

Transportation and Export Report for 28 May 2020

Baltic Dry Bulk indices jumped 7-10 percent this week. That sounds like a big improvement, but we must recognize that the market started at exceptionally low levels and therefore a 600-point move appears large. All the same it was finally a move in the right direction from a vessel owners' perspective. But, in classic form, the market exhibited the biggest gains mid-week and found selling pressure by weeks end; sellers are still there to take profits on the rallies. It does appear Dry-bulk markets have turned the corner however and will now have to claw their way slowly upward. But it is very unlikely that this will be a straight-line move and there will still be buying opportunities for charterers.

BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices				
28-May-2020	This Week	Last Week	Difference	Percent Change
P2A : Gulf/Atlantic - Japan	11950	11068	882	8.0%
P3A - PNW/Pacific - Japan	7128	6473	655	10.1%
S1C -USGULF-China-So.Japan	10492	11161	-669	-6.0%
P7- Trial- Miss. River - Qingdao	31950	30429	1,521	5.0%
P8- Trial- Santos - Qingdao	22614	20636	1,978	9.6%

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

Four weeks ago:	\$4.25-\$4.50
Three weeks ago:	\$3.95-\$4.25
Two weeks ago:	\$3.60-\$3.75
One week ago:	\$4.60-\$4.75
This week	\$4.05-\$4.50

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

Mississippi River:	(10 elevators)	2-7 days (2 facilities not currently operating)
Miss. River Mid-Stream loaders:	(6+ Rigs)	0-2 days
Texas Gulf	(5 elevators)	0-8 days (2 facility over 4 days)
Pacific Northwest:	(9 elevators)	1-9 days

Panamax Market Spreads to Asia -China					
28-May-2020	PNW	GULF	Bushel Spread	MT Spread	Advantage
CORN	0.87	0.71	0.16	\$6.30	PNW
SOYBEANS	1.15	0.63	0.52	\$20.47	GULF
OCEAN FREIGHT	\$17.25	\$33.25	.41-.44	\$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 \$13.75/mt.

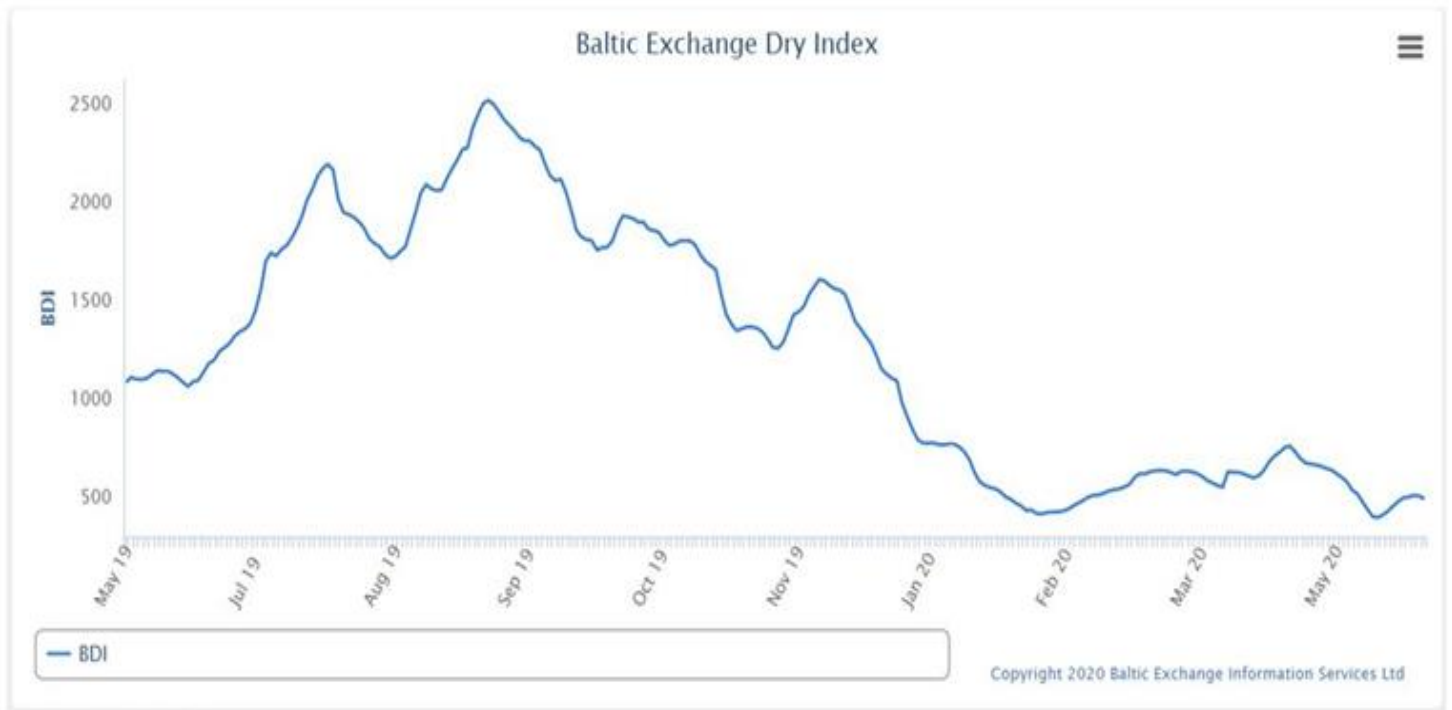
Soybean Brazil to Spain at about \$16.50-17.00/mt.

30,000 mt Corn Northern Brazil to Vera Cruz, Mexico \$15.25-\$16.00/mt .To U.S. E/C about \$17.00-17.75/mt

