



Transportation and Export Report for 30 May 2019

Ocean Freight Insights and Comments:

Dry-Bulk markets are on a three-week roll. The found enough support to rally another \$.25-\$.50/mt but ended the week on a flat note and looking like they are running out of steam. Concerns over the U.S.-China trade war and slow growth in global economies continues to weight on everyone's outlook. Dutch academic's have a term for this, it is called "slowbalization". And, aside from economic conditions, it is causing Dry-Bulk and Container shipping companies to engage in additional Slow-Steamming. On the Grain Trade side of things, we are not yet seeing any movement of corn from Brazil to East Coast U.S. but there is continued movement of Handymax corn vessels from Brazil to Vera Cruz Mexico. Some of this is a result of the logistical difficulties with Mississippi river grain supplies.

BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices				
30-May-19	This Week	Last Week	Difference	Percent Change
P2A : Gulf/Atlantic - Japan	18518	18130	388	2.1%
P3A - PNW/Pacific - Japan	10442	9356	1,086	11.6%
S1C -USGULF-China-So.Japan	18325	18183	142	0.8%
P7- Trial- Miss. River - Qingdao	44692	43992	700	1.6%
P8- Trial- Santos - Qingdao	34152	33413	739	2.2%

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

Four weeks ago:	\$5.50-\$7.25
Three weeks ago:	\$6.00-\$6.35
Two weeks ago:	\$6.25-\$6.65
One week ago:	\$6.50-\$6.60
This week	\$6.95-\$7.40

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

Mississippi River:	(10 elevators)	2-9 days
Miss. River Mid-Stream loaders:	(6+ Rigs)	0-5 days
Texas Gulf	(6 elevators)	0-15 days (only 2 facilities over 2 days)
Pacific Northwest:	(9 elevators)	0-9 days (only 1 facility over 4 days)

Panamax Market Spreads to Asia -China					
30-May-19	PNW	GULF	Bushel Spread	MT Spread	Advantage
CORN	0.91	0.58	0.33	\$12.99	PNW
SOYBEANS	0.75	0.49	0.26	\$10.24	PNW
OCEAN FREIGHT	\$23.50	\$43.75	.51 -.55	\$20.25	JULY

Recent Reported Vessel Fixtures:

Soybean Panamax USG to Spain is running \$20.75/mt.

Soybean Brazil to Spain can be done at \$24.25/mt.

30,000 mt Corn Northern Brazil to Vera Cruz, Mexico \$19.50-\$19.75/mt

Route and Vessel Size	Current Week USD/MT	Change from previous week	Remarks
55,000 U.S. Gulf-Japan	\$44.00	Up \$0.50	Handymax \$44.25 mt
55,000 U.S. PNW- Japan	\$24.25	Up \$0.25	Handymax \$24.25 mt
66,000 U.S. Gulf – China	\$43.75	Up \$0.50	North China
PNW to China	\$23.50	Up \$0.25	
25,000 U.S. Gulf- Veracruz, México	\$17.00	Unchanged	3,000 MT daily discharge rate
30-35,000+ U.S. Gulf- Veracruz, México	\$14.25	Unchanged	Deep draft and 6,000 MT per day discharge rate.
25/35,000 U.S. Gulf- <u>East Coast Colombia</u>	\$21.00	Up \$0.25	<u>West Coast Colombia at \$30.25</u>
From Argentina	\$34.00		
43-45,000 U.S. Gulf - Guatemala	\$30.25	Up 0.25	Acajutla/Quetzal - 8,000 out
26-30,000 U.S. Gulf – Algeria	\$35.00 \$36.00	Up \$0.50	8,000 mt daily discharge 3,000 mt daily discharge
26-30,000 US Gulf-Morocco	\$36.75	Up \$0.50	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt	\$28.25	Up \$0.50	60,000 -55,000 mt
PNW to Egypt	\$29.75		Russia Black Sea Romania - Egypt \$11.50--\$13.50 (France \$17.75-\$18.50)
60-70,000 U.S. Gulf – Europe – Rotterdam	\$17.50	Up \$0.25	Handymax at +\$1.75 more
Brazil, Santos – China	\$34.00	Up \$0.25	54-59,000 Supramax-Panamax
Brazil, Santos – China	\$34.25		60-66,000 Post Panamax
Itacoatiara-Port Up River North Brazil	\$37.50		60-66,000 mt
56-60,000 Argentina/Rosario- China Deep Draft	\$37.25	Up \$0.25	Upriver with BB Top Off \$39.25

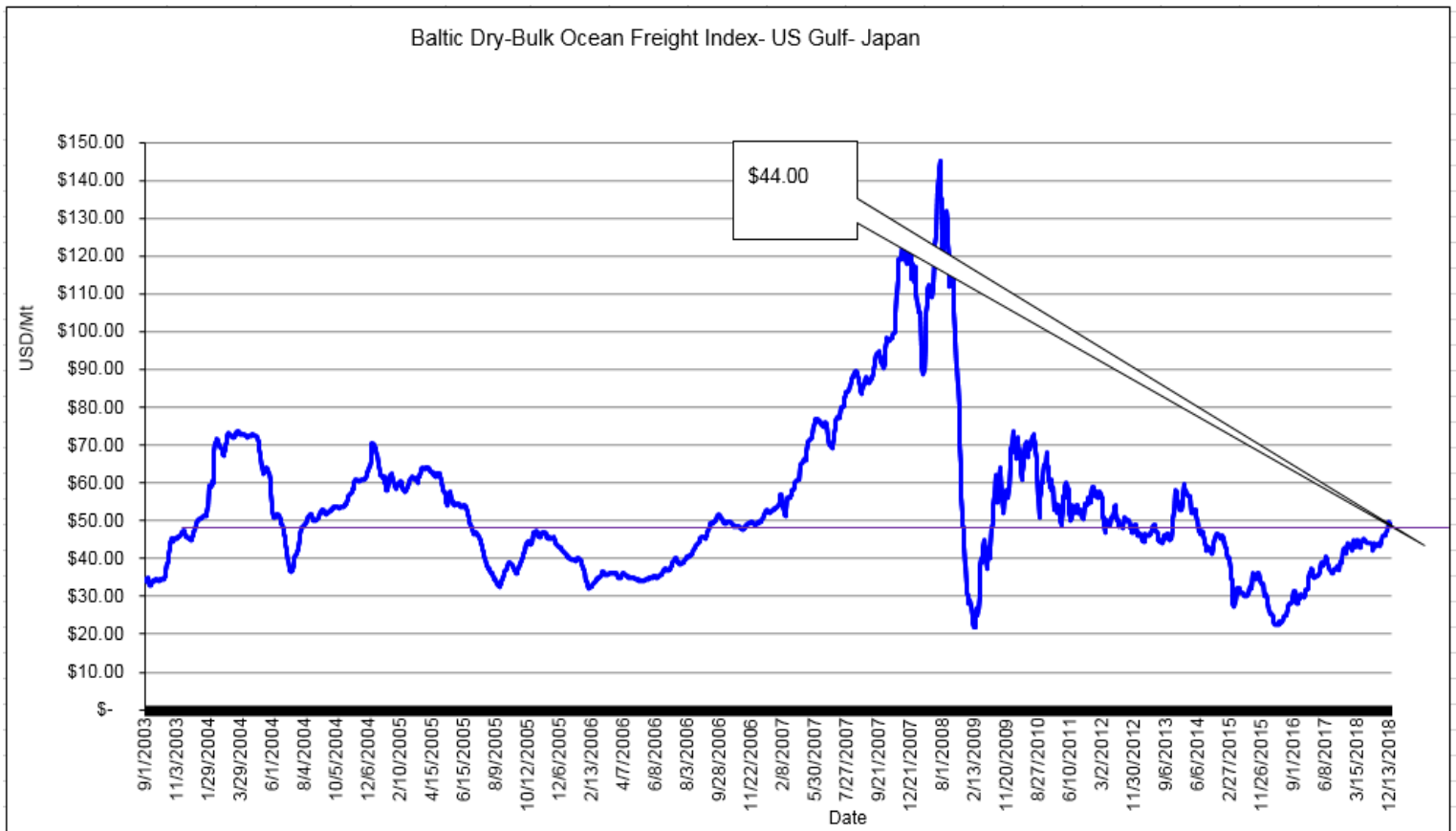
- The above rate estimates reflect the 30-45-day forward ocean freight markets.

