

Transportation and Export Report for 13 August 2020

It was another up week in nearby Dry-Bulk markets as increased demand from Grain and SBM cargoes from both North and South America emboldened vessel owners. Black Sea freight also jumped due to additional wheat demand to Egypt.

The Capesize market did not act with such excitement this week and was mostly flat. Grain freight demand, by itself, cannot keep Dry Bulk markets up, so we will have to see how the Capesize and other markets react next week. Daily hire rates for Panamax vessels pushed up from \$13,000/day to \$13,950/day for September. Markets however remain inverted (or in Backwardation) as the focus is entirely on the close in positions. The Q4 period for Panamax freight is trading at \$12,500/day with Q1 2021 at just 9,750/day.

BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices				
13-Aug-2020	This Week	Last Week	Difference	Percent Change
P2A : Gulf/Atlantic - Japan	26618	22591	4,027	17.8%
P3A - PNW/Pacific - Japan	14435	12694	1,741	13.7%
S1C -USGULF-China-So.Japan	25136	25061	75	0.3%
P7- Trial- Miss. River - Qingdao	44,964	42557	2,407	5.7%
P8- Trial- Santos - Qingdao	32671	31036	1,635	5.3%

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

Four weeks ago:	\$8.00-\$8.90
Three weeks ago:	\$7.00-\$8.20
Two weeks ago:	\$6.15-\$7.15
One week ago:	\$7.60-\$8.50
This week	\$8.10- \$8.20

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

Mississippi River:	(10 elevators)	3-10 days (2 facilities not currently operating)
Miss. River Mid-Stream loaders:	(6+ Rigs)	0-3 days
Texas Gulf	(5 elevators)	1-12 days
Pacific Northwest:	(9 elevators)	1-8 days

Panamax Market Spreads to Asia -China					
13-Aug-2020	PNW	GULF	Bushel Spread	MT Spread	Advantage
CORN	1.38	0.97	0.41	\$16.14	PNW
SOYBEANS	1.48	1.10	0.38	\$14.96	PNW
OCEAN FREIGHT	\$23.50	\$43.50	.51-.54	\$20.00	Sept.

Recent Reported Vessel Fixtures:

**** Below rates are estimates for the nearby slots. 60-90 days forward rates will be higher.**

Soybean Panamax USG to Spain is running \$21.50-\$23.00/mt.

Soybean Brazil to Spain about \$25.00-26.00/mt.

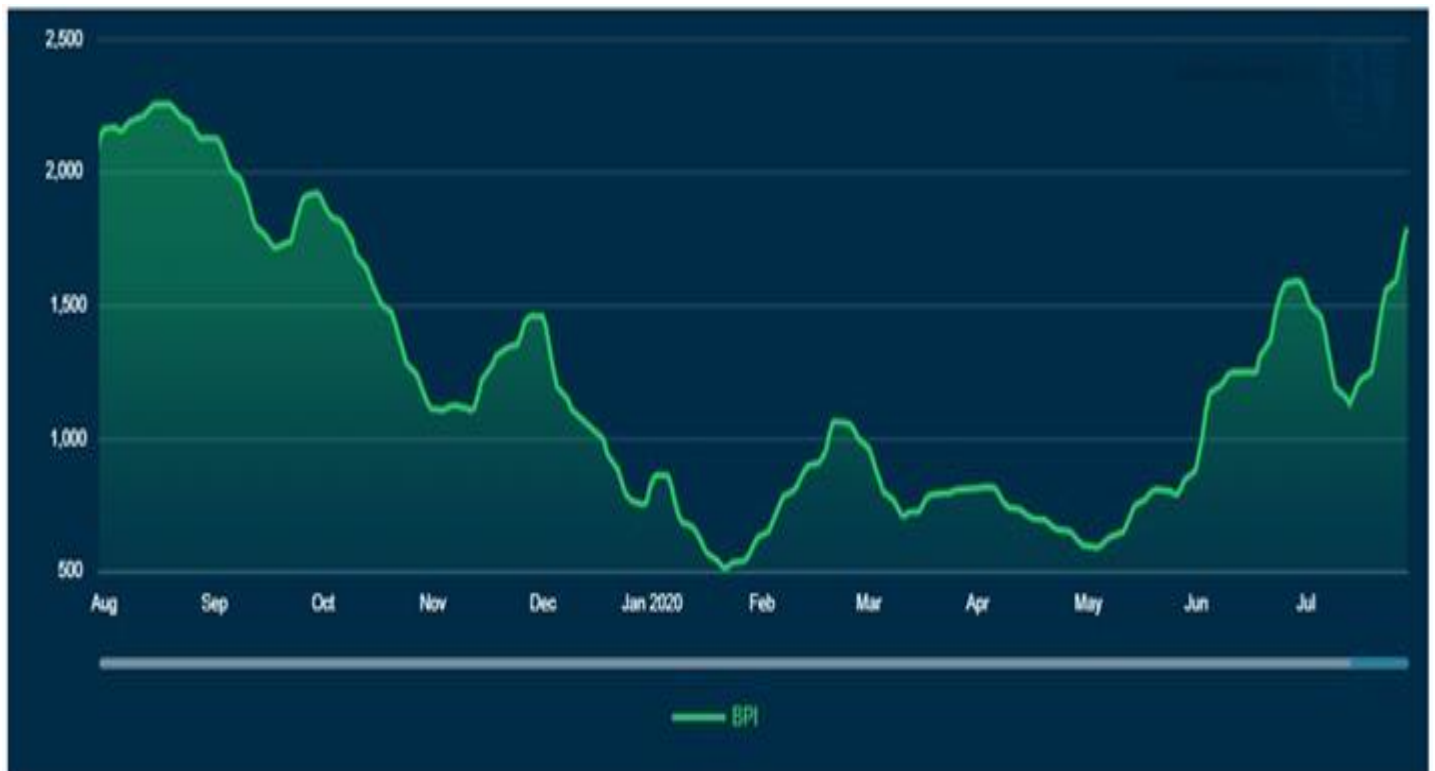
30,000 mt Corn Northern Brazil to Vera Cruz, Mexico \$19.50-\$21.00/mt .To U.S. E/C about \$22.00-23.50/mt

