

## Transportation and Export Report for 20 June 2019

### Ocean Freight Insights and Comments:

The Capesize market rallied on news that Vale would resume mining operations at its 's Brucutu mine in Brazil. But there were also market rumors about the possibility of Rio Tinto cutting production in the Pilbara region. So, though the Capesize market was up this week; we will have to wait to discover the net change in Brazilian Iron Ore exports. Panamax Dry-Bulk markets however could not find any bullish news and were unable to follow the Capesize market lead and therefore ended the week lower.

### BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices				
20-Jun-19	This Week	Last Week	Difference	Percent Change
P2A : Gulf/Atlantic - Japan	16273	16741	-468	-2.8%
P3A - PNW/Pacific - Japan	8894	9627	-733	-7.6%
S1C -USGULF-China-So.Japan	18197	18061	136	0.8%
P7- Trial- Miss. River - Qingdao	42092	42515	-423	-1.0%
P8- Trial- Santos - Qingdao	31602	32450	-848	-2.6%

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

Four weeks ago:	\$6.25-\$6.65
Three weeks ago:	\$6.95-\$7.40
Two weeks ago:	\$7.20-\$7.45
One week ago:	\$7.10-\$7.70
This week	\$7.10-\$7.95

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

Mississippi River:	(10 elevators)	4-10 days
Miss. River Mid-Stream loaders:	(6+ Rigs)	0-2 days
Texas Gulf	(6 elevators)	0-15 days (only 2 facilities over 5 days)
Pacific Northwest:	(9 elevators)	0-10 days (only 3 facilities over 7 days)

Panamax Market Spreads to Asia -China					
20-Jun-19	PNW	GULF	Bushel Spread	MT Spread	Advantage
CORN	0.91	0.66	0.25	\$9.84	PNW
SOYBEANS	0.75	0.57	0.18	\$7.09	PNW
OCEAN FREIGHT	\$23.00	\$42.00	.48 -.52	\$19.00	August

### Recent Reported Vessel Fixtures:

Soybean Panamax USG to Spain is running \$20.00/mt.

Soybean Brazil to Spain can be done at \$23.00/mt.

30,000 mt Corn Northern Brazil to Vera Cruz, Mexico \$18.00-\$19.00/mt .To U.S. E/C about \$21.00-22.00/mt

Route and Vessel Size	Current Week USD/MT	Change from previous week	Remarks
55,000 U.S. Gulf-Japan	\$42.75	Down \$0.50	Handymax \$43.00 mt
55,000 U.S. PNW- Japan	\$23.75	Unchanged	Handymax \$24.00 mt
66,000 U.S. Gulf – China	\$42.00	Down \$0.75	North China
PNW to China	\$23.00	Unchanged	
25,000 U.S. Gulf- Veracruz, México	\$16.50	Down \$0.25	3,000 MT daily discharge rate
30-35,000+ U.S. Gulf- Veracruz, México	\$13.75	Down \$0.25	Deep draft and 6,000 MT per day discharge rate.
25/35,000 U.S. Gulf- <u>East Coast Colombia</u>	\$19.25	Down \$0.25	<u>West Coast Colombia at \$27.75</u>
From Argentina	\$32.50		
43-45,000 U.S. Gulf - Guatemala	\$28.25	Down 0.25	Acajutla/Quetzal - 8,000 out
26-30,000 U.S. Gulf – Algeria	\$33.50 \$34.50	Down \$0.50	8,000 mt daily discharge 3,000 mt daily discharge
26-30,000 US Gulf-Morocco	\$34.75	Down 0.50	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt	\$27.00	Down \$0.25	60,000 -55,000 mt Russia Black Sea Romania - Egypt \$11.25--\$13.50 (France \$15.50-\$16.50)
PNW to Egypt	\$28.50		
60-70,000 U.S. Gulf – Europe – Rotterdam	\$17.50	Unchanged	Handymax at +\$1.75 more
Brazil, Santos – China	\$32.25	Down \$1.00	54-59,000 Supramax-Panamax 60-66,000 Post Panamax 60-66,000 mt
Brazil, Santos – China	\$32.00		
Itacoatiara-Port Up River North Brazil	\$35.50		
56-60,000 Argentina/Rosario- China Deep Draft	\$35.25	Down \$1.00	Upriver with BB Top Off \$37.75

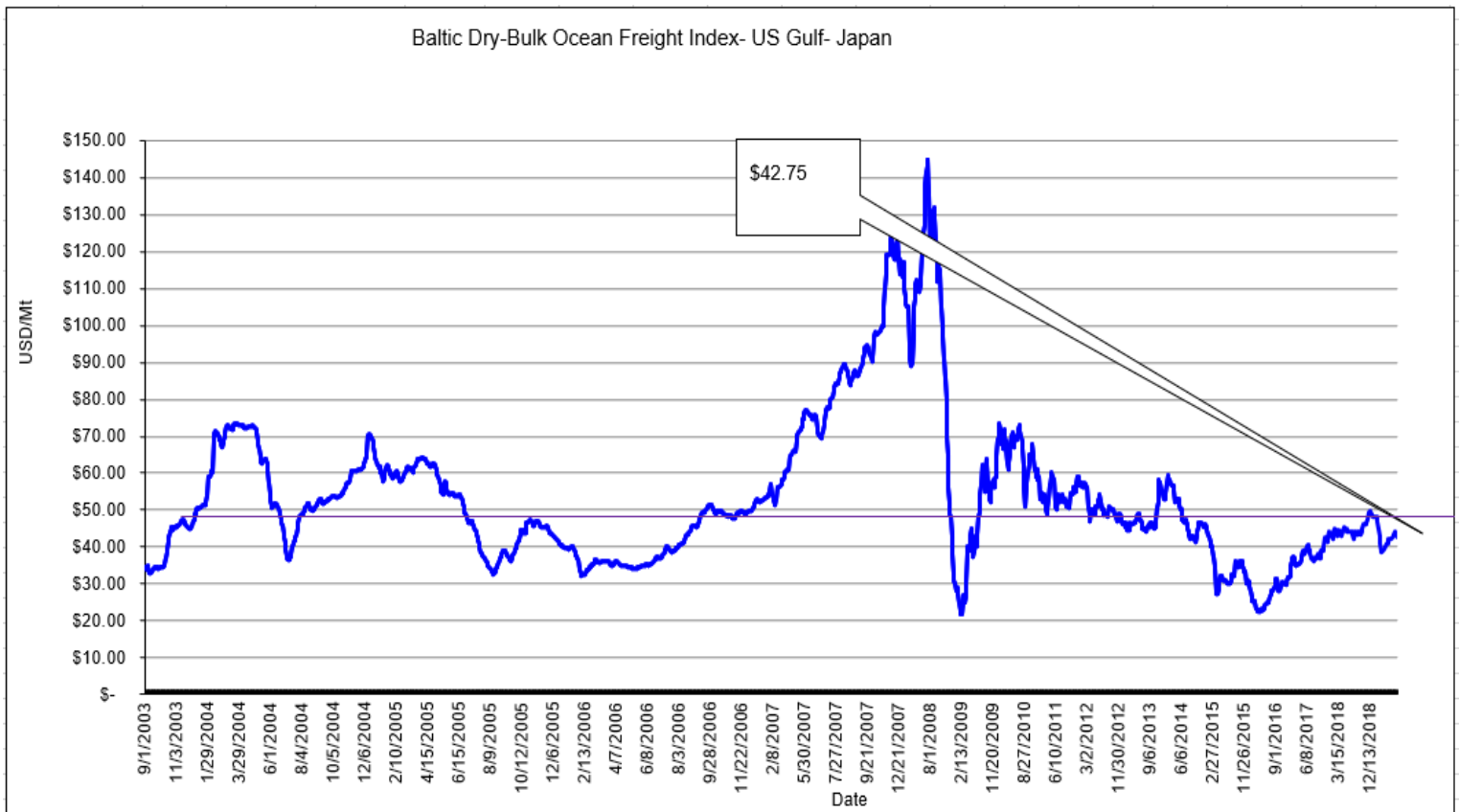
- The above rate estimates reflect the 30-45-day forward ocean freight markets.