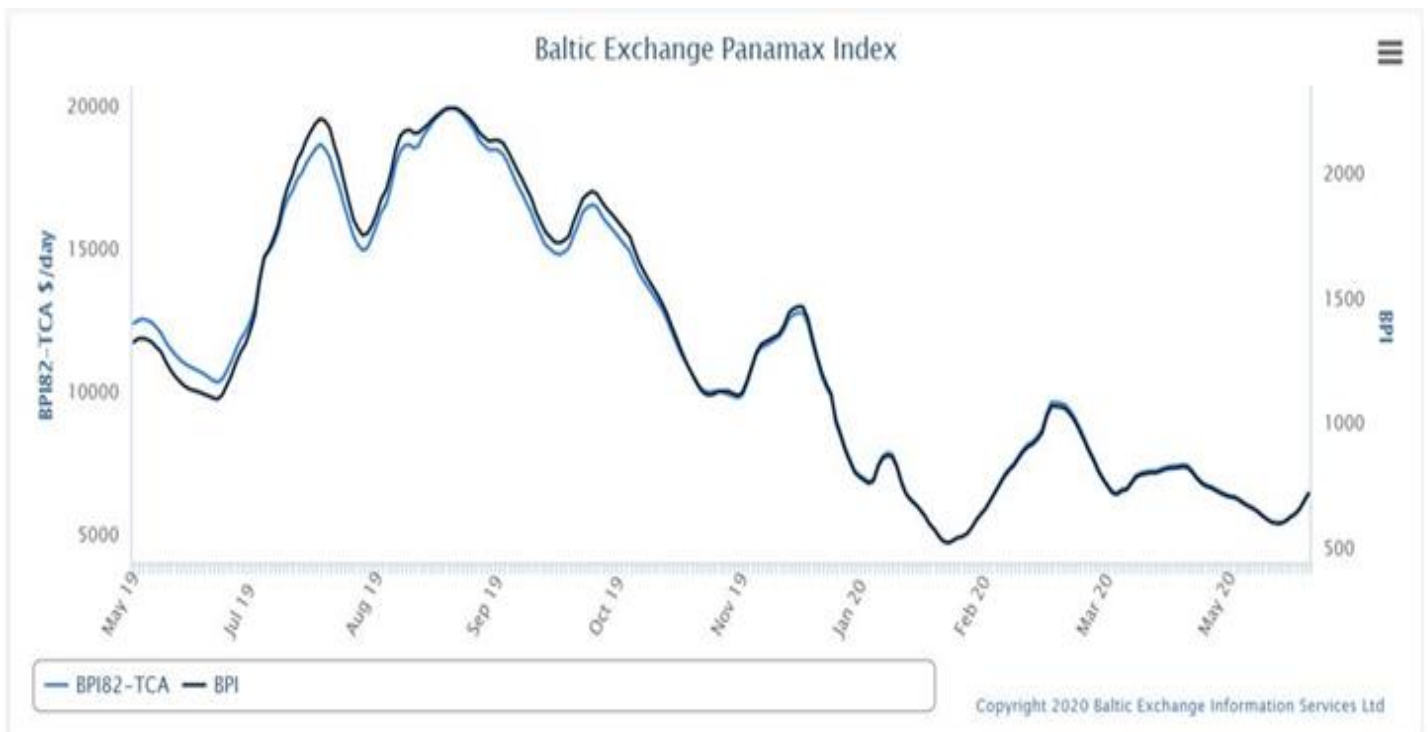
Route and Vessel Size	Current Week USD/MT	Change from previous week	Remarks
55,000 U.S. Gulf-Japan	\$34.25	Up \$0.25	Handymax \$34.75 mt
55,000 U.S. PNW- Japan	\$18.00	Up \$0.25	Handymax \$18.50 mt
66,000 U.S. Gulf – China	\$33.25	Up \$0.25	North China
PNW to China	\$17.25	Up \$0.25	
25,000 U.S. Gulf- Veracruz, México	\$15.00	Up \$0.25	3,000 MT daily discharge rate
30-36,000+ U.S. Gulf- Veracruz, México	\$12.00	Up \$0.25	Deep draft and 6,000 MT per day discharge rate.
30-38,000 U.S. Gulf- <u>East Coast Colombia</u> From Argentina	\$17.50 \$32.75	Up \$0.50	<u>West Coast Colombia at \$27.50</u> USG to E/C 50,000 mt at \$14.25
43-45,000 U.S. Gulf - Guatemala	\$27.00	Up \$0.50	Acajutla/Quetzal - 8,000 out
26-30,000 U.S. Gulf – Algeria	\$31.50 \$32.25	Up \$0.25	8,000 mt daily discharge 3,000 mt daily discharge
26-30,000 US Gulf-Morocco	\$31.75	Up \$0.25	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt PNW to Egypt	\$22.75 \$21.25	Up \$0.25	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	\$12.25	Down \$0.25	Handymax at +\$1.75 more
Brazil, Santos – China Brazil, Santos – China Northern Coast Brazil	\$23.00 \$22.00 \$26.00	Up \$1.00	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	\$26.50	Up \$1.00	Upriver with BB Top Off \$29.75

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

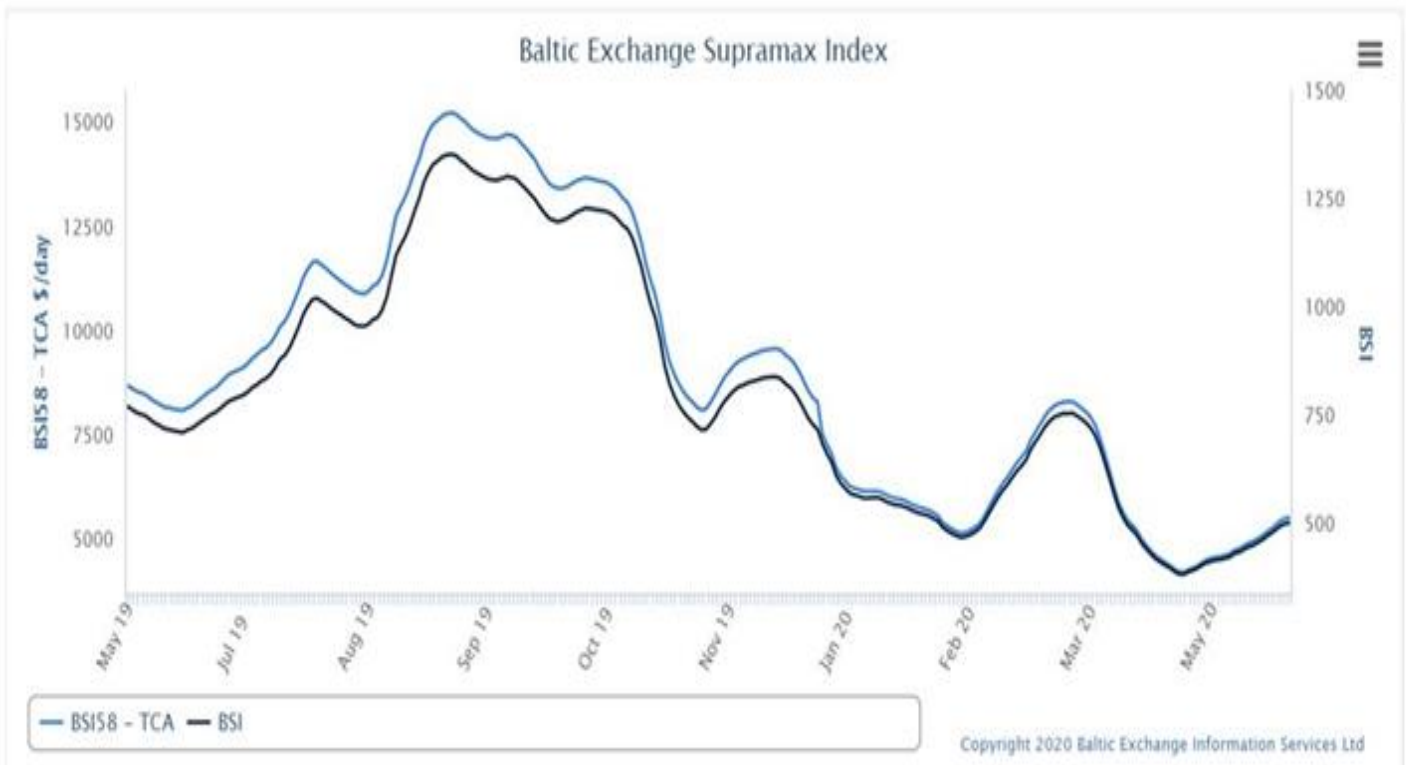
Baltic Dry Bulk Index.



