

## Transportation and Export Report for 20 August 2020

After a brief run up in freight values, markets have now plateaued and seem to be reassessing conditions. This week saw Dry-Bulk sellers taking advantage of the inverted (backwardation) situation and taking profits. The inverted markets also attracted better volumes of vessels for hire.

The Capesize sector lost \$600/day in daily hire rates yesterday. Daily hire rates for Panamax vessels lost close to \$600/day over the course of the week; now trading down from \$13,200/day to \$12,600/day for September. Supramax and Handymax sectors showed more stability than the larger vessel markets. The market tone is currently described as "cautious".

### BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices				
20-Aug-2020	This Week	Last Week	Difference	Percent Change
P2A : Gulf/Atlantic - Japan	25827	26618	-791	-3.0%
P3A - PNW/Pacific - Japan	13858	14435	-577	-4.0%
S1C -USGULF-China-So.Japan	25136	25136	0	0.0%
P7- Trial- Miss. River - Qingdao	43850	44964	-1,114	-2.5%
P8- Trial- Santos - Qingdao	31983	32671	-688	-2.1%

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

Four weeks ago:	\$7.00-\$8.20
Three weeks ago:	\$6.15-\$7.15
Two weeks ago:	\$7.60-\$8.50
One week ago:	\$8.10-\$8.20
This week	\$7.50- \$8.00

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

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

Panamax Market Spreads to Asia -China					
20-Aug-2020	PNW	GULF	Bushel Spread	MT Spread	Advantage
CORN	1.45	0.94	0.51	\$20.08	Both
SOYBEANS	1.42	1.12	0.30	\$11.81	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.

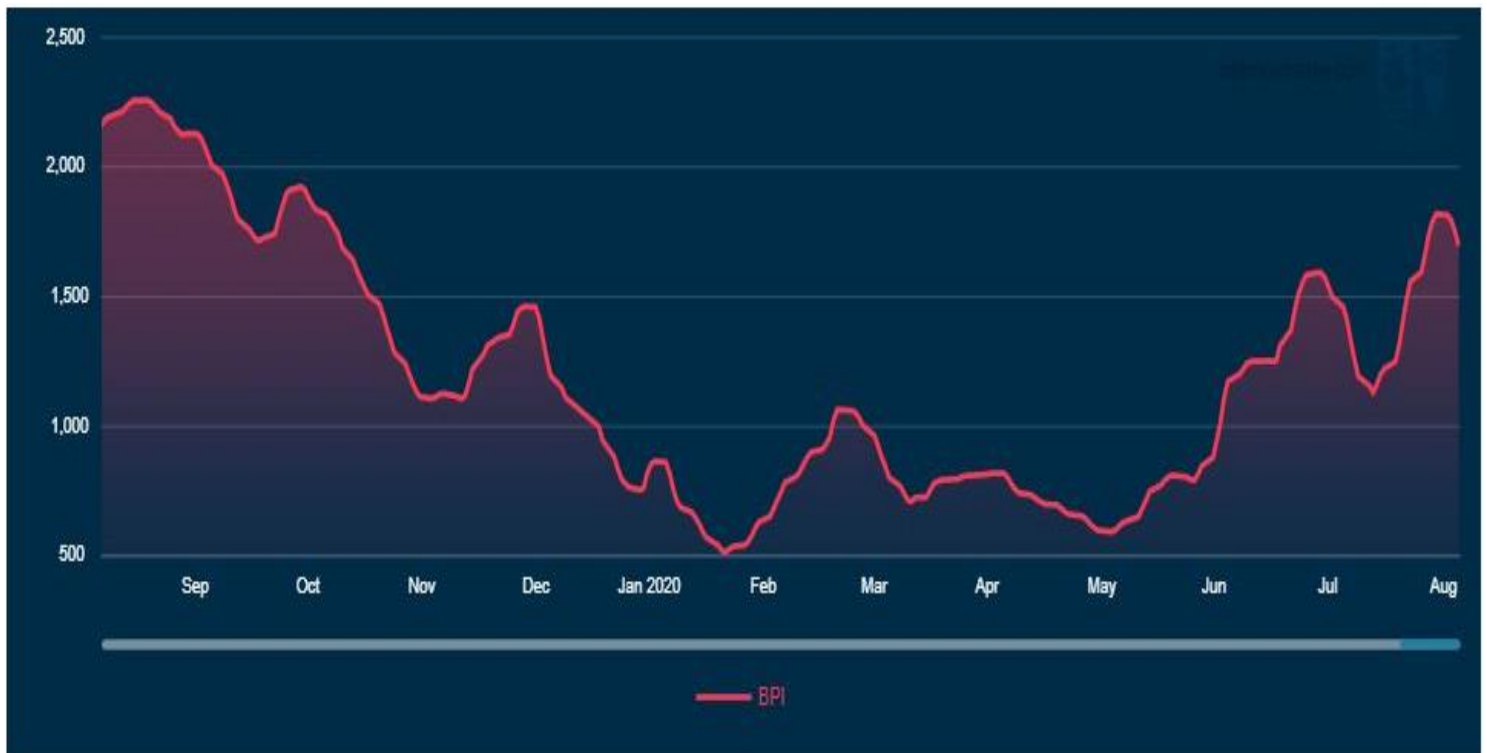
30,000 mt Corn Northern Brazil to Vera Cruz, Mexico \$19.50-\$21.00/mt .To U.S. E/C about \$22.00-23.50/mt

Route and Vessel Size	Current Week USD/MT	Change from previous week	Remarks
55,000 U.S. Gulf-Japan	\$44.50	Unchanged	Handymax \$46.00 mt
55,000 U.S. PNW- Japan	\$24.25	Unchanged	Handymax \$25.50 mt
66,000 U.S. Gulf – China	\$43.50	Unchanged	North China
PNW to China	\$23.50	Unchanged	
25,000 U.S. Gulf- Veracruz, México	\$17.75	Unchanged	3,000 MT daily discharge rate
30-36,000+ U.S. Gulf- Veracruz, México	\$15.00	Unchanged	Deep draft and 6,000 MT per day discharge rate.
30-38,000 U.S. Gulf- Colombia	\$20.75	Unchanged	<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	Unchanged	Acajutla/Quetzal - 8,000 out
26-30,000 U.S. Gulf – Algeria	\$39.00 \$41.00	Unchanged	8,000 mt daily discharge 3,000 mt daily discharge
26-30,000 US Gulf-Morocco	\$40.50	Unchanged	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt  PNW to Egypt	\$29.00  \$297.25	Unchanged	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	\$19.75	Down \$0.25	Handymax at +\$1.75 more
Brazil, Santos – China Brazil, Santos – China  Northern Coast Brazil	\$32.50 \$32.00  \$35.50	Down \$0.50	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	\$36.50	Down \$0.50	Upriver with BB Top Off Plus \$3.75 mt

