

Transportation and Export Report for 12 July 2018

Ocean Freight Insights and Comments:

From a technical point of view freight markets were higher this week. The Baltic indices were up as paper traders returned from holiday with another feeling of optimism. But the physical markets did not truly follow and by the end of the week even the indices had to give back some of their gains. Overall the market remains mostly steady with a lot of uncertainty over the ramifications of the tariff war between the U.S. and China.

BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices				
12-Jul-18	This Week	Last Week	Difference	Percent Change
P2A : Gulf/Atlantic - Japan	20492	17922	2,570	14.3%
P3A - PNW/Pacific - Japan	9892	9908	-16	-0.2%
S1C -USGULF-China-So.Japan	20372	19738	634	3.2%

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

Four weeks ago: \$ 7.55-\$8.10
 Three weeks ago: \$ 7.85-\$8.10
 Two weeks ago: \$ 7.20-\$7.40
 One week ago: \$ 7.20-\$7.40
 This week \$ 8.10-\$9.00

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

Mississippi River: (10 elevators) 2-10 days
 Miss. River Mid-Stream loaders: (6+ Rigs) 0-0 days
 Texas Gulf (6 elevators) 0-6 days (Ave. 1 day)
 Pacific Northwest: (9 elevators) 1-17 days (only 2 facilities over 10 days)

Panamax Market Spreads to Asia -China					
12-Jul-18	PNW	GULF	Bushel Spread	MT Spread	Advantage
CORN	0.98	0.70	0.28	\$11.02	PNW
SOYBEANS	1.10	0.68	0.42	\$15.43	PNW
OCEAN FREIGHT	\$24.00	\$43.00	.48 -.52	\$19.00	August

Recent Reported Vessel Fixtures:

65,000 mt HSS Santos, Brazil to Port Kelang & Pasir Gudang Malaysia Aug.15-22 at \$31.00 fio
8000shex/8000satpmshex - ECTP

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 \$44.50 mt
55,000 U.S. PNW- Japan	\$24.75	Unchanged	Handymax \$25.00 mt
66,000 U.S. Gulf – China PNW to China	\$43.00 \$24.00	Up \$0.50 Unchanged	North or South China
25,000 U.S. Gulf- Veracruz, México	\$16.50	Up \$0.25	3,000 MT daily discharge rate
35-40,000 U.S. Gulf- Veracruz, México	\$14.50	Up \$0.25	Deep draft and 6,000 MT per day discharge rate.
25/35,000 U.S. Gulf- <u>East Coast Colombia</u> From Argentina	\$19.75 \$34.00	Unchanged	<u>West Coast Colombia at \$28.50</u>
40-45,000 U.S. Gulf - Guatemala	\$28.75	Unchanged	Acajutla/Quetzal - 8,000 out
26-30,000 U.S. Gulf – Algeria	\$31.75 \$33.25	Up \$0.25	8,000 mt daily discharge 3,000 mt daily discharge
26-30,000 US Gulf-Morocco	\$34.25	Up \$0.25	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt PNW to Egypt	\$28.50 \$27.75	Up \$0.50	55,000 -60,000 mt Russia Black Sea to Egypt \$15.00
60-70,000 U.S. Gulf – Europe – Rotterdam	\$21.00	Up \$0.50	Handymax at +\$1.75 more
Brazil, Santos – China Brazil, Santos – China Itacoatiara-Port Up River North Brazil	\$35.25 \$34.50 \$38.00	Unchanged	54-59,000 Supramax-Panamax 60-66,000 Post Panamax 60-66,000 mt
56-60,000 Argentina/Rosario- China Deep Draft	\$39.75	Unchanged	Up River with BB Top Off \$41.00

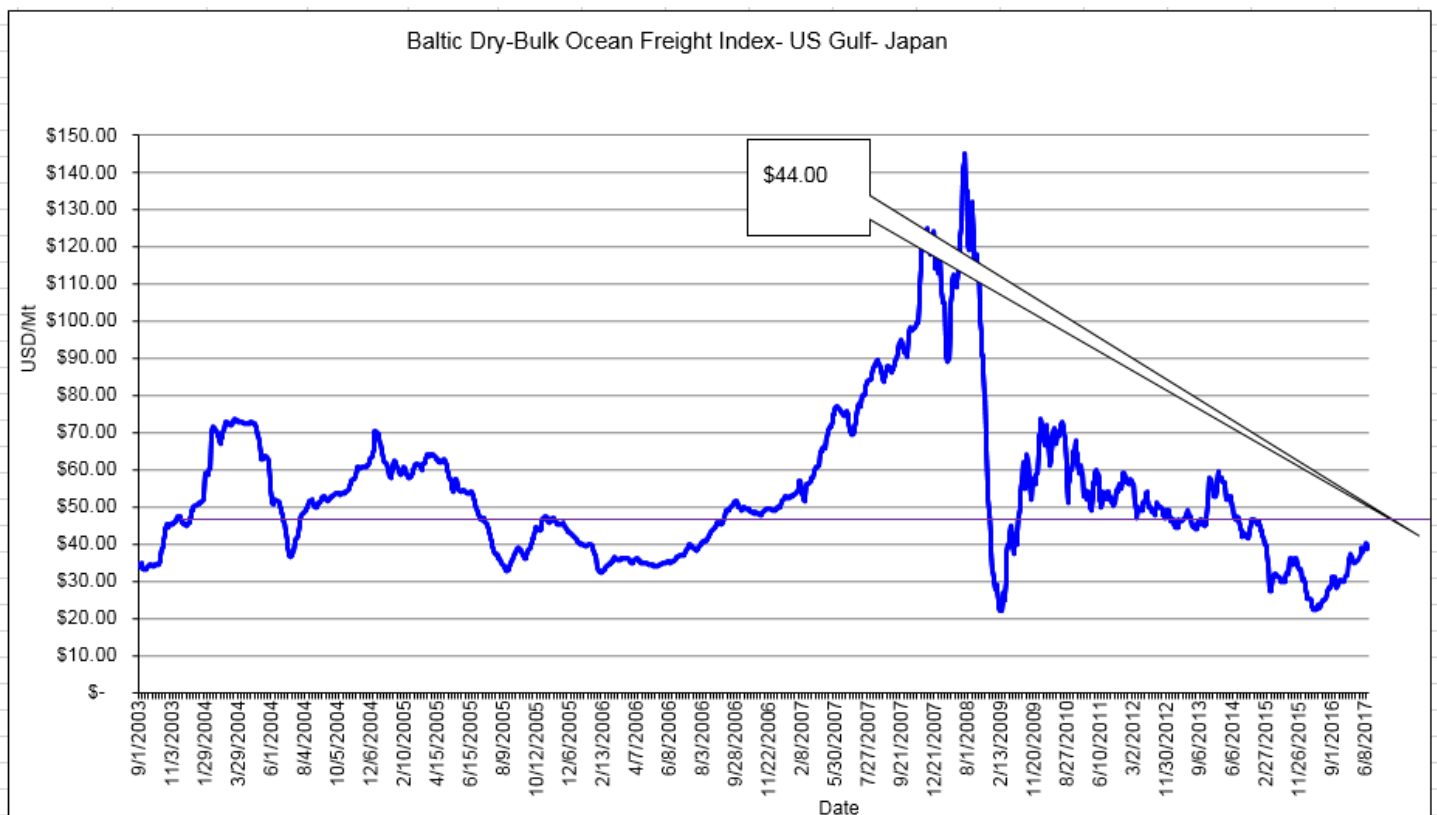
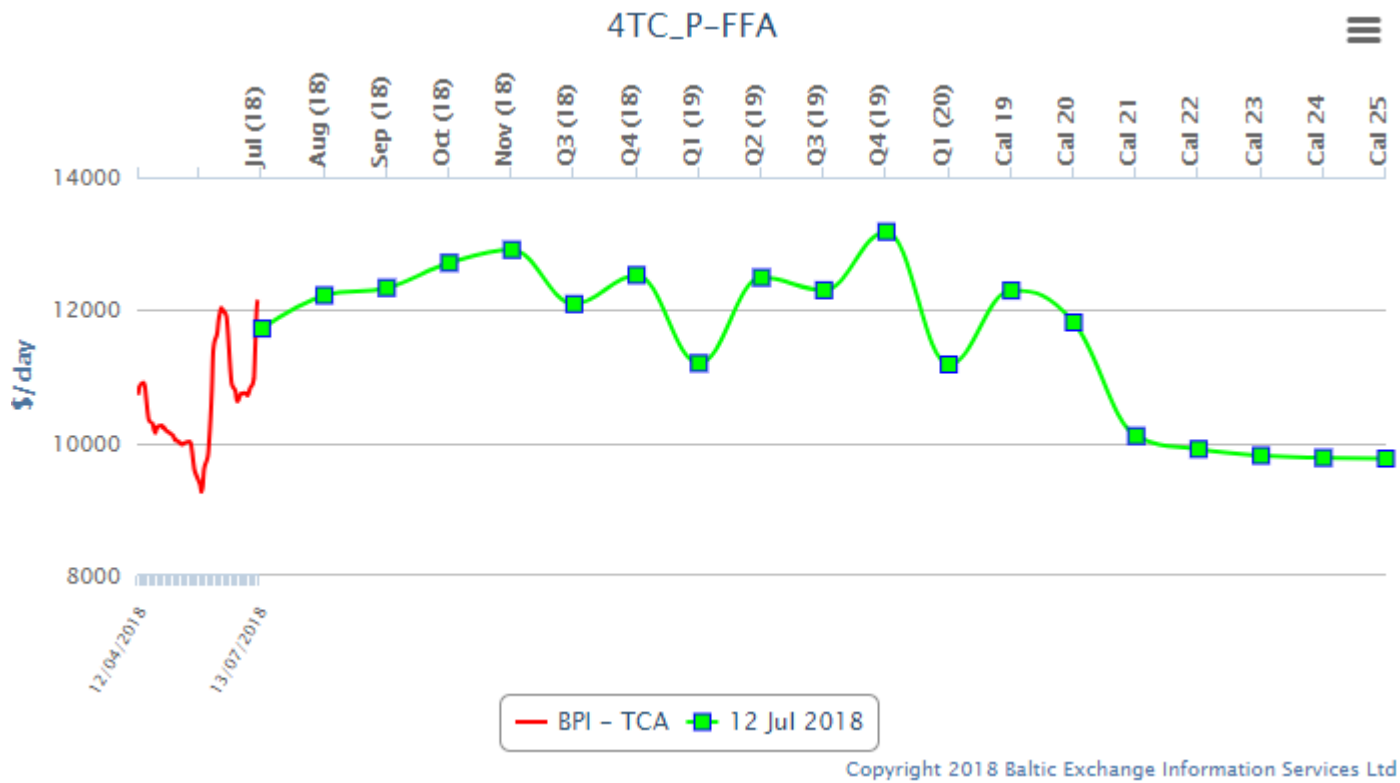
- The above rate estimates reflect the 30-45 day forward ocean freight markets.