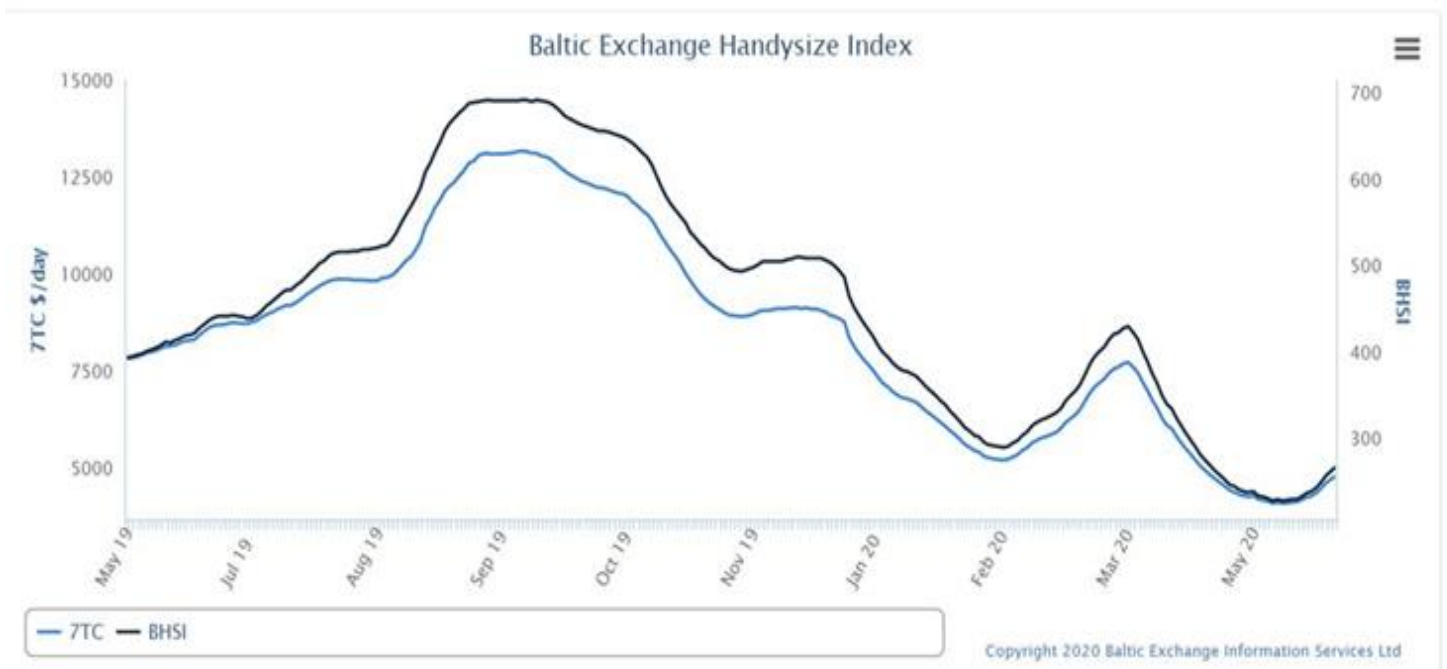
Baltic Panamax Index



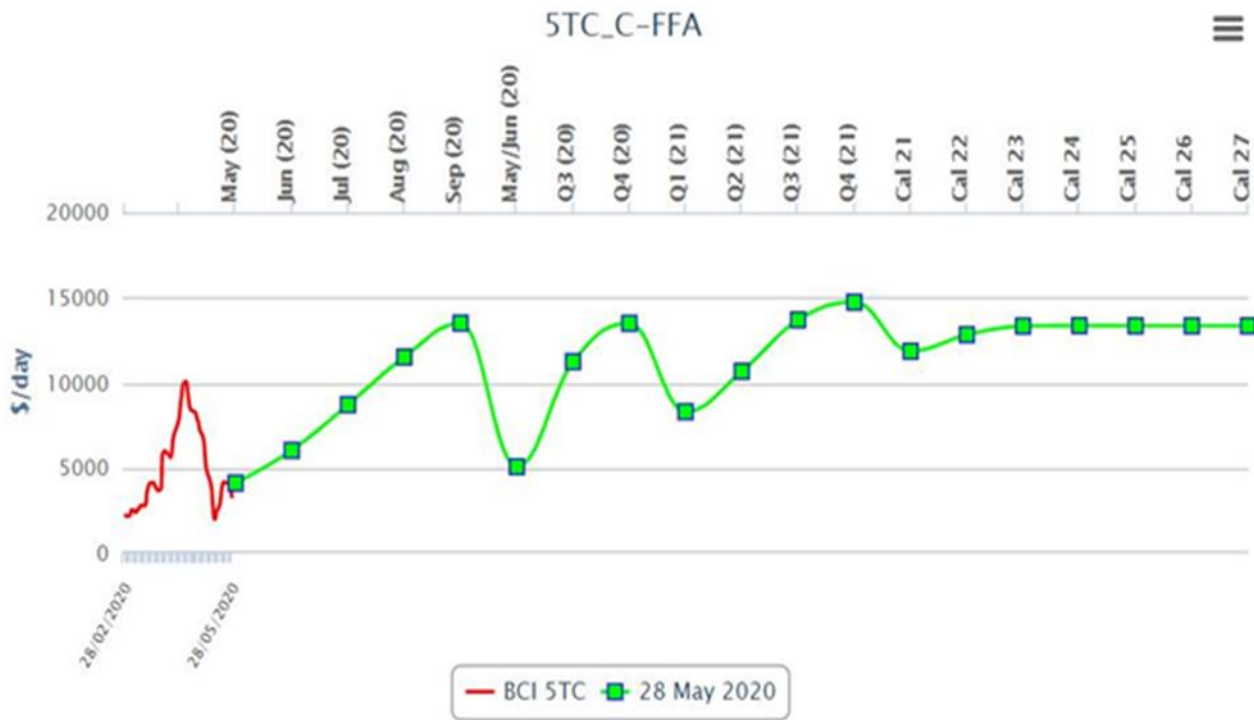
Baltic Supramax Vessel Index



Baltic Handy Size Vessel Index

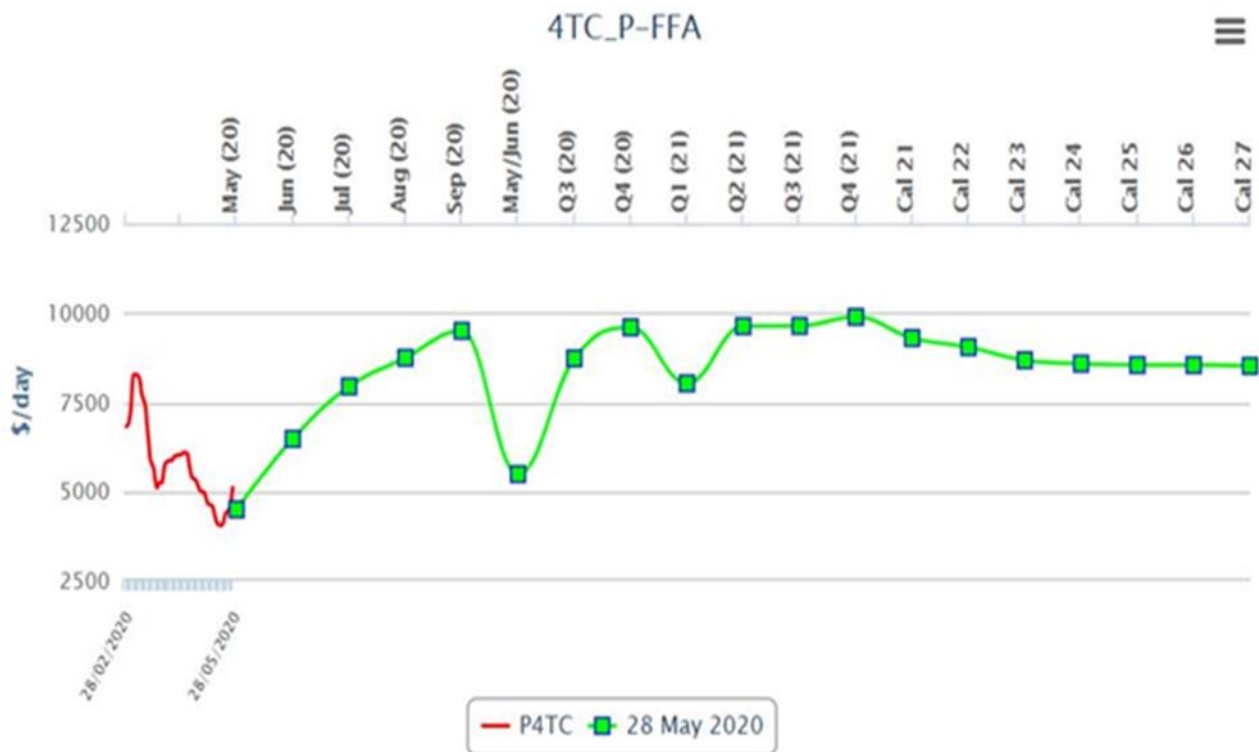


Capesize Forward Curve



