

Transportation and Export Report for 21 May 2020

Dry Bulk markets showed some signs of life this week. The Capesize sector led the parade on improved iron ore demand. Maybe the bleeding has stopped, and we have seen the bottom ? Now we will have to see if freight markets can cautiously climb higher.

For grain shipments from the U.S. Gulf, please note that much of the Illinois River system will be shut down for lock and dam maintenance July-September 2020. This will not stop grain sales and vessel loadings out of New Orleans, but it will create a substantial reduction in barge grain availability and will likely have a bullish impact on Corn and Soybean Basis levels at the U.S. Center Gulf.

BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices				
21-May-2020	This Week	Last Week	Difference	Percent Change
P2A : Gulf/Atlantic - Japan	11068	11232	-164	-1.5%
P3A - PNW/Pacific - Japan	6473	5987	486	8.1%
S1C -USGULF-China-So.Japan	11161	11411	-250	-2.2%
P7- Trial- Miss. River - Qingdao	30429	30543	-114	-0.4%
P8- Trial- Santos - Qingdao	20636	20021	615	3.1%

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

Four weeks ago:	\$4.30-\$4.90
Three weeks ago:	\$4.25-\$4.50
Two weeks ago:	\$3.95-\$4.25
One week ago:	\$3.60-\$3.75
This week	\$4.60-\$4.75

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

Mississippi River:	(10 elevators)	3-6 days (2 facilities not currently operating)
Miss. River Mid-Stream loaders:	(6+ Rigs)	0-5 days
Texas Gulf	(5 elevators)	0-13 days (2 facility over 3 days)
Pacific Northwest:	(9 elevators)	1-11 days (only 2 facilities over 5 days)

Panamax Market Spreads to Asia -China					
21-May-2020	PNW	GULF	Bushel Spread	MT Spread	Advantage
CORN	0.87	0.73	0.14	\$5.51	PNW
SOYBEANS	1.15	0.64	0.51	\$20.08	GULF
OCEAN FREIGHT	\$17.00	\$33.00	.42-.45	\$16.00	JUNE

Recent Reported Vessel Fixtures:

**** Below rates are estimates for the nearby slots. 60-90 days forward rates will be higher.**

Soybean Panamax USG to Spain is running \$13.50/mt.

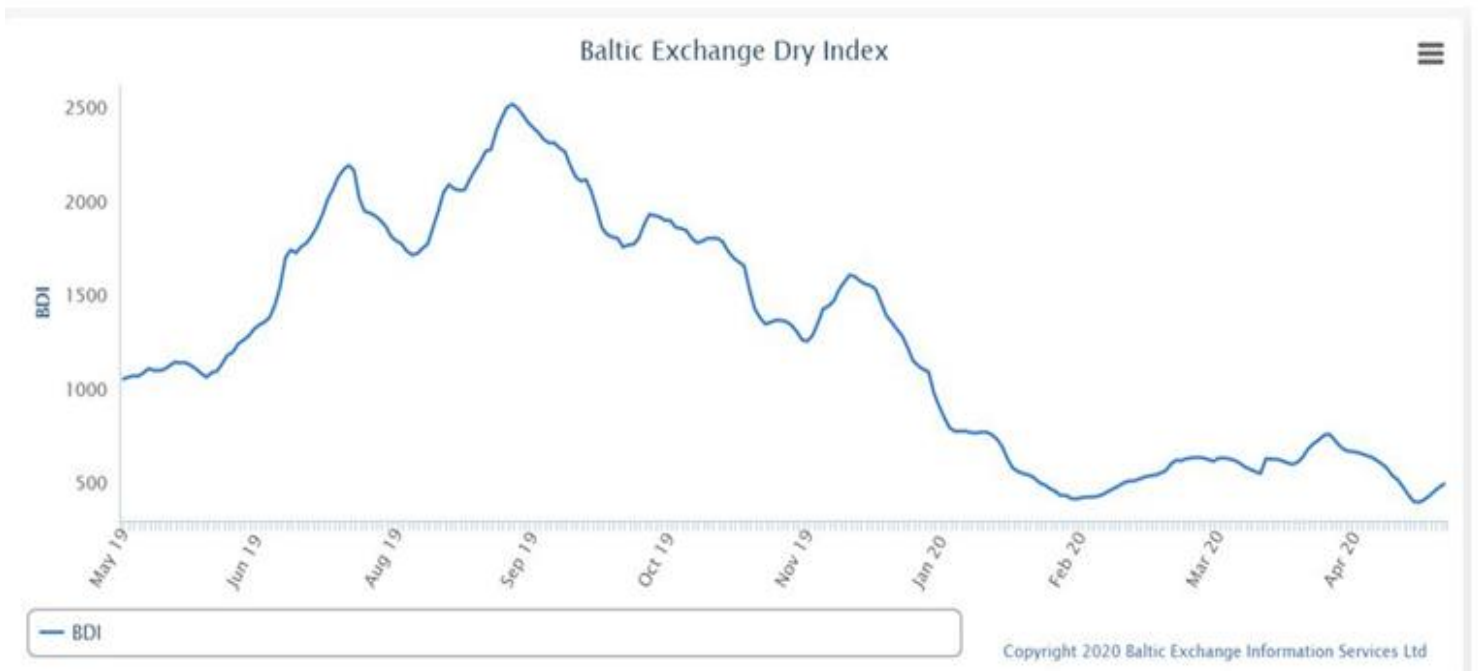
Soybean Brazil to Spain at about \$15.75-16.00/mt.

30,000 mt Corn Northern Brazil to Vera Cruz, Mexico \$14.75-\$15.25/mt .To U.S. E/C about \$16.25-17.00/mt

