Transportation and Export Report for 5 April 2018

Ocean Freight Insights and Comments:

It was a difficult week for vessel owners. Dry-Bulk cargo demand remains softer than expected and rates are suffering. Daily hire rates for Q2 '18 Panamax vessels has dropped to $10,500/day and bids for CAL 2019 are no better than $10,785/day. So a lot of the market optimism is fading; at least for the moment. There is, of course, a lot of conversation regarding the China trade tariffs and their impact on U.S. and South American grain and meal exports. The exact impact greatly depends on the commodity. For Soybeans I do not see a big negative for U.S. exports as the world Soy S&D is not changed by this action. Globally we will still export/trade the same volumes of Soybeans and meal. China imports 97-100 mil. Mt of Soybeans per year. S.A. exports just 77-78 million mt. So it will be impossible for China to get all their beans from S.A. and for Brazil to export 65-70 million plus mt of soybeans to one country smoothly will be a logistic and trade nightmare. Do be careful about the Soybean export Basis, it is moving up as we are seeing a rush to buy beans and attempt to get them in quickly before the potential tariffs take effect.

I do not envision a big negative impact on U.S. corn exports but Sorghum exports probably take the biggest hit from this Trade war.

As for container freight; the biggest factor in these rates today is the rising cost of U.S. truck freight.

BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices				
5-Apr-18	This Week	Last Week	Difference	Percent Change
P2A : Gulf/Atlantic - Japan	17499	18728	-1,229	-6.6%
P3A - PNW/Pacific - Japan	10629	12380	-1,751	-14.1%
S1C -USGULF-China-So.Japan	21778	22694	-916	-4.0%

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

Four weeks ago:	$ 6.20-$6.65
Three weeks ago:	$ 6.05-$6.55
Two weeks ago:	$ 5.90-$6.20
One week ago:	$ 5.35-$6.40
This week	$ 5.10-$5.70

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

Mississippi River:	(10 elevators)	3-10 days
Miss. River Mid-Stream loaders:	(6+ Rigs)	0-2 days
Texas Gulf	(6 elevators)	4-11 days (only 1 facility over 7 days wait)
Pacific Northwest:	(9 elevators)	3-13 days

Panamax Market Spreads to Asia -China					
5-Apr-18	PNW	GULF	Bushel Spread	MT Spread	Advantage
CORN	1.18	0.86	0.32	$12.60	PNW
SOYBEANS	1.10	0.70	0.40	$14.70	PNW
OCEAN FREIGHT	$23.75	$43.50	.50.54	$19.75	MAY

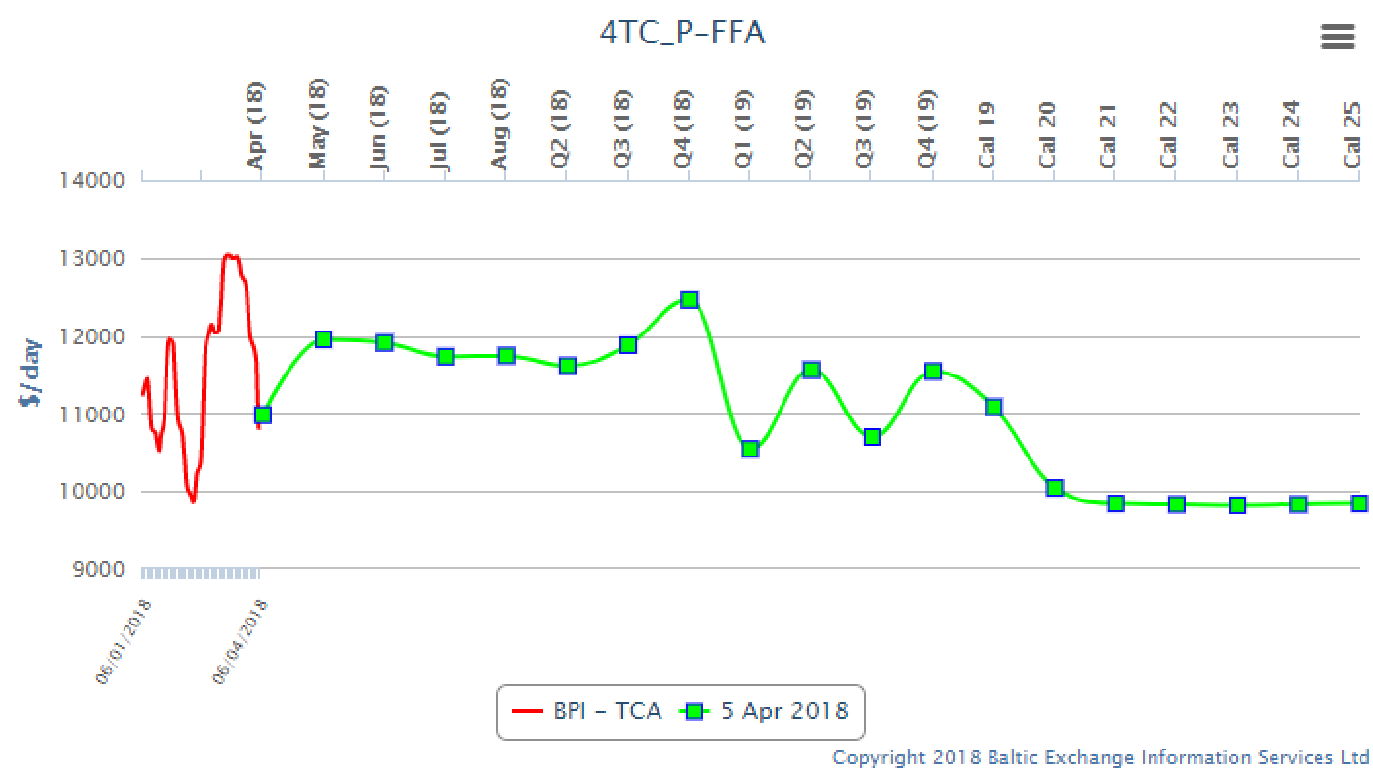
Rec.ent Reported Vessel Fixtures:

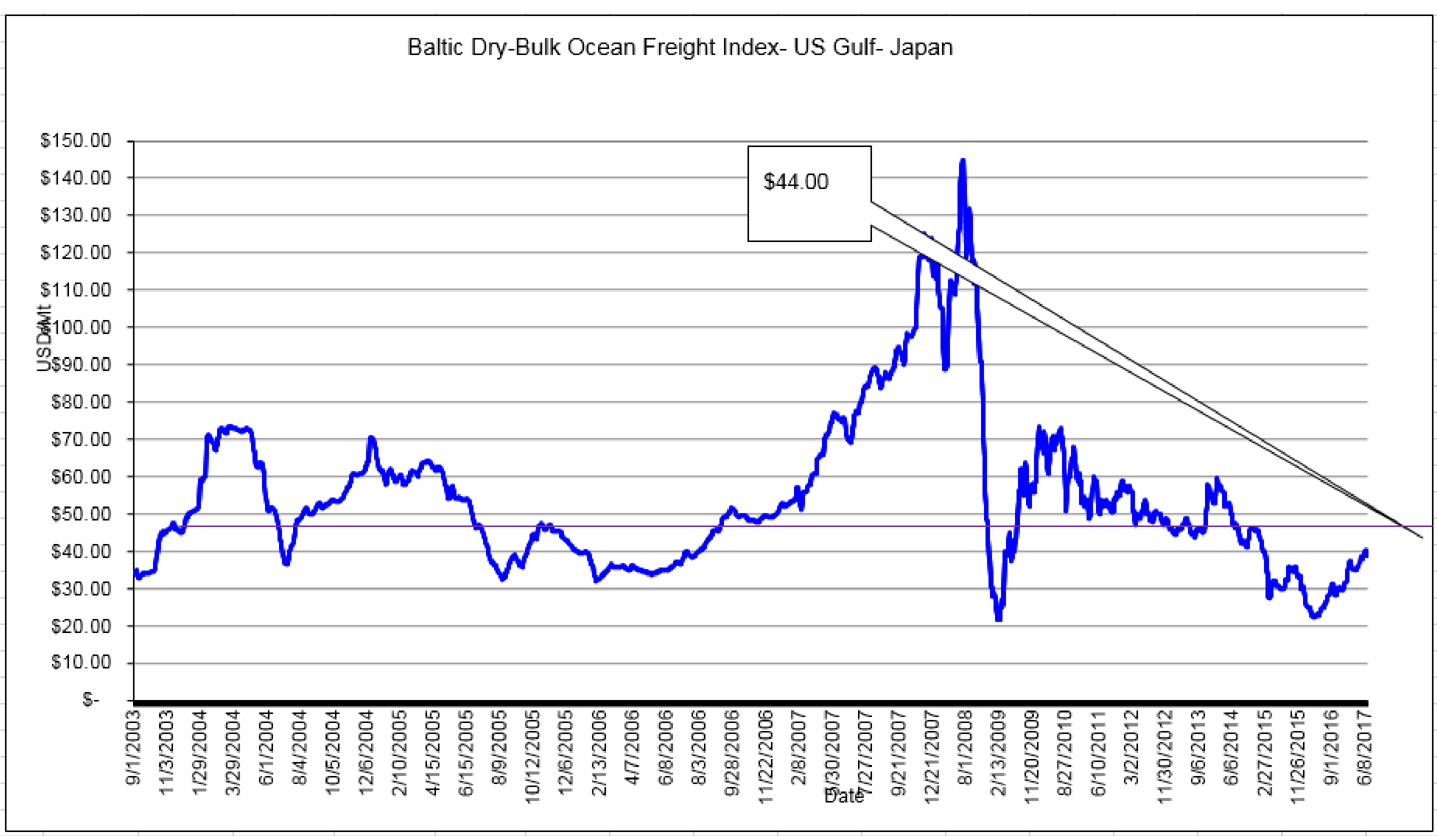
Route and Vessel Size	Current Week USD/MT	Change from previous week	Remarks
55,000 U.S. Gulf-Japan	$44.00	Down $1.00	Handymax $44.50 mt
55,000 U.S. PNW- Japan	$24.25	Down $0.25	Handymax $24.50 mt
65,000 U.S. Gulf – China PNW to China	$43.50 $23.75	Down $0.75 Down $0.25	North or South China
25,000 U.S. Gulf- Veracruz, México	$16.25	Down $0.25	3,000 MT daily discharge rate
35-40,000 U.S. Gulf- Veracruz, México	$14.00	Down $0.25	Deep draft and 6,000 MT per day discharge rate.
25/35,000 U.S. Gulf- East Coast Colombia From Argentina	$19.50 $34.00	Unchanged	West Coast Colombia at $28.00
40-45,000 U.S. Gulf - Guatemala	$27.50	Down $0.50	Acajutla/Quetzal - 8,000 out
26-30,000 U.S. Gulf – Algeria	$31.50 $32.75	Down $0.50	8,000 mt daily discharge 3,000 mt daily discharge
26-30,000 US Gulf-Morocco	$3.75	Down $0.50	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt PNW to Egypt	$28.50 $27.25	Down $0.50	55,000 -60,000 mt Russia Black Sea to Egypt $14.75
60-70,000 U.S. Gulf – Europe – Rotterdam	$20.00	Unchanged	Handymax at +$1.75 more
Brazil, Santos – China Brazil, Santos – China Itacoatiara-Port Up River North Brazil	$34.75 $33.75 $37.25	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	$39.50	Down $0.75	Up River with BB Top Off $42.00

