



Transportation and Export Report for 10 May 2018

Ocean Freight Insights and Comments:

Dry-Bulk freight markets have not moved much in the past three weeks. And this is a pretty telling story. One market news article called the Panamax vessel market “lethargic”. As we all know, a bull market must be feed every day and this market is not getting much to feed on. As such rates remain soft as vessel owners wait for the much-anticipated improvement in cargo demand that has not yet surfaced. 2018 is not playing out as expected and the anticipated gradual improvement in Dry-bulk freight rates is on hold, at least temporarily.

BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices				
10-May-18	This Week	Last Week	Difference	Percent Change
P2A : Gulf/Atlantic - Japan	15847	16430	-583	-3.5%
P3A - PNW/Pacific - Japan	11238	10583	655	6.2%
S1C -USGULF-China-So.Japan	20081	21413	-1,332	-6.2%

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

Four weeks ago:	\$ 5.10-\$5.25
Three weeks ago:	\$ 5.85-\$6.85
Two weeks ago:	\$ 7.00-\$7.55
One week ago:	\$ 7.00-\$7.30
This week	\$ 7.60-\$7.65

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

Mississippi River:	(10 elevators)	3-8 days
Miss. River Mid-Stream loaders:	(6+ Rigs)	0-3 days
Texas Gulf	(6 elevators)	0-3 days
Pacific Northwest:	(9 elevators)	1-19 days

Panamax Market Spreads to Asia -China					
10-May-18	PNW	GULF	Bushel Spread	MT Spread	Advantage
CORN	1.20	0.88	0.32	\$12.60	PNW
SOYBEANS	0.90	0.75	0.15	\$5.51	PNW
OCEAN FREIGHT	\$23.75	\$42.50	.48 -.51	\$18.75	JUNE

Recent 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 \$0.25	Handymax \$44.50 mt
55,000 U.S. PNW- Japan	\$24.50	Up \$0.50	Handymax \$25.00 mt
66,000 U.S. Gulf – China PNW to China	\$42.50 \$23.75	Down \$0.75 Up \$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	Unchanged	Deep draft and 6,000 MT per day discharge rate.
25/35,000 U.S. Gulf- <u>East Coast Colombia</u> From Argentina	\$19.75 \$33.50	Unchanged	<u>West Coast Colombia at \$28.00</u>
40-45,000 U.S. Gulf - Guatemala	\$27.75	Unchanged	Acajutla/Quetzal - 8,000 out
26-30,000 U.S. Gulf – Algeria	\$31.25 \$32.50	Down \$0.50	8,000 mt daily discharge 3,000 mt daily discharge
26-30,000 US Gulf-Morocco	\$33.50	Down \$0.50	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt PNW to Egypt	\$28.25 \$27.50	Down \$0.50	55,000 -60,000 mt Russia Black Sea to Egypt \$15.00
60-70,000 U.S. Gulf – Europe – Rotterdam	\$21.50	Up \$.75	Handymax at +\$1.75 more
Brazil, Santos – China Brazil, Santos – China Itacoatiara-Port Up River North Brazil	\$33.25 \$32.00 \$36.00	Down \$1.50	54-59,000 Supramax-Panamax 60-66,000 Post Panamax 60-66,000 mt
56-60,000 Argentina/Rosario- China Deep Draft	\$37.75	Down \$1.25	Up River with BB Top Off \$40.50

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

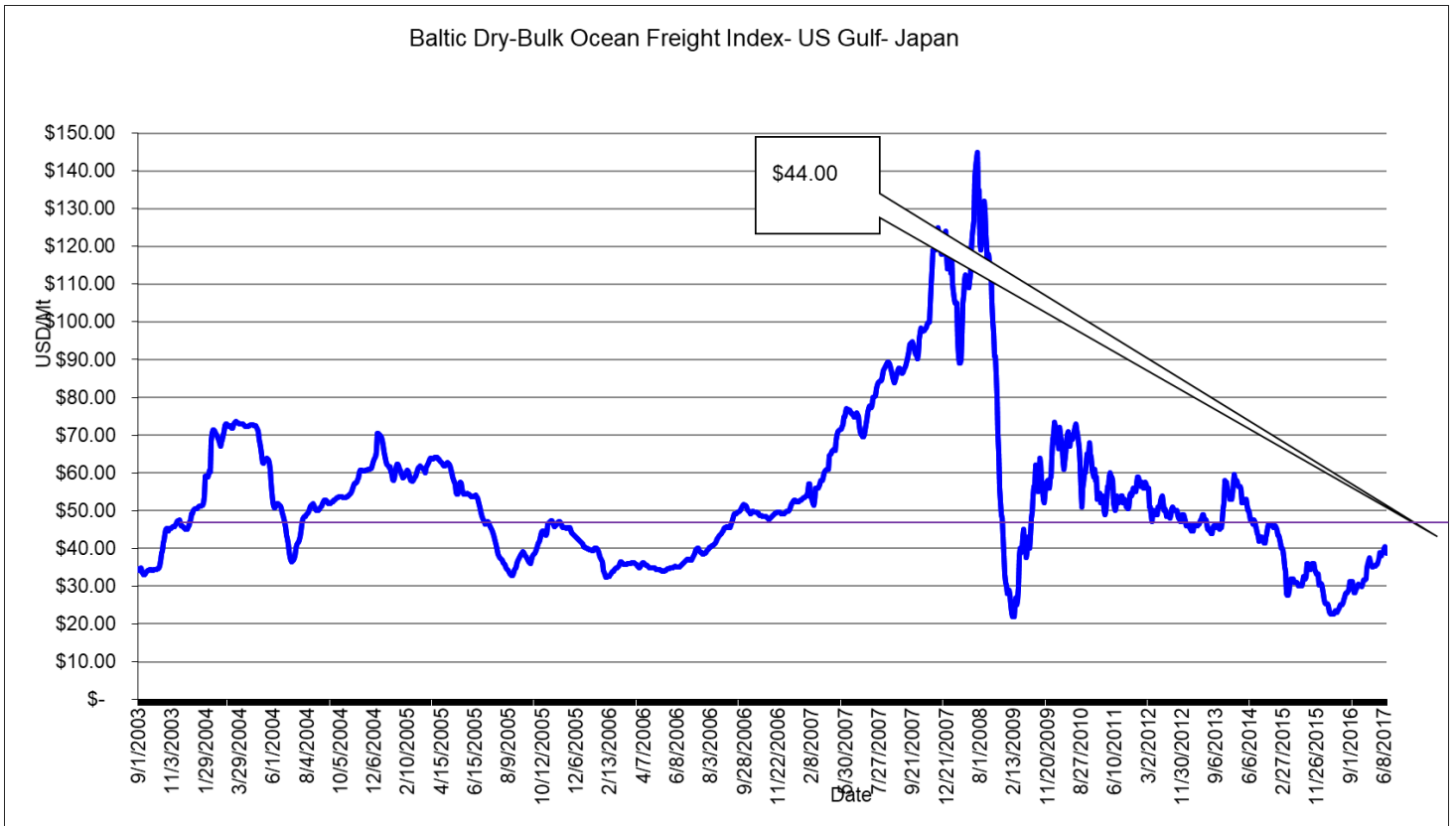
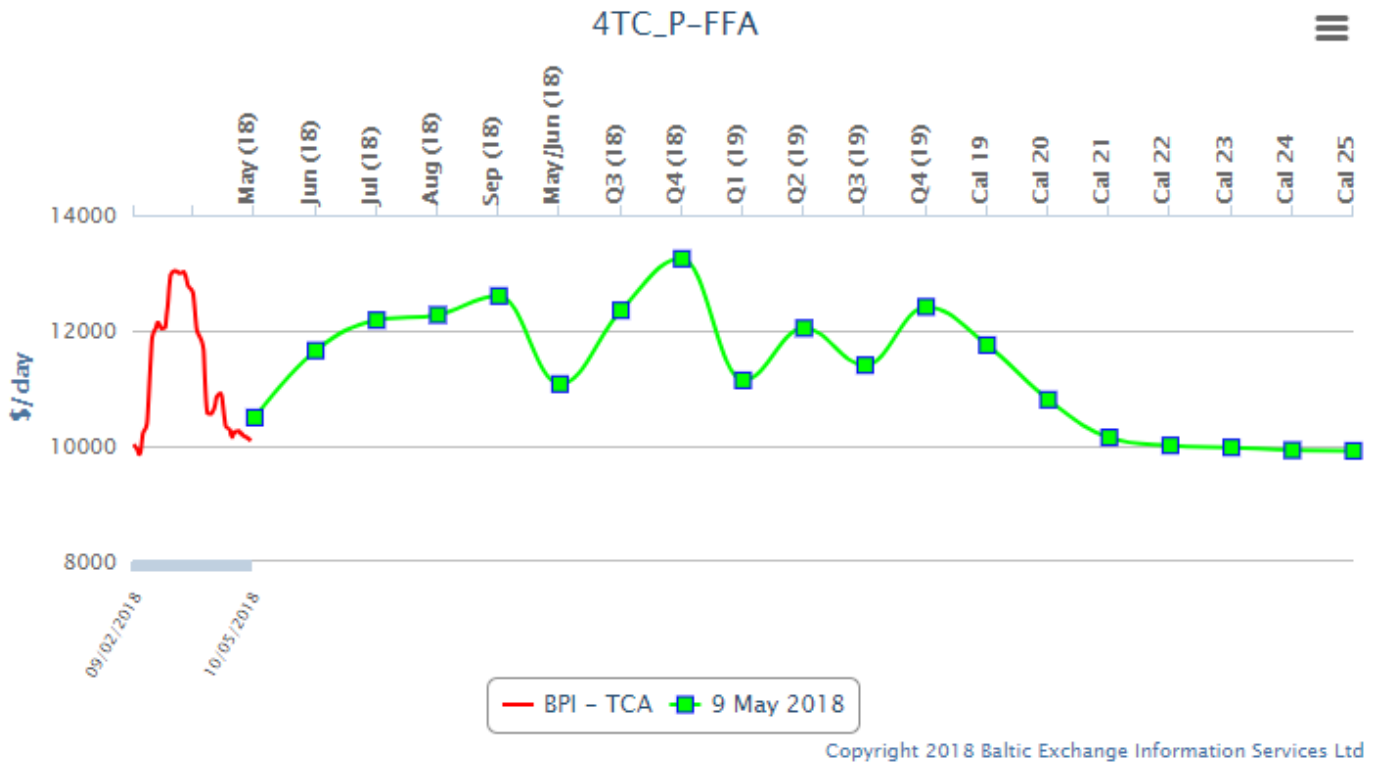
Nautical Miles: To Xiamen China (South China)