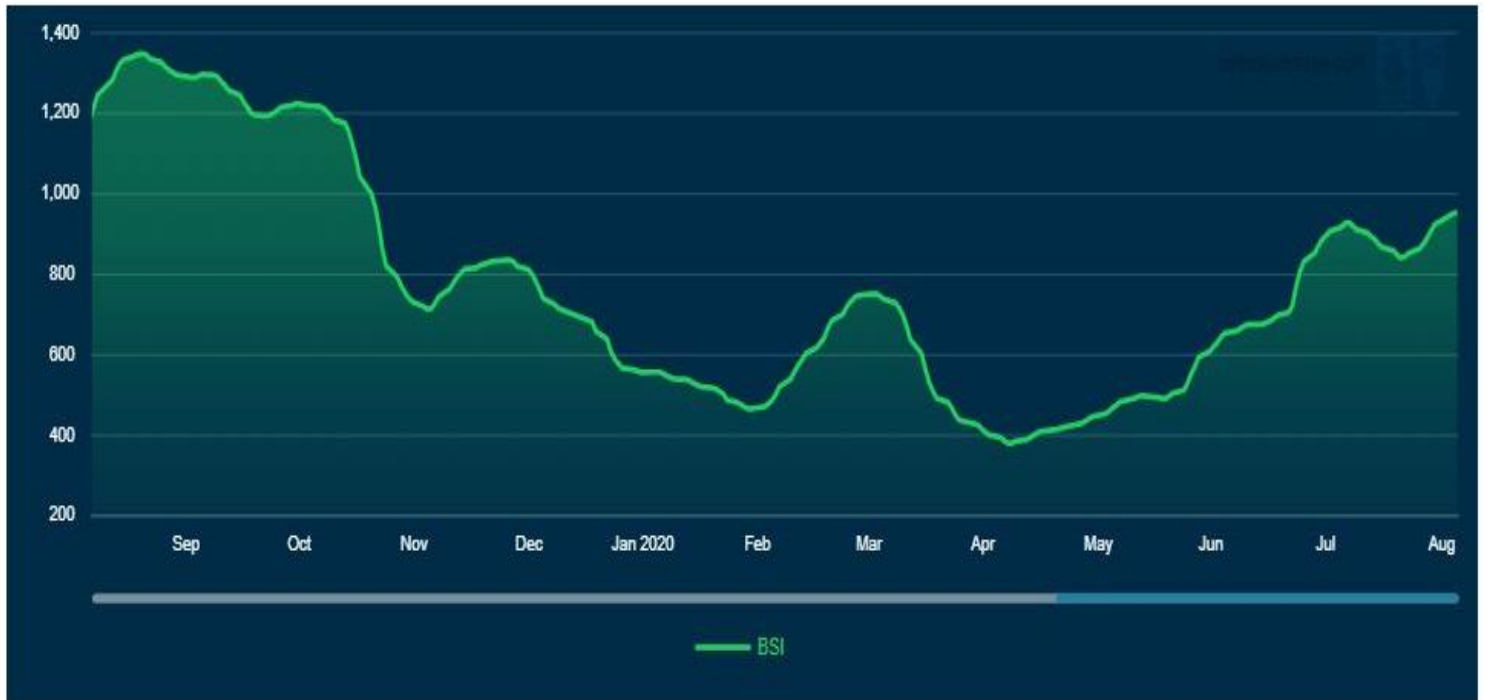
### Baltic Dry Bulk Index.