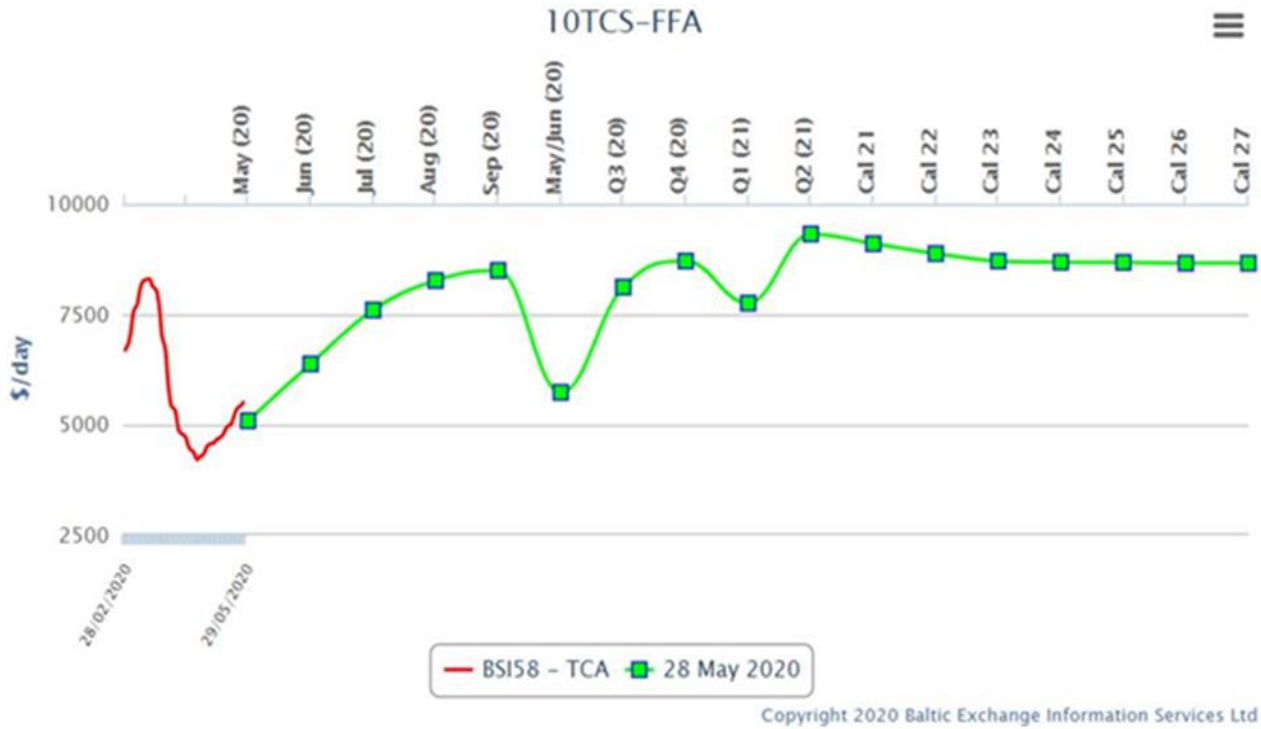
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Baltic Panamax Forward Curve Chart

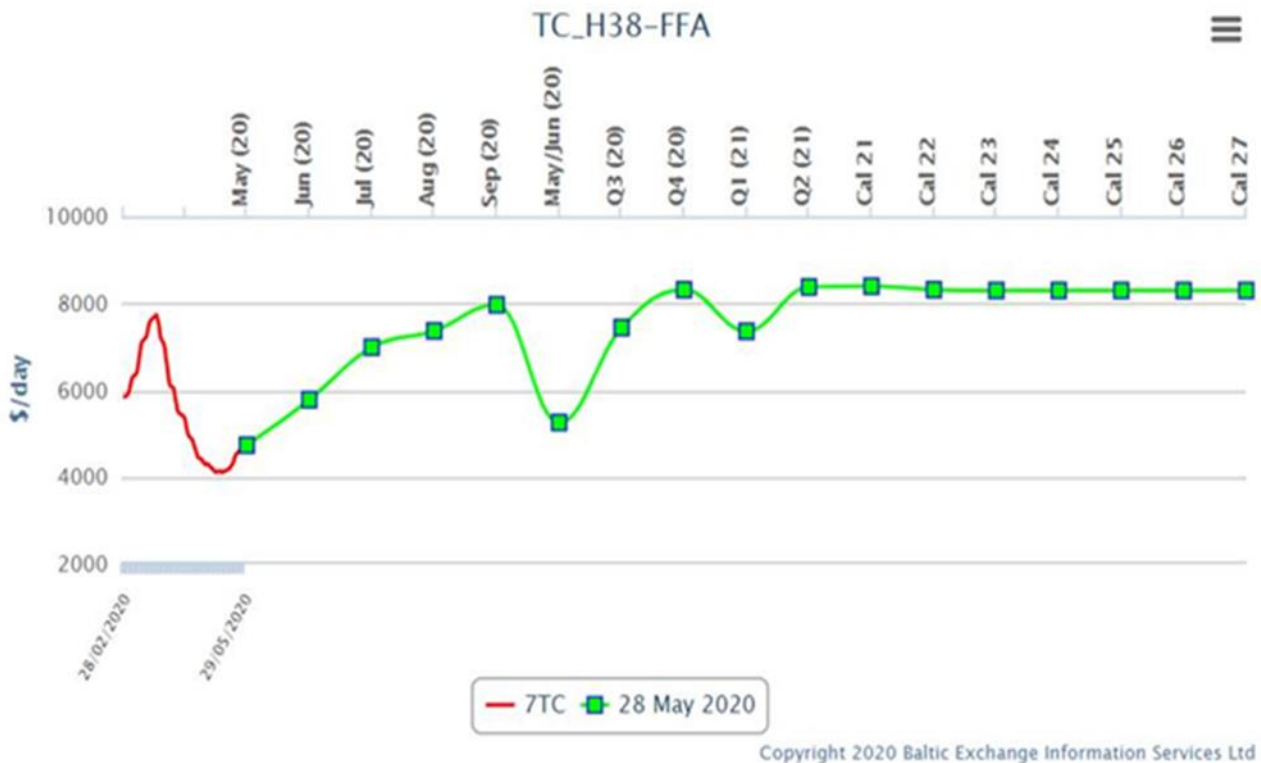


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Supramax Dry-Bulk Forward Curve