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

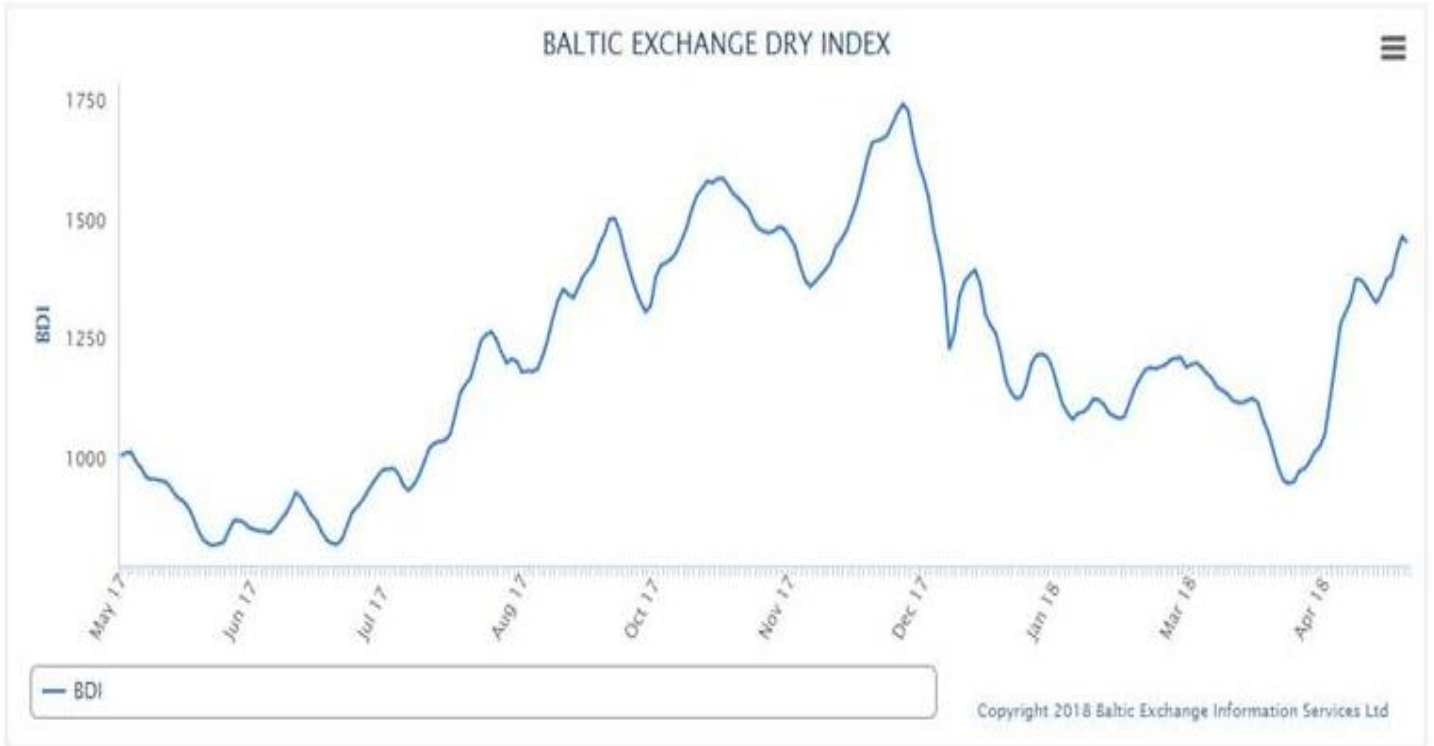
Santos Brazil (via Cape of Good Hope) - 10,441 nautical miles (33 days)

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

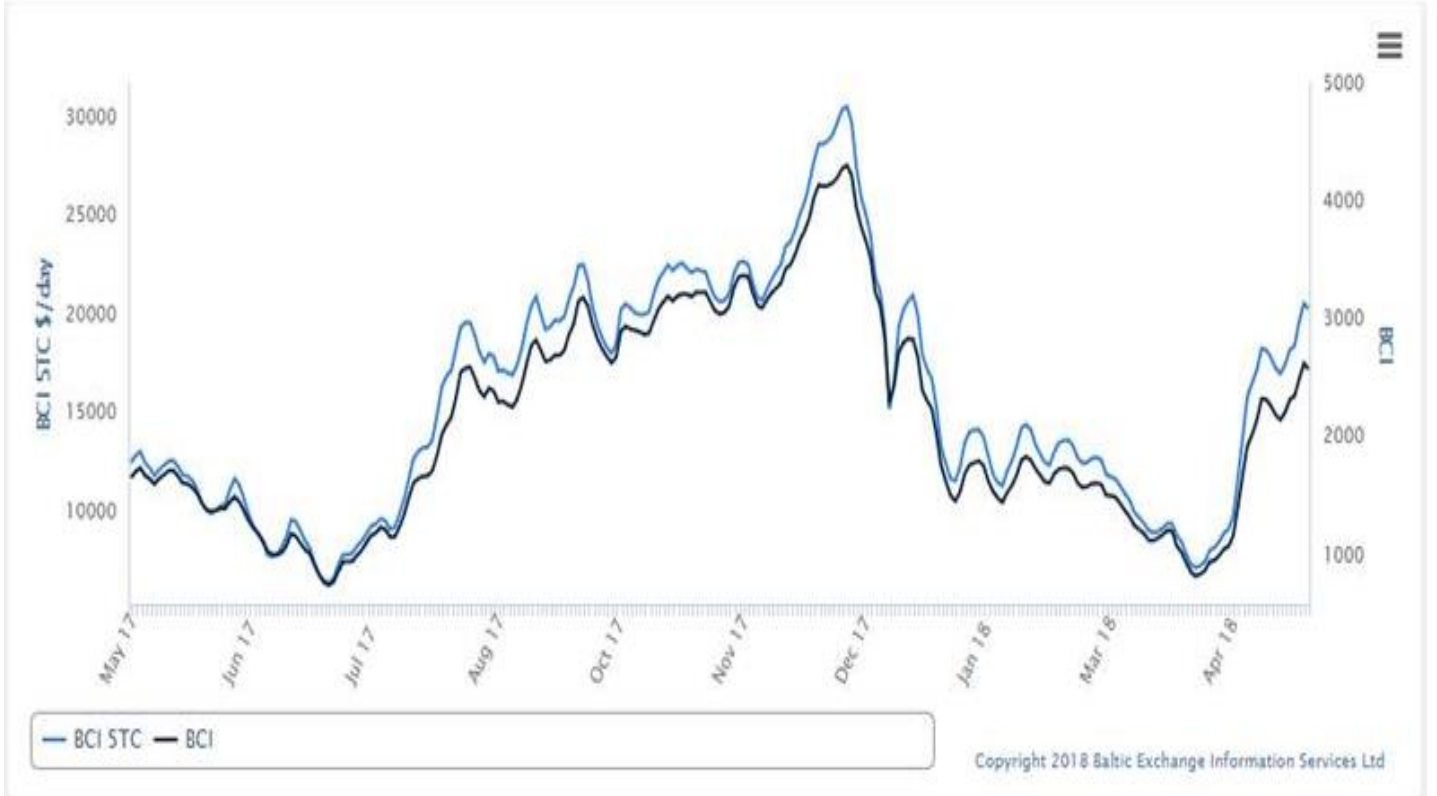
Forward Curve for Baltic BPI Panamax Vessel Freight



