

## Transportation and Export Report for 6 August 2020

Dry-bulk freight markets bumped up this week on support from cargo demand from the U.S. Gulf and East Coast South America to China. The Capesize market also helped move markets with better rates for Australian Iron Ore to China.

Daily hire rates for August Panamax vessels pushed up to \$13,000/day and Sep to \$13,600/day. Forward months however remained rangebound at \$9,900-9,850/day; so, all the excitement sits in the nearby positions.

### BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices				
6-Aug-2020	This Week	Last Week	Difference	Percent Change
P2A : Gulf/Atlantic - Japan	22591	18982	3,609	19.0%
P3A - PNW/Pacific - Japan	12694	10928	1,766	16.2%
S1C -USGULF-China-So.Japan	25061	24961	100	0.4%
P7- Trial- Miss. River - Qingdao	42557	39250	3,307	8.4%
P8- Trial- Santos - Qingdao	31036	28400	2,636	9.3%

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

Four weeks ago:	\$9.25-\$10.50
Three weeks ago:	\$8.00-\$8.90
Two weeks ago:	\$7.00-\$8.20
One week ago:	\$6.15-\$7.15
This week	\$7.60- \$8.50

### 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					
6-Aug-2020	PNW	GULF	Bushel Spread	MT Spread	Advantage
CORN	1.38	0.99	0.39	\$15.35	PNW
SOYBEANS	1.40	1.08	0.32	\$12.60	PNW
OCEAN FREIGHT	\$22.00	\$41.50	.50-.53	\$19.50	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 \$20.00-\$21.00/mt.

Soybean Brazil to Spain about \$23.00-24.00/mt.

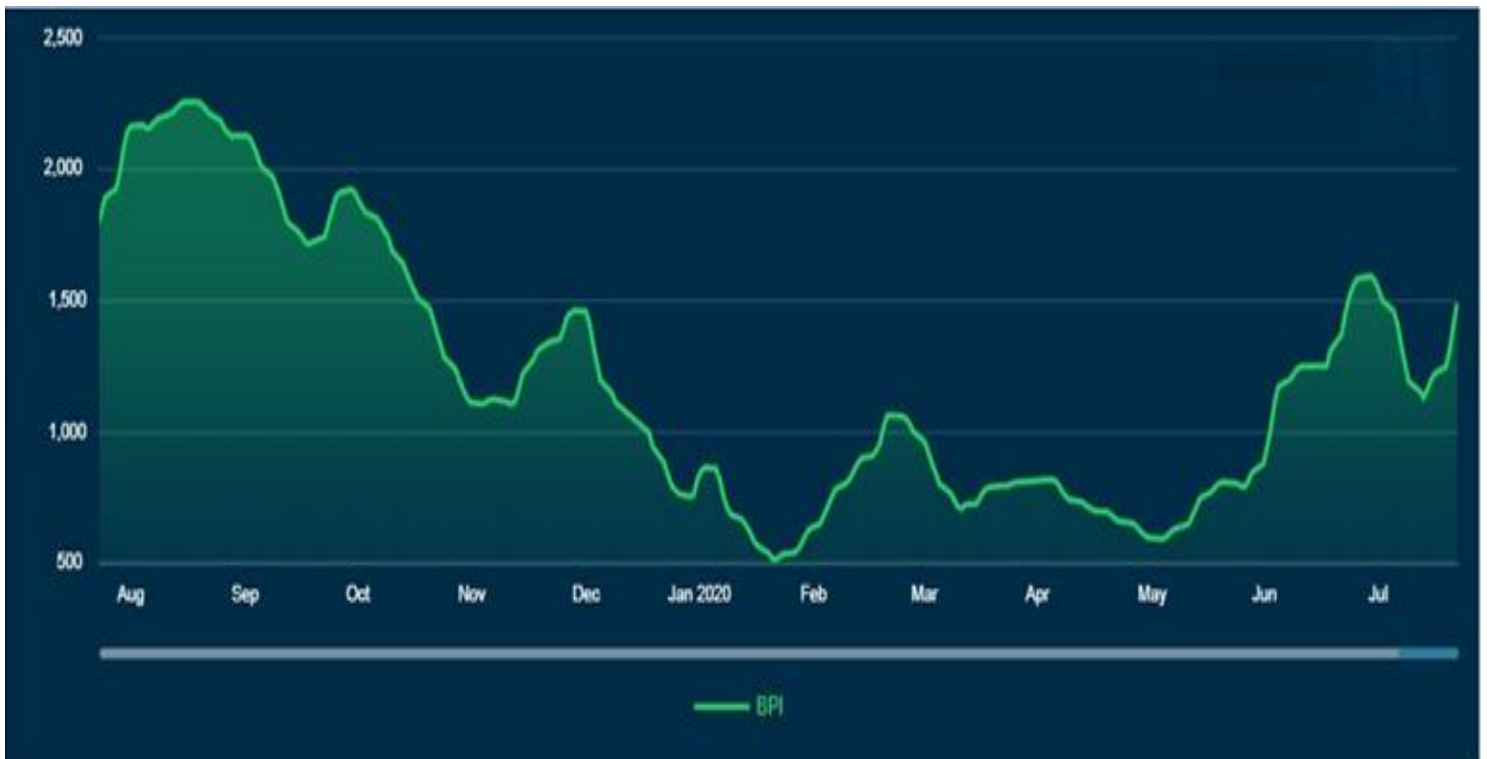
30,000 mt Corn Northern Brazil to Vera Cruz, Mexico \$18.00-\$19.00/mt .To U.S. E/C about \$20.50-21.50/mt

Route and Vessel Size	Current Week USD/MT	Change from previous week	Remarks
55,000 U.S. Gulf-Japan	\$42.50	Up \$1.00	Handymax \$44.00 mt
55,000 U.S. PNW- Japan	\$22.75	Up \$1.00	Handymax \$23.50 mt
66,000 U.S. Gulf – China	\$41.50	Up \$1.50	North China
PNW to China	\$22.00	Up \$1.00	
25,000 U.S. Gulf- Veracruz, México	\$16.75	Up \$0.50	3,000 MT daily discharge rate
30-36,000+ U.S. Gulf- Veracruz, México	\$14.00	Up \$0.50	Deep draft and 6,000 MT per day discharge rate.
30-38,000 U.S. Gulf- Colombia	\$19.25	Up \$1.00	<u>West Coast Colombia at \$29.25</u>
<u>East Coast Colombia</u> From Argentina	<u>\$28.00</u> \$32.00		USG to E/C 50,000 mt at \$16.00
43-45,000 U.S. Gulf - Guatemala	\$27.00	Up \$1.00	Acajutla/Quetzal - 8,000 out
26-30,000 U.S. Gulf – Algeria	\$37.50 \$39.50	Up \$1.00	8,000 mt daily discharge 3,000 mt daily discharge
26-30,000 US Gulf-Morocco	\$39.00	Up \$1.00	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt	\$27.00	Up \$1.00	60,000 -55,000 mt
PNW to Egypt	\$27.25		Romania- Russia- Ukraine \$13.50-\$13.55 -\$13.75 France \$17.50
60-70,000 U.S. Gulf – Europe – Rotterdam	\$20.00	Up \$1.00	Handymax at +\$1.75 more
Brazil, Santos – China	\$31.00	Up \$1.50	54-59,000 Supramax-Panamax
Brazil, Santos – China	\$30.50		60-66,000 Post Panamax
Northern Coast Brazil	\$34.00		Upriver No. Brazil Plus -55,000 mt Plus \$7.50/mt
56-60,000 Argentina/Rosario- China Deep Draft	\$35.00	Up \$1.50	Upriver with BB Top Off Plus \$3.75 mt

