



## Transportation and Export Report for 13 July 2017

### Ocean Freight Insights and Comments:

I searched far and wide to come up with something new and interesting to say about these freight markets but I fear that simply does not exist.

Last week I stated that “The market continues to steam in circles”; last week freight markets were down \$.50-0.75/mt and this week most are back up the same amount. The only exception is down in South America where the vessel line-ups continue to grow and the grain freight rates are up \$1.50-\$2.00/mt from the previous week. . We are in the process of finishing up the U.S.HRW wheat harvest and find that that did not really have much impact on rates from the U.S. Gulf. Now we will want to see what happens with the Oct.-Nov. Corn and Soybean harvest exports. It is interesting to see the very wide spread in the Fob vessel values of U.S, Sorghum and Corn. Sorghum values are at +95 CZ while Corn sits at +29 CZ for August shipment

### BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices				
13-Jul-17	This Week	Last Week	Difference	Percent Change
P2A : Gulf/Atlantic - Japan	15295	14459	836	5.8%
P3A - PNW/Pacific - Japan	8682	8089	593	7.3%
S1C -USGULF-China-So.Japan	18983	18381	602	3.3%

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

Four weeks ago:	\$ 5.00-\$5.90
Three weeks ago:	\$ 4.85-\$5.45
Two weeks ago:	\$ 4.55-\$5.25
One week ago:	\$ 4.55-\$5.20
This week	\$ 4.30-\$4.65

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

Mississippi River:	(10 elevators)	3-8 days
Miss. River Mid-Stream loaders:	(6+ Rigs)	0-3 days
Texas Gulf	(6 elevators)	0-2 days
Pacific Northwest:	(9 elevators)	6-11 days

Panamax Market Spreads to Asia -China					
13-Jul-17	PNW	GULF	Bushel Spread	MT Spread	Advantage
CORN	0.51	0.29	0.22	\$8.66	PNW
SOYBEANS	0.72	0.42	0.30	\$11.81	PNW
OCEAN FREIGHT	\$18.50	\$36.25	.45-.48	<b>\$17.75</b>	August

### Recent Reported Vessel Fixtures:

60,000 mt HSS Brazil to China August 1-10 at \$27.35 fio 8000shex/8000shex – ADMI

Route and Vessel Size	Current Week USD/MT	Change from previous week	Remarks
55,000 U.S. Gulf-Japan	\$37.50	Up \$0.50	Handymax at \$38.00 mt
55,000 U.S. PNW- Japan	\$19.25	Up \$0.25	Handymax at \$19.75 mt
55,000 U.S. Gulf – China	\$36.25	Up \$0.75	North China
PNW to China	\$18.50	Up \$0.25	
25,000 U.S. Gulf- Veracruz, México	\$14.50	Up \$0.25	3,000 MT daily discharge rate
35-40,000 U.S. Gulf- Veracruz, México	\$12.50	Up \$0.25cfd	Deep draft and 6,000 MT per day discharge rate.
25/35,000 U.S. Gulf- <u>East Coast Colombia</u>	\$17.50	Up \$0.25	<u>West Coast Colombia at \$25.75</u>
From Argentina	\$26.00		
40-45,000 U.S. Gulf - Guatemala	\$25.50	Up \$0.50	Acajutla/Quetzal - 8,000 out
26-30,000 U.S. Gulf – Algeria	\$26.00 \$29.00	Up \$0.50	8,000 mt daily discharge 3,000 mt daily discharge
25-30,000 US Gulf-Morocco	\$25.00	Up \$0.50	5,000 discharge rate
55,000 U.S. Gulf –Egypt	\$22.50	Up \$0.50	55,000 -60,000 mt
PNW to Egypt	\$22.50		St. Lawrence to Egypt \$22.75
60-70,000 U.S. Gulf – Europe – Rotterdam	\$13.00	Down \$0.25	Handymax at +\$1.50 more
Brazil, Santos –China	\$28.00	Up \$2.00	54-58,000 Supramax-Panamax
Itacoatiara Port up River	\$27.00		60-66,000 Post Panamax
Amazonia - China	\$31.00		
56-60,000 Argentina-China Up River with Top Off	\$34.50	Up \$1.50	

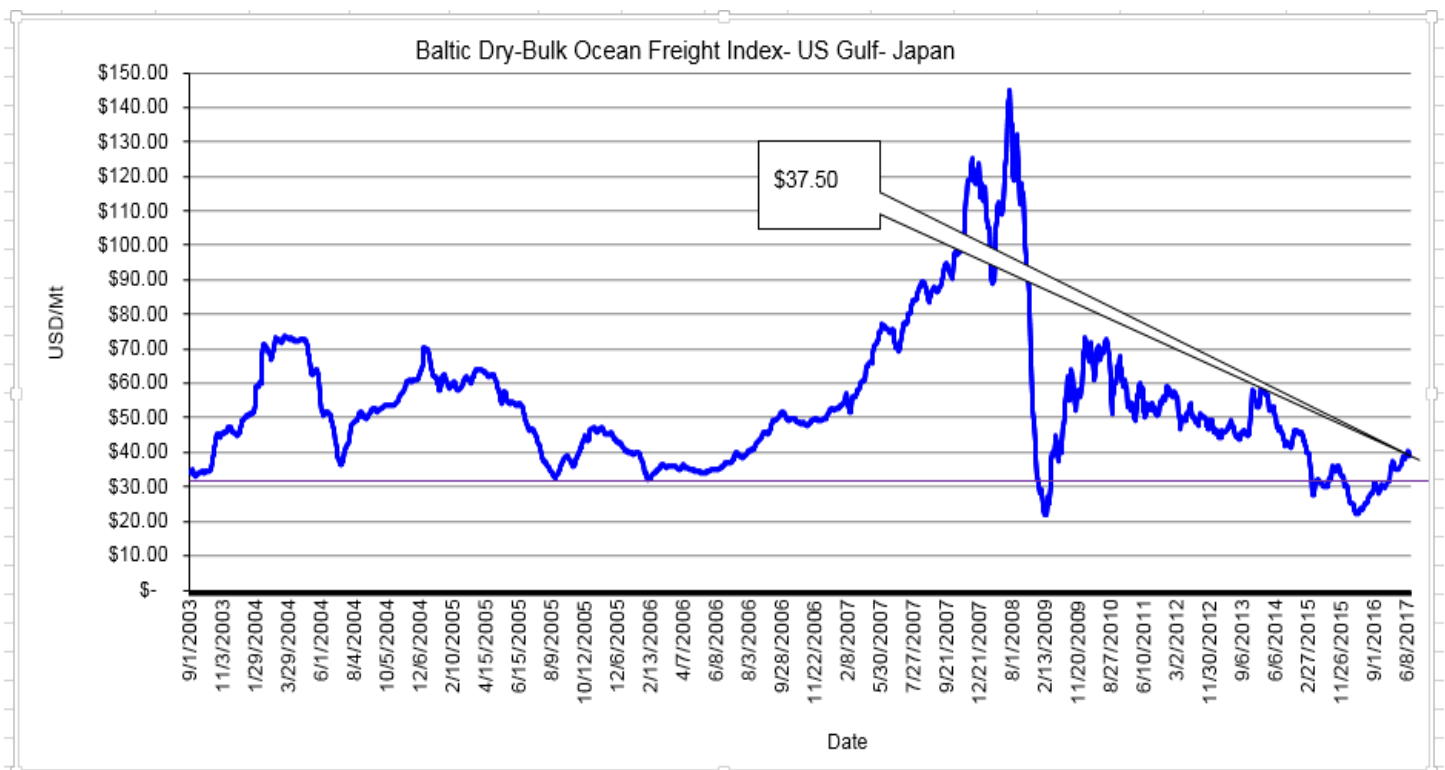
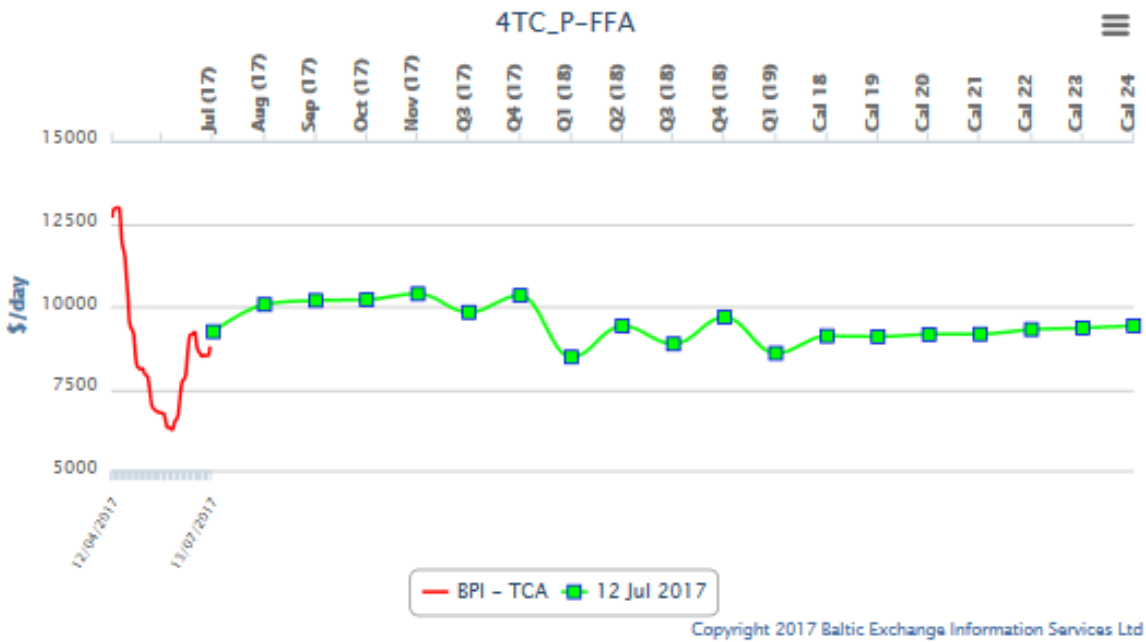
#### **Nautical Miles: To Xiamen China (South China)**