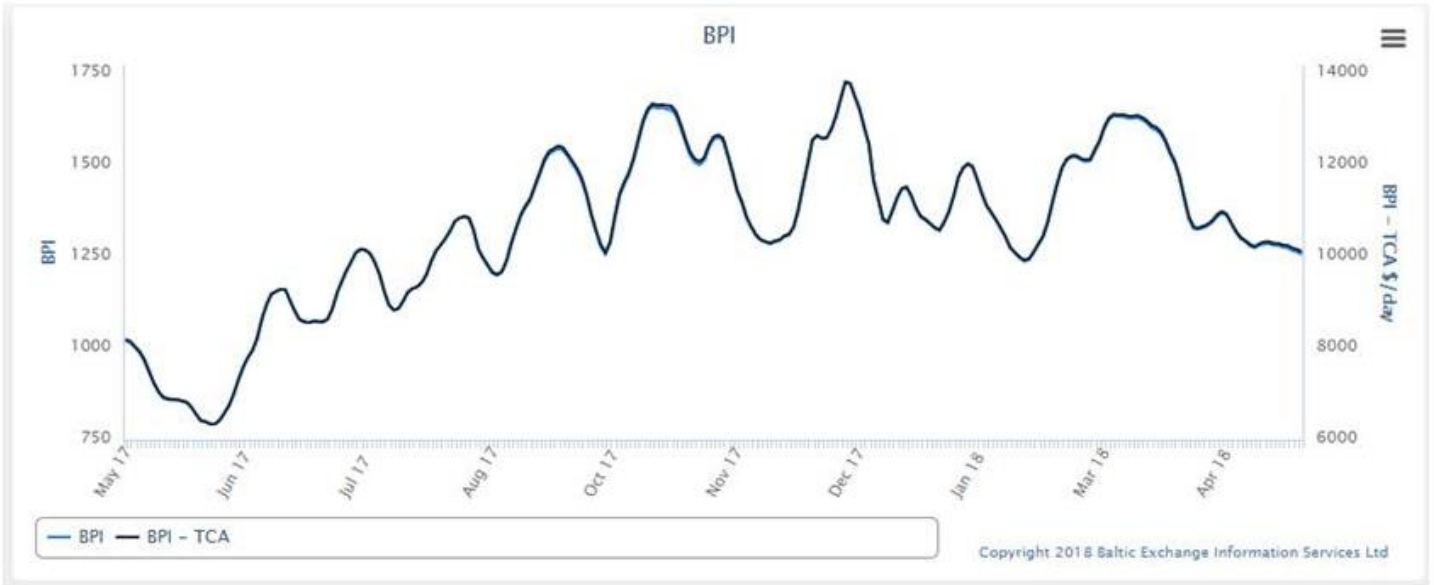
Baltic Dry-Bulk Index



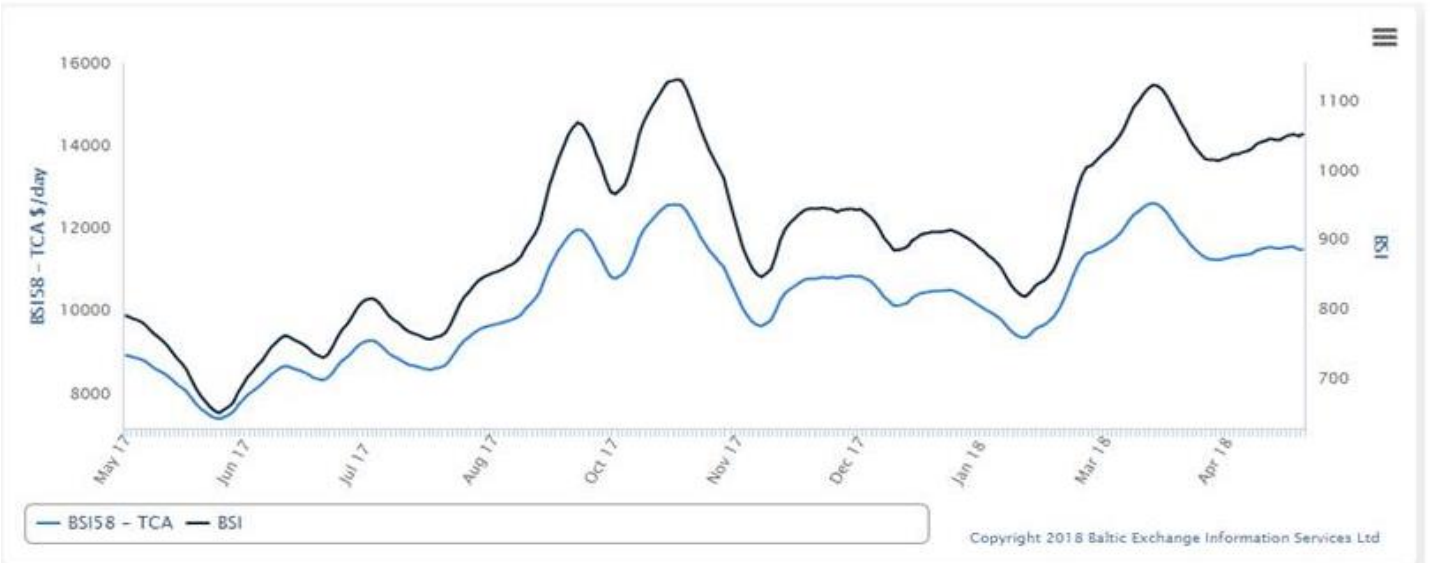
Baltic Capesize Index



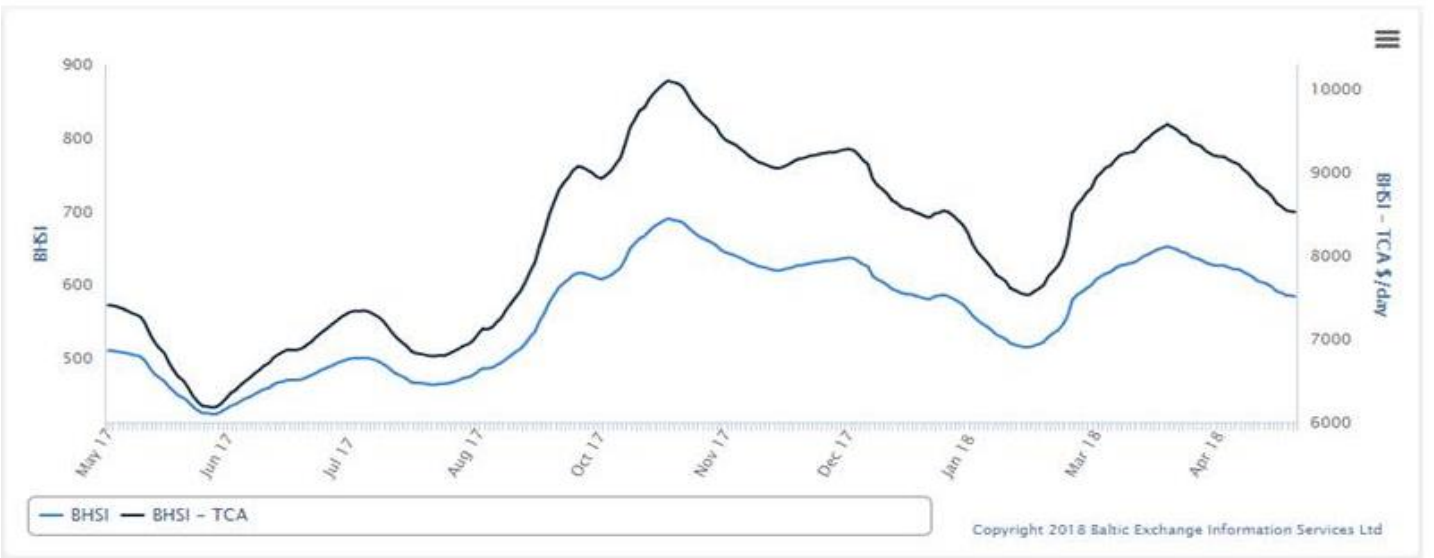
Baltic Panamax Index



Baltic Supramax Vessel Index



Baltic Handy Size



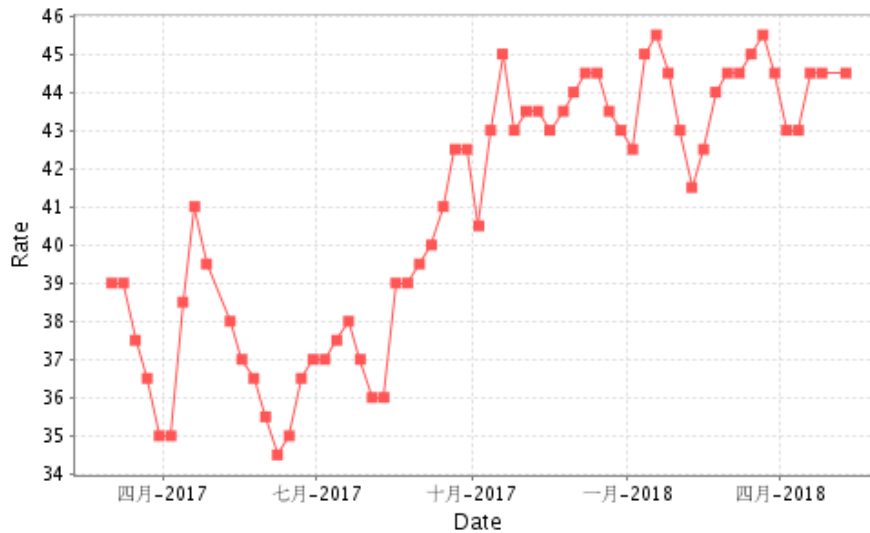
Yamamizu Shipping

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[Yamamizu Index](#)

USG/Japan Index Result

 Date From:

 Date To:



China Import Dry Bulk Freight Index(CDFI) 2018-05-10

Route	Size MT	Cargo/Vessel Size	Unit	Rate	Change
Composite Index			Point	922.03	4.58
Iron ore Freight Index			Point	931.55	6.12
Soybean Freight Index			Point	957.09	-2.48
Santos(Brazil)—North China	60000/10%	Soybean	\$/ton	32.508	-0.146
Tacoma(West America)—North China	60000/10%	Soybean	\$/ton	23.696	0.063
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	42.361	-0.074
Mississippi(US Gulf)—North China	55000/10%	Soybean	\$/ton	44.329	-0.085

10 May 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
June	0.89	\$195.66	1.15	\$205.89
July	0.89	\$195.66	1.12	\$204.71
Aug.	0.82	\$195.86	1.03	\$204.12
Sept.	0.83	\$196.25	1.09	\$206.48
Oct.	0.80	\$197.73	1.05	\$207.57
Nov.	0.84	\$199.30	1.07	\$208.35

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
June	0.80	\$192.12	0.68	\$187.39
July	0.80	\$192.12	0.68	\$187.39
Aug.	0.80	\$195.07	0.63	\$188.38
Sept.	0.80	\$195.07	0.60	\$187.19
Oct.	0.80	\$197.73	0.58	\$189.06

Fob vessel Texas Gulf #2 Sorghum is about 94% 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	
	June	July	Aug.	Sept.
FOB U.S. GULF	\$230.75	\$230.75	\$232.49	\$232.49
Basis	0.90	0.90	0.80	0.80
WN	5.3800			
WU	5.5275			
WZ	5.7225			