Nautical Miles: To Xiamen China (South China)

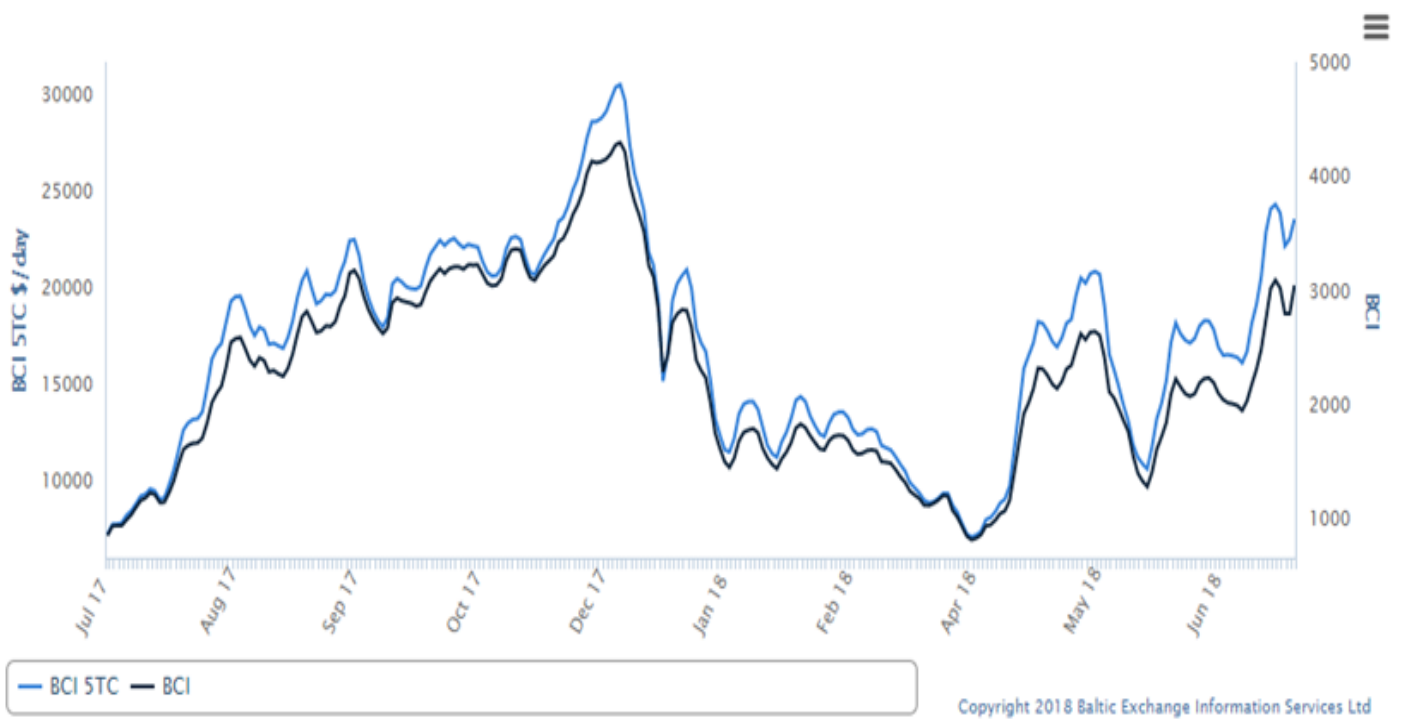
US Gulf (NOLA) (via Panamá Canal) – 10,232 nautical miles (32 days)

