



## Transportation and Export Report for 6 June 2019

### Ocean Freight Insights and Comments:

The Market gives, and the Market takes away. This was a relatively quiet week with the EID holiday and the holiday in Singapore. What the market gained last week it took back this week. The trade war and resulting changes in global Trade routes are big concerns without much clarity. Traders and Vessel owners cannot yet determine much grain and other commodity business will shift from various origins to China and other Buyers; and therefore, how vessel positioning will have to change.

The World Bank cut its 2019 global economic growth forecast from 2.9 down to just 2.6% for this year. Last year's growth was 3.0%. 2020 growth is projected at 2.7%. This obviously does not bode well for cargo demand growth.

### BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices				
6-Jun-19	This Week	Last Week	Difference	Percent Change
P2A : Gulf/Atlantic - Japan	17750	18518	-768	-4.1%
P3A - PNW/Pacific - Japan	10138	10442	-304	-2.9%
S1C -USGULF-China-So.Japan	18211	18325	-114	-0.6%
P7- Trial- Miss. River - Qingdao	43378	44692	-1,314	-2.9%
P8- Trial- Santos - Qingdao	33130	34152	-1,022	-3.0%

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

Four weeks ago:	\$6.00-\$6.35
Three weeks ago:	\$6.25-\$6.65
Two weeks ago:	\$6.50-\$6.60
One week ago:	\$6.95-\$7.40
This week	\$7.20-\$7.45

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

Mississippi River:	(10 elevators)	3-7 days
Miss. River Mid-Stream loaders:	(6+ Rigs)	0-7 days
Texas Gulf	(6 elevators)	0-15 days (only 2 facilities over 4 days)
Pacific Northwest:	(9 elevators)	0-7 days (only 1 facility over 4 days)

Panamax Market Spreads to Asia -China					
6-Jun-19	PNW	GULF	Bushel Spread	MT Spread	Advantage
CORN	0.80	0.58	0.22	\$8.66	PNW
SOYBEANS	0.75	0.52	0.23	\$9.05	PNW
OCEAN FREIGHT	\$23.25	\$43.25	.51 -.55	\$20.00	JULY

**Recent Reported Vessel Fixtures:**

Soybean Panamax USG to Spain is running \$20.25/mt.

Soybean Brazil to Spain can be done at \$23.50/mt.

30,000 mt Corn Northern Brazil to Vera Cruz, Mexico \$19.25-\$19.50/mt .To U.S. E/C about \$22.00-22.50/mt

Route and Vessel Size	Current Week USD/MT	Change from previous week	Remarks
55,000 U.S. Gulf-Japan	\$43.75	Down \$0.25	Handymax \$44.00 mt
55,000 U.S. PNW- Japan	\$24.00	Down \$0.25	Handymax \$24.00 mt
66,000 U.S. Gulf – China PNW to China	\$43.25 \$23.25	Down \$0.50 Down \$0.25	North China
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> From Argentina	\$20.50 \$33.50	Down \$0.50	<u>West Coast Colombia at \$29.25</u>
43-45,000 U.S. Gulf - Guatemala	\$29.50	Down 0.75	Acajutla/Quetzal - 8,000 out
26-30,000 U.S. Gulf – Algeria	\$34.50 \$35.50	Down \$0.50	8,000 mt daily discharge 3,000 mt daily discharge
26-30,000 US Gulf-Morocco	\$36.25	Down 0.50	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt  PNW to Egypt	\$27.75  \$29.25	Down \$0.50	60,000 -55,000 mt Russia Black Sea Romania - Egypt \$11.50--\$13.50 (France \$17.75-\$18.50)
60-70,000 U.S. Gulf – Europe – Rotterdam	\$17.50	Unchanged	Handymax at +\$1.75 more
Brazil, Santos – China Brazil, Santos – China Itacoatiara-Port Up River North Brazil	\$33.75 \$33.50 \$37.00	Down \$0.75	54-59,000 Supramax-Panamax 60-66,000 Post Panamax 60-66,000 mt
56-60,000 Argentina/Rosario- China Deep Draft	\$36.75	Down \$0.50	Upriver with BB Top Off \$38.75

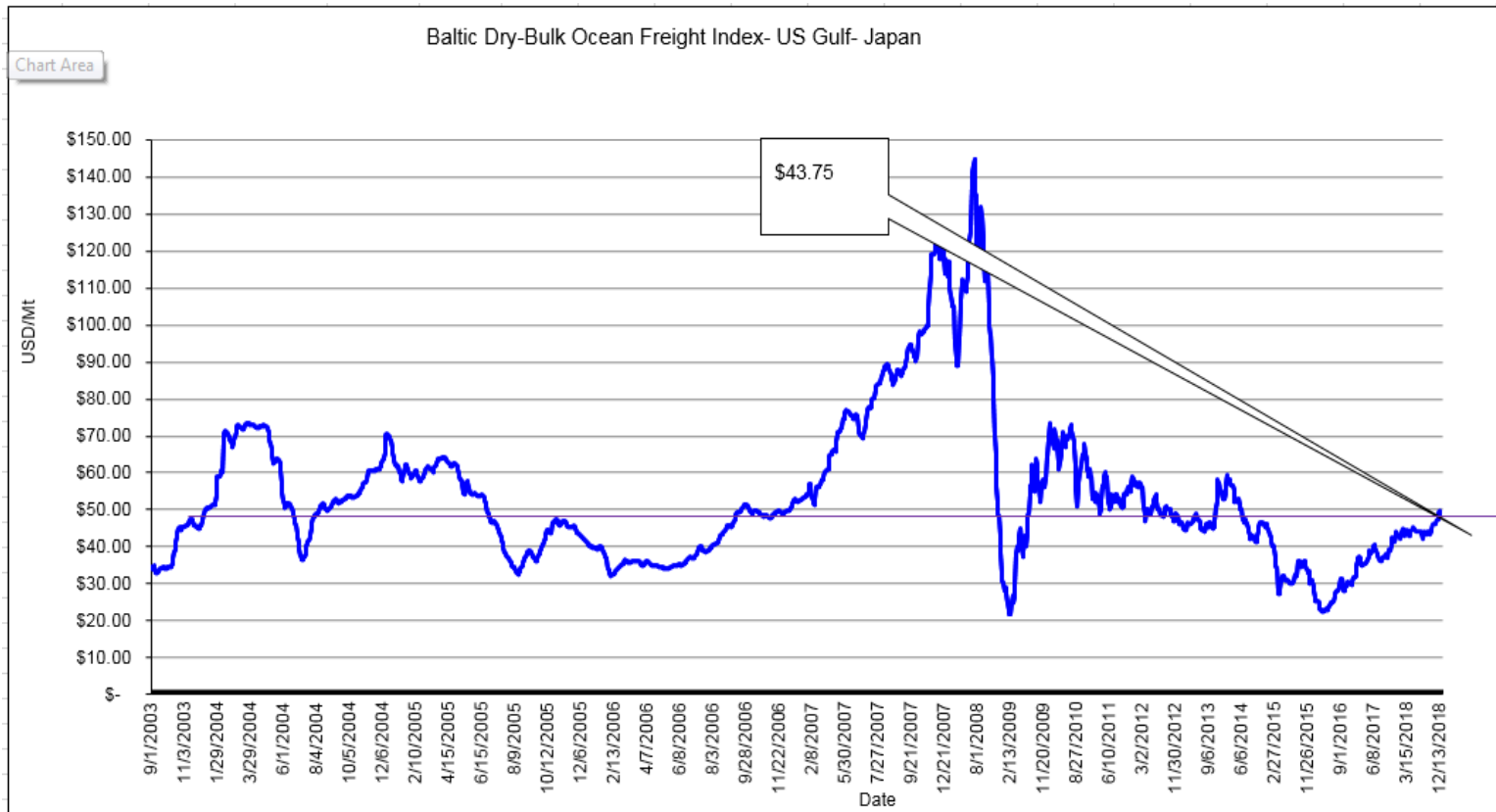
- The above rate estimates reflect the 30-45-day forward ocean freight markets.