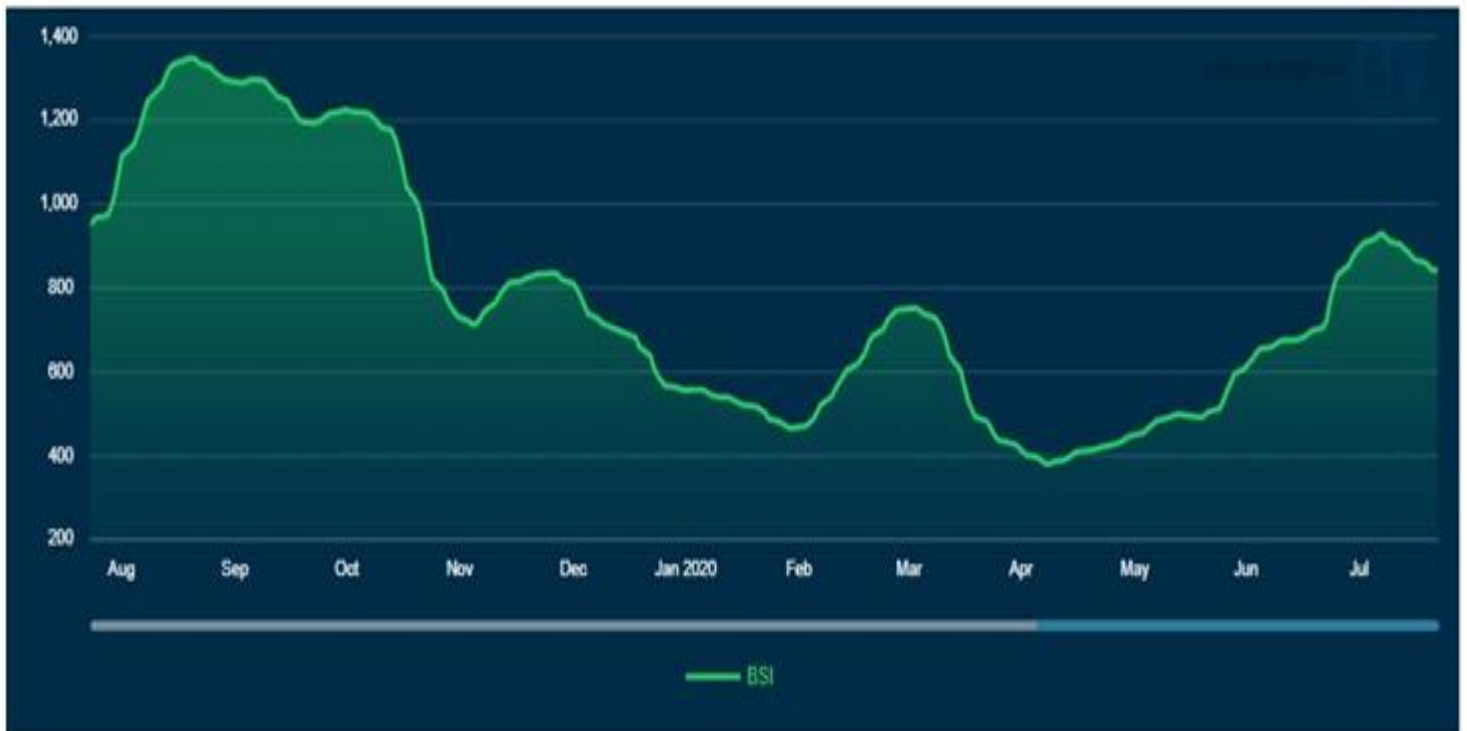
## Baltic Dry Bulk Index.