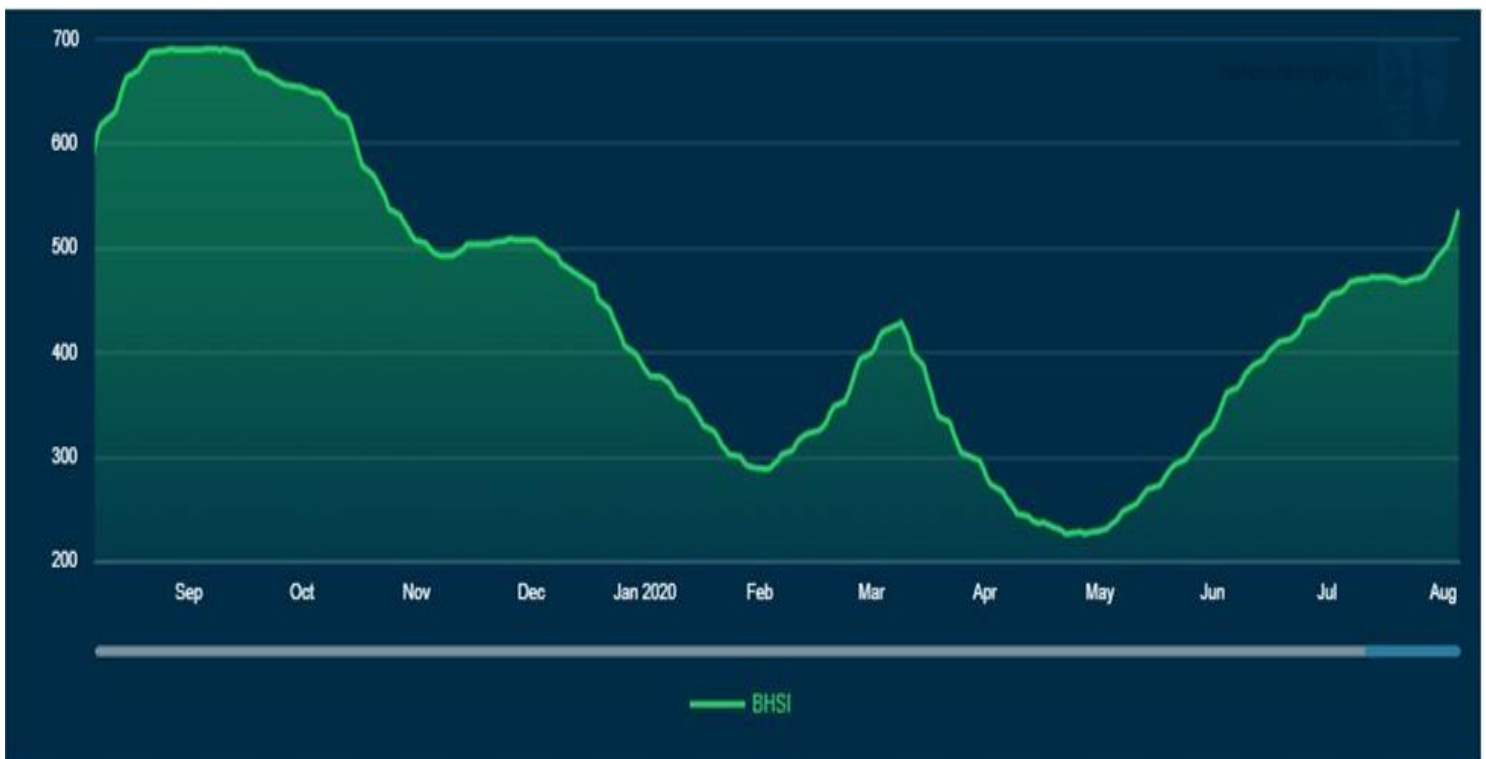
### Baltic Panamax Index



### Baltic Supramax Vessel Index



### Baltic Handy Size Vessel Index

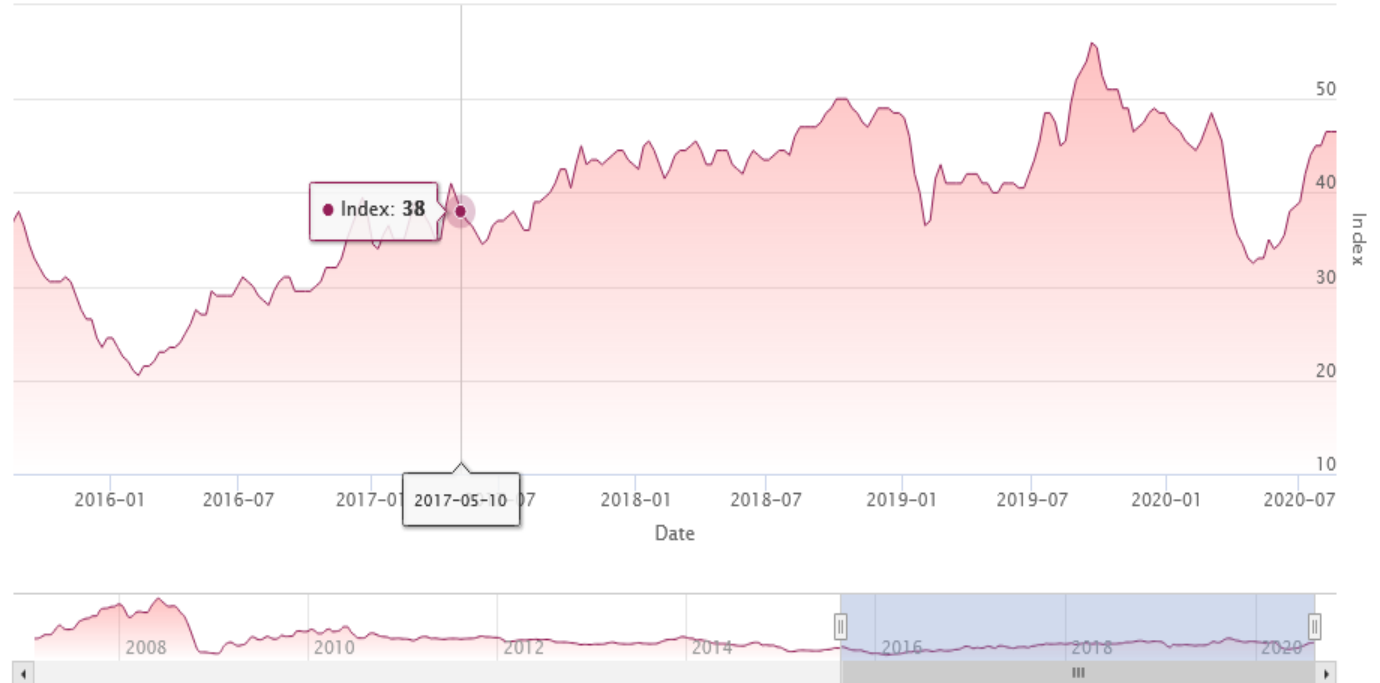


# YAMAMIZU Index



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

From 2015-08-19 To 2020-08-19



## China Import Dry Bulk Freight Index 2020-08-20

Description	Size MT	Cargo/Vessel Size	Unit	Rate	Change
Composite Index			Point	859.32	-20.98
Iron ore Freight Index			Point	871.23	-39.44
Dampier(West Australia)-Qingdao (China)	170000/10%	Iron ore	\$/ton	7.602	-0.62
Tubarao(Brazil)-Qingdao(China)	170000/10%	Iron ore	\$/ton	17.375	-0.251
Soybean Freight Index			Point	959.95	-3.48
Santos(Brazil)—North China	60000/10%	Soybean	\$/ton	32.1	-0.136
Tacoma(West America)—North China	60000/10%	Soybean	\$/ton	23.443	-0.057
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	43.583	-0.158
Mississippi(US Gulf)—North China	55000/10%	Soybean	\$/ton	45.49	-0.11

**20 August 2020 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>Sept.</b>	0.94	<b>\$164.75</b>	1.45	<b>\$184.83</b>
<b>Oct.</b>	0.94	<b>\$170.56</b>	1.43	<b>\$189.85</b>
<b>Nov.</b>	0.94	<b>\$170.56</b>	1.41	<b>\$189.06</b>
<b>Dec.</b>	0.93	<b>\$170.17</b>	1.41	<b>\$189.06</b>
<b>Jan.</b>	0.74	<b>\$167.81</b>	1.35	<b>\$191.82</b>
<b>Feb.</b>	0.73	<b>\$167.41</b>	1.36	<b>\$192.21</b>

The Gulf spread between #2 & #3 YC is currently about .03 cents per bushel (1.18/mt) at USG but is out to .12/bushel in the PNW.

<b>SORGHUM (USD/MT) FOB VESSEL</b>				
#2 YGS Fob Vessel	NOLA		TEXAS	
Max. 14.0% moisture	BASIS	FLAT PRICE	BASIS	FLAT PRICE
<b>Sept.</b>	2.65	<b>\$237.88</b>	2.50	<b>\$231.98</b>
<b>Oct.</b>	2.65	<b>\$237.88</b>	2.50	<b>\$231.98</b>
<b>Nov.</b>	2.65	<b>\$237.88</b>	2.45	<b>\$230.01</b>
<b>Dec.</b>	2.60	<b>\$235.91</b>	2.35	<b>\$226.07</b>
<b>Jan.</b>	2.60	<b>\$241.03</b>	2.35	<b>\$231.19</b>

Fob vessel Texas Gulf #2 Sorghum is about 141 % 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	\$236.81	\$240.12	\$240.12	\$240.12
Basis	1.25	1.25	1.25	1.25
WU	5.1950			.
WZ	5.2850			
WH	5.3500			

20-Aug-2020	Close	This Week	Last Week.	Last Week.	Last Week	
CME Corn Futures	Bushel	MT.	Bushel	Bu. Diff.	MT	MT Diff.
Sept.	\$ 3.2450	\$ 127.75	\$ 3.1125	0.1325	\$ 122.53	\$ 5.22
Dec.	\$ 3.3925	\$ 133.56	\$ 3.2375	0.1550	\$ 127.45	\$ 6.10
Mar..	\$ 3.5225	\$ 138.67	\$ 3.3550	0.1675	\$ 132.08	\$ 6.59
May	\$ 3.6025	\$ 141.82	\$ 3.4375	0.1650	\$ 135.33	\$ 6.50
July	\$ 3.6600	\$ 144.09	\$ 3.5050	0.1550	\$ 137.98	\$ 6.10
Sept.	\$ 3.6750	\$ 144.68	\$ 3.5550	0.1200	\$ 139.95	\$ 4.72

### CBOT December 2020 (CZ20) CORN Futures Chart –



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

<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>Sept.</b>	25.00	<b>\$ 349.60</b>
<b>Oct.</b>	25.00	<b>\$ 352.14</b>
<b>Nov.</b>	24.00	<b>\$ 355.78</b>
<b>Dec.</b>	25.00	<b>\$ 356.88</b>
<b>Jan.</b>	24.00	<b>\$ 356.99</b>
<b>SBM Futures</b>		
<b>SMU</b>	292.10	
<b>SMV</b>	294.40	
<b>SMZ</b>	298.70	
<b>SMF</b>	299.80	
<b>SMH</b>	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 06 August 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	395.6	44,159.8	45,090	98%	11,480.3
Sorghum	347.4	4,633.7	5,330	87%	1,723.1
Soybeans	590.5	47,510.7	44,910	106%	17,975.5
Wheat	411.1	10,591.2	25,860	41%	5.0
Barley	0.0	39.2	110	36%	0.0

**U.S. EXPORT INSPECTIONS:**

Monday's report 17 August 2020 for the Export week ending 13 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	1,036,985	1,288,883	40,312,783	46,168,508	87%
Sorghum	83,934	109,012	4,723,598	1,999,455	236%
Soybeans	785,075	785,568	40,950,167	43,485,255	94%
Wheat	461,699	476,698	5,625,441	5,521,334	102%
Barley	1996	0	2,461	2,938	84%

