

Transportation and Export Report for 4 April 2019

Ocean Freight Insights and Comments:

As the Dry Bulk freight markets sorted out the confusion of last week, they found it difficult to maintain the rally and ended the week on a softer note. I have adjusted the market spreads a little but overall there is not much change in rates this week. Freight markets are still in need of some positive demand news in order to move higher; and I do not see that looming on the current horizon.

BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices				
4-Apr-19	This Week	Last Week	Difference	Percent Change
P2A : Gulf/Atlantic - Japan	16409	16859	-450	-2.7%
P3A - PNW/Pacific - Japan	7271	8960	-1,689	-18.9%
S1C -USGULF-China-So.Japan	17514	18106	-592	-3.3%
P7- Trial-Miss. Rive - Qingdao	41197			
P8- Trial-Santos - Qingdao	32162			

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	\$4.35-\$4.55

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

Mississippi River:	(10 elevators)	4-7 days
Miss. River Mid-Stream loaders:	(6+ Rigs)	0-7 days
Texas Gulf	(6 elevators)	0-5 days
Pacific Northwest:	(9 elevators)	5-23 days (only 1 facility over 14 days)

Panamax Market Spreads to Asia -China					
4-Apr-19	PNW	GULF	Bushel Spread	MT Spread	Advantage
CORN	1.07	0.65	0.42	\$16.53	PNW
SOYBEANS	0.90	0.47	0.43	\$15.80	PNW
OCEAN FREIGHT	\$23.25	\$40.75	.44 -.48	\$17.50	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.

63,000 mt US Gulf to China June 1-30 at \$42.00 fio 8000sshex/8000sshex - CHS

64-66000Up River + Bahia Blanca Argentina to China April 21-30 at \$37.85 fio 8000/8000 sshex bends - CHS -

Route and Vessel Size	Current Week USD/MT	Change from previous week	Remarks
55,000 U.S. Gulf-Japan	\$42.00	Up \$0.50	Handymax \$42.50 mt
55,000 U.S. PNW- Japan	\$23.75	Unchanged	Handymax \$23.00 mt
66,000 U.S. Gulf – China PNW to China	\$40.75 \$23.25	Up \$0.75 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	\$33.00 \$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 \$11.80--\$13.60 (France \$17.25-\$18.00)
60-70,000 U.S. Gulf – Europe – Rotterdam	\$15.25	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

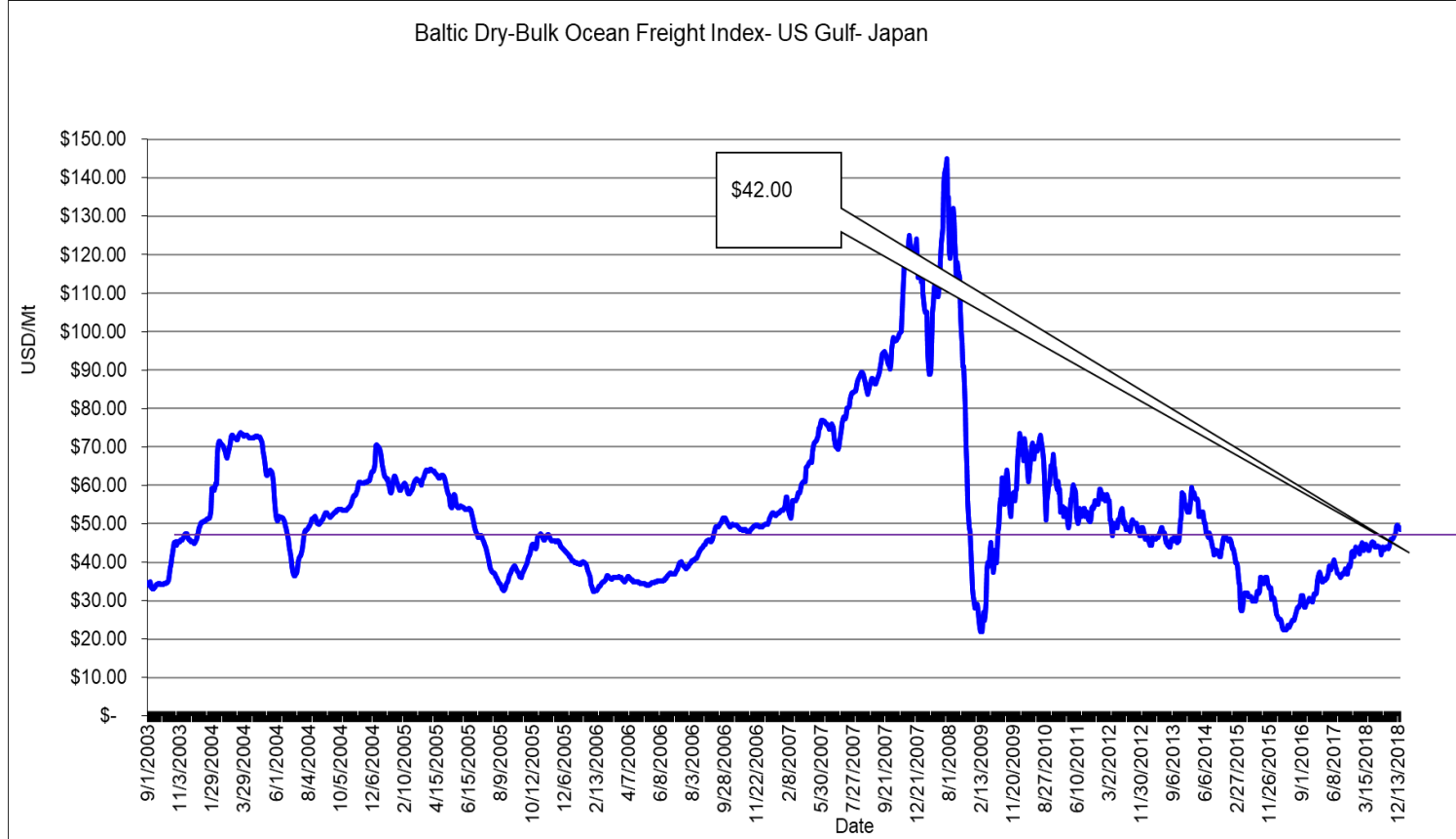
- The above rate estimates reflect the 30-45-day forward ocean freight markets.

Nautical Miles: To Xiamen China (South China)

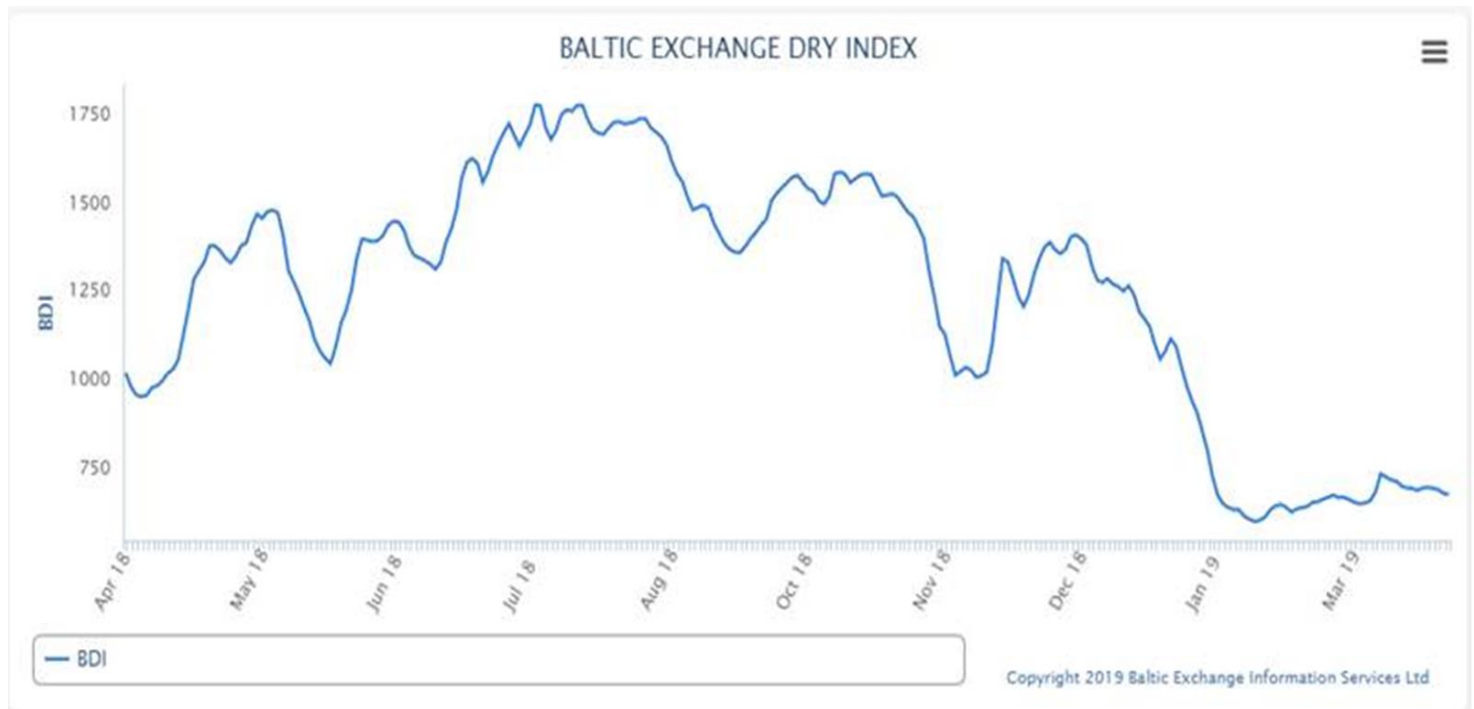
US Gulf (NOLA) (via Panamá Canal) – 10,232 nautical miles (32 days)