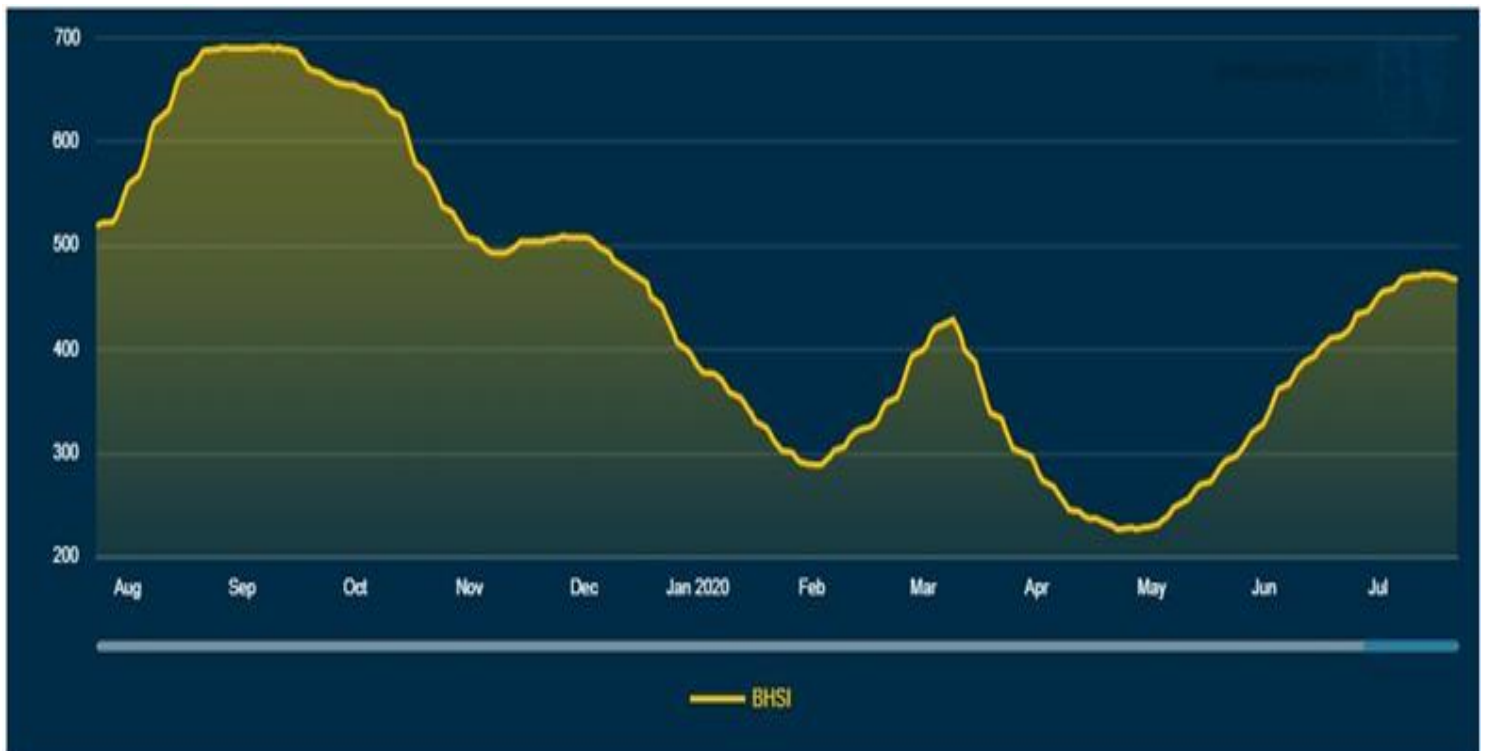
## Baltic Panamax Index



### Baltic Supramax Vessel Index



### Baltic Handy Size Vessel Index

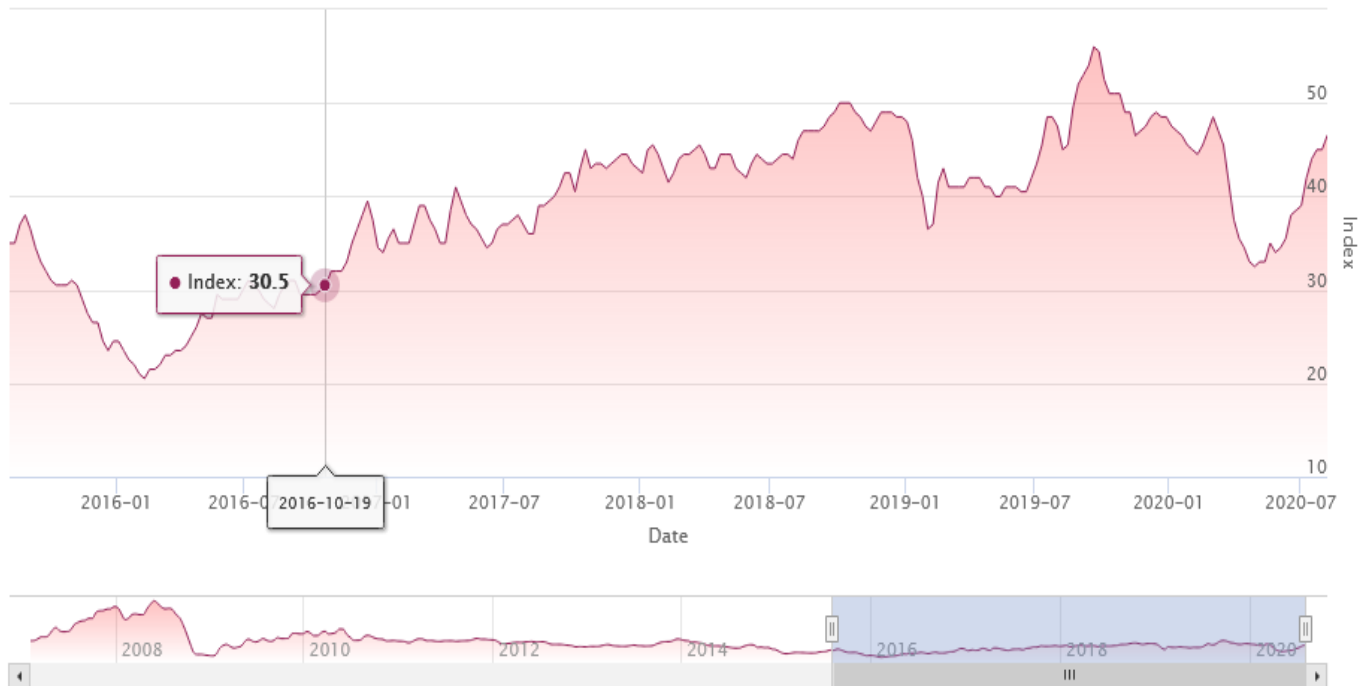


# YAMAMIZU Index



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

From 2015-08-05 To 2020-08-05



## China Import Dry Bulk Freight Index

2020-08-06

Description	Size MT	Cargo/Vessel Size	Unit	Rate	Change
Composite Index			Point	878.37	5.37
Iron ore Freight Index			Point	939.48	-0.59
Dampier(West Australia)-Qingdao (China)	170000/10%	Iron ore	\$/ton	8.556	0.069
Soybean Freight Index			Point	909.51	18.83
Santos(Brazil)—North China	60000/10%	Soybean	\$/ton	30.393	0.693
Tacoma(West America)—North China	60000/10%	Soybean	\$/ton	21.807	0.379
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	41.542	0.842
Mississippi(US Gulf)—North China	55000/10%	Soybean	\$/ton	43.43	0.73

**6 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>	0.99	<b>\$161.51</b>	1.38	<b>\$176.86</b>
<b>Oct.</b>	0.97	<b>\$165.64</b>	1.41	<b>\$182.96</b>
<b>Nov.</b>	0.93	<b>\$164.07</b>	1.40	<b>\$182.57</b>
<b>Dec.</b>	0.92	<b>\$163.67</b>	1.41	<b>\$182.96</b>
<b>Jan.</b>	0.79	<b>\$163.18</b>	1.35	<b>\$185.23</b>
<b>Feb.</b>	0.75	<b>\$161.61</b>	1.37	<b>\$186.01</b>

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.