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

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

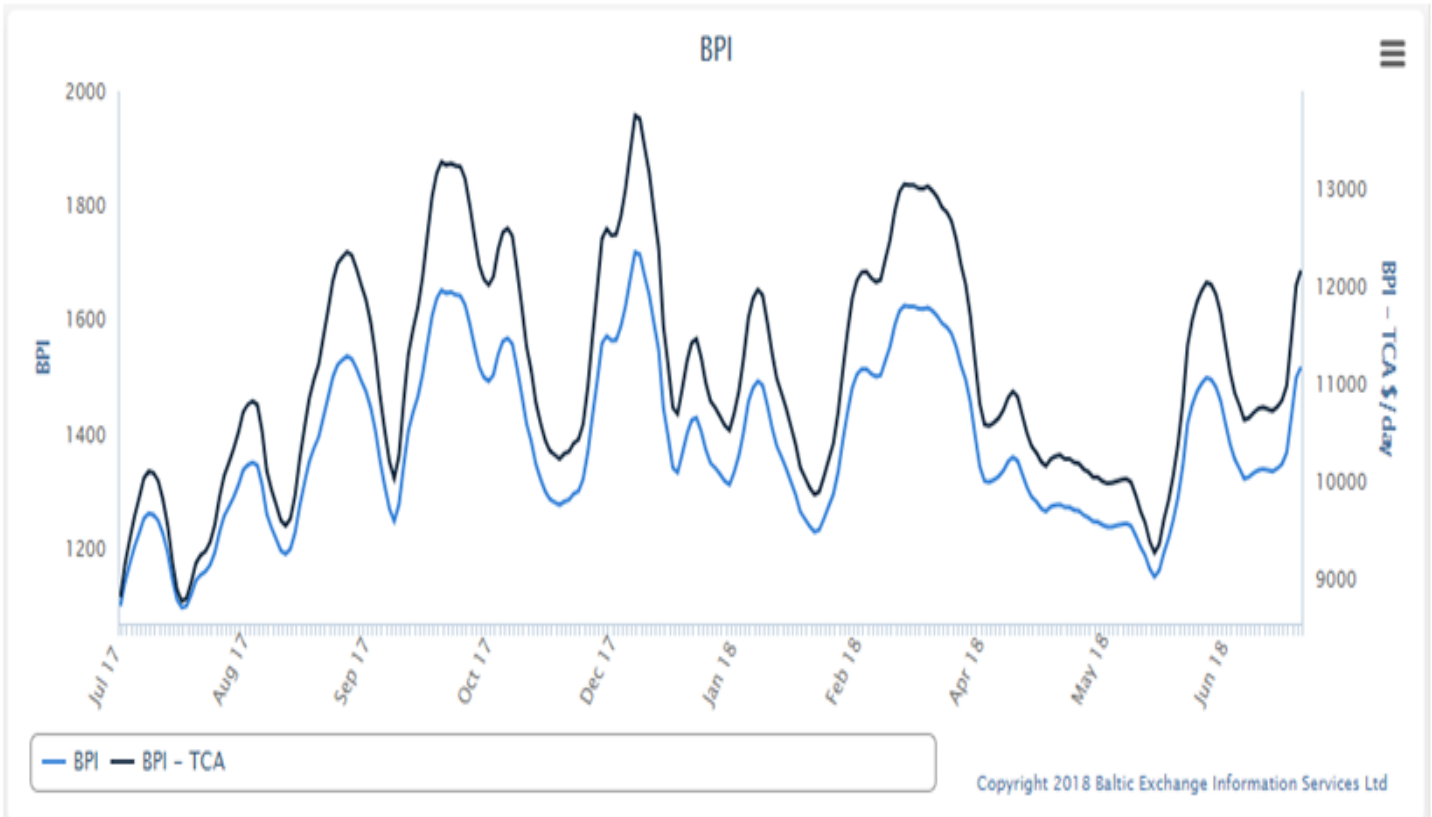


Baltic Capesize Index



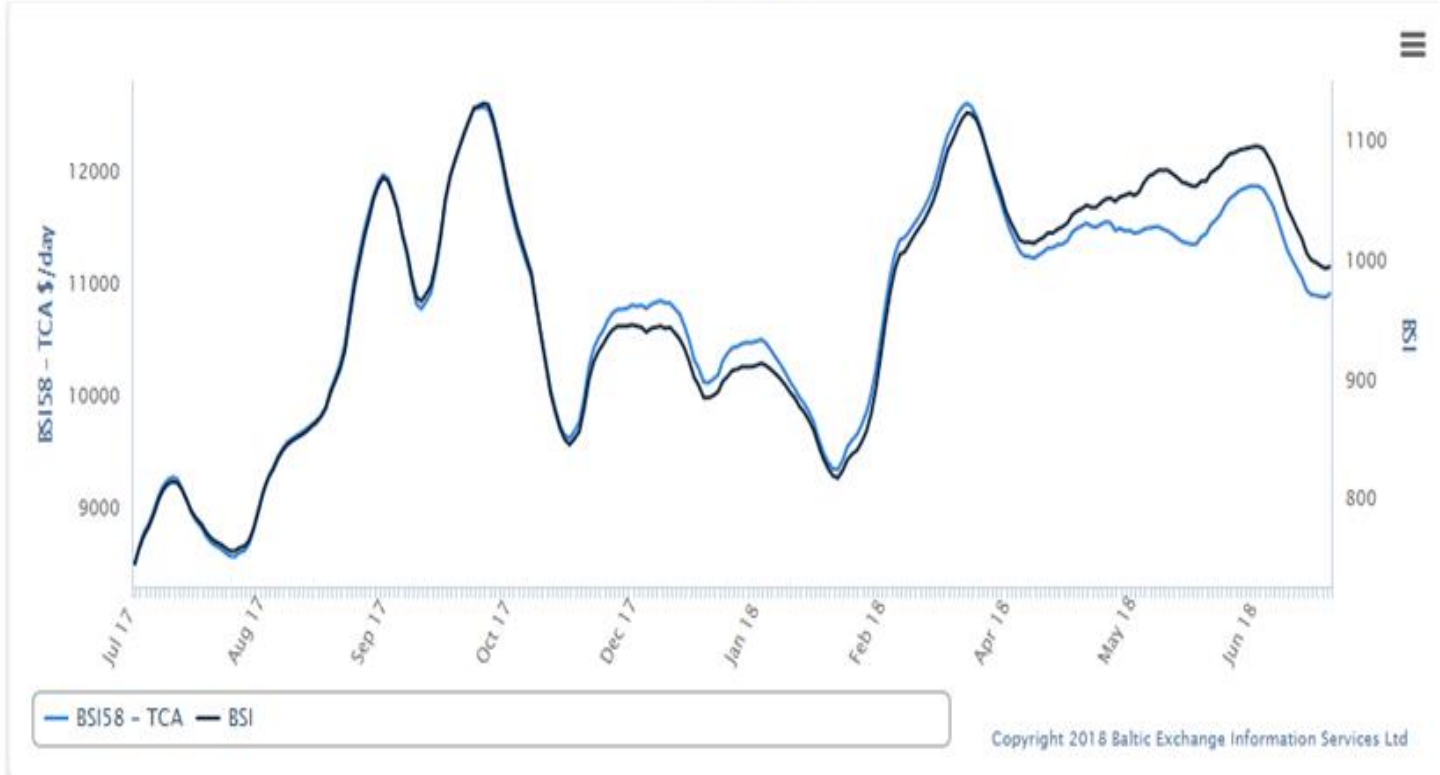
Baltic Panamax Index

Panamax



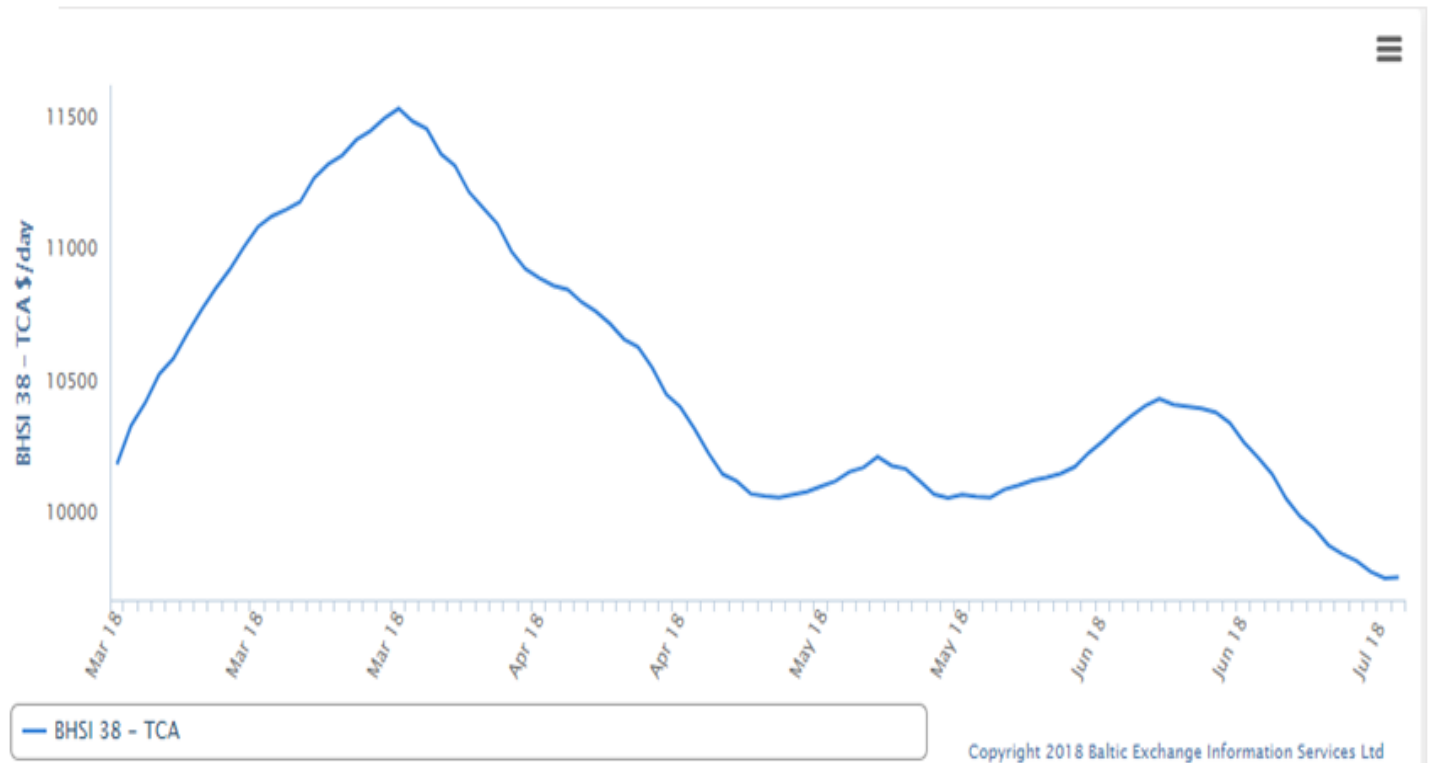
Baltic Supramax Vessel Index

Supramax



Baltic Handy Size

Handysize



Yamamizu Shipping

[Profile](#)
[History](#)
[Organization](#)
[Service](#)
[Access Map](#)
[Yamamizu Index](#)

USG/Japan Index Result

Date From: 2017-05-01

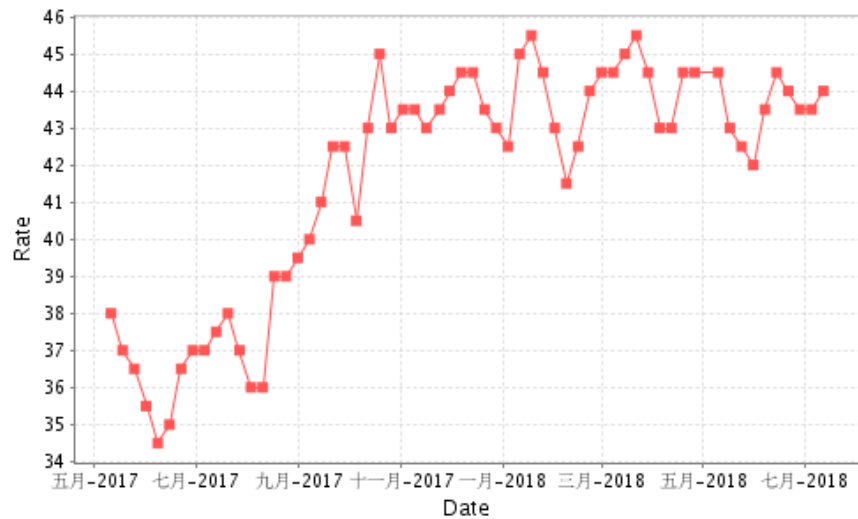
V

Date To: 2018-07-13

V

Query

Reset



China Import Dry Bulk Freight Index(CDFI)

2018-07-12

Route	Size MT	Cargo/Vessel Size	Unit	Rate	Change
Composite Index			Point	966.25	4.68
Iron ore Freight Index			Point	1012.96	7.87
Soybean Freight Index			Point	991.77	2.59
Santos(Brazil)—North China	60000/10%	Soybean	\$/ton	34.600	0.127
Tacoma(West America)—North China	60000/10%	Soybean	\$/ton	23.559	0
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	43.066	0.092
Mississippi(US Gulf)—North China	55000/10%	Soybean	\$/ton	44.575	0.072