Nautical Miles: To Xiamen China (South China)

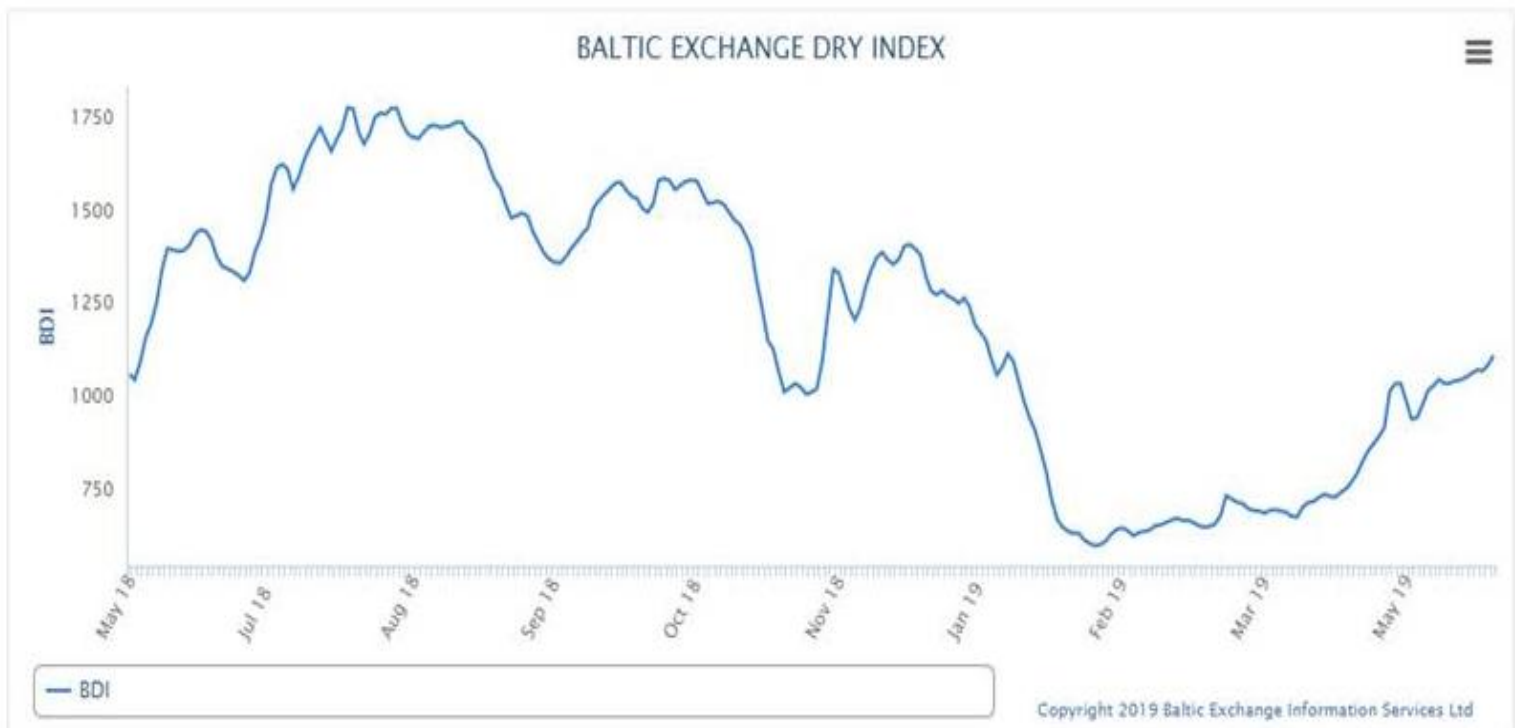
US Gulf (NOLA) (via Panamá Canal) – 10,232 nautical miles (32 days)

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

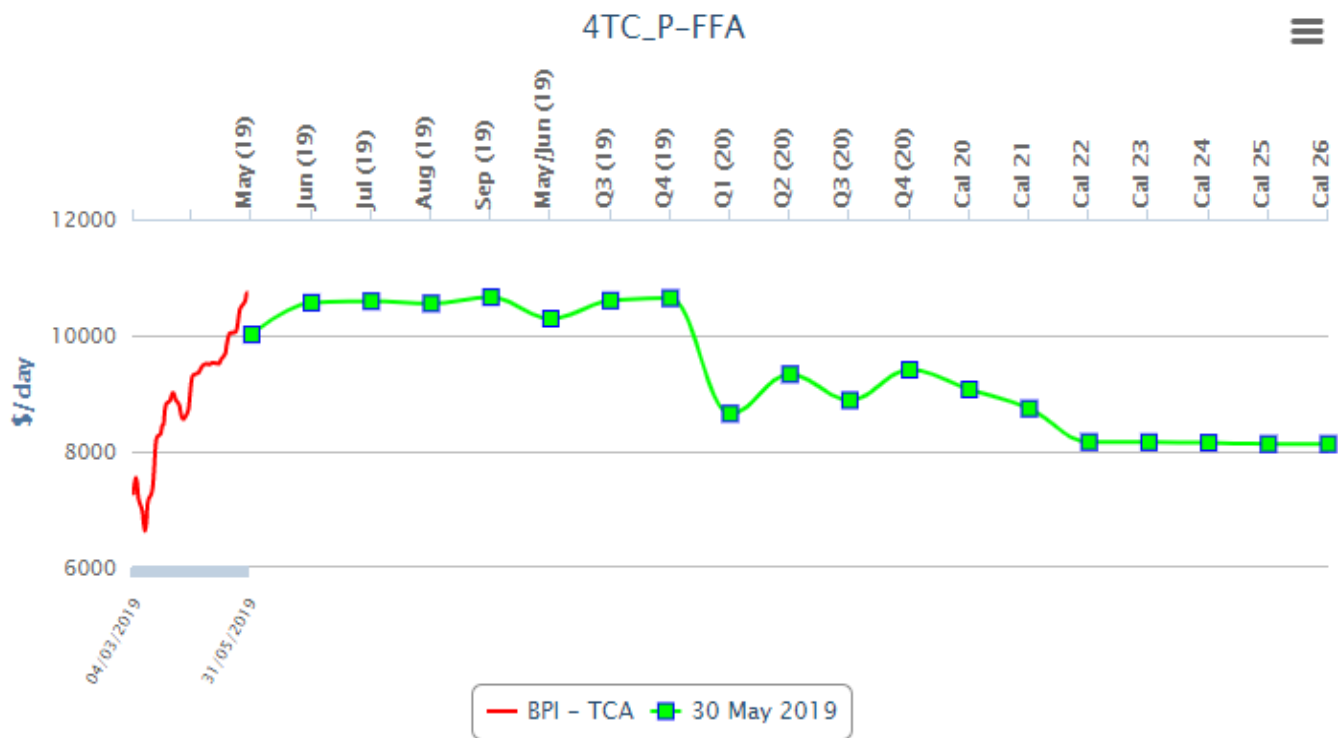
Rosario Argentina (via Cape Horn) - 10,751 nautical miles (34 days)



Baltic Dry Index.