<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>	2.50	<b>\$225.87</b>	2.35	<b>\$219.97</b>
<b>Oct.</b>	2.50	<b>\$225.87</b>	2.32	<b>\$218.79</b>
<b>Nov.</b>	2.50	<b>\$225.87</b>	2.25	<b>\$216.03</b>
<b>Dec.</b>	2.50	<b>\$225.87</b>	2.30	<b>\$218.00</b>
<b>Jan.</b>	2.50	<b>\$230.50</b>	2.30	<b>\$222.63</b>

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**

<b>SRW Wheat</b>	<b>USD/MT</b>	<b>Fob Vessel</b>	<b>US Gulf</b>	
	<b>Sept.</b>	<b>Oct.</b>	<b>Nov.</b>	<b>Dec.</b>
FOB U.S. GULF	\$231.94	\$232.68	\$234.51	\$234.51
Basis	1.30	1.25	1.30	1.30
WU	5.0125			
WZ	5.0825			
WH	5.1650			

6-Aug-2020	Close	This Week	Last Week.	Last Week.	Last Week	
CME Corn Futures	Bushel	MT.	Bushel	Bu. Diff.	MT	MT Diff.
Sept.	\$ 3.1125	\$ 122.53	\$ 3.2800	(0.1675)	\$ 129.13	\$ (6.59)
Dec.	\$ 3.2375	\$ 127.45	\$ 3.3550	(0.1175)	\$ 132.08	\$ (4.63)
Mar..	\$ 3.3550	\$ 132.08	\$ 3.4550	(0.1000)	\$ 136.02	\$ (3.94)
May	\$ 3.4375	\$ 135.33	\$ 3.5250	(0.0875)	\$ 138.77	\$ (3.44)
July	\$ 3.5050	\$ 137.98	\$ 3.5775	(0.0725)	\$ 140.84	\$ (2.85)
Sept.	\$ 3.5550	\$ 139.95	\$ 3.5900	(0.0350)	\$ 141.33	\$ (1.38)

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



### CME/CBOT Sept. 2020 (WU20) 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>	1.08	<b>\$361.10</b>	1.40	<b>\$372.85</b>
<b>Oct.</b>	1.08	<b>\$362.29</b>	1.50	<b>\$377.72</b>
<b>Nov.</b>	1.11	<b>\$363.39</b>	1.50	<b>\$377.72</b>
<b>Dec.</b>	1.04	<b>\$363.21</b>	1.50	<b>\$380.11</b>
<b>Jan.</b>	1.05	<b>\$363.58</b>	1.50	<b>\$380.11</b>
<b>Soybean Futures</b>				
<b>Sept.</b>	\$ 8.7475			
<b>Nov.</b>	\$ 8.7800			
<b>Jan.</b>	\$ 8.8450			
<b>Mar.</b>	\$ 8.8700			
<b>May</b>	\$ 8.9125			
<b>July</b>	\$ 8.9850			

<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>	23.00	<b>\$ 337.59</b>
<b>Oct.</b>	23.00	<b>\$ 339.57</b>
<b>Nov.</b>	23.00	<b>\$ 343.32</b>
<b>Dec.</b>	24.00	<b>\$ 344.42</b>
<b>Jan.</b>	23.00	<b>\$ 345.30</b>
<b>SBM Futures</b>		
<b>SMU</b>	283.20	
<b>SMV</b>	285.00	
<b>SMZ</b>	288.40	
<b>SMF</b>	290.20	
<b>SMH</b>	290.90	

### 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 23 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	132.3	43,681.0	45,090	97%	8,327.6
Sorghum	4.3	4,364.6	5,330	82%	984.0
Soybeans	709.0	46,778.4	44,910	104%	13,731.2
Wheat	753.6	9,617.9	25,860	37%	0.0
Barley	0.0	38.7	110	35%	0.0

## U.S. EXPORT INSPECTIONS:

Monday's report 03 August 2020 for the Export week ending 30 July 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	716,127	840,796	37,941,582	44,926,988	84%
Sorghum	171,125	84,084	4,523,028	1,858,124	243%
Soybeans	551,543	504,645	39,373,215	41,381,628	95%
Wheat	500,110	544,010	4,631,000	4,245,993	109%
Barley	49	0	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 03 August 2020 for the Export week ending 30 July 2020

Last Week								
(Metric Tons)	YC	%	WC	%	Sorghum	%	Soybeans	%
Lakes	0	0%	0	0%	0	0%	49,305	9%
Atlantic	0	0%	0	0%	343	0%	5,021	1%
Gulf	260,568	37%	18,540	88%	170,733	100%	395,541	72%
PNW	250,207	36%	0	0%	0	0%	0	0%
Interior Export Rail	184,293	27%	2,519	12%	49	0%	101,676	18%
Metric Tons	695,068		21,059		171,125		551,543	

Sorghum Shipments: metric tons

171,125	China Main
171,125	Total

White Corn metric tons

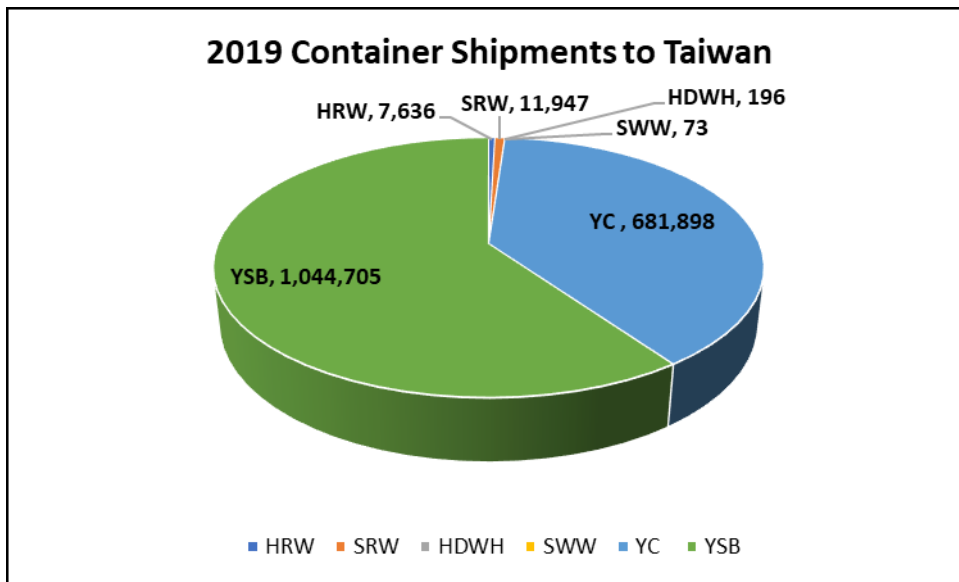
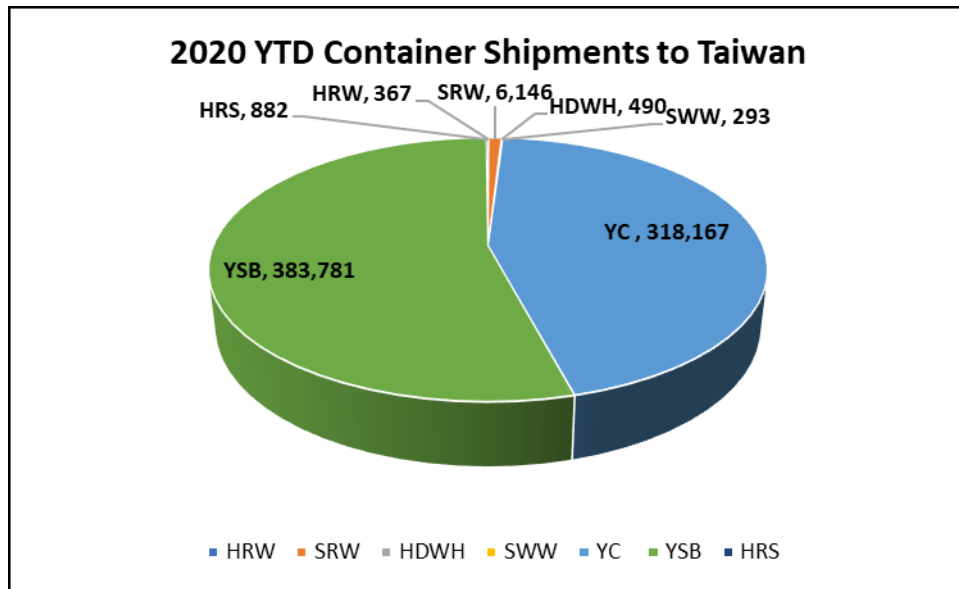
Shipments:	14,040	El Salvador
	4,500	Japan
	24	Ireland
	2,495	Mexico
	21,059	Total