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

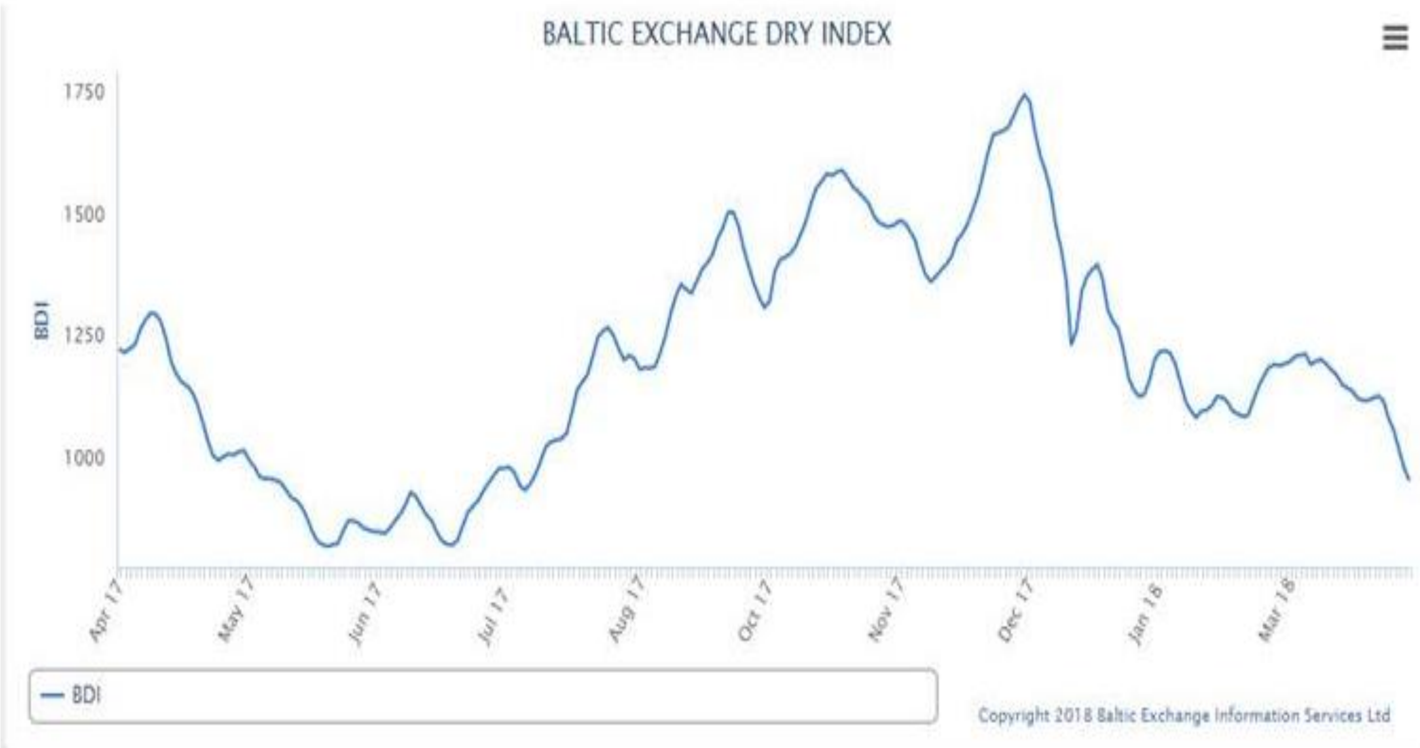
Nautical Miles: To Xiamen China (South China)
US Gulf (NOLA) (via Panamá Canal) – 10,232 nautical miles (32 days)
Santos Brazil (via Cape of Good Hope) - 10,441 nautical miles (33 days)
Rasario Argentina (via Cape Horn) - 10,751 nautical miles (34 days)