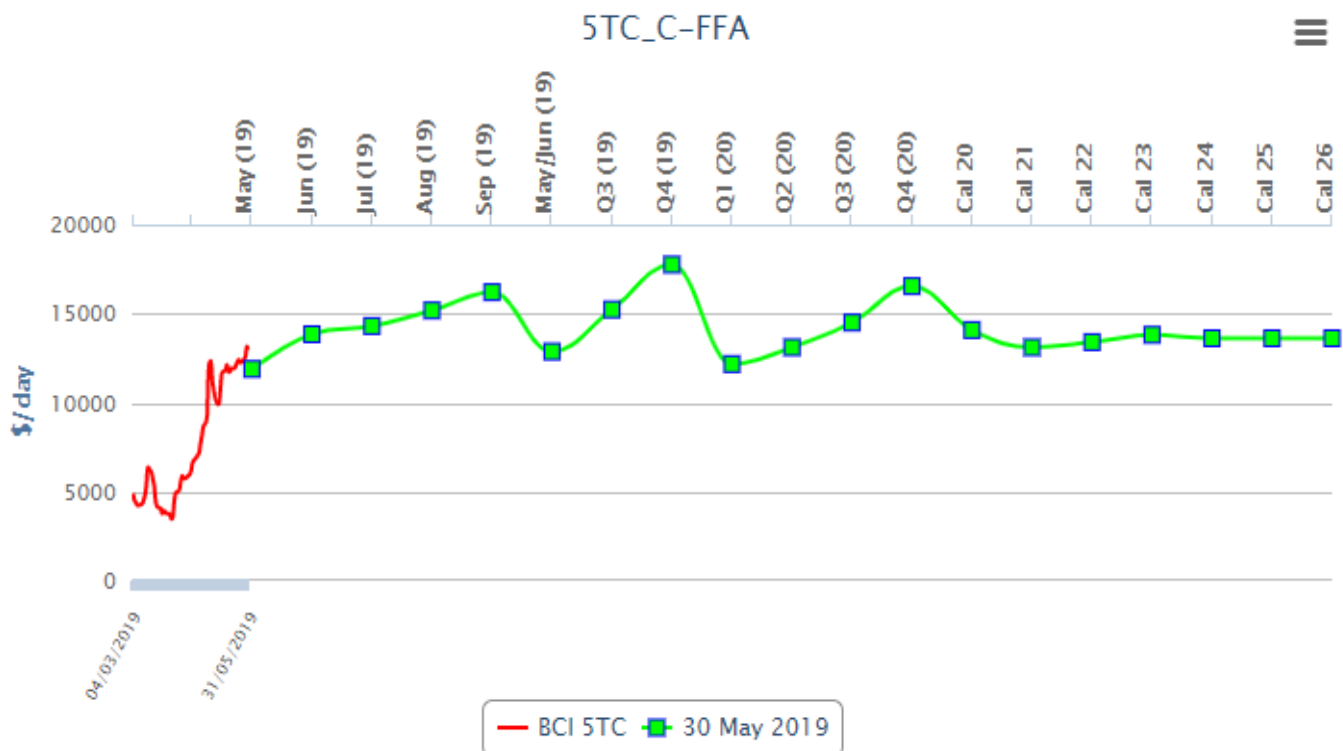


Baltic Panamax Forward Curve Chart



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Baltic Capesize Index



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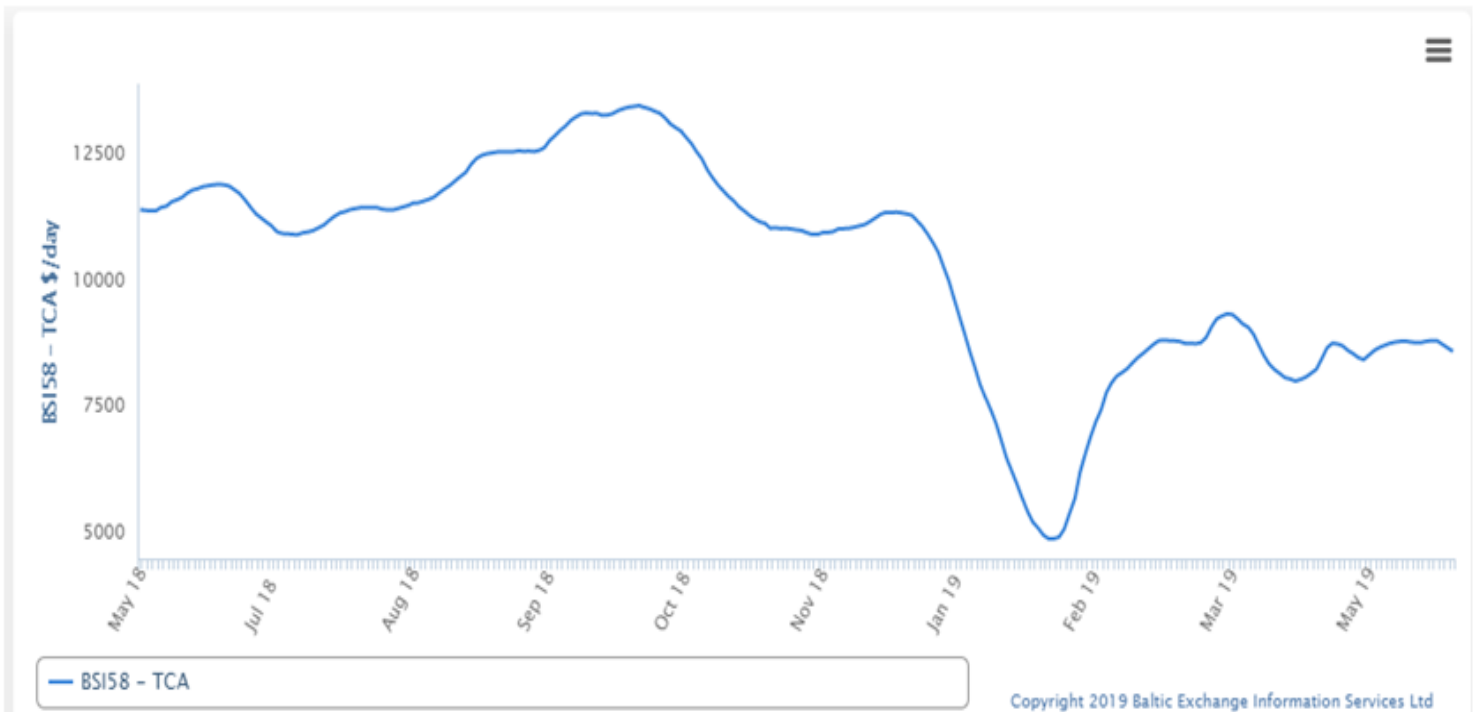
Baltic Panamax Index