**Nautical Miles: To Xiamen China (South China)**

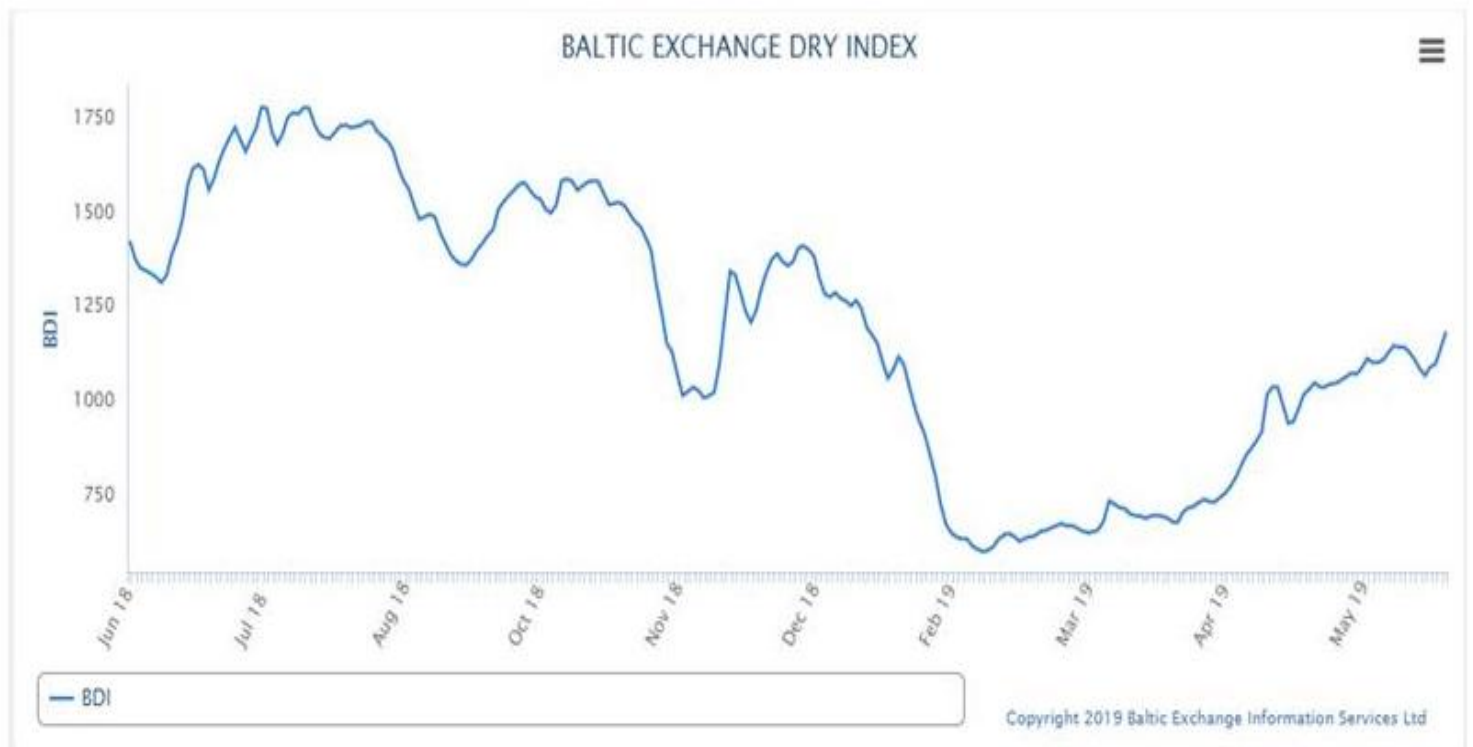
**US Gulf (NOLA) (via Panamá Canal) – 10,232 nautical miles (32 days)**

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

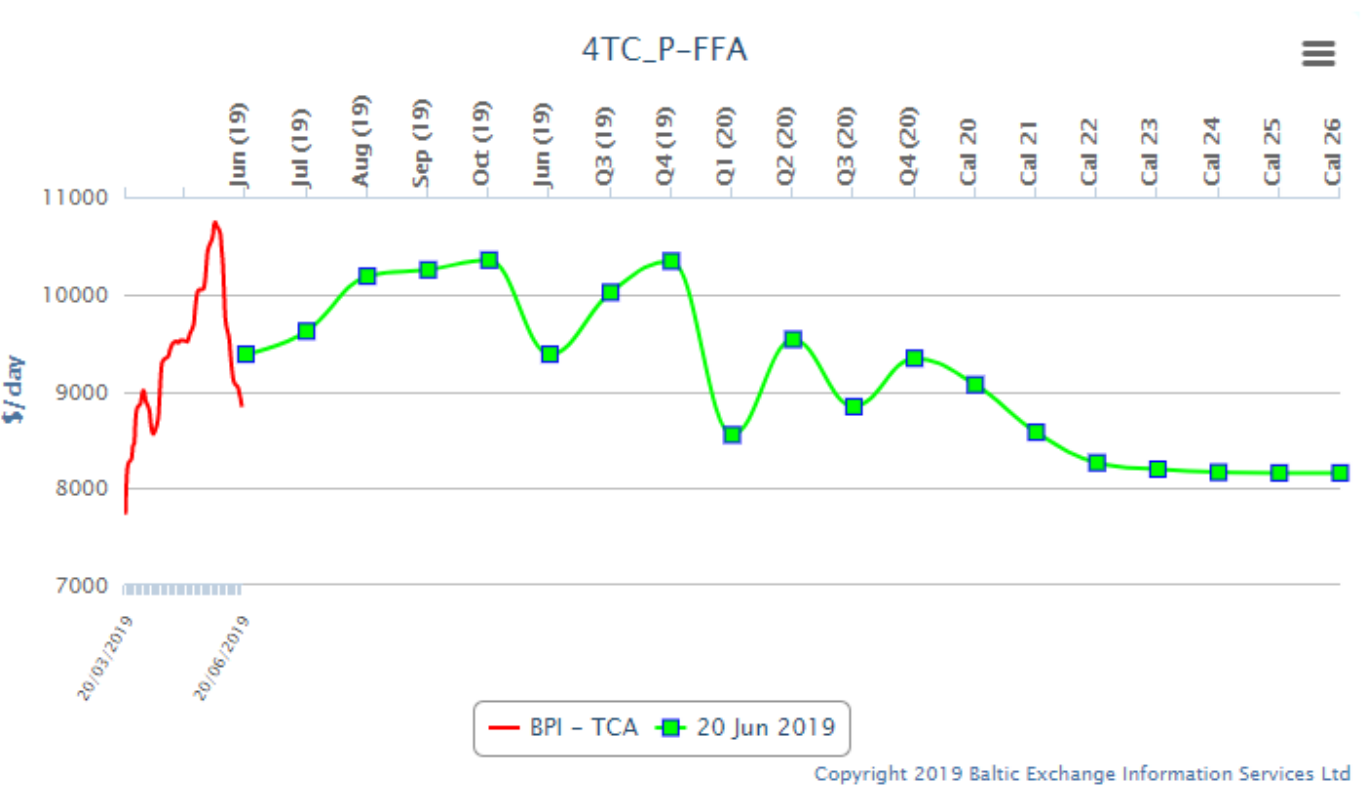
**Rosario Argentina (via Cape Horn) - 10,751 nautical miles (34 days)**