CME Futures Market Close						
CORN	Futures	Friday	Friday	Last week	Last Week	Difference
Month	Symbol	Close	Close	Bushel	MT.	Bushel
July	CN	\$4.0800	\$160.62	\$ 3.9525	\$155.60	\$0.1275
Sept.	CU	\$4.1550	\$163.57	\$ 4.0225	\$158.36	\$0.1325
Dec.	CZ	\$4.2225	\$166.23	\$ 4.1125	\$161.90	\$0.1100
Mar.	CH	\$4.3000	\$169.28	\$ 4.1925	\$165.05	\$0.1075
May.	CK	\$4.3425	\$170.95	\$ 4.2325	\$166.62	\$0.1100

CME/CBOT July 2018 (CN8) Corn Futures Chart -



CME/CBOT July 2018 (WN8) SRW Wheat Futures Chart -



U.S. Soybean and SBM Markets Fob Vessel:

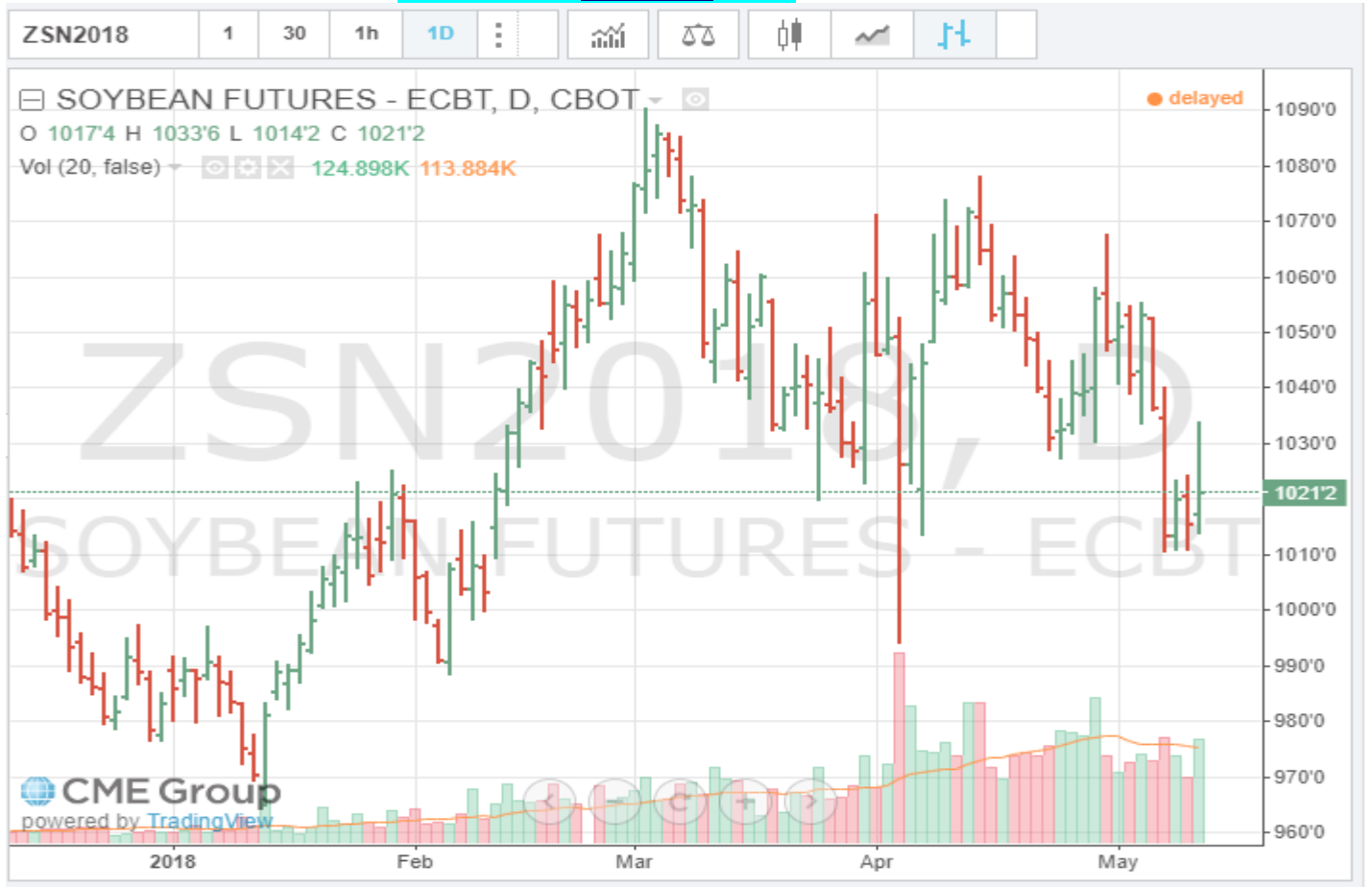
U.S. Yellow Soybeans (USD/MT) FOB Vessel				
# 2 YSB	U.S. Gulf #2 YSB		PNW #2 YSB	
14.0 % Moisture	Basis	Flat Price	Basis	Flat Price
June	0.75	\$414.65	0.90	\$420.16
July	0.75	\$414.65	0.90	\$420.16
Aug.	0.75	\$415.66	0.93	\$422.27
Sept.	0.80	\$416.03	1.00	\$423.38
Oct.	0.80	\$415.02	1.10	\$426.04
Soybean Futures				
July	\$ 10.5350			
Aug.	\$ 10.5625			
Sept.	\$ 10.5225			
Nov.	\$ 10.4950			
Jan.	\$ 10.5350			
Mar.	\$ 10.3700			

U.S. SBM (USD/MT) FOB Vessel		
Fob U.S. Gulf Port max 12.5 % moisture	47.5 Pro. SBM	
	Basis	Flat Price
June	30.00	\$ 472.53
July	30.00	\$ 472.53
Aug.	30.00	\$ 469.00
Sept.	32.00	\$ 468.23
Oct.	35.00	\$ 468.12

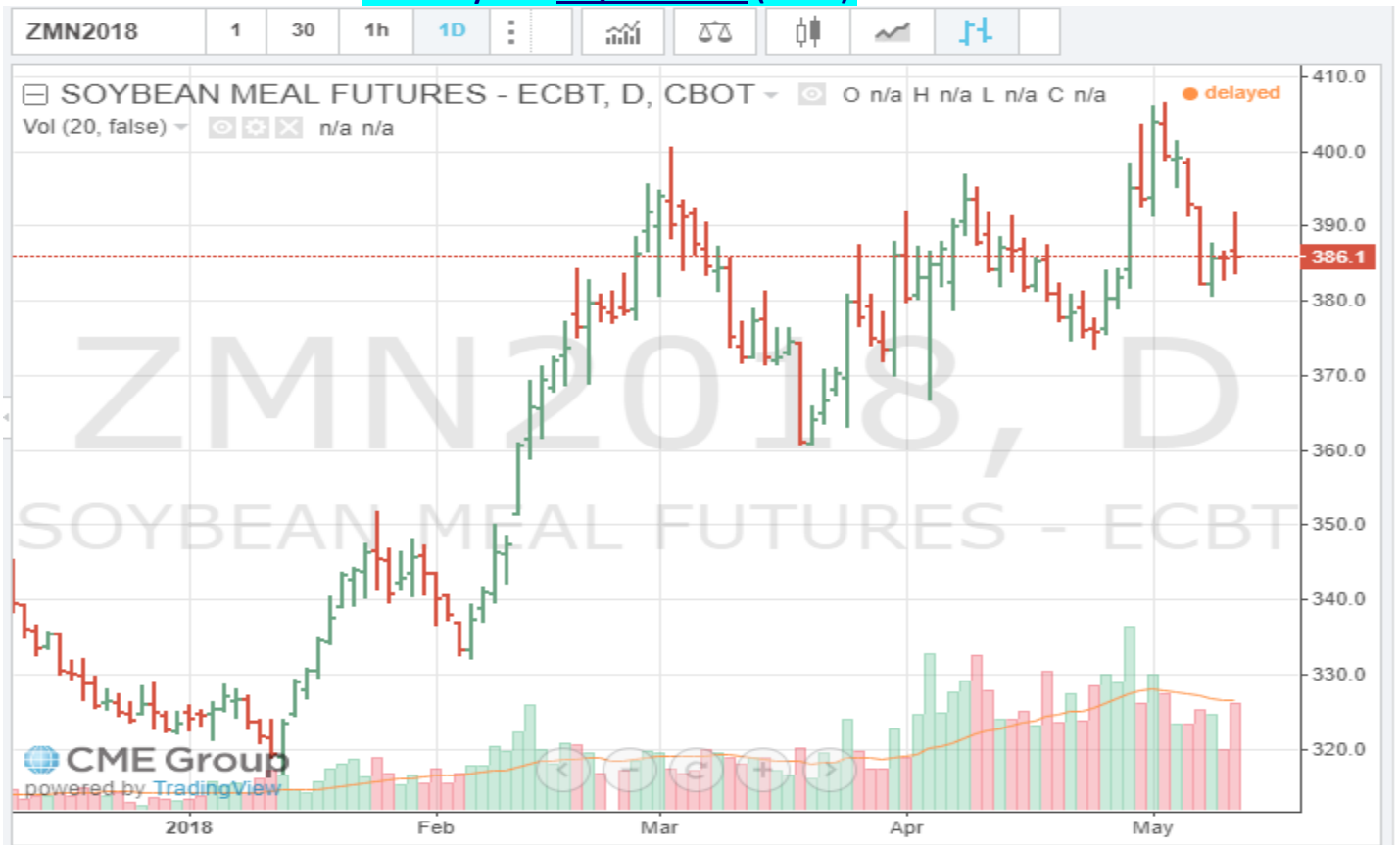
SBM Futures

SMN	398.60
SMQ	395.40
SMU	392.70
SMV	389.60
SMZ	386.70
SMF	381.70

CME July 2018 Soybean (SN18) Futures Chart:



CME May 2018 Soybean Meal (SMK8) Futures Chart



U.S. EXPORT STATISTICS: Report Activity as of Week Ending 26 April 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	1159.4	51,001.7	56,520	90%	2,010.9
Sorghum	82.2	5,278.6	6,220	85%	0.0
Soybeans	503.1	54,770.4	56,200	97%	5,046.4
Wheat	287.7	23,503.3	25,180	93%	1,877.9
Barley	0.0	40.0	130	31%	39.4

U.S. EXPORT INSPECTIONS:

Monday's report 07 May 2018 for the Export week ending 03 May 2018

	Export Inspections		Current Market Year YTD	Previous Year to Date	2017 YTD as Percent of 2016 YTD
	This Week	Previous Week			
Corn	1,916,461	1,482,083	33,191,766	39,352,120	84%
Sorghum	70,728	193,785	4,573,561	4,406,522	104%
Soybeans	533,667	692,037	44,050,030	49,870,270	88%
Wheat	327,662	395,209	22,244,649	25,058,773	89%
Barley	0	196	21,340	35,189	61%

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

U.S. EXPORT INSPECTIONS:

Monday's report 07 May 2018 for the Export week ending 03 May 2018

Last Week								
(Metric Tons)	YC	%	WC	%	Sorghum	%	Soybeans	%
Lakes	44,777	2%	0	0%	0	0%	0	0%
Atlantic	0	0%	0	0%	0	0%	44,506	8%
Gulf	891,333	48%	37,322	79%	70,000	99%	325,402	61%
PNW	703,554	38%	122	0%	0	0%	65,523	12%
Interior Export Rail	229,574	12%	9,779	21%	728	1%	98,236	18%
Metric Tons	1,869,238		47,223		70,728		533,667	

Sorghum Shipments:	metric tons	
	40,000	Ethiopia
	30,000	Sudan
	728	Mexico
	70,728	Total

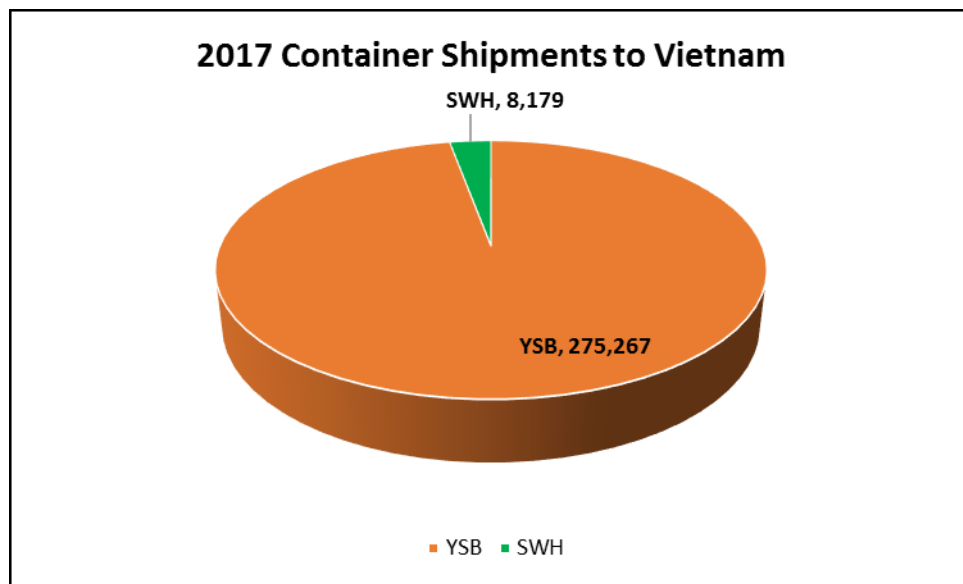
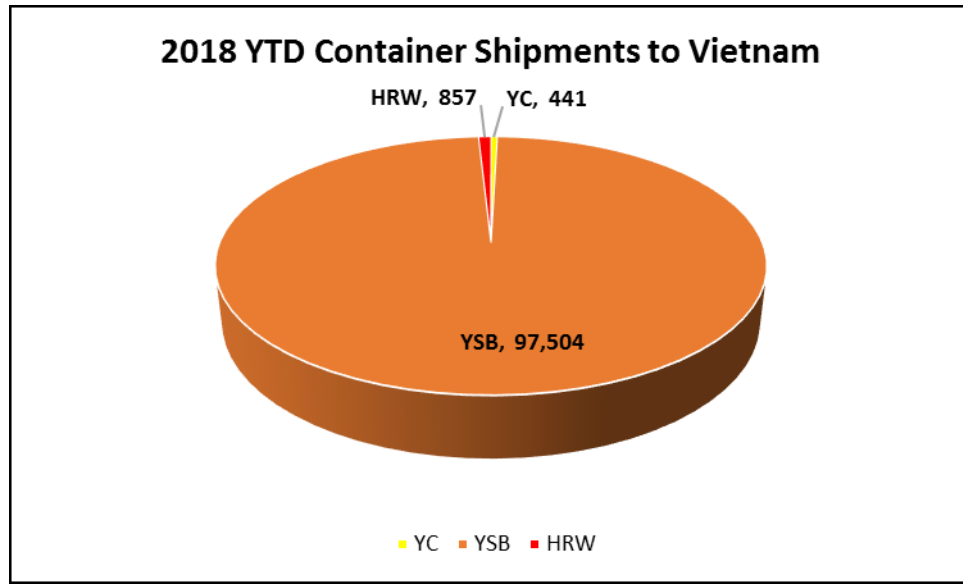
White Corn	metric tons	
Shipments:	122	Korea Rep
	5,500	Colombia
	41,601	Mexico
	47,223	Total

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:		3-May-2018								
Last Week	metric tons								MT	
	YC	WC	YSB	SRW	NS	SWH	HRW	Sorghum	TOTAL	
China Main	906		2,473						3,379	
China T	43,959		25,419						69,378	
Hong Kong	391								391	
Costa Rica									0	
Indonesia	220		11,829						12,049	
French Polynesia									0	
Japan			513						513	
Korea Republic	1,517		1,592	513					3,622	
Dominican Rep									0	
Malaysia	2,252		4,357						6,609	
Burma							637		637	
Philippines	1,664		1,518				98		3,280	
Thailand			12,488						12,488	
Spain									0	
Bangladesh									0	
Vietnam			4,405						4,405	
Sub total	50,909	0	64,594	513	0	0	735	0	112,346	
USDA Corrections/Additions to previous reports:										
China T	318								318	
China Main									0	
Hong Kong									0	
Korea Rep.									0	
Costa Rica									0	
Japan									0	
Philippines									0	
Indonesia									0	
Malaysia			1,224						1,224	
Thailand									0	
Vietnam			637						637	
Canada							399		399	
Burma									0	
Sub total	318	0	1,861	0	0	0	399	0	2,578	
Mt. Grand Total	51,227	0	66,455	513	0	0	1,134	0	114,924	
Number of containers	2,227	0	2,889	22	0	0	49	0		

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

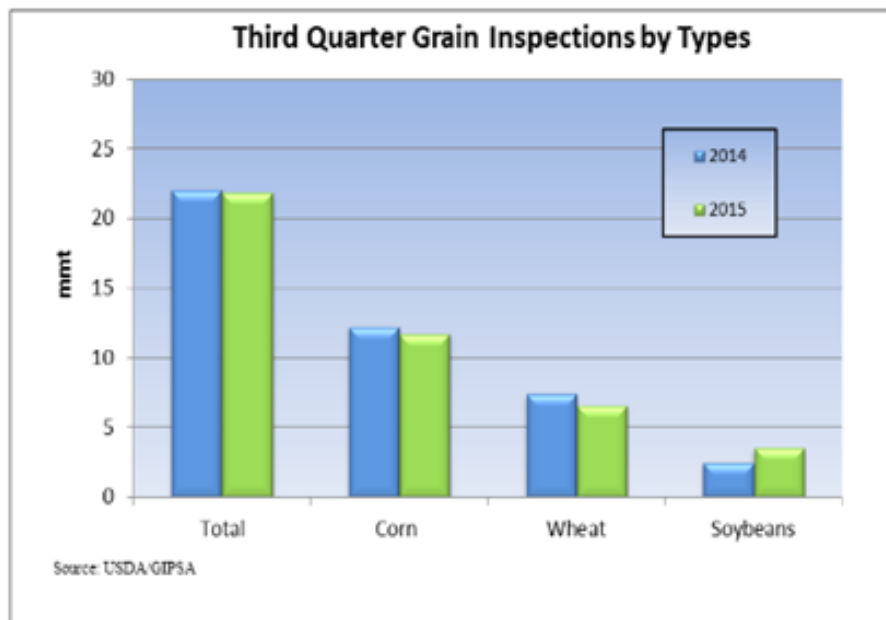


Grain Inspections for Export by U.S. Port Regions:
U.S. Gulf and Pacific Northwest 2017 YTD vs. 2018 YTD