## 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-Jul-2020							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	SWH	HRW	Sorghum	TOTAL
China Main	539		5,976					49	6,564
China T	9,178		10,821	489					20,488
Hong Kong	1,395								1,395
Costa Rica									0
Indonesia			23,141						23,141
French Poly									0
Japan			637						637
Korea Rep.			440						440
Nepal			490						490
Malaysia	245		5,290						5,535
Cambodia									0
Philippines									0
Thailand			5,511						5,511
Ireland		24							24
Italy									0
Bangladesh									0
Burma			490						490
Vietnam			4,772						4,772
Sub Total:	11,357	24	57,568	489	0	0	0	49	69,487
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>11,357</b>	<b>24</b>	<b>57,568</b>	<b>489</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>49</b>	<b>69,487</b>
Number of Containers	494	1	2,503	21	0	0	0	2	

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



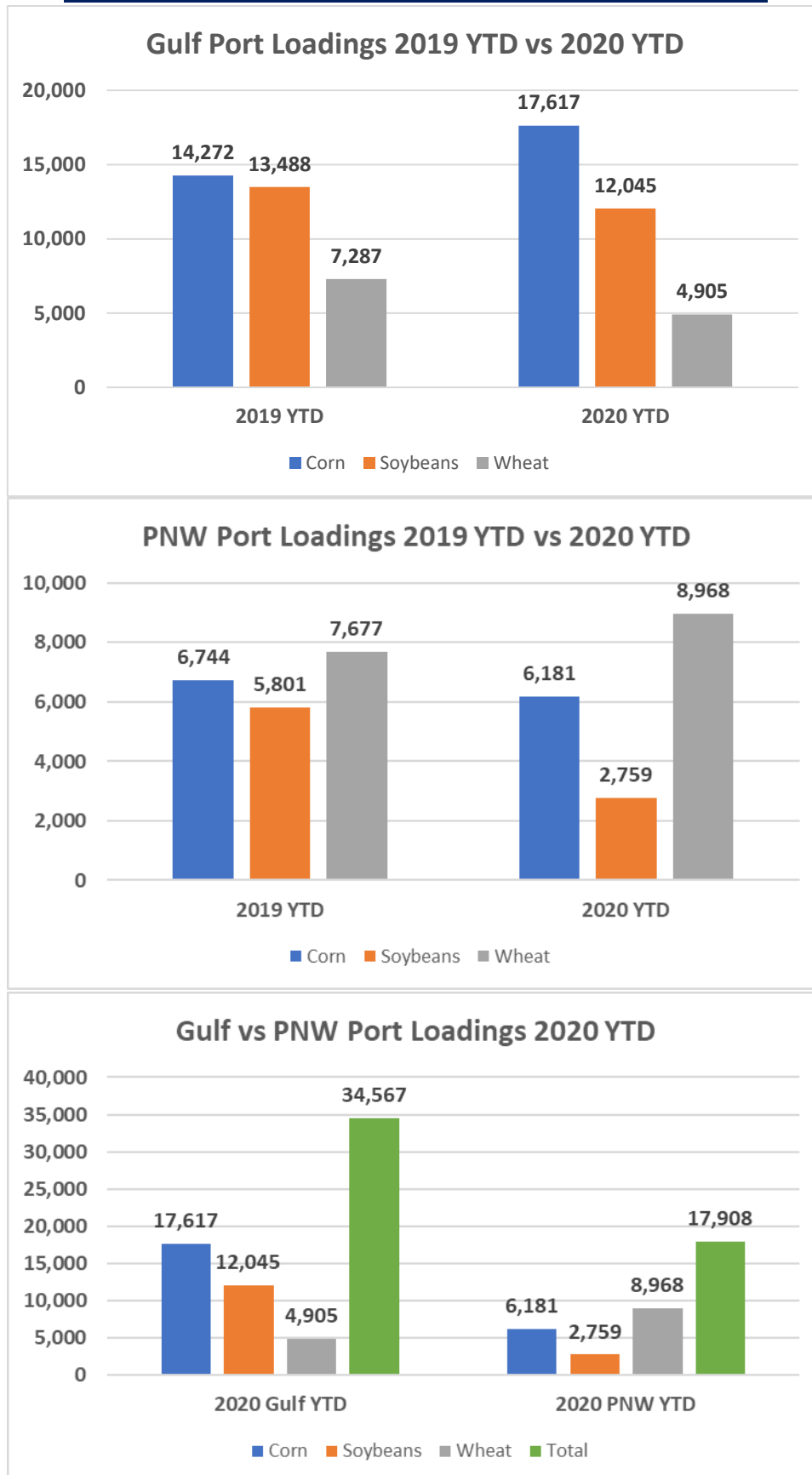
Grain Inspections for Export by U.S. Port Regions:  
U.S. Gulf and Pacific Northwest 2019 YTD vs. 2020 YTD