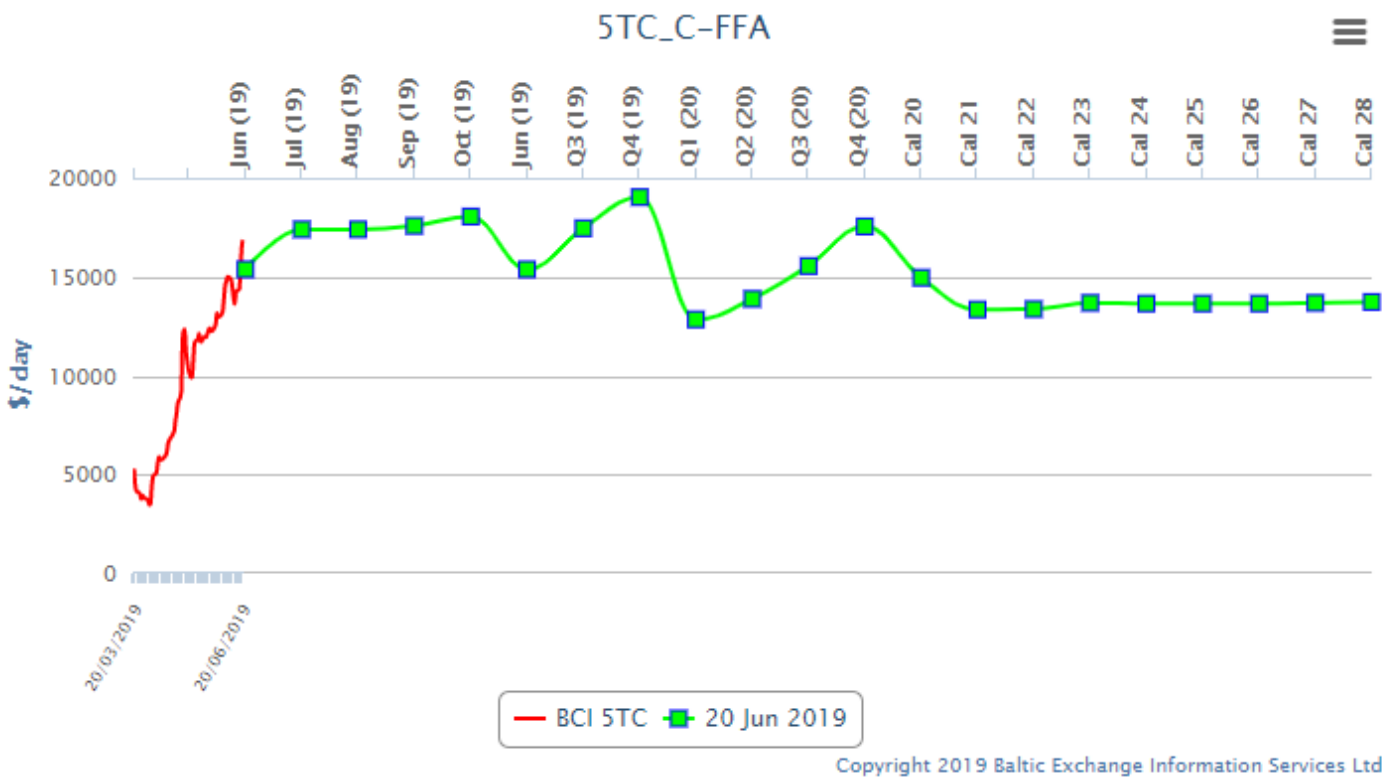
### Baltic Dry Index.