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

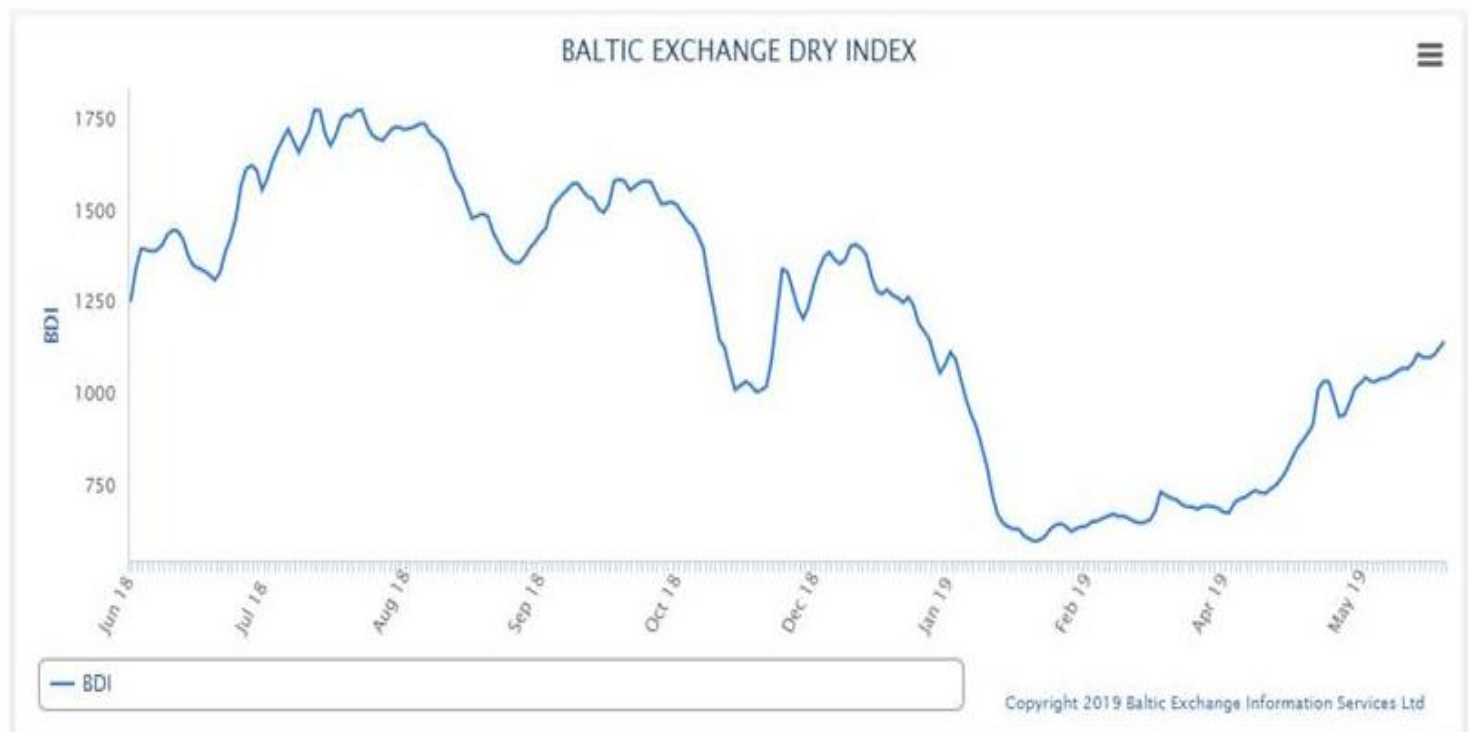
**US Gulf (NOLA) (via Panamá Canal) – 10,232 nautical miles (32 days)**

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

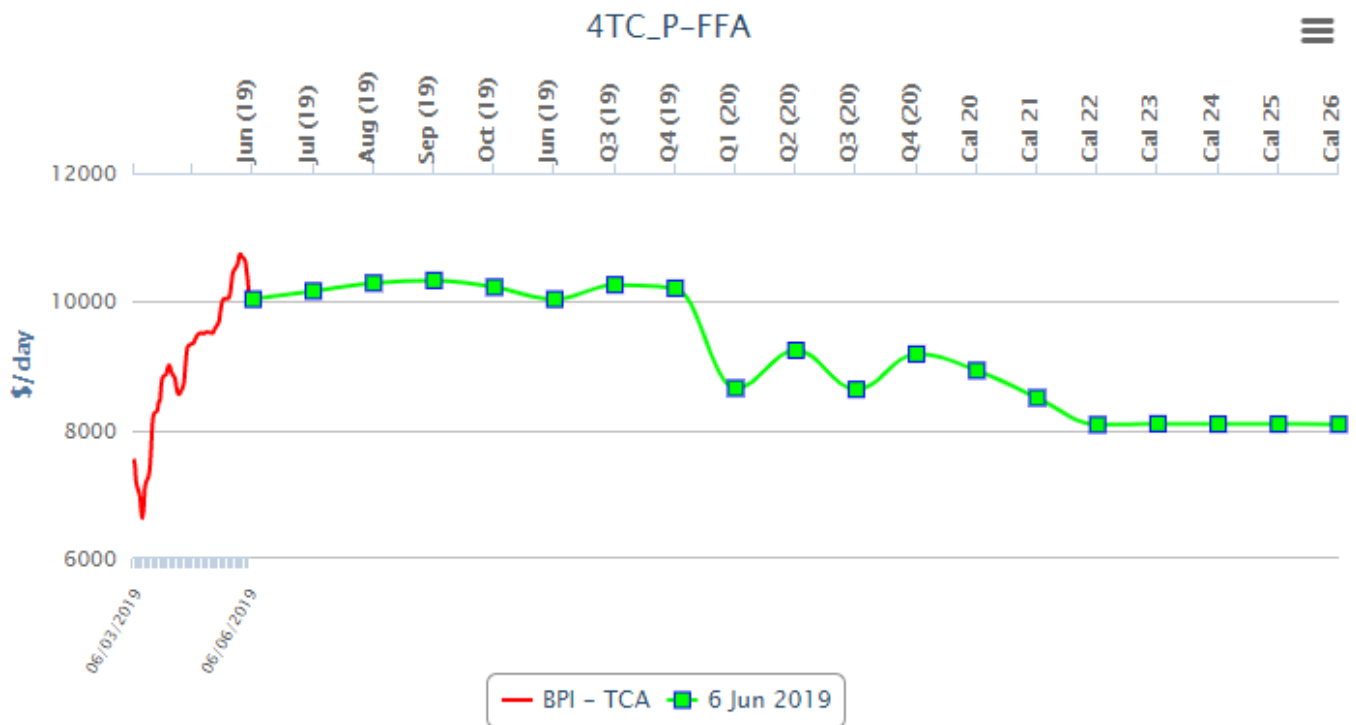
**Rosario Argentina (via Cape Horn) - 10,751 nautical miles (34 days)**