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

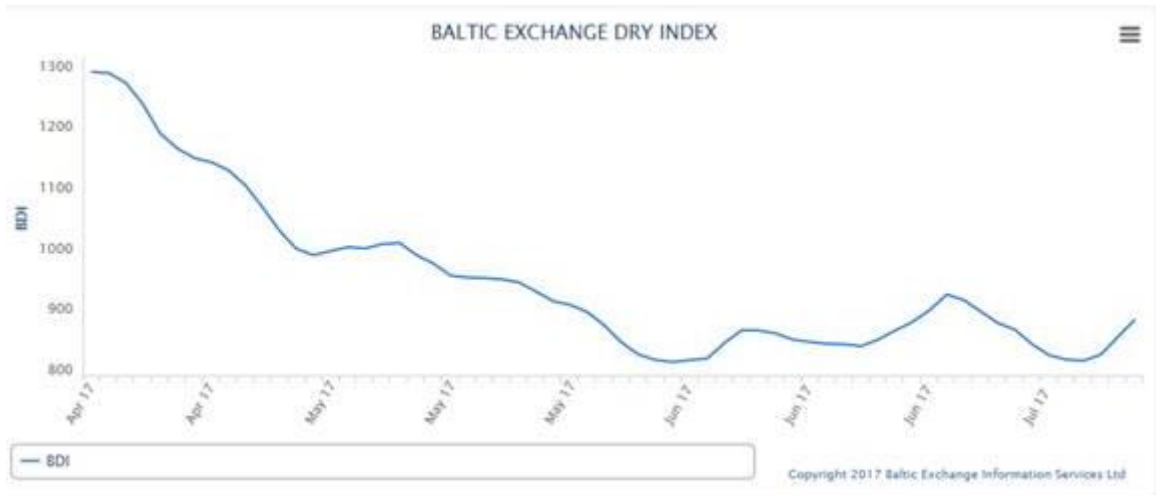
**Santos Brazil (via Cape of Good Hope) - 10,441 nautical miles (33 days)**

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

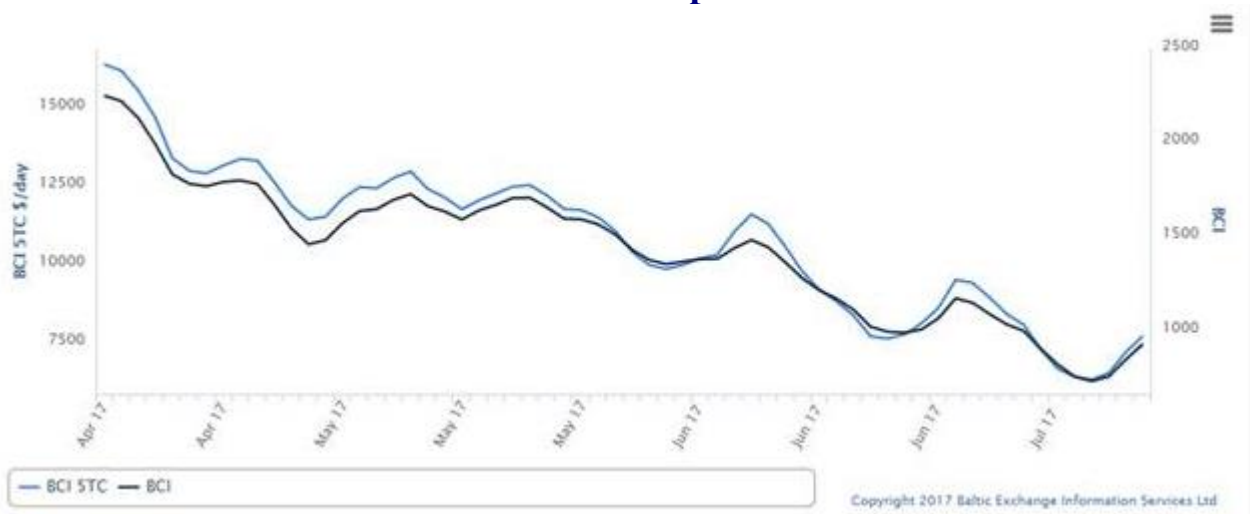
## Forward Curve for Baltic BPI Panamax Vessel Freight