Forward Curve for Baltic BPI Panamax Vessel Freight

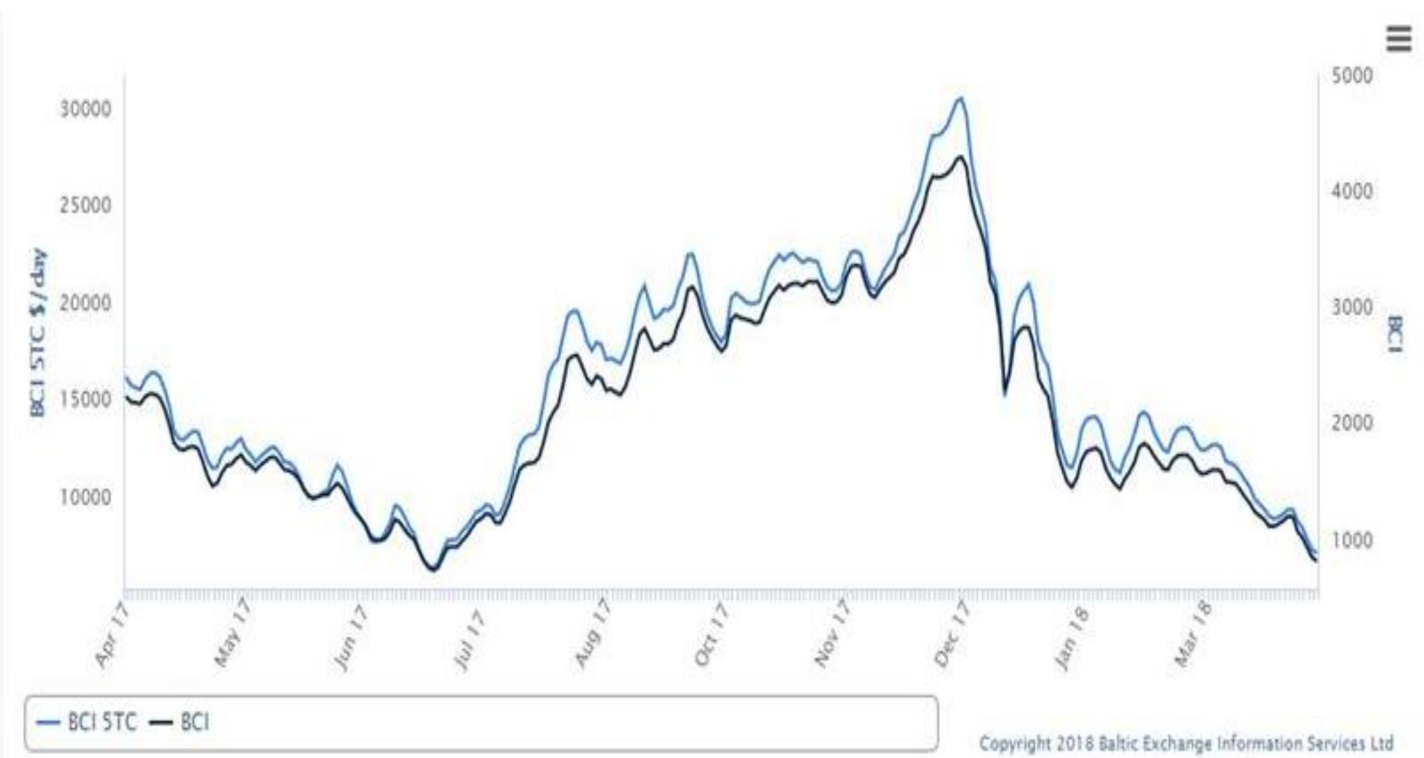




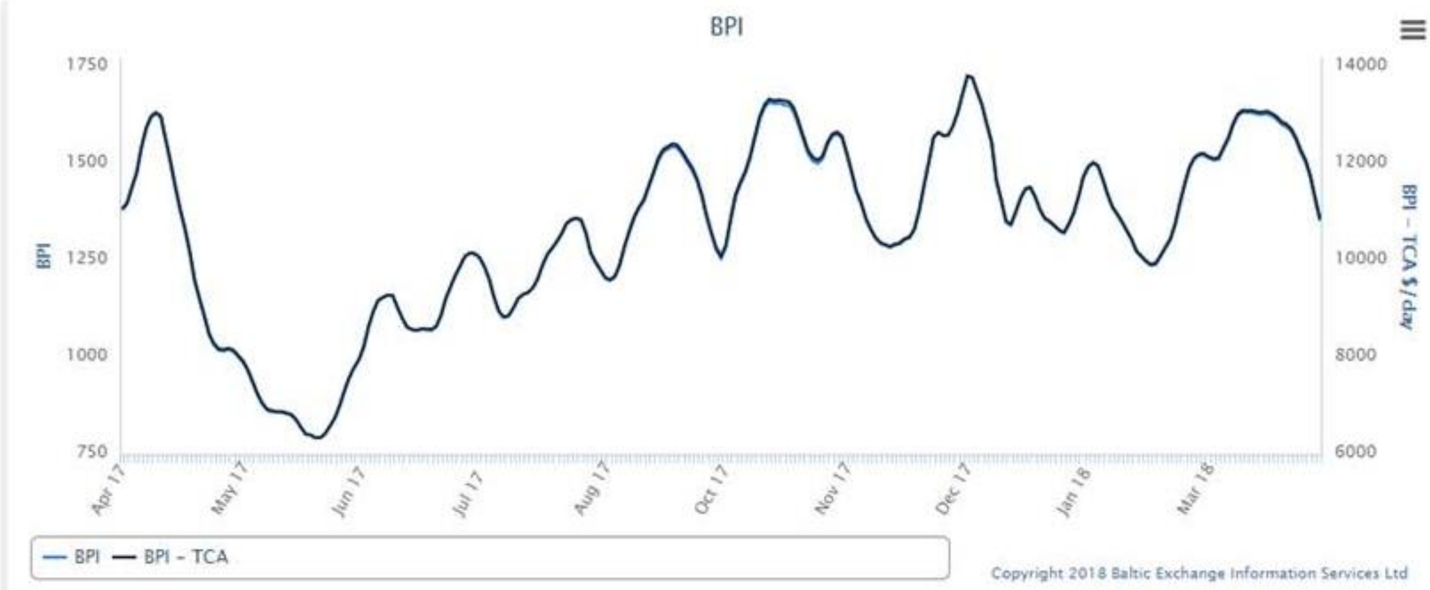
Baltic Dry-Bulk Index



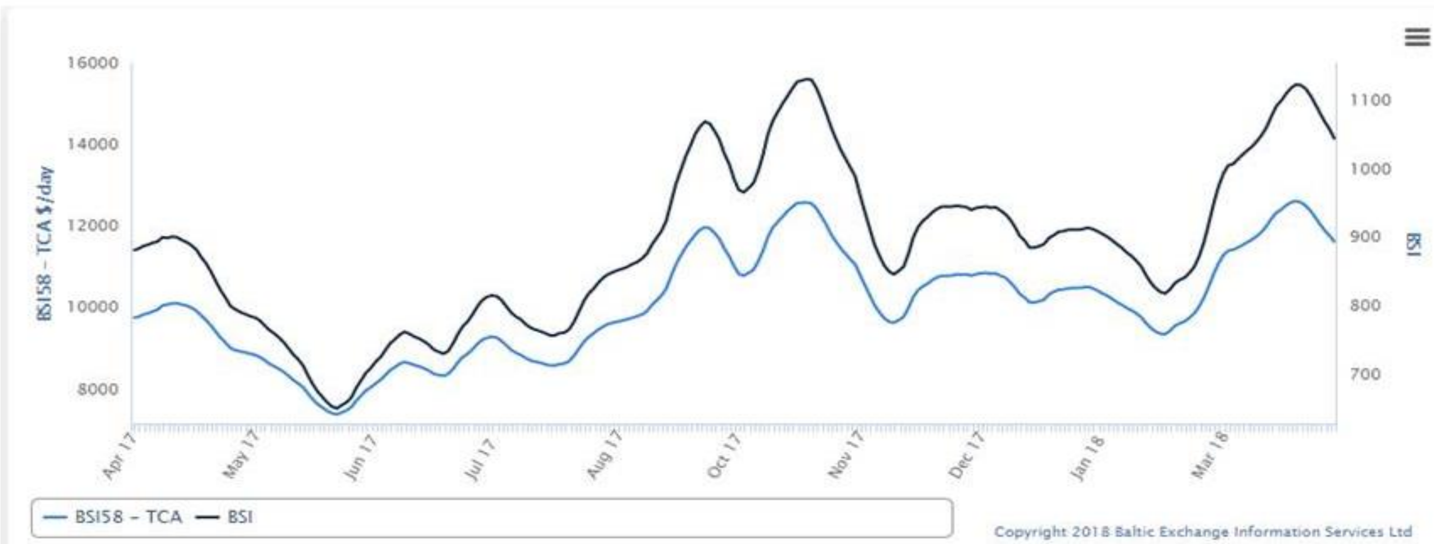
Baltic Capesize Index



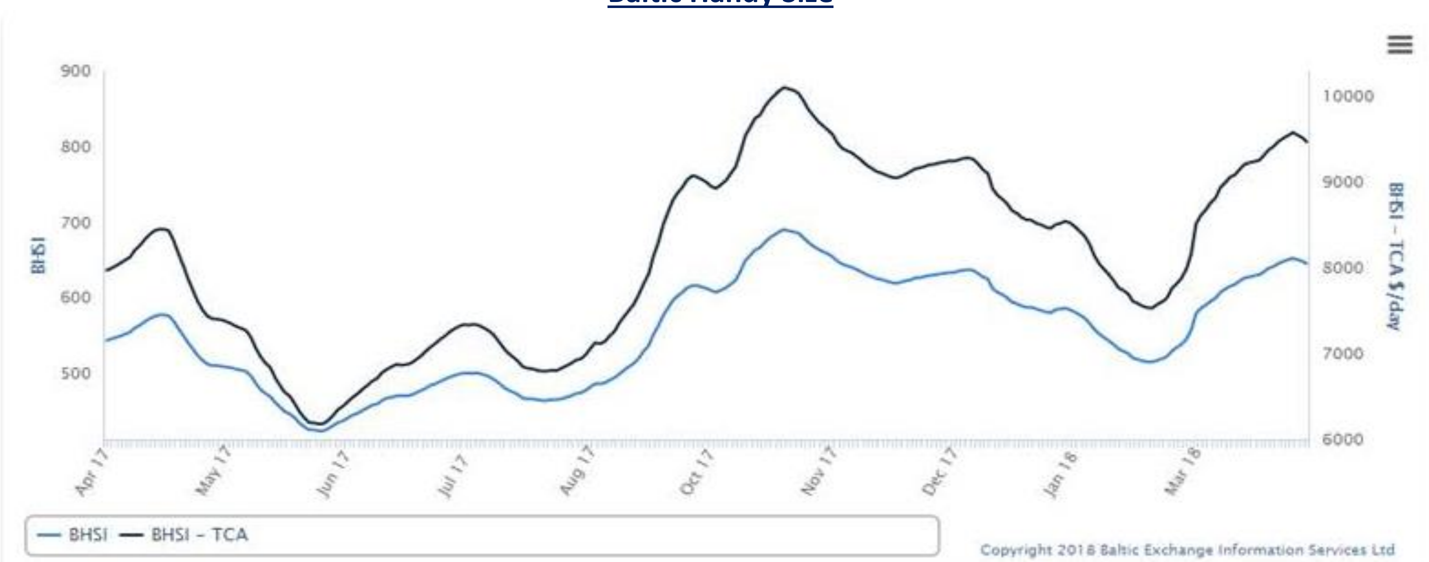
Baltic Panamax Index

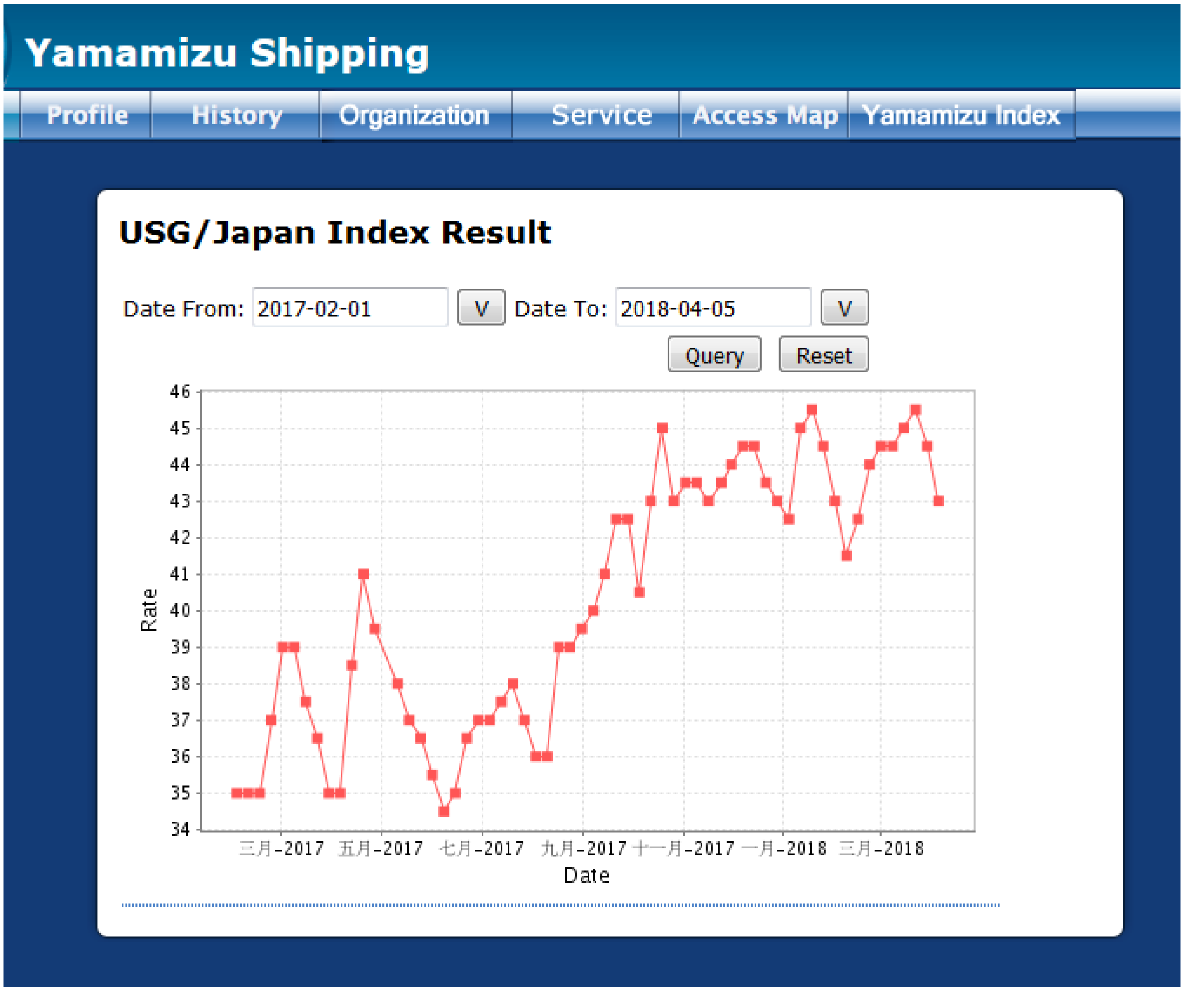


Baltic Supramax Vessel Index



Baltic Handy Size





China Import Dry Bulk Freight Index(CDFI) 2018-04-04					
Route	Size MT	Cargo/Vessel Size	Unit	Rate	Change
Composite Index			Point	774.13	-21.18
Iron ore Freight Index			Point	640.09	-36.18
Soybean Freight Index			Point	994.21	-2.34
Santos(Brazil)—North China	60000/10%	Soybean	$/ton	34.010	-0.055
Tacoma(West America)—North China	60000/10%	Soybean	$/ton	24.010	-0.120
Mississippi(US Gulf)—North China	66000/10%	Soybean	$/ton	44.086	-0.111
Mississippi(US Gulf)—North China	55000/10%	Soybean	$/ton	45.689	-0.112

5 April 2018 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	0.86	**$187.19**	1.18	**$199.79**
June	0.76	**$186.70**	1.09	**$199.69**
July	0.75	**$186.31**	1.05	**$198.12**
Aug.	0.73	**$188.08**	1.01	**$199.10**
Sept.	0.80	**$190.84**	1.05	**$200.68**
Oct.	0.75	**$192.21**	1.03	**$203.24**