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

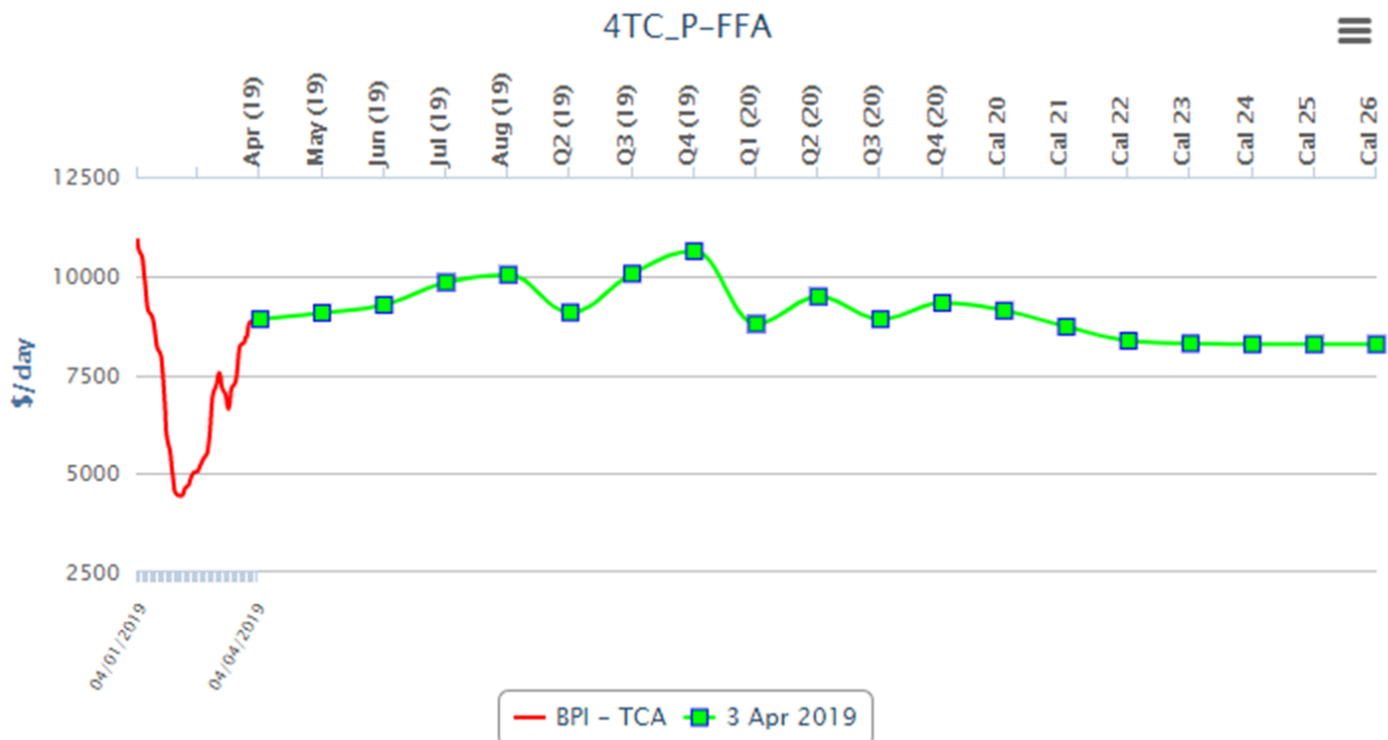
Rosario Argentina (via Cape Horn) - 10,751 nautical miles (34 days)



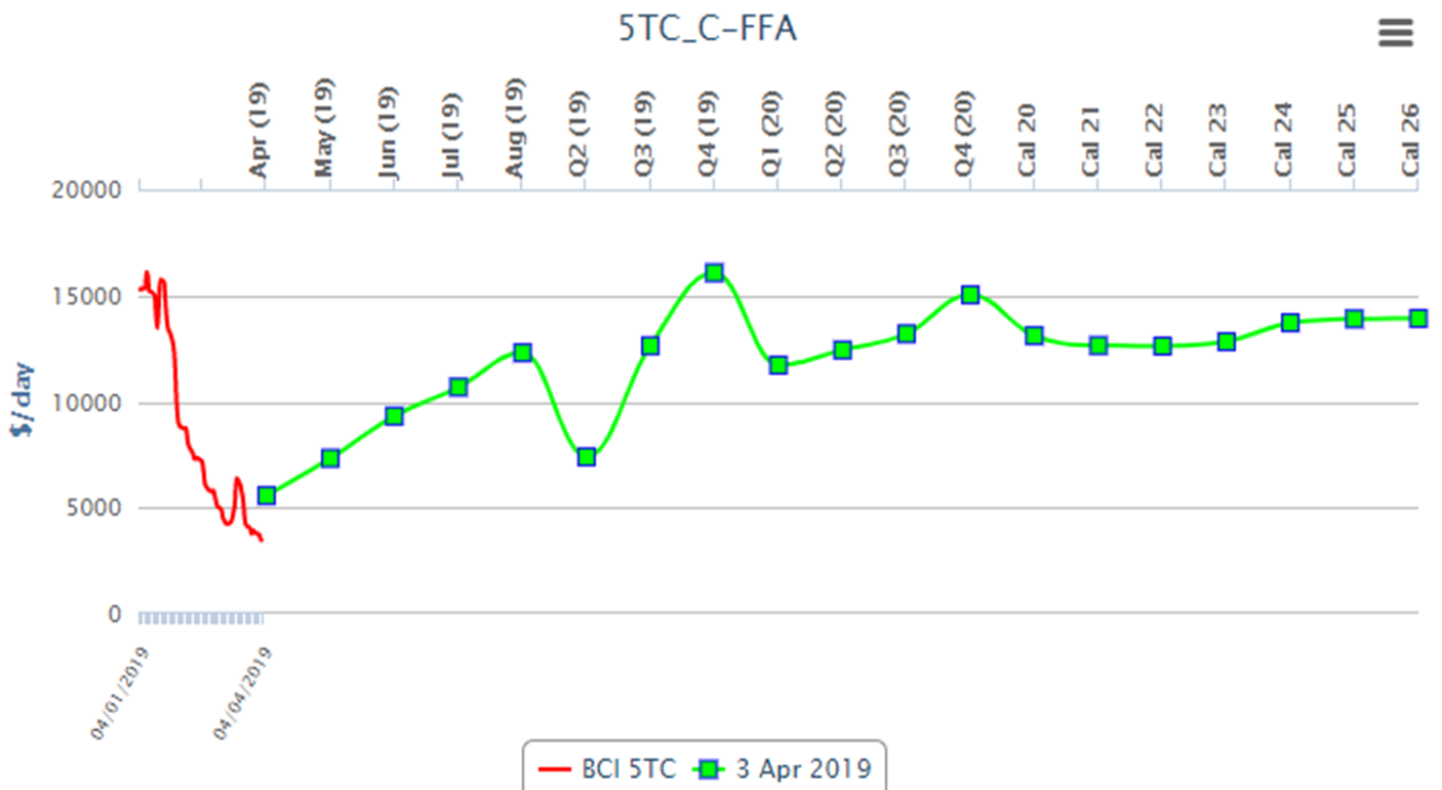
Baltic Dry Index.