### Baltic Dry Index.

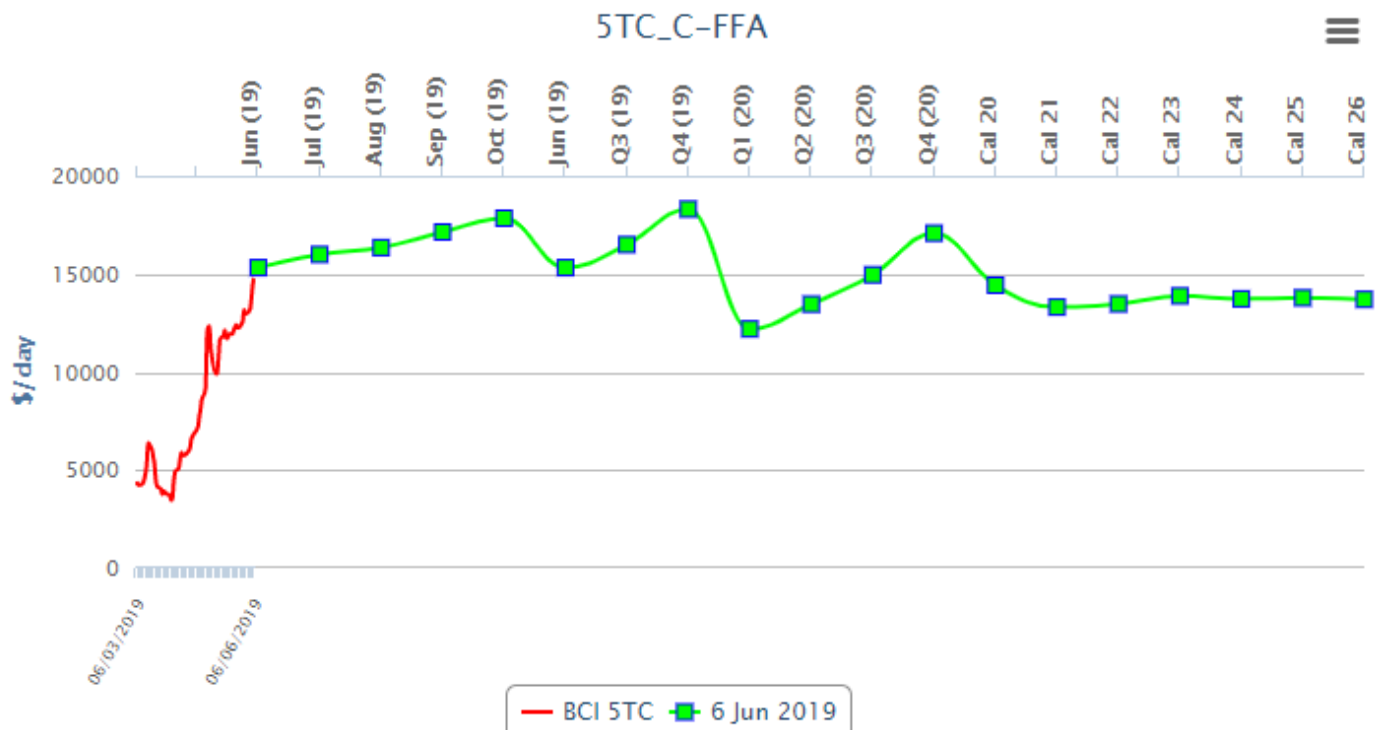


## Baltic Panamax Forward Curve Chart



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## Baltic Capesize Index



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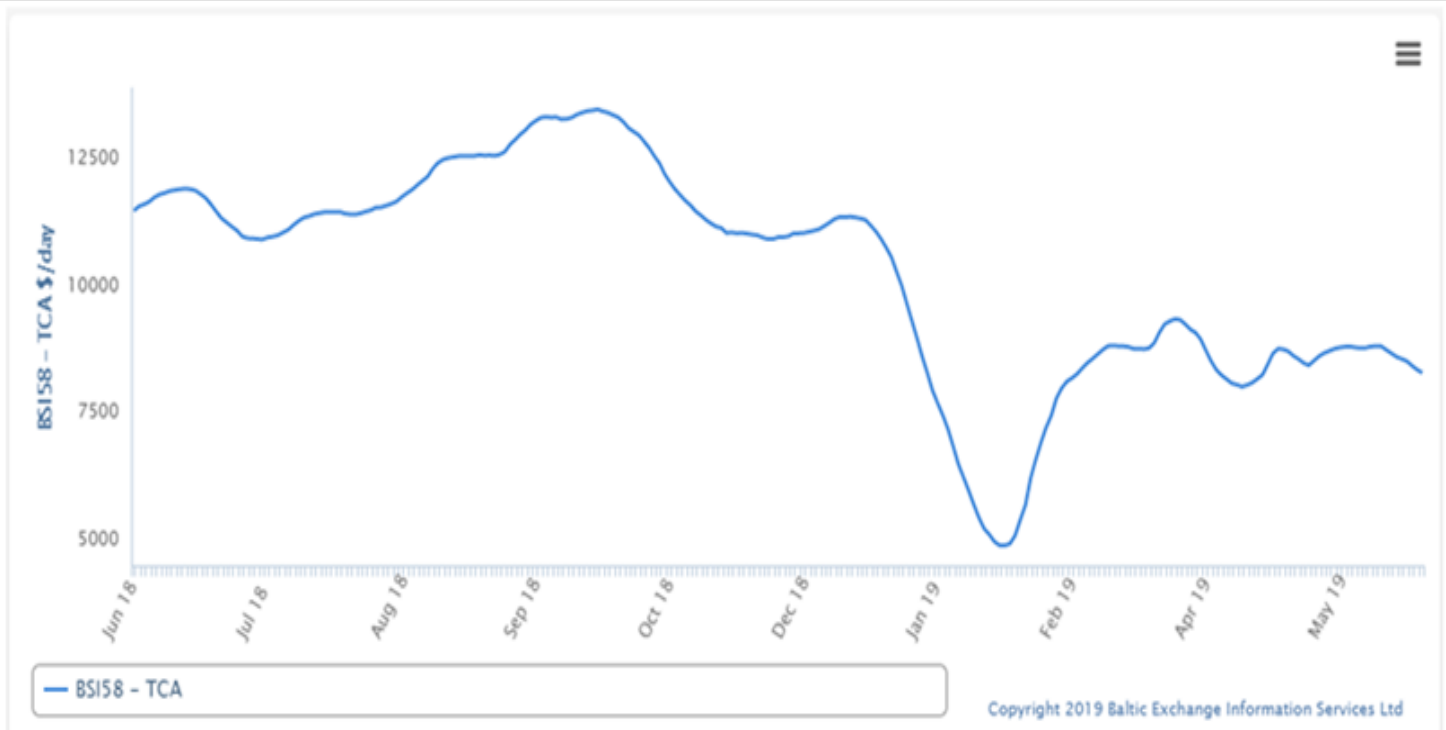
## Baltic Panamax Index