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

**U.S. EXPORT INSPECTIONS:**

Monday's report 17 August 2020 for the Export week ending 13 August 2020

Last Week							
(Metric Tons)	YC	%	WC	%	Sorghum	%	Soybeans %
Lakes	26,353	3%	0	0%	0	0%	20,766 3%
Atlantic	0	0%	0	0%	0	0%	1,935 0%
Gulf	635,490	61%	0	0%	72,684	87%	570,150 73%
PNW	223,671	22%	490	100%	0	0%	85,425 11%
Interior Export Rail	150,981	15%	0	0%	11,250	13%	106,799 14%
Metric Tons	1,036,495		490		83,934		785,075

Sorghum Shipments: metric tons

48,557 China Main

24,200 Sudan

11,177 Mexico

83,934 Total

White Corn metric tons

Shipments: 490 Korea Rep

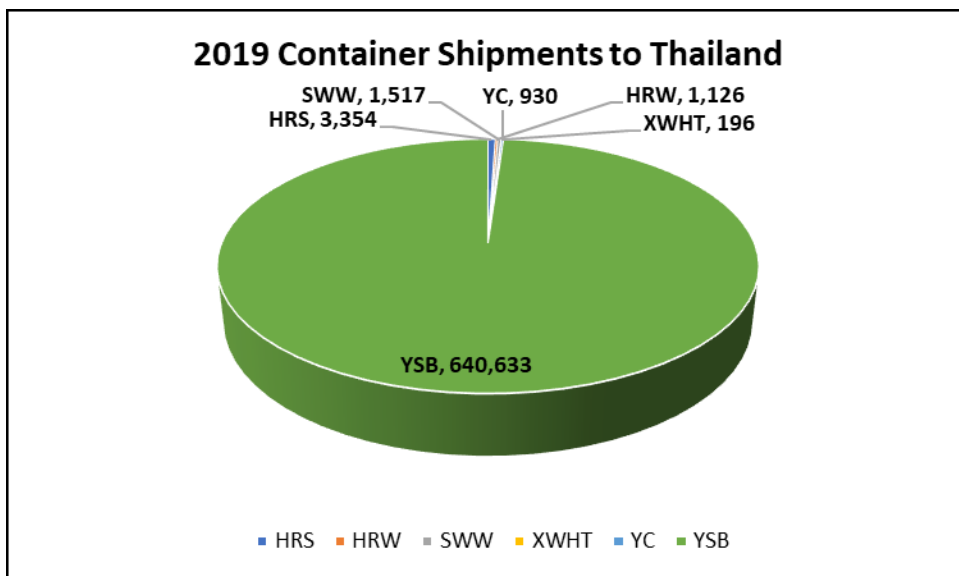
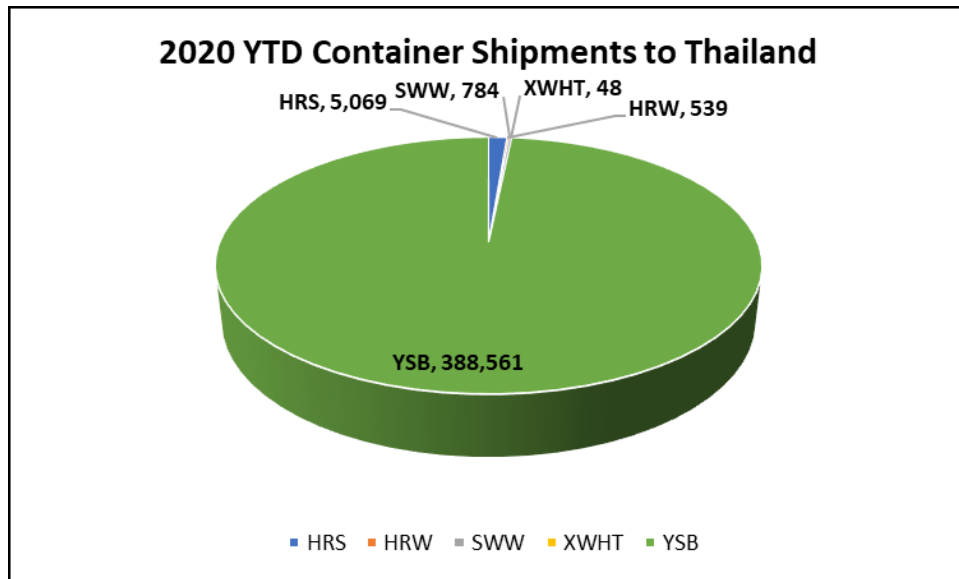
490 Total

## 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-Aug-2020							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	SWH	HRW	Sorghum	TOTAL
China Main	1,053		1,052					73	2,178
China T	9,693		7,395						17,088
Hong Kong	759								759
Costa Rica									0
Indonesia			17,214						17,214
French Poly									0
Japan			808						808
Korea Rep.	1,028		637						1,665
Nepal									0
Malaysia	955		4,726						5,681
El Salvador			24						24
Philippines			269						269
Thailand			2,768						2,768
Guyana				98					98
Singapore									0
Bangladesh			465						465
Burma			171						171
Vietnam			5,482						5,482
Sub Total:	13,488	0	41,011	98	0	0	0	73	54,670
USDA Corrections/Additions to previous reports:									
China T									0
China Main									0
Hong Kong									0
Korea Rep.									0
Cambodia									0
Japan									0
Philippines									0
Indonesia									0
Malaysia									0
Thailand									0
Vietnam									0
Jordan									0
Nigeria									0
Sub Total:	0	0	0	0	0	0	0	0	0
<b>Mt. Grand Total</b>	<b>13,488</b>	<b>0</b>	<b>41,011</b>	<b>98</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>73</b>	<b>54,670</b>
Number of Containers	586	0	1,783	4	0	0	0	3	