<b>PORT LOADINGS US Gulf</b>				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
<b>GULF</b>				
2019 YTD	14,272	13,488	7,287	35,047
2020 YTD	17,617	12,045	4,905	34,567
2020 as % of 2019	123%	89%	67%	99%

<b>PORT LOADINGS US PNW</b>				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
<b>PNW</b>				
2019 YTD	6,744	5,801	7,677	20,222
2020 YTD	6,181	2,759	8,968	17,908
2020 as % of 2019	92%	48%	117%	89%

<b>PORT LOADINGS GULF vs. PNW</b>				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
2020 Gulf YTD	17,617	12,045	4,905	34,567
2020 PNW YTD	6,181	2,759	8,968	17,908
TOTAL	23,798	14,804	13,873	52,475
<b>Gulf Percentage</b>	74%	81%	35%	66%
<b>PNW Percentage</b>	26%	19%	65%	34%

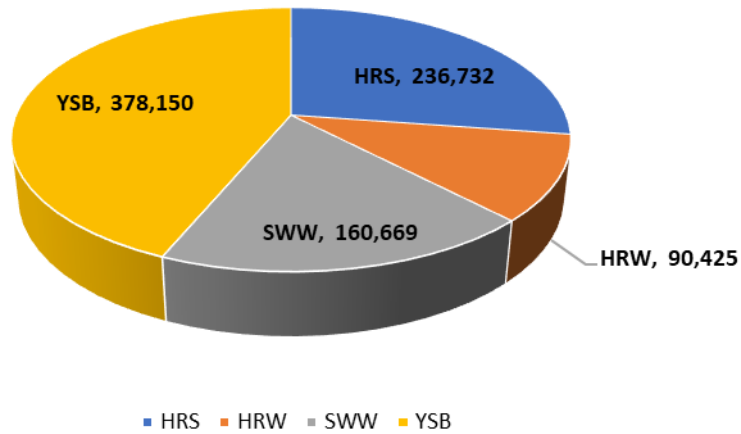
Grain Inspections for Export by U.S. Port Regions (1,000MT):  
U.S. Gulf and Pacific Northwest 2019 YTD vs. 2020 YTD