Route and Vessel Size	Current Week USD/MT	Change from previous week	Remarks
55,000 U.S. Gulf-Japan	\$34.00	Unchanged	Handymax \$34.50 mt
55,000 U.S. PNW- Japan	\$17.75	Unchanged	Handymax \$18.25 mt
66,000 U.S. Gulf – China	\$33.00	Down \$0.50	North China
PNW to China	\$17.00	Unchanged	
25,000 U.S. Gulf- Veracruz, México	\$14.75	Unchanged	3,000 MT daily discharge rate
30-36,000+ U.S. Gulf- Veracruz, México	\$11.75	Unchanged	Deep draft and 6,000 MT per day discharge rate.
30-38,000 U.S. Gulf- <u>East Coast Colombia</u> From Argentina	\$17.00 \$31.75	Unchanged	<u>West Coast Colombia at \$27.00</u> USG to E/C 50,000 mt at \$13.75
43-45,000 U.S. Gulf - Guatemala	\$26.50	Unchanged	Acajutla/Quetzal - 8,000 out
26-30,000 U.S. Gulf – Algeria	\$31.25 \$32.00	Unchanged	8,000 mt daily discharge 3,000 mt daily discharge
26-30,000 US Gulf-Morocco	\$31.50	Unchanged	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt PNW to Egypt	\$22.50 \$20.50	Unchanged	60,000 -55,000 mt Romania- Russia- Ukraine \$8.25-\$8.25 -\$8.50 France \$10.75
60-70,000 U.S. Gulf – Europe – Rotterdam	\$12.50	Up \$1.00	Handymax at +\$1.75 more
Brazil, Santos – China Brazil, Santos – China Northern Coast Brazil	\$22.00 \$21.00 \$25.00	Unchanged	54-59,000 Supramax-Panamax 60-66,000 Post Panamax Upriver No. Brazil Plus -55,000 mt Plus \$7.50/mt
56-60,000 Argentina/Rosario- China Deep Draft	\$25.50	Unchanged	Upriver with BB Top Off \$29.75

- **The above rate estimates reflect the 20-30-day forward ocean freight markets.**

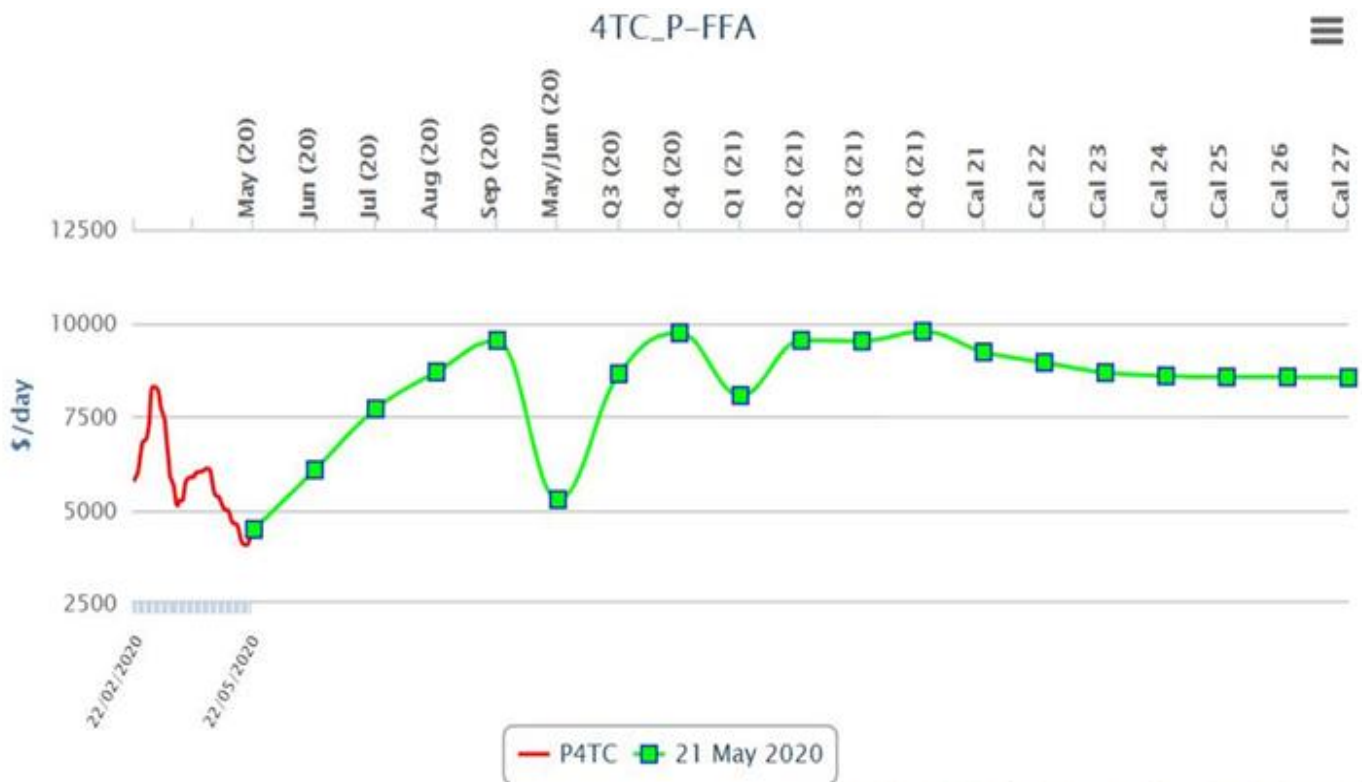
Baltic Dry Bulk Index.