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



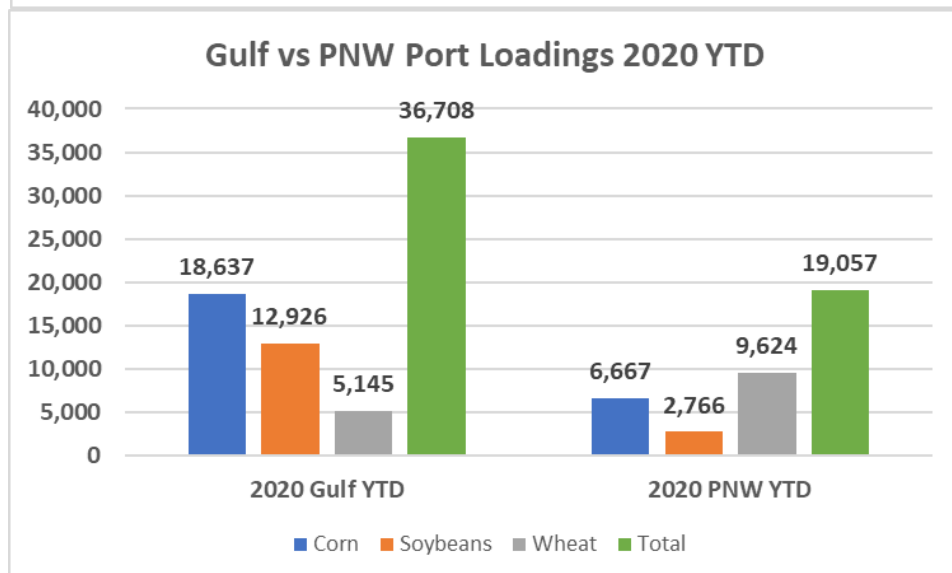
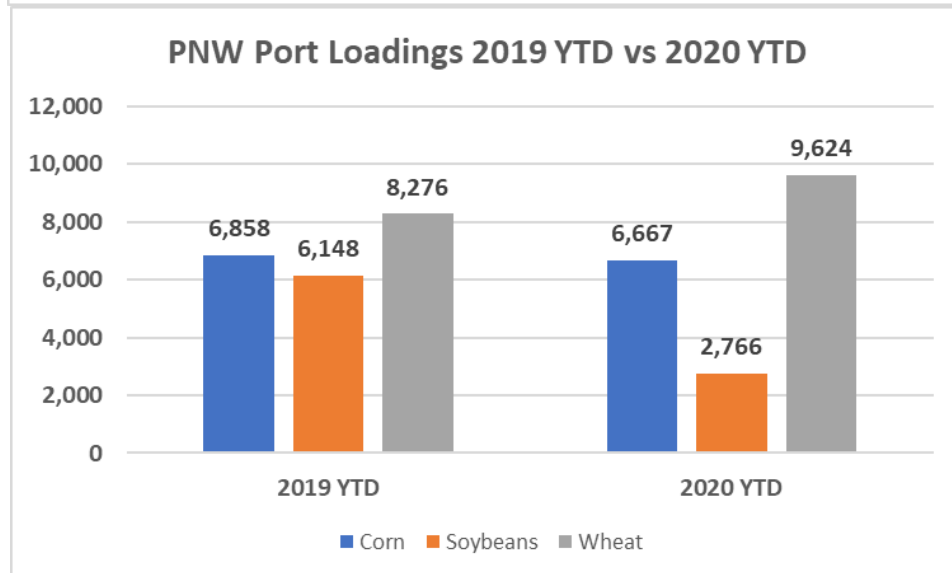
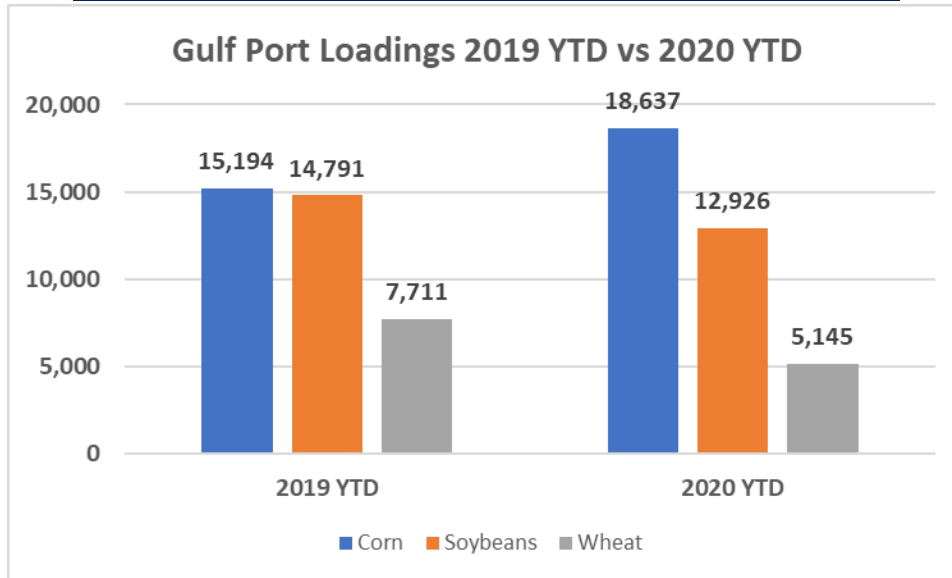
Grain Inspections for Export by U.S. Port Regions:  
U.S. Gulf and Pacific Northwest 2019 YTD vs. 2020 YTD

<b>PORT LOADINGS US Gulf</b>				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
<b>GULF</b>				
2019 YTD	15,194	14,791	7,711	37,696
2020 YTD	18,637	12,926	5,145	36,708
2020 as % of 2019	123%	87%	67%	97%

<b>PORT LOADINGS US PNW</b>				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
<b>PNW</b>				
2019 YTD	6,858	6,148	8,276	21,282
2020 YTD	6,667	2,766	9,624	19,057
2020 as % of 2019	97%	45%	116%	90%

<b>PORT LOADINGS GULF vs. PNW</b>				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
2020 Gulf YTD	18,637	12,926	5,145	36,708
2020 PNW YTD	6,667	2,766	9,624	19,057
TOTAL	25,304	15,692	14,769	55,765
<b>Gulf Percentage</b>	74%	82%	35%	66%
<b>PNW Percentage</b>	26%	18%	65%	34%

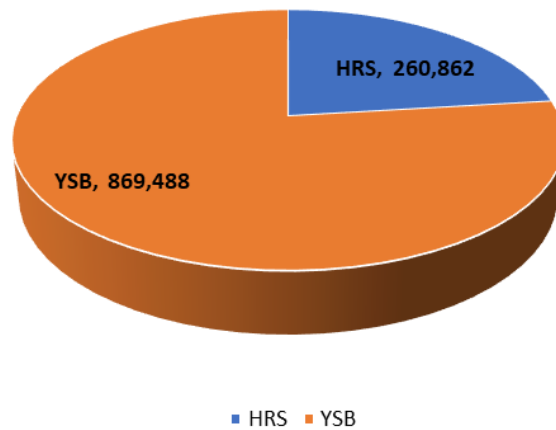
Grain Inspections for Export by U.S. Port Regions (1,000MT):  
U.S. Gulf and Pacific Northwest 2019 YTD vs. 2020 YTD