### Panamax

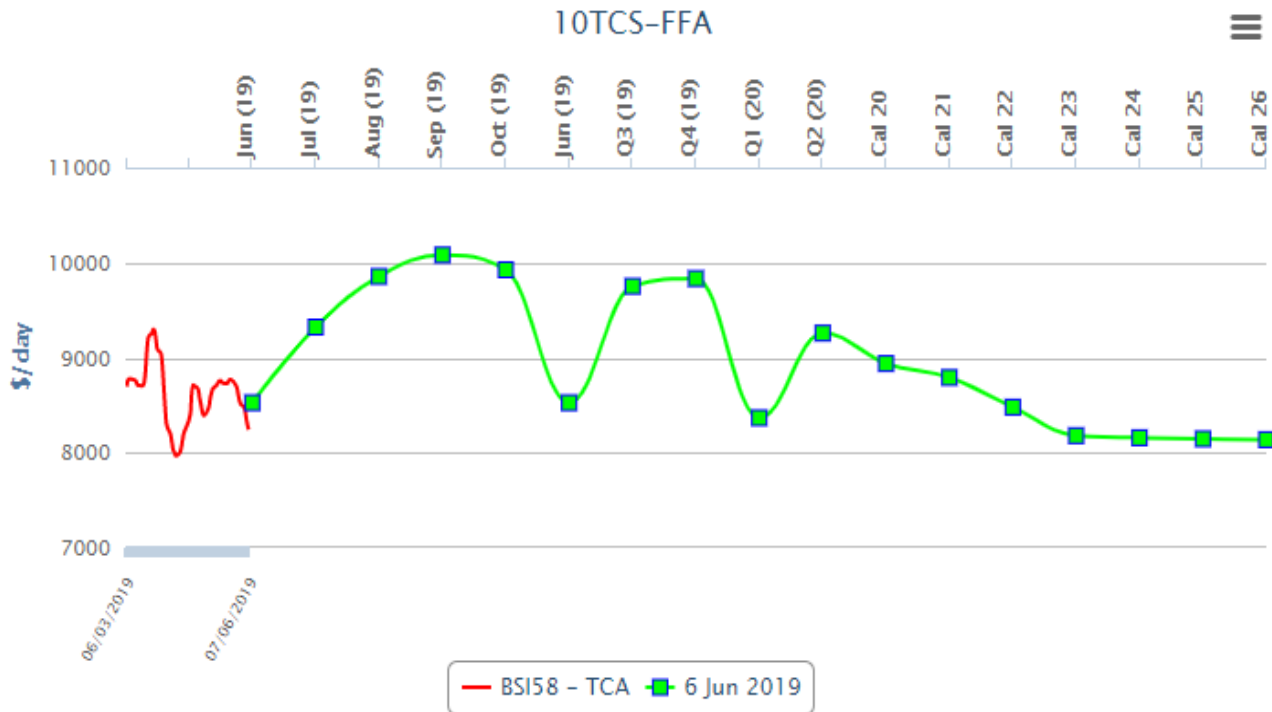


## Baltic Supramax Vessel Index

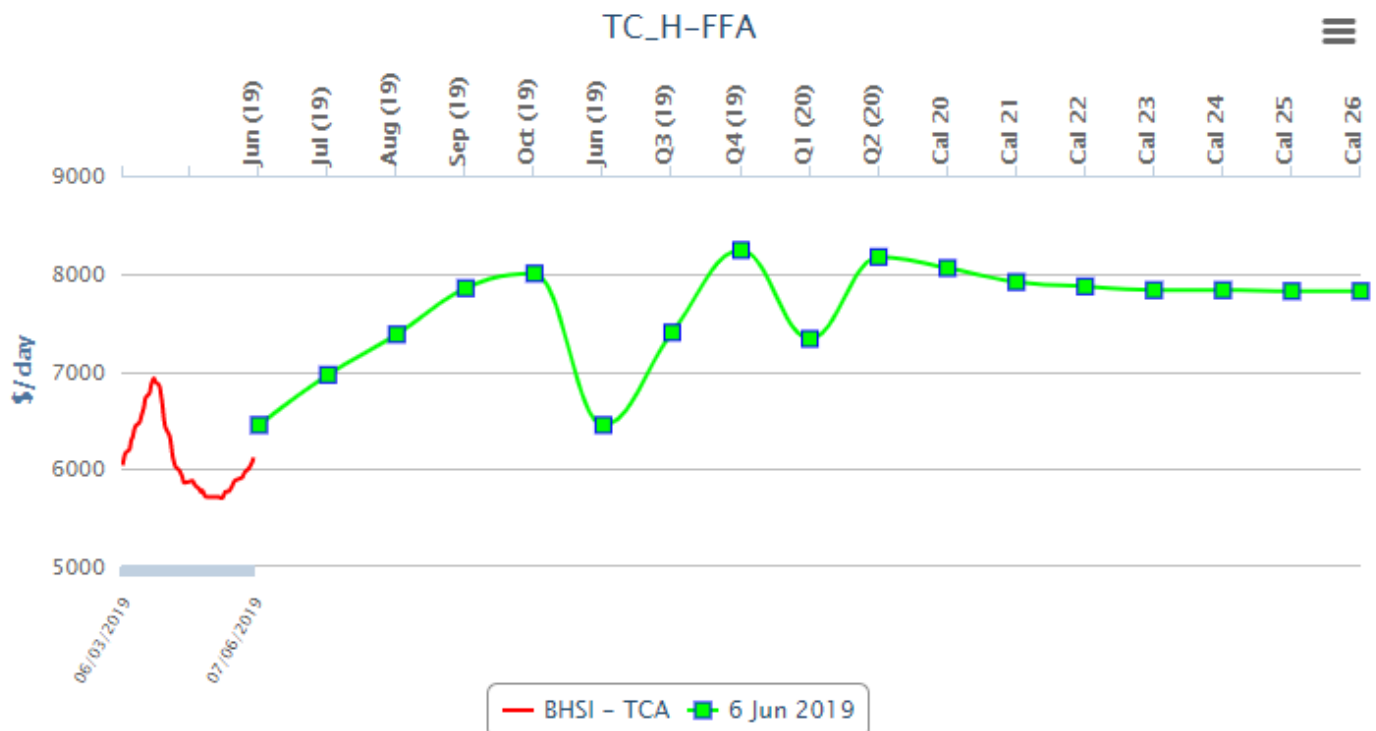
### Supramax



## Supramax Dry-Bulk Forward Curve



## Baltic Handy Size



# YAMAMIZU Index



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

From 2007-01-29 To 2019-06-05



## China Import Dry Bulk Freight Index

2019-06-06

Description	Size MT	Cargo/Vessel Size	Unit	Rate	Change
Composite Index			Point	858.16	2.31
Iron ore Freight Index			Point	845.76	9.44
Soybean Freight Index			Point	978.5	-5.01
Santos(Brazil)—North China	60000/10%	Soybean	\$/ton	33.52	-0.245
Tacoma(West America)—North China	60000/10%	Soybean	\$/ton	23.305	-0.085
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	43.395	-0.112
Mississippi(US Gulf)—North China	55000/10%	Soybean	\$/ton	45.297	-0.128