Route and Vessel Size	Current Week USD/MT	Change from previous week	Remarks
55,000 U.S. Gulf-Japan	\$44.50	Up \$2.00	Handymax \$46.00 mt
55,000 U.S. PNW- Japan	\$24.25	Up \$1.50	Handymax \$25.50 mt
66,000 U.S. Gulf – China	\$43.50	Up \$2.00	North China
PNW to China	\$23.50	Up \$1.50	
25,000 U.S. Gulf- Veracruz, México	\$17.75	Up \$1.00	3,000 MT daily discharge rate
30-36,000+ U.S. Gulf- Veracruz, México	\$15.00	Up \$1.00	Deep draft and 6,000 MT per day discharge rate.
30-38,000 U.S. Gulf- Colombia	\$20.75	Up \$1.50	<u>West Coast Colombia at \$30.75</u>
<u>East Coast Colombia</u> From Argentina	<u>\$29.50</u> \$34.00		USG to E/C 50,000 mt at \$17.50
43-45,000 U.S. Gulf - Guatemala	\$29.00	Up \$2.00	Acajutla/Quetzal - 8,000 out
26-30,000 U.S. Gulf – Algeria	\$39.00 \$41.00	Up \$1.50	8,000 mt daily discharge 3,000 mt daily discharge
26-30,000 US Gulf-Morocco	\$40.50	Up \$1.50	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt PNW to Egypt	\$29.00 \$297.25	Up \$2.00	60,000 -55,000 mt Romania- Russia- Ukraine \$16.00-\$16.10 -\$16.40 France \$20.00
60-70,000 U.S. Gulf – Europe – Rotterdam	\$20.00	Unchanged	Handymax at +\$1.75 more
Brazil, Santos – China Brazil, Santos – China Northern Coast Brazil	\$33.00 \$32.50 \$36.00	Up \$2.00	54-59,000 Supramax-Panamax 60-66,000 Post Panamax Upriver No. Brazil Plus -55,000 mt Plus \$7.50/mt
56-60,000 Argentina/Rosario- China Deep Draft	\$37.00	Up \$2.00	Upriver with BB Top Off Plus \$3.75 mt

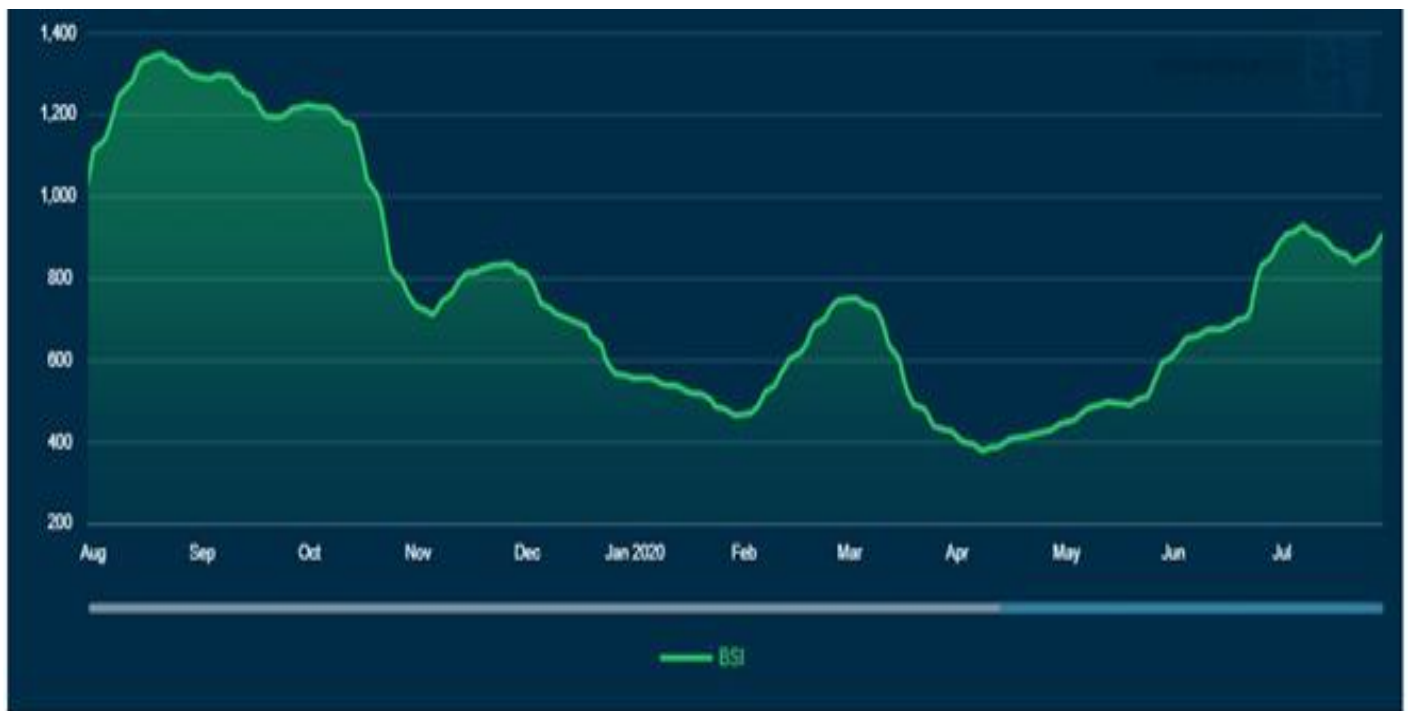
Baltic Dry Bulk Index.