12 July 2018 U.S. FOB Vessel Export Market Values:

U.S. Yellow Corn (USD/MT) FOB Vessel				
# 2 YC	U.S. Gulf #2 YC		PNW #3 YC	
15.0 % Moisture	Basis	Flat Price	Basis	Flat Price
Aug.	0.70	\$163.67	0.98	\$174.69
Sept.	0.71	\$164.07	1.02	\$176.27
Oct.	0.70	\$168.99	1.03	\$181.98
Nov.	0.75	\$170.95	1.06	\$183.16
Dec.	0.76	\$171.35	1.07	\$183.55
Jan.	0.70	\$173.61	1.00	\$185.42

The Gulf spread between #2 & #3 YC is currently about 02 cents per bushel (0.80/mt)

SORGHUM (USD/MT) FOB VESSEL				
#2 YGS Fob Vessel	NOLA		TEXAS	
Max. 14.0% moisture	BASIS	FLAT PRICE	BASIS	FLAT PRICE
Aug. (Z)	1.10	\$184.73	0.90	\$176.86
Sept. (Z)	1.10	\$184.73	0.90	\$176.86
Oct.	1.10	\$184.73	1.00	\$180.80
Nov.	1.20	\$188.67	1.10	\$184.73
Dec.	1.20	\$188.67	1.10	\$184.73

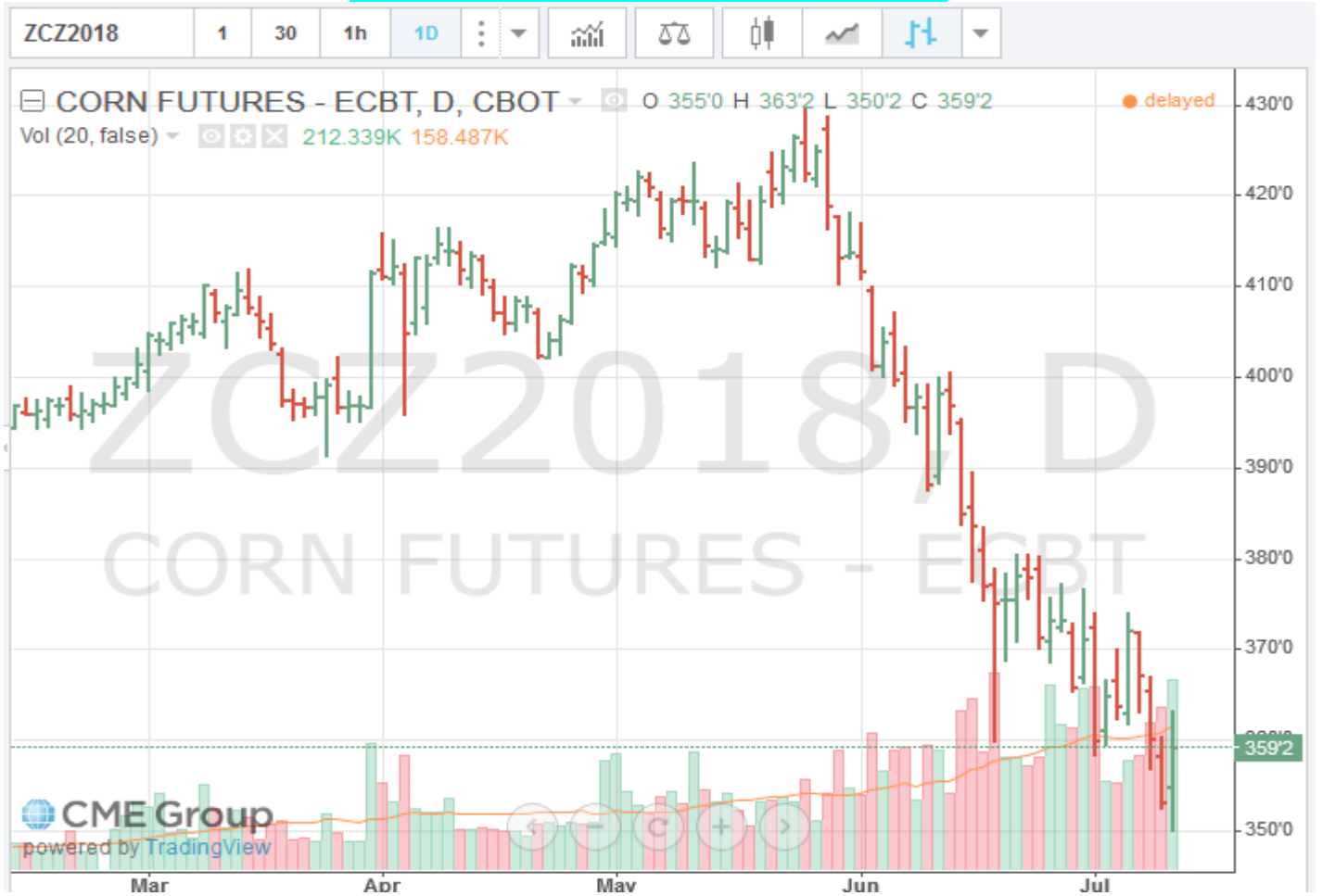
**** Please note that, at this moment, no one is quite sure of the exact , market value of export Sorghum.
Fob vessel Texas Gulf #2 Sorghum is about 1.08 ? the value of #2 Yellow Corn at NOLA**

U.S. SRW Wheat Fob Vessel at the Center U.S. Gulf

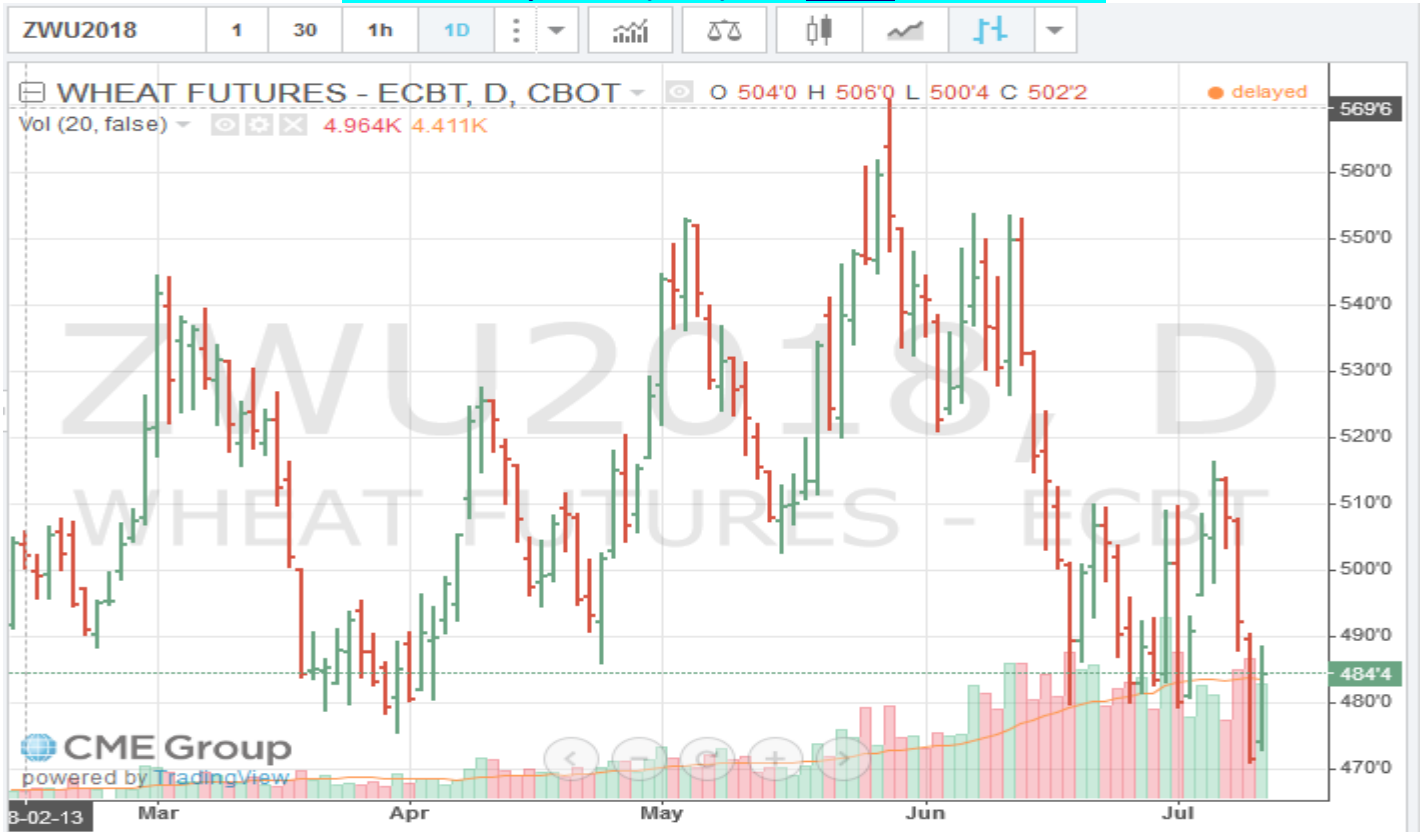
SRW Wheat	USD/MT	Fob Vessel	US Gulf	
	Aug.	Sept.	Oct.	Nov.
FOB U.S. GULF	\$205.58	\$207.42	\$211.73	\$213.57
Basis	0.75	0.80	0.75	0.80
WU	4.8450			
WZ	5.0125			
WH	5.1825			