Panamax

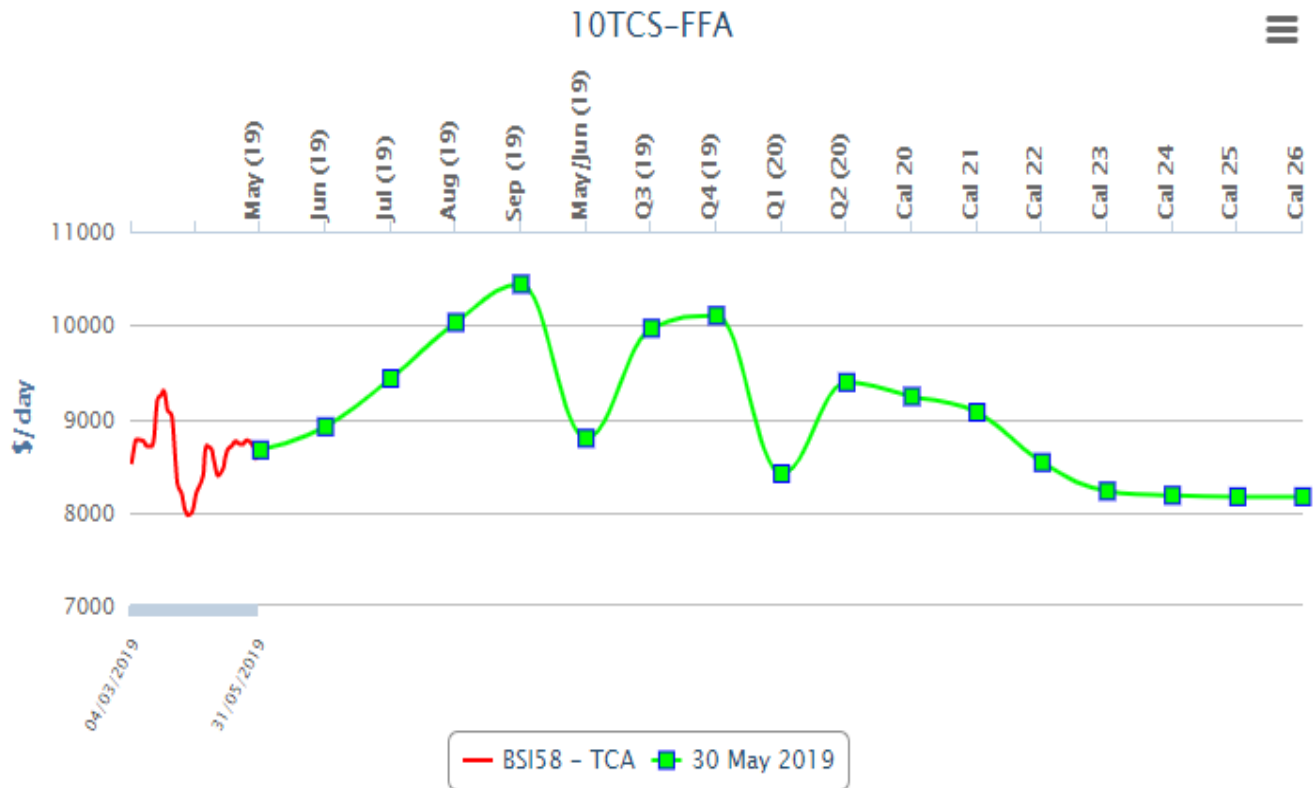


Baltic Supramax Vessel Index

Supramax

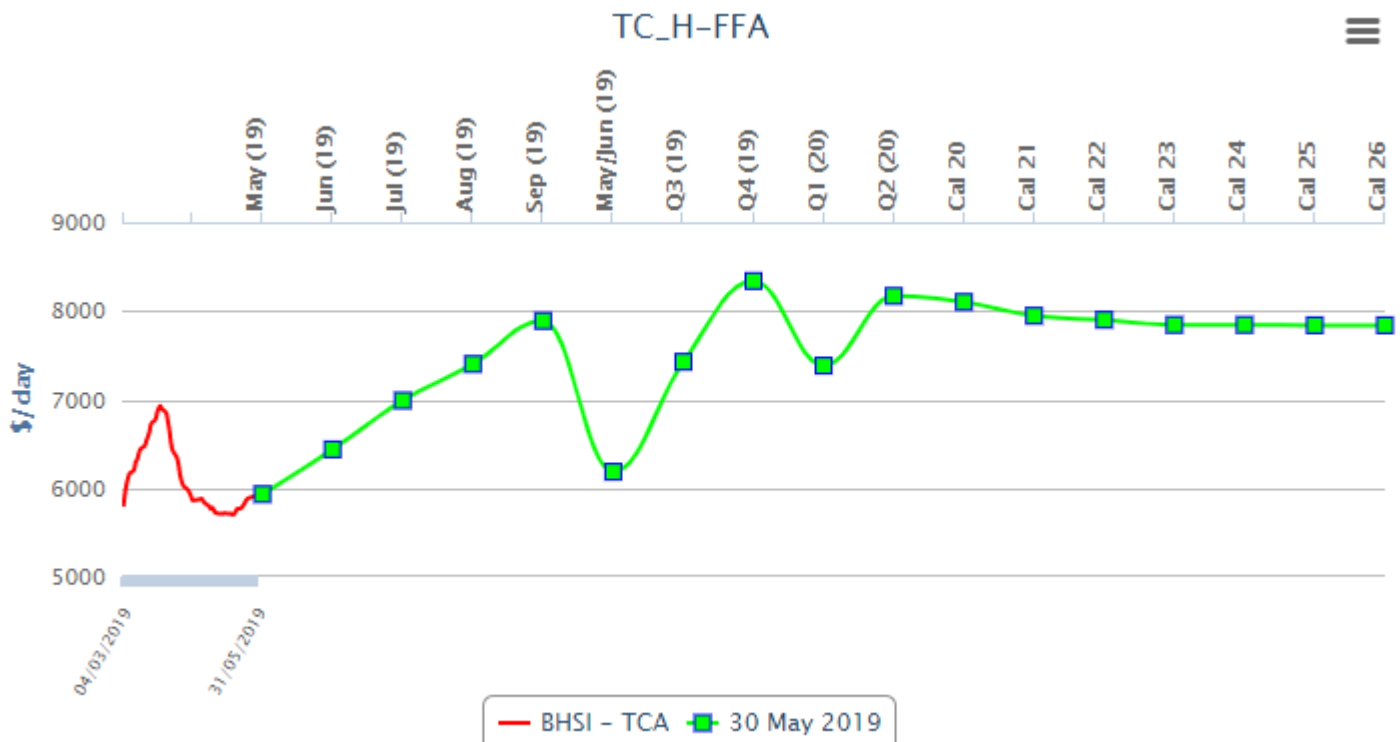


Supramax Dry-Bulk Forward Curve



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Baltic Handy Size



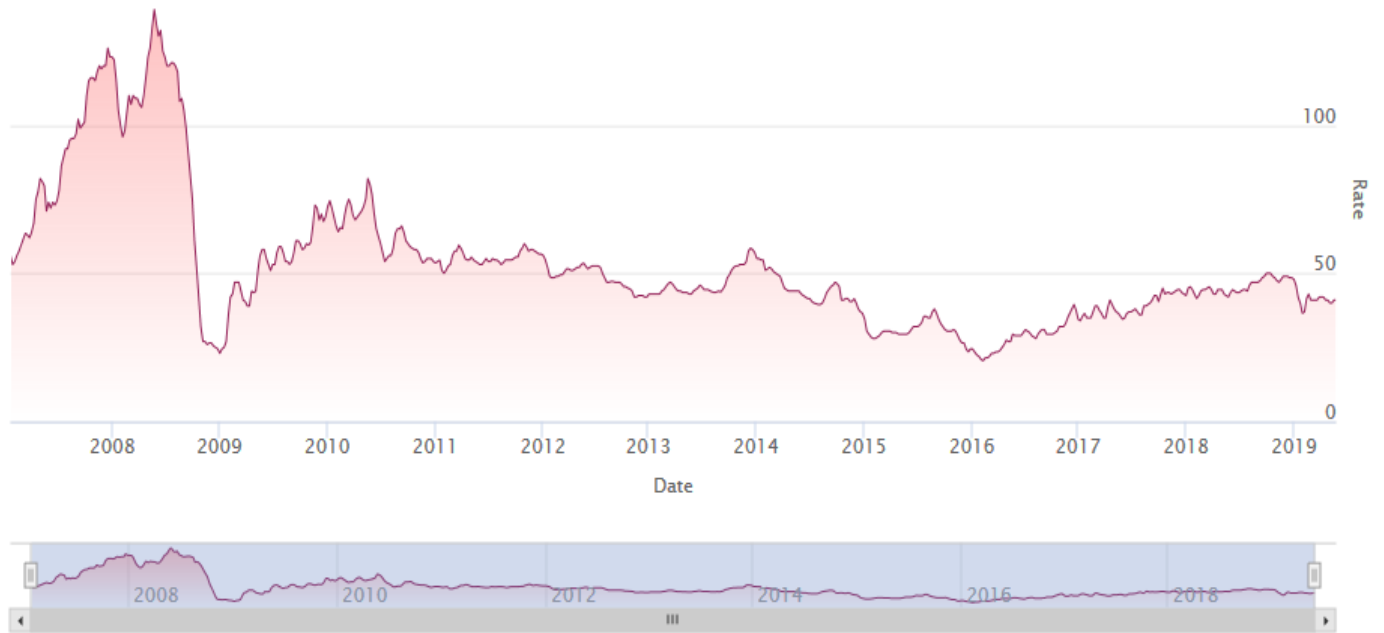
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YAMAMIZU Index



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

From 2007-01-29 To 2019-05-29



China Import Dry Bulk Freight Index

2019-05-30

Description	Size MT	Cargo/Vessel Size	Unit	Rate	Change
Composite Index			Point	854.91	-5.5
Iron ore Freight Index			Point	821	-11.98
Soybean Freight Index			Point	996.61	2.54
Santos(Brazil)—North China	60000/10%	Soybean	\$/ton	34.33	0.115
Tacoma(West America)—North China	60000/10%	Soybean	\$/ton	23.615	0.055
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	44.015	0.078
Mississippi(US Gulf)—North China	55000/10%	Soybean	\$/ton	45.722	0.049

30 May 2019 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
July	0.58	\$194.58	0.91	\$207.57
Aug.	0.55	\$196.94	0.86	\$209.14
Sept.	0.60	\$198.91	0.93	\$211.90
Oct.	0.55	\$199.69	0.88	\$212.68
Nov.	0.60	\$201.66	0.94	\$215.05
Dec.	0.64	\$203.24	0.97	\$216.23

The Gulf spread between #2 & #3 YC is currently about .025 cents per bushel (0.98/mt)

SORGHUM (USD/MT) FOB VESSEL				
#2 YGS Fob Vessel	NOLA		TEXAS	
Max. 14.0% moisture	BASIS	FLAT PRICE	BASIS	FLAT PRICE
July	1.00	\$211.11	0.85	\$205.20
Aug.	1.00	\$214.65	0.76	\$205.20
Sept.	0.95	\$215.44	0.74	\$207.17
Oct.	1.00	\$217.41	0.78	\$208.75
Nov.	1.05	\$219.38	0.80	\$209.54

Fob vessel Texas Gulf #2 Sorghum is about 108 % 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	
	July	Aug.	Sept.	Oct.
FOB U.S. GULF	\$223.95	\$224.23	\$224.59	\$226.16
Basis	0.95	0.88	0.89	0.80
WN	5.1450			
WU	5.2225			
WZ	5.3550			

CME Futures Market Close						
CORN	Futures	Thursday	Thursday	Last week	Last Week	Difference
Month	Symbol	Close	Close	Bushel	MT.	Bushel
July	CN	\$4.3625	\$171.74	\$ 3.8975	\$153.44	\$0.4650
Sept.	CU	\$4.4525	\$175.29	\$ 3.9850	\$156.88	\$0.4675
Dec.	CZ	\$4.5225	\$178.04	\$ 4.0800	\$160.62	\$0.4425
Mar.	CH	\$4.5925	\$180.80	\$ 4.1925	\$165.05	\$0.4000
May	CK	\$4.6050	\$181.29	\$ 4.2350	\$166.72	\$0.3700