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

<b>U.S. Yellow Corn (USD/MT) FOB Vessel</b>				
#2 YC	GULF # 2 YC		PNW # 3 YC	
Max. 14.5% moisture	BASIS	FLAT PRICE	BASIS	FLAT PRICE
<b>July</b>	0.58	<b>\$188.38</b>	0.80	<b>\$197.04</b>
<b>Aug.</b>	0.55	<b>\$190.74</b>	0.78	<b>\$199.79</b>
<b>Sept.</b>	0.61	<b>\$193.10</b>	0.83	<b>\$201.76</b>
<b>Oct.</b>	0.57	<b>\$195.07</b>	0.82	<b>\$204.91</b>
<b>Nov.</b>	0.62	<b>\$197.04</b>	0.89	<b>\$207.67</b>
<b>Dec.</b>	0.67	<b>\$199.00</b>	0.94	<b>\$209.63</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	NOLA		TEXAS	
Max. 14.0% moisture	BASIS	FLAT PRICE	BASIS	FLAT PRICE
<b>July</b>	1.00	<b>\$204.91</b>	0.85	<b>\$199.00</b>
<b>Aug.</b>	1.00	<b>\$208.45</b>	0.78	<b>\$199.79</b>
<b>Sept.</b>	0.95	<b>\$210.03</b>	0.75	<b>\$202.15</b>
<b>Oct.</b>	1.00	<b>\$212.00</b>	0.80	<b>\$204.12</b>
<b>Nov.</b>	1.00	<b>\$212.00</b>	0.85	<b>\$206.09</b>

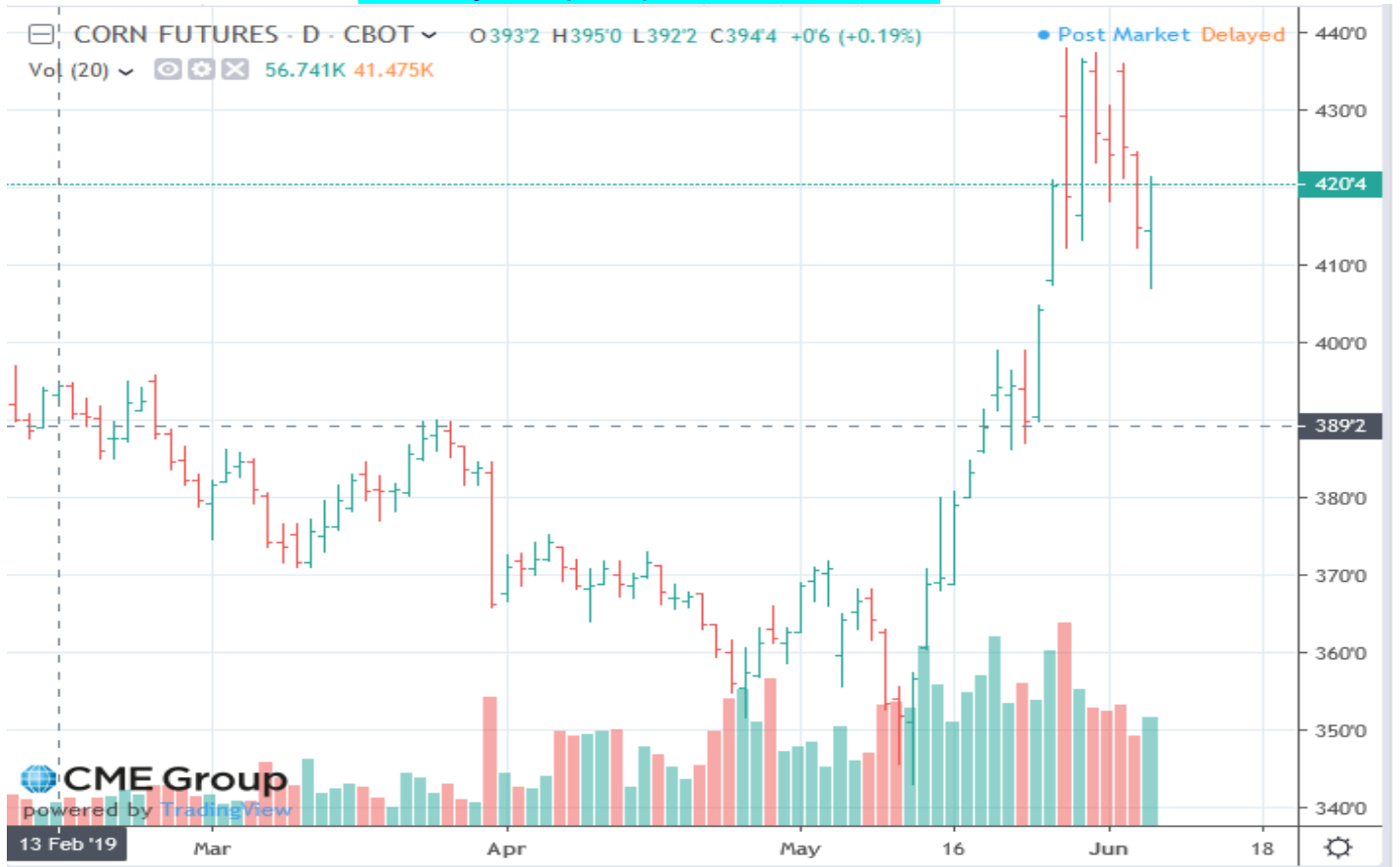
Fob vessel Texas Gulf #2 Sorghum is about 105 % the value of #2 Yellow Corn at NOLA.