CME Futures Market Close						
CORN	Futures	Friday Close	Friday Close	Last week	Last Week	Difference
Month	Symbol	Bushel	MT.	Bushel	MT.	Bushel
Sept.	CU	\$3.4575	\$136.11	\$ 3.4350	\$135.23	\$0.0225
Dec.	CZ	\$3.5925	\$141.43	\$ 3.5225	\$138.67	\$0.0700
Mar.	CH	\$3.7100	\$146.05	\$ 3.6450	\$143.50	\$0.0650
May.	CK	\$3.7775	\$148.71	\$ 3.7500	\$147.63	\$0.0275
July	CN	\$3.8350	\$150.98	\$ 3.8175	\$150.29	\$0.0175

CBOT December 2018 (CZ8) Corn Futures Chart –



CME/CBOT Sept. 2018 (WU8) SRW Wheat Futures Chart –

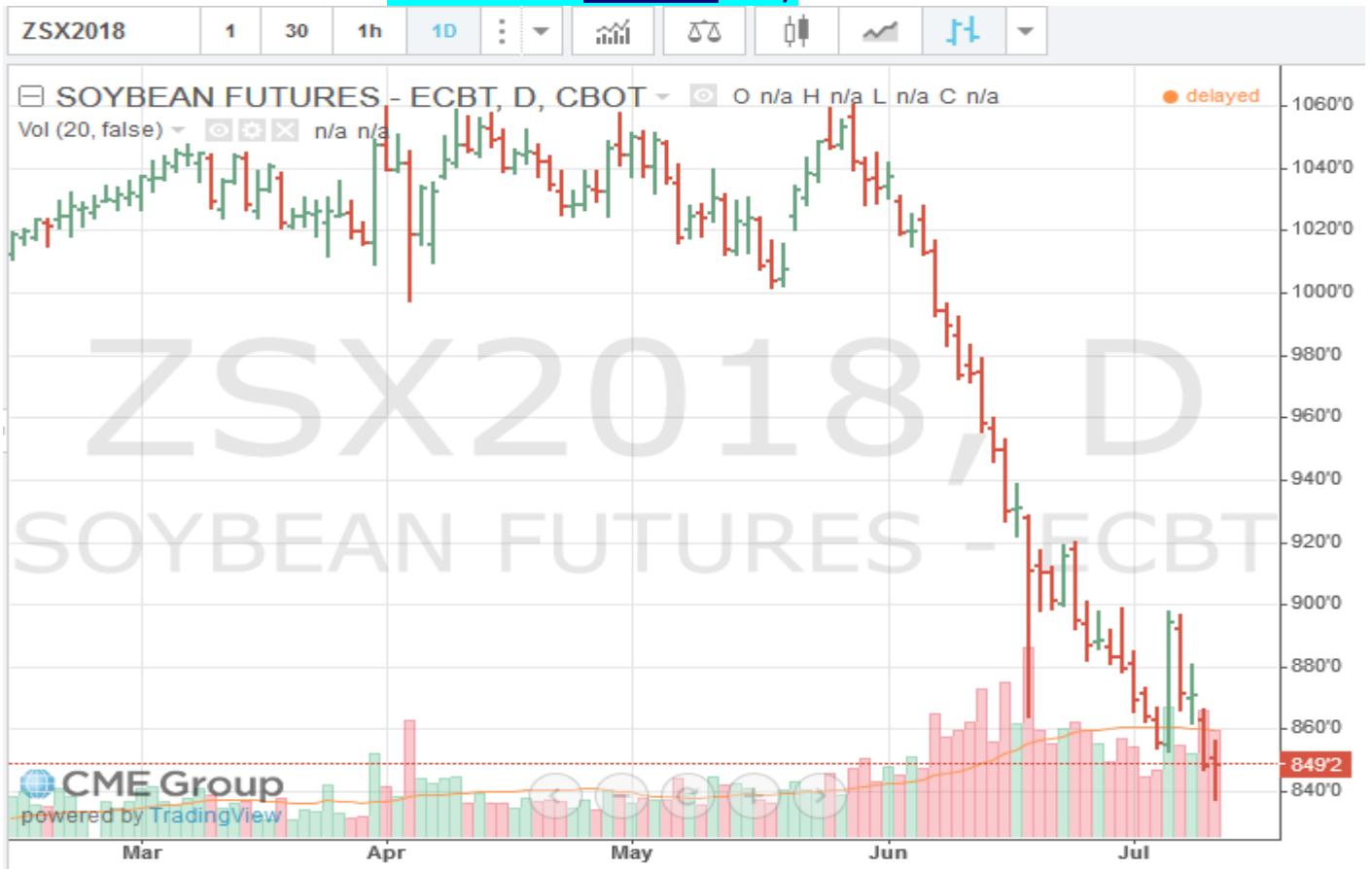


U.S. Soybean and SBM Markets Fob Vessel:

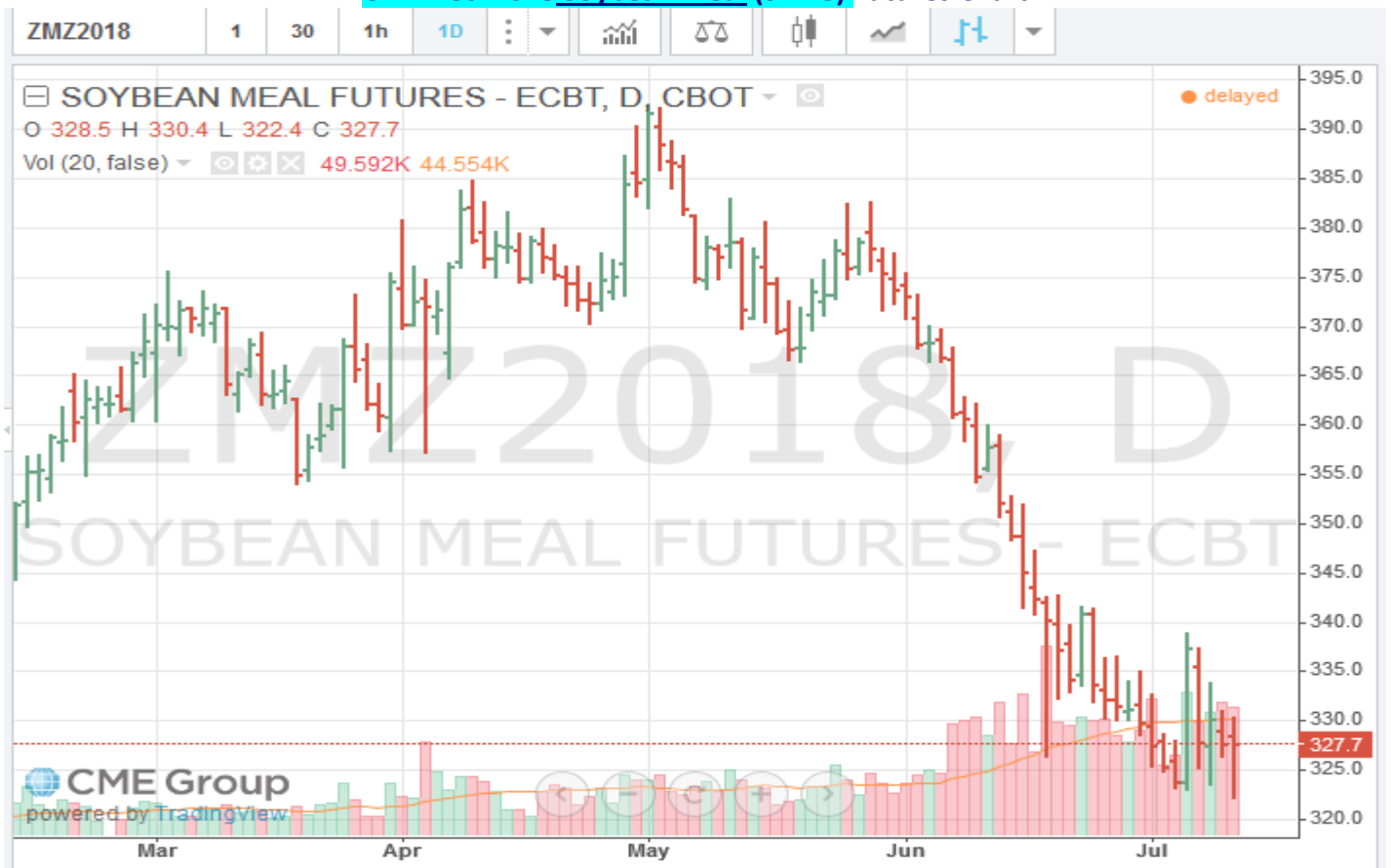
U.S. Yellow Soybeans (USD/MT) FOB Vessel				
# 2 YSB	U.S. Gulf #2 YSB		PNW #2 YSB	
14.0 % Moisture	Basis	Flat Price	Basis	Flat Price
Aug. (X)	0.68	\$337.03	1.10	\$352.46
Sept. (X)	0.68	\$337.03	1.10	\$352.46
Oct.	0.68	\$337.03	1.15	\$354.30
Nov.	0.73	\$338.87	1.17	\$355.03
Dec.	0.71	\$341.71	1.15	\$357.88
Soybean Futures				
Aug.	\$ 8.3375			
Sept.	\$ 8.3900			
Nov.	\$ 8.4925			
Jan.	\$ 8.5900			
Mar.	\$ 8.6775			
May	\$ 8.7675			