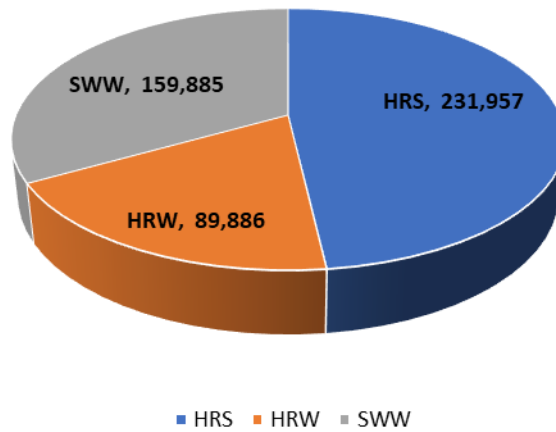
Source: USDA-data

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

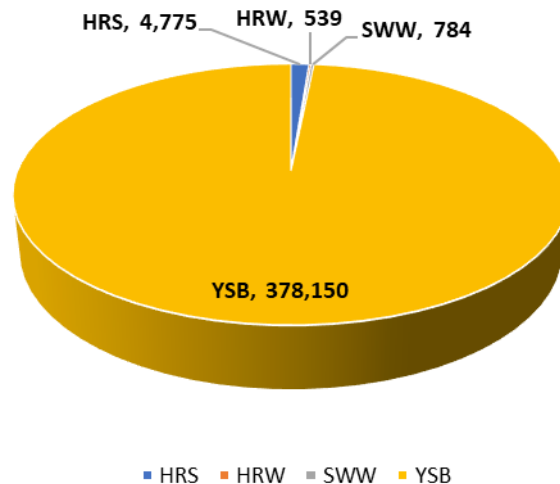
**2020 YTD Exports to Thailand**



**YTD Vessel Shipments to Thailand**

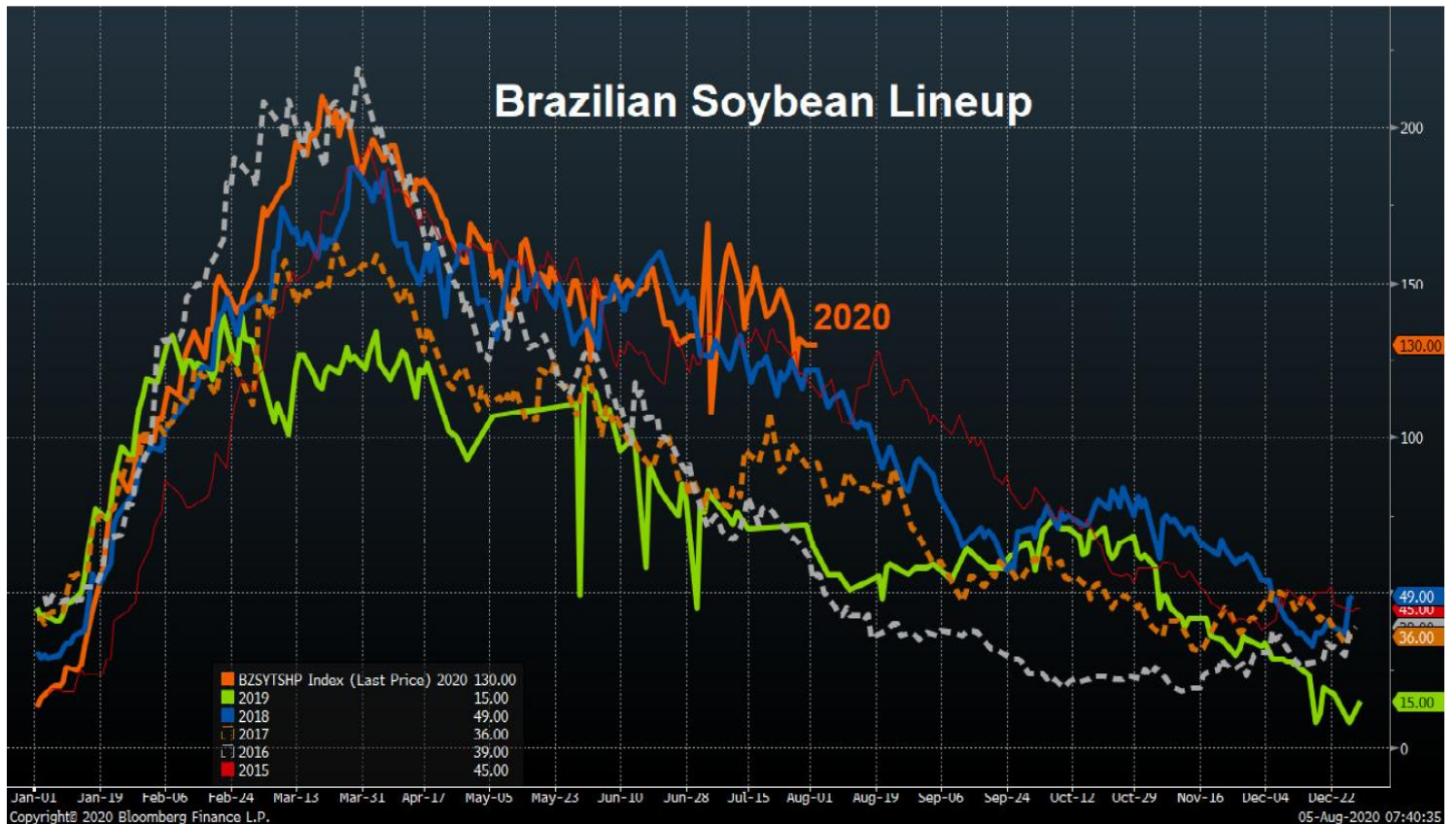
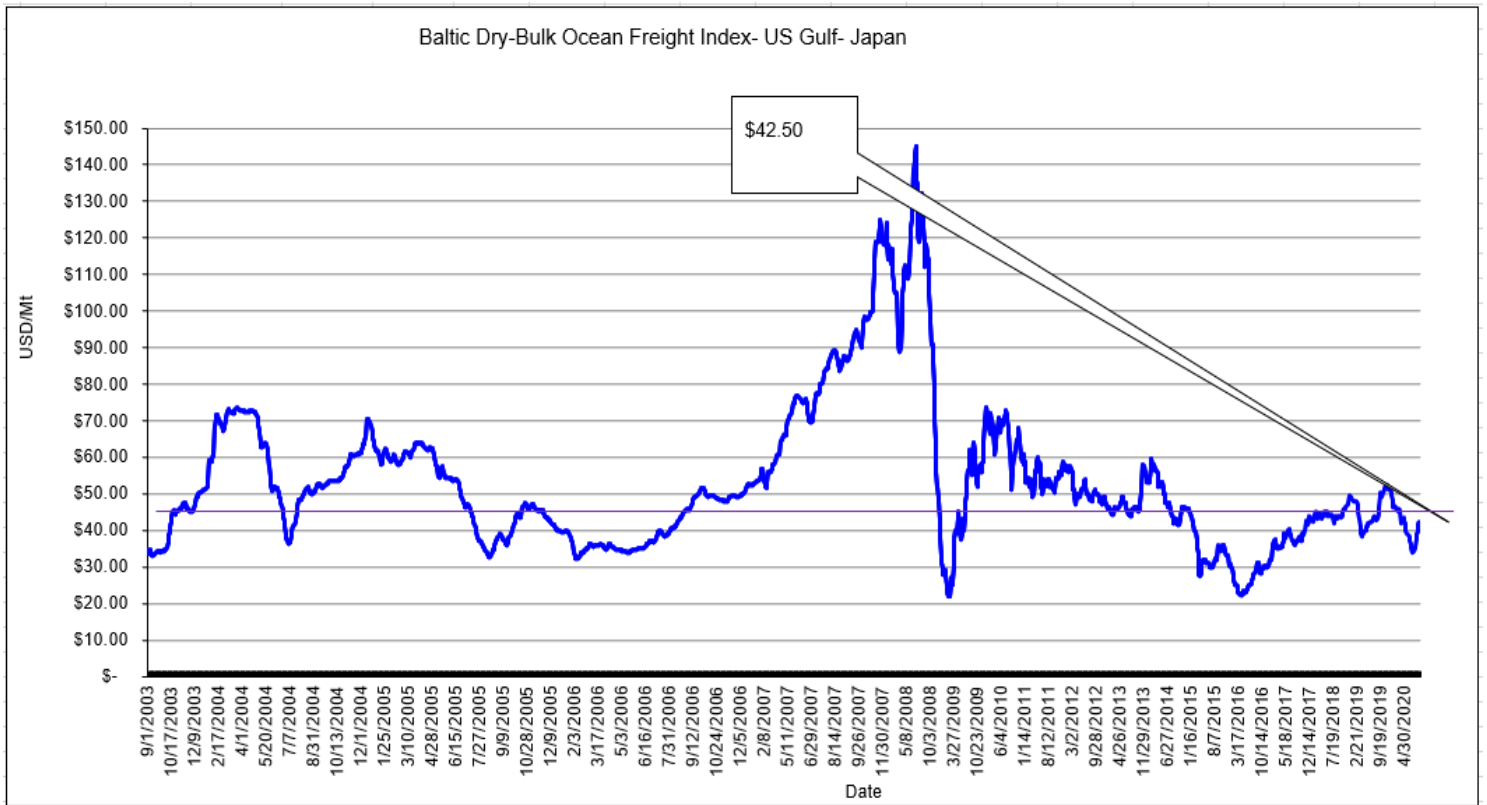