**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	\$224.13	\$223.86	\$223.12	\$222.57
Basis	1.00	0.95	0.93	0.80
WN	5.1000			.
WU	5.1425			
WZ	5.2575			



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



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



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

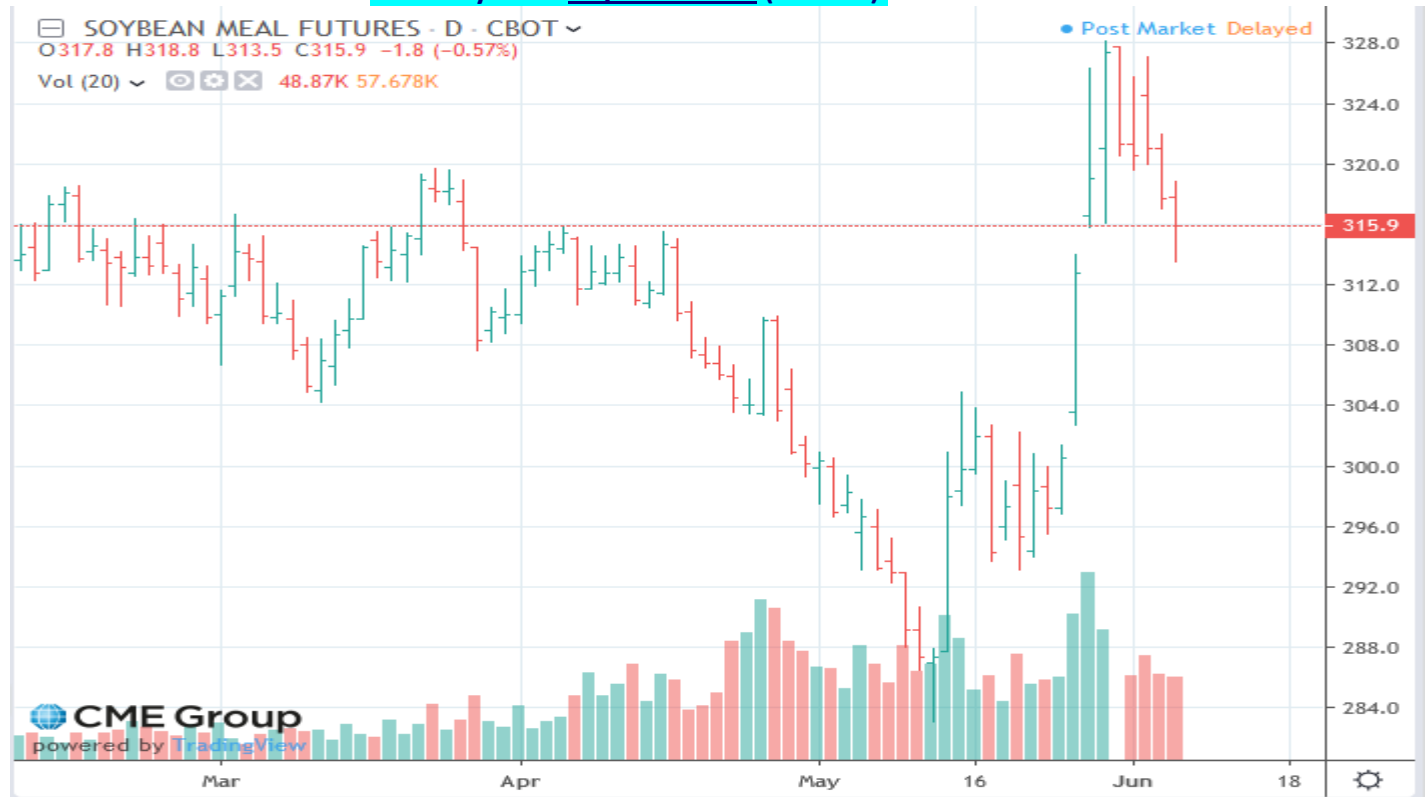
<b>U.S. Yellow Soybeans (USD/MT) FOB Vessel</b>				
# 2 YSB	<b>U.S. Gulf #2 YSB</b>		<b>PNW #2 YSB</b>	
14.0 % Moisture	Basis	Flat Price	Basis	Flat Price
<b>July</b>	0.52	<b>\$338.31</b>	0.75	<b>\$346.77</b>
<b>Aug.</b>	0.49	<b>\$339.60</b>	0.75	<b>\$349.15</b>
<b>Sept.</b>	0.42	<b>\$339.60</b>	0.75	<b>\$351.73</b>
<b>Oct.</b>	0.35	<b>\$341.80</b>	0.70	<b>\$354.66</b>
<b>Nov.</b>	0.40	<b>\$343.64</b>	0.77	<b>\$357.24</b>
<b>Soybean Futures</b>				
<b>July</b>	\$ 8.6875			
<b>Aug.</b>	\$ 8.7525			
<b>Sept.</b>	\$ 8.8225			
<b>Nov.</b>	\$ 8.9525			
<b>Jan.</b>	\$ 9.0875			
<b>Mar.</b>	\$ 9.1625			

<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>July</b>	2.00	<b>\$ 350.48</b>
<b>Aug.</b>	2.00	<b>\$ 351.81</b>
<b>Sept.</b>	2.00	<b>\$ 353.68</b>
<b>Oct.</b>	2.00	<b>\$ 355.45</b>
<b>Nov.</b>	2.00	<b>\$ 359.19</b>
<b>SBM Futures</b>		
<b>SMN</b>	315.90	
<b>SMQ</b>	317.10	
<b>SMU</b>	318.80	
<b>SMV</b>	320.40	
<b>SMZ</b>	323.80	
<b>SMF</b>	325.30	

### 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 23 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	1068.3	48,247.0	58,420	83%	2,590.4
Sorghum	13.3	1,559.6	2,160	72%	0.0
Soybeans	486.5	46,228.7	48,310	96%	1,445.9
Wheat	191.9	25,868.1	25,180	103%	3,733.5
Barley	0.0	61.2	110	56%	31.6

**U.S. EXPORT INSPECTIONS:**

Monday's report 03 June 2019 for the Export week ending 30 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	743,077	1,108,727	39,325,575	39,590,663	99%
Sorghum	64,035	28,639	1,413,253	4,720,538	30%
Soybeans	498,771	535,183	34,221,240	46,813,556	73%
Wheat	592,744	530,797	24,792,409	23,846,517	104%
Barley	637	0	10,625	21,340	50%

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

**U.S. EXPORT INSPECTIONS:**

Monday's report 03 June 2019 for the Export week ending 30 May 2019

Last Week								
(Metric Tons)	YC	%	WC	%	Sorghum	%	Soybeans	%
Lakes	0	0%	0	0%	0	0%	0	0%
Atlantic	4,572	1%	0	0%	0	0%	3,527	1%
Gulf	352,213	50%	41,046	100%	59,999	94%	325,315	65%
PNW	195,082	28%	0	0%	122	0%	67,903	14%
Interior Export Rail	150,164	21%	0	0%	3,914	6%	102,026	20%
Metric Tons	702,031		41,046		64,035		498,771	

Sorghum Shipments:	metric tons	
	59,999	China Main
	122	Korea Rep
	367	Haiti
	3,547	Mexico
	64,035	Total