U.S. SBM (USD/MT) FOB Vessel		
Fob U.S. Gulf Port	47.5 Pro. SBM	
max 12.5 % moisture	Basis	Flat Price
Aug.	28.00	\$ 395.69
Sept. (V)	30.00	\$ 396.13
Oct.	30.00	\$ 396.13
Nov.	32.00	\$ 396.57
Dec.	32.00	\$ 396.57
SBM Futures		
SMQ	330.90	
SMU	330.30	
SMV	329.30	
SMZ	327.70	
SMF	324.40	
SMH	318.00	

CME Nov. 2018 Soybean (SX18) Futures Chart:



CME Dec. 2018 Soybean Meal (SMZ8) Futures Chart



U.S. EXPORT STATISTICS: Report Activity as of Week Ending 28 June 2018

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 '17- 18 (000 MT)
Corn	522.4	57,693.3	58,420	99%	4,519.9
Sorghum	38.0	5,197.4	5,840	89%	38.0
Soybeans	695.1	57,292.0	56,200	102%	7,982.2
Wheat	465.0	5,992.0	25,860	23%	0.0
Barley	0.0	48.9	110	44%	0.0

U.S. EXPORT INSPECTIONS:

Monday's report 09 July 2018 for the Export week ending 05 July 2018

	Export Inspections		Current Market Year YTD	Previous Year to Date	2017 YTD as Percent of 2016 YTD (Wheat 2018 vs 2017)
	This Week	Previous Week			
Corn	1,446,926	1,538,556	47,207,472	49,724,027	95%
Sorghum	10,584	9,416	4,781,677	5,136,986	93%
Soybeans	654,834	849,374	50,328,713	53,016,687	95%
Wheat	268,221	324,548	1,751,010	3,343,553	52%
Barley	0	709	807	5,221	15%

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

U.S. EXPORT INSPECTIONS:

Monday's report 09 July 2018 for the Export week ending 05 July 2018

Last Week							
(Metric Tons)	YC	%	WC	%	Sorghum	%	Soybeans %
Lakes	3,241	0%	0	0%	0	0%	0 0%
Atlantic	0	0%	0	0%	0	0%	56,293 9%
Gulf	672,515	48%	54,873	100%	73	1%	358,180 55%
PNW	623,427	45%	0	0%	10,056	95%	140,564 21%
Interior Export Rail	92,870	7%	0	0%	455	4%	99,797 15%
Metric Tons	1,392,053		54,873		10,584		654,834

Sorghum Shipments:	metric tons	
	73	Cameroon
	10,056	Japan
	455	Mexico
	10,584	Total

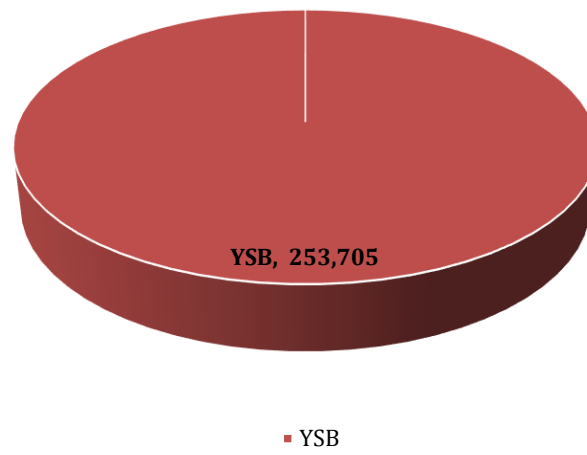
White Corn	metric tons	
Shipments:	19,161	Colombia
	8,800	Honduras
	4,694	Japan
	22,218	Mexico
	54,873	Total

Export Inspection Highlights

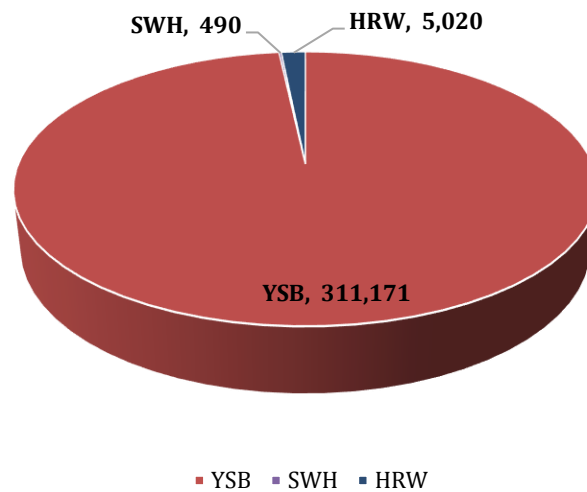
Data sheet below: *USDA weekly export inspections report with corrections to the last three weeks' grain export inspections reports. (This usually covers a 2-5 week prior time frame).*

CONTAINER SHIPMENTS of GRAIN									
USDA Grain Inspections Report:		5-Jul-2018							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	SWH	HRW	Sorghum	TOTAL
China Main									0
China T	17,949		18,000						35,949
Hong Kong									0
Costa Rica	49								49
Indonesia			19,312						19,312
Panama									0
Japan	465		930						1,395
Korea Republic	1,664		245						1,909
Dominican Rep									0
Malaysia	490		5,093						5,583
Burma			1,371	734					2,105
Philippines	245		1,541	98					1,884
Thailand			14,616						14,616
Cambodia									0
Bangladesh									0
Vietnam	514		6,656						7,170
Sub total	21,376	0	67,764	832	0	0	0	0	82,802
USDA Corrections/Additions to previous reports:									
China T			48						48
China Main									0
Hong Kong									0
Korea Rep.									0
Costa Rica									0
Japan									0
Philippines									0
Indonesia			122						122
Malaysia									0
Thailand									0
Vietnam									0
Canada									0
Burma									0
Sub total	0	0	170	0	0	0	0	0	170
Mt. Grand Total	21,376	0	67,934	832	0	0	0	0	82,972
Number of containers	929	0	2,954	36	0	0	0	0	

2018 YTD Container Shipments to Thailand



2017 Container Shipments to Thailand

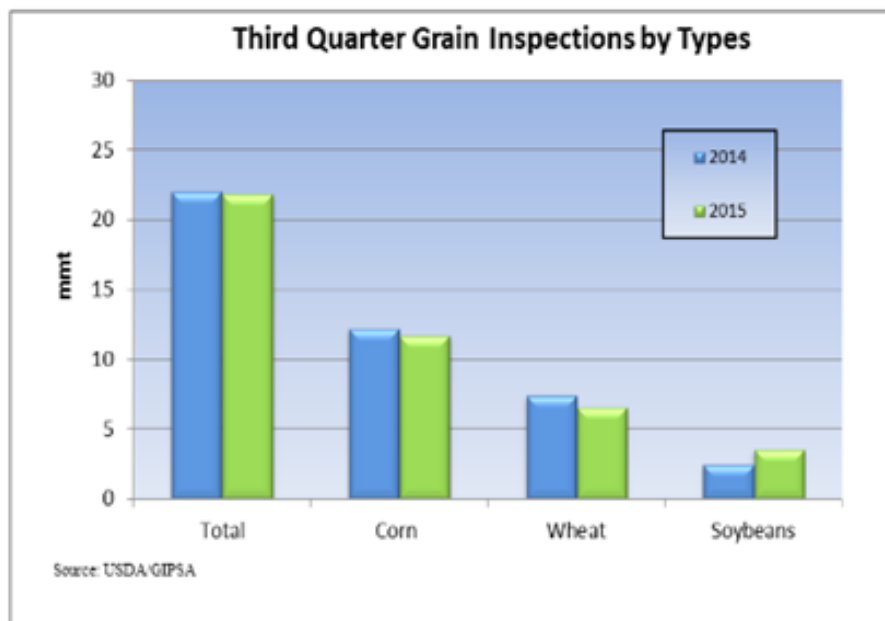


Grain Inspections for Export by U.S. Port Regions:
U.S. Gulf and Pacific Northwest 2017 YTD vs. 2018 YTD