Baltic Panamax Forward Curve Chart



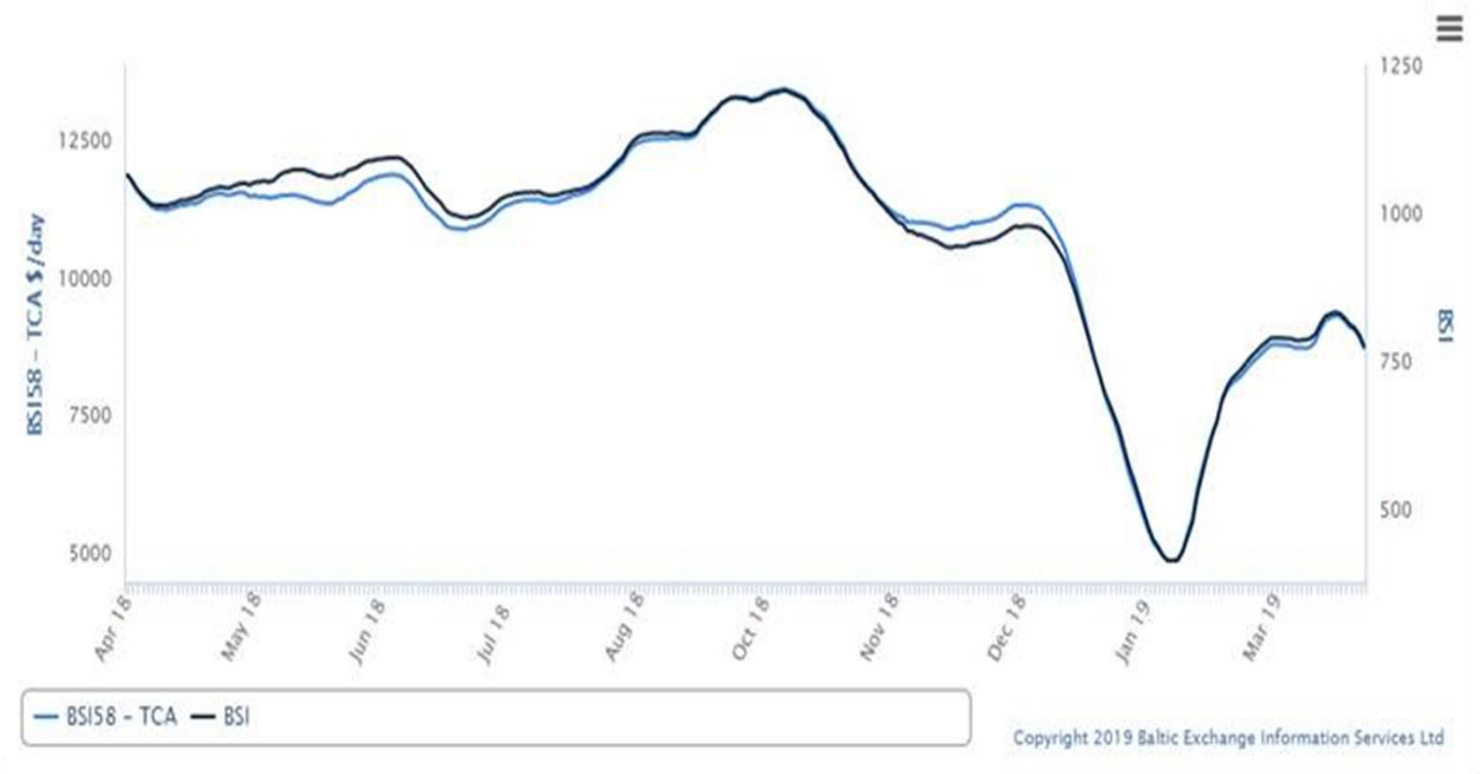
Baltic Capesize Index



Baltic Panamax Index

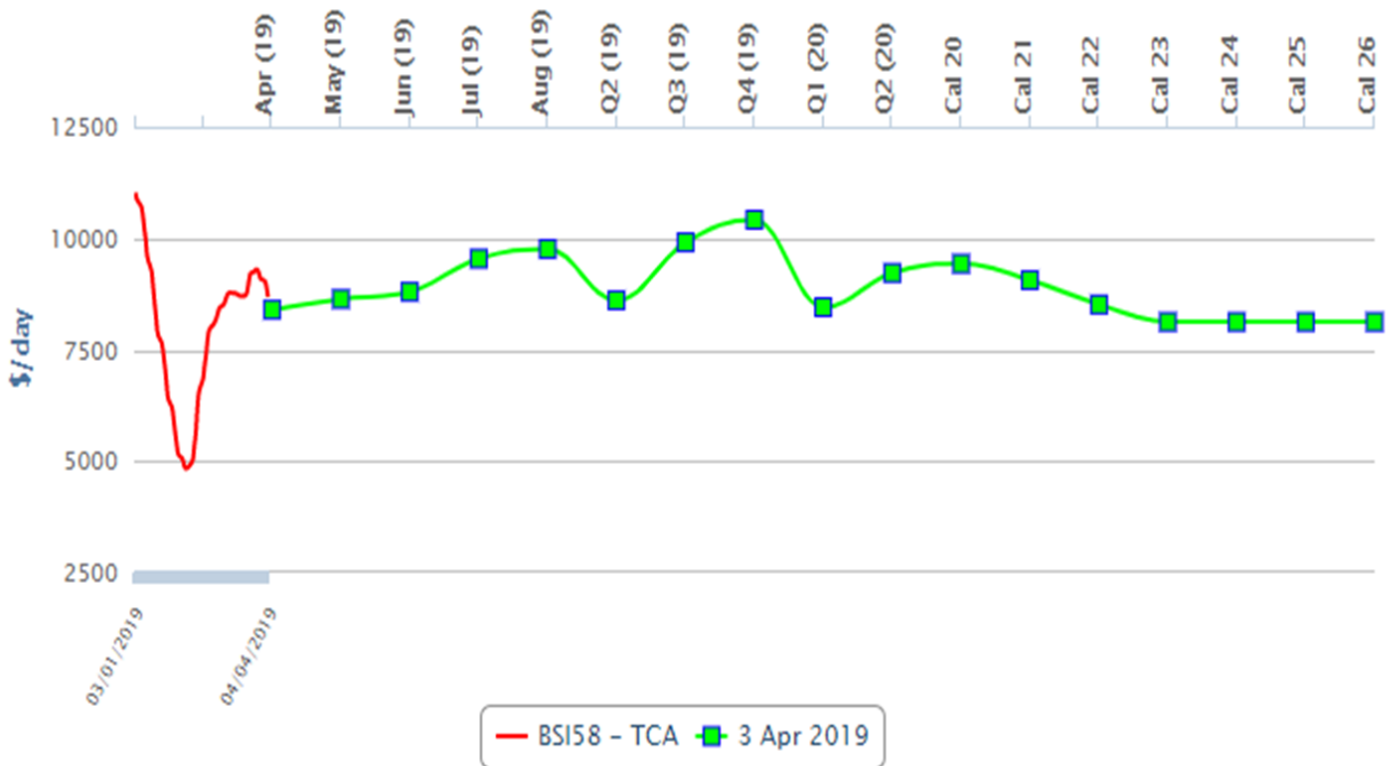


Baltic Supramax Vessel Index

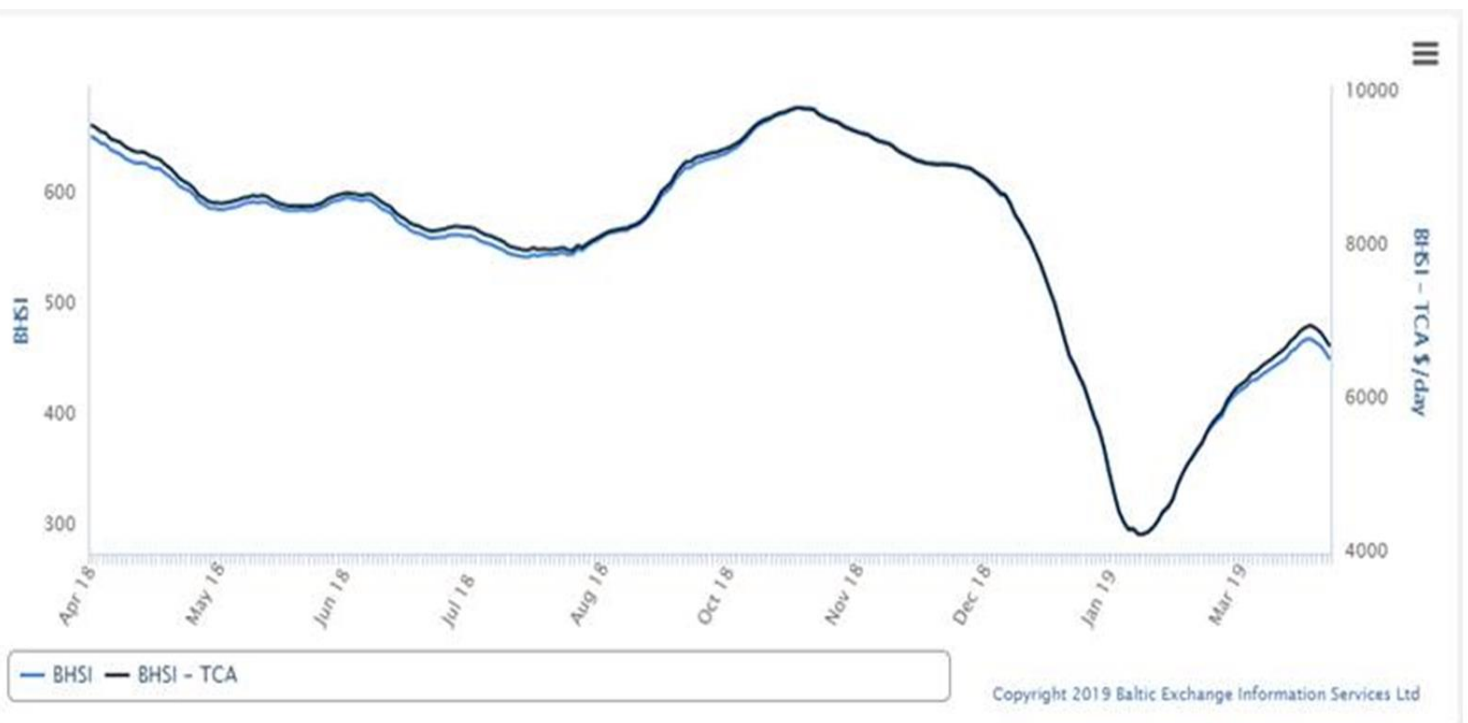


Supramax Dry-Bulk Forward Curv

10TCS-FFA



Baltic Handy Size

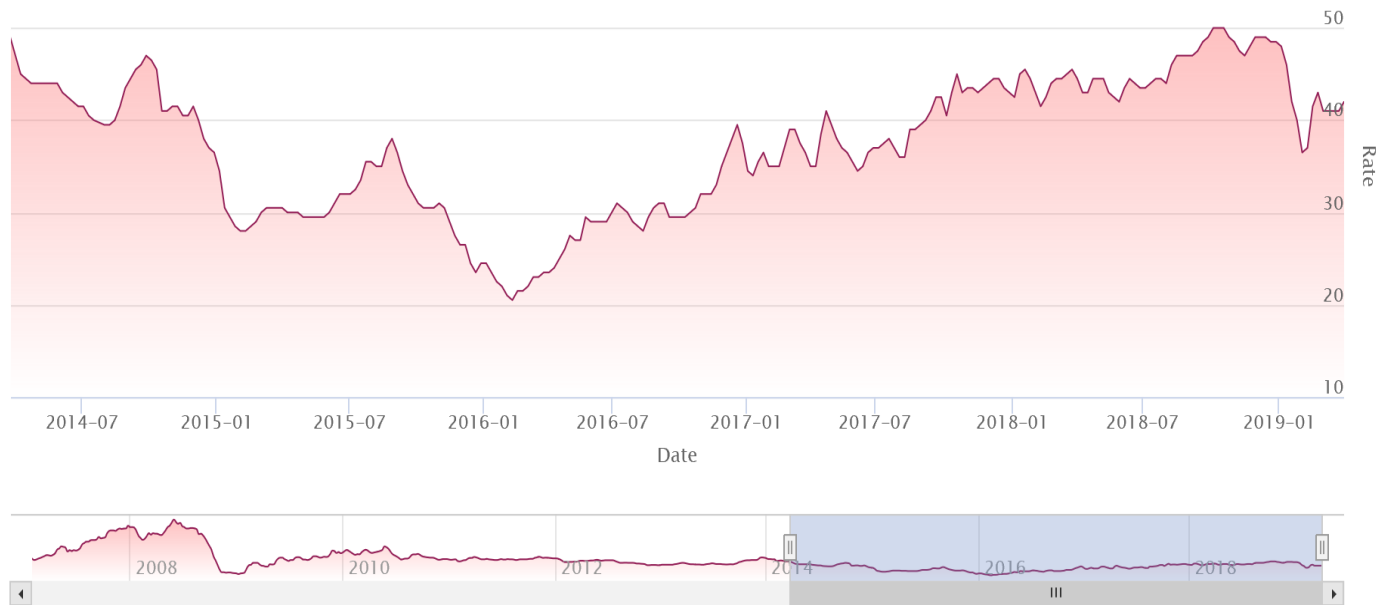


YAMAMIZU Index



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

From 2014-03-27 To 2019-03-27



China Import Dry Bulk Freight Index(CDFI)					
2019-04-03					
Route	Size MT	Cargo/Vessel Size	Unit	Rate	Change
Composite Index			Point	688.13	-3.14
Iron ore Freight Index			Point	566.19	-3.51
Soybean Freight Index			Point	935.50	3.58
Santos(Brazil)—North China	60000/10%	Soybean	\$/ton	32.160	0.040
Tacoma(West America)—North China	60000/10%	Soybean	\$/ton	22.640	0.020
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	41.181	0.460
Mississippi(US Gulf)—North China	55000/10%	Soybean	\$/ton	42.683	0.102

4 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	0.65	\$169.38	1.07	\$185.91
June	0.55	\$168.99	0.97	\$185.52
July	0.55	\$168.99	0.97	\$185.52
Aug.	0.53	\$171.45	0.95	\$187.98
Sept.	0.56	\$172.63	0.98	\$189.16
Oct.	0.51	\$174.50	0.97	\$192.61

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	1.00	\$183.16	0.80	\$175.29
June	0.95	\$184.73	0.78	\$178.04
July	0.98	\$185.91	0.80	\$178.83
Aug.	0.95	\$187.98	0.78	\$181.29
Sept.	1.00	\$189.95	0.78	\$181.29