Capesize Forward Curve

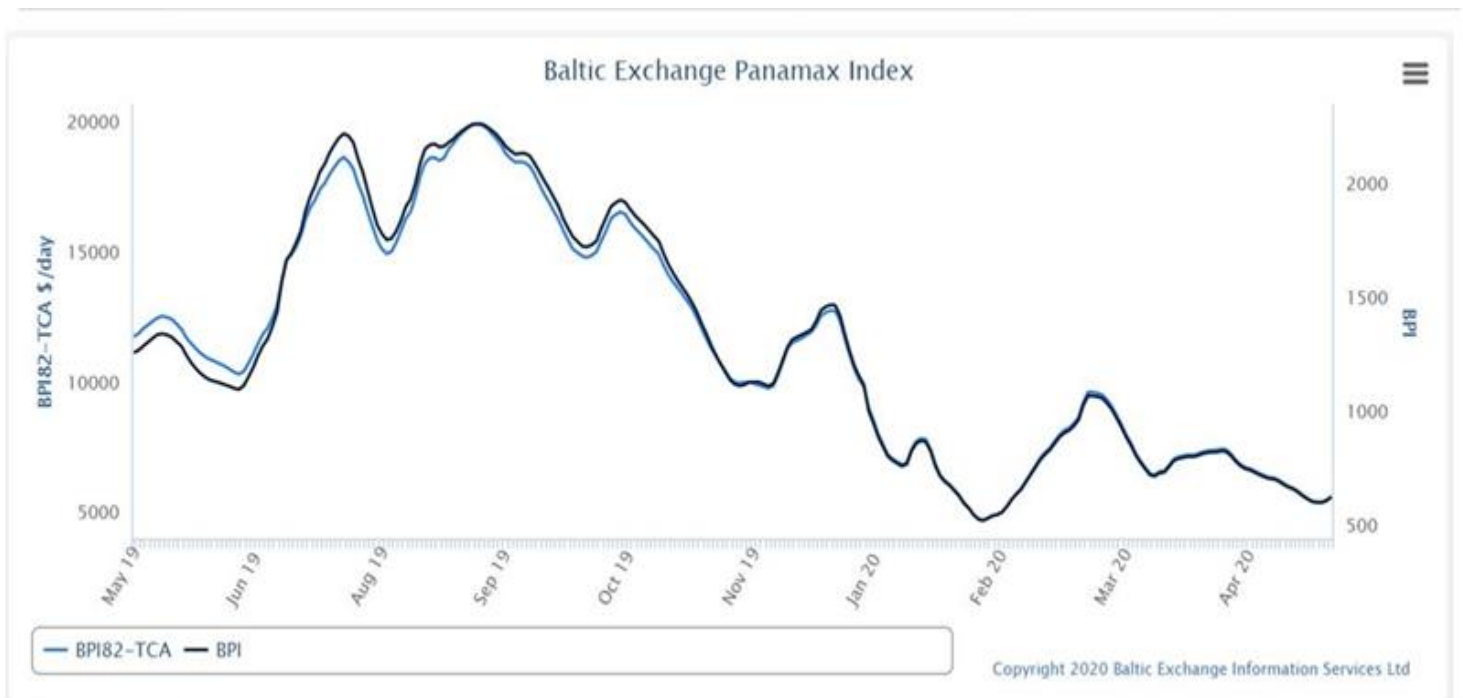


Baltic Panamax Forward Curve Chart



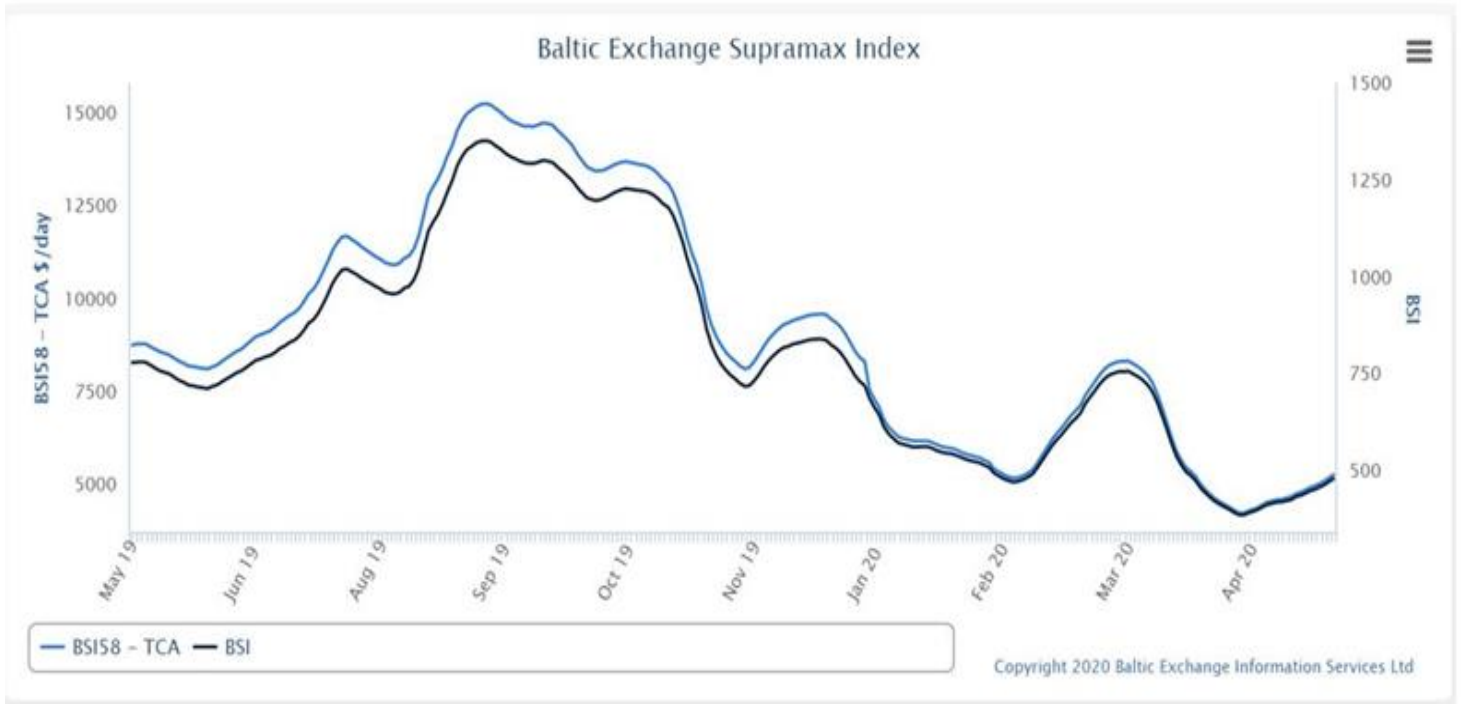
Copyright 2020 Baltic Exchange Information Services Ltd