Baltic Handy Size Forward Curve

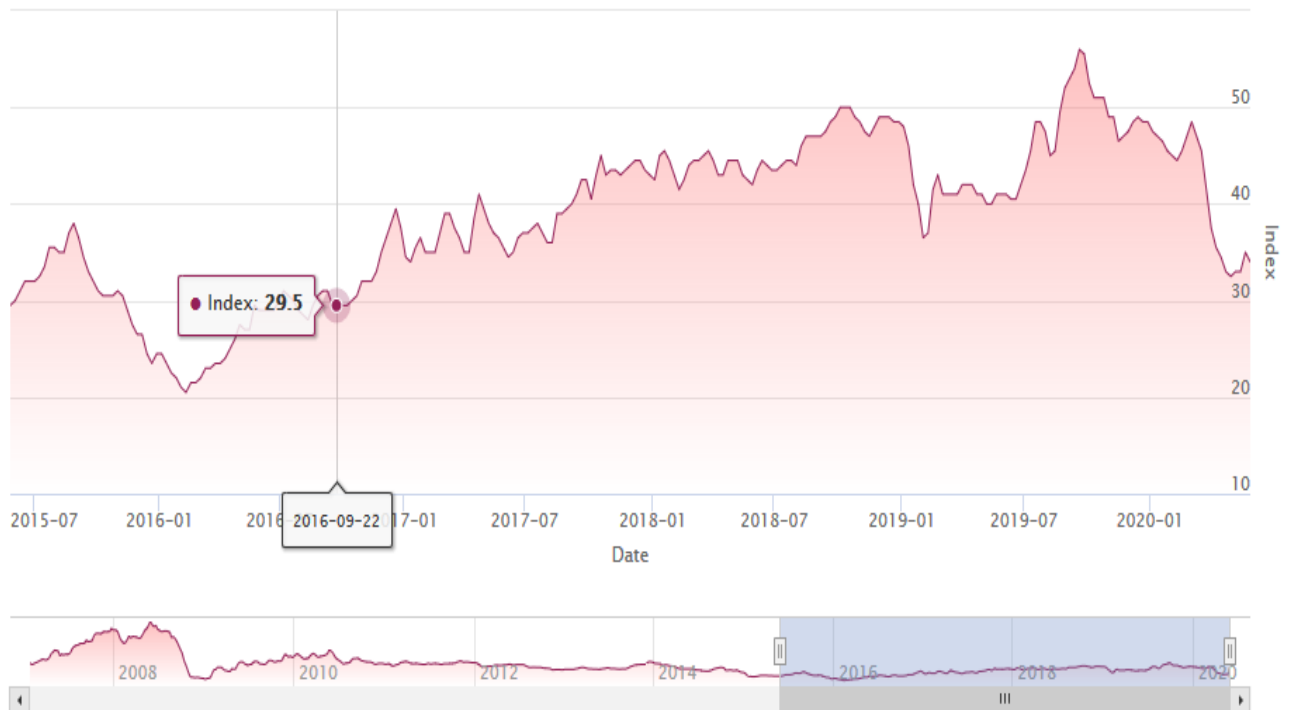


YAMAMIZU Index



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

From 2015-05-27 To 2020-05-27



China Import Dry Bulk Freight Index					
2020-05-28					
Description	Size MT	Cargo/Vessel Size	Unit	Rate	Change
Composite Index			Point	541.79	-9.1
Iron ore Freight Index			Point	453.34	-24.87
Dampier(West Australia)-Qingdao (China)	170000/10%	Iron ore	\$/ton	4.042	-0.361
Tubarao(Brazil)-Qingdao(China)	170000/10%	Iron ore	\$/ton	8.026	-0.267
Soybean Freight Index			Point	695.49	12.34
Santos(Brazil)—North China	60000/10%	Soybean	\$/ton	22.194	0.7
Tacoma(West America)—North China	60000/10%	Soybean	\$/ton	17.263	0.069
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	33.079	0.229
Mississippi(US Gulf)—North China	55000/10%	Soybean	\$/ton	35.033	0.158

28 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	0.71	\$156.88	0.87	\$163.18
July	0.71	\$156.88	0.96	\$166.72
Aug.	0.65	\$156.19	0.95	\$168.00
Sept.	0.70	\$158.16	0.95	\$168.00
Oct.	0.64	\$159.14	0.88	\$168.59
Nov.	0.69	\$161.11	0.90	\$169.38

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	\$225.38	2.25	\$217.51
July	2.40	\$223.41	2.15	\$213.57
Aug.	2.30	\$224.50	2.10	\$216.62
Sept.	2.35	\$226.46	2.15	\$218.59
Oct.	2.40	\$228.43	2.20	\$220.56

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	\$218.44	\$216.60	\$219.63	\$221.47
Basis	0.80	0.75	0.80	0.85
WN	5.1450			.
WU	5.1775			
WZ	5.2625			

28-May-2020	Close	This Week	Last Week.	Last Week.	Last Week	
CME Corn Futures	Bushel	MT.	Bushel	Bu. Diff.	MT	MT Diff.
July	\$ 3.2750	\$ 128.93	\$ 3.1775	0.0975	\$ 125.09	\$ 3.84
Sept.	\$ 3.3175	\$ 130.60	\$ 3.2300	0.0875	\$ 127.16	\$ 3.44
Dec.	\$ 3.4025	\$ 133.95	\$ 3.3300	0.0725	\$ 131.09	\$ 2.85
Mar..	\$ 3.5200	\$ 138.57	\$ 3.4550	0.0650	\$ 136.02	\$ 2.56
May	\$ 3.5900	\$ 141.33	\$ 3.5325	0.0575	\$ 139.07	\$ 2.26
July	\$ 3.6400	\$ 143.30	\$ 3.5875	0.0525	\$ 141.23	\$ 2.07

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	0.63	\$334.36	1.15	\$353.47
July	0.69	\$336.57	1.15	\$353.47
Aug.	0.73	\$338.87	1.15	\$354.30
Sept.	0.80	\$341.90	1.18	\$355.86
Oct.	0.80	\$343.92	1.18	\$357.88
Soybean Futures				
July	\$ 8.4700			
Aug.	\$ 8.4925			
Sept.	\$ 8.5050			
Nov.	\$ 8.5600			
Jan.	\$ 8.5950			
Mar.	\$ 8.5550			