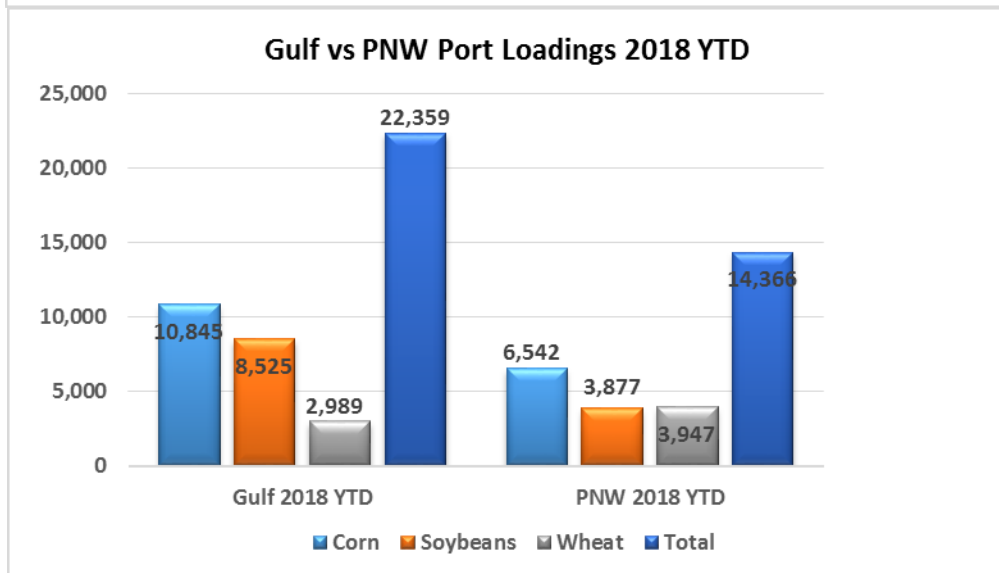
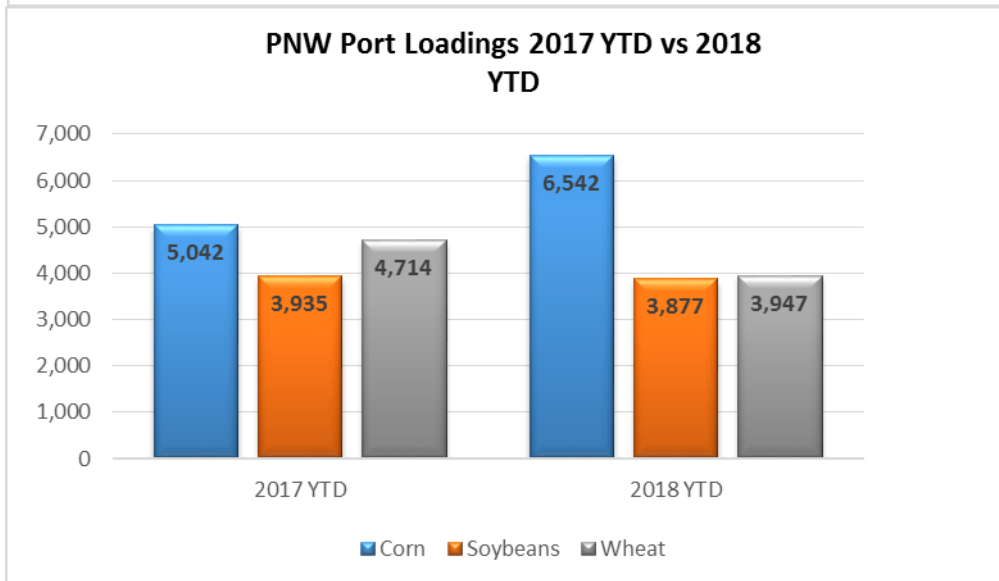
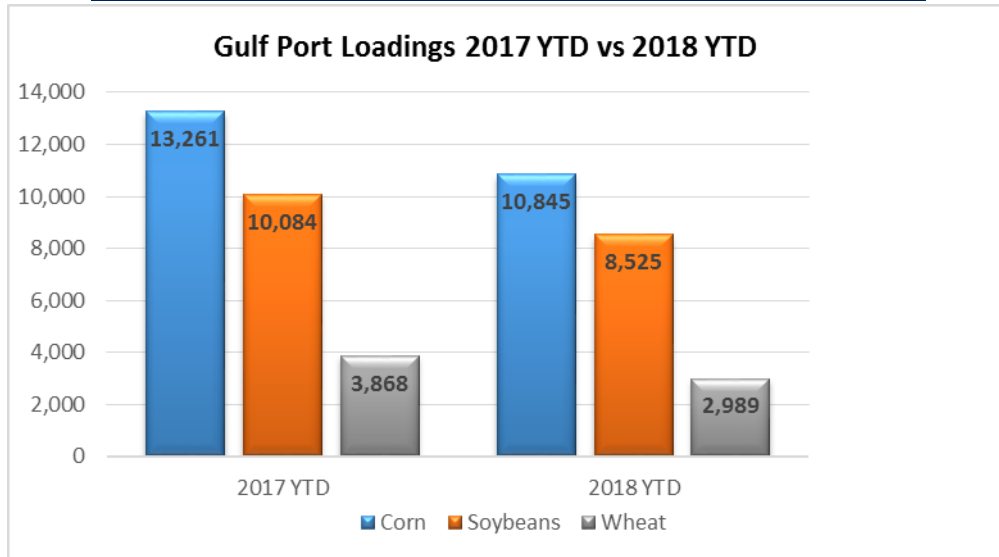
PORT LOADINGS US Gulf				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
GULF				
2017 YTD	13,261	10,084	3,868	27,213
2018 YTD	10,845	8,525	2,989	22,359
2018 as % of 2017	82%	85%	77%	82%

PORT LOADINGS US PNW				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
PNW				
2017 YTD	5,042	3,935	4,714	13,691
2018 YTD	6,542	3,877	3,947	14,366
2018 as % of 2017	130%	99%	84%	105%

PORT LOADINGS GULF vs. PNW				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
2018 Gulf YTD	10,845	8,525	2,989	22,359
2018 PNW YTD	6,542	3,877	3,947	14,366
TOTAL	17,387	12,402	6,936	36,725
Gulf Percentage	62%	69%	43%	61%
PNW Percentage	38%	31%	57%	39%

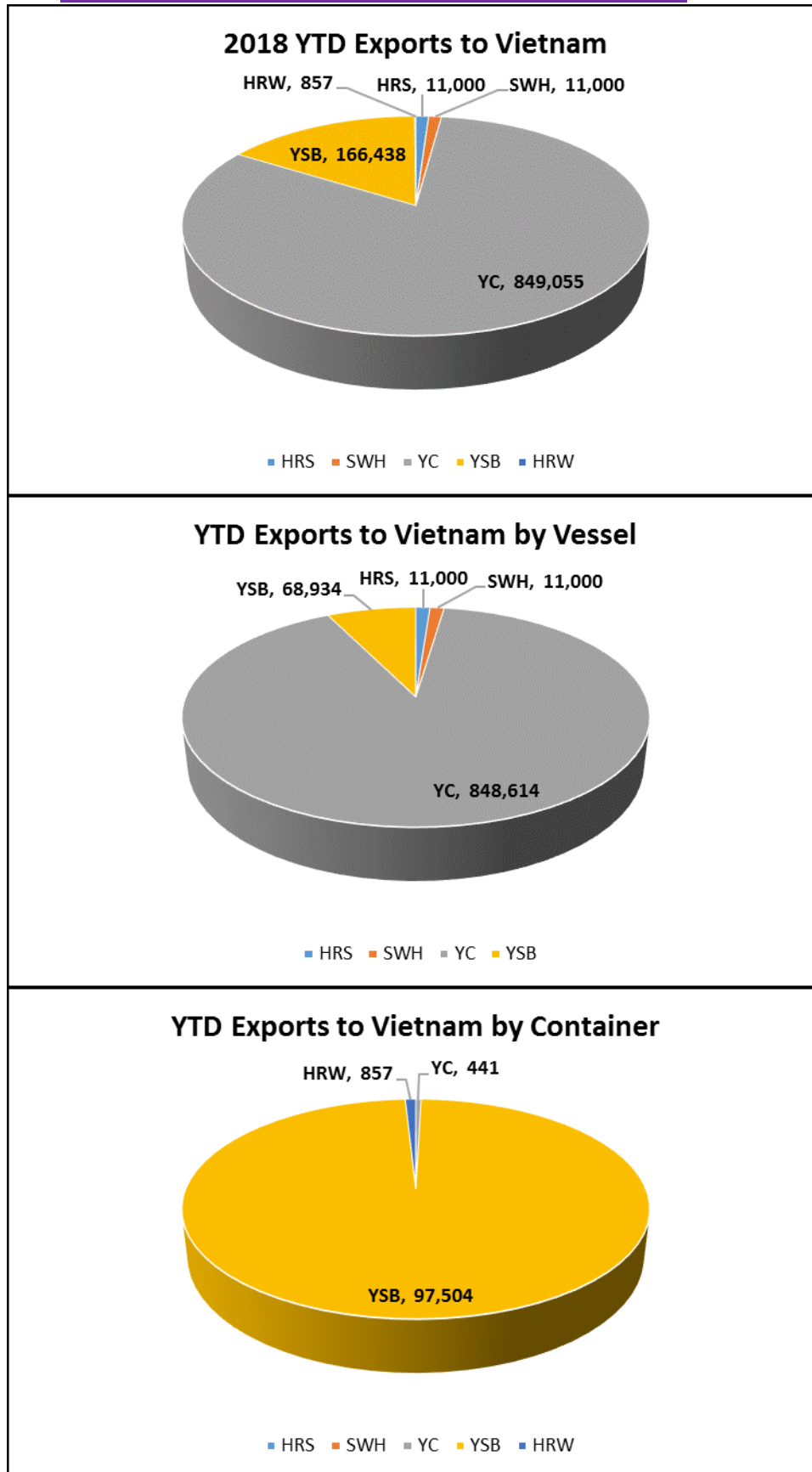


Grain Inspections for Export by U.S. Port Regions (1,000MT):
U.S. Gulf and Pacific Northwest 2017 YTD vs. 2018 YTD