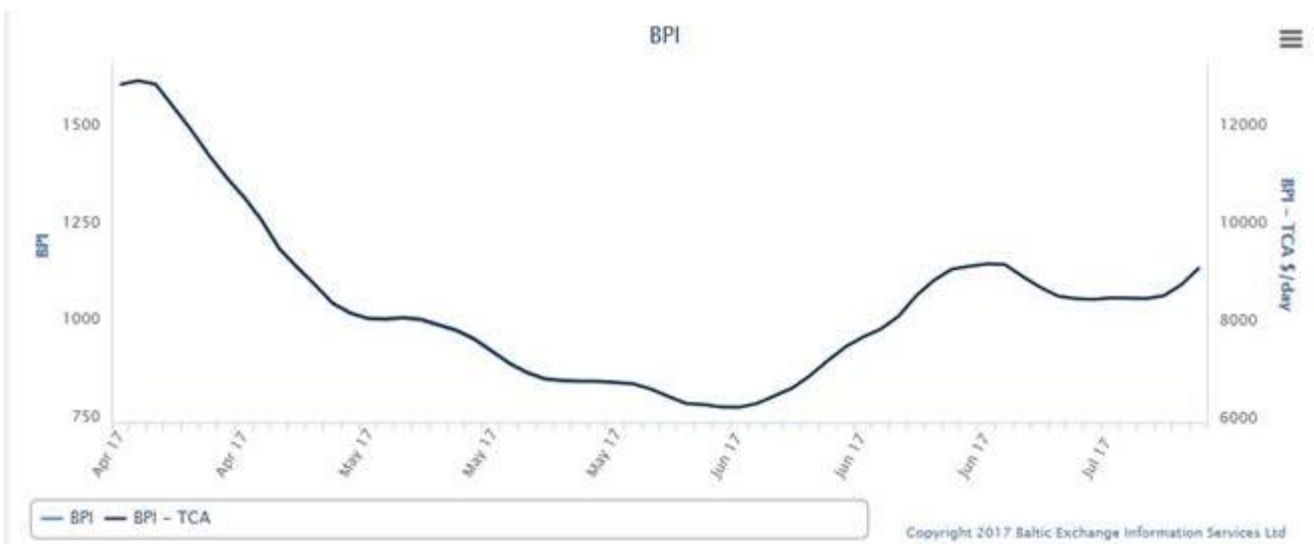
## Baltic Dry Bulk Index



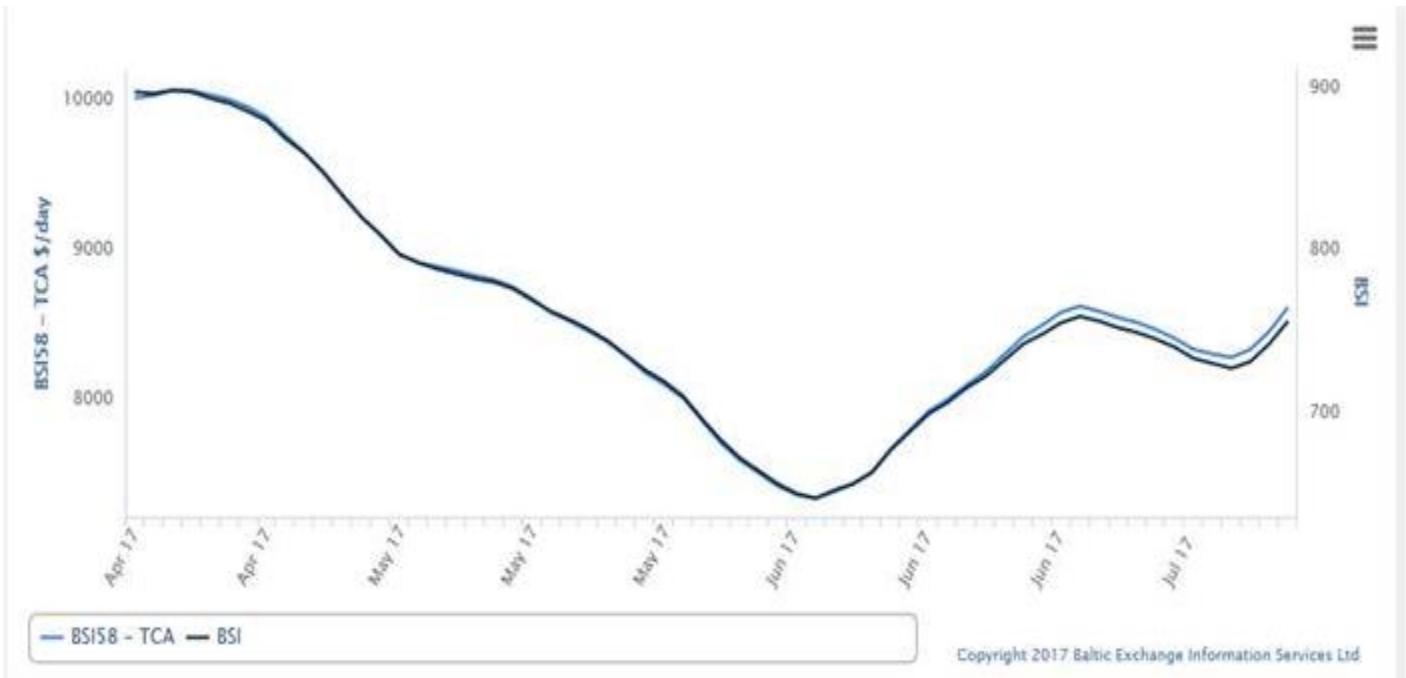
## Baltic Capesize Index



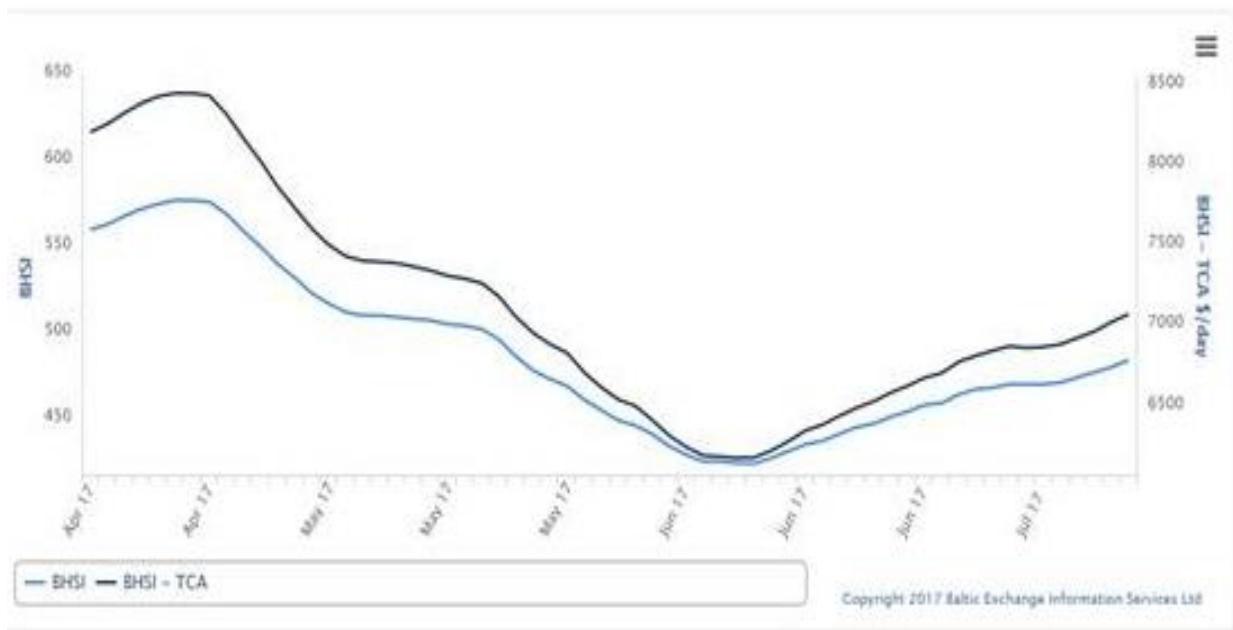
## Baltic Panamax Index



## Baltic Supramax Vessel Index



## Baltic Handy Size



# Yamamizu Shipping

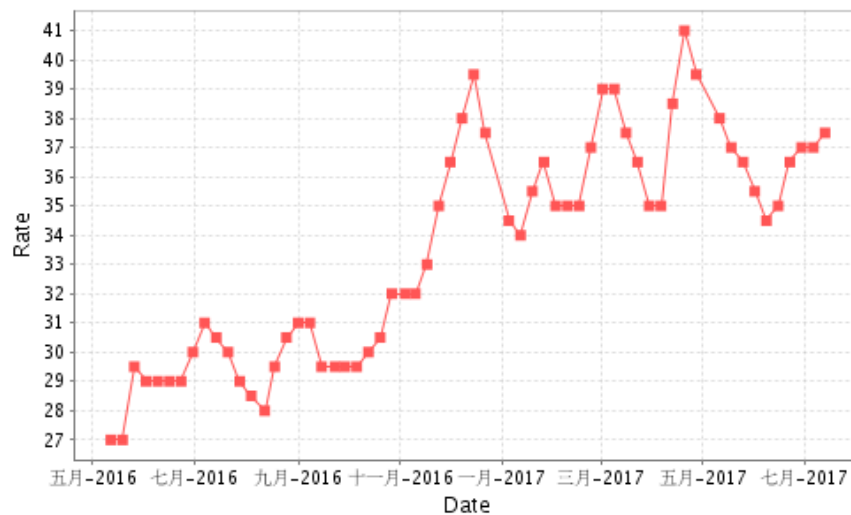
[Profile](#)
[History](#)
[Organization](#)
[Service](#)
[Access Map](#)
[Yamamizu Index](#)