Baltic Panamax Index



Copyright 2020 Baltic Exchange Information Services Ltd

Baltic Supramax Vessel Index



Supramax Dry-Bulk Curve

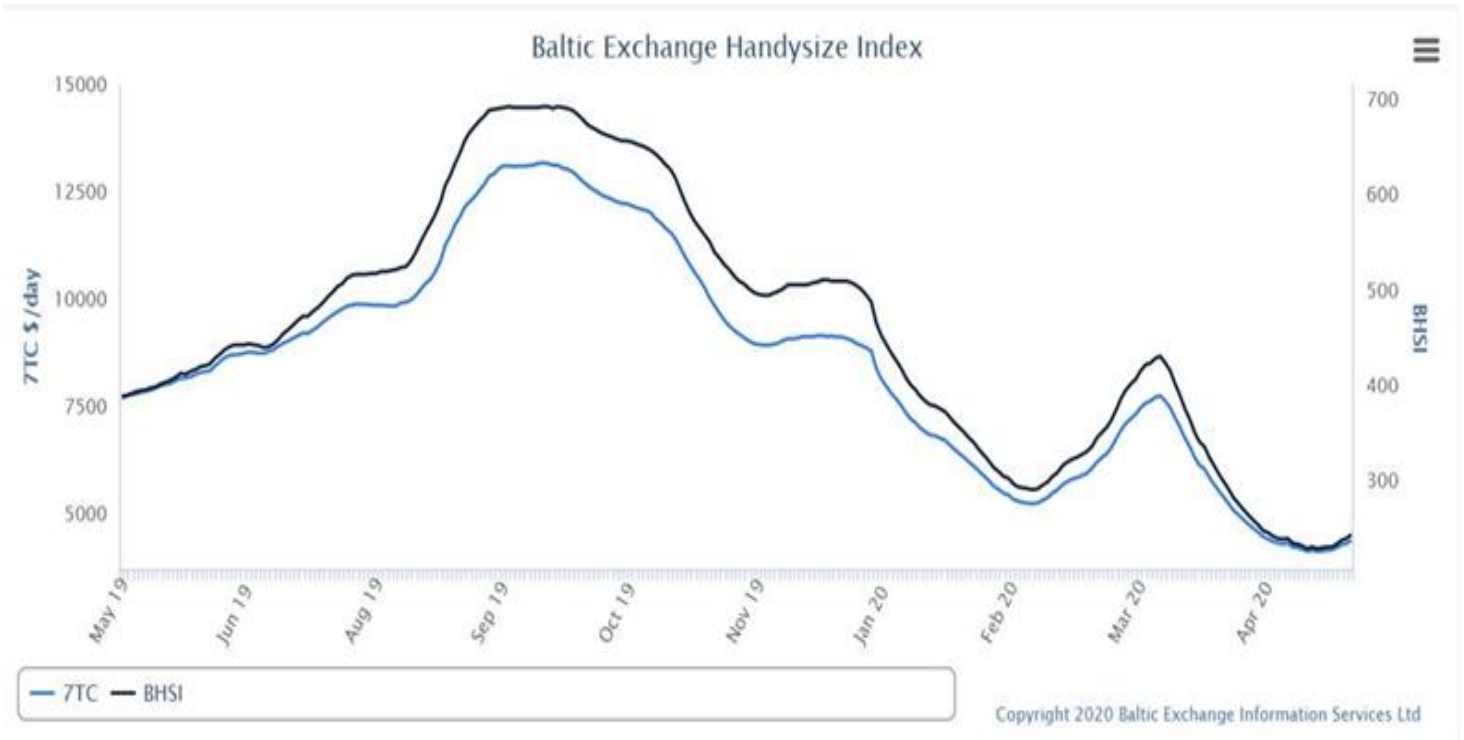


Support		Resistance		Current Price	Bull	Bear
S1	6,675	R1	7,000	6,800	RSI above 50	Stochastic overbought
S2	6,527	R2	7,125			
S3	6,412	R3	7,200			