**YTD Container Shipments to Thailand**



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

## Shipping News



## 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

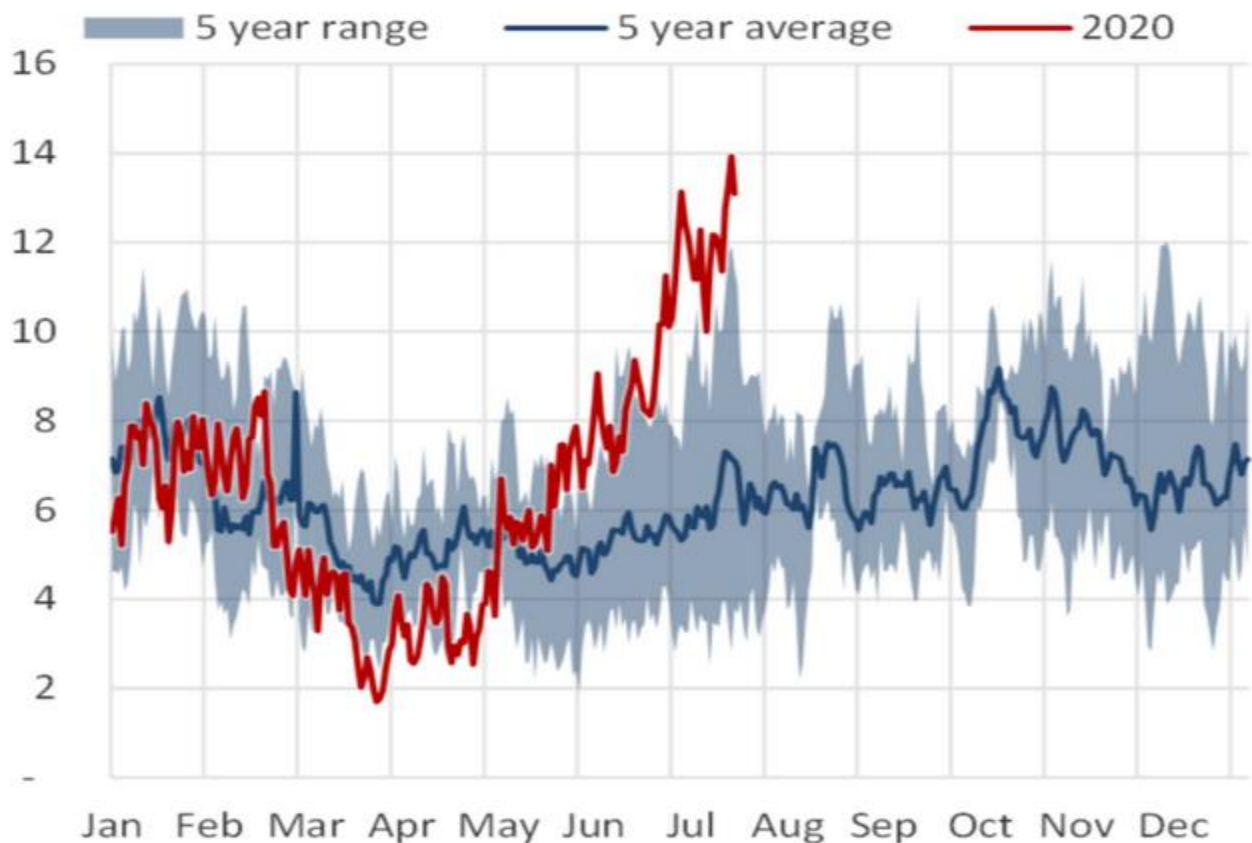
turbulent year.

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.



## China Capesize congestion *laden vessels, m dwt*



Source: Refinitiv

## Port of Beirut hit by explosion in the City



**Splash** @Splash\_247 · 6h

Shipping counts cost of Beirut port blast [dlvr.it/Rd5rcf](https://dlvr.it/Rd5rcf)



**The Intel Crab** @IntelCrab · Aug 5

The grain silos at the epicenter of yesterday's Port of #Beirut 🇱🇧 explosion were holding thousands of pounds of dried corn.

These kernels are far too large to undergo dispersion, so we thus avoided a fuel-air explosion as I had originally feared.



**Basil Karatzas** @BasilKaratzas · 5h

Several shipping lines are diverting Beirut-bound vessels to the port of Tripoli in Northern Lebanon

#Rhosus

[wsj.com/articles/shipp...](#) via @WSJ @CostasParis @WSJLogistics



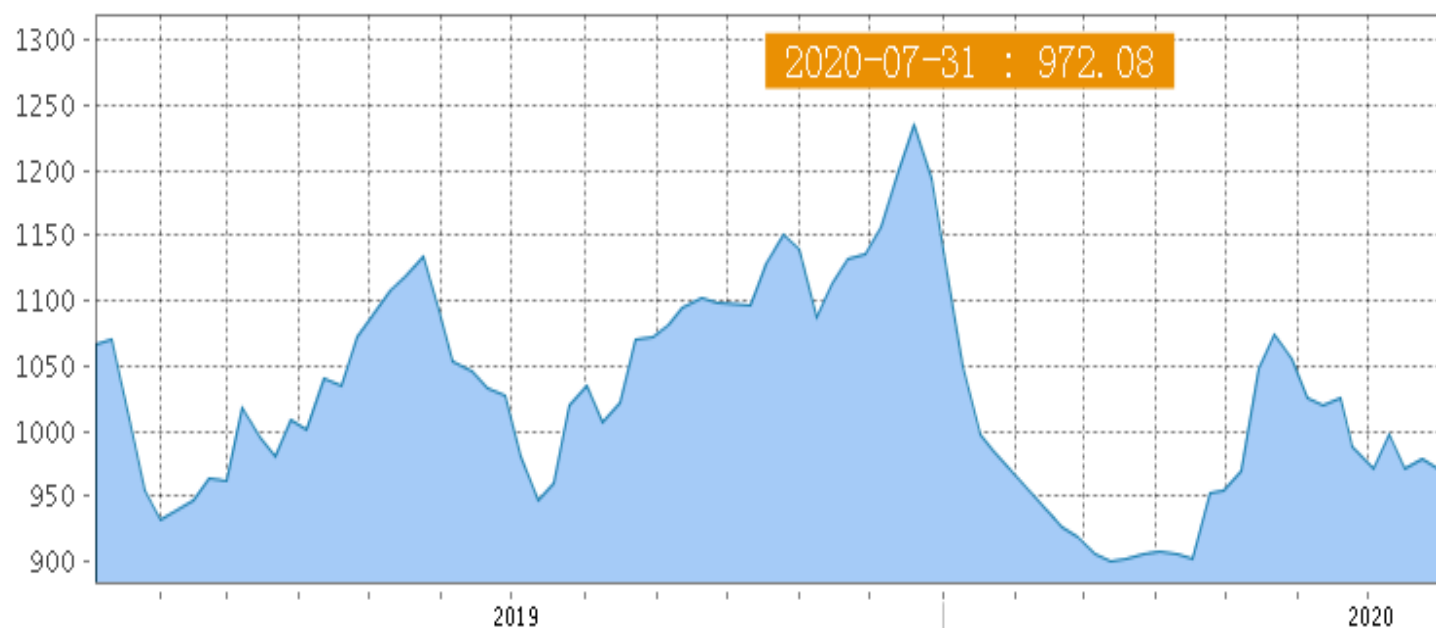
#### Shipping Lines Shift Vessels from Devastated Beirut Port

Several offices were heavily damaged and one CMA CGM worker is missing following Tuesday's massive explosion.

[wsj.com](#)



## China Coastal 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	475	\$32.41	0.82	0.88
Illinois River (Pekin and South)	Closed	\$ -	0.00	0.00
Mid-Mississippi	400	\$23.46	0.60	0.64
Lower Ohio	415	\$20.40	0.52	0.56
St. Louis	340	\$14.95	0.38	0.41

**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	\$ 300.00	\$ 400.00	\$ 0.08	\$ 0.10	\$ 2.95	\$ 3.94
UPRR Shuttle Trains	\$ 200.00	\$ 300.00	\$ 0.05	\$ 0.08	\$ 1.97	\$ 2.95

Best Regards,

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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.  
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