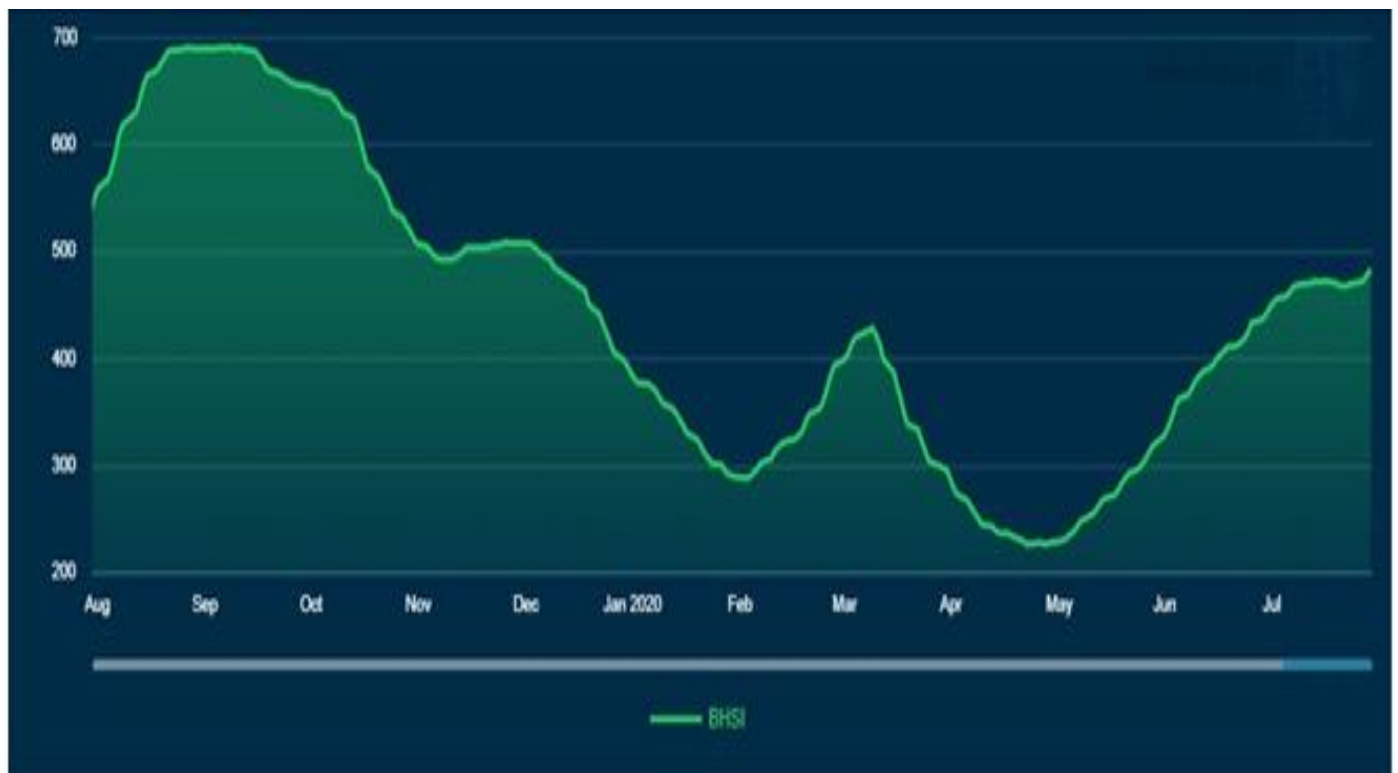
Baltic Panamax Index



Baltic Supramax Vessel Index



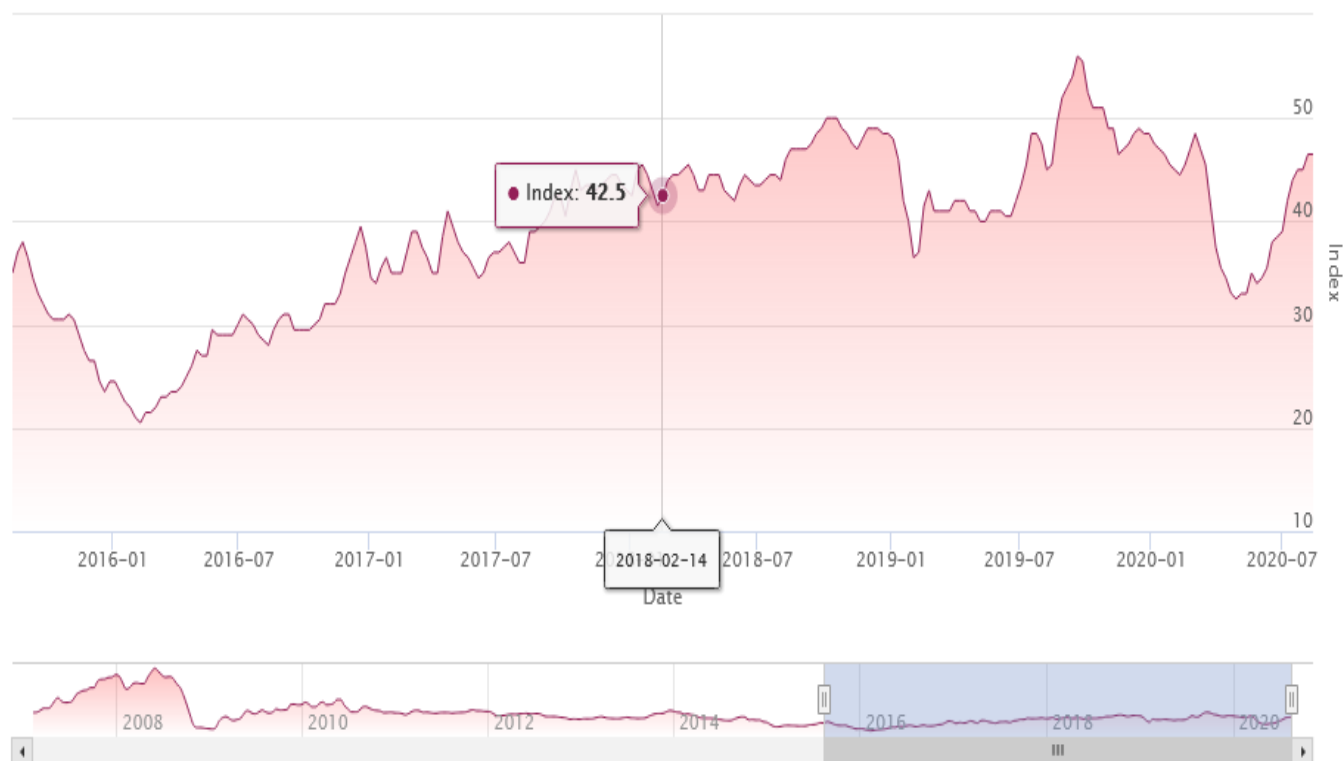
Baltic Handy Size Vessel Index



YAMAMIZU Index


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

From 2015-08-12 To 2020-08-12



China Import Dry Bulk Freight Index

2020-08-13

Description	Size MT	Cargo/Vessel Size	Unit	Rate	Change
Composite Index			Point	883.71	24.34
Iron ore Freight Index			Point	923.18	39.87
Dampier(West Australia)-Qingdao (China)	170000/10%	Iron ore	\$/ton	8.257	0.274
Tubarao(Brazil)-Qingdao(China)	170000/10%	Iron ore	\$/ton	18.188	1.099
Soybean Freight Index			Point	959.94	12.15
Santos(Brazil)—North China	60000/10%	Soybean	\$/ton	32.243	0.4
Tacoma(West America)—North China	60000/10%	Soybean	\$/ton	23.307	0.429
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	43.442	0.508
Mississippi(US Gulf)—North China	55000/10%	Soybean	\$/ton	45.26	0.46

13 August 2020 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
Sept.	0.97	\$166.23	1.38	\$182.37
Oct.	0.97	\$171.55	1.40	\$188.47
Nov.	0.95	\$170.76	1.39	\$188.08
Dec.	0.93	\$169.97	1.39	\$188.08
Jan.	0.76	\$167.61	1.32	\$189.65
Feb.	0.75	\$167.21	1.34	\$190.44

The Gulf spread between #2 & #3 YC is currently about .03 cents per bushel (1.18/mt) at USG but is out to .10/bushel in the PNW.