## USG/Japan Index Result

Date From: 2016-05-02

Date To: 2017-07-14





## China Import Dry Bulk Freight Index(CDFI)

2017-07-13

Index/Routes	Charterparty type	Cargo/Vessel type	Dwt/Cargo Capacity	Unit	Index/Rate	Change
Composite Index				Point	694.54	33.77
VC Index				Point	643.83	27.74
TCT Index				Point	770.61	42.82
Santos(Brazil)— North China	VC	Soybean	60000/10%	\$/ton	26.882	0.259
Tacoma(West America)—North China	VC	Soybean	60000/10%	\$/ton	18.173	0.1
Mississippi(US Gulf) —North China	VC	Soybean	55000/10%	\$/ton	36.541	0.173

**13 July 2017 FOB Vessel Export Market Values:**

<b>U.S. Yellow Corn (USD/MT) FOB Vessel</b>				
# 2 YC	U.S. Gulf #2 YC		PNW #2 YC	
15.0 % Moisture	Basis	Flat Price	Basis	Flat Price
<b>Aug.</b>	0.29	<b>\$156.98</b>	0.51	<b>\$165.64</b>
<b>Sept.</b>	0.35	<b>\$159.34</b>	0.60	<b>\$169.18</b>
<b>Oct.</b>	0.40	<b>\$166.53</b>	0.68	<b>\$177.55</b>
<b>Nov.</b>	0.43	<b>\$167.71</b>	0.70	<b>\$178.34</b>
<b>Dec.</b>	0.47	<b>\$169.28</b>	0.73	<b>\$179.52</b>
<b>Jan.</b>	0.43	<b>\$171.84</b>	0.69	<b>\$182.08</b>

The Gulf spread between #2 and #3 YC is currently about 02 cents per bushel (0.80 per 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>Aug. (Z)</b>	1.00	<b>\$190.15</b>	0.95	<b>\$188.18</b>
<b>Sept. (Z)</b>	1.00	<b>\$190.15</b>	0.95	<b>\$188.18</b>
<b>Oct.</b>	1.00	<b>\$190.15</b>	0.95	<b>\$188.18</b>
<b>Nov.</b>	1.00	<b>\$190.15</b>	0.95	<b>\$188.18</b>
<b>Dec.</b>	1.00	<b>\$190.15</b>	0.95	<b>\$188.18</b>

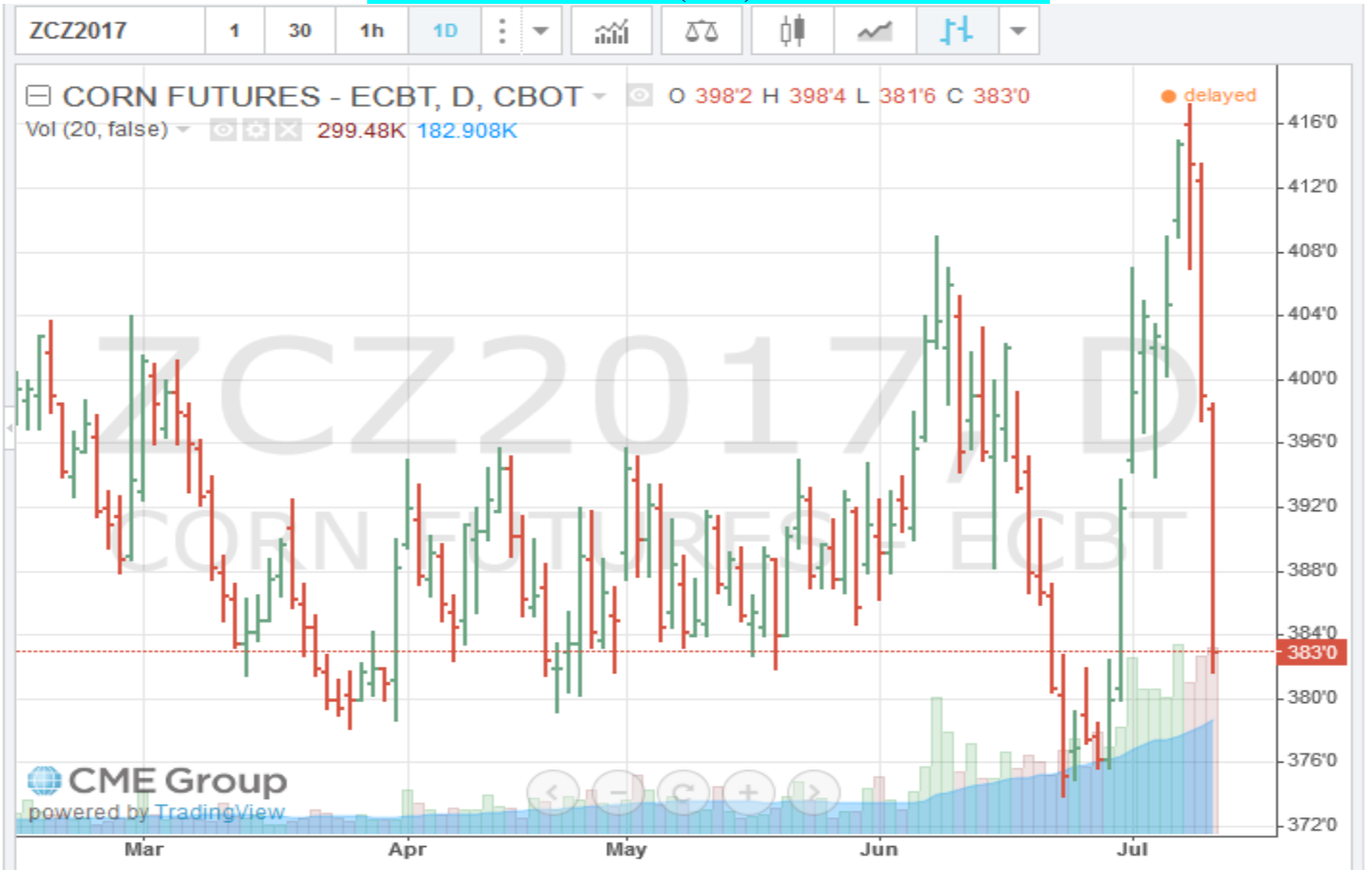
Fob vessel Texas Gulf #2 Sorghum is about 116 % the value of #2 Yellow Corn at NOLA