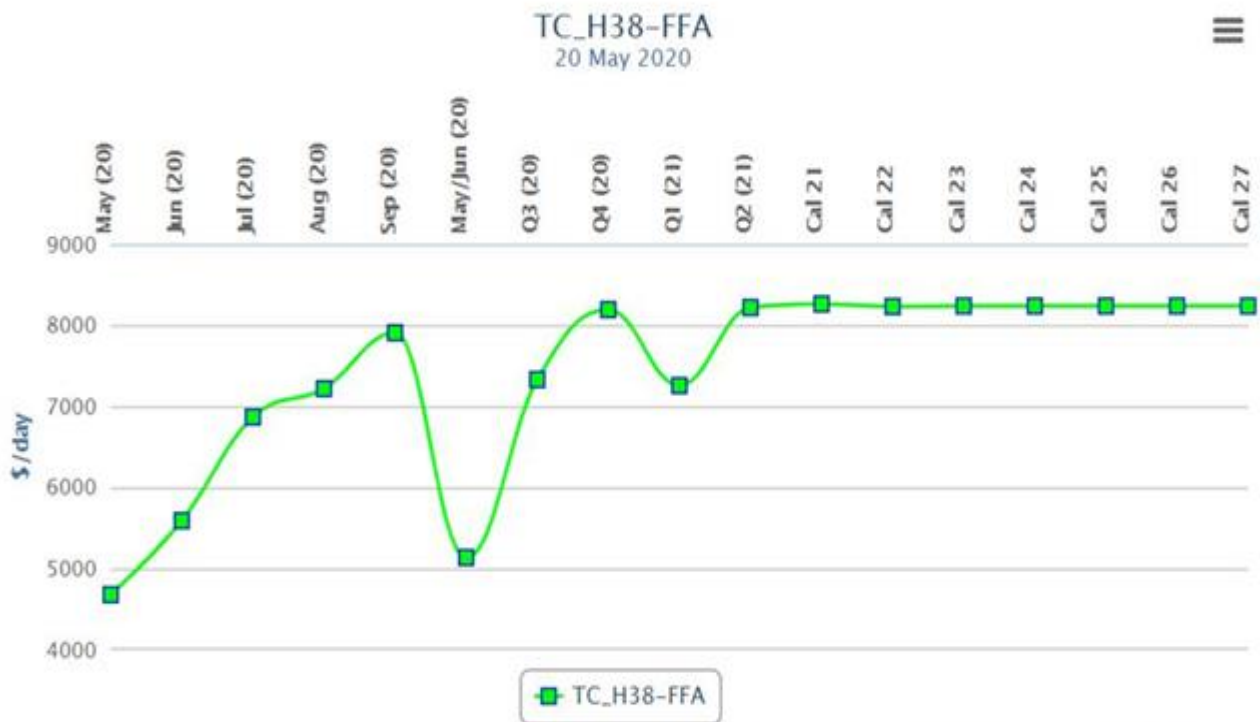
Synopsis - Intraday

Chart source Bloomberg

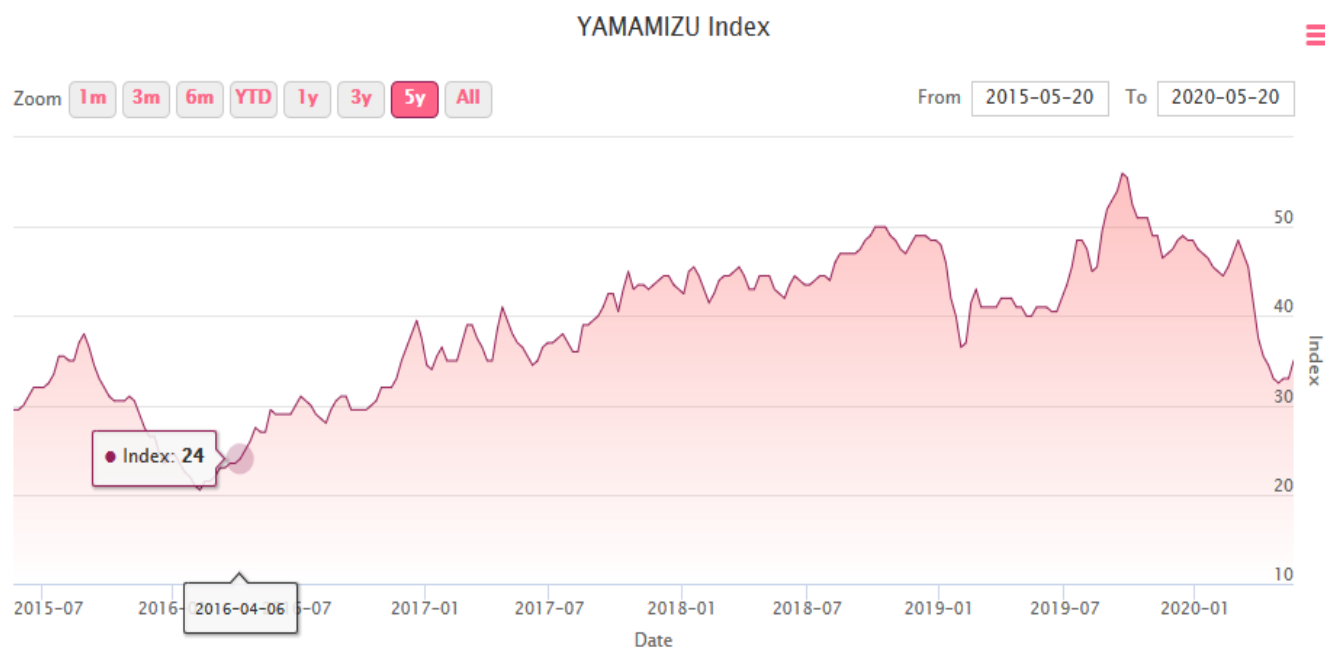
Baltic Handy Size Vessel Index



Baltic Handy Size Forward Curve



YAMAMIZU Index



China Import Dry Bulk Freight Index
2020-05-21

Description	Size MT	Cargo/Vessel Size	Unit	Rate	Change
Composite Index			Point	547.59	11.24
Iron ore Freight Index			Point	491	16.05
Dampier(West Australia)-Qingdao (China)	170000/10%	Iron ore	\$/ton	4.79	0.125
Tubarao(Brazil)-Qingdao(China)	170000/10%	Iron ore	\$/ton	8.035	0.394
Soybean Freight Index			Point	671.46	3.15
Santos(Brazil)—North China	60000/10%	Soybean	\$/ton	20.894	0.174
Tacoma(West America)—North China	60000/10%	Soybean	\$/ton	17	0.019
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	32.621	0.057
Mississippi(US Gulf)—North China	55000/10%	Soybean	\$/ton	34.65	0.067

21 May 2020 U.S. FOB Vessel Export Market Values:

U.S. Yellow Corn (USD/MT) FOB Vessel				
#2 YC	GULF # 2 YC		PNW # 3 YC	
Max. 14.5% moisture	BASIS	FLAT PRICE	BASIS	FLAT PRICE
June	0.73	\$153.83	0.87	\$159.34
July	0.73	\$153.83	0.87	\$159.34
Aug.	0.68	\$153.93	0.86	\$161.01
Sept.	0.71	\$155.11	0.87	\$161.41
Oct.	0.64	\$156.29	0.83	\$163.77
Nov.	0.69	\$158.26	0.87	\$165.34

The Gulf spread between #2 & #3 YC is currently about .03 cents per bushel (1.18/mt) at USG but out to .15/bushel in the PNW

SORGHUM (USD/MT) FOB VESSEL				
#2 YGS Fob Vessel	NOLA		TEXAS	
Max. 14.0% moisture	BASIS	FLAT PRICE	BASIS	FLAT PRICE
June	2.45	\$221.54	2.25	\$213.67
July	2.40	\$219.57	2.20	\$211.70
Aug.	2.30	\$221.64	2.15	\$215.74
Sept.	2.35	\$223.61	2.20	\$217.70
Oct.	2.40	\$225.58	2.25	\$219.67

Fob vessel Texas Gulf #2 Sorghum is about 139% 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	\$220.09	\$217.15	\$220.00	\$221.84
Basis	0.83	0.75	0.80	0.85
WN	5.1600			.
WU	5.1875			
WZ	5.2700			

21-May-2020	Close	This Week	Last Week.	Last Week.	Last Week	
CME Corn Futures	Bushel	MT.	Bushel	Bu. Diff.	MT	MT Diff.
July	\$ 3.1775	\$ 125.09	\$ 3.1600	0.0175	\$ 124.40	\$ 0.69
Sept.	\$ 3.2300	\$ 127.16	\$ 3.1800	0.0500	\$ 125.19	\$ 1.97
Dec.	\$ 3.3300	\$ 131.09	\$ 3.2325	0.0975	\$ 127.26	\$ 3.84
Mar..	\$ 3.4550	\$ 136.02	\$ 3.3400	0.1150	\$ 131.49	\$ 4.53
May	\$ 3.5325	\$ 139.07	\$ 3.4700	0.0625	\$ 136.61	\$ 2.46
July	\$ 3.5875	\$ 141.23	\$ 3.5250	0.0625	\$ 138.77	\$ 2.46

CBOT July. 2020 (CN20) CORN Futures Chart –



CME/CBOT July 2020 (WN20) 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	0.64	\$330.32	1.15	\$349.06
July	0.69	\$332.16	1.15	\$349.06
Aug.	0.73	\$334.92	1.15	\$350.35
Sept.	0.80	\$338.04	1.18	\$352.00
Oct.	0.82	\$340.79	1.18	\$354.02
Soybean Futures				
July	\$ 8.3500			
Aug.	\$ 8.3850			
Sept.	\$ 8.4000			
Nov.	\$ 8.4550			
Jan.	\$ 8.4950			
Mar.	\$ 8.4475			

U.S. SBM (USD/MT) FOB Vessel		
Fob U.S. Gulf Port	47.5 Pro. SBM	
max 12.5 % moisture	Basis	Flat Price
June	18.00	\$ 331.30
July	18.00	\$ 331.30
Aug.	16.00	\$ 331.19
Sept.	16.00	\$ 333.07
Oct.	16.00	\$ 334.61
SBM Futures		
SMN	282.50	
SMQ	284.40	
SMU	286.10	
SMV	287.50	
SMZ	290.90	
SMF	292.00	

CME July 2020 Soybean (SN20) Futures Chart:



CME July 2020 Soybean Meal (SMN20) Futures Chart



U.S. EXPORT STATISTICS: Report Activity as of Week Ending 07 May 2020

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 '20- 21 (000 MT)
Corn	1194.2	38,594.3	54,610	71%	3,367.9
Sorghum	5.3	3,589.4	5,590	64%	163.0
Soybeans	657.0	40,361.5	55,790	72%	1,665.4
Wheat	227.9	26,380.0	25,860	102%	2,283.9
Barley	0.0	49.8	110	45%	31.0