Baltic Panamax Forward Curve Chart



Baltic Capesize Forward Curve Chart



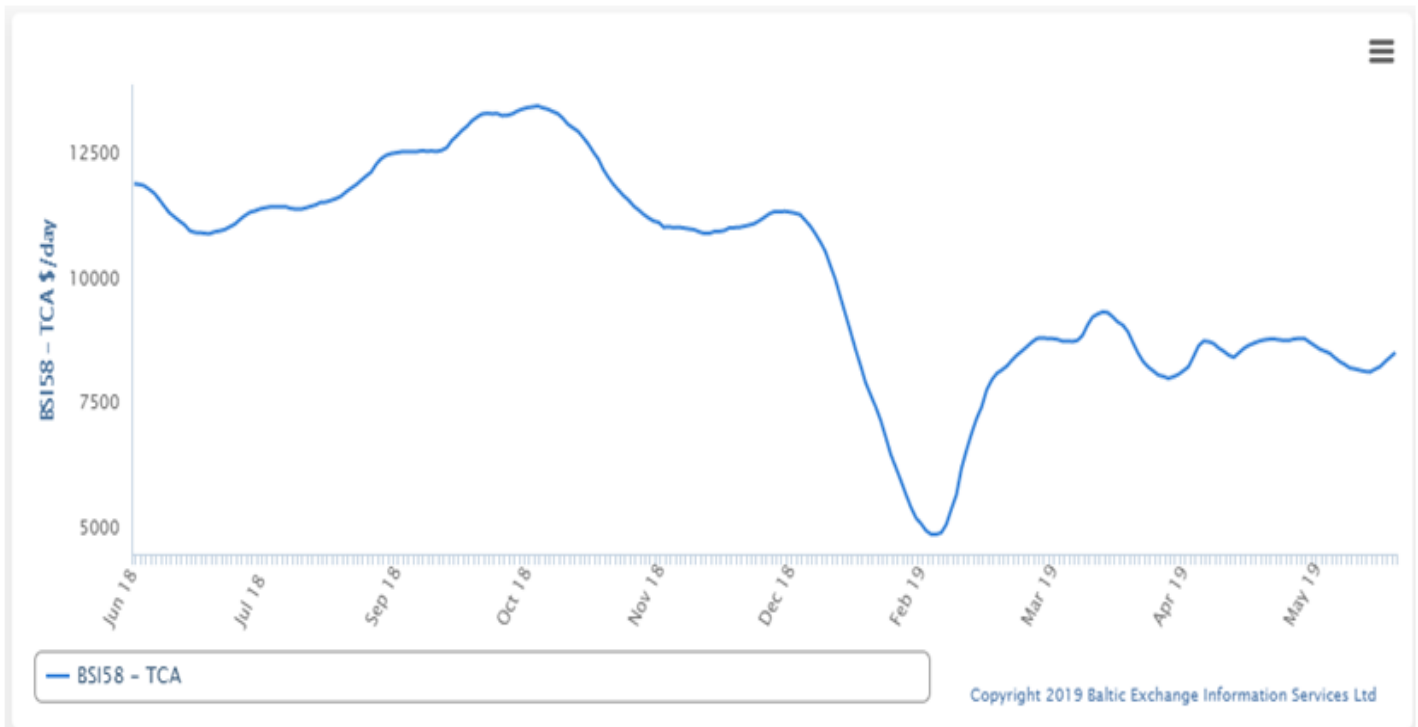
## Baltic Panamax Index

Panamax

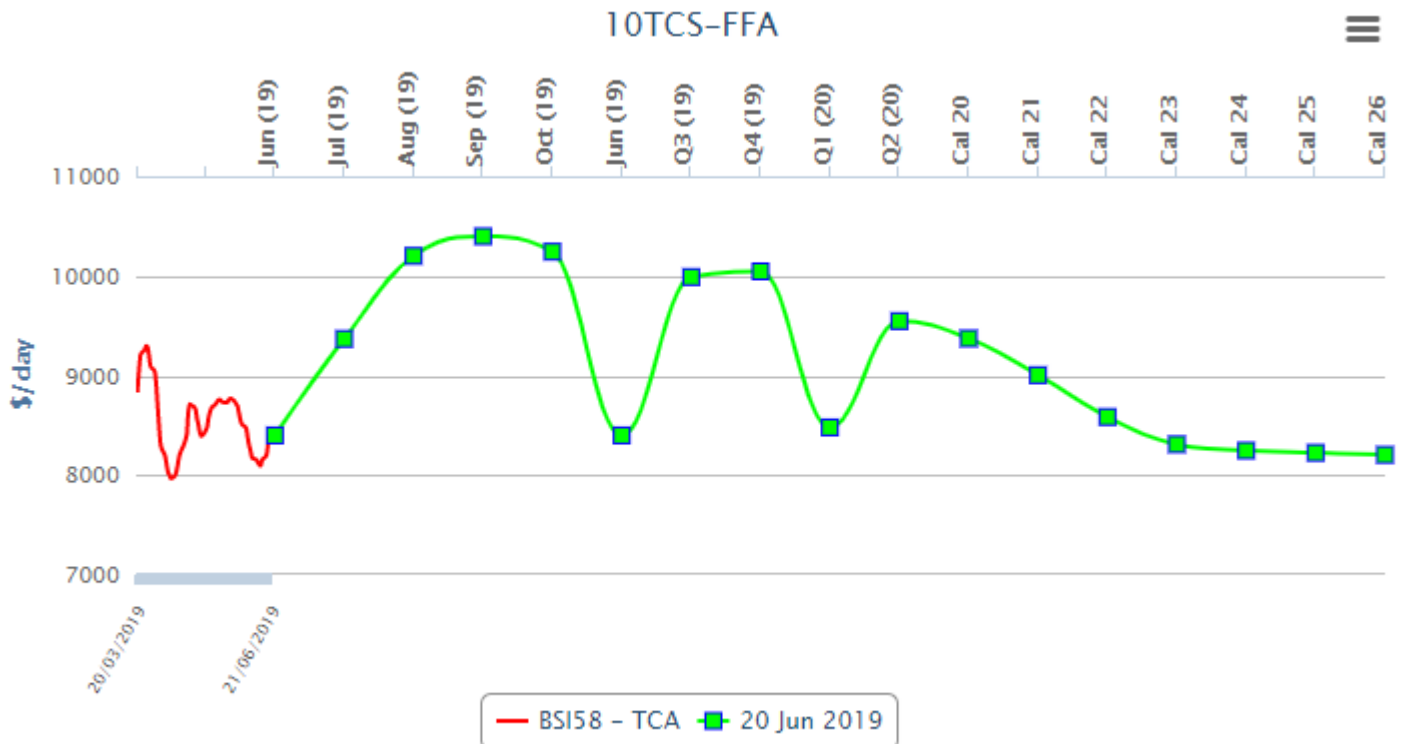


## Baltic Supramax Vessel Index

Supramax

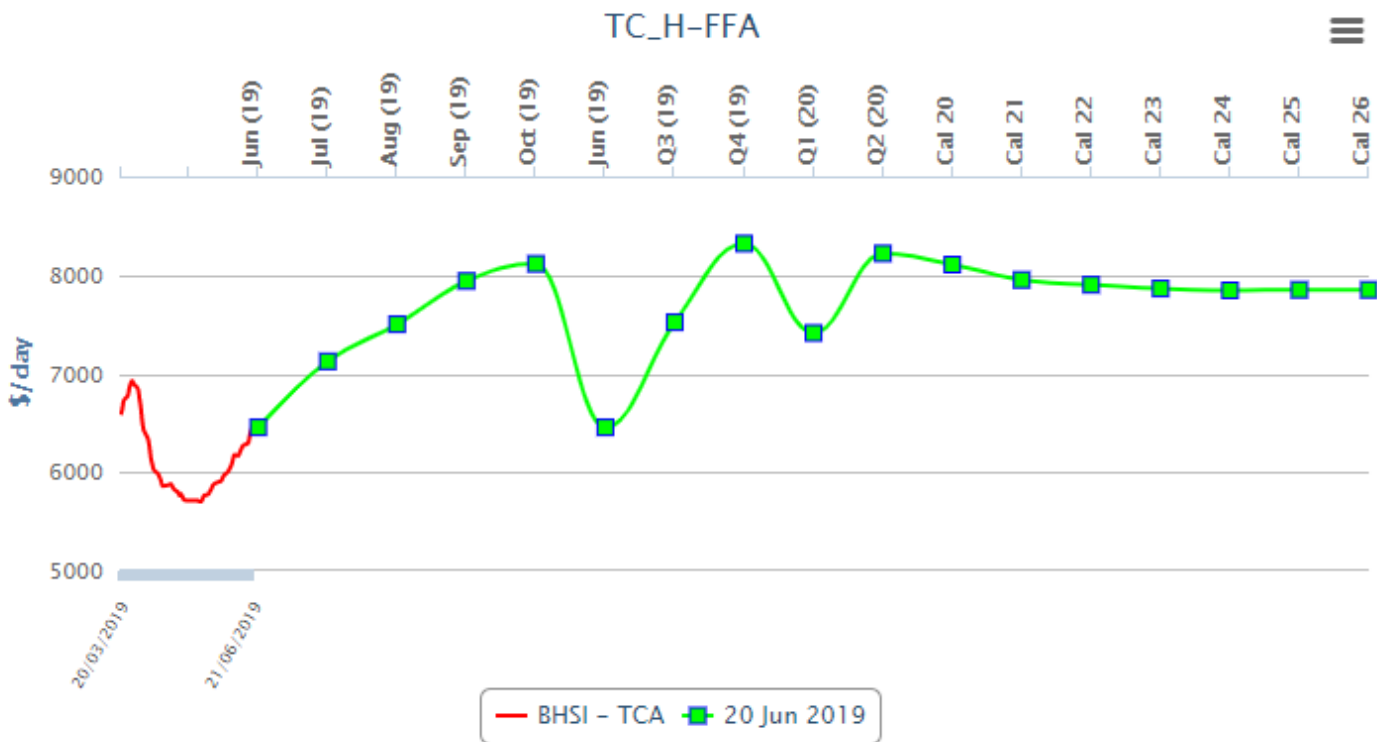


### Supramax Dry-Bulk Forward Curve



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### Baltic Handy Size Forward Curve



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# YAMAMIZU Index



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

From 2007-01-29 To 2019-06-19



## China Import Dry Bulk Freight Index 2019-06-20

Description	Size MT	Cargo/Vessel Size	Unit	Rate	Change
Composite Index			Point	868.53	-2.1
Iron ore Freight Index			Point	889.6	-1.5
Soybean Freight Index			Point	940.28	-6.08
Santos(Brazil)—North China	60000/10%	Soybean	\$/ton	31.695	-0.3
Tacoma(West America)—North China	60000/10%	Soybean	\$/ton	22.665	-0.13
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	42.315	-0.121
Mississippi(US Gulf)—North China	55000/10%	Soybean	\$/ton	44.525	-0.126

**20 June 2019 U.S. FOB Vessel Export Market Values:**

<b>U.S. Yellow Corn (USD/MT) FOB Vessel</b>				
# 2 YC	U.S. Gulf #2 YC		PNW #3 YC	
15.0 % Moisture	Basis	Flat Price	Basis	Flat Price
<b>Aug.</b>	0.66	<b>\$205.01</b>	0.91	<b>\$212.98</b>
<b>Sept.</b>	0.70	<b>\$206.58</b>	0.98	<b>\$217.61</b>
<b>Oct.</b>	0.63	<b>\$206.29</b>	0.99	<b>\$220.46</b>
<b>Nov.</b>	0.65	<b>\$207.07</b>	1.05	<b>\$222.82</b>
<b>Dec.</b>	0.71	<b>\$209.44</b>	1.10	<b>\$224.79</b>
<b>Jan.</b>	0.69	<b>\$210.72</b>	1.07	<b>\$225.68</b>

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

<b>SORGHUM (USD/MT) FOB VESSEL</b>		
#2 YGS Fob Vessel	TEXAS GULF	
Max. 14.0% moisture	BASIS	FLAT PRICE
<b>Aug.</b>	0.65	<b>\$202.74</b>
<b>Sept. (Z)</b>	0.55	<b>\$203.14</b>
<b>Oct.</b>	0.55	<b>\$203.14</b>
<b>Nov.</b>	0.55	<b>\$203.14</b>
<b>Dec.</b>	0.60	<b>\$205.11</b>

Fob vessel Texas Gulf #2 Sorghum is about 100 % 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	
	Aug.	Sept.	Oct.	Nov.
FOB U.S. GULF	\$232.13	\$232.13	\$232.03	\$233.87
Basis	1.00	1.00	0.90	0.95
WN	5.2650			.
WU	5.3175			
WZ	5.4150			

20-Jun-19 CME Corn Futures	Close Bushel	This Week MT.	Last Week. Bushel	Last Week. Bu. Diff.	Last Week MT	Last Week MT Diff.
July	\$ 4.5000	\$ 177.16	\$ 4.4200	0.0800	\$ 174.01	\$ 3.15
Sept.	\$ 4.5475	\$ 179.03	\$ 4.4775	0.0700	\$ 176.27	\$ 2.76
Dec.	\$ 4.6100	\$ 181.49	\$ 4.5575	0.0525	\$ 179.42	\$ 2.07
Mar.	\$ 4.6625	\$ 183.55	\$ 4.6100	0.0525	\$ 181.49	\$ 2.07
May	\$ 4.6800	\$ 184.24	\$ 4.6275	0.0525	\$ 182.17	\$ 2.07
July	\$ 4.6925	\$ 184.73	\$ 4.6350	0.0575	\$ 182.47	\$ 2.26