Source: USDA-data

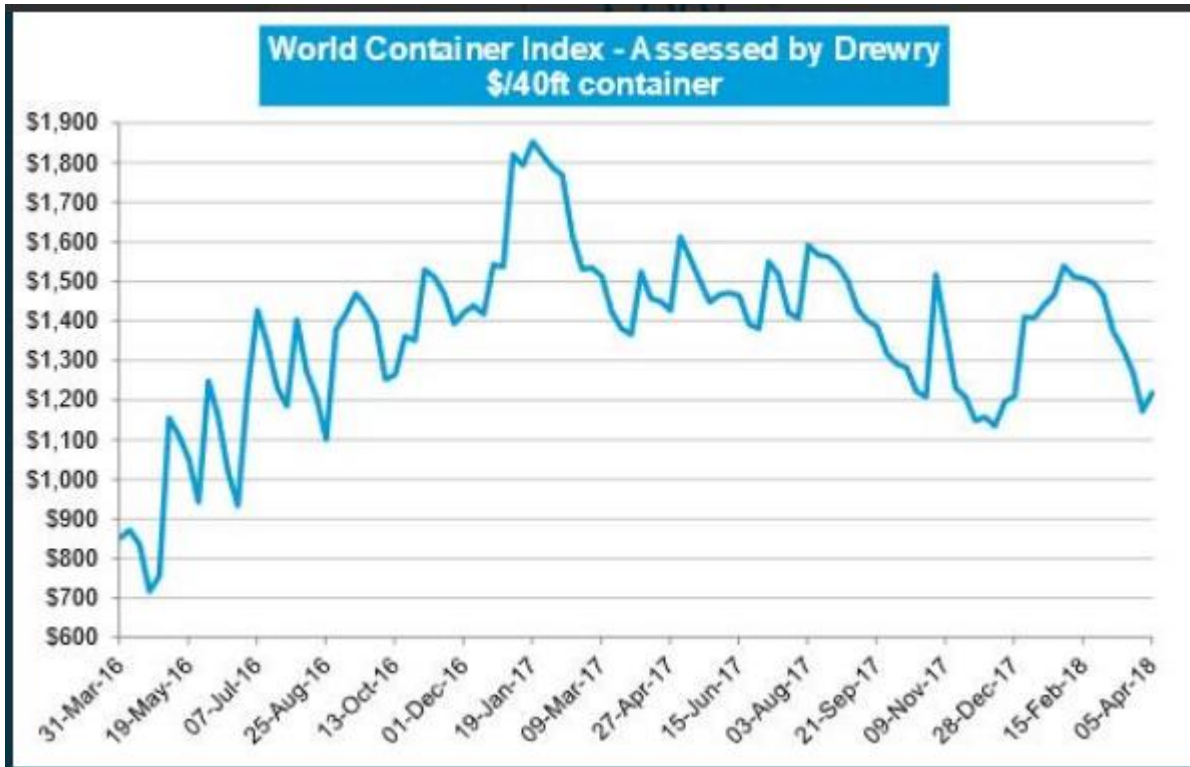
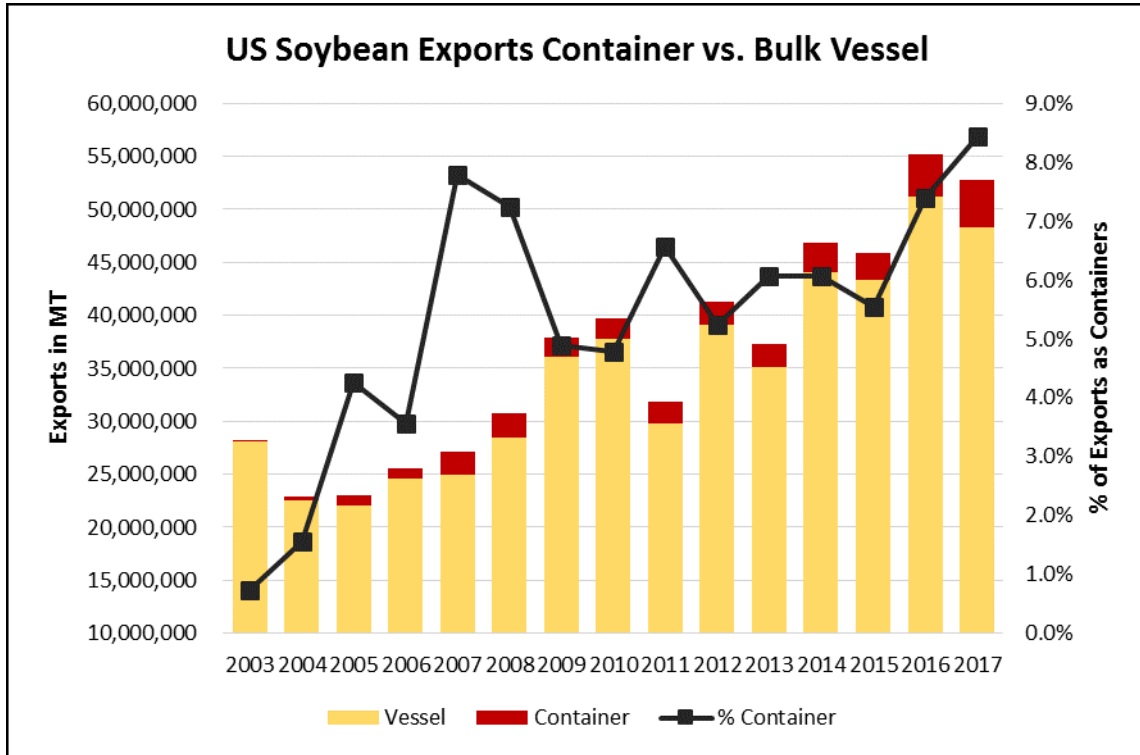
2018 YTD Total Grain Exports reported by USDA (in MT)

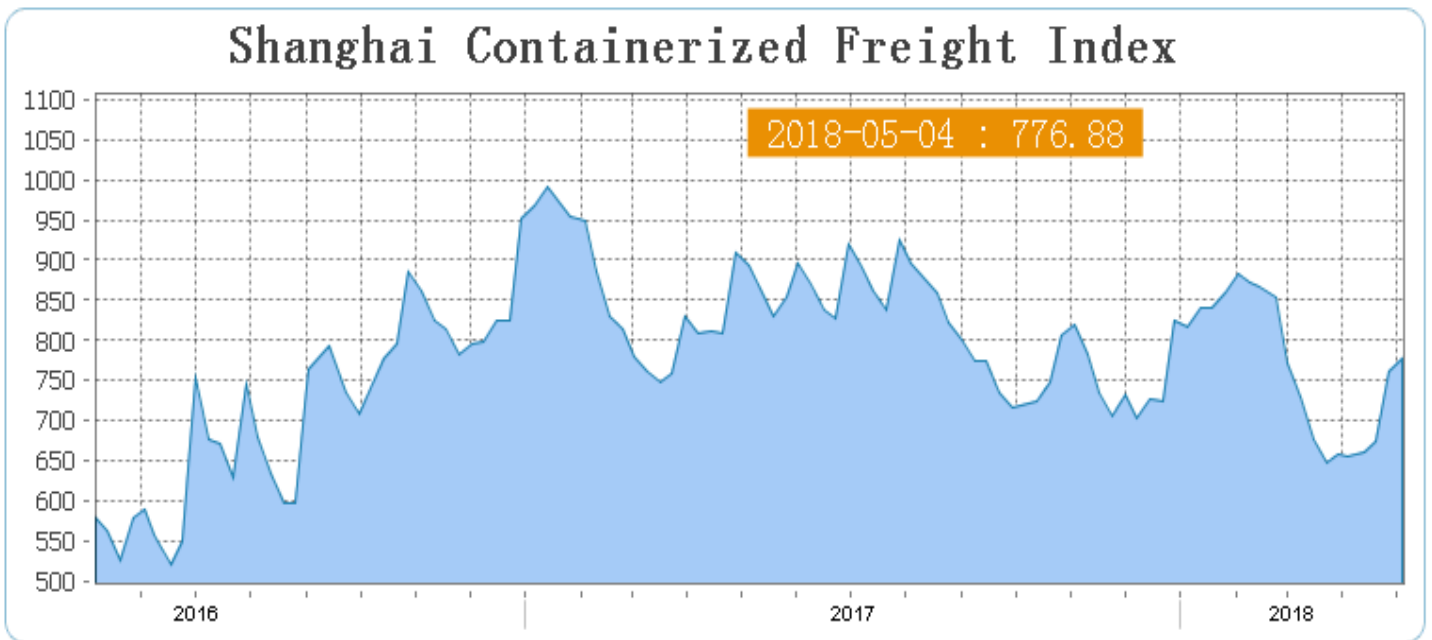
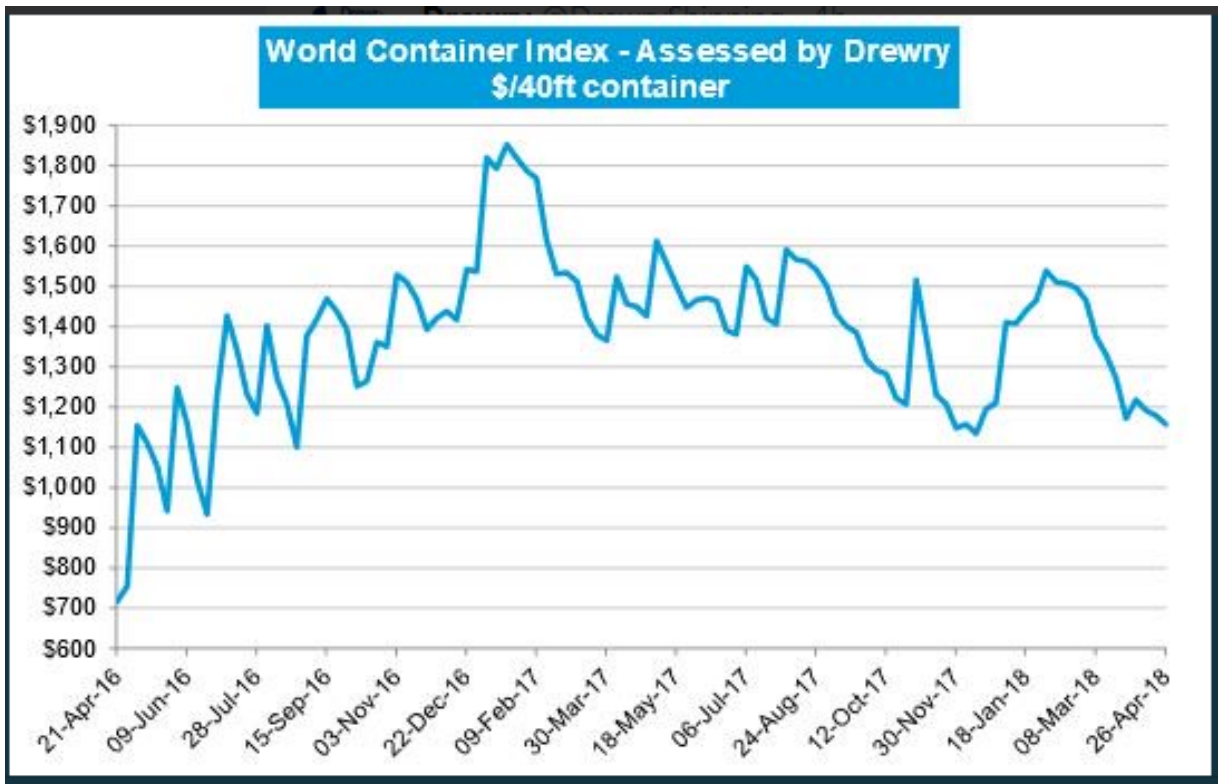