SORGHUM (USD/MT) FOB VESSEL				
#2 YGS Fob Vessel	NOLA		TEXAS	
Max. 14.0% moisture	BASIS	FLAT PRICE	BASIS	FLAT PRICE
Sept.	2.50	\$231.78	2.35	\$225.87
Oct.	2.50	\$231.78	2.32	\$224.69
Nov.	2.50	\$231.78	2.25	\$221.94
Dec.	2.50	\$231.78	2.30	\$223.90
Jan.	2.50	\$236.11	2.30	\$228.24

Fob vessel Texas Gulf #2 Sorghum is about 136 % 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	
	Sept.	Oct.	Nov.	Dec.
FOB U.S. GULF	\$230.29	\$232.03	\$232.03	\$232.03
Basis	1.30	1.25	1.25	1.25
WU	4.9675			.
WZ	5.0650			
WH	5.1350			

13-Aug-2020	Close	This Week	Last Week.	Last Week.	Last Week	
CME Corn Futures	Bushel	MT.	Bushel	Bu. Diff.	MT	MT Diff.
Sept.	\$ 3.2525	\$ 128.04	\$ 3.1125	0.1400	\$ 122.53	\$ 5.51
Dec.	\$ 3.3875	\$ 133.36	\$ 3.2375	0.1500	\$ 127.45	\$ 5.91
Mar..	\$ 3.4975	\$ 137.69	\$ 3.3550	0.1425	\$ 132.08	\$ 5.61
May	\$ 3.5700	\$ 140.54	\$ 3.4375	0.1325	\$ 135.33	\$ 5.22
July	\$ 3.6225	\$ 142.61	\$ 3.5050	0.1175	\$ 137.98	\$ 4.63
Sept.	\$ 3.6475	\$ 143.59	\$ 3.5550	0.0925	\$ 139.95	\$ 3.64

CBOT December 2020 (CZ20) CORN Futures Chart –



CME/CBOT December 2020 (WZ20) 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
Sept.	1.10	\$369.73	1.48	\$383.69
Oct.	1.10	\$370.92	1.50	\$385.62
Nov.	1.11	\$371.29	1.50	\$385.62
Dec.	1.04	\$370.56	1.50	\$387.46
Jan.	1.05	\$370.92	1.50	\$387.46
Soybean Futures				
Sept.	\$ 8.9625			
Nov.	\$ 8.9950			
Jan.	\$ 9.0450			
Mar.	\$ 9.0575			
May	\$ 9.0975			
July	\$ 9.1650			

U.S. SBM (USD/MT) FOB Vessel		
Fob U.S. Gulf Port	47.5 Pro. SBM	
max 12.5 % moisture	Basis	Flat Price
Sept.	25.00	\$ 349.60
Oct.	25.00	\$ 352.14
Nov.	24.00	\$ 355.78
Dec.	25.00	\$ 356.88
Jan.	24.00	\$ 356.99
SBM Futures		
SMU	292.10	
SMV	294.40	
SMZ	298.70	
SMF	299.80	
SMH	299.90	

CME November 2020 Soybean (SX20) Futures Chart:



CME December 2020 Soybean Meal (SMZ20) Futures Chart



U.S. EXPORT STATISTICS: Report Activity as of Week Ending 30 July 2020

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 '20-21 (000 MT) (Wheat and Barley 2021/22)
Corn	214.9	43,782.6	45,090	97%	10,927.1
Sorghum	2.7	4,351.3	5,330	82%	1,195.6
Soybeans	501.8	46,940.6	44,910	105%	15,136.2
Wheat	755.6	10,223.3	25,860	40%	5.0
Barley	0.6	39.2	110	36%	0.0

U.S. EXPORT INSPECTIONS:

Monday's report 10 August 2020 for the Export week ending 06 August 2020

	Export Inspections		Current Market Year YTD	Previous Year to Date	2019/20 YTD as Percent of 2018/19 YTD (Wheat and Barley 2020/21 vs 2019/20)
	This Week	Previous Week			
Corn	1,150,979	726,657	39,137,894	45,658,174	86%
Sorghum	38,959	182,479	4,569,611	1,942,653	235%
Soybeans	635,665	557,607	40,015,189	42,326,500	95%
Wheat	379,949	556,154	5,066,993	4,956,702	102%
Barley	0	49	465	2,938	16%

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

U.S. EXPORT INSPECTIONS:

Monday's report 10 August 2020 for the Export week ending 06 August 2020

Last Week							
(Metric Tons)	YC	%	WC	%	Sorghum	%	Soybeans %
Lakes	0	0%	0	0%	0	0%	29,574 5%
Atlantic	0	0%	0	0%	0	0%	36,058 6%
Gulf	687,505	61%	17,713	100%	38,200	98%	404,760 64%
PNW	245,019	22%	0	0%	0	0%	6,600 1%
Interior Export Rail	200,694	18%	48	0%	759	2%	158,673 25%
Metric Tons	1,133,218		17,761		38,959		635,665

Sorghum Shipments: metric tons

38,200	Somalia
759	China Main
38,959	Total

White Corn metric tons

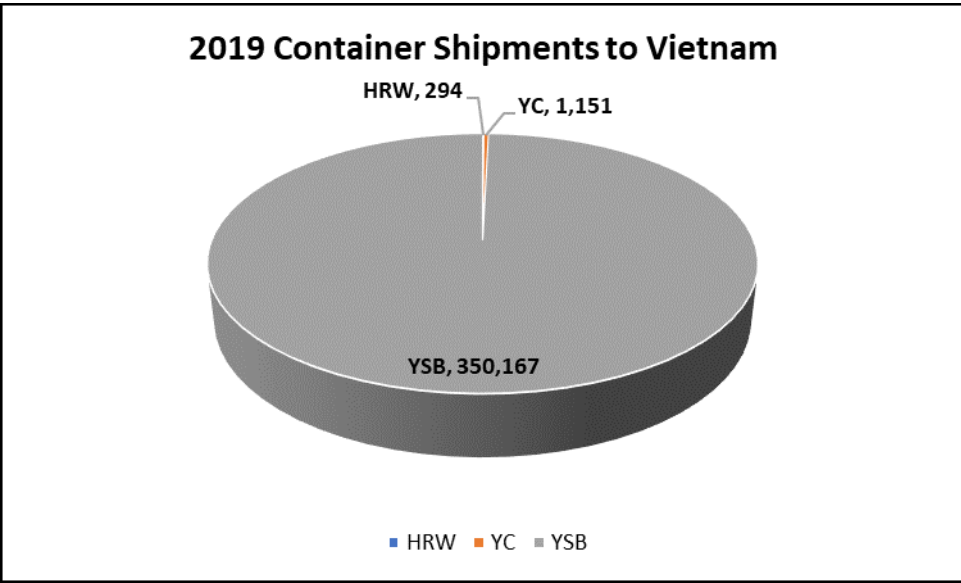
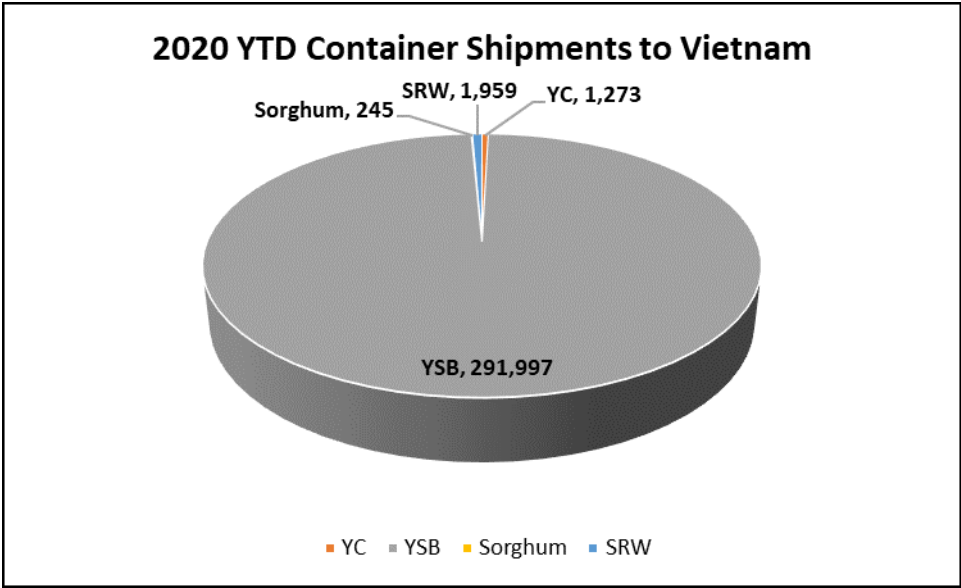
Shipments:	11,000	Colombia
	6,713	Honduras
	48	Mexico
	17,761	Total