U.S. EXPORT INSPECTIONS:

Monday's report 18 May 2020 for the Export week ending 14 May 2020

	Export Inspections		Current Market Year YTD	Previous Year to Date	2019/20 YTD as Percent of 2018/19 YTD
	This Week	Previous Week			
Corn	1,150,674	1,399,282	26,227,574	37,473,771	70%
Sorghum	227,642	77,053	2,952,233	1,320,579	224%
Soybeans	352,189	531,609	34,752,227	33,187,286	105%
Wheat	440,822	343,221	23,880,410	23,669,088	101%
Barley	0	0	30,548	9,988	306%

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

U.S. EXPORT INSPECTIONS:

Monday's report 18 May 2020 for the Export week ending 14 May 2020

Last Week								
(Metric Tons)	YC	%	WC	%	Sorghum	%	Soybeans	%
Lakes	0	0%	0	0%	0	0%	7,964	2%
Atlantic	0	0%	0	0%	0	0%	7,125	2%
Gulf	673,417	61%	36,861	91%	145,248	64%	168,605	48%
PNW	265,870	24%	0	0%	79,442	35%	65,439	19%
Interior Export Rail	171,033	15%	3,493	9%	2,952	1%	103,056	29%
Metric Tons	1,110,320		40,354		227,642		352,189	

Sorghum Shipments:	metric tons	
	202,113	China Main
	15,000	Ethiopia
	245	Vietnam
	9,684	Japan
	24	Un Kingdom
	576	Mexico
	227,642	Total

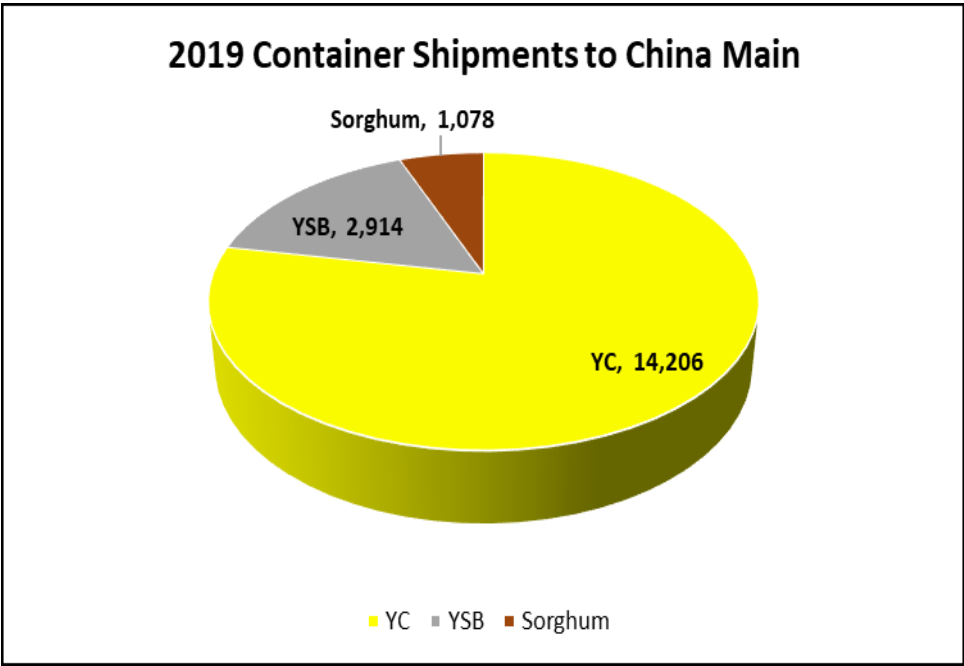
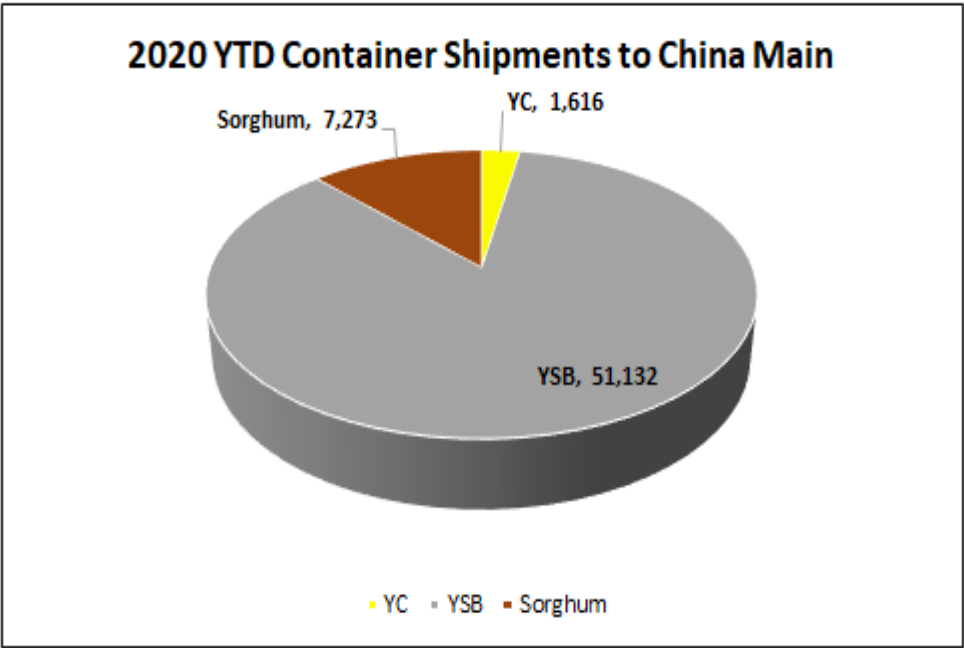
White Corn	metric tons	
Shipments:	5,886	Colombia
	34,468	Mexico
	40,354	Total

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:		14-May-2020							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	SWH	HRW	Sorghum	TOTAL
China Main			7,714					2,131	9,845
China T	15,397		7,396						22,793
Hong Kong	1,615								1,615
Costa Rica									0
Indonesia			16,187						16,187
French Poly									0
Japan			953						953
Korea Republic			3,719						3,719
Nepal									0
Malaysia	2,350		6,270						8,620
Cambodia			441						441
Philippines			3,281						3,281
Thailand			9,232						9,232
Morocco									0
India									0
Bangladesh									0
Burma									0
Vietnam			13,535					245	13,780
Sub total	19,362	0	68,728	0	0	0	0	2,376	76,686
USDA Corrections/Additions to previous reports:									
China T	269								269
China Main									0
Hong Kong									0
Korea Rep.								245	245
Cambodia									0
Japan			122						122
Philippines									0
Indonesia			245						245
Malaysia									0
Thailand									0
Vietnam			490						490
Canada									0
Nigeria									0
Sub total	269	0	857	0	0	0	0	245	1,371
Mt. Grand Total	19,631	0	69,585	0	0	0	0	2,621	78,057
Number of containers	854	0	3,025	0	0	0	0	114	