CBOT July 2019 (CN19) Corn Futures Chart –



CME/CBOT July 2019 (WN19) SRW Wheat Futures Chart –

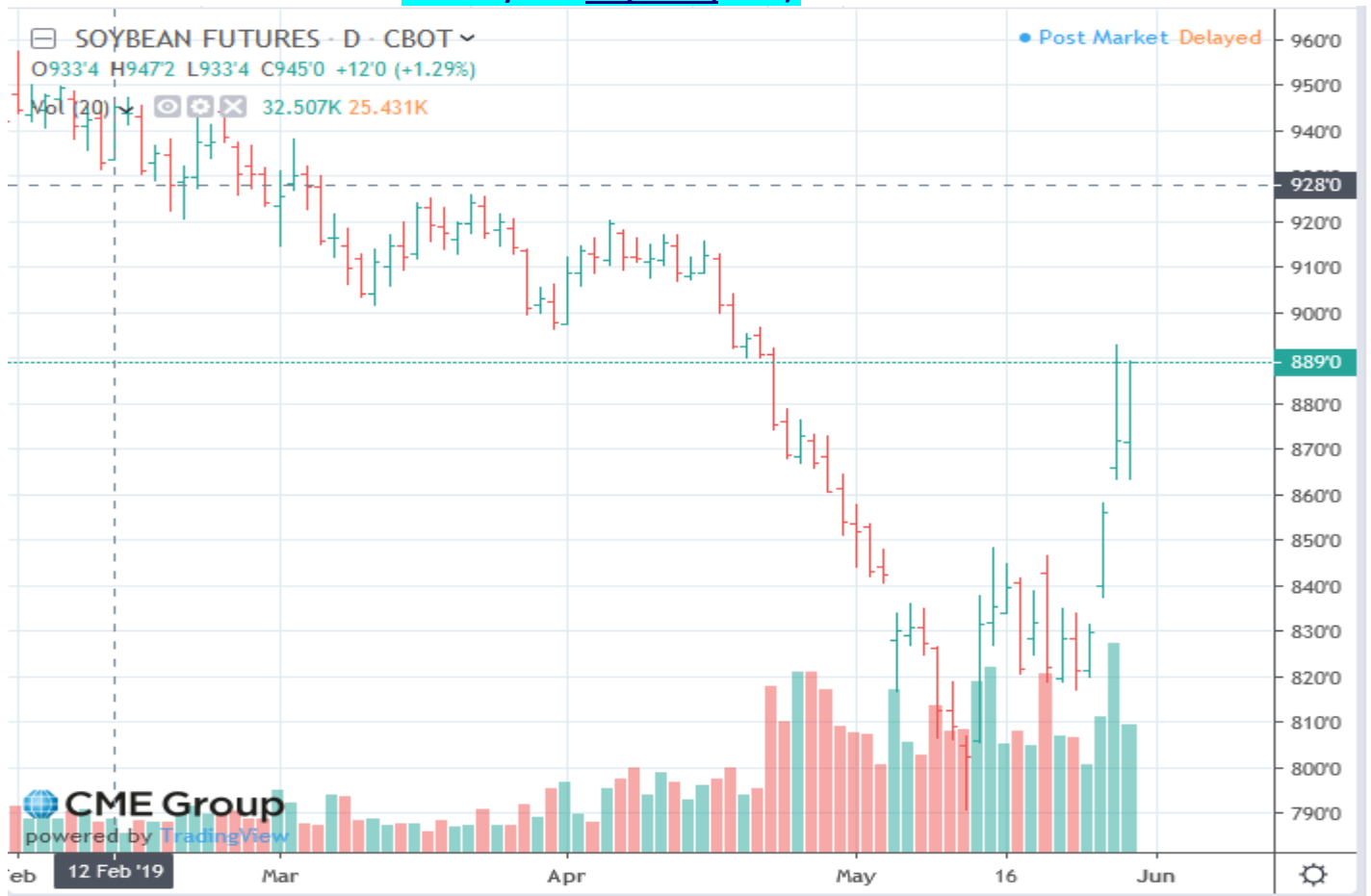


U.S. Soybean and SBM Markets Fob Vessel:

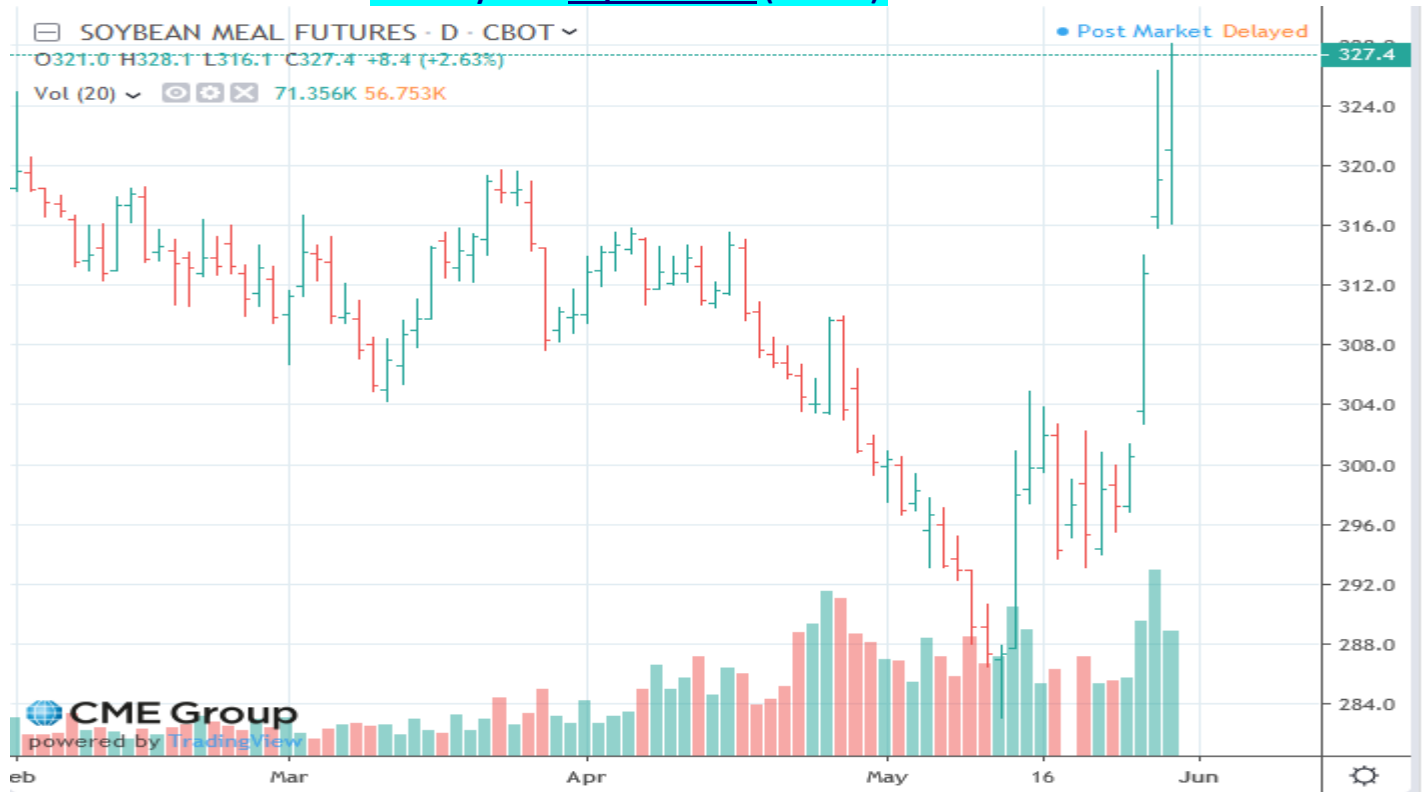
U.S. Yellow Soybeans (USD/MT) FOB Vessel				
# 2 YSB	U.S. Gulf #2 YSB		PNW #2 YSB	
14.0 % Moisture	Basis	Flat Price	Basis	Flat Price
July	0.49	\$344.65	0.75	\$354.21
Aug.	0.46	\$345.94	0.75	\$356.59
Sept.	0.39	\$345.85	0.76	\$359.44
Oct.	0.35	\$349.25	0.75	\$363.94
Nov.	0.40	\$351.08	0.83	\$366.88
Soybean Futures				
July	\$ 8.8900			
Aug.	\$ 8.9550			
Sept.	\$ 9.0225			
Nov.	\$ 9.1550			
Jan.	\$ 9.2650			
Mar.	\$ 9.3175			