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-Aug-2020							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	SWH	HRW	Sorghum	TOTAL
China Main	1,812		6,148					759	8,719
China T	8,223		12,145						20,368
Hong Kong	781								781
Costa Rica									0
Indonesia			17,889						17,889
French Poly									0
Japan			1,075						1,075
Korea Rep.	48		612						660
Nepal			490						490
Malaysia	881		6,537						7,418
Cambodia			245						245
Philippines			1,614						1,614
Thailand			6,467						6,467
Ireland									0
Singapore			245						245
Bangladesh									0
Burma			490						490
Vietnam			4,578						4,578
Sub Total:	11,745	0	58,535	0	0	0	0	759	71,039
USDA Corrections/Additions to previous reports:									
China T									0
China Main									0
Hong Kong									0
Korea Rep.			294						294
Cambodia									0
Japan									0
Philippines									0
Indonesia			1,322						1,322
Malaysia									0
Thailand									0
Vietnam			245						245
Jordan									0
Nigeria									0
Sub Total:	0	0	1,861	0	0	0	0	0	1,861
Mt. Grand Total	11,745	0	60,396	0	0	0	0	759	72,900
Number of Containers	511	0	2,626	0	0	0	0	33	

Jan - Dec 2019 Annual Totals versus 2020 Jan.-Dec. YTD Total Container Shipments (in MT)



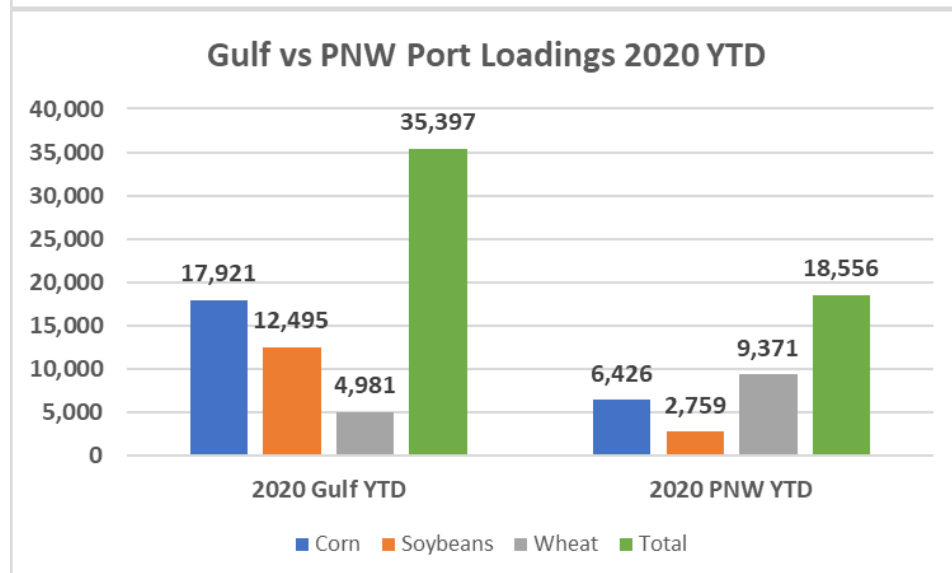
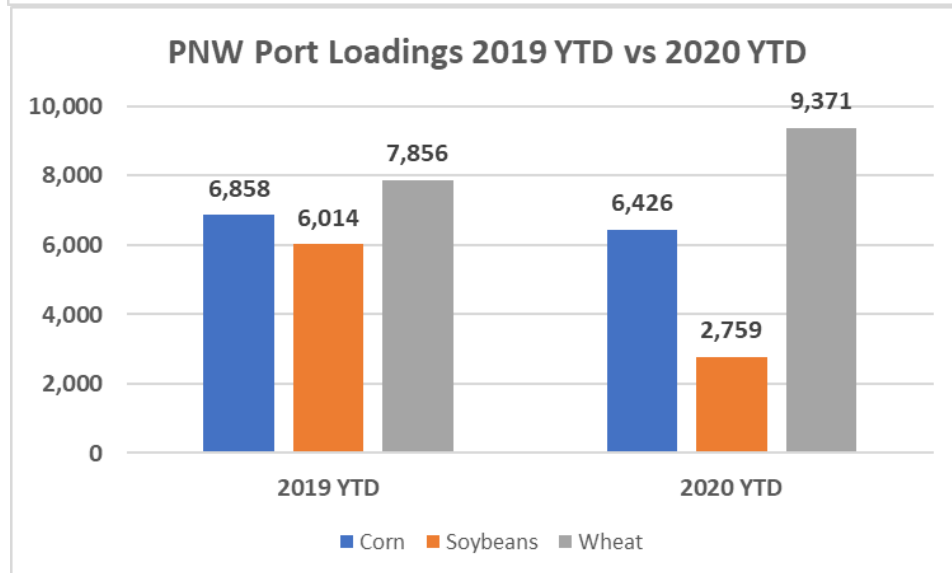
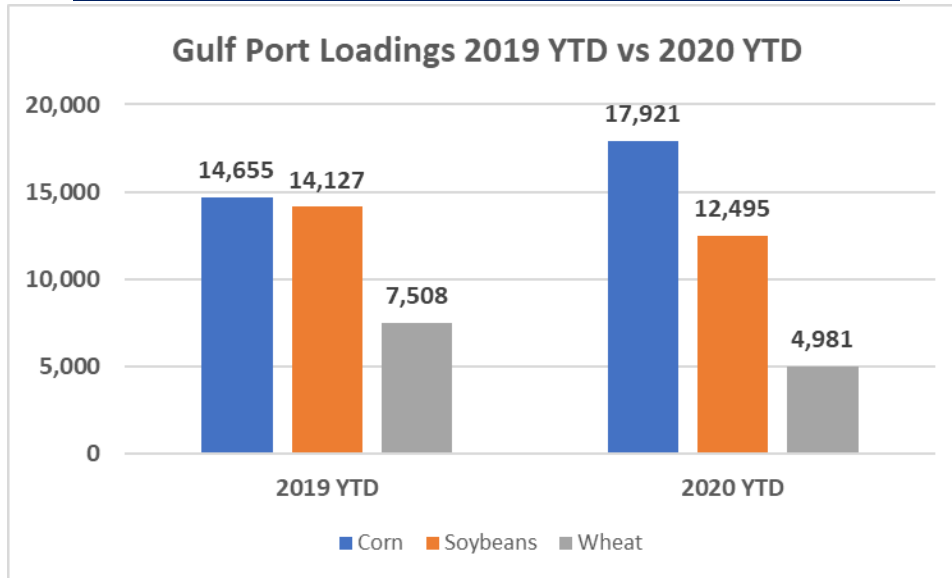
Grain Inspections for Export by U.S. Port Regions:
U.S. Gulf and Pacific Northwest 2019 YTD vs. 2020 YTD