Jan - Dec 2019 Annual Totals versus 2020 Jan.-Dec. YTD Total Container Shipments (in MT)



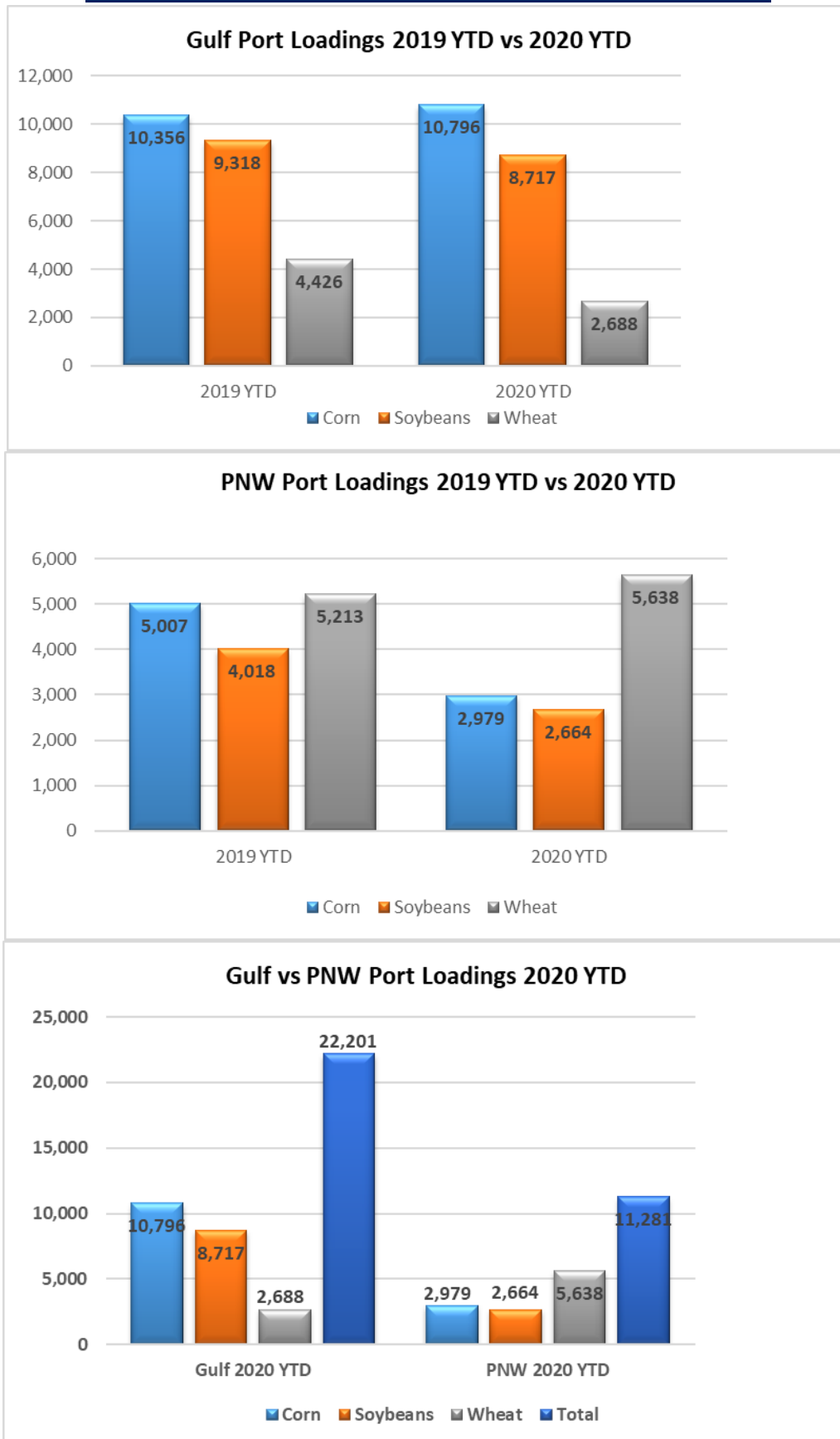
Grain Inspections for Export by U.S. Port Regions:
U.S. Gulf and Pacific Northwest 2019 YTD vs. 2020 YTD

PORT LOADINGS US Gulf				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
GULF				
2019 YTD	10,356	9,318	4,426	24,100
2020 YTD	10,796	8,717	2,688	22,201
2020 as % of 2019	104%	94%	61%	92%

PORT LOADINGS US PNW				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
PNW				
2019 YTD	5,007	4,018	5,213	14,238
2020 YTD	2,979	2,664	5,638	11,281
2020 as % of 2019	59%	66%	108%	79%

PORT LOADINGS GULF vs. PNW				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
2020 Gulf YTD	10,796	8,717	2,688	22,201
2020 PNW YTD	2,979	2,664	5,638	11,281
TOTAL	13,775	11,381	8,326	33,482
Gulf Percentage	78%	77%	32%	66%
PNW Percentage	22%	23%	68%	34%

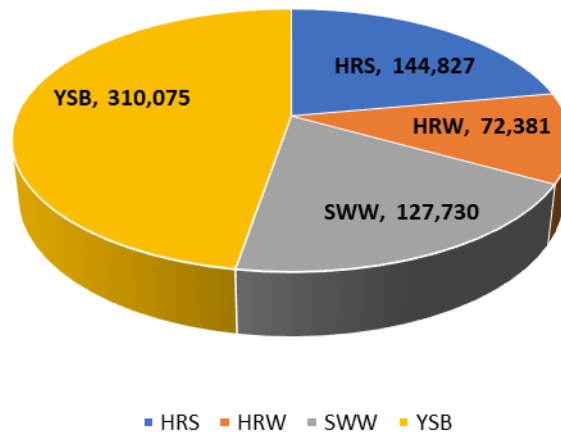
Grain Inspections for Export by U.S. Port Regions (1,000MT):
U.S. Gulf and Pacific Northwest 2019 YTD vs. 2020 YTD