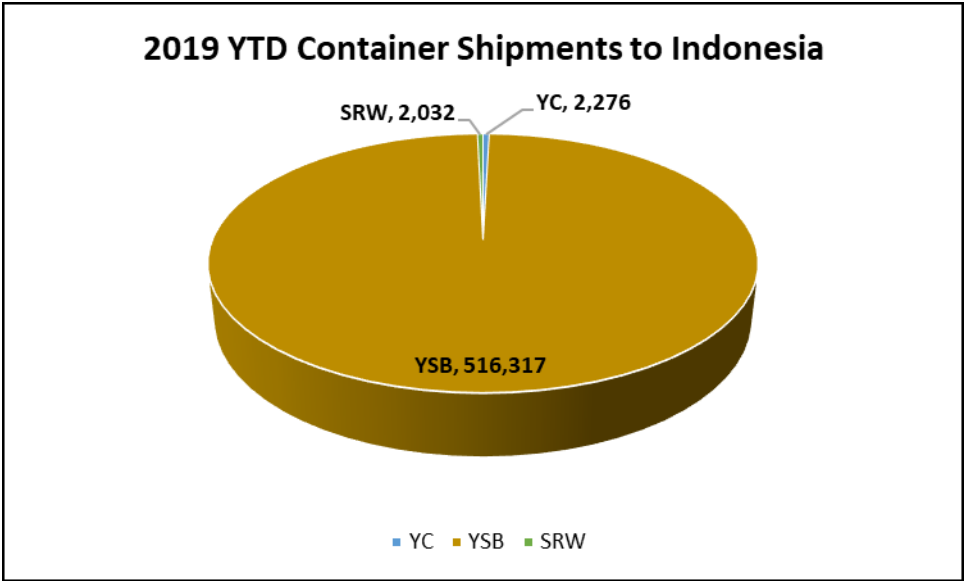
White Corn	metric tons	
Shipments:	7,841	El Salvador
	33,205	New Zealand
	41,046	Total

## 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:		30-May-2019							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	SWH	HRW	Sorghum	TOTAL
China Main									0
China T	10,697		5,386						16,083
Hong Kong	588								588
Costa Rica									0
Indonesia			23,042						23,042
Haiti								367	367
Japan			974						974
Korea Republic	514								514
Nepal			2,325						2,325
Malaysia	588		7,150						7,738
Burma			465						465
Philippines	563		881						1,444
Thailand			9,866						9,866
Qatar	441								441
Bangladesh									0
Vietnam			6,856						6,856
Sub total	13,391	0	56,945	0	0	0	0	367	63,406
USDA Corrections/Additions to previous reports:									
China T									0
China Main									0
Hong Kong									0
Korea Rep.									0
Haiti									0
Japan									0
Philippines									0
Indonesia			1,861						1,861
Malaysia									0
Thailand			441						441
Vietnam									0
Burma									0
Bangladesh									0
Sub total	0	0	2,302	0	0	0	0	0	2,302
<b>Mt. Grand Total</b>	<b>13,391</b>	<b>0</b>	<b>59,247</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>367</b>	<b>65,708</b>
Number of containers	582	0	2,576	0	0	0	0	16	

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



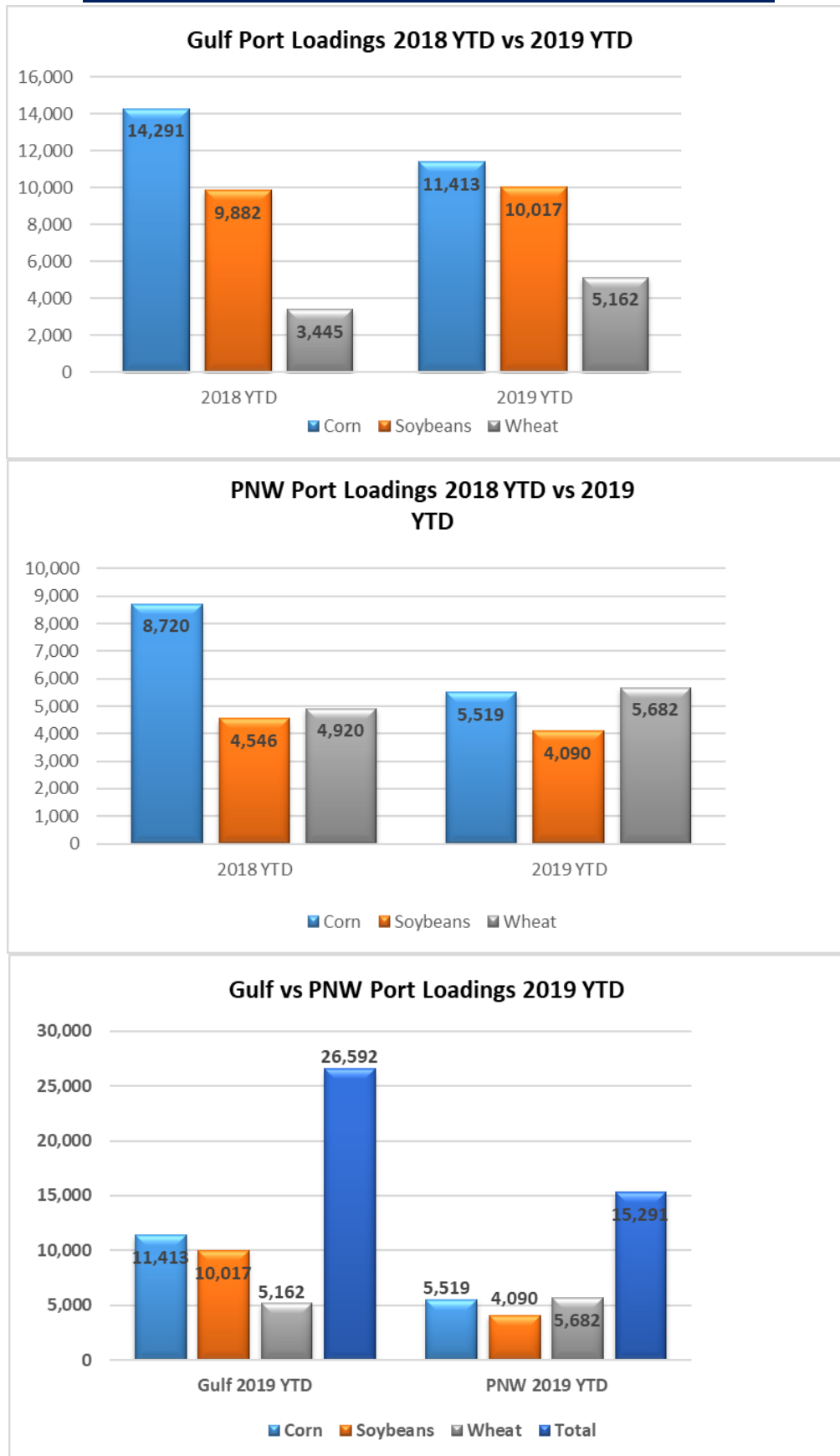
Grain Inspections for Export by U.S. Port Regions:  
U.S. Gulf and Pacific Northwest 2018 YTD vs. 2019 YTD

PORT LOADINGS US Gulf				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
<b>GULF</b>				
2018 YTD	14,291	9,882	3,445	27,618
2019 YTD	11,413	10,017	5,162	26,592
2019 as % of 2018	80%	101%	150%	96%

PORT LOADINGS US PNW				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
<b>PNW</b>				
2018 YTD	8,720	4,546	4,920	18,186
2019 YTD	5,519	4,090	5,682	15,291
2019 as % of 2018	63%	90%	115%	84%