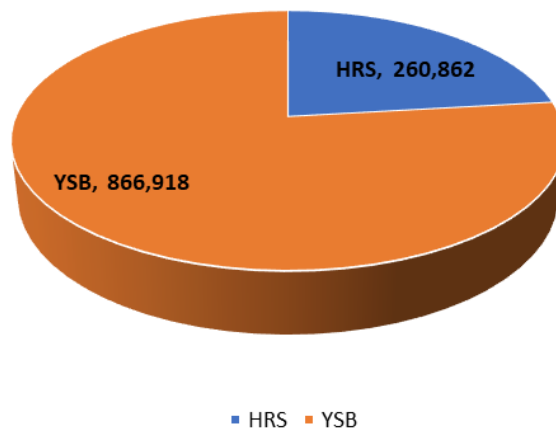
Source: USDA-data

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

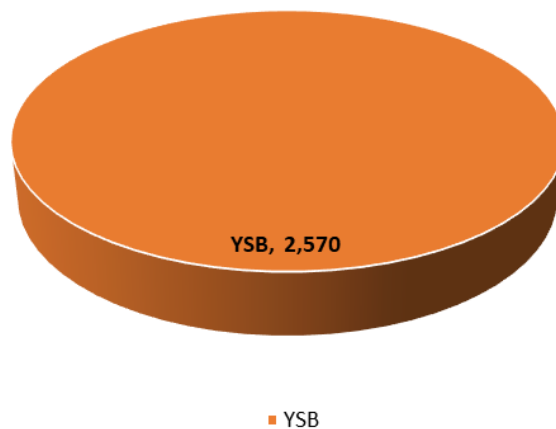
**2020 YTD Exports to Bangladesh**



**YTD Vessel Shipments to Bangladesh**



**YTD Container Shipments to Bangladesh**



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

## Shipping News

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

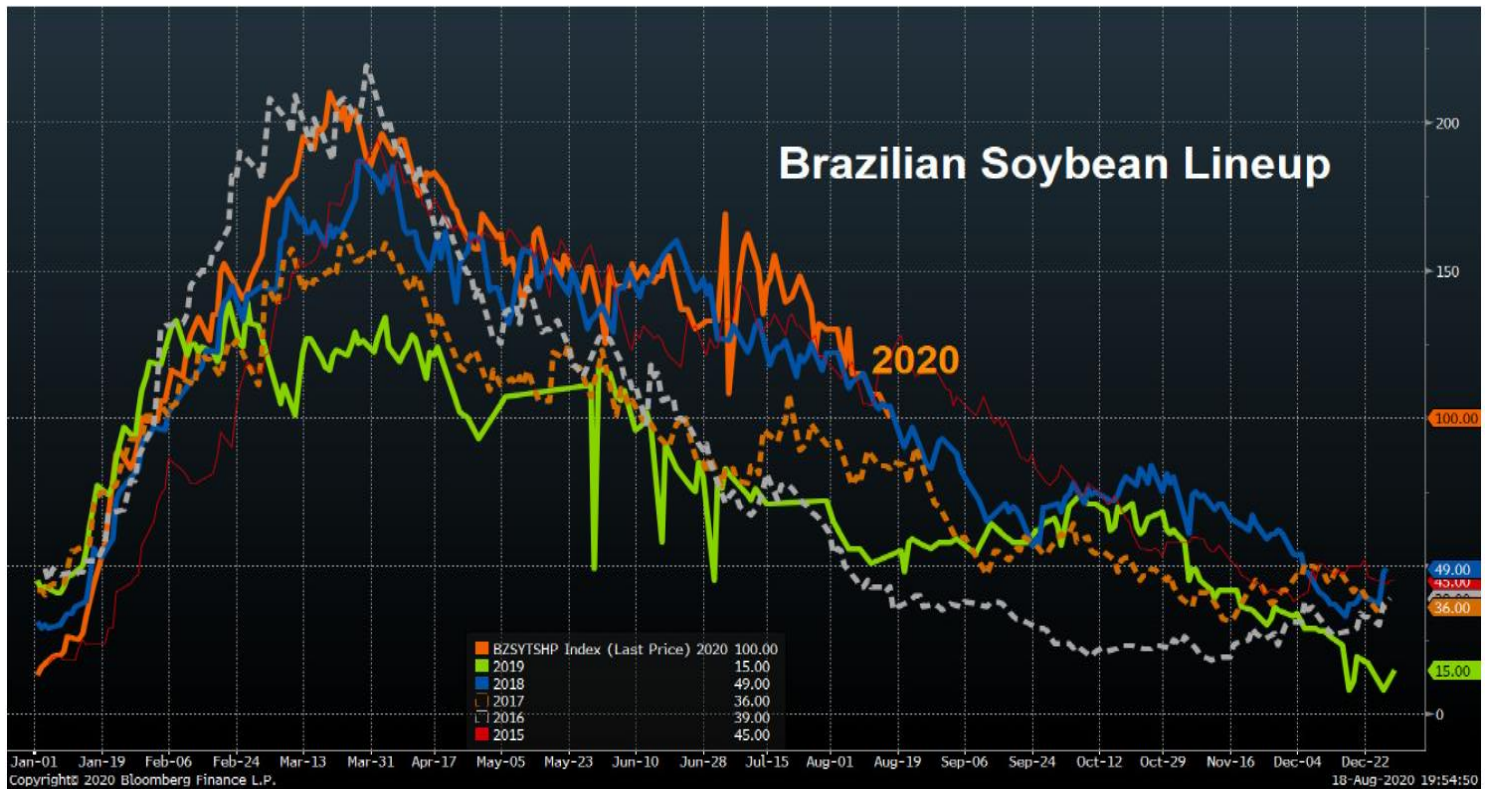
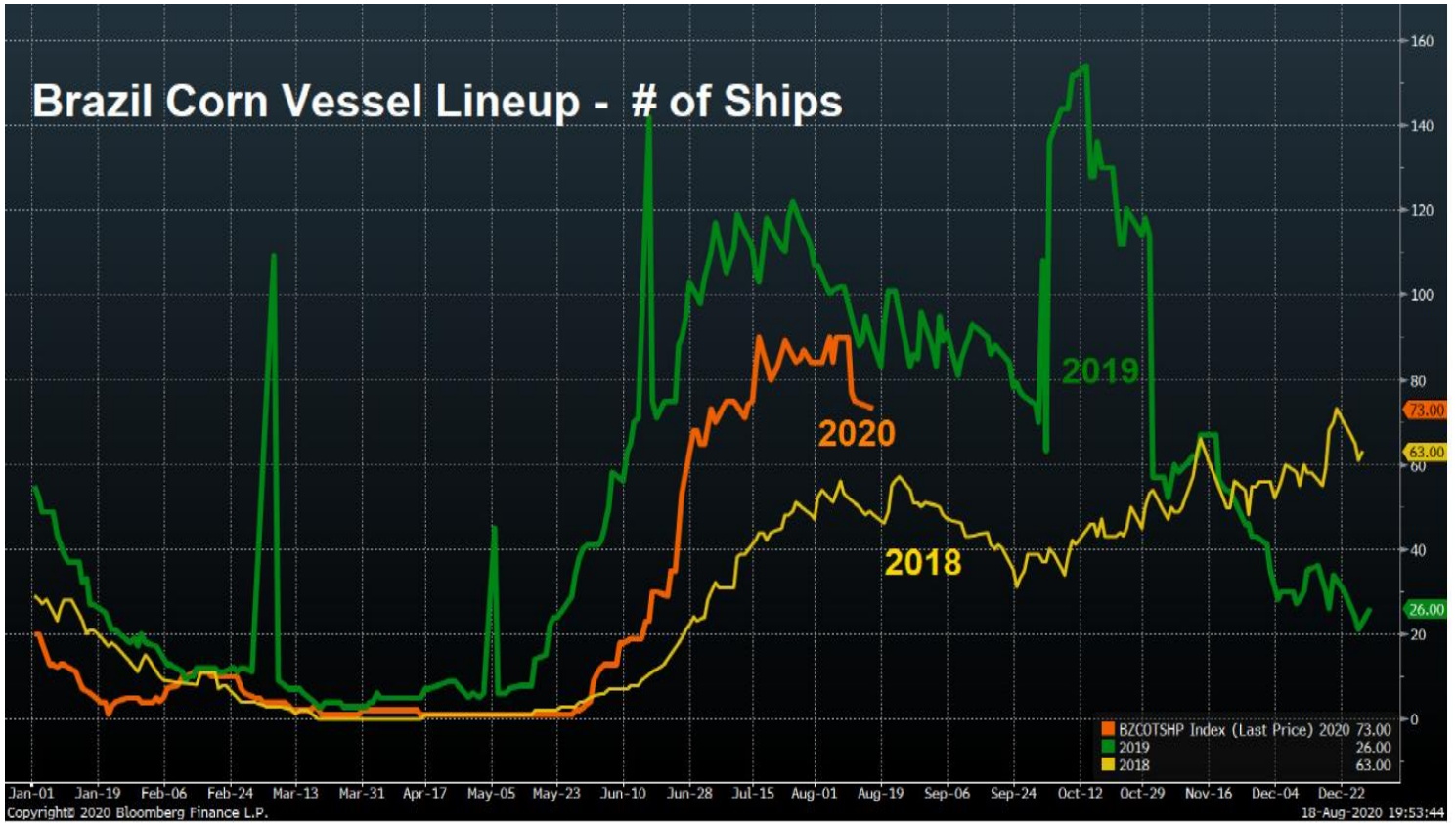