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	\$ 333.29
July	17.00	\$ 332.18
Aug.	16.00	\$ 333.29
Sept.	15.00	\$ 334.50
Oct.	15.00	\$ 336.48
SBM Futures		
SMN	284.30	
SMQ	286.30	
SMU	288.40	
SMV	290.20	
SMZ	293.70	
SMF	294.80	

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 14 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	904.8	39,478.4	54,610	72%	3,338.5
Sorghum	83.7	3,672.5	5,590	66%	195.0
Soybeans	1207.2	41,517.9	55,790	74%	2,129.4
Wheat	188.5	26,555.8	25,860	103%	2,536.3
Barley	0.2	50.0	110	45%	31.0

U.S. EXPORT INSPECTIONS:

Monday's report 25 May 2020 for the Export week ending 21 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	1,091,972	1,182,471	27,351,343	38,582,498	71%
Sorghum	188,078	278,282	3,190,951	1,349,218	237%
Soybeans	333,127	356,078	35,089,243	33,724,502	104%
Wheat	457,777	491,776	24,389,337	24,201,989	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 25 May 2020 for the Export week ending 21 May 2020

Last Week								
(Metric Tons)	YC	%	WC	%	Sorghum	%	Soybeans	%
Lakes	0	0%	0	0%	0	0%	0	0%
Atlantic	0	0%	0	0%	0	0%	2,938	1%
Gulf	616,412	57%	9,899	91%	116,628	62%	190,847	57%
PNW	273,415	25%	0	0%	68,535	36%	24	0%
Interior Export Rail	191,248	18%	998	9%	2,915	2%	139,318	42%
Metric Tons	1,081,075		10,897		188,078		333,127	

Sorghum Shipments: metric tons

141,783	China Main
46,050	South Sudan
245	Korea Rep
188,078	Total

White Corn metric tons

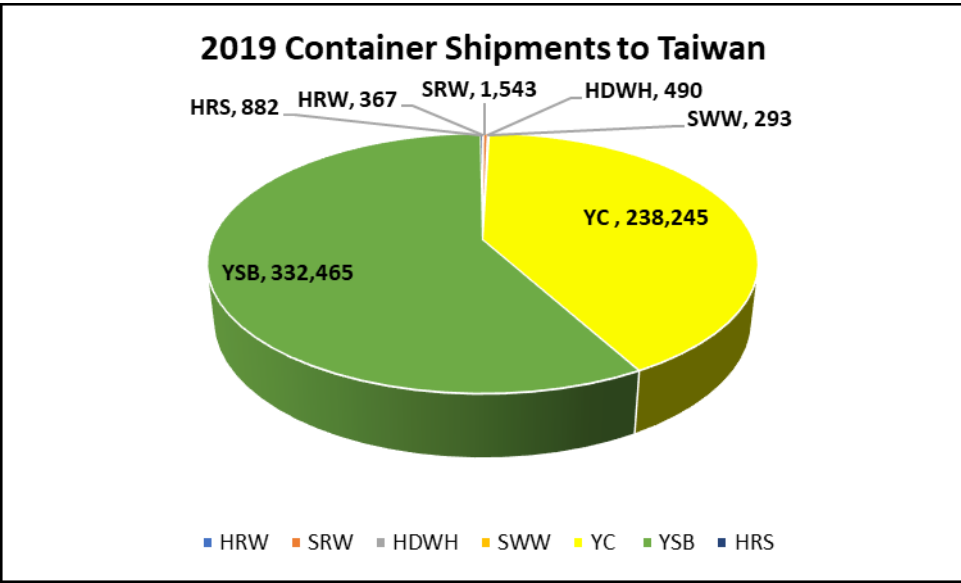
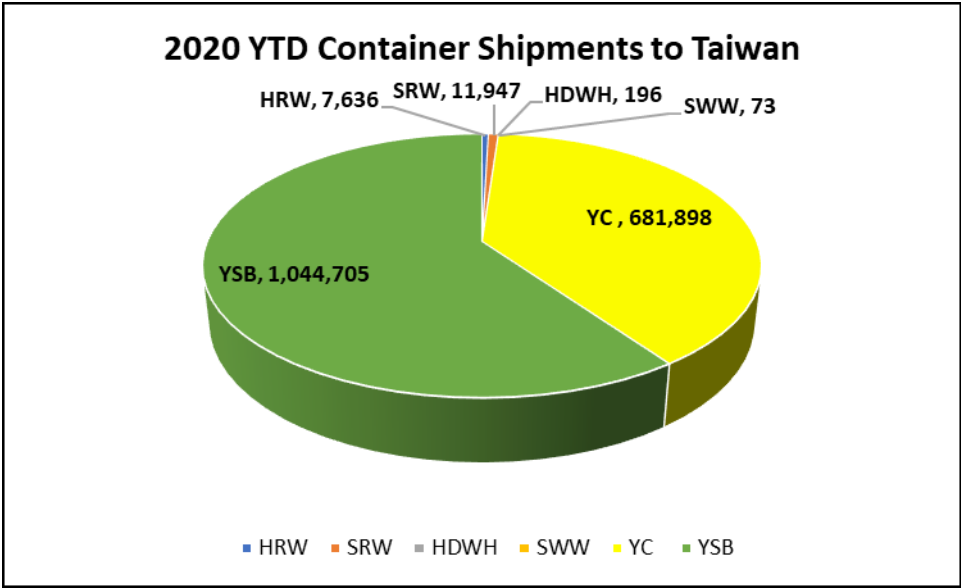
Shipments:	9,899	Colombia
	998	Mexico
	10,897	Total

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:		21-May-2020							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	SWH	HRW	Sorghum	TOTAL
China Main			5,021					2,670	7,691
China T	12,410		6,096						18,506
Hong Kong	660								660
Costa Rica									0
Indonesia			15,797						15,797
French Poly	294								294
Japan			1,053						1,053
Korea Rep.	1,640		2,743					245	4,628
Nepal									0
Malaysia	930		7,519						8,449
Cambodia									0
Philippines			2,057						2,057
Thailand			5,021						5,021
Morocco									0
India									0
Bangladesh									0
Burma			1,102						1,102
Vietnam			14,372						14,372
Sub Total:	15,934	0	60,781	0	0	0	0	2,915	79,630
USDA Corrections/Additions to previous reports:									
China T									0
China Main									0
Hong Kong									0
Korea Rep.			195						195
Cambodia									0
Japan			463						463
Philippines									0
Indonesia									0
Malaysia			490						490
Thailand			1,738						1,738
Vietnam			1,003						1,003
Canada									0
Nigeria									0
Sub Total:	0	0	3,889	0	0	0	0	0	3,889
Mt. Grand Total	15,934	0	64,670	0	0	0	0	2,915	83,519
Number of Containers	693	0	2,812	0	0	0	0	127	