## CBOT July 2019 (CN19) CORN Futures Chart –



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

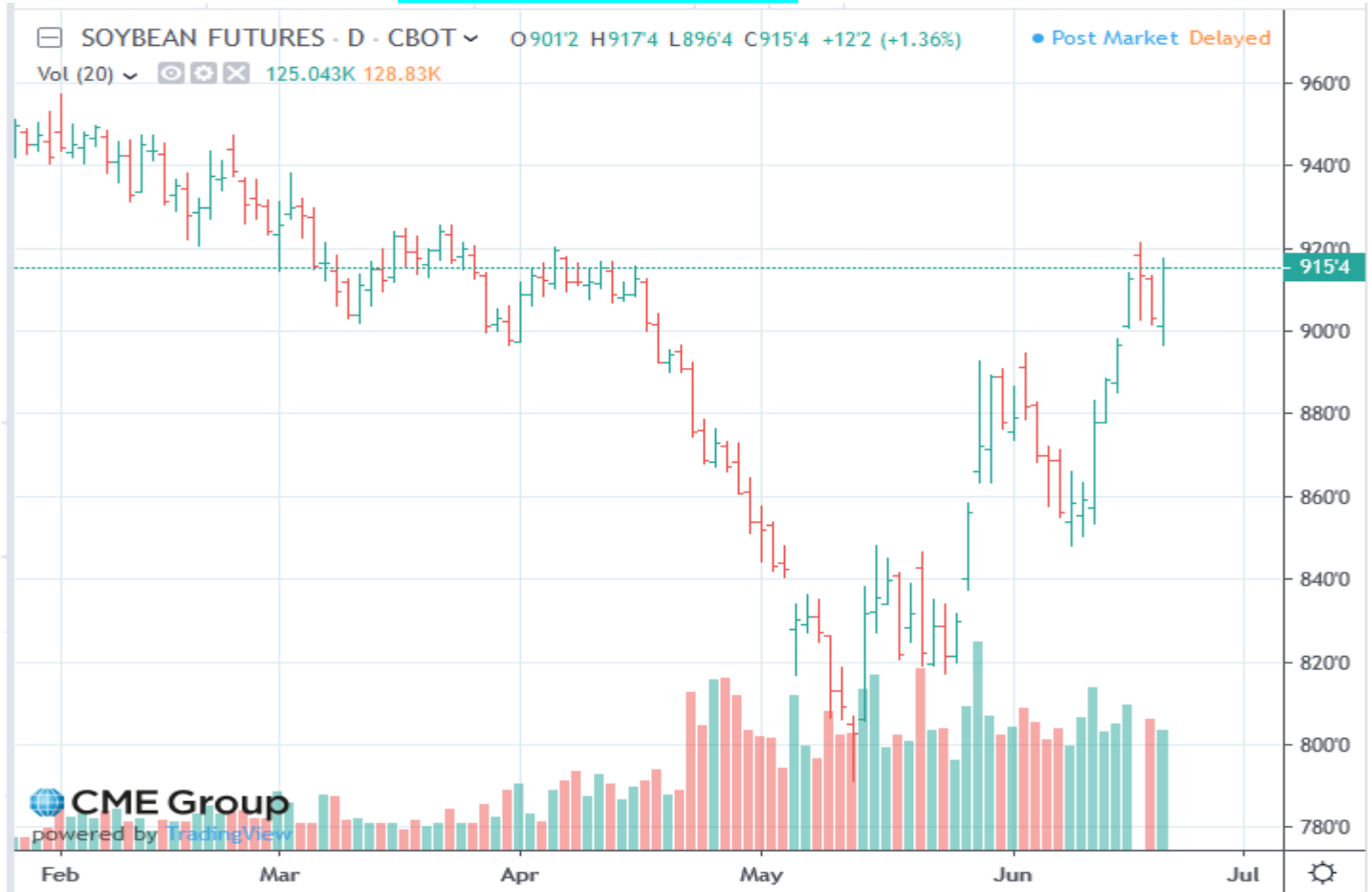


## **U.S. Soybean and SBM Markets Fob Vessel:**

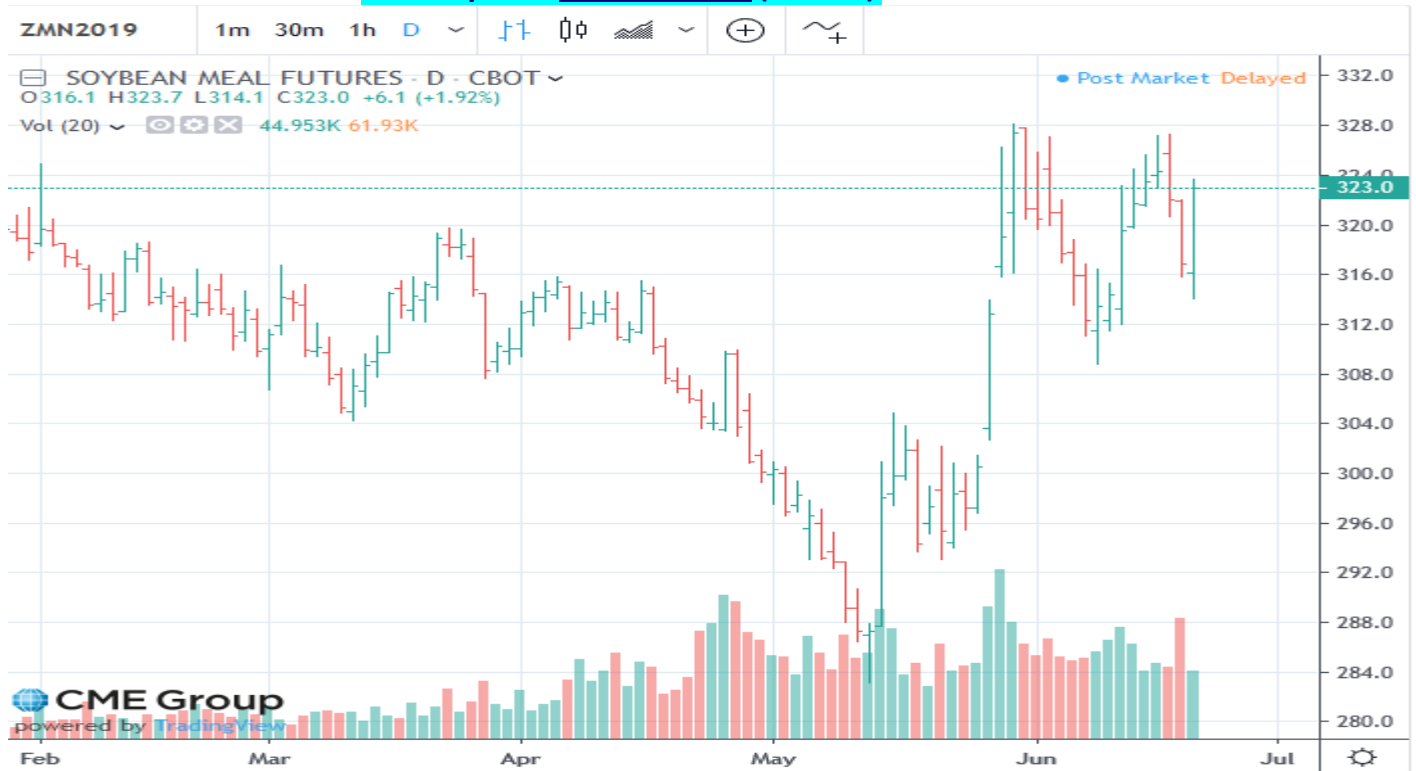
<b>U.S. Yellow Soybeans (USD/MT) FOB Vessel</b>				
# 2 YSB	<b>U.S. Gulf #2 YSB</b>		<b>PNW #2 YSB</b>	
14.0 % Moisture	Basis	Flat Price	Basis	Flat Price
<b>Aug.</b>	0.57	<b>\$359.63</b>	0.75	<b>\$366.24</b>
<b>Sept. (X)</b>	0.36	<b>\$358.98</b>	0.70	<b>\$371.48</b>
<b>Oct.</b>	0.37	<b>\$359.35</b>	0.75	<b>\$373.31</b>
<b>Nov.</b>	0.42	<b>\$361.19</b>	0.75	<b>\$373.31</b>
<b>Dec.</b>	0.36	<b>\$363.48</b>	0.68	<b>\$375.24</b>
<b>Soybean Futures</b>				
<b>July</b>	\$ 9.1550			
<b>Aug.</b>	\$ 9.2175			
<b>Sept.</b>	\$ 9.2800			
<b>Nov.</b>	\$ 9.4100			
<b>Jan.</b>	\$ 9.5325			
<b>Mar.</b>	\$ 9.6025			