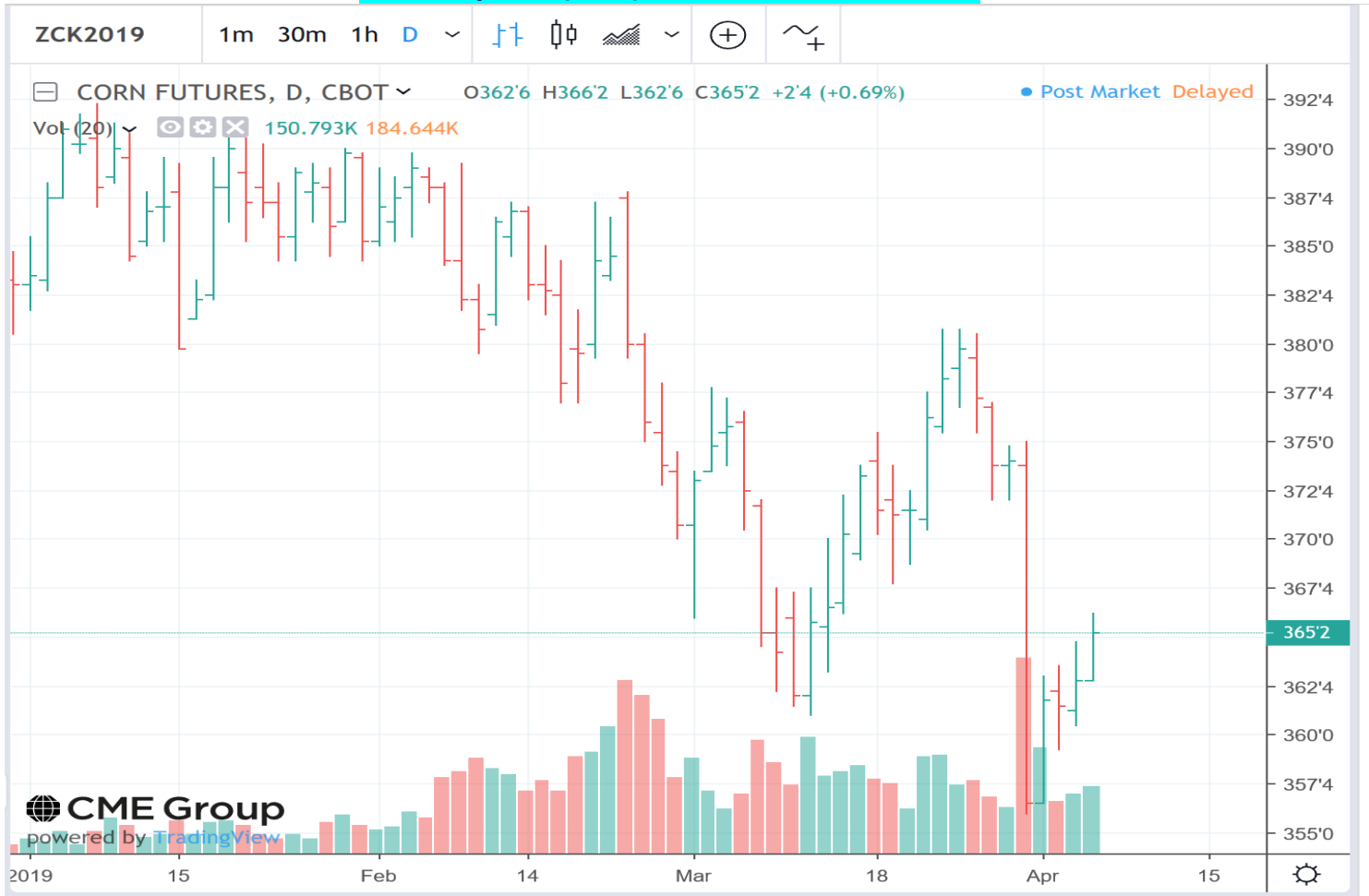
Fob vessel Texas Gulf #2 Sorghum is about 103 % the value of #2 Yellow Corn at NOLA.

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

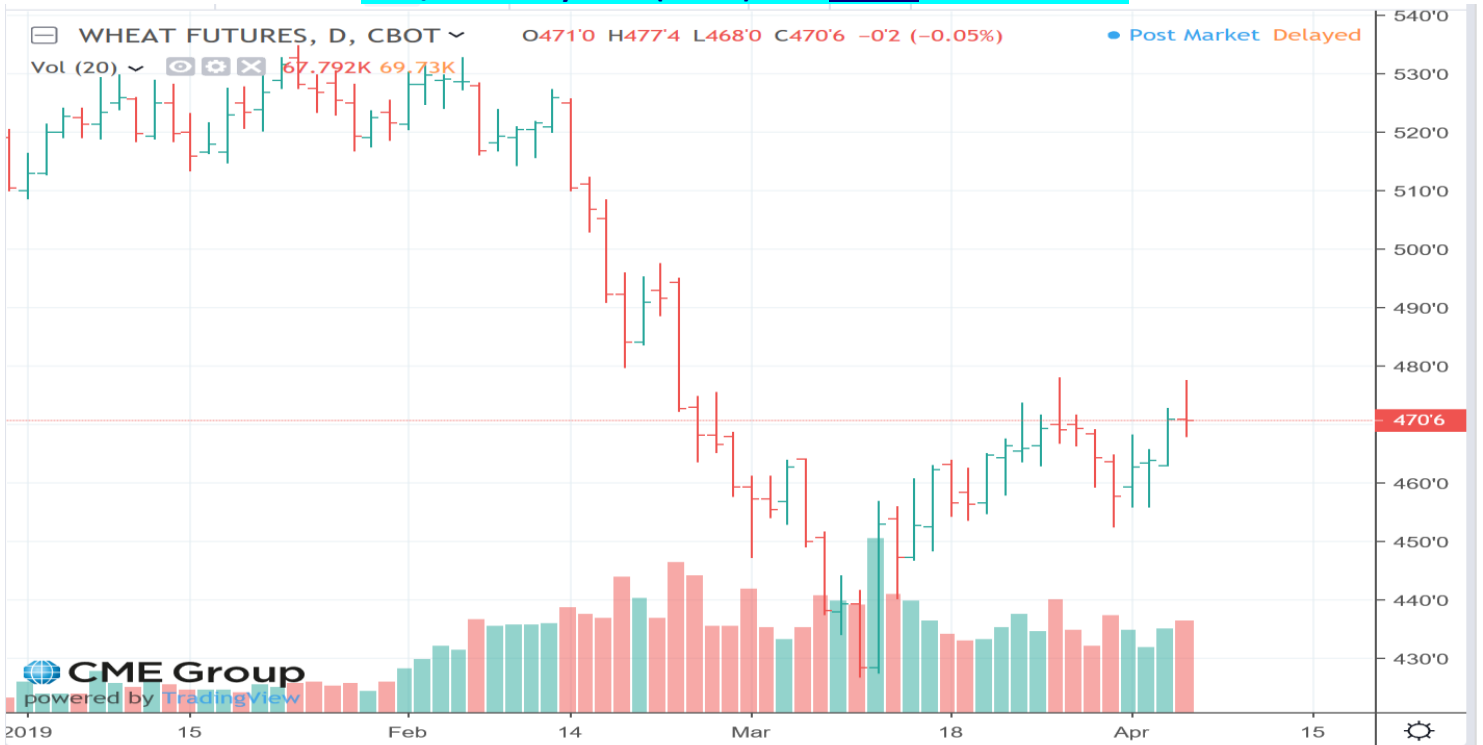
SRW Wheat	USD/MT	Fob Vessel	US Gulf	
	May	June	July	Aug.
FOB U.S. GULF	\$207.88	\$207.14	\$207.14	\$208.06
Basis	0.95	0.90	0.90	0.85
WK	4.7075			
WN	4.7375			
WU	4.8125			

CME Futures Market Close						
CORN Month	Futures Symbol	Thursday Close Bushel	Thursday Close MT.	Last week Bushel	Last Week MT.	Difference Bushel
May	CK	\$3.6525	\$143.79	\$ 3.7625	\$148.12	(\$0.1100)
July	CN	\$3.7425	\$147.33	\$ 3.8550	\$151.76	(\$0.1125)
Sept.	CU	\$3.8250	\$150.58	\$ 3.9175	\$154.22	(\$0.0925)
Dec.	CZ	\$3.9225	\$154.42	\$ 3.9875	\$156.98	(\$0.0650)
March	CH	\$4.0600	\$159.83	\$ 4.0900	\$161.01	(\$0.0300)