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

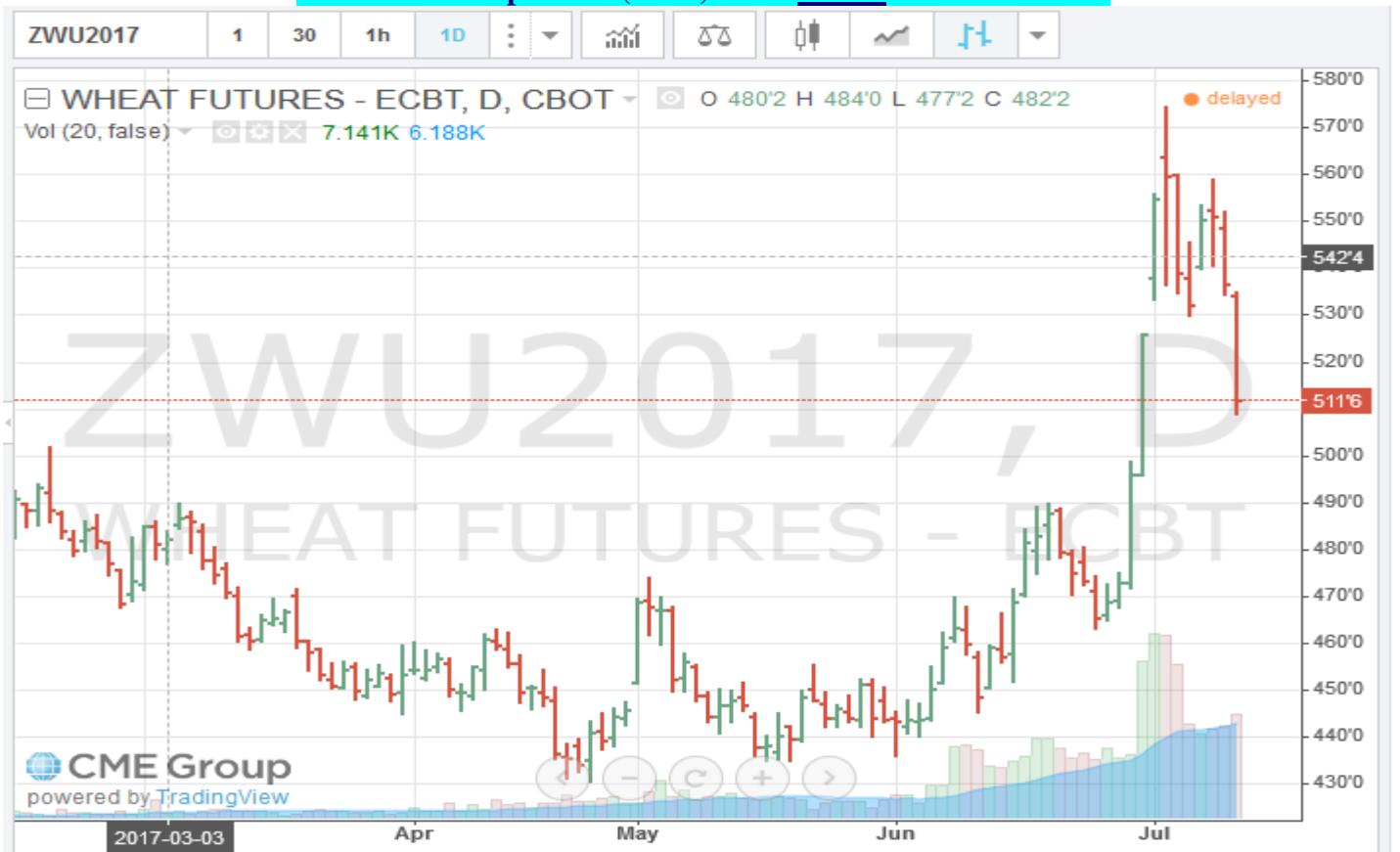
SRW Wheat	USD/MT	Fob Vessel	US Gulf	
	Aug.	Sept.	Oct.	Nov.
FOB U.S. GULF	\$208.24	\$210.08	\$213.11	\$214.58
Basis	0.55	0.60	0.45	0.49
WN	4.9550			
WU	5.1175			
WZ	5.3500			

<b>CME CORN FUTURES MARKET CLOSE- Thursday</b>						
CBOT CORN Month	Futures Symbol	Friday Close Bushel	Friday Close MT.	Last week Bushel	Last Week MT.	Difference Bushel
July	CN	\$3.6100	\$142.12	\$ 3.8025	\$149.70	(\$0.1925)
Sept.	CU	\$3.6975	\$145.56	\$ 3.9050	\$153.73	(\$0.2075)
Dec.	CZ	\$3.8300	\$150.78	\$ 4.0275	\$158.55	(\$0.1975)
Mar.	CH	\$3.9350	\$154.91	\$ 4.1225	\$162.29	(\$0.1875)
May	CK	\$3.9875	\$156.98	\$ 4.1725	\$164.26	(\$0.1850)

# CME/CBOT Dec. 2017 (CZ7) Corn Futures Chart –



# CME/CBOT Sept. 2017 (WU7) SRW Wheat Futures Chart –



## Soybean and SBM Markets Fob Vessel:

<b>U.S. Yellow Soybeans (USD/MT) FOB Vessel</b>				
# 2 YSB	U.S. Gulf #2 YSB		PNW #2 YSB	
14.0 % Moisture	Basis	Flat Price	Basis	Flat Price
<b>Aug.</b>	0.42	<b>\$373.86</b>	0.72	<b>\$384.89</b>
<b>Sept.</b>	0.45	<b>\$374.97</b>	0.85	<b>\$389.66</b>
<b>Oct.</b>	0.51	<b>\$381.58</b>	0.85	<b>\$394.07</b>
<b>Nov.</b>	0.58	<b>\$384.15</b>	0.90	<b>\$395.91</b>
<b>Dec.</b>	0.60	<b>\$384.89</b>	0.93	<b>\$397.01</b>
<b>Soybean Futures</b>				
<b>July</b>	\$ 9.7250			
<b>Aug.</b>	\$ 9.7550			
<b>Sept.</b>	\$ 9.7875			
<b>Nov.</b>	\$ 9.8750			
<b>Jan.</b>	\$ 9.9600			
<b>Mar.</b>	\$ 9.9950			

<b>U.S. SBM (USD/MT) FOB Vessel</b>		
Fob U.S. Gulf Port	47.5 Pro. SBM	
max 12.5 % moisture	Basis	Flat Price
<b>Aug.</b>	3.00	<b>\$ 353.79</b>
<b>Sept.</b>	3.00	<b>\$ 356.00</b>
<b>Oct.</b>	4.00	<b>\$ 359.30</b>
<b>Nov.</b>	5.00	<b>\$ 363.94</b>
<b>Dec.</b>	5.00	<b>\$ 363.94</b>
<b>SBM Futures</b>		
<b>SMN</b>	316.80	
<b>SMQ</b>	317.90	
<b>SMU</b>	319.90	
<b>SMV</b>	321.90	
<b>SMZ</b>	325.10	
<b>SMF</b>	327.00	

### CME Nov. 2017 Soybean (SX17) Futures Chart



### CME Dec. 2017 Soybean Meal (SMV7) Futures Chart



**U.S. EXPORT STATISTICS: Report Activity as of Week Ending 29 June 2017**  
**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	265.0	55,602.5	56,520	98%	3,021.5
Sorghum	74.6	4,503.1	5,720	79%	0.0
Soybeans	489.0	59,726.6	55,790	107%	3,515.8
Wheat	434.0	8,392.5	27,220	31%	0.0
Barley	0.6	29.9	110	27%	0.0

**U.S. EXPORT INSPECTIONS:**

Monday's report 10 July 2017 for the Export week ending 06 July 2017

	Export Inspections		Current Market Year YTD	Previous Year to Date	2016 YTD as Percent of 2015
	This Week	Previous Week			
Corn	1,010,889	1,139,584	49,752,410	36,418,865	137%
Sorghum	112,046	16,183	5,136,986	7,696,430	67%
Soybeans	475,157	281,038	52,996,826	45,012,465	118%
Wheat	533,872	518,499	3,340,523	2,657,584	126%
Barley	2,295	0	5,221	7,082	74%

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

**U.S. EXPORT INSPECTIONS:**

Monday's report 10 July 2017 for the Export week ending 06 July 2017

Last Week							
(Metric Tons)	YC	%	WC	%	Sorghum	%	Soybeans %
Lakes	0	0%	0	0%	0	0%	14,114 3%
Atlantic	0	0%	0	0%	0	0%	6,684 1%
Gulf	619,641	63%	21,882	100%	56,502	50%	359,642 76%
PNW	182,755	18%	0	0%	49,016	44%	12,600 3%
Interior Export Rail	186,611	19%	0	0%	6,528	6%	82,117 17%
Metric Tons	989,007		21,882		112,046		475,157

Sorghum Shipments:	metric tons	
		China
	100,518	Main
	5,000	Djibouti
	6,528	Mexico
	112,046	Total