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	1.20	**$200.58**	1.00	**$192.71**
June	1.10	**$200.09**	0.90	**$192.21**
July	1.05	**$198.12**	0.75	**$186.31**
Aug.	0.98	**$197.92**	0.75	**$188.87**
Sept.	1.00	**$198.71**	0.80	**$190.84**

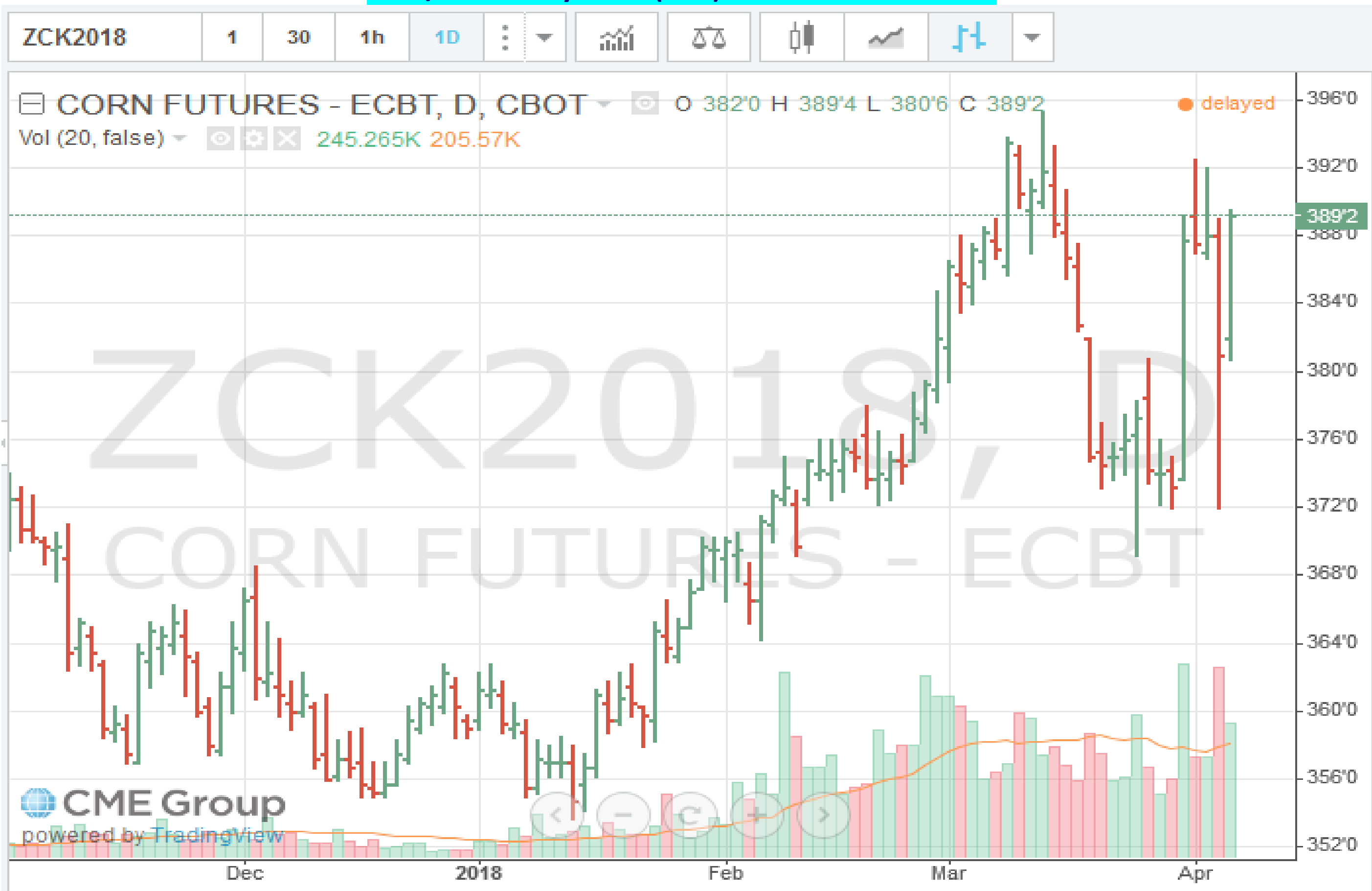
Fob vessel Texas Gulf #2 Sorghum is about 103% the value of #2 Yellow Corn at NOLA

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	$205.67	$207.32	$206.22	$208.70
Basis	0.95	0.83	0.80	0.70
WK	4.6475			
WN	4.8125			
WU	4.9800			

CME Futures Market Close						
CORN Month	Futures Symbol	Friday Close Bushel	Friday Close MT.	Last week Bushel	Last Week MT.	Difference Bushel
May	CK	$3.8950	$153.34	$ 3.8775	$152.65	$0.0175
July	CN	$3.9825	$156.78	$ 3.9625	$156.00	$0.0200
Sept.	CU	$4.0475	$159.34	$ 4.0325	$158.75	$0.0150
Dec.	CZ	$4.1325	$162.69	$ 4.1150	$162.00	$0.0175
Mar.	CH	$4.2050	$165.54	$ 4.1825	$164.66	$0.0225

CME/CBOT May 2018 (CK8) Corn Futures Chart –



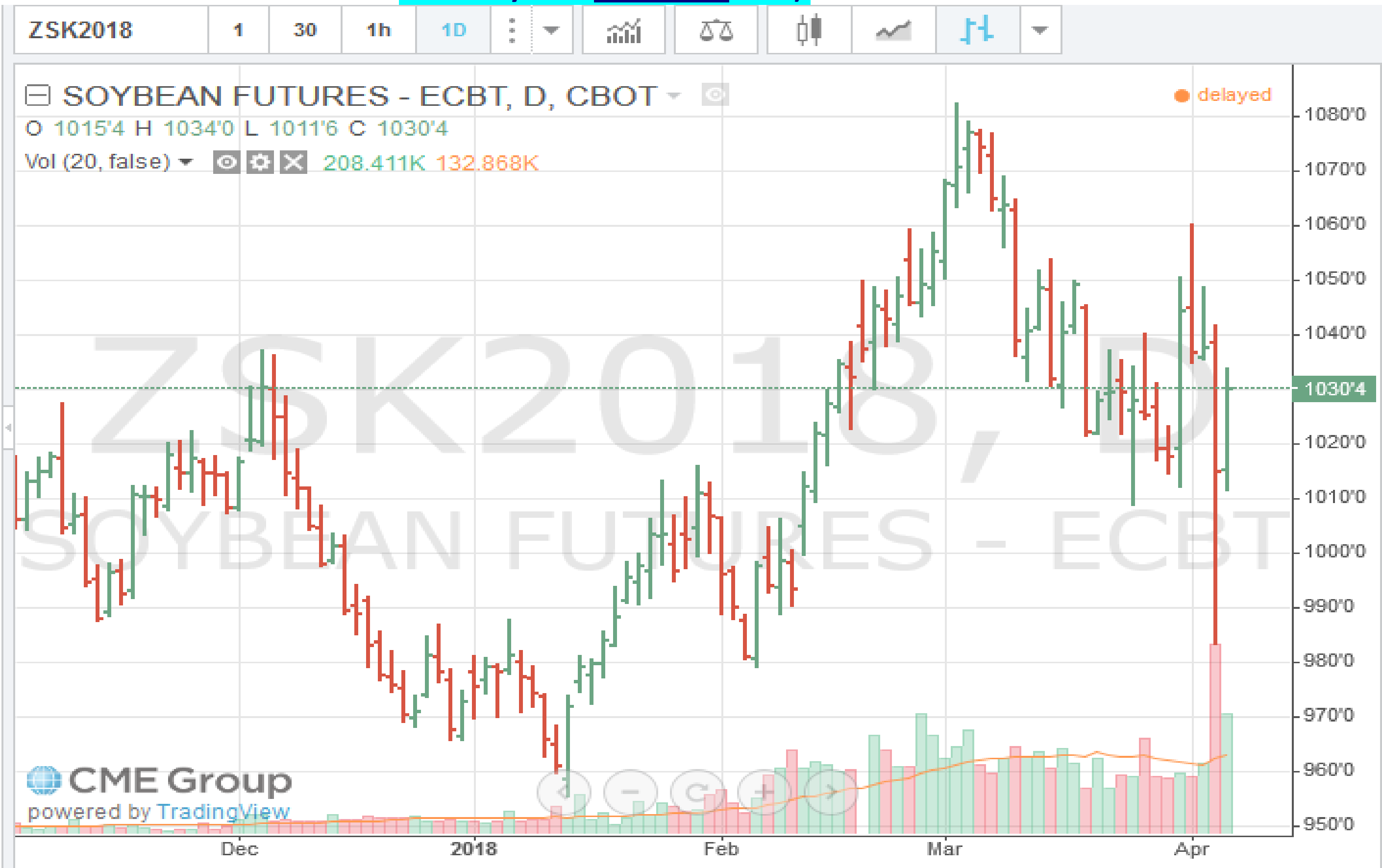
CME/CBOT May 2018 (WK8) SRW Wheat Futures Chart –

U.S. Soybean and SBM Markets Fob Vessel:

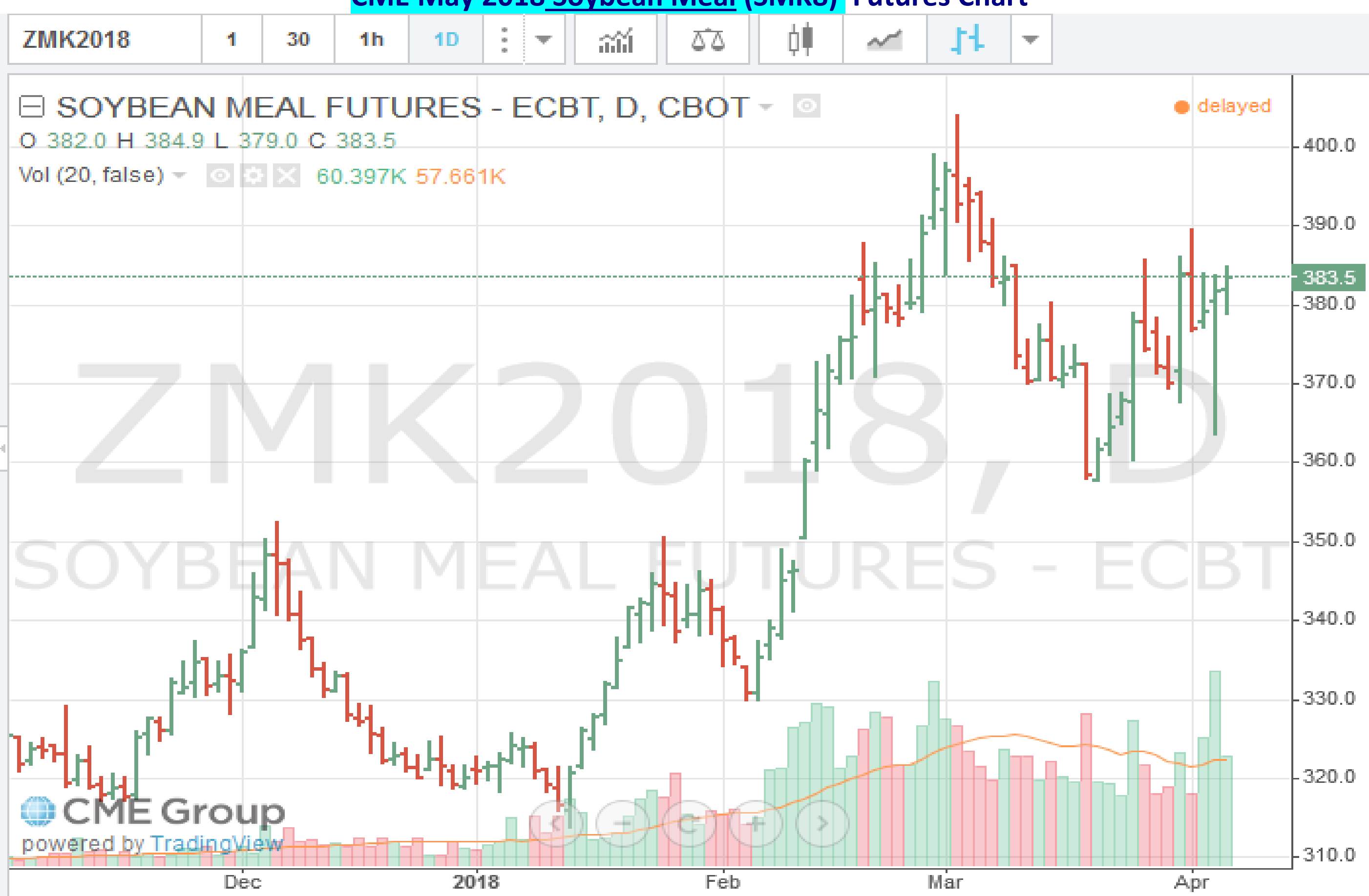
U.S. Yellow Soybeans (USD/MT) FOB Vessel				
# 2 YSB	U.S. Gulf #2 YSB		PNW #2 YSB	
14.0 % Moisture	Basis	Flat Price	Basis	Flat Price
May	0.70	**$408.59**	1.10	**$423.28**
June	0.80	**$412.26**	1.10	**$423.28**
July	0.80	**$412.26**	1.05	**$421.45**
Aug.	0.80	**$412.81**	1.05	**$422.00**
Sept.	0.70	**$409.14**	1.03	**$421.26**
Soybean Futures				
May	$ 10.3125			
July	$ 10.4200			
Aug.	$ 10.4350			
Sept.	$ 10.3700			
Nov.	$ 10.3400			
Jan.	$ 10.3675			

U.S. SBM (USD/MT) FOB Vessel		
Fob U.S. Gulf Port	47.5 Pro. SBM	
max 12.5 % moisture	Basis	Flat Price
May	15.00	**$ 443.21**
June	13.00	**$ 441.00**
July	13.00	**$ 441.00**
Aug.	15.00	**$ 438.91**
Sept.	16.00	**$ 440.01**
SBM Futures		
SMK	383.60	
SMN	387.00	
SMQ	383.10	
SMU	379.10	
SMV	374.60	
SMZ	371.70	

CME May 2018 Soybean (SK18) Futures Chart:



CME May 2018 Soybean Meal (SMK8) Futures Chart



U.S. EXPORT STATISTICS: Report Activity as of Week Ending 29 March 2018
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	**997.0**	**47,353.2**	**56,520**	**84%**	**1,870.0**
Sorghum	**5.1**	**5,210.6**	**6,220**	**84%**	**0.0**
Soybeans	**1231.6**	**51,484.2**	**56,200**	**92%**	**2,365.2**
Wheat	**182.9**	**22,917.5**	**25,180**	**91%**	**1,078.4**
Barley	**0.0**	**39.5**	**130**	**30%**	**39.4**

U.S. EXPORT INSPECTIONS:
Monday's report 02 April 2018 for the Export week ending 29 March 2018

	Export Inspections		Current Market Year YTD	Previous Year to Date	2017 YTD as Percent of 2016 YTD
	This Week	Previous Week			
Corn	**1,348,992**	**1,330,442**	**24,442,755**	**33,340,523**	**73%**
Sorghum	**53,587**	**262,249**	**3,749,270**	**3,743,142**	**100%**
Soybeans	**542,434**	**709,759**	**41,482,483**	**46,984,002**	**88%**
Wheat	**361,723**	**343,772**	**19,875,058**	**21,834,092**	**91%**
Barley	**0**	**0**	**21,071**	**32,289**	**65%**

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

U.S. EXPORT INSPECTIONS:
Monday's report 02 April 2018 for the Export week ending 29 March 2018

Last Week								
(Metric Tons)	**YC**	**%**	**WC**	**%**	**Sorghum**	**%**	**Soybeans**	**%**
Lakes	0	0%	0	0%	0	0%	0	0%
Atlantic	0	0%	0	0%	0	0%	72,334	13%
Gulf	595,477	44%	4,000	51%	50,301	94%	170,071	31%
PNW	616,536	46%	0	0%	0	0%	198,397	37%
Interior Export Rail	129,187	10%	3,792	49%	3,286	6%	101,632	19%
Metric Tons	1,341,200		7,792		53,587		542,434	

Sorghum Shipments:

metric tons	
52,628	China Main
959	Mexico
53,587	Total

White Corn Shipments:

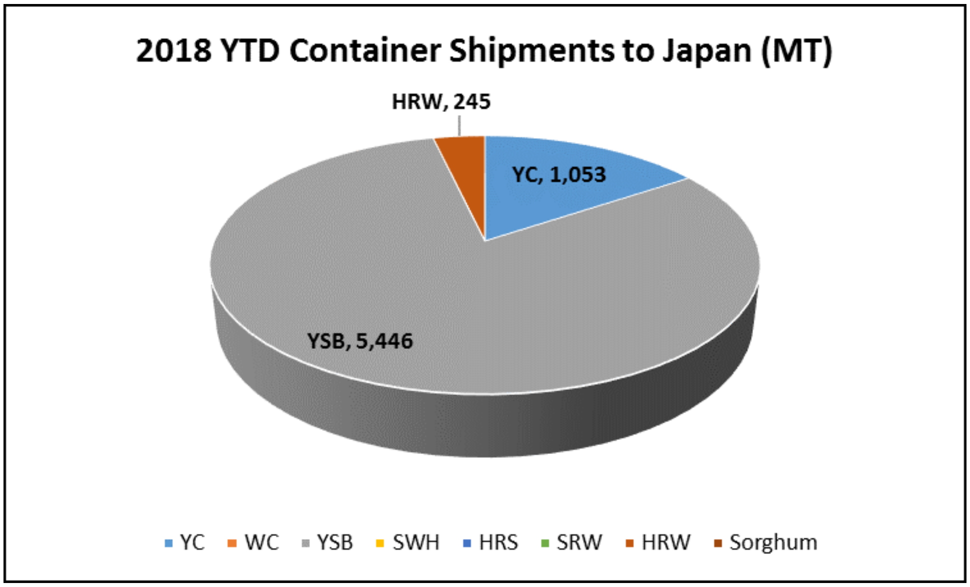
metric tons	
4,000	Costa Rica
3,792	Mexico
7,792	Total

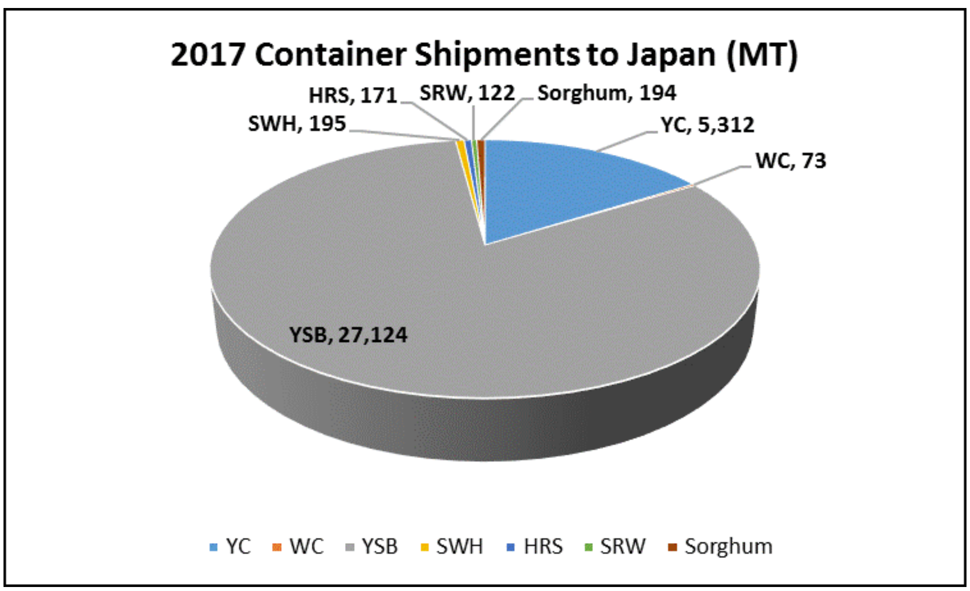
Export Inspection Highlights

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:			29-Mar-2018						
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	SWH	HRW	Sorghum	TOTAL
China Main	3,135		4,457					2,327	9,919
China T	9,721		5,560						15,281
Hong Kong	465								465
Costa Rica	98								98
Indonesia	808		13,958						14,766
French Polynesia									0
Japan			122						122
Korea Republic			416						416
Guyana				196					196
Malaysia	490		5,194						5,684
Un Arab Em				24					24
Philippines			2,496	98					2,594
Thailand			1,786						1,786
Burma			906						906
Bangladesh									0
Vietnam			1,274						1,274
Sub total	14,717	0	36,169	318	0	0	0	2,327	51,351
USDA Corrections/Additions to previous reports:									
China T	15,895		12,586	343					28,824
China Main			11,753					7,421	19,174
Hong Kong	685								685
Korea Rep.	465		3,081						3,546
Costa Rica									0
Japan			317						317
Philippines	980		493						1,473
Indonesia	538		14,913						15,451
Malaysia	4,628		1,519						6,147
Thailand			5,364						5,364
Vietnam			3,298						3,298
India			196						196
Burma				514					514
Sub total	23,191	0	53,520	857	0	0	0	7,421	84,989
Mt. Grand Total	**37,908**	**0**	**89,689**	**1,175**	**0**	**0**	**0**	**9,748**	136,340
Number of containers	1,648	0	3,900	51	0	0	0	424	

