.00	\$ (0.01)	\$ 0.01	\$ (0.25)	\$ 0.49
UPRR Shuttle Trains	\$ (150.00)	\$ (100.00)	\$ (0.04)	\$ (0.03)	\$ (1.48)	\$ (0.98)

Best Regards,

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