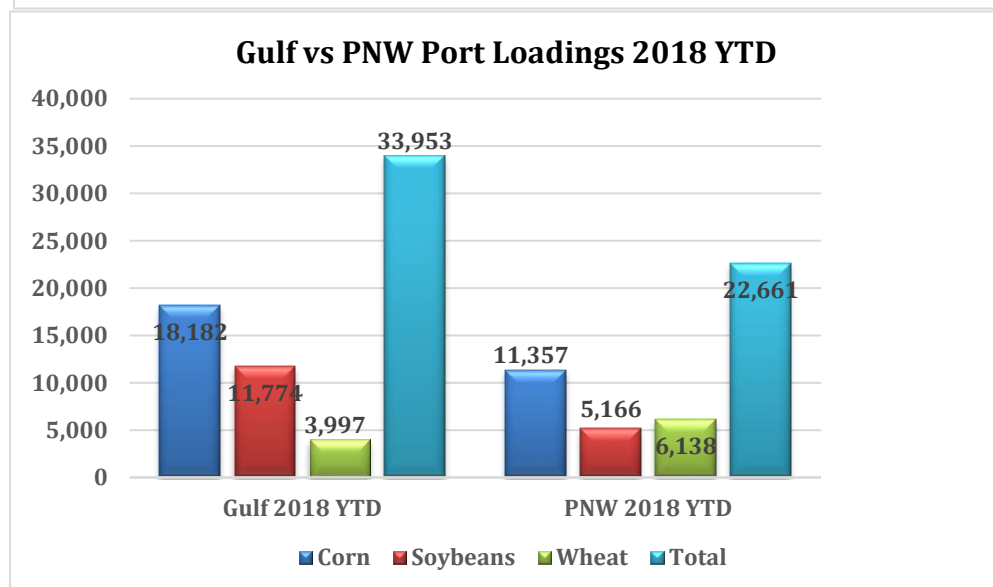
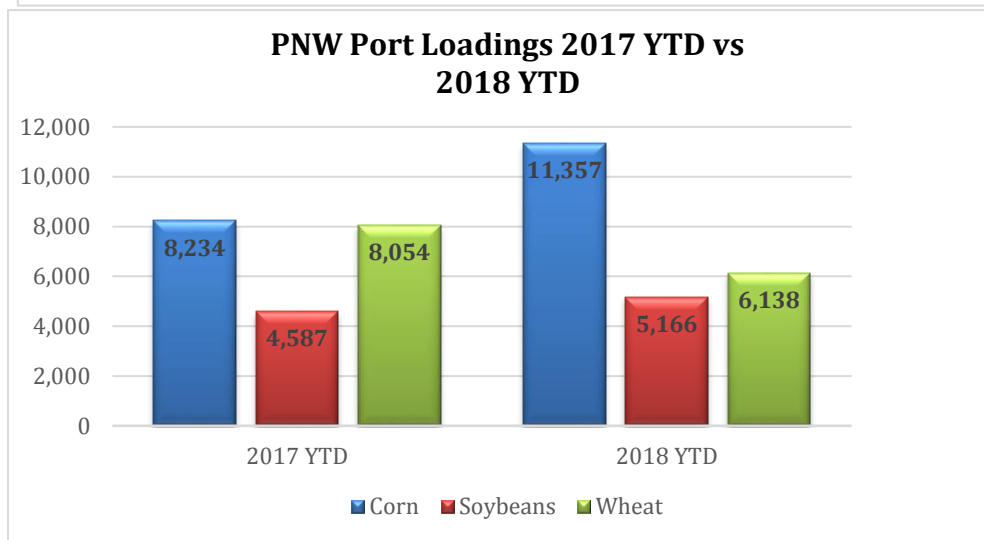
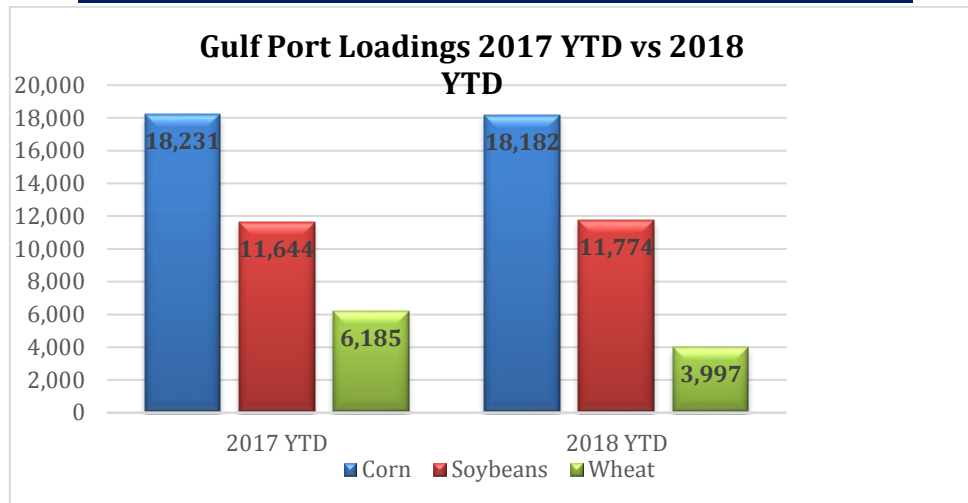
PORT LOADINGS US Gulf				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
GULF				
2017 YTD	18,231	11,644	6,185	36,060
2018 YTD	18,182	11,774	3,997	33,953
2018 as % of 2017	100%	101%	65%	94%

PORT LOADINGS US PNW				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
PNW				
2017 YTD	8,234	4,587	8,054	20,875
2018 YTD	11,357	5,166	6,138	22,661
2018 as % of 2017	138%	113%	76%	109%

PORT LOADINGS GULF vs. PNW				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
2018 Gulf YTD	18,182	11,774	3,997	33,953
2018 PNW YTD	11,357	5,166	6,138	22,661
TOTAL	29,539	16,940	10,135	56,614
Gulf Percentage	62%	70%	39%	60%
PNW Percentage	38%	30%	61%	40%



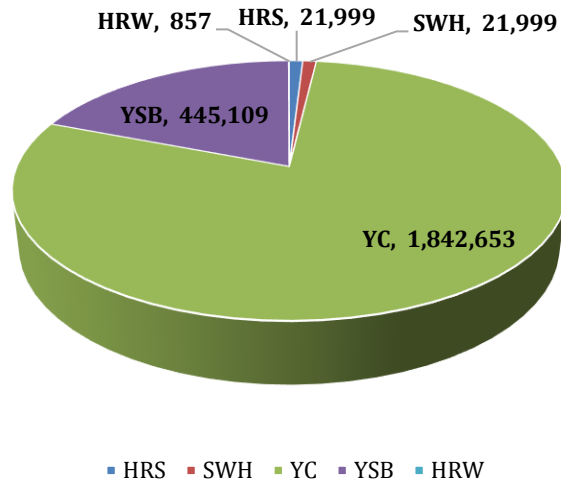
Grain Inspections for Export by U.S. Port Regions (1,000MT):
U.S. Gulf and Pacific Northwest 2017 YTD vs. 2018 YTD