**Splash** @Splash\_247 · Aug 15

Wakashio splits in two off Mauritius [dlvr.it/RdkqnN](https://dlvr.it/RdkqnN)



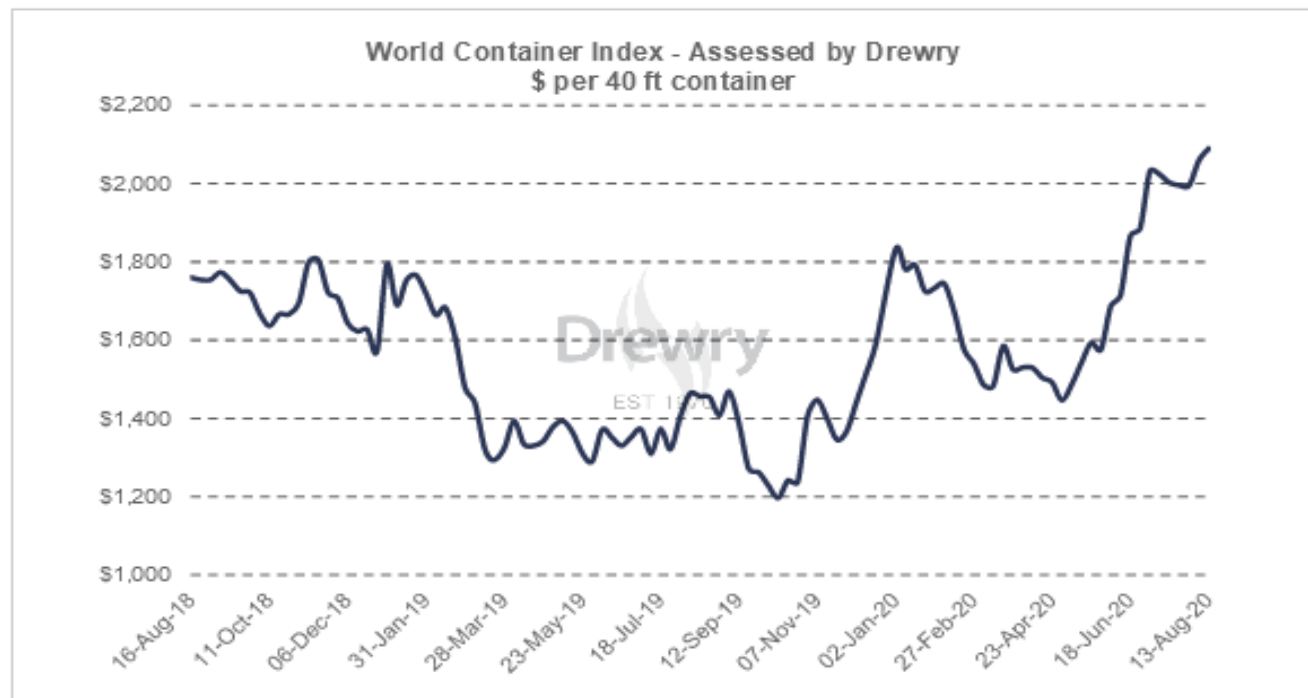






The composite index increased 1.5% this week and 43.5% up when compared with same period of 2019.

The average composite index of the WCI, assessed by Drewry for year-to-date, is \$1,713 per 40ft container, which is \$302 higher than the five-year average of \$1,411 per 40ft container.



**Twitter** © @RussianGrainTra · 5h

Glencore Agriculture division is to be renamed as VITERRA network in November 2020 🏠 🌾 🌱

Glencore bought Viterra back in 2012 for \$6.1-billion 💰 🇨🇦 🇦🇺 🌐 🍷

@Grainmanuk @Glencore

@ViterraCanada @GatoNob



**Isis Almeida** @isiscarol14 · 17h

Glencore's Crop Unit Rebrands as Viterra, Stirring Spinoff Speculation  
#ags #corn #wheat #soy w/ @megandurisin bloomberg.com  
/news/articles/...

**Olaf Merk** @o\_merk · 8h

"Some shipowners are now asking managers to cut internet at sea so seafarers cannot share tactics on how best to effect crew change by stopping work"

**Splash** @Splash\_247 · 10h

Dark tactics deployed to make crew changes harder [dlvr.it/Rdwh6f](https://dlvr.it/Rdwh6f)



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6



**Olaf Merk** @o\_merk · 4h

Five years after our report [@ITF\\_Forum](#) our critical view on mega-ships has now become common wisdom



Megaships Proving a Drag on Ocean Carriers in Trade Downturn

The megaships that were supposed to carry container lines into a new era of efficiency-driven profitability have become a financial albatross during...

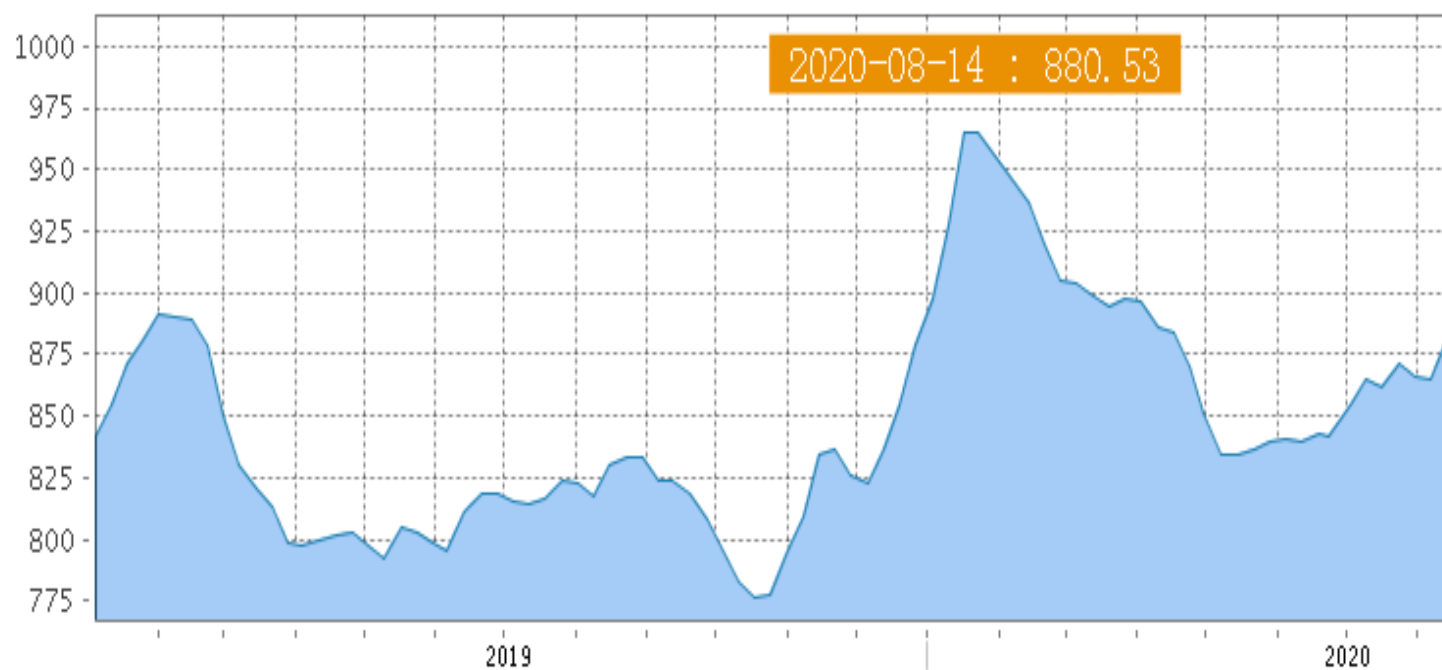
[wsj.com](https://www.wsj.com)