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



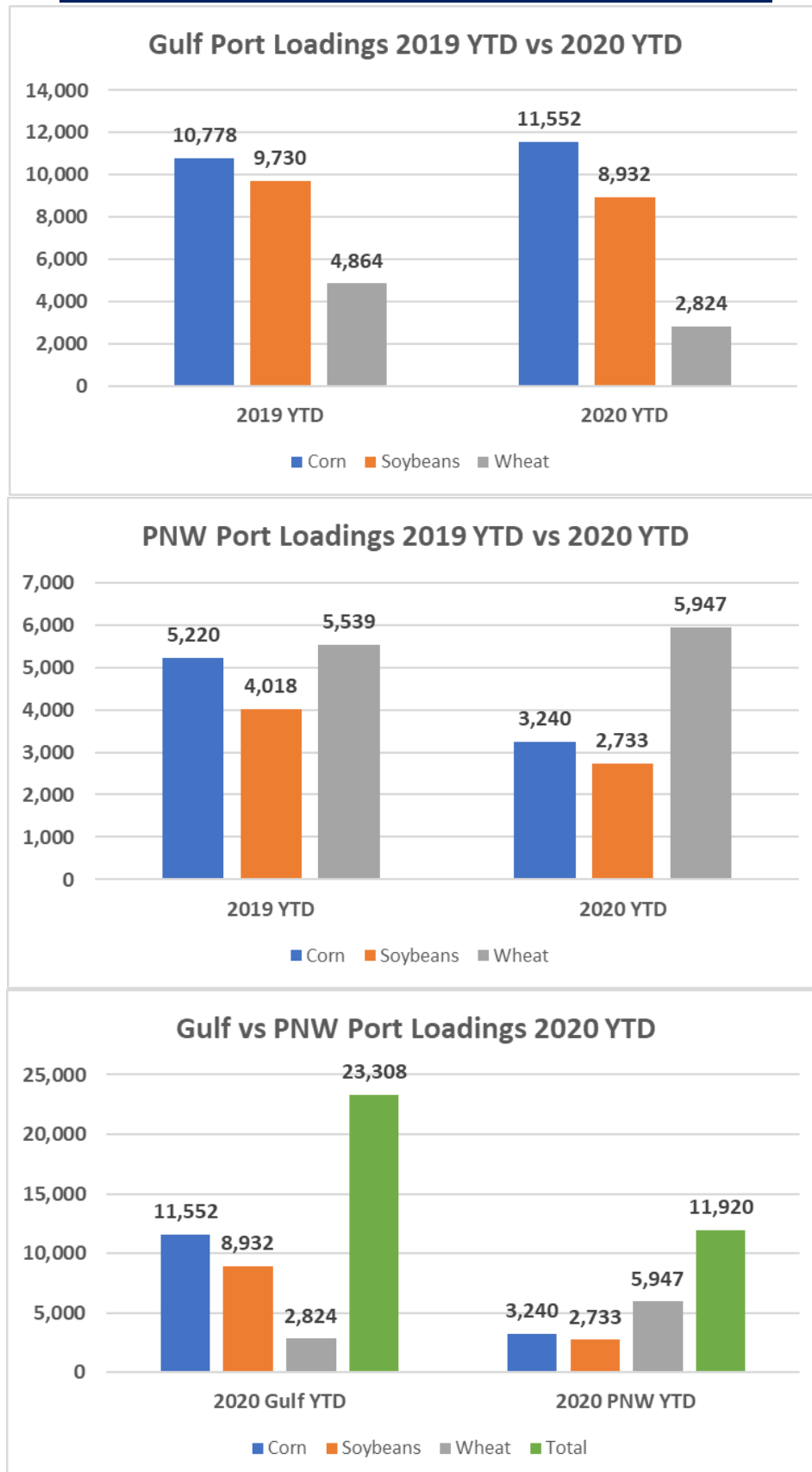
Grain Inspections for Export by U.S. Port Regions:
U.S. Gulf and Pacific Northwest 2019 YTD vs. 2020 YTD

PORT LOADINGS US Gulf				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
GULF				
2019 YTD	10,778	9,730	4,864	25,372
2020 YTD	11,552	8,932	2,824	23,308
2020 as % of 2019	107%	92%	58%	92%

PORT LOADINGS US PNW				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
PNW				
2019 YTD	5,220	4,018	5,539	14,777
2020 YTD	3,240	2,733	5,947	11,920
2020 as % of 2019	62%	68%	107%	81%

PORT LOADINGS GULF vs. PNW				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
2020 Gulf YTD	11,552	8,932	2,824	23,308
2020 PNW YTD	3,240	2,733	5,947	11,920
TOTAL	14,792	11,665	8,771	35,228
Gulf Percentage	78%	77%	32%	66%
PNW Percentage	22%	23%	68%	34%

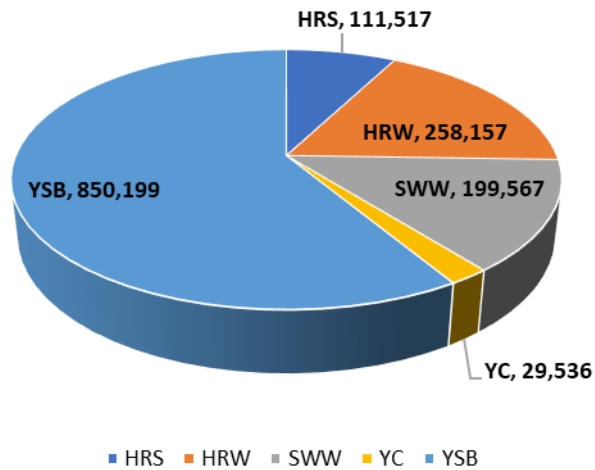
Grain Inspections for Export by U.S. Port Regions (1,000MT):
U.S. Gulf and Pacific Northwest 2019 YTD vs. 2020 YTD



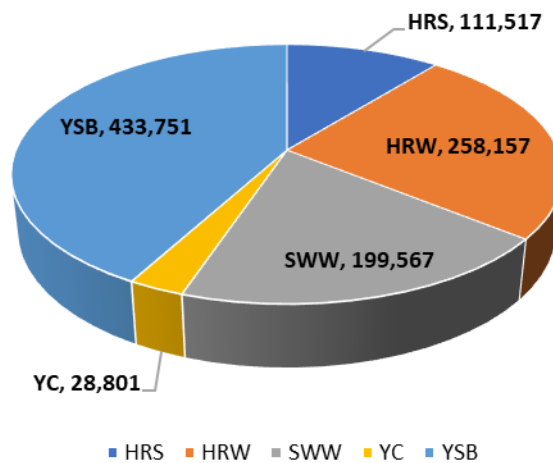
Source: USDA-data

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

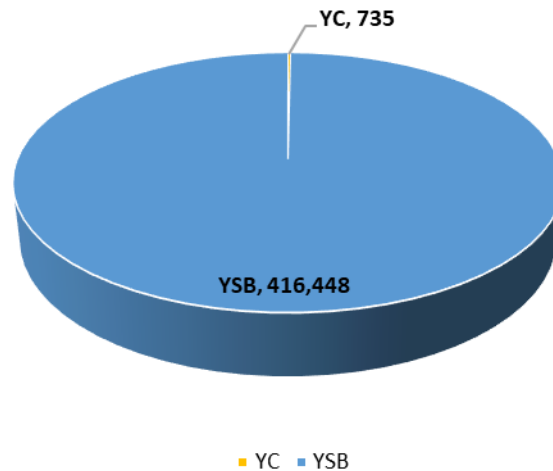
2020 YTD Exports to Indonesia



YTD Vessel Shipments to Indonesia



YTD Container Shipments to Indonesia



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



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 #COVID19 containment measures hit G20 merchandise #trade hard in Q1 2020. Compared with Q4 2019, exports fell 📉 by 4.3% and imports by 3.9%.