PORT LOADINGS GULF vs. PNW				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
2019 Gulf YTD	11,413	10,017	5,162	26,592
2019 PNW YTD	5,519	4,090	5,682	15,291
TOTAL	16,932	14,107	10,844	41,883
Gulf Percentage	67%	71%	48%	63%
PNW Percentage	33%	29%	52%	37%

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

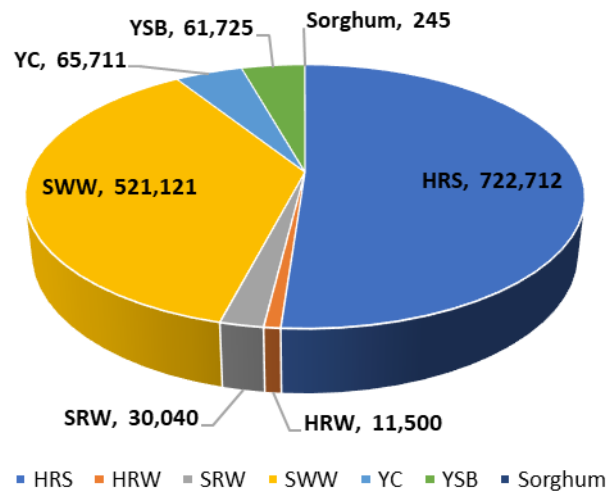


Source: USDA-data

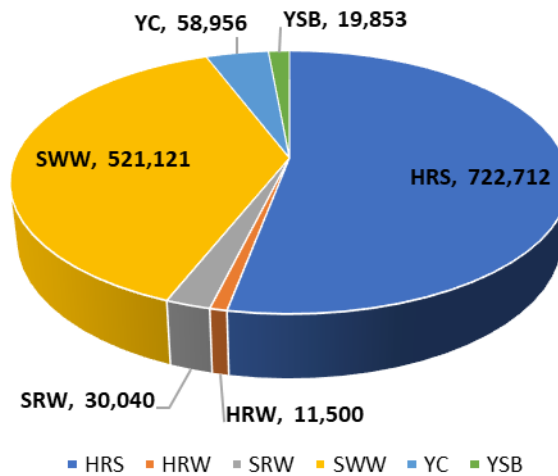


2019 YTD Total Grain Exports reported by USDA (in MT)

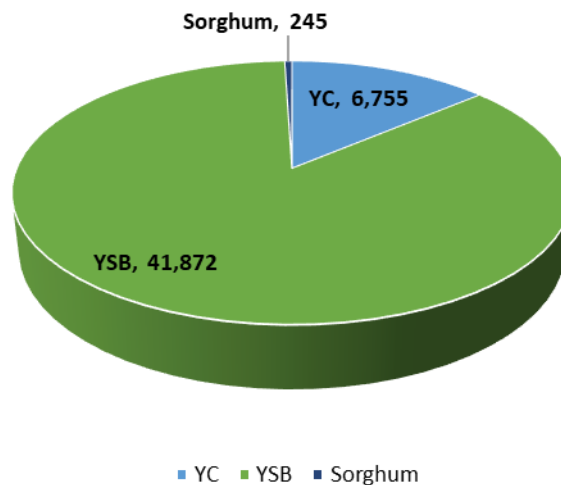
**2019 YTD Exports to Philippines**



**YTD Exports to Philippines by Vessel**



**YTD Exports to Philippines by Container**

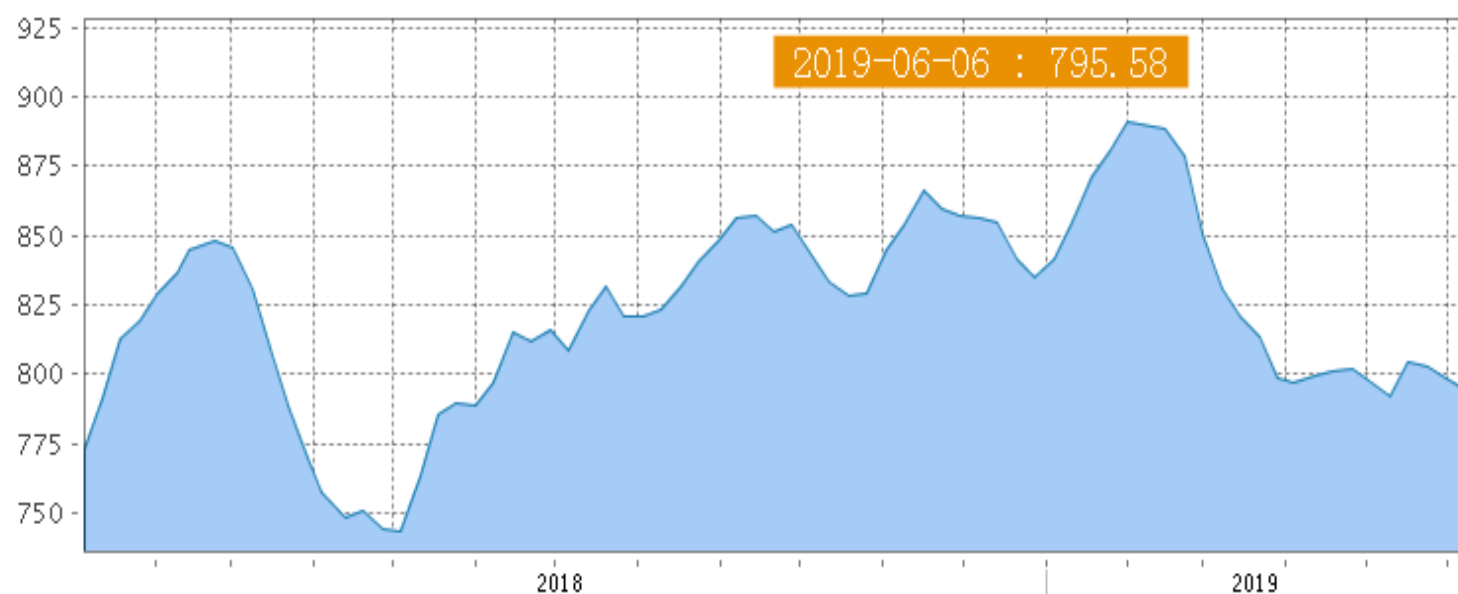


\*Please keep in mind that USDA does not report DDGS sales

## China Import Dry Bulk Freight Index



## China Containerized Freight Index



**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)	420	\$22.27	0.57	0.61
Mid-Mississippi	415	\$24.34	0.62	0.66
Lower Ohio	315	\$15.49	0.39	0.42
St. Louis	290	\$12.75	0.32	0.35

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

Secondary Rail Car Market Placement FH. July 2019	BID USD	ASK USD	BID BU.	ASK BU.	BID MT	ASK MT
BNSF Shuttle Trains	\$ -	\$ 100.00	\$ -	\$ 0.03	\$ -	\$ 0.98
UPRR Shuttle Trains	\$ (75.00)	\$ -	\$ (0.02)	\$ -	\$ (0.74)	\$ -

Best Regards,

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