Jan - Dec 2017 Annual Totals versus 2018 Jan.-Dec. Year to Date Container Shipments (in MT)



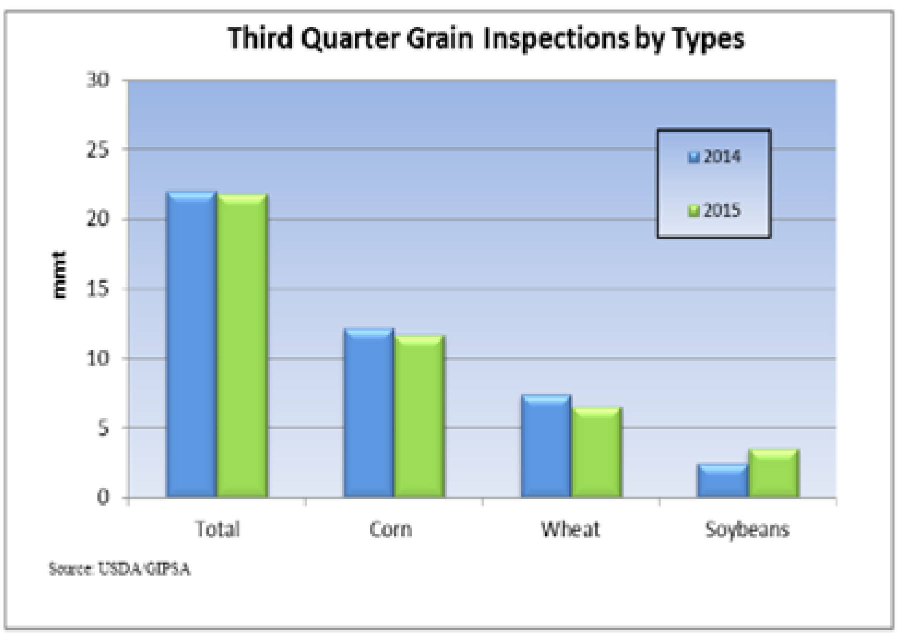


Grain Inspections for Export by U.S. Port Regions: U.S. Gulf and Pacific Northwest 2017 YTD vs. 2018 YTD

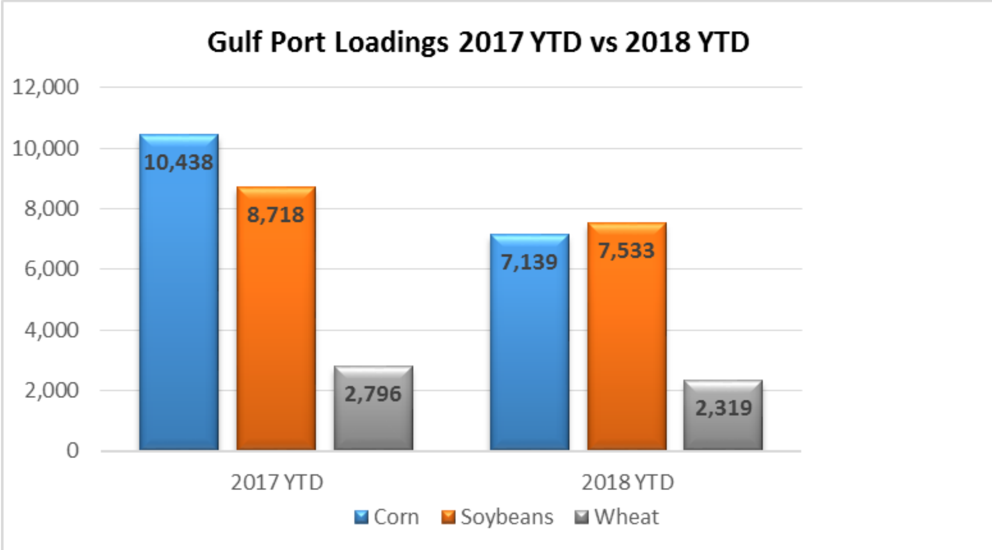
PORT LOADINGS US Gulf				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
GULF				
2017 YTD	10,438	8,718	2,796	21,952
2018 YTD	7,139	7,533	2,319	16,991
2018 as % of 2017	68%	86%	83%	77%

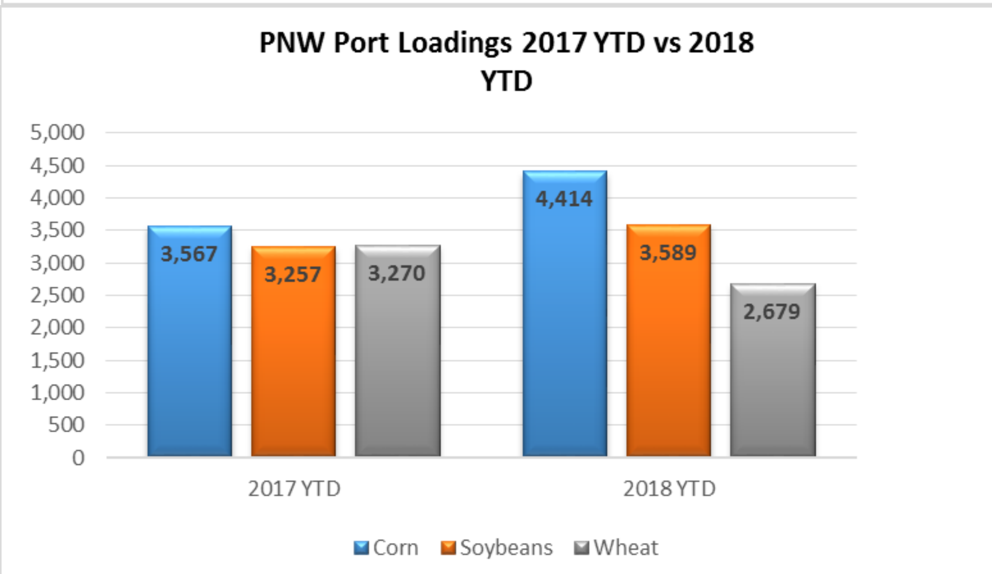
PORT LOADINGS US PNW				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
PNW				
2017 YTD	3,567	3,257	3,270	10,094
2018 YTD	4,414	3,589	2,679	10,682
2018 as % of 2017	124%	110%	82%	106%

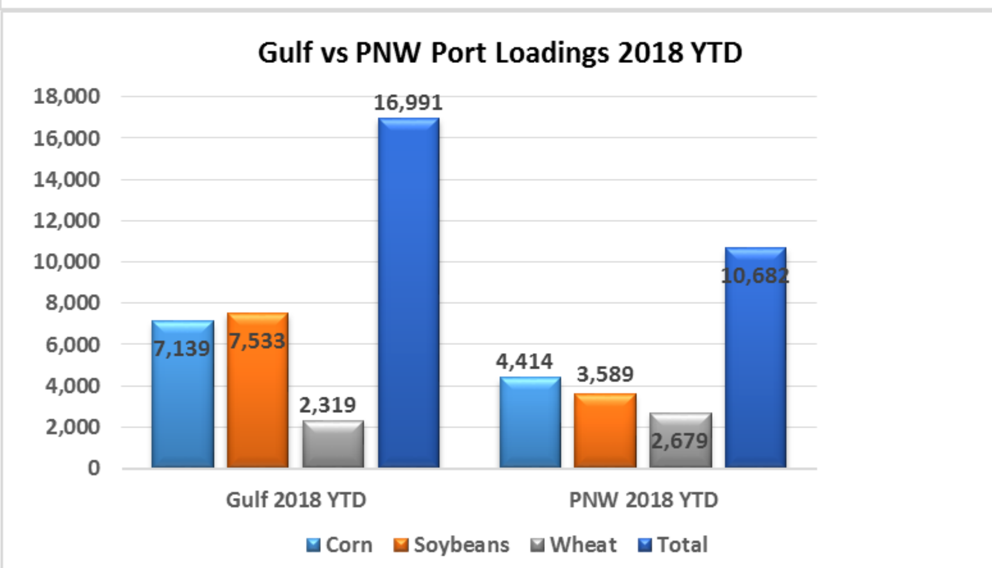
PORT LOADINGS GULF vs. PNW				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
2018 Gulf YTD	7,139	7,533	2,319	16,991
2018 PNW YTD	4,414	3,589	2,679	10,682
TOTAL	11,553	11,122	4,998	27,673
Gulf Percentage	62%	68%	46%	61%
PNW Percentage	38%	32%	54%	39%



Grain Inspections for Export by U.S. Port Regions (1,000MT): U.S. Gulf and Pacific Northwest 2017 YTD vs. 2018 YTD