CBOT May 2019 (CK19) Corn Futures Chart –



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

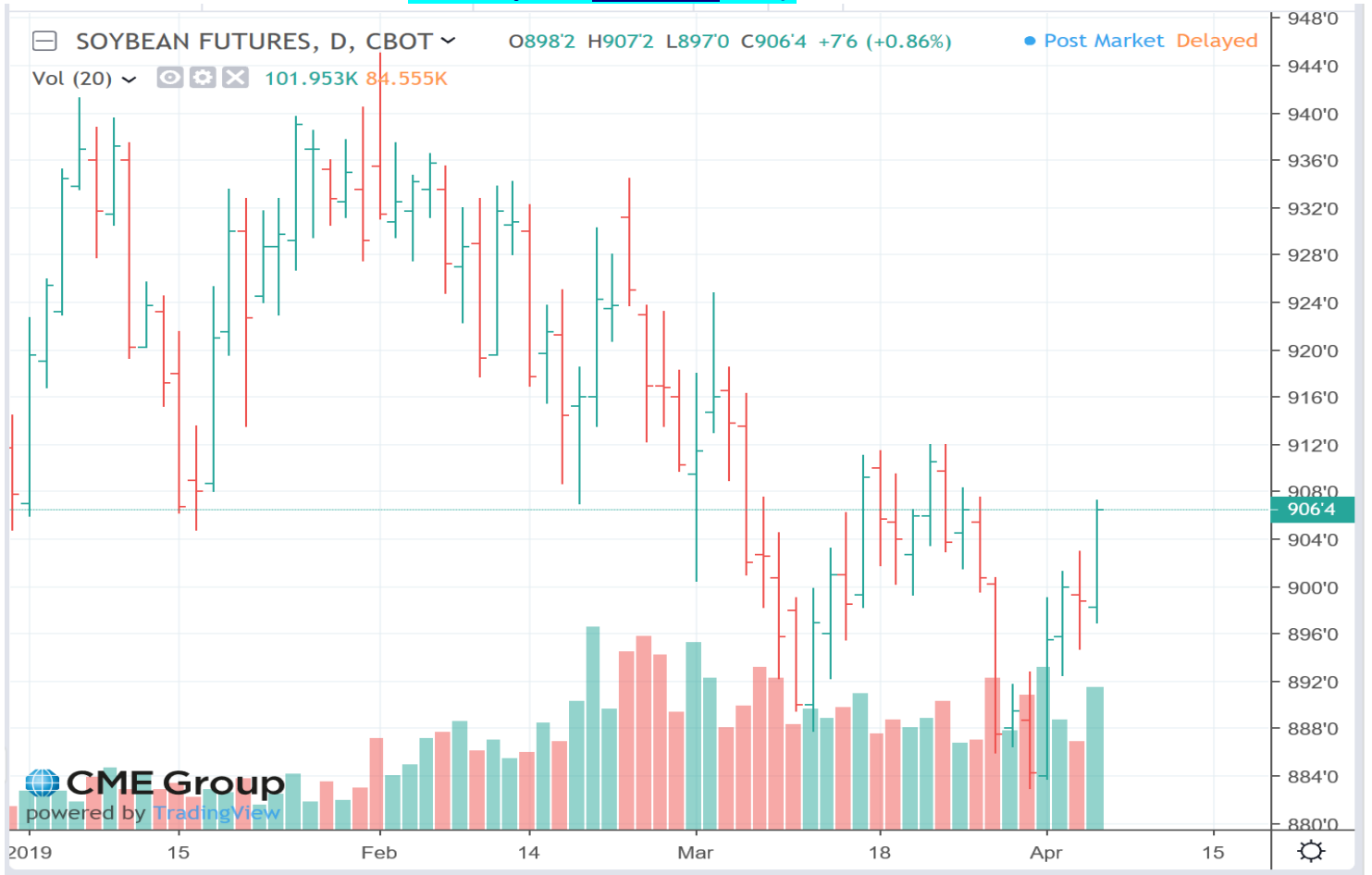


U.S. Soybean and SBM Markets Fob Vessel:

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	0.47	\$350.35	0.90	\$366.15
June	0.40	\$352.55	0.82	\$367.98
July	0.45	\$354.39	0.85	\$369.09
Aug.	0.45	\$356.50	0.85	\$371.20
Sept.	0.43	\$357.42	0.85	\$372.85
Soybean Futures				
May	\$ 9.0650			
July	\$ 9.1950			
Aug.	\$ 9.2525			
Sept.	\$ 9.2975			
Nov.	\$ 9.3950			
Jan.	\$ 9.4900			

U.S. SBM (USD/MT) FOB Vessel		
Fob U.S. Gulf Port	47.5 Pro. SBM	
max 12.5 % moisture	Basis	Flat Price
May	9.00	\$ 353.79
June	7.00	\$ 351.59
July	2.00	\$ 349.93
Aug.	2.00	\$ 349.93
Sept.	2.00	\$ 351.70
SBM Futures		
SMK	311.90	
SMN	315.40	
SMQ	317.00	
SMU	318.40	
SMV	319.60	
SMZ	322.30	

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 21 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	957.5	42,658.1	60,330	71%	1,918.5
Sorghum	0.0	947.3	2,160	44%	0.0
Soybeans	239.2	41,668.1	51,030	82%	722.1
Wheat	482.1	23,619.0	26,260	90%	879.6
Barley	0.0	59.4	110	54%	31.1

U.S. EXPORT INSPECTIONS:

Monday's report 01 April 2019 for the Export week ending 28 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	1,259,267	996,165	29,670,048	24,568,949	121%
Sorghum	58,354	3,235	1,036,290	3,922,419	26%
Soybeans	730,806	859,708	29,287,605	41,524,345	71%
Wheat	418,424	384,943	18,814,354	19,925,279	94%
Barley	367	0	8,177	21,071	39%

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

U.S. EXPORT INSPECTIONS:

Monday's report 01 April 2019 for the Export week ending 28 March 2019

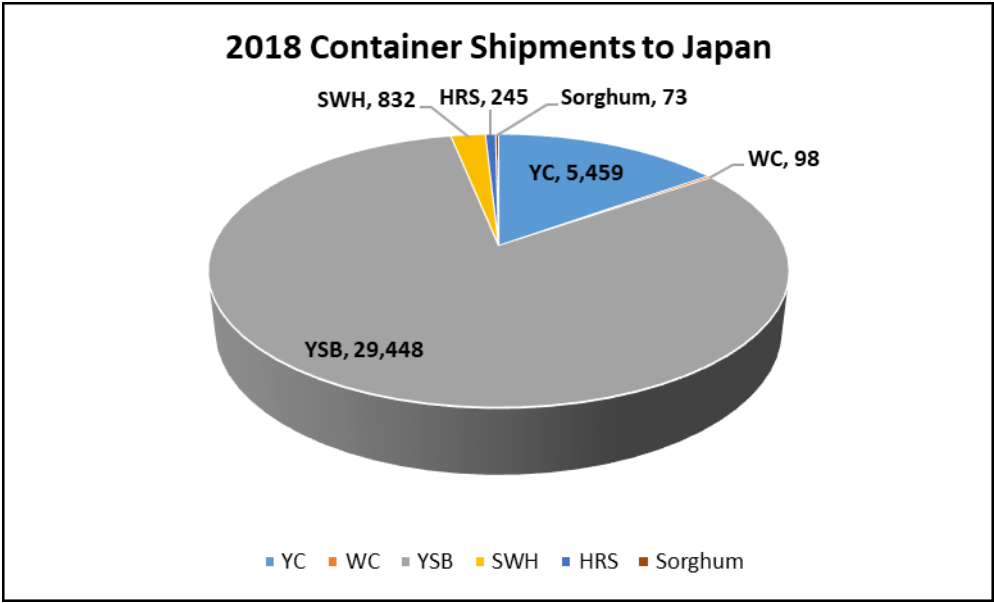
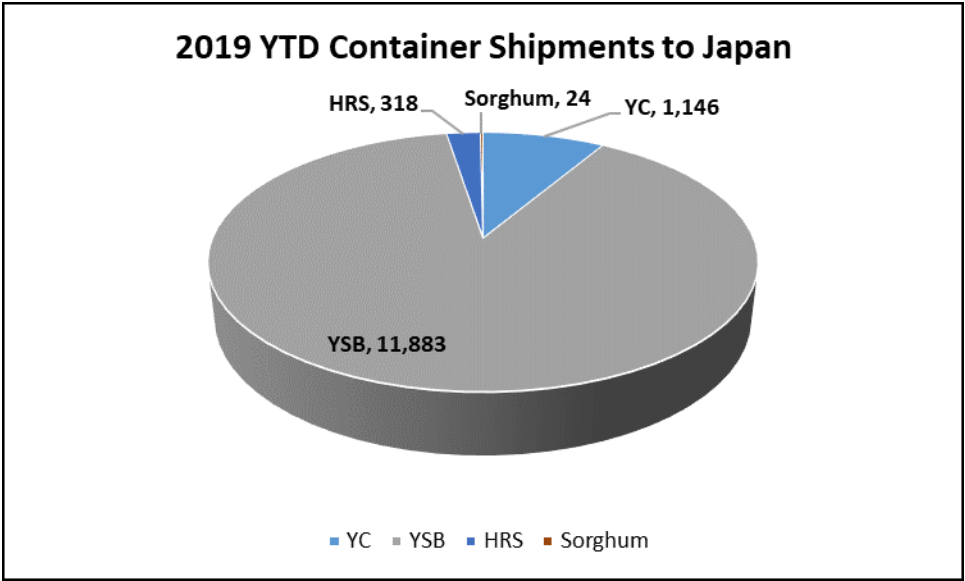
Last Week								
(Metric Tons)	YC	%	WC	%	Sorghum	%	Soybeans	%
Lakes	0	0%	0	0%	0	0%	0	0%
Atlantic	7,244	1%	0	0%	0	0%	29,774	4%
Gulf	765,664	61%	8,800	86%	54,999	94%	322,252	44%
PNW	349,031	28%	196	2%	24	0%	265,103	36%
Interior Export Rail	127,135	10%	1,197	12%	3,331	6%	113,677	16%
Metric Tons	1,249,074		10,193		58,354		730,806	
Sorghum Shipments:	metric tons				White Corn	metric tons		
	54,999	Spain			Shipments:	8,800	Honduras	
	24	Japan				196	Korea Rep	
	3,331	Mexico				1,197	Mexico	
	58,354	Total				10,193	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-Mar-2019							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	SWH	HRW	Sorghum	TOTAL
China Main									0
China T	22,972		16,944	784					40,700
Hong Kong	660								660
Costa Rica									0
Indonesia			13,957						13,957
French Poly									0
Japan			1,392						1,392
Korea Republic	1,738		2,351						4,089
Nepal			1,836						1,836
Malaysia	490		6,392						6,882
Burma									0
Philippines	244		416						660
Thailand			10,037						10,037
Qatar	1,738								1,738
Bangladesh			490						490
Vietnam			6,780						6,780
Sub total	27,842	0	60,595	784	0	0	0	0	80,213
USDA Corrections/Additions to previous reports:									
China T			294						294
China Main									0
Hong Kong									0
Korea Rep.				343					343
Nepal									0
Japan									0
Philippines									0
Indonesia			1,666						1,666
Malaysia									0
Thailand									0
Vietnam			195						195
Canada									0
Bangladesh									0
Sub total	0	0	2,155	343	0	0	0	0	2,498
Mt. Grand Total	27,842	0	62,750	1,127	0	0	0	0	82,711
Number of containers	1,211	0	2,728	49	0	0	0	0	

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



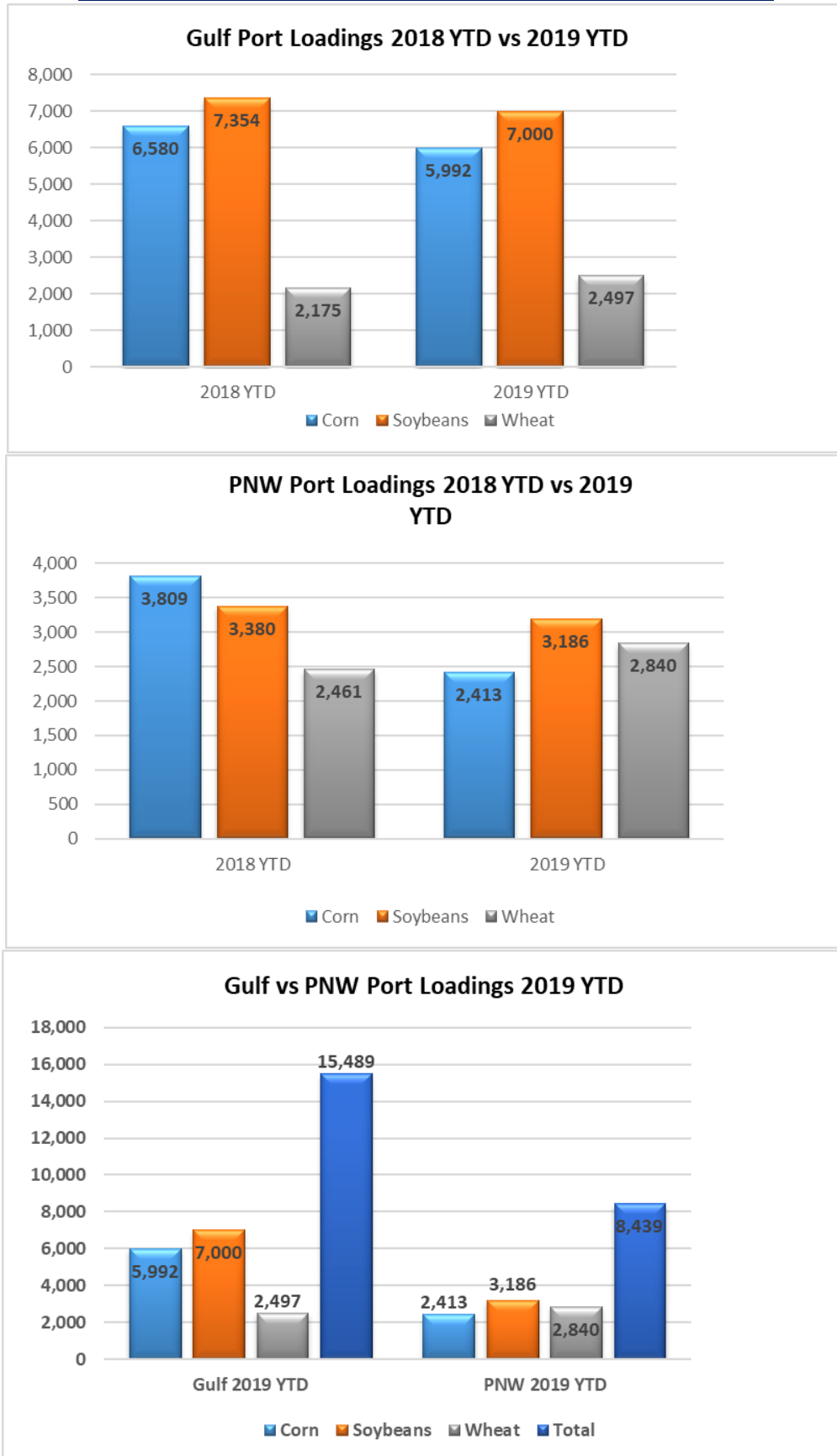
Grain Inspections for Export by U.S. Port Regions:
U.S. Gulf and Pacific Northwest 2018 YTD vs. 2019 YTD

PORT LOADINGS US Gulf				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
GULF				
2018 YTD	6,580	7,354	2,175	16,109
2019 YTD	5,992	7,000	2,497	15,489
2019 as % of 2018	91%	95%	115%	96%

PORT LOADINGS US PNW				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
PNW				
2018 YTD	3,809	3,380	2,461	9,650
2019 YTD	2,413	3,186	2,840	8,439
2019 as % of 2018	63%	94%	115%	87%