<b>U.S. SBM (USD/MT) FOB Vessel</b>		
Fob U.S. Gulf Port	<b>47.5 Pro. SBM</b>	
max 12.5 % moisture	Basis	Flat Price
<b>Aug.</b>	2.00	<b>\$ 359.64</b>
<b>Sept.</b>	2.00	<b>\$ 361.51</b>
<b>Oct.</b>	2.00	<b>\$ 363.27</b>
<b>Nov.</b>	1.00	<b>\$ 366.03</b>
<b>Dec.</b>	2.00	<b>\$ 367.13</b>
<b>SBM Futures</b>		
<b>SMN</b>	323.00	
<b>SMQ</b>	324.20	
<b>SMU</b>	325.90	
<b>SMV</b>	327.50	
<b>SMZ</b>	331.00	
<b>SMF</b>	332.50	

## 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 06 June 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 (Wht&Barley '20- 21) (000 MT)
Corn	235.9	48,406.7	55,880	87%	2,708.0
Sorghum	0.0	1,560.0	2,160	72%	0.0
Soybeans	274.7	46,937.9	46,270	101%	1,794.8
Wheat	1935.4	6,148.1	24,490	25%	0.0
Barley	18.7	50.5	70	72%	0.0

**U.S. EXPORT INSPECTIONS:**

Monday's report 17 June 2019 for the Export week ending 13 June 2019

	Export Inspections		Current Market Year YTD	Previous Year to Date	2018/19 YTD as Percent of 2017/18 YTD (wheat&barley 19/20 vs 18/19)
	This Week	Previous Week			
Corn	653,875	851,765	40,832,978	42,681,556	96%
Sorghum	3,032	52,436	1,468,721	4,761,341	31%
Soybeans	675,302	734,074	35,644,360	48,308,014	74%
Wheat	375,365	476,290	797,378	793,929	100%
Barley	0	196	196	98	200%

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

**U.S. EXPORT INSPECTIONS:**

Monday's report 17 June 2019 for the Export week ending 13 June 2019

Last Week								
(Metric Tons)	YC	%	WC	%	Sorghum	%	Soybeans	%
Lakes	0	0%	0	0%	0	0%	0	0%
Atlantic	0	0%	0	0%	0	0%	6,292	1%
Gulf	315,582	51%	30,955	100%	0	0%	382,944	57%
PNW	111,894	18%	0	0%	0	0%	156,811	23%
Interior Export Rail	195,420	31%	24	0%	3,032	100%	129,255	19%
Metric Tons	622,896		30,979		3,032		675,302	
Sorghum Shipments:					White Corn			
<u>metric tons</u>					<u>metric tons</u>			
3,032 Mexico					24 Ireland			
<u>3,032 Total</u>					<u>30,955 Mexico</u>			
					30,979 Total			

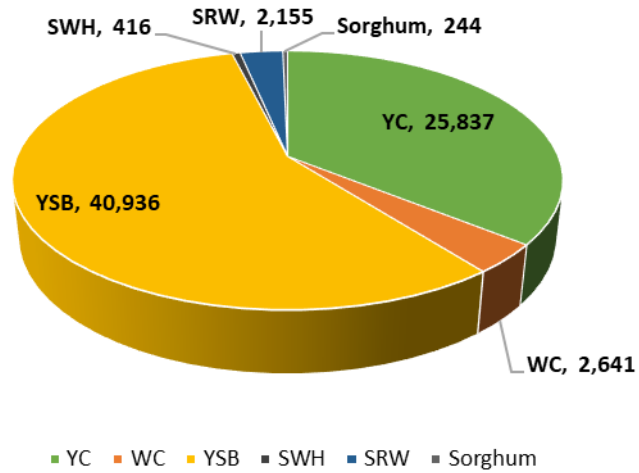
## Export Inspection Highlights

**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).*

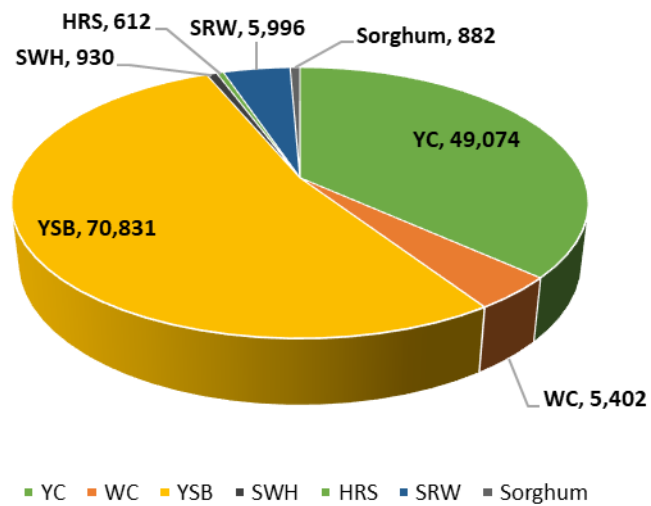
CONTAINER SHIPMENTS of GRAIN									
USDA Grain Inspections Report:		13-Jun-2019							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	SWH	HRW	Sorghum	TOTAL
China Main	2,940		465						3,405
China T	13,464		6,514	391					20,369
Hong Kong	269								269
Costa Rica	73								73
Indonesia			17,607						17,607
French Poly	147								147
Japan			1,934						1,934
Korea Republic	367		245						612
Nepal			1,445						1,445
Malaysia	367		10,626						10,993
Burma									0
Philippines			1,126						1,126
Thailand			13,641						13,641
Ireland		24							24
Senegal			196						196
Vietnam			8,520						8,520
Sub total	17,627	24	62,319	391	0	0	0	0	71,621
USDA Corrections/Additions to previous reports:									
China T	120		2,033				807		2,960
China Main									0
Hong Kong									0
Korea Rep.									0
Haiti									0
Japan									0
Philippines			416						416
Indonesia			2,326						2,326
Malaysia			2,594						2,594
Thailand			980						980
Vietnam			490						490
Burma									0
Bangladesh									0
Sub total	120	0	8,839	0	0	0	807	0	9,766
<b>Mt. Grand Total</b>	<b>17,747</b>	<b>24</b>	<b>71,158</b>	<b>391</b>	<b>0</b>	<b>0</b>	<b>807</b>	<b>0</b>	<b>81,387</b>
Number of containers	772	1	3,094	17	0	0	35	0	