PORT LOADINGS US Gulf				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
GULF				
2019 YTD	14,655	14,127	7,508	36,290
2020 YTD	17,921	12,495	4,981	35,397
2020 as % of 2019	122%	88%	66%	98%

PORT LOADINGS US PNW				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
PNW				
2019 YTD	6,858	6,014	7,856	20,728
2020 YTD	6,426	2,759	9,371	18,556
2020 as % of 2019	94%	46%	119%	90%

PORT LOADINGS GULF vs. PNW				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
2020 Gulf YTD	17,921	12,495	4,981	35,397
2020 PNW YTD	6,426	2,759	9,371	18,556
TOTAL	24,347	15,254	14,352	53,953
Gulf Percentage	74%	82%	35%	66%
PNW Percentage	26%	18%	65%	34%

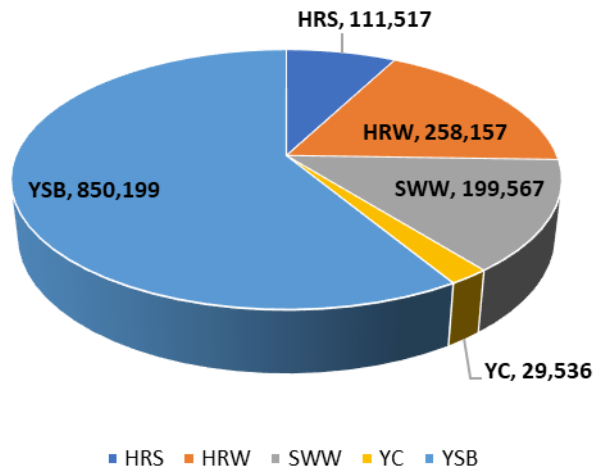
Grain Inspections for Export by U.S. Port Regions (1,000MT):
U.S. Gulf and Pacific Northwest 2019 YTD vs. 2020 YTD