PORT LOADINGS GULF vs. PNW				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
2019 Gulf YTD	5,992	7,000	2,497	15,489
2019 PNW YTD	2,413	3,186	2,840	8,439
TOTAL	8,405	10,186	5,337	23,928
Gulf Percentage	71%	69%	47%	65%
PNW Percentage	29%	31%	53%	35%

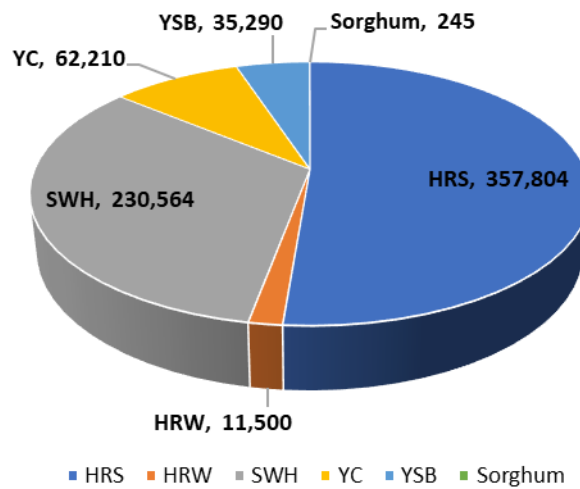
Grain Inspections for Export by U.S. Port Regions (1,000MT):
U.S. Gulf and Pacific Northwest 2018 YTD vs. 2019 YTD



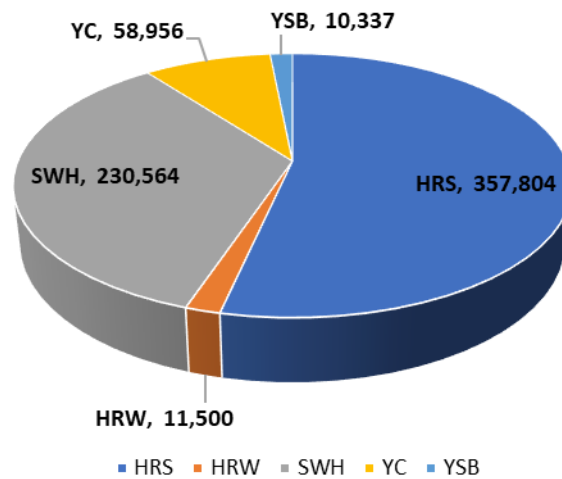
Source: USDA-data

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

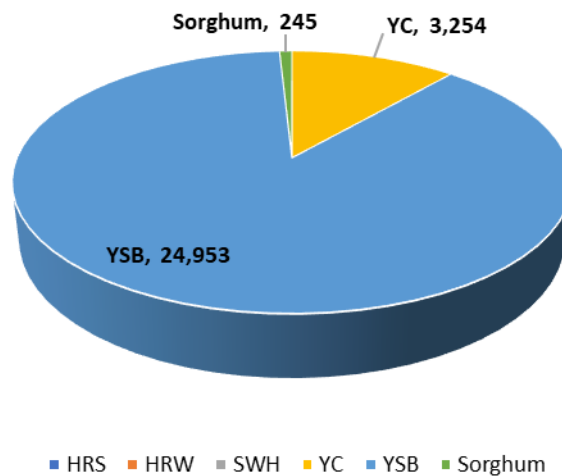
2019 YTD Exports to Philippines



YTD Exports to Philippines by Vessel



YTD Exports to Philippines by Container

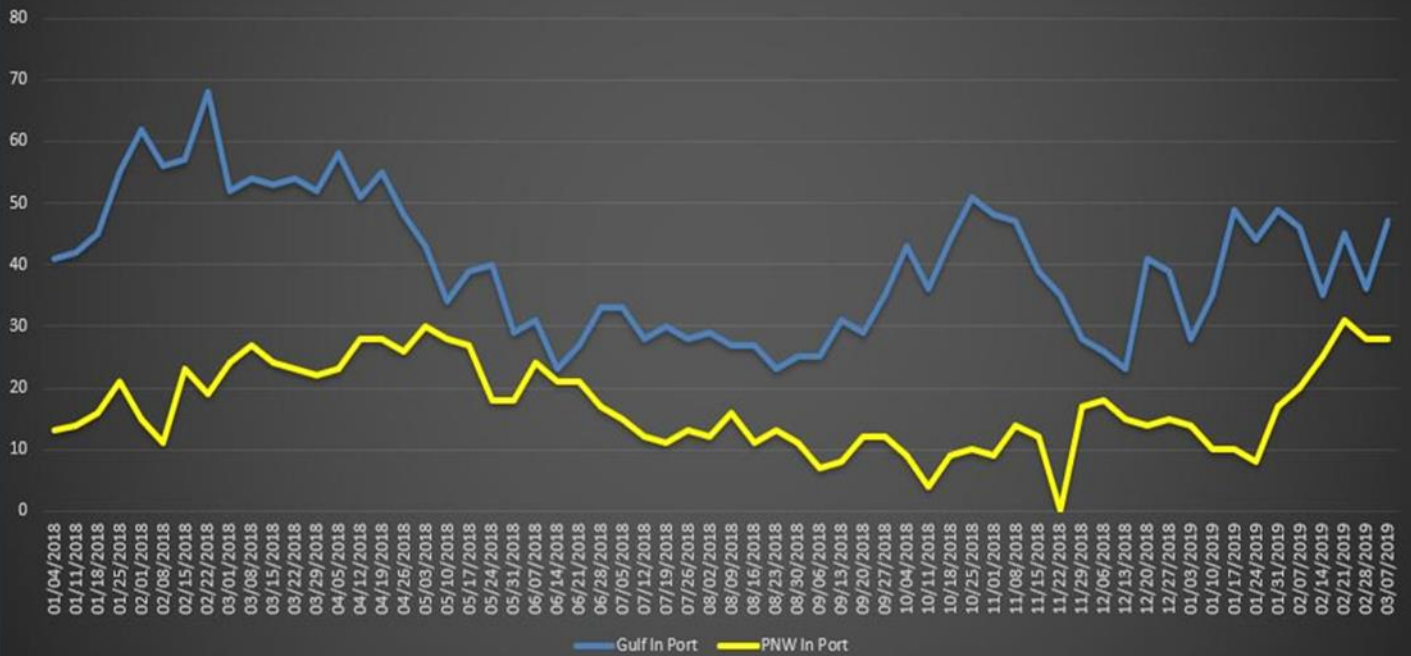


*Please keep in mind that USDA does not report DDGS sales

Shipping News

Grain Vessel Loading Activity

Source: Transportation & Marketing Programs/AMS/USDA



China Containerized Freight Index



U.S. RIVER BARGE FREIGHT

Current Barge Freight for Placement Last Half April 2019

Placement LH April 2019	% of		Corn	Soybeans-Wheat
	Tariff	MT	BU	BU
Upper Mississippi	Closed	Hi Water	0.00	o
Illinois River (Pekin and South)	435	\$ 23.06	0.59	0.63
Mid-Mississippi	Closed	Hi Water	0.00	o
Lower Ohio	400	\$ 19.67	0.50	0.54
St. Louis	350	\$ 15.39	0.39	0.42

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

Secondary Rail Car Market Placement LH. April 2019	BID USD	ASK USD	BID BU.	ASK BU.	BID MT	ASK MT
BNSF Shuttle Trains	\$ 450.00	\$ 600.00	\$ 0.11	\$ 0.15	\$ 4.43	\$ 5.91
UPRR Shuttle Trains	\$ 150.00	\$ 300.00	\$ 0.04	\$ 0.08	\$ 1.48	\$ 2.95

- Please see the below link to the rail track repair work being conducted by the BNSF rail road.

<http://www.bnsf.com/news-media/media-asset-library/index.html#category-flood>

Best Regards,

Jay
Jay O'Neil
HJ O'Neil Commodity Consulting
785-410-2303 (cell)

joneil@ksu.edu

Follow me on Twitter @ igpjay



*** 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.
This E-mail is covered by the Electronic Communications Privacy Act, 18 U.S.C. §§2510-2521, and is confidential.