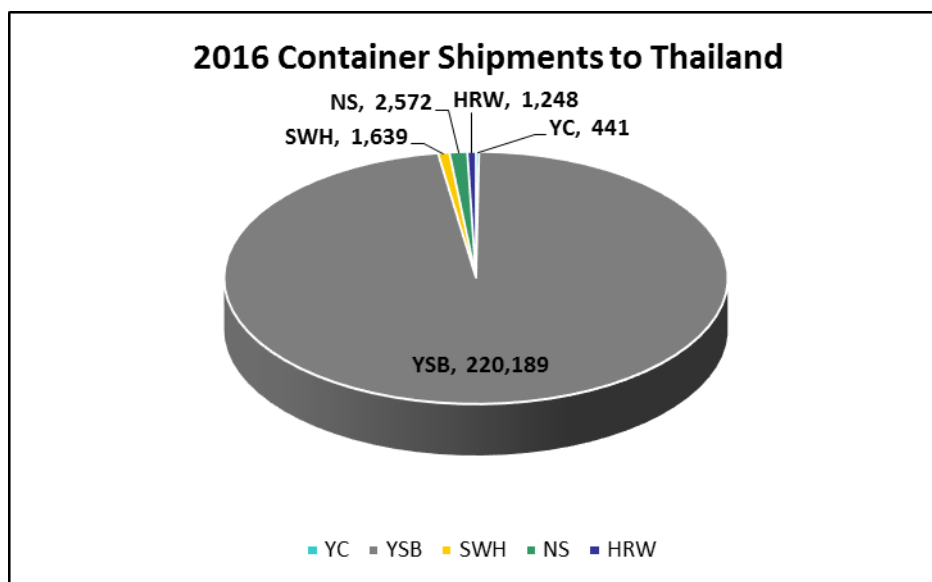
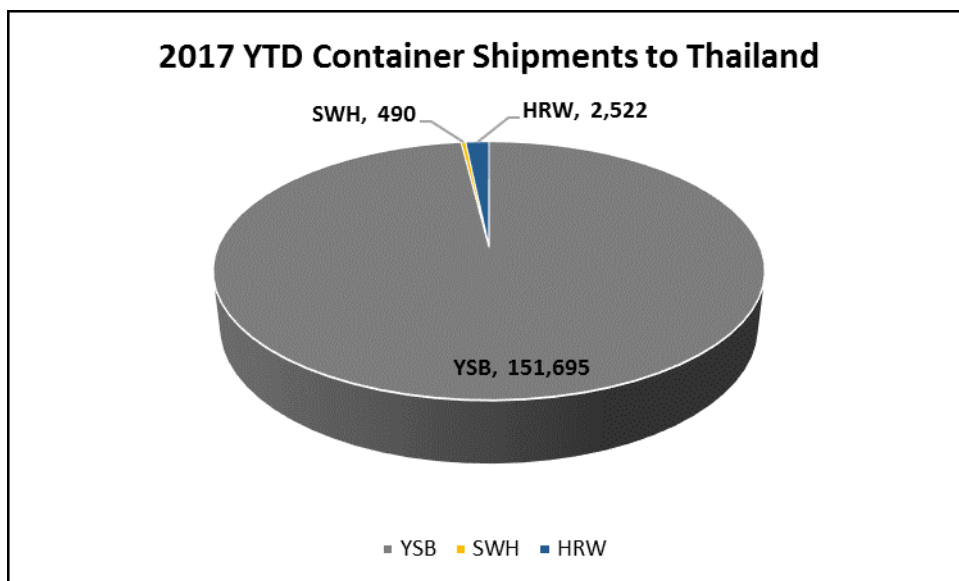
White Corn	metric tons	
Shipments:	21,882	Mexico
	21,882	Total

## 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:		6-Jul-2017							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	SWW	HRW	Sorghum	TOTAL
China Main			3,526						3,526
China T	5,510		3,085						8,595
Hong Kong	758								758
Costa Rica									0
Indonesia	122		21,889						22,011
French Polynesia									0
Japan			294						294
Korea Republic	514								514
Dominican Rep.									0
Malaysia			2,962						2,962
Honduras									0
Philippines	294		514						808
Thailand			6,218						6,218
Bangladesh	294		465						759
El Salvador									0
Vietnam			3,598						3,598
Sub total	7,492	0	42,551	0	0	0	0	0	45,686
USDA Corrections/Additions to previous reports:									
China T			464						464
China Main			1,077						1,077
Hong Kong									0
Korea Rep.									0
Jordan									0
Japan									0
Philippines									0
Indonesia			318						318
Malaysia			3,940						3,940
Thailand									0
Vietnam									0
Bangladesh									0
Canada						348			348
Sub total	0	0	5,799	0	0	348	0	0	6,147
<b>Mt. Grand Total</b>	<b>7,492</b>	<b>0</b>	<b>48,350</b>	<b>0</b>	<b>0</b>	<b>348</b>	<b>0</b>	<b>0</b>	<b>51,833</b>
Number of containers	326	0	2,102	0	0	15	0	0	

Jan - Dec 2016 Annual Totals versus 2017 Jan.-Dec. Year to Date Container Shipments (in MT)

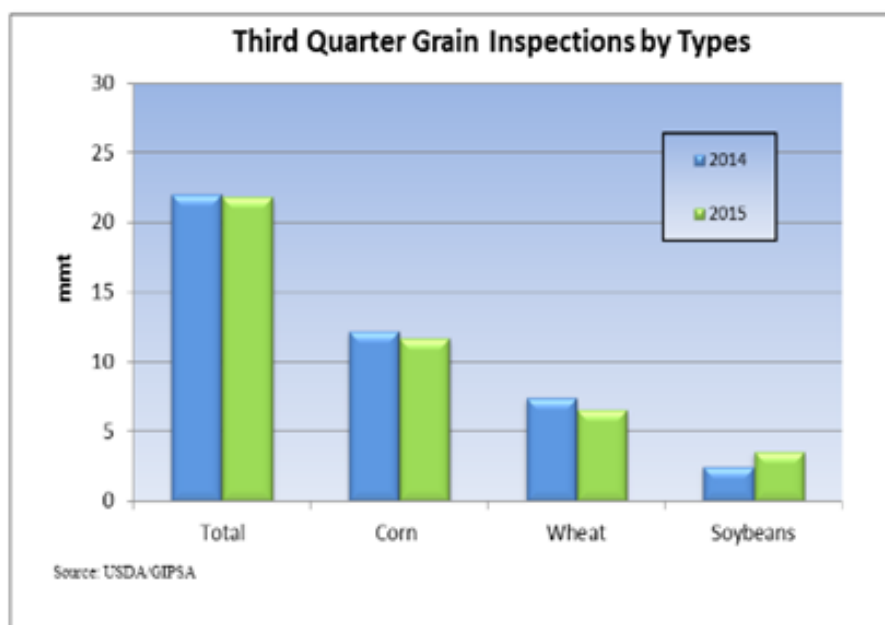


Grain Inspections for Export by U.S. Port Regions:  
U.S. Gulf and Pacific Northwest 2016 YTD vs. 2017 YTD