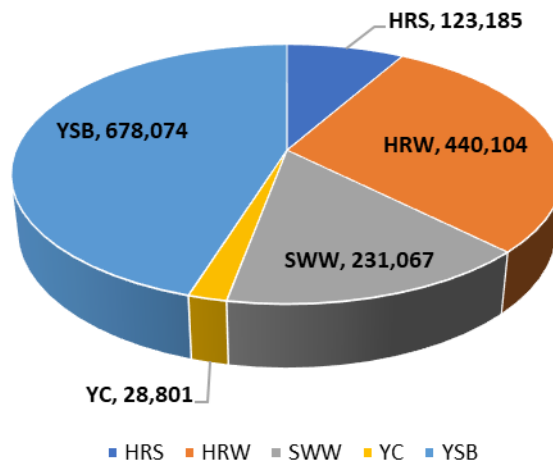
Source: USDA-data

2020 YTD Total Grain Exports reported by USDA (in MT)

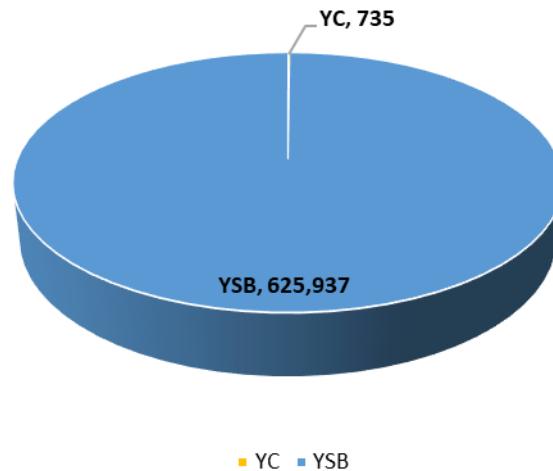
2020 YTD Exports to Indonesia



YTD Vessel Shipments to Indonesia



YTD Container Shipments to Indonesia



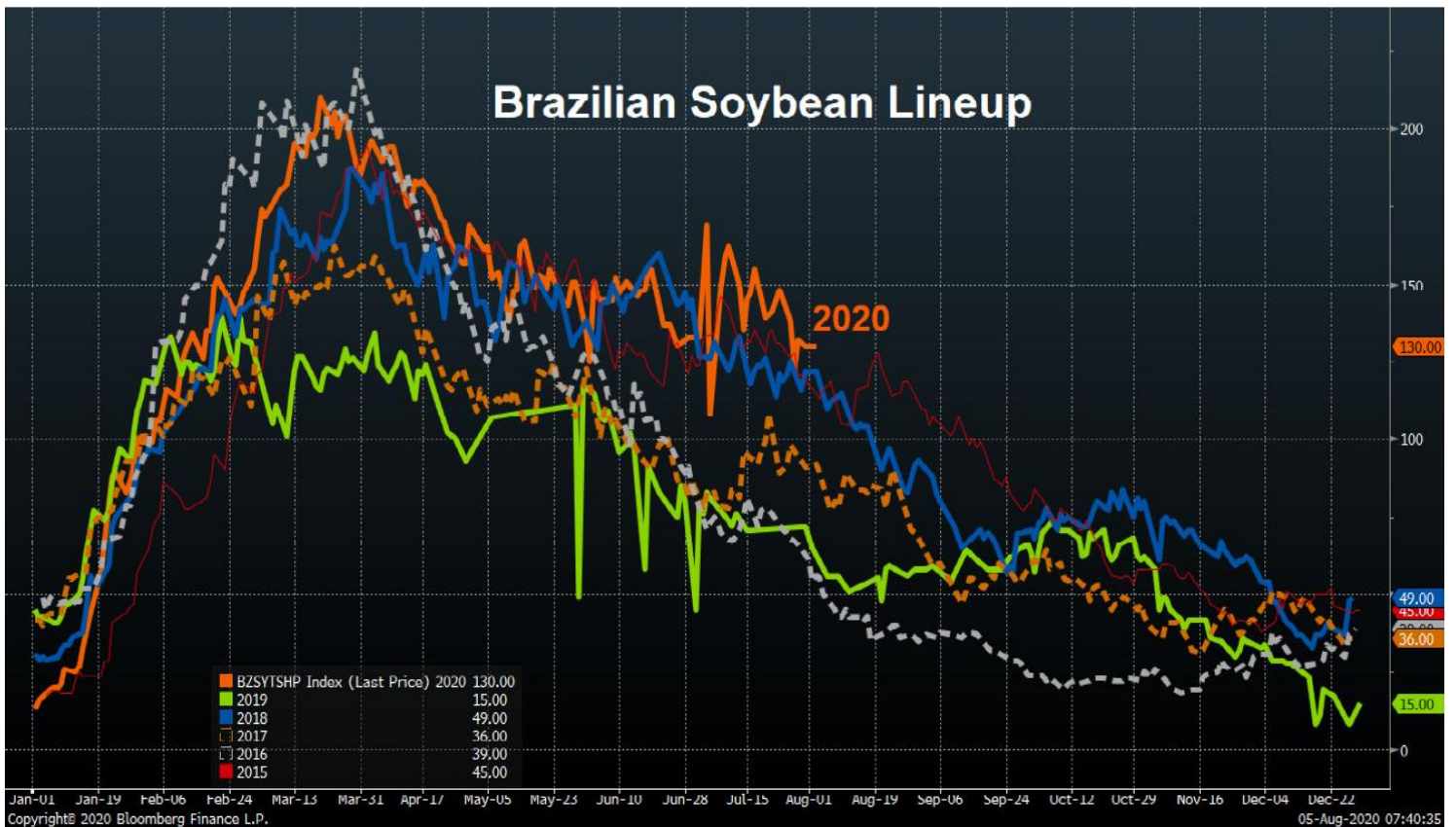
*Please keep in mind that USDA does not report DDGS sales

Shipping News

Baltic Dry-Bulk Ocean Freight Index- US Gulf- Japan



Brazilian Soybean Lineup



Vessel Delays Expected As COVID-19 Crew Screening Tightens

August 3, 2020

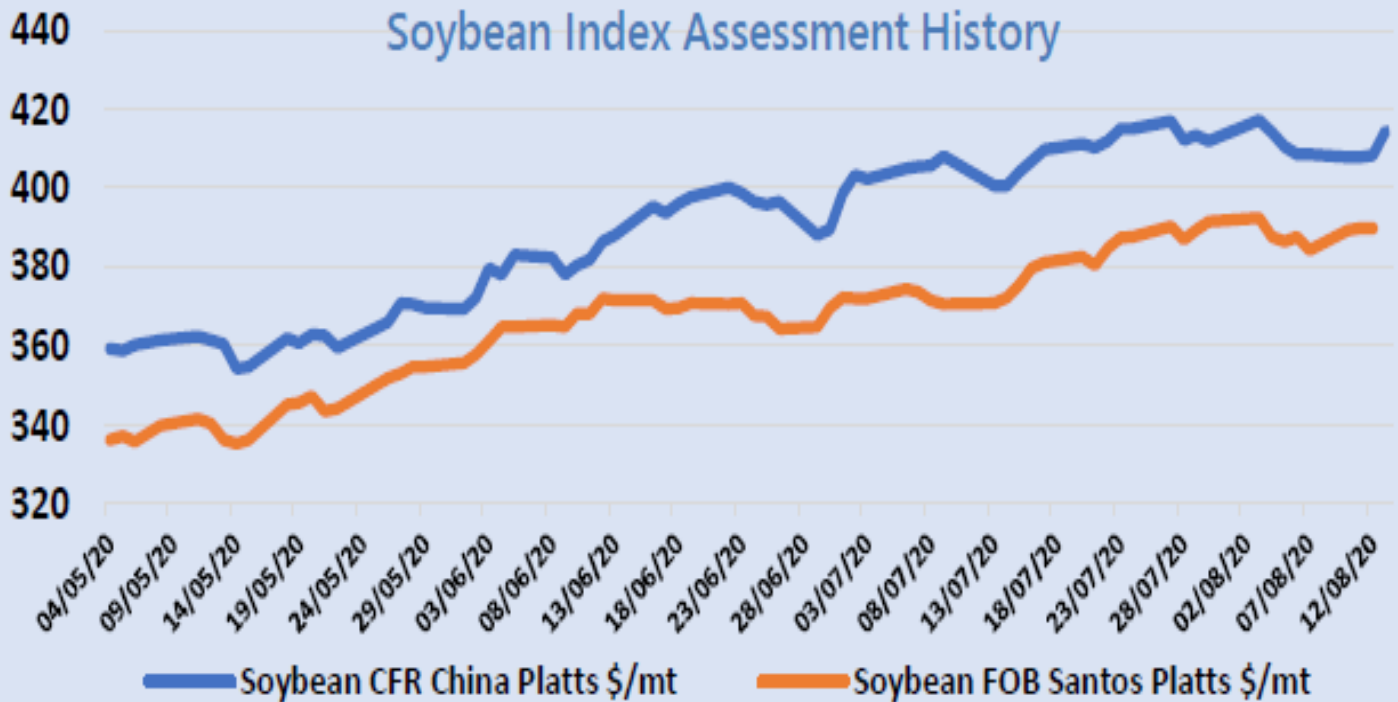


As the new month begins, it was a positive day for dry bulk rates with futures moving higher and now standing well above 20,000/day for Capesizes for the next several months. The upcoming seasonal increase in dry bulk demand is ahead of us, but another unexpected factor might exaggerate any potential increase in freight rates, causing more confusion in an already

turbulent year.

According to broker reports, in the last several days, China has increased COVID-19 screening for crew members, which means longer delays in discharging ports and thus higher congestion.