U.S. SBM (USD/MT) FOB Vessel		
Fob U.S. Gulf Port	47.5 Pro. SBM	
max 12.5 % moisture	Basis	Flat Price
July	3.00	\$ 364.27
Aug.	2.00	\$ 364.60
Sept.	2.00	\$ 366.25
Oct.	3.00	\$ 369.12
Nov.	3.00	\$ 372.53
SBM Futures		
SMN	327.40	
SMQ	328.70	
SMU	330.20	
SMV	331.80	
SMZ	334.90	
SMF	335.90	

CME July 2019 Soybean (SN19) Futures Chart:



CME July 2019 Soybean Meal (SMN19) Futures Chart



U.S. EXPORT STATISTICS: Report Activity as of Week Ending 16 May 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 '19- 20 (000 MT)
Corn	629.7	47,340.3	58,420	81%	2,513.9
Sorghum	12.3	1,610.4	2,160	75%	0.0
Soybeans	550.9	45,772.9	48,310	95%	1,423.9
Wheat	114.4	25,715.1	25,180	102%	3,321.7
Barley	0.0	61.2	110	56%	31.6

U.S. EXPORT INSPECTIONS:

Monday's report 27 May 2019 for the Export week ending 23 May 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	1,098,948	840,474	38,572,719	38,035,078	101%
Sorghum	28,639	17,657	1,349,218	4,719,962	29%
Soybeans	532,881	498,122	33,698,213	46,240,262	73%
Wheat	494,097	838,956	24,162,965	23,499,048	103%
Barley	0	122	9,988	21,340	47%

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

U.S. EXPORT INSPECTIONS:

Monday's report 27 May 2019 for the Export week ending 23 May 2019

Last Week								
(Metric Tons)	YC	%	WC	%	Sorghum	%	Soybeans	%
Lakes	0	0%	0	0%	0	0%	28,667	5%
Atlantic	14,099	1%	0	0%	0	0%	64,083	12%
Gulf	626,348	58%	20,652	99%	12,960	45%	273,484	51%
PNW	304,149	28%	294	1%	10,401	36%	68,226	13%
Interior Export Rail	133,406	12%	0	0%	5,278	18%	98,421	18%
Metric Tons	1,078,002		20,946		28,639		532,881	

Sorghum Shipments:	metric tons	
	10,401	Japan
	1,960	Cameroon
	11,000	Cen Afr Rep
	5,278	Mexico
	28,639	Total

White Corn	metric tons	
Shipments:	294	Korea Rep
	20,652	Colombia
	20,946	Total

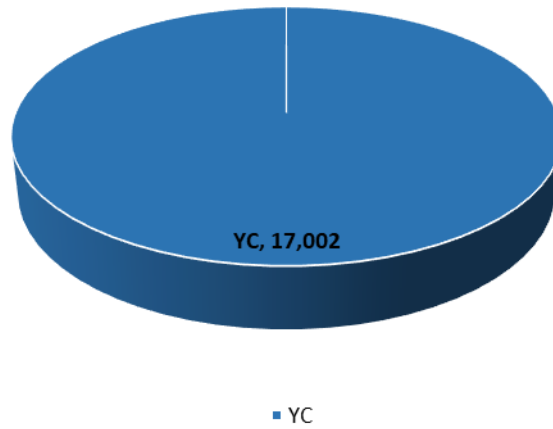
Export Inspection Highlights

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).*

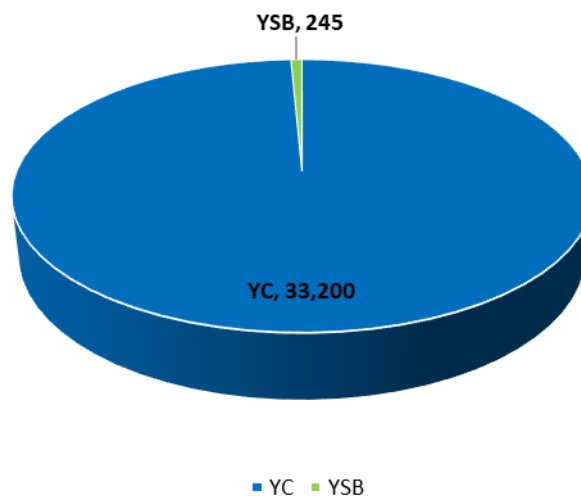
CONTAINER SHIPMENTS of GRAIN									
USDA Grain Inspections Report:		23-May-2019							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	SWH	HRW	Sorghum	TOTAL
China Main	5,659								5,659
China T	11,728		9,257	416			465		21,866
Hong Kong	637								637
Costa Rica	98								98
Indonesia			19,444						19,444
Cambodia			343						343
Japan			513						513
Korea Republic	1,272		465						1,737
Nepal			5,606						5,606
Malaysia	490		4,455						4,945
Burma									0
Philippines	808		1,345						2,153
Thailand			7,860						7,860
Qatar	245								245
Bangladesh									0
Vietnam			8,789						8,789
Sub total	20,937	0	58,077	416	0	0	465	0	70,861
USDA Corrections/Additions to previous reports:									
China T			244	636			73		953
China Main									0
Hong Kong									0
Korea Rep.									0
Haiti									0
Japan									0
Philippines									0
Indonesia			147						147
Malaysia									0
Thailand									0
Vietnam									0
Burma									0
Bangladesh									0
Sub total	0	0	391	636	0	0	73	0	1,100
Mt. Grand Total	20,937	0	58,468	1,052	0	0	538	0	71,961
Number of containers	910	0	2,542	46	0	0	23	0	