**Please keep in mind that USDA does not report DDGS sales, or they would show as the largest exports by container

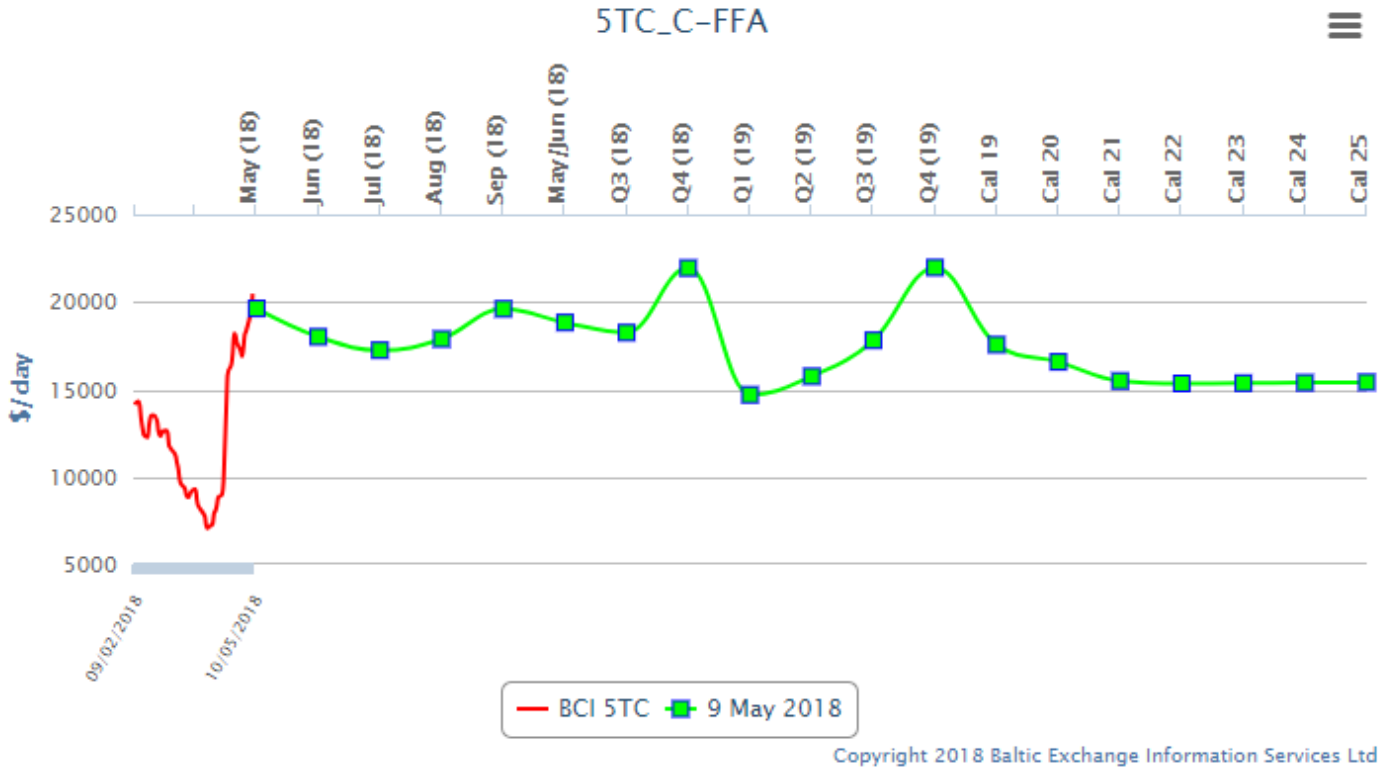
Source: USDA

Shipping News

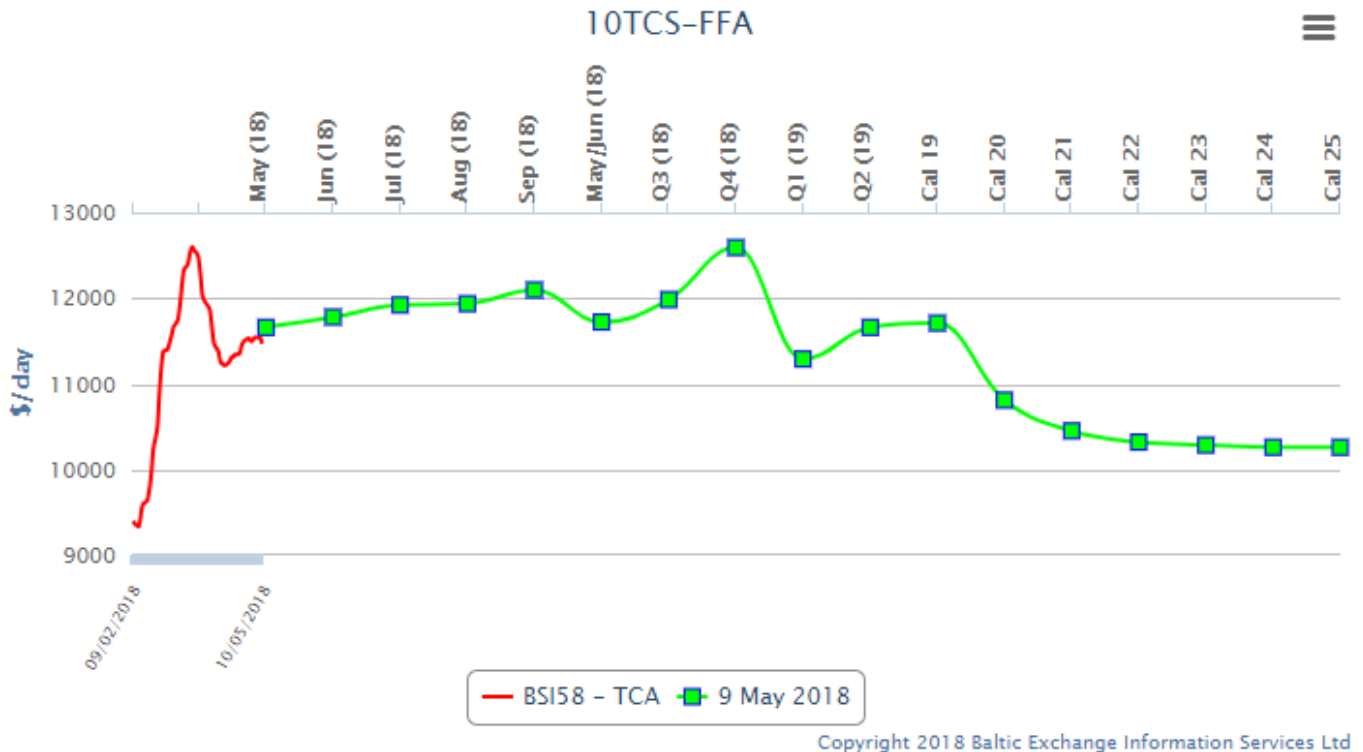




FFA Capesize for the 4 time charter routes



FFA SUPRAMAX 58 for the 5 time charter routes



U.S. RIVER BARGE FREIGHT

Current Barge Freight for Placement First half June 2018

Placement FH June 2018	% of		Corn	Soybeans-Wheat
	Tariff	MT	BU	BU
Upper Mississippi	450	\$30.70	0.78	0.84
Illinois River (Pekin and South)	425	\$22.53	0.57	0.61
Mid-Mississippi	435	\$25.51	0.65	0.69
Lower Ohio	315	\$15.49	0.39	0.42
St. Louis	320	\$14.07	0.36	0.38

Secondary Rail Car Market for car placement period: First Half June 2018.

Secondary Rail Car Market Placement FH June 2018	BID USD	ASK USD	BID BU.	ASK BU.	BID MT	ASK MT
BNSF Shuttle Trains	\$ 500.00	\$ 1,000.00	\$ 0.13	\$ 0.25	\$ 4.92	\$ 9.84
UPRR Shuttle Trains	\$ (150.00)	\$ -	\$ (0.04)	\$ -	\$ (1.48)	\$ -

www.grains.ksu.edu/igp

Best Regards,

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