In fact, some agents are today reporting that the Lianyungang/LYG Municipal Government is requesting all vessels who had called/visited foreign ports within 14 days (no matter had crew change or not) to quarantine at anchorage without exception.



Panamax

Braemar ACM Dry Bulk Weekly
13 August 2020 | Week 33

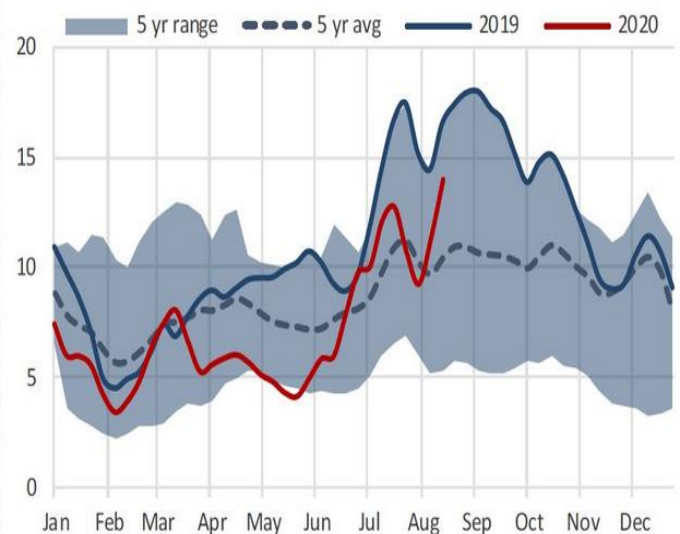
BRAEMAR

Spot

Route	Description	Week 33	Δ WoW
BP1	Transatlantic RV (\$/day)	21,000	+4,000 +23.5%
BP2	Fronthaul (\$/day)	28,000	+4,000 +16.7%
BP3	Pacific RV (\$/day)	15,000	+800 +5.6%
BP4	Brazil → China (Grain) (\$/day)	17,000	+1,800 +11.8%
		+\$700k GBB	
P1A	Transatlantic RV (\$/day)	18,178	+5,404 +42.3%
P2A	Skaw-Gib trip Far East (\$/day)	25,076	+3,681 +17.2%
P3A	Pacific RV (\$/day)	13,936	+1,724 +14.1%
P4	Far East trip Skaw-Gib (\$/day)	4,409	+618 +16.3%
P6	Atlantic RV del. Spore (\$/day)	14,526	+1,518 +11.7%
P7	USG → Qingdao 66kt (\$/t)	44.31	+2.72 +6.6%
P8	Santos → Qingdao 66kt (\$/t)	32.14	+1.91 +6.3%
4TC Average (74k) (\$/day)		13,999	+2,667 +23.5%
5TC Average (82k) (\$/day)		15,335	+2,667 +21.1%
BPI	Baltic Panamax Index (index)	1,704	+296 +21.1%

Period

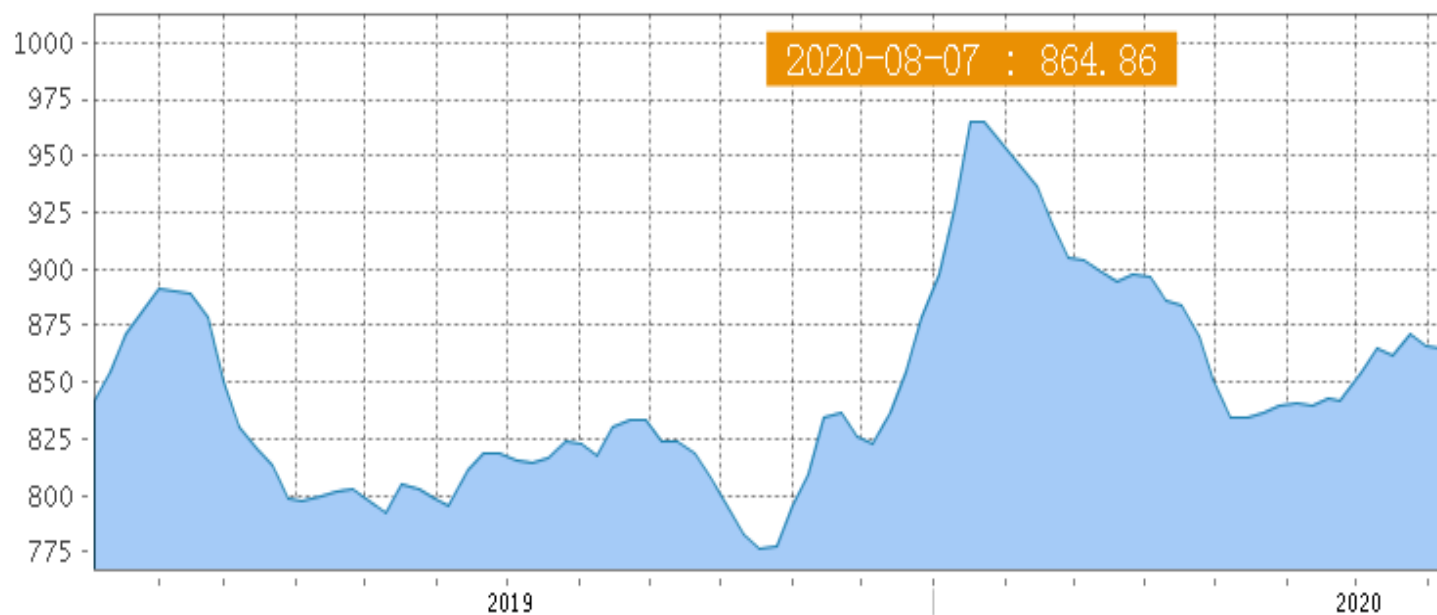
4TC Average \$/day



China Import Dry Bulk Freight Index



China Containerized Freight Index



U.S. RIVER BARGE FREIGHT
Current Barge Freight for Placement First Half September 2020

Placement FH September 2020	% of		Corn	Soybeans-Wheat
	Tariff	MT	BU	BU
Upper Mississippi	465	\$31.73	0.81	0.86
Illinois River (Pekin and South)	Closed	\$ -	0.00	0.00
Mid-Mississippi	400	\$23.46	0.60	0.64
Lower Ohio	380	\$18.68	0.47	0.51
St. Louis	320	\$14.07	0.36	0.38

Secondary Rail Car Market for car placement period: First Half September 2020.

Secondary Rail Car Market Placement FH. September 2020	BID USD	ASK USD	BID BU.	ASK BU.	BID MT	ASK MT
BNSF Shuttle Trains	\$ 450.00	\$ 650.00	\$ 0.11	\$ 0.16	\$ 4.43	\$ 6.40
UPRR Shuttle Trains	\$ 250.00	\$ 450.00	\$ 0.06	\$ 0.11	\$ 2.46	\$ 4.43

Best Regards,

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*** 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.
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