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

2019 YTD Container Shipments to Hong Kong



2018 Container Shipments to Hong Kong



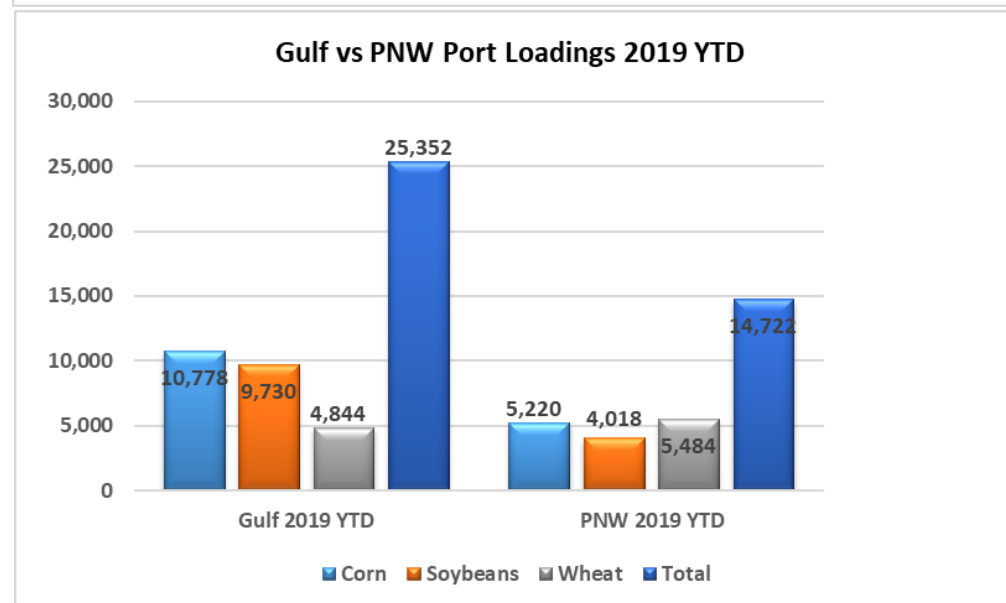
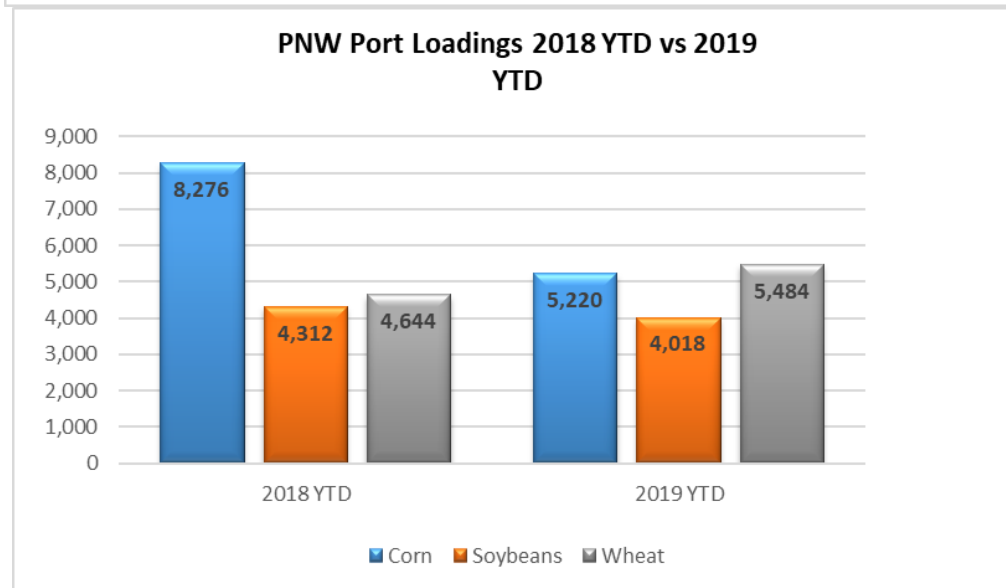
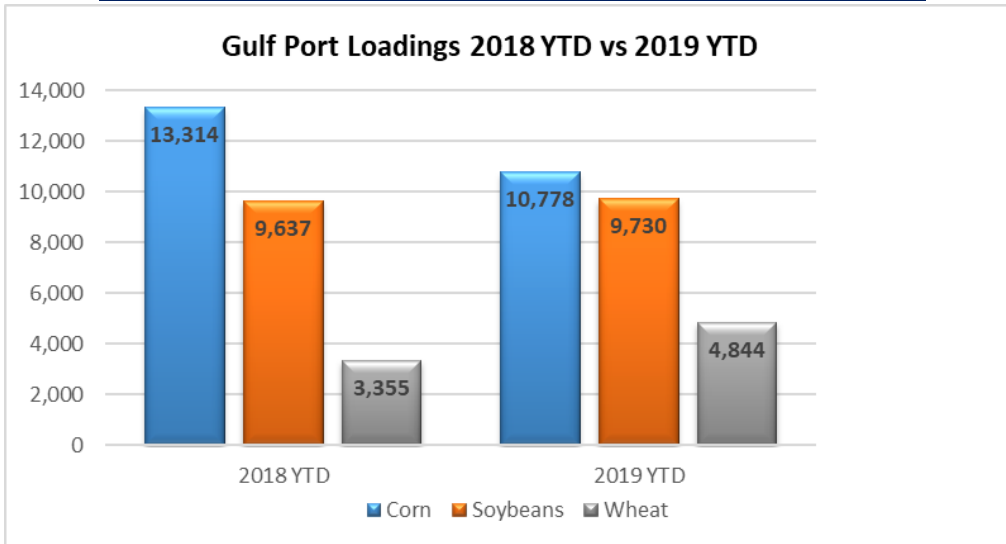
Grain Inspections for Export by U.S. Port Regions:
U.S. Gulf and Pacific Northwest 2018 YTD vs. 2019 YTD

PORT LOADINGS US Gulf				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
GULF				
2018 YTD	13,314	9,637	3,355	26,306
2019 YTD	10,778	9,730	4,844	25,352
2019 as % of 2018	81%	101%	144%	96%

PORT LOADINGS US PNW				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
PNW				
2018 YTD	8,276	4,312	4,644	17,232
2019 YTD	5,220	4,018	5,484	14,722
2019 as % of 2018	63%	93%	118%	85%

PORT LOADINGS GULF vs. PNW				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
2019 Gulf YTD	10,778	9,730	4,844	25,352
2019 PNW YTD	5,220	4,018	5,484	14,722
TOTAL	15,998	13,748	10,328	40,074
Gulf Percentage	67%	71%	47%	63%
PNW Percentage	33%	29%	53%	37%

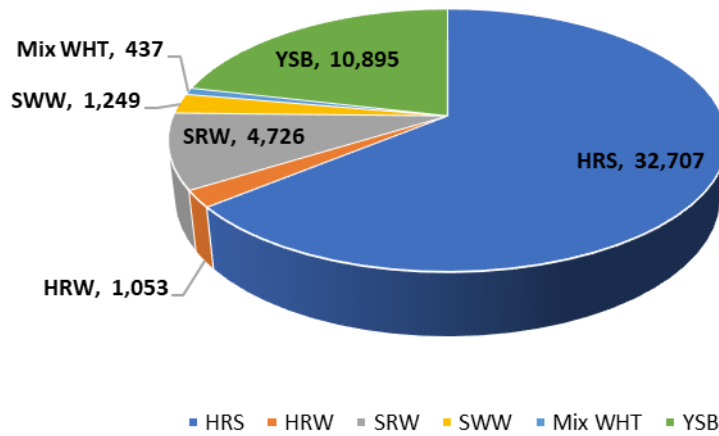
Grain Inspections for Export by U.S. Port Regions (1,000MT):
U.S. Gulf and Pacific Northwest 2018 YTD vs. 2019 YTD



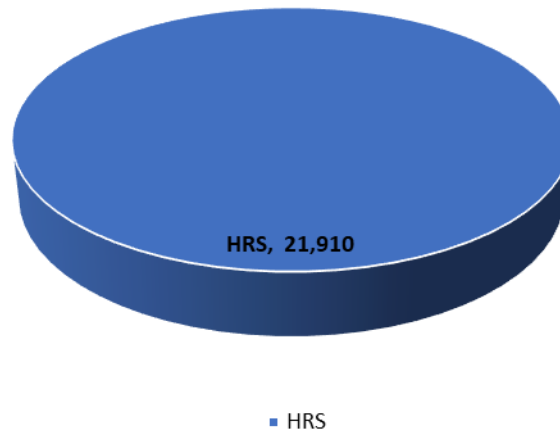
Source: USDA-data

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

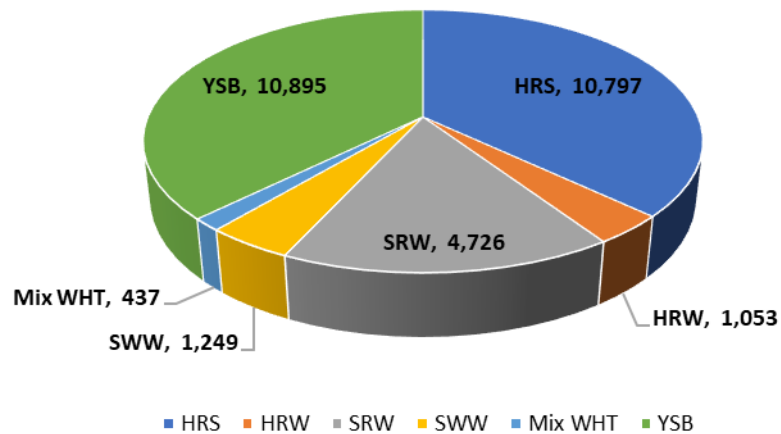
2019 YTD Exports to Burma



YTD Exports to Burma by Vessel



YTD Exports to Burma by Container



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

Shipping News



Otto Schacht • 3rd+
EVP Sea Logistics, Kuehne + Nagel
29m • Edited

...

#IMO2020 and **#Scrubbers**. What is not so known, that CO2 emissions for vessels with scrubbers is about 2-4% higher, as a lot of energy is used for pumping a couple of thousand tons of water per hour !!!!! up in the scrubber. Moving cargo on non-scrubber vessels is therefore better for the future of our kids and grandchildren.