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

**2019 YTD Container Shipments to South Korea**



**2018 Container Shipments to South Korea**



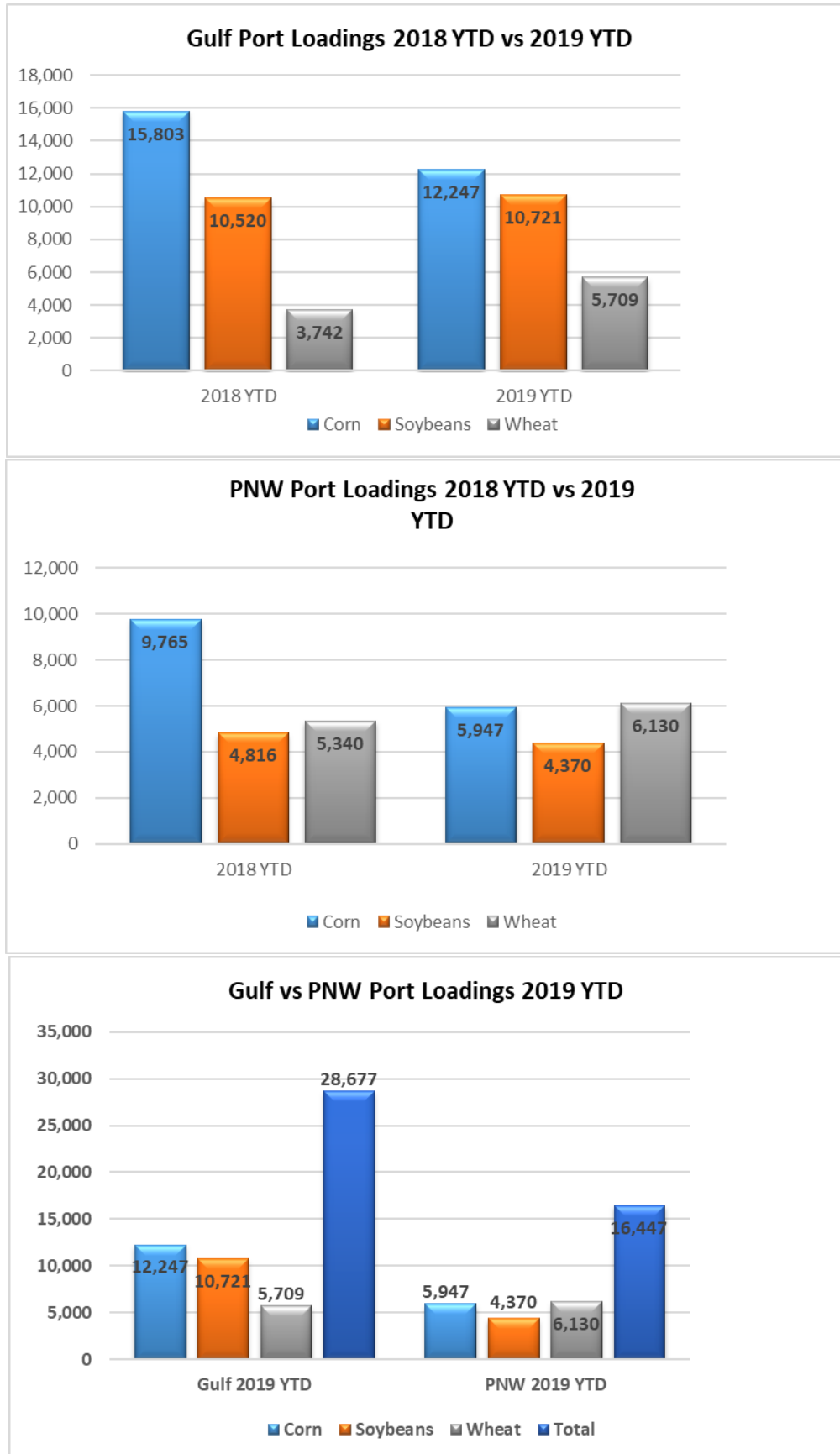
Grain Inspections for Export by U.S. Port Regions:  
U.S. Gulf and Pacific Northwest 2018 YTD vs. 2019 YTD

PORT LOADINGS US Gulf				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
<b>GULF</b>				
2018 YTD	15,803	10,520	3,742	30,065
2019 YTD	12,247	10,721	5,709	28,677
2019 as % of 2018	77%	102%	153%	95%

PORT LOADINGS US PNW				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
<b>PNW</b>				
2018 YTD	9,765	4,816	5,340	19,921
2019 YTD	5,947	4,370	6,130	16,447
2019 as % of 2018	61%	91%	115%	83%

PORT LOADINGS GULF vs. PNW				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
2019 Gulf YTD	12,247	10,721	5,709	28,677
2019 PNW YTD	5,947	4,370	6,130	16,447
TOTAL	18,194	15,091	11,839	45,124
Gulf Percentage	67%	71%	48%	64%
PNW Percentage	33%	29%	52%	36%