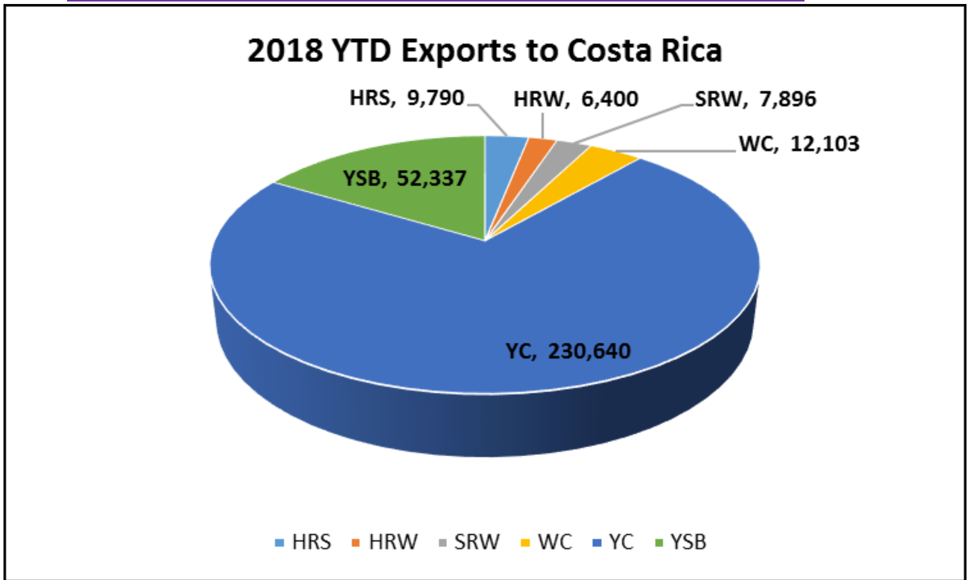


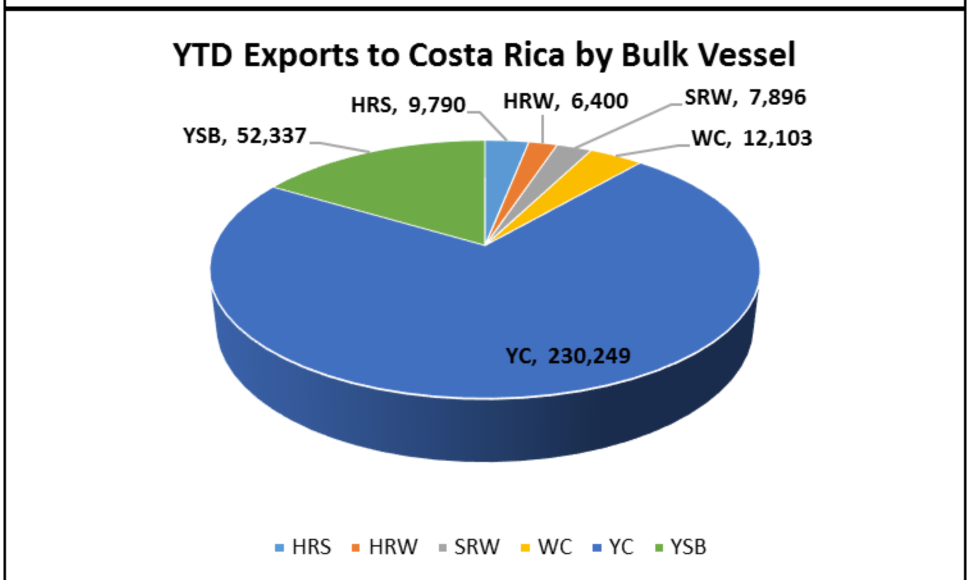


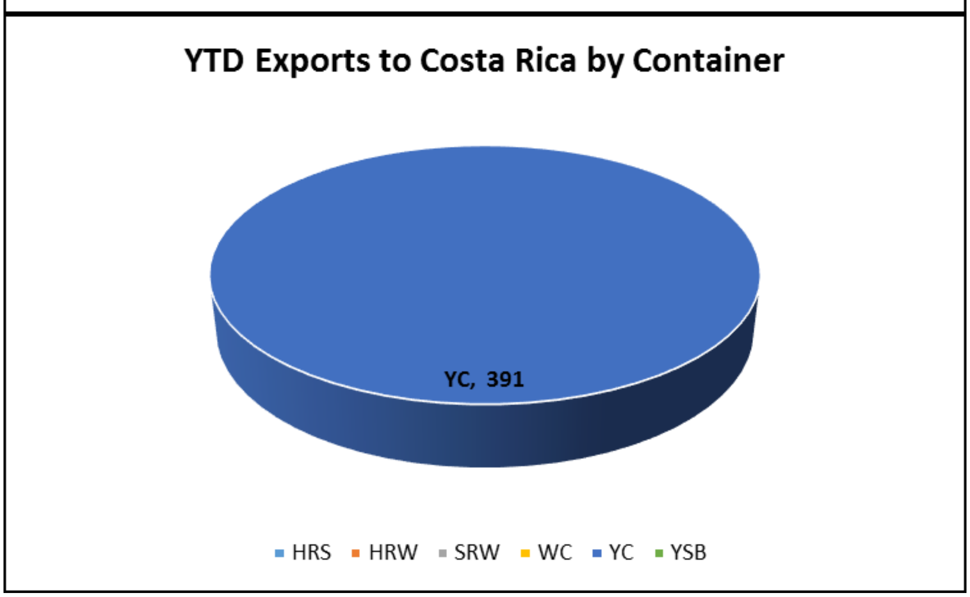


Source: USDA-data

2018 YTD Total Grain Exports reported by USDA (in MT)







**Please keep in mind that USDA does not report DDGS sales, or they would show as the largest exports by container

Source: USDA

Splash

Home / Sector / Tankers

26 vessels up for grabs in Toisa sell-off

APRIL 4TH, 2018 GRANT ROWLES AMERICAS, DRY CARGO, EUROPE, TANKERS 0 COMMENTS

Clarksons has been appointed by the US Bankruptcy Court to sell off the entire commercial shipping fleet of Gregory Callimanopulos's Toisa.

Toisa and 23 of its affiliated vessel-owning companies filed for Chapter 11 in the Southern District of New York Bankruptcy Court in January last year. In May, it was hit with a $304.55m tax claim by the US government.

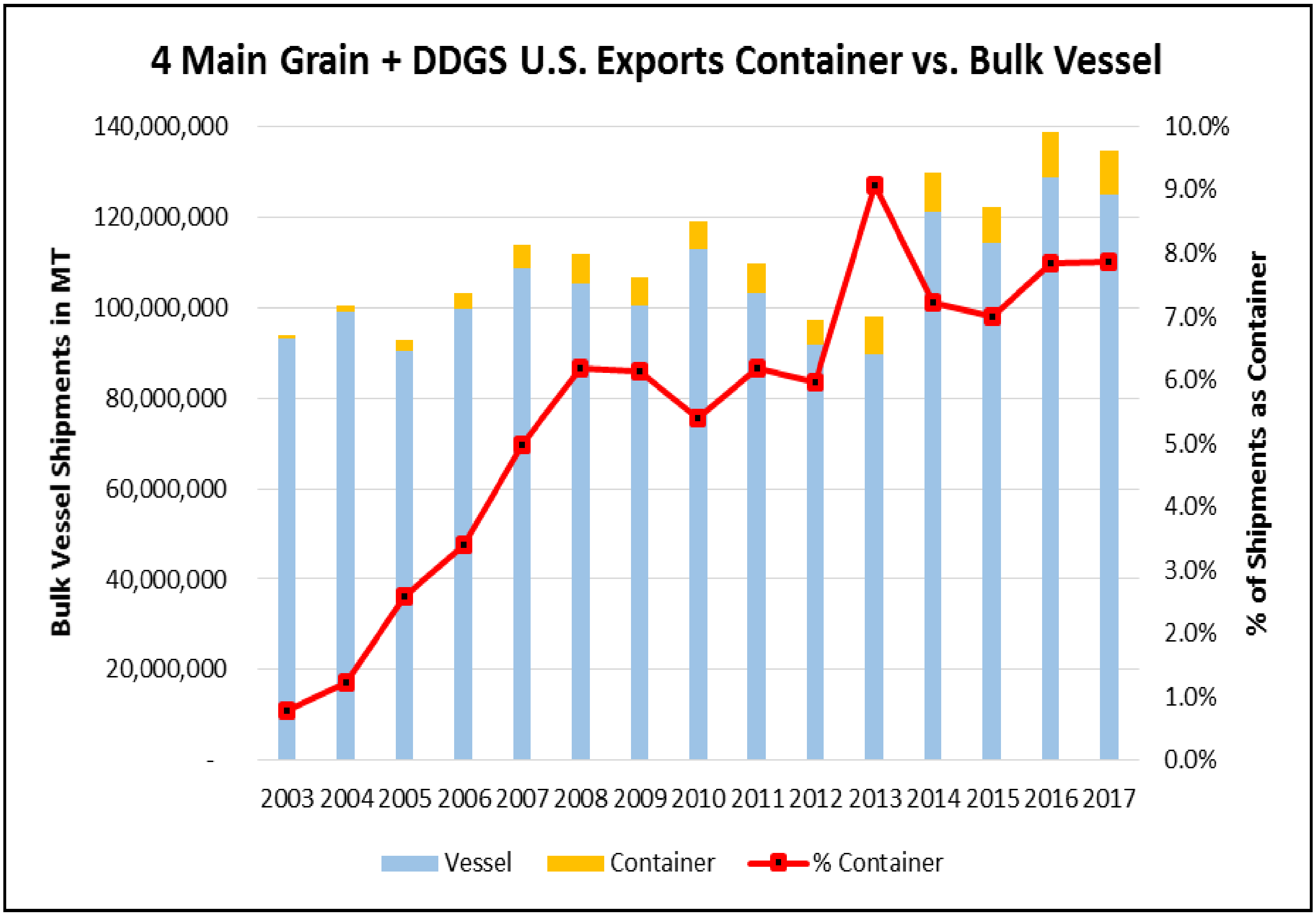
The company put forward a restructuring proposal to creditors in August last year, which is ongoing despite the fleet sell-off.

The vessels up for sale are made up of seven Chinese-built kamasarmax bulkers, five suezmax tankers and eight other tankers of various sizes. Six additional tankers under construction at Cosco Yangzhou are also listed for sale.

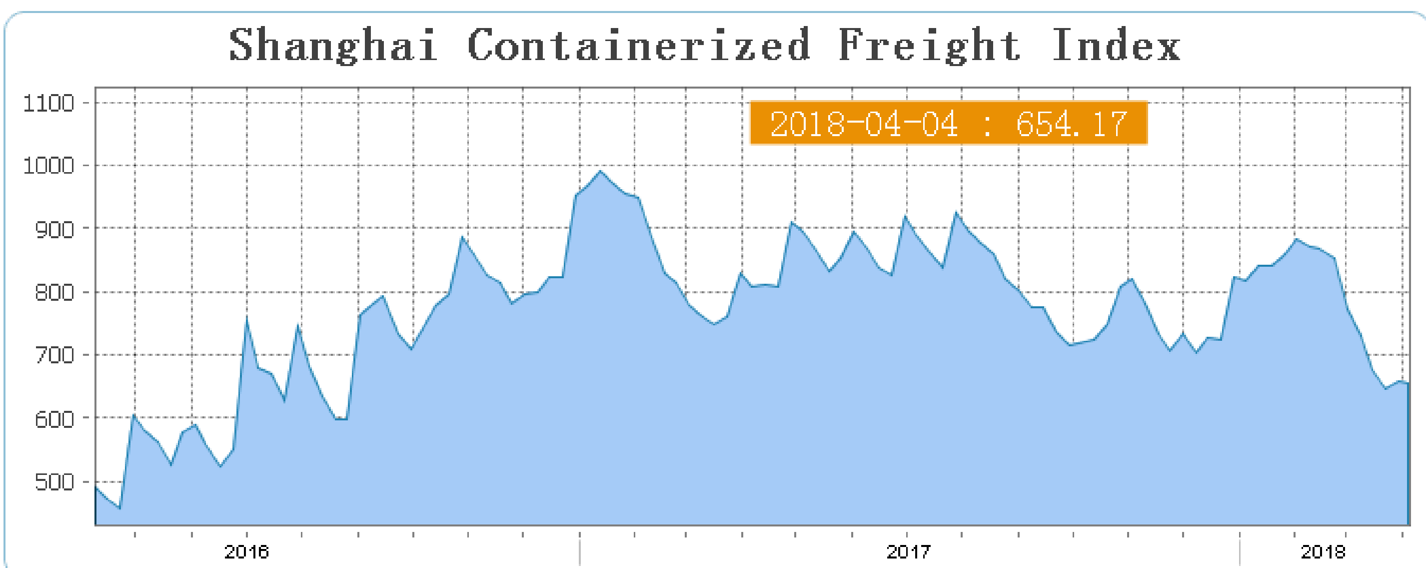
"We will be circulating email notices with details of dates and locations of when individual vessels will be inspectable and advising on the sale process timeline," Clarksons said in a circular, adding that all bids must be firm and unconditional, and not subject to any financing or other contingencies.