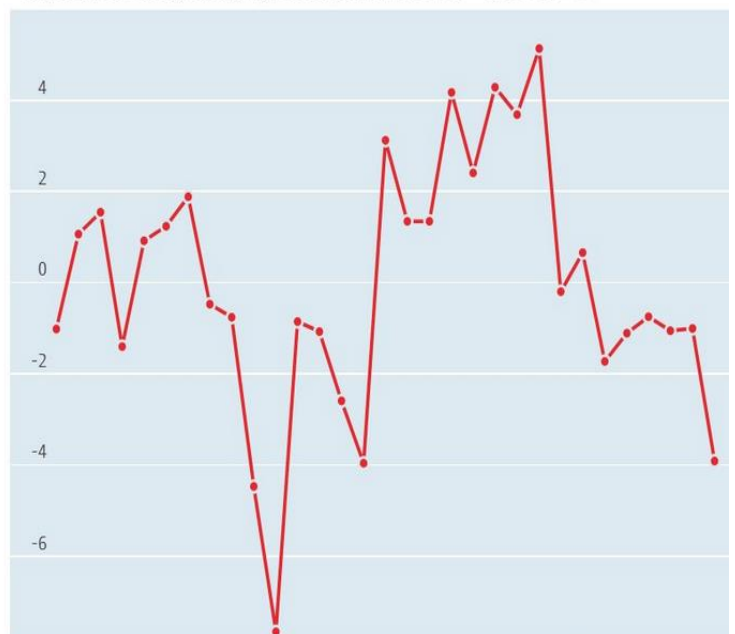
See figures by country ➔ oe.cd/315

Trade in goods

Exports, Percentage change, previous period, Q3 2012 – Q1 2020, G20



Imports, Percentage change, previous period, Q3 2012 – Q1 2020, G20

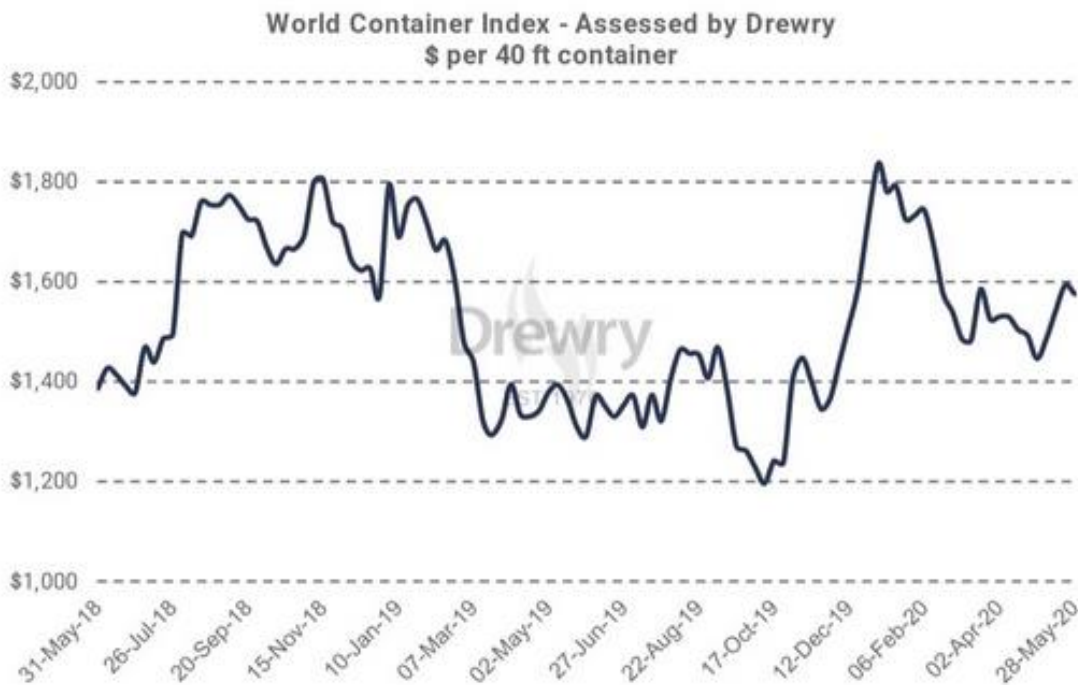


Shipping News

World Container Index - 28 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 decreased by 1.1% to \$1,575.97 per 40ft container this week (updated Thursday, 28 May 2020).

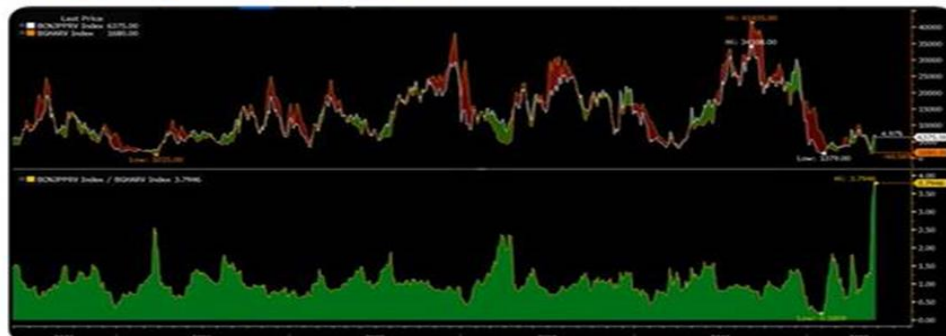
Two-year spot freight rate trend for the World Container Index:



Dry Bulk ETF
@DryBulkETF

Capesize owners in the Pacific are making almost 4x more money compared to owners in the Atlantic, a record high, reflecting the differences in iron ore cargo flows (Brazil vs Australia)

[#shipping](#) [#drybulk](#) [\\$BDRY](#)



7:44 AM · May 26, 2020 · [TweetDeck](#)

Parched Parana River likely to hit Argentine [#grain](#) exports through September



Parched Parana River likely to hit Argentine grain exports through Septe...
Shallow water in Argentina's Parana River will slow exports from the grains
powerhouse and hurt the country's soy crushing margins at least throug...

[reuters.com](#)

James Colquhoun @JamesColquhou10 · 8h

Argentina Parana River draft dries to 9.37m, sees another vessel grounded as May remains dry in Santa Fe

The [#Parana](#) River @ its lowest in 50-Years, increasing number of ships running aground and limiting cargo intake to be shipped onboard. Water level @ [#Rosario](#) is 0.82M (on scale of Zero as reference) against normal May median of 3.68M ([@ReutersAg](#))

A ship belonging to Chinese exporter COFCO, hauling 42,000 tonnes of soymeal, ran aground and was blocking traffic on Thursday at the Rosario port of Timbues, with tug boats working to free the vessel, according to port officials.

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	365	\$24.90	0.63	0.68
Illinois River (Pekin and South)	295	\$15.64	0.40	0.43
Mid-Mississippi	295	\$17.30	0.44	0.47
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)	\$ (100.00)	\$ (0.04)	\$ (0.03)	\$ (1.48)	\$ (0.98)
UPRR Shuttle Trains	\$ (50.00)	\$ -	\$ (0.01)	\$ -	\$ (0.49)	\$ -

Best Regards,

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*** 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.

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