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

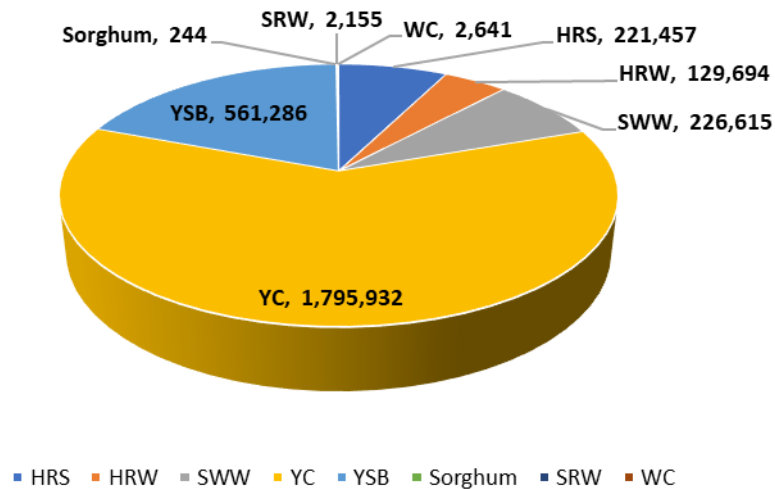


Source: USDA-data

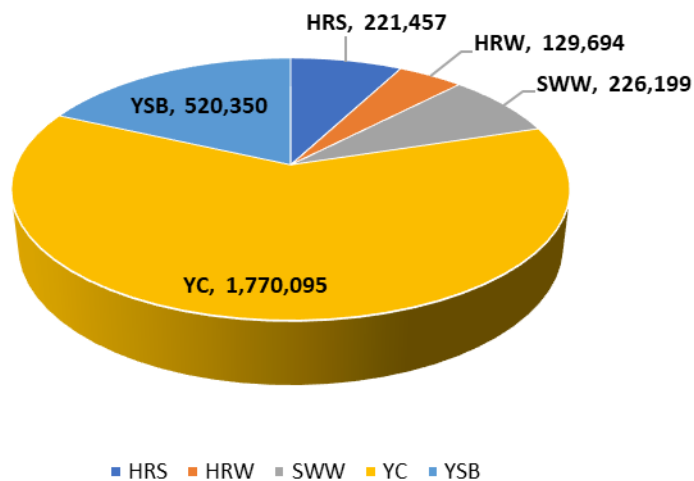


2019 YTD Total Grain Exports reported by USDA (in MT)

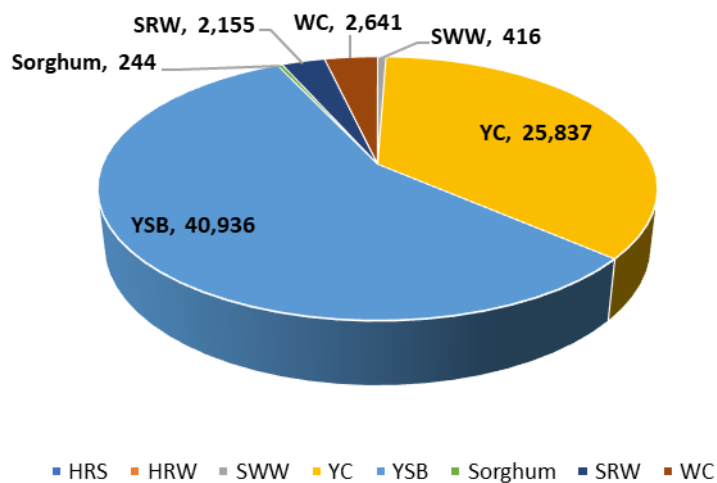
**2019 YTD Exports to Korea Rep**



**YTD Exports to Korea Rep by Vessel**

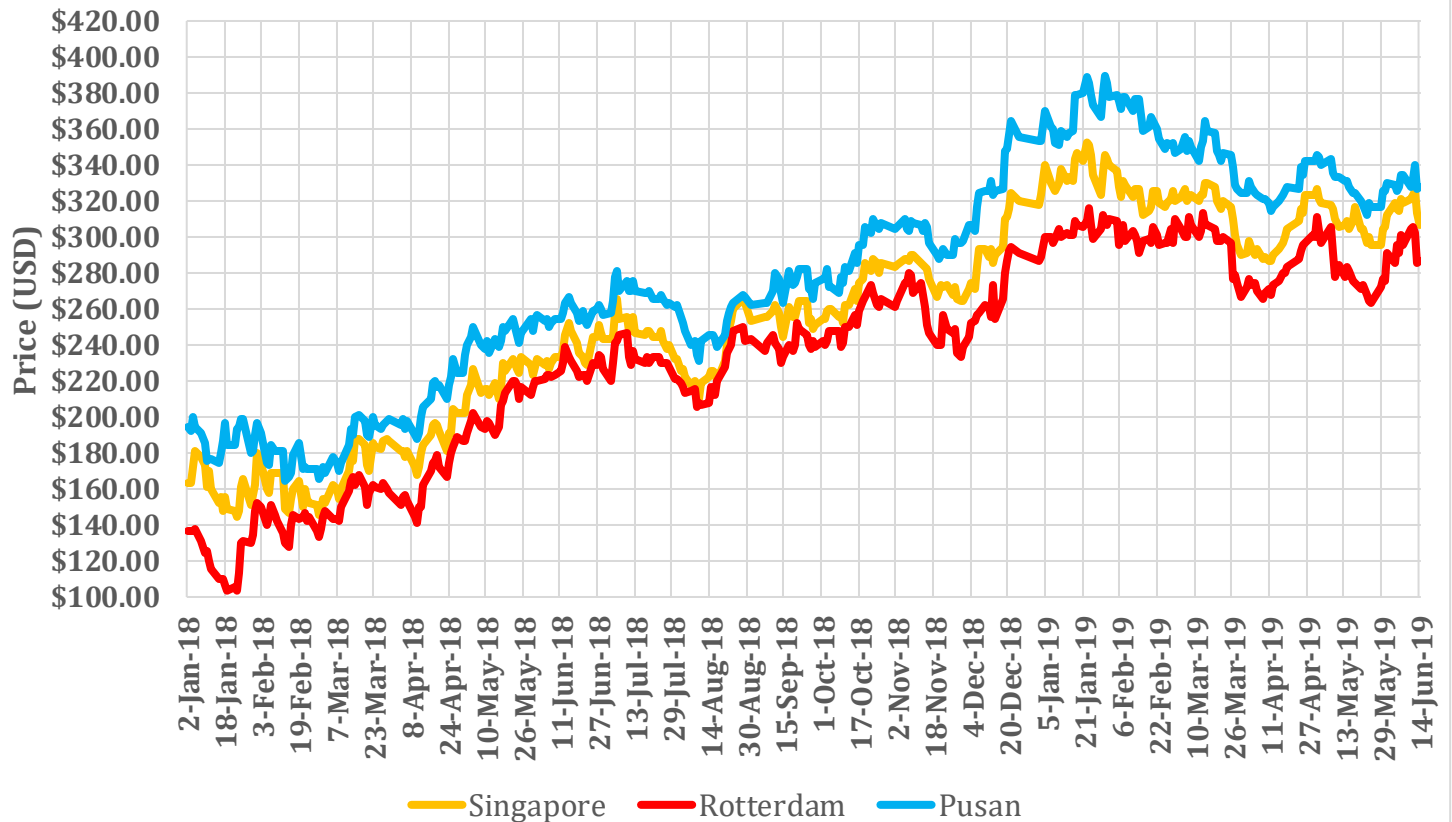


**YTD Exports to Korea Rep by Container**

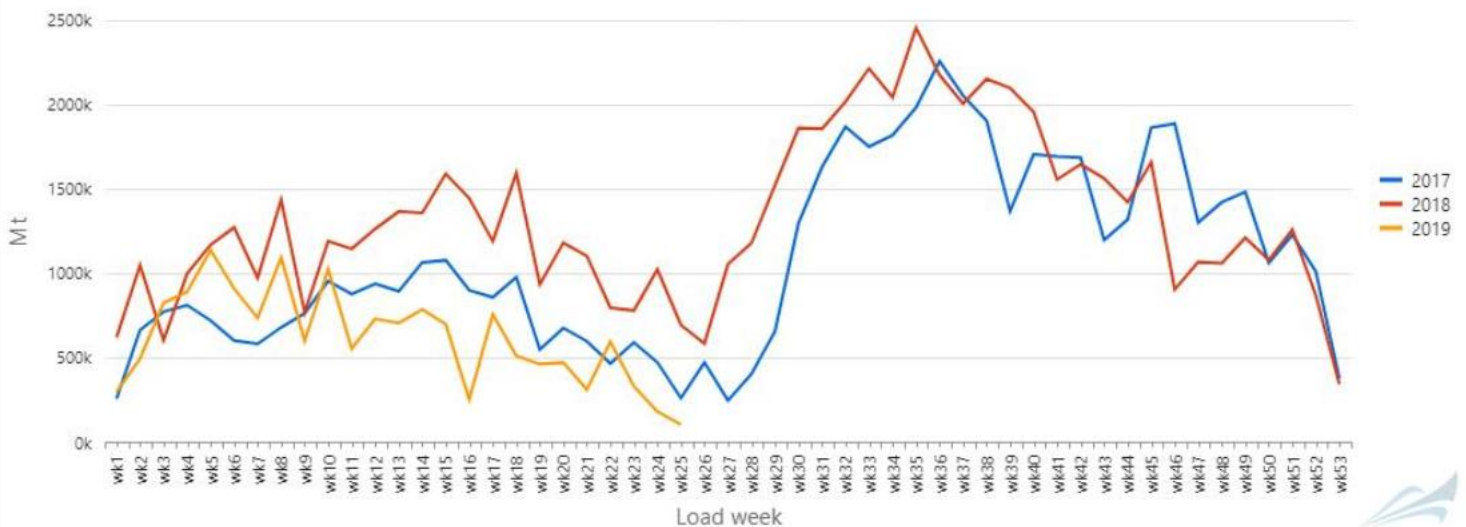


\*Please keep in mind that USDA does not report DDGS sales

## Bunker Fuel Prices for Singapore vs. Rotterdam vs. Pusan



## Baltic/BSEA/E Russia Weekly Wheat Loadouts



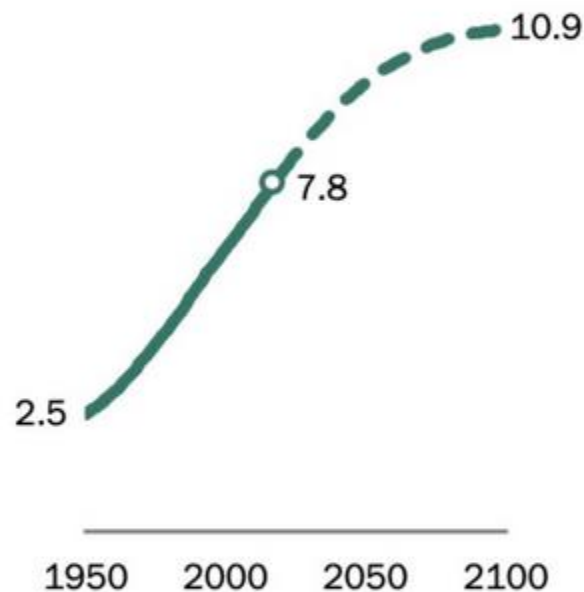
 **Donna Littlejohn** @donnalittlejohn · 3h

Dockworkers with ILWU waiting to see how @PortofLA commissioners will vote on automation at APM Terminal



## World population growth is projected to flatten in coming decades

*World population, in billions*



Note: Data labels shown for 1950, 2020 and 2100.

Source: United Nations Department of Economic and Social Affairs, Population Division, "World Population Prospects 2019."

**PEW RESEARCH CENTER**

Baltic Dry Bulk Index

China Import Dry Bulk Freight Index



China Containerized Freight Index



**U.S. RIVER BARGE FREIGHT**

**Current Barge Freight for Placement Last Half July 2019**

Placement LH July 2019	% of		Corn	Soybeans-Wheat
	Tariff	MT	BU	BU
Upper Mississippi	4.65	\$31.73	0.81	0.86
Illinois River (Pekin and South)	420	\$22.27	0.57	0.61
Mid-Mississippi	425	\$24.92	0.63	0.68
Lower Ohio	270	\$13.27	0.34	0.36
St. Louis	300	\$13.19	0.34	0.36

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

Secondary Rail Car Market Placement LH. July 2019	BID USD	ASK USD	BID BU.	ASK BU.	BID MT	ASK MT
BNSF Shuttle Trains	\$ 125.00	\$ 200.00	\$ 0.03	\$ 0.05	\$ 1.23	\$ 1.97
UPRR Shuttle Trains	\$ 50.00	\$ 100.00	\$ 0.01	\$ 0.03	\$ 0.49	\$ 0.98

Best Regards,

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