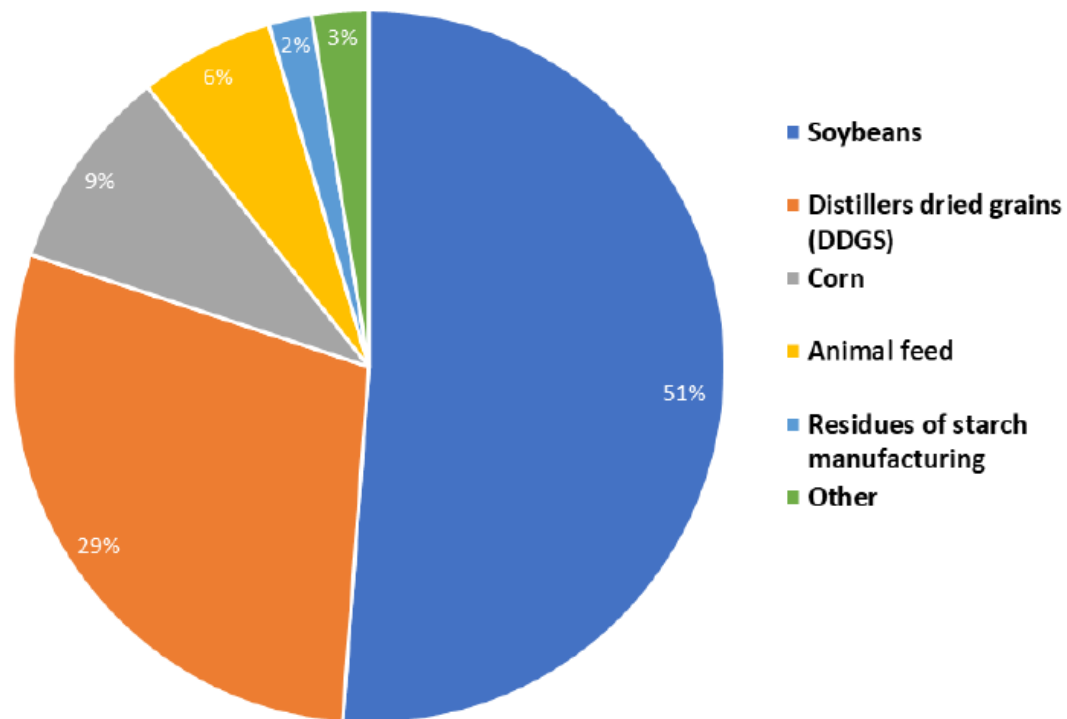
## China Import Dry Bulk Freight Index



## China Containerized Freight Index

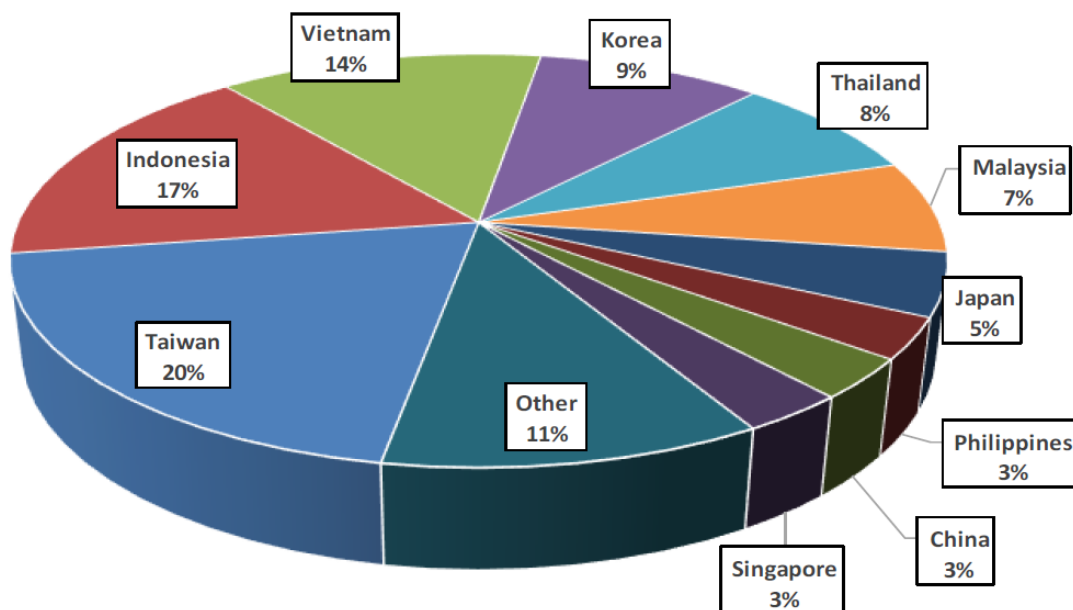


**Figure 2: Top Five U.S. Containerized Grain Exports in Metric Tons**



Source: USDA, Agricultural Marketing Service analysis of IHS Markit/PIERS.

**Top 10 destination markets for U.S. containerized grain exports, Jan-May 2020**



Note: The following Harmonized Tariff Codes are used to calculate containerized grains movements: 1001, 100190, 1002, 1003 100300, 1004, 100400, 1005, 100590, 1007, 100700, 1102, 110100, 230310, 110220, 110290, 1201, 120100, 230210, 230990, 230330, 120810, and 120190.

Source: USDA, Agricultural Marketing Service, Transportation Services Division analysis of PIERS data.

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

Placement LH September 2020	% of		Corn	Soybeans-Wheat
	Tariff	MT	BU	BU
Upper Mississippi	500	\$34.12	0.87	0.93
Illinois River (Pekin and South)	Closed	\$ -	0.00	0.00
Mid-Mississippi	480	\$28.15	0.72	0.77
Lower Ohio	485	\$23.84	0.61	0.65
St. Louis	390	\$17.15	0.44	0.47

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

Secondary Rail Car Market Placement LH. September 2020	BID USD	ASK USD	BID BU.	ASK BU.	BID MT	ASK MT
BNSF Shuttle Trains	\$ 550.00	\$ 800.00	\$ 0.14	\$ 0.20	\$ 5.41	\$ 7.87
UPRR Shuttle Trains	\$ 450.00	\$ 650.00	\$ 0.11	\$ 0.16	\$ 4.43	\$ 6.40

Best Regards,

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Follow me on Twitter @ igpjay



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