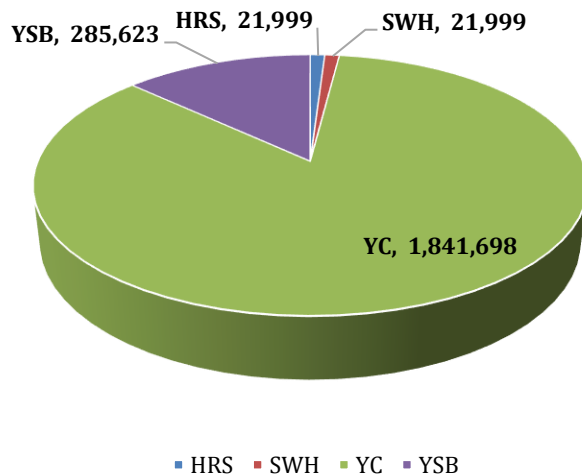
Source: USDA-data

2018 YTD Total Grain Exports reported by USDA (in MT)

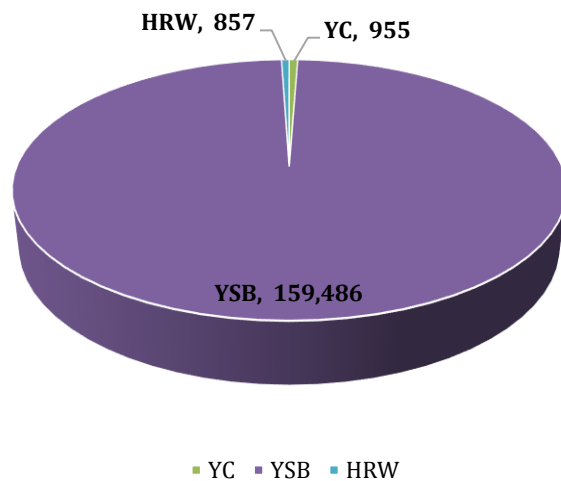
2018 YTD Exports to Vietnam



YTD Exports to Vietnam by Vessel



YTD Exports to Vietnam by Container

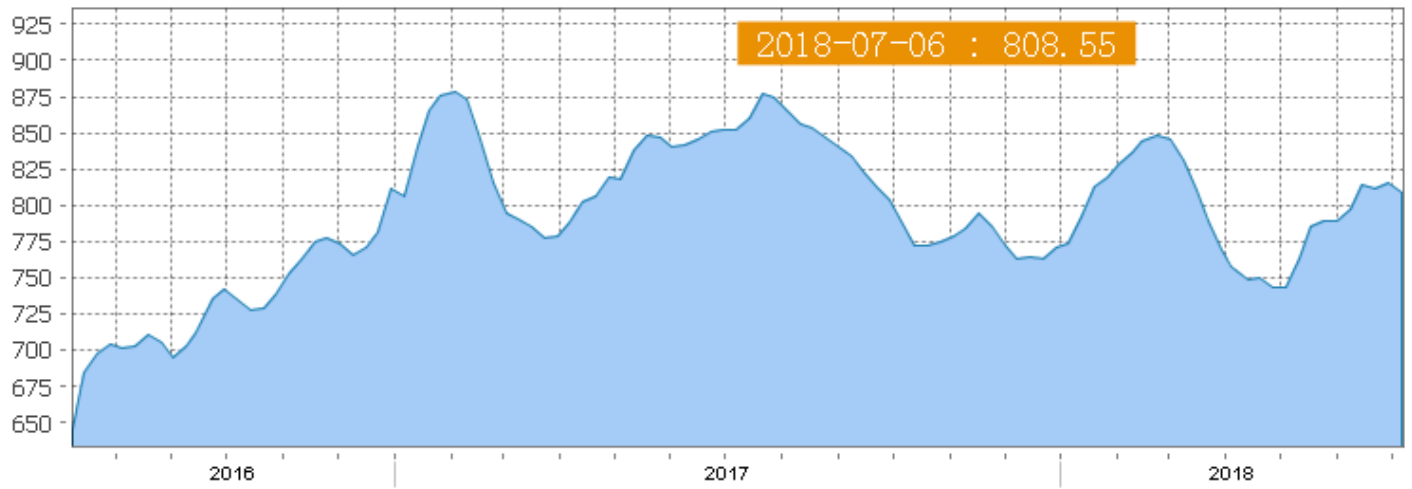


**Please keep in mind that USDA does not report DDGS sales, or they would show as the largest exports by container.

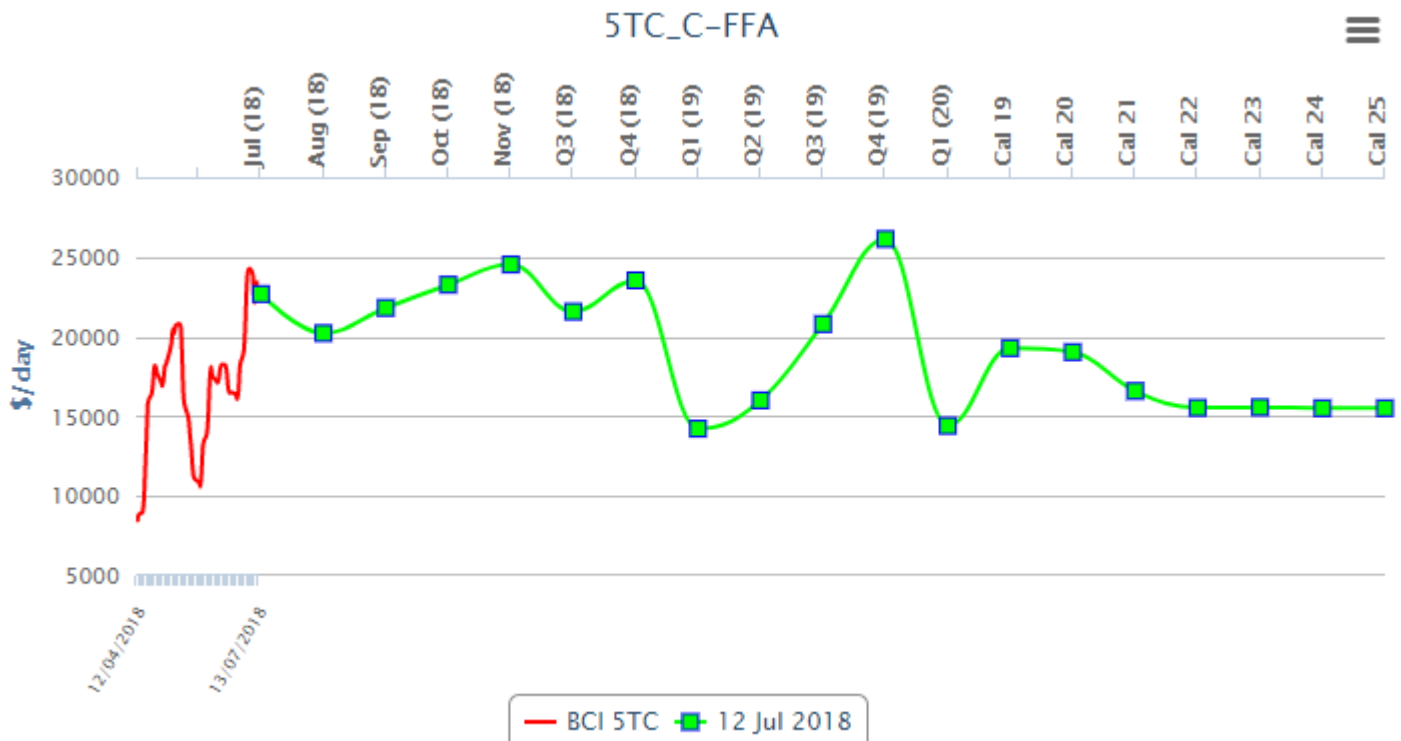
Source: USDA

Shipping News

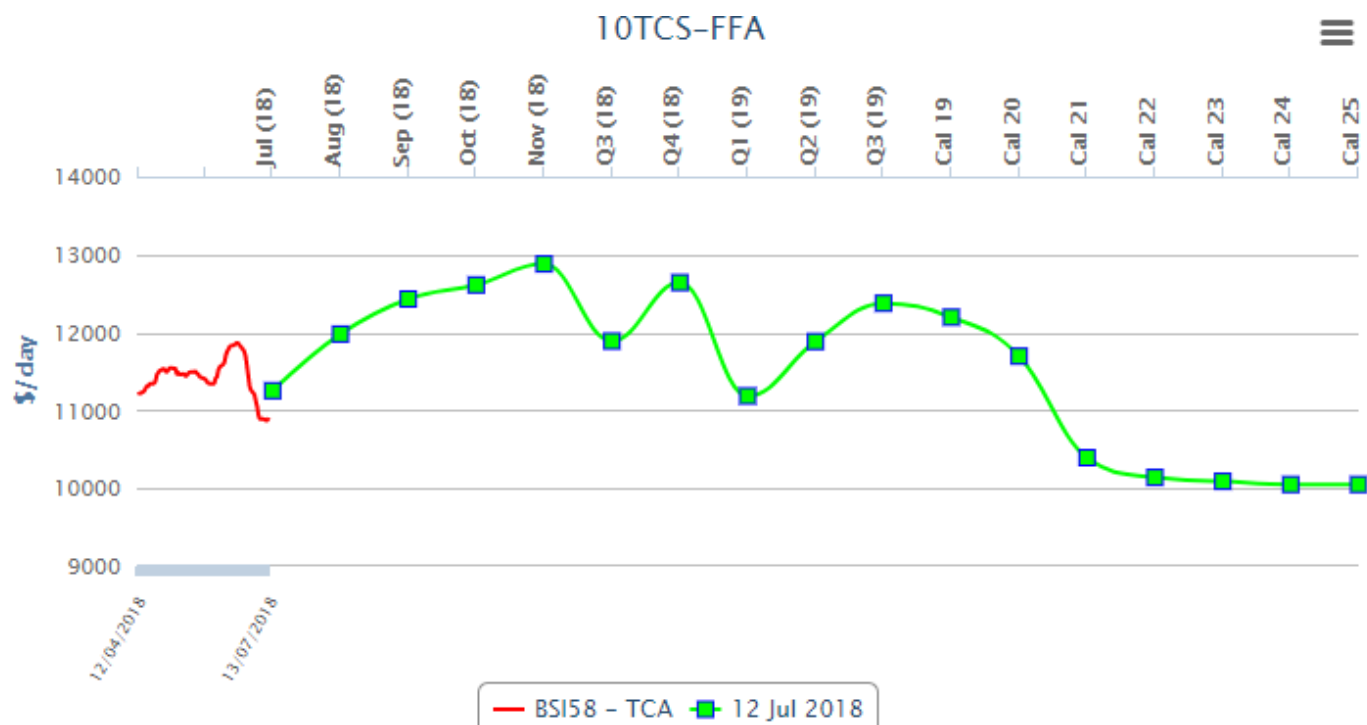
China Containerized Freight Index



FFA Capesize for the 4-time charter routes



FFA SUPRAMAX 58 for the 5-time charter routes



Copyright 2018 Baltic Exchange Information Services Ltd

FFA SUPRAMAX 52- 52,000 DWT, Max 15 years of age.

U.S. RIVER BARGE FREIGHT

Current Barge Freight for Placement First Half August 2018

Placement FH August 2018	% of		Corn	Soybeans-Wheat
	Tariff	MT	BU	BU
Upper Mississippi	465	\$31.73	0.81	0.86
Illinois River (Pekin and South)	405	\$21.47	0.55	0.58
Mid-Mississippi	410	\$24.04	0.61	0.65
Lower Ohio	350	\$17.21	0.44	0.47
St. Louis	305	\$13.41	0.34	0.37

Secondary Rail Car Market for car placement period: First Half August 2018.

Secondary Rail Car Market Placement FH August 2018	BID USD	ASK USD	BID BU.	ASK BU.	BID MT	ASK MT
BNSF Shuttle Trains	\$ 200.00	\$ 350.00	\$ 0.05	\$ 0.09	\$ 1.97	\$ 3.44
UPRR Shuttle Trains	\$ -	\$ 250.00	\$ -	\$ 0.06	\$ -	\$ 2.46

www.grains.ksu.edu/igp

Best Regards,

Jay

Jay O'Neil
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.