The vessels for sale are bulkers *Trade Quest*, *Trade Spirit*, *Trade Prosperity*, *Trade Resource*, *Trade Unity*, *Trade Vision*, *Trade Will* as well as tankers *United Dynamic*, *United Emblem*, *United Kalavryta*, *United Leadership*, *United Seas*, *United Fortitude*, *United Grace*, *United Honor*, *United Journey*, *United Ambassador*, *United Banner* and *United Carrier*. The newbuildings for resale are tankers *United Oceans*, *United Paragon*, *Pericles G.C.*, *United Mariner*, *United Nomad* and *Nikos Kazantzakis*. All are due for delivery this year.

It is not yet clear whether the offshore fleet has also been put up for sale, however one offshore industry source told *Splash* that only a handful of the company's ships are working.

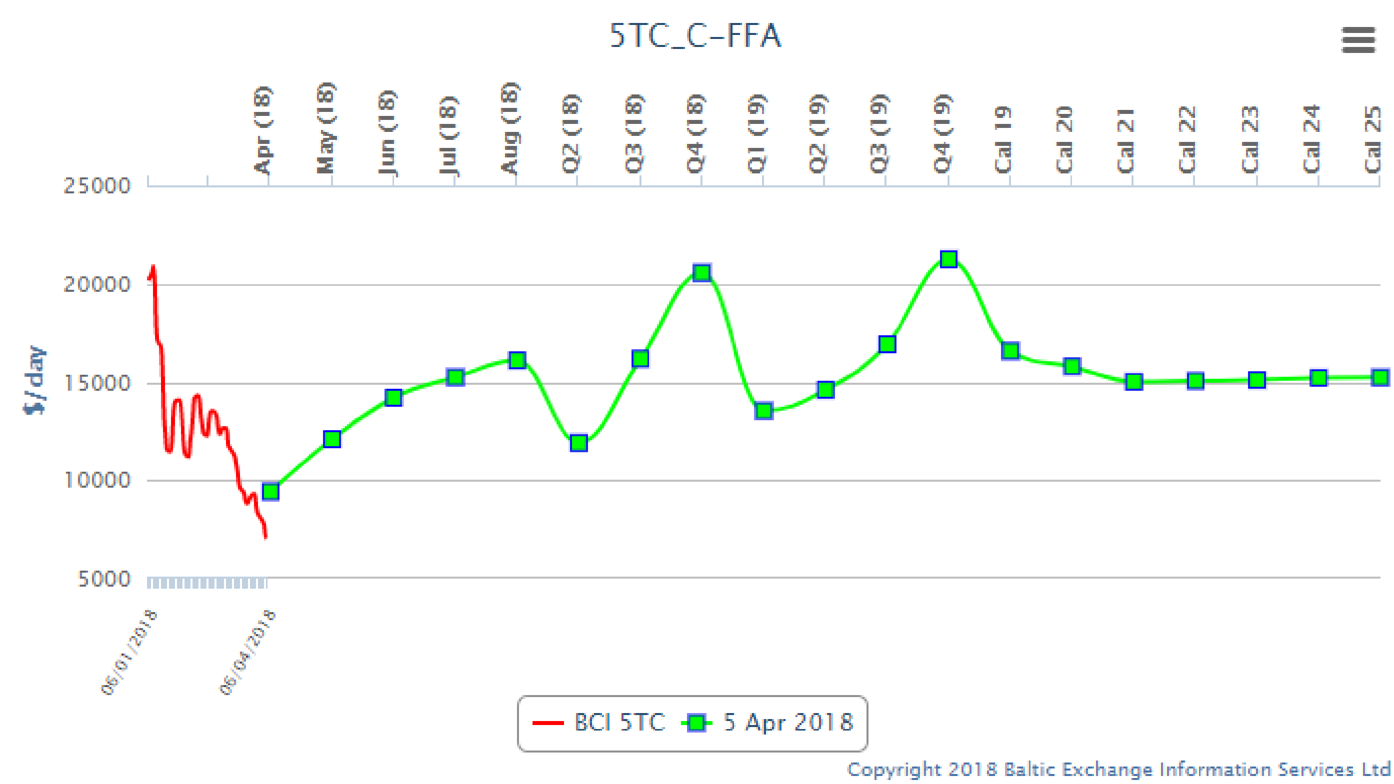


4 Main Grain + DDGS U.S. Exports Container vs. Bulk Vessel
Bulk Vessel Shipments in MT
140,000,000
120,000,000
100,000,000
80,000,000
60,000,000
40,000,000
20,000,000
-
% of Shipments as Container
10.0%
9.0%
8.0%
7.0%
6.0%
5.0%
4.0%
3.0%
2.0%
1.0%
0.0%
2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017
Vessel
Container
% Container

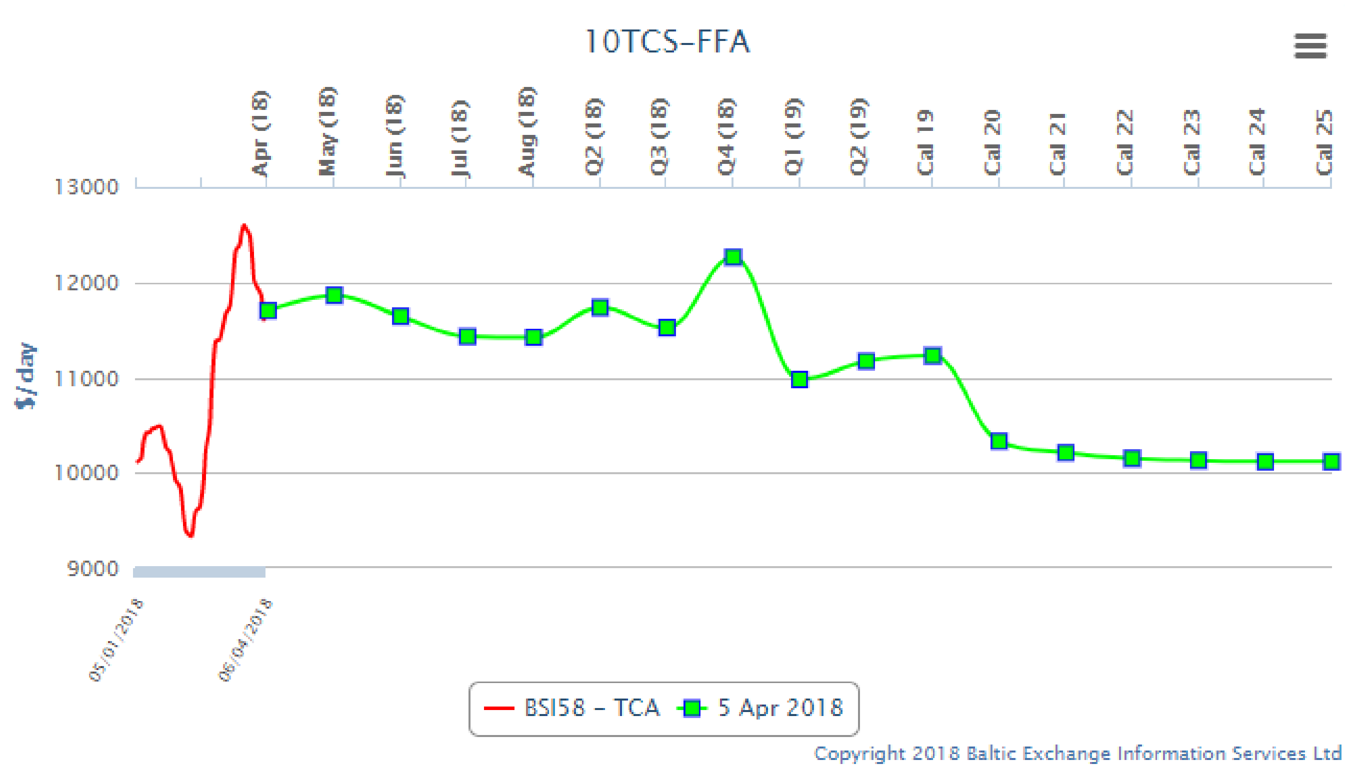


Shanghai Containerized Freight Index
2018-04-04 : 654.17
1100
1000
900
800
700
600
500
2016
2017
2018

FFA Capesize for the 4 time charter routes



FFA SUPRAMAX 58 for the 5 time charter routes



25 Barge tow moving through Santarem Brazil to an Atlantic port.

U.S. RIVER BARGE FREIGHT

Current Barge Freight for Placement Last Half April 2018

Placement LH April 2018	% of Tariff	MT	Corn BU	Soybeans-Wheat BU
Upper Mississippi	490	$33.43	0.85	0.91
Illinois River (Pekin and South)	450	$23.86	0.61	0.65
Mid-Mississippi	475	$27.86	0.71	0.76
Lower Ohio	425	$20.89	0.53	0.57
St. Louis	350	$15.39	0.39	0.42

Secondary Rail Car Market for car placement period: Last Half April 2018.

Secondary Rail Car Market Placement LH April 2018	BID USD	ASK USD	BID BU.	ASK BU.	BID MT	ASK MT
BNSF Shutle Trains	$ 600.00	$ 800.00	$ 0.15	$ 0.20	$ 5.91	$ 7.87
UPRR Shuttle Trains	$ 300.00	$ 500.00	$ 0.08	$ 0.13	$ 2.95	$ 4.92

www.grains.ksu.edu/igp

Best Regards,

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