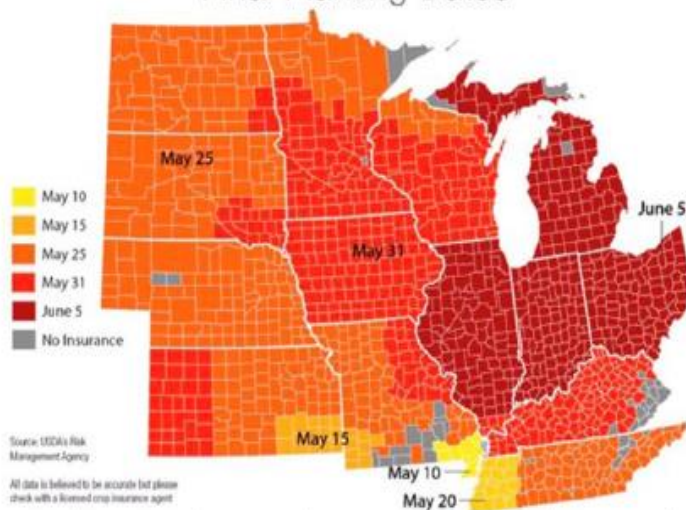


Scrubber uptake for containerships reaches 16% of global fleet: Alphaliner

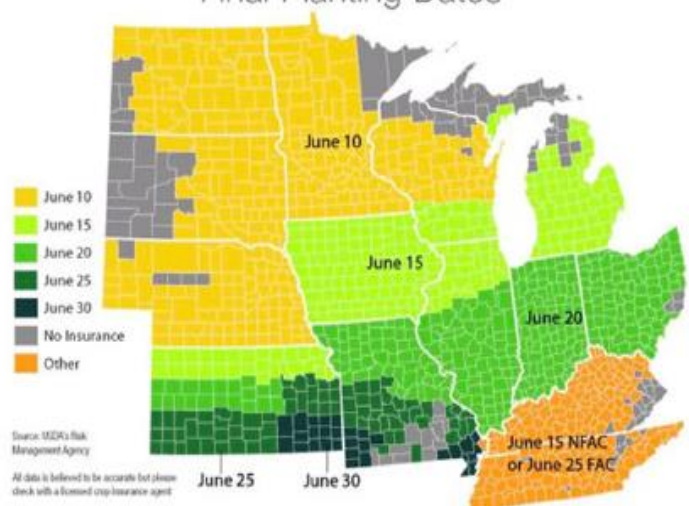


seatrade-maritime.com

2019 Corn Crop Insurance Final Planting Dates



2019 Soybeans Crop Insurance Final Planting Dates



China Import Dry Bulk Freight Index



China Containerized Freight Index



9/1 - 8/31 (GMT)



(May 2019 ; daily data ; in USD/barrel)





U.S. RIVER BARGE FREIGHT

Current Barge Freight for Placement First Half July 2019

Placement FH July 2019	% of		Corn	Soybeans-Wheat
	Tariff	MT	BU	BU
Upper Mississippi	440	\$30.02	0.76	0.82
Illinois River (Pekin and South)	415	\$22.00	0.56	0.60
Mid-Mississippi	415	\$24.34	0.62	0.66
Lower Ohio	315	\$15.49	0.39	0.42
St. Louis	285	\$12.53	0.32	0.34

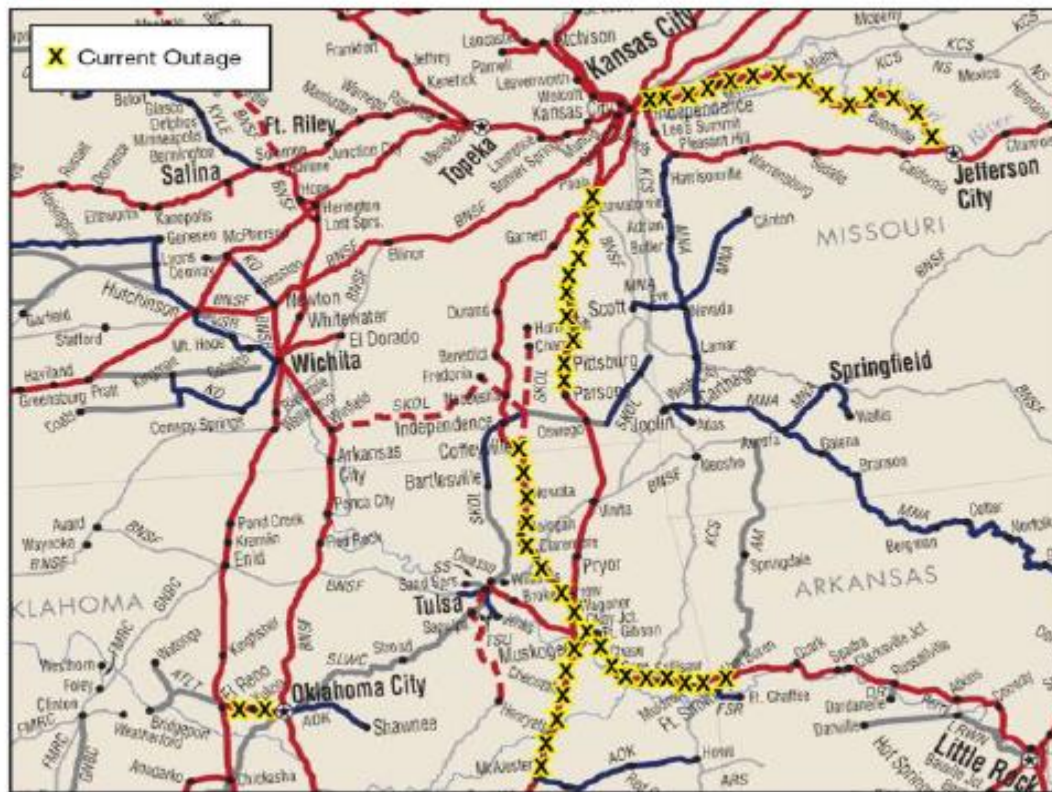
Secondary Rail Car Market for car placement period: First Half July 2019.

Secondary Rail Car Market	BID	ASK	BID	ASK	BID	ASK
Placement FH. July 2019	USD	USD	BU.	BU.	MT	MT
BNSF Shuttle Trains	\$ (175.00)	\$ (50.00)	\$ (0.04)	\$ (0.01)	\$ (1.72)	\$ (0.49)
UPRR Shuttle Trains	\$ (175.00)	\$ (100.00)	\$ (0.04)	\$ (0.03)	\$ (1.72)	\$ (0.98)

UPRR- Kansas-Oklahoma- Arkansas- --

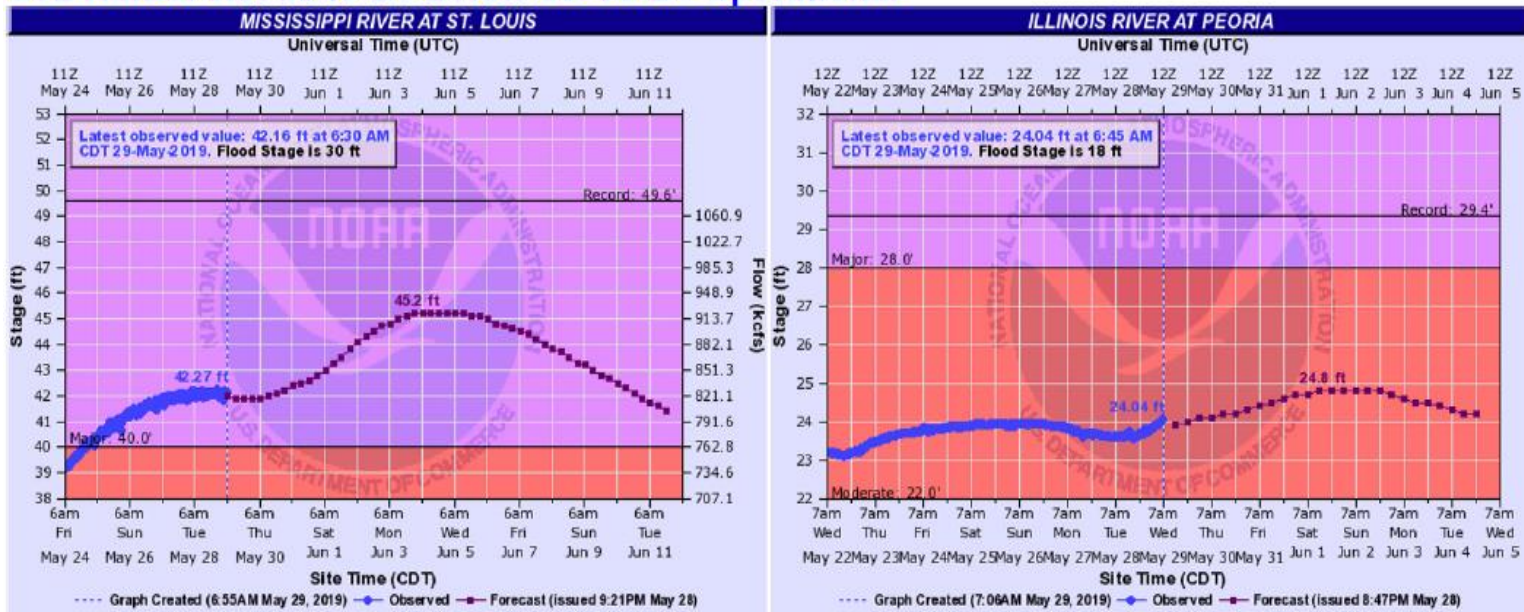


Southern Region Outages



May 23, 2019

STL Harbor Needs to Be Below 38' To Be Operational

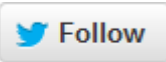


Best Regards,

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