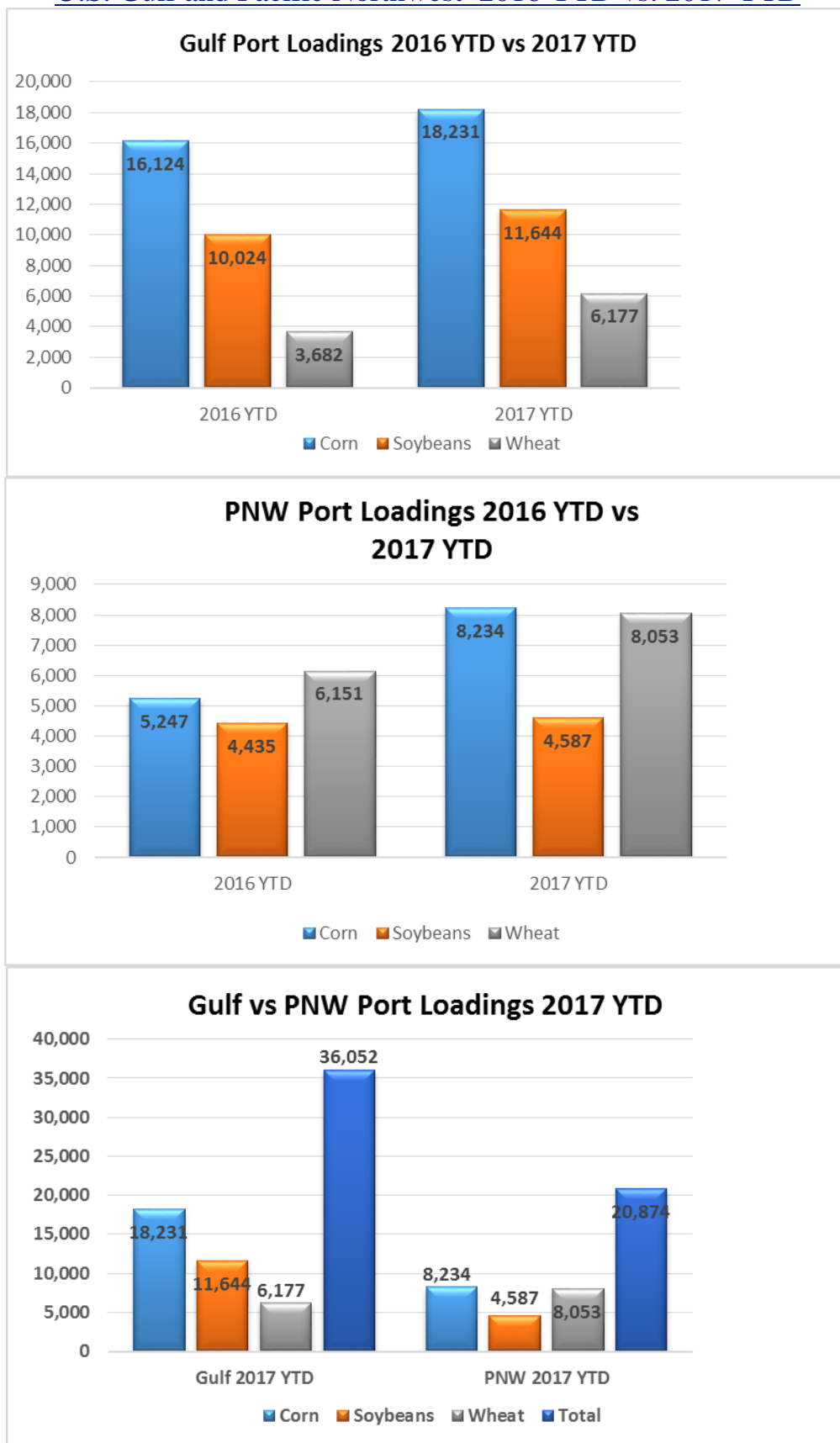
PORT LOADINGS US Gulf				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
<b>GULF</b>				
2016 YTD	16,124	10,024	3,682	29,830
2017 YTD	18,231	11,644	6,177	36,052
2017 as % of 2016	113%	116%	168%	121%

PORT LOADINGS US PNW				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
<b>PNW</b>				
2016 YTD	5,247	4,435	6,151	15,833
2017 YTD	8,234	4,587	8,053	20,874
2017 as % of 2016	157%	103%	131%	132%

PORT LOADINGS GULF vs. PNW				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
2017 Gulf YTD	18,231	11,644	6,177	36,052
2017 PNW YTD	8,234	4,587	8,053	20,874
TOTAL	26,465	16,231	14,230	56,926
Gulf Percentage	69%	72%	43%	63%
PNW Percentage	31%	28%	57%	37%

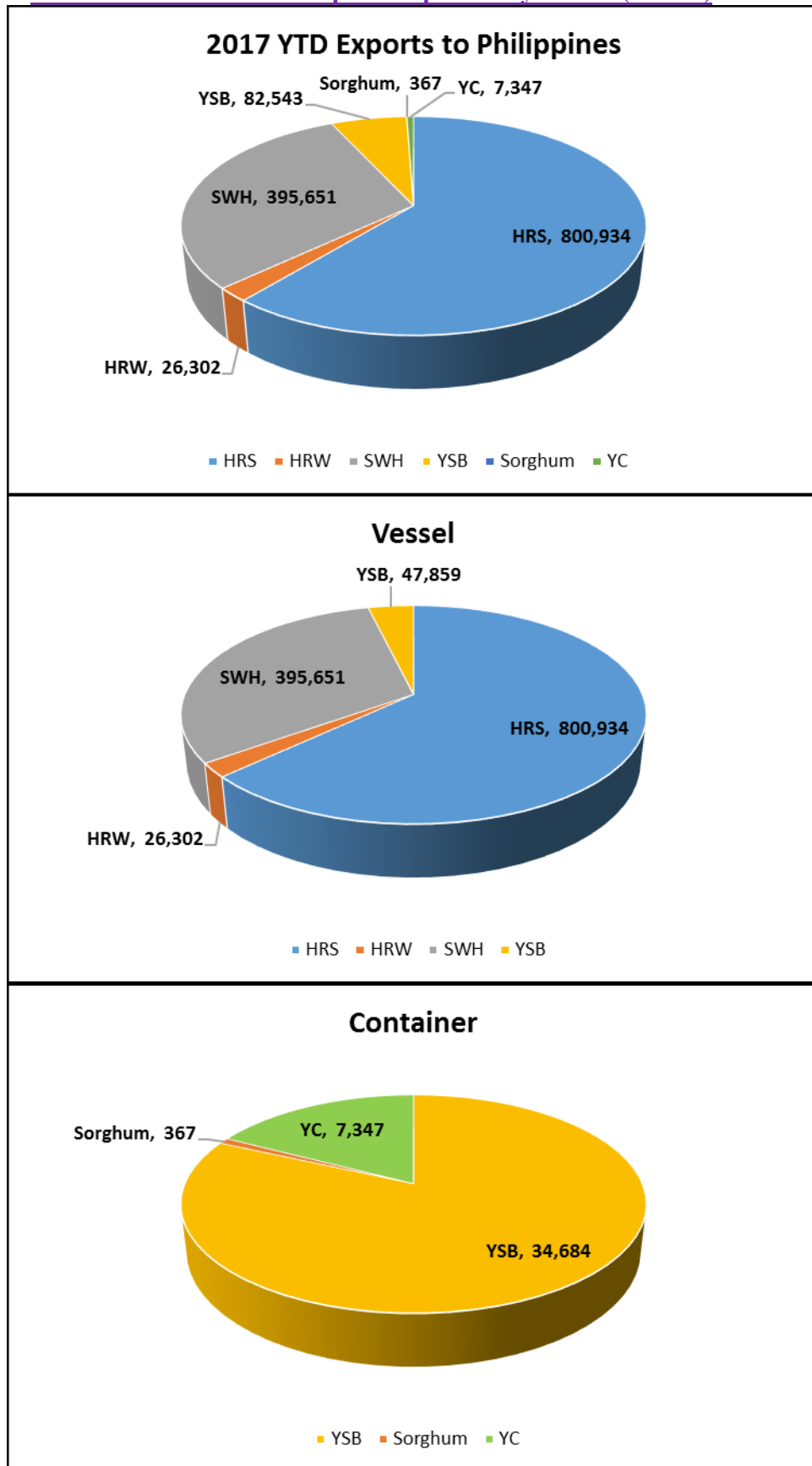


Grain Inspections for Export by U.S. Port Regions:  
U.S. Gulf and Pacific Northwest 2016 YTD vs. 2017 YTD



Source: USDA-data

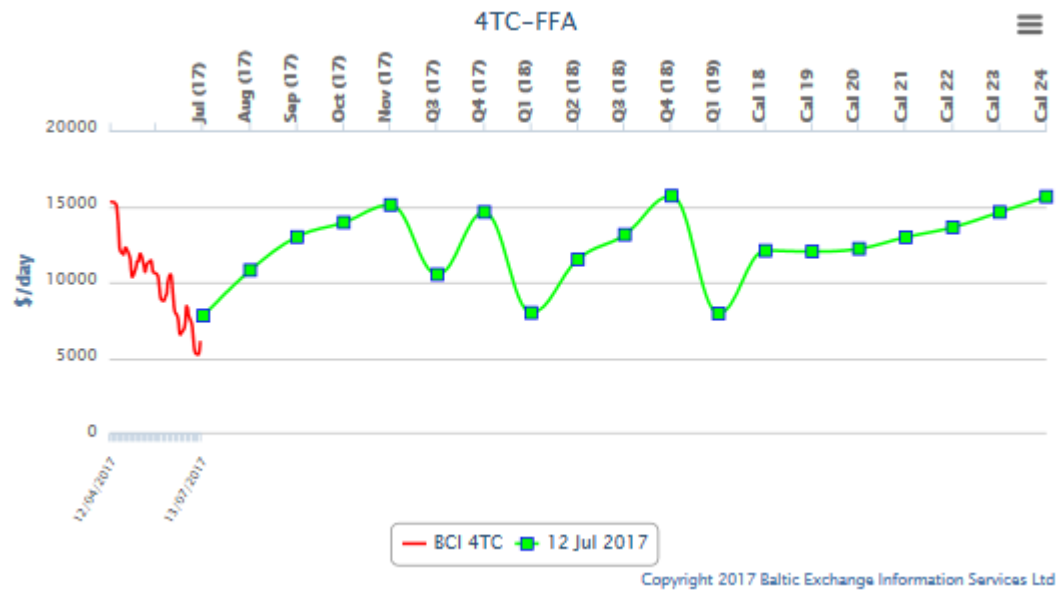
2017 YTD Total Grain Exports reported by USDA (in MT)