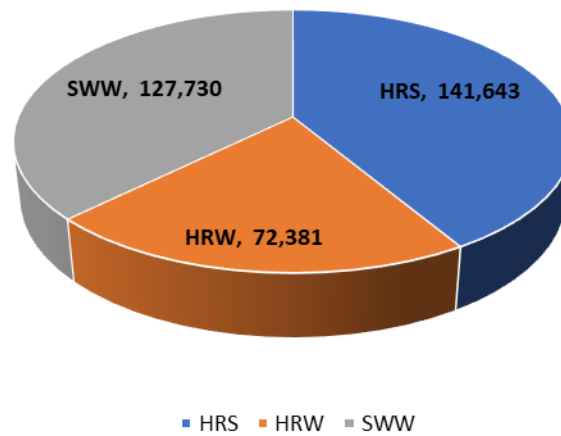
Source: USDA-data

2020 YTD Total Grain Exports reported by USDA (in MT)

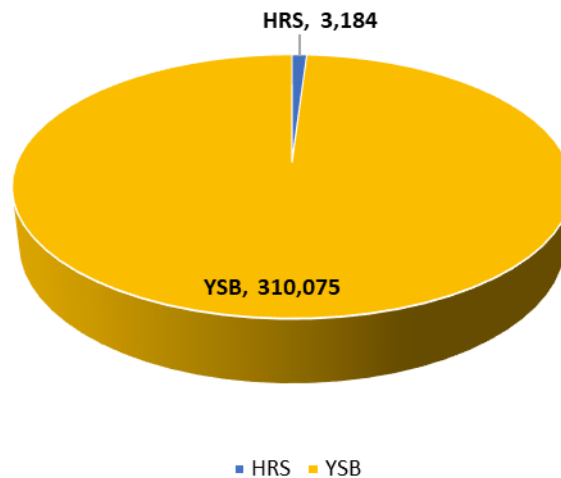
2020 YTD Exports to Thailand



YTD Vessel Shipments to Thailand



YTD Container Shipments to Thailand

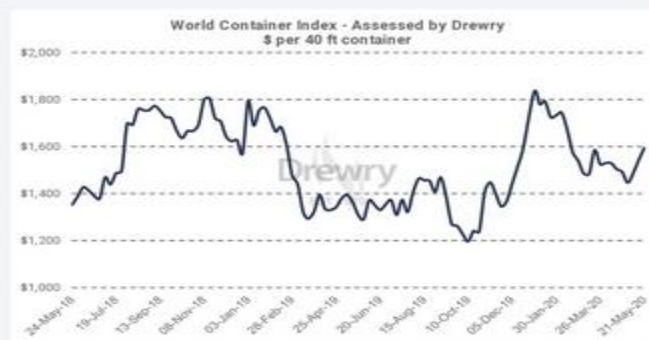


*Please keep in mind that USDA does not report DDGS sales

World Container Index - 21 May

The World Container Index assessed by Drewry, a composite of container freight rates on 8 major routes to/from the US, Europe and Asia increased by 3.3% to \$1,592.98 per 40ft container this week (updated Thursday, 21 May 2020).

Two-year spot freight rate trend for the World Container Index:



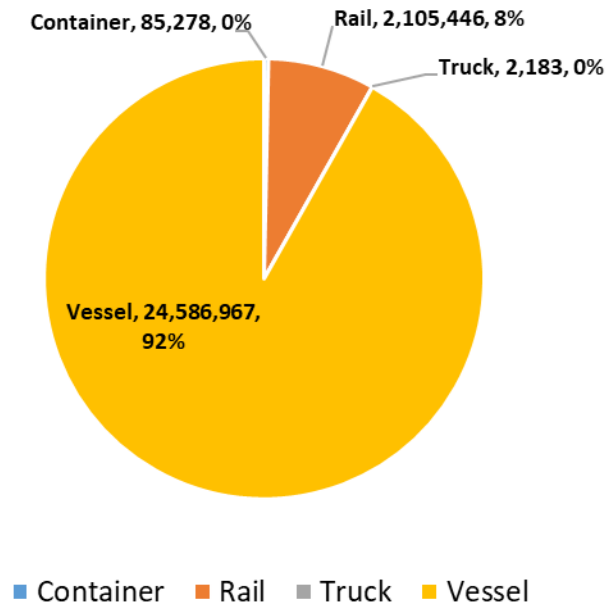
World Container Index Assessed by Drewry

Global Container Rates Chart

Route	07-May-20	14-May-20	21-May-20	Weekly change (%)	Annual change (%)
Composite Index	\$1,486	\$1,542	\$1,593	3% ▲	22% ▲
Shanghai - Rotterdam	\$1,404	\$1,561	\$1,738	11% ▲	22% ▲
Rotterdam - Shanghai	\$929	\$942	\$1,038	10% ▲	88% ▲
Shanghai - Genoa	\$1,567	\$1,745	\$1,910	9% ▲	35% ▲
Shanghai - Los Angeles	\$1,745	\$1,752	\$1,700	-3% ▼	27% ▲
Los Angeles - Shanghai	\$507	\$479	\$479	0%	-4% ▼
Shanghai - New York	\$2,784	\$2,700	\$2,569	-5% ▼	-3% ▼
New York - Rotterdam	\$504	\$515	\$507	-2% ▼	-2% ▼
Rotterdam - New York	\$2,592	\$2,592	\$2,516	-3% ▼	7% ▲



2019 US Wheat Exports by Type Carrier (MT)



Dry Bulk ETF @DryBulkETF · 18m

Dry Bulk Newbuilding Orders Go "Extinct", as Interest Limited to Tankers
#shipping #drybulk \$BDRY hellenicshippingnews.com/dry-bulk-newbu...



China Import Dry Bulk Freight Index



China Containerized Freight Index



U.S. RIVER BARGE FREIGHT
Current Barge Freight for Placement Last Half June 2020

Placement LH June 2020	% of		Corn	Soybeans-Wheat
	Tariff	MT	BU	BU
Upper Mississippi	345	\$23.54	0.60	0.64
Illinois River (Pekin and South)	290	\$15.38	0.39	0.42
Mid-Mississippi	285	\$16.71	0.42	0.45
Lower Ohio	195	\$ 9.59	0.24	0.26
St. Louis	195	\$ 8.58	0.22	0.23

Secondary Rail Car Market for car placement period: Last Half June 2020.

Secondary Rail Car Market Placement LH. June 2020	BID USD	ASK USD	BID BU.	ASK BU.	BID MT	ASK MT
BNSF Shuttle Trains	\$ (150.00)	\$ (75.00)	\$ (0.04)	\$ (0.02)	\$ (1.48)	\$ (0.74)
UPRR Shuttle Trains	\$ (150.00)	\$ (75.00)	\$ (0.04)	\$ (0.02)	\$ (1.48)	\$ (0.74)

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.