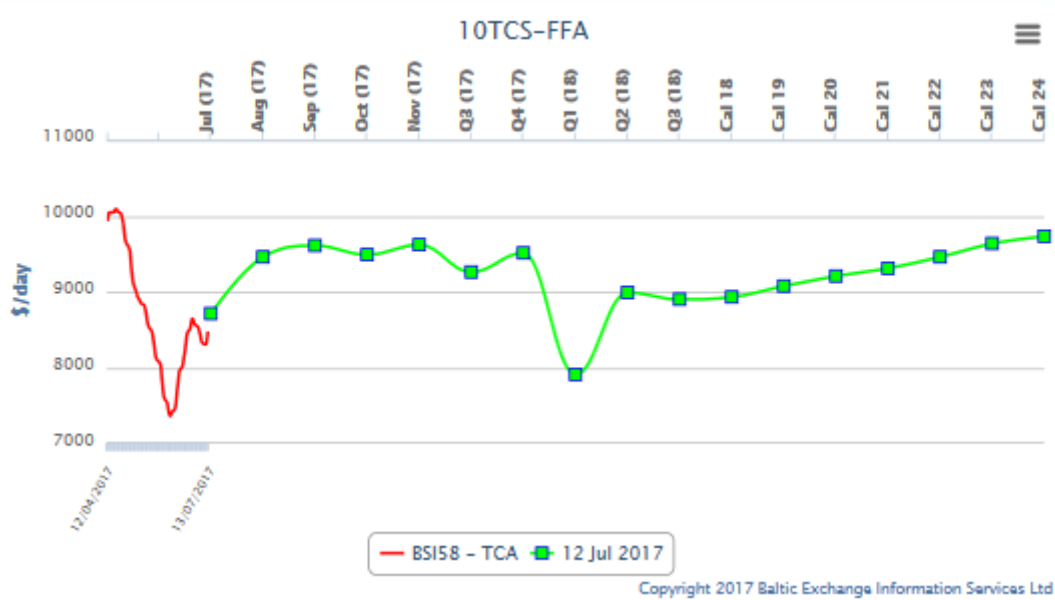
\*\*Please keep in mind that USDA does not report DDGS sales, or they would show as the largest exports by container

## Shipping News:

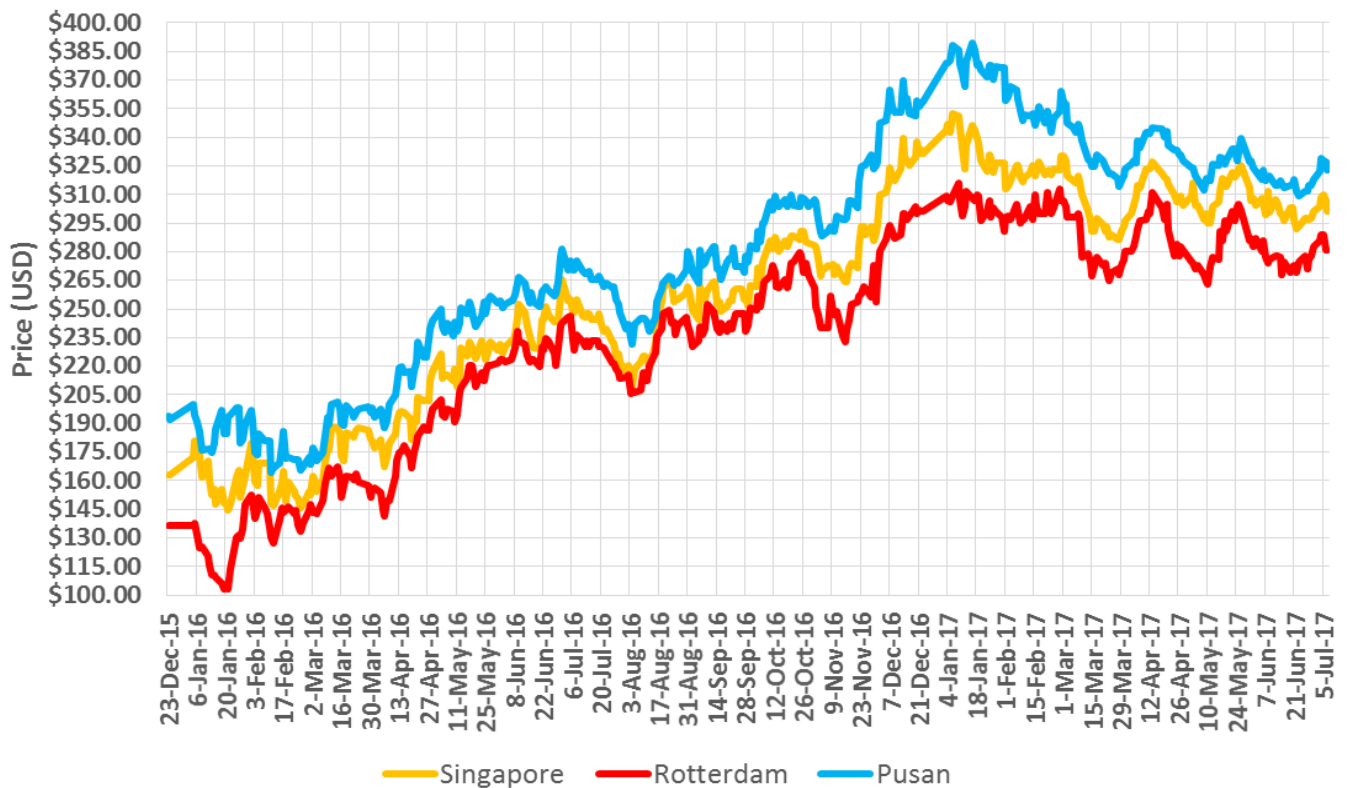
### FFA Capesize for the 4 time charter routes



### FFA SUPRAMAX 58 for the 5 time charter routes



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



## Shanghai Containerized Freight Index



## U.S. RIVER BARGE FREIGHT

### Current Barge Freight for Placement Last Half August 2017

Placement LH August 2017	% of		Corn	Soybeans-Wheat
	Tariff	MT	BU	BU
Upper Mississippi	350	\$23.88	0.61	0.65
Illinois River (Pekin and South)	330	\$17.50	0.44	0.48
Mid-Mississippi	330	\$19.35	0.49	0.53
Lower Ohio	290	\$14.26	0.36	0.39
St. Louis	245	\$10.78	0.27	0.29

### Secondary Rail Car Market for car placement period: Last Half August 2017.

Secondary Rail Car Market Placement LH August 2017	BID USD	ASK USD	BID BU.	ASK BU.	BID MT	ASK MT
BNSF Shuttle Trains	\$ (200.00)	\$ (75.00)	\$ (0.05)	\$ (0.02)	\$ (1.97)	\$ (0.74)
UPRR Shuttle Trains	\$ (200.00)	\$ (100.00)	\$ (0.05)	\$ (0.03)	\$ (1.97)	\$ (0.98)

Best Regards,

Jay  
Jay O'Neil  
Senior Agricultural Economist  
IGP at Kansas State University  
and  
O'Neil Commodity Consulting  
785-410-2303 (cell)  
785-532-2868 (office)  
[joneil@ksu.edu](mailto:joneil@ksu.edu)

Follow me on Twitter @ **igpjay**



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