

## Transportation and Export Report for 10 September 2020

As mentioned last week, dull markets are not bullish. Dry-bulk freight markets continue to suffer from soft demand. Vessel owners have been in a slow reverse mode, always wanting to get the last value traded but having to accept something slightly lower.

Q4 daily hire rates for Panamax vessels traded at \$12,800/day early in the week but slipped to \$11,500/day at weeks end. Q1 2021 traded at \$9,100/day. Q4 Supramax vessel daily hire rates traded at \$10,100/day with Q1 2021 trading at \$8,000/day.

China demand for grains has been the only bright spot for vessel owners but has not been enough to keep rates up. China grain demand has however increased vessel lineups at U.S. Gulf and PNW ports.

The coming fall harvest will only increase the vessel congestion at U.S. ports and Fob Buyers would therefore be well advised to nominate their vessels early in the shipping period. CIF Buyers need to understand that their shipments will likely be executed late in the contract shipping period.

U.S. Sorghum fob vessel is now 35 % above corn and nearing the flat price of SRW wheat at the Gulf.

### BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices				
10-Sep-2020	This Week	Last Week	Difference	Percent Change
P2A : Gulf/Atlantic - Japan	19855	22580	-2,725	-12.1%
P3A - PNW/Pacific - Japan	11940	13292	-1,352	-10.2%
S1C -USGULF-China-So.Japan	24042	24444	-402	-1.6%
P7- Trial- Miss. River - Qingdao	40971	43143	-2,172	-5.0%
P8- Trial- Santos - Qingdao	31479	32450	-971	-3.0%

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

Four weeks ago:	\$8.10-\$8.20
Three weeks ago:	\$7.50-\$8.00
Two weeks ago:	\$7.25-\$8.50
One week ago:	\$7.50-\$8.20
This week	\$7.00- \$7.80

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

Mississippi River:	(10 elevators)	2-9 days (2 facilities not currently operating)
Miss. River Mid-Stream loaders:	(6+ Rigs)	0-2 days
Texas Gulf	(5 elevators)	0-7 days (only one facility over 2 days)
Pacific Northwest:	(9 elevators)	4-15 days

Panamax Market Spreads to Asia -China					
10-Sep-2020	PNW	GULF	Bushel Spread	MT Spread	Advantage
CORN	1.53	1.05	0.48	\$18.90	Both
SOYBEANS	1.45	1.11	0.34	\$13.39	PNW
OCEAN FREIGHT	\$23.25	\$43.00	.50 -.54	\$19.75	October

**Recent Reported Vessel Fixtures:**

**\*\* Below rates are estimates for the nearby-30 day slots. 60-90 days forward rates will usually be higher.**

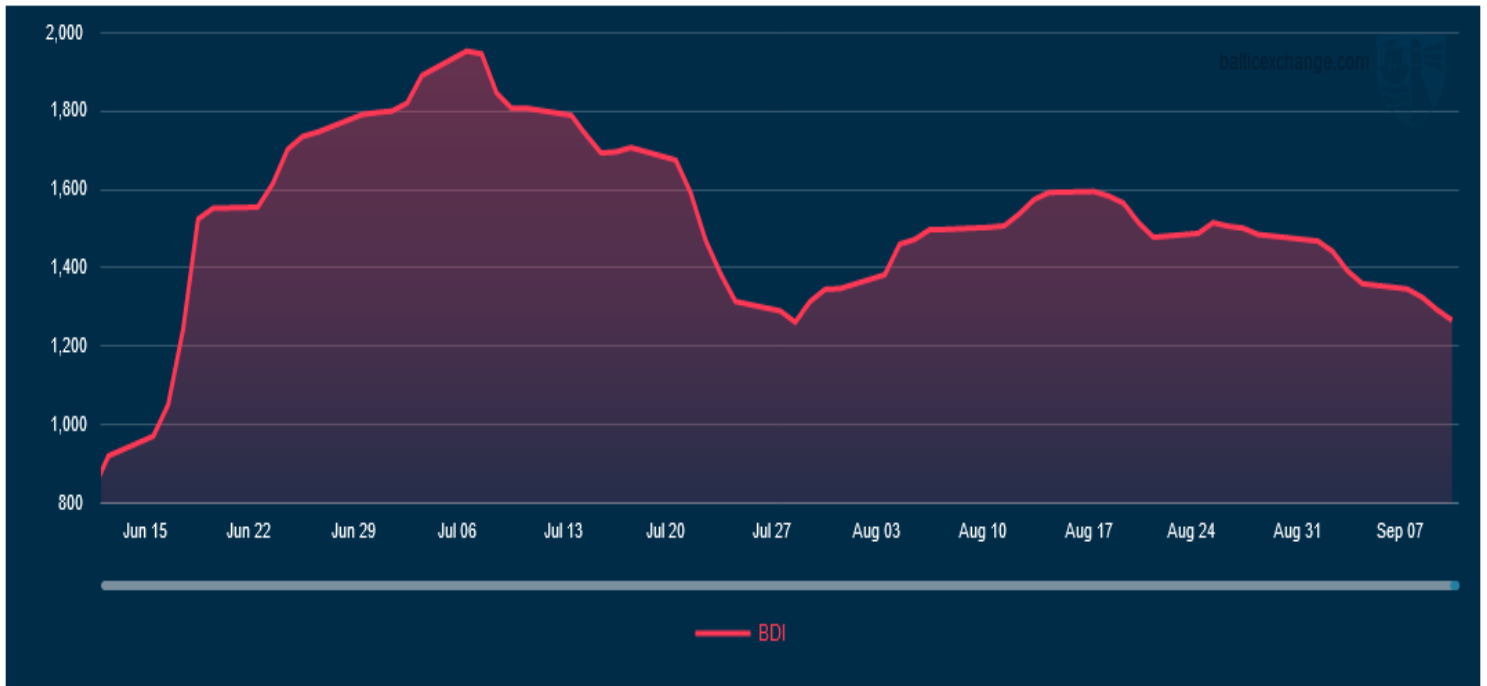
Soybean Panamax USG to Spain is running \$21.25-\$22.25/mt.

Soybean Brazil to Spain about \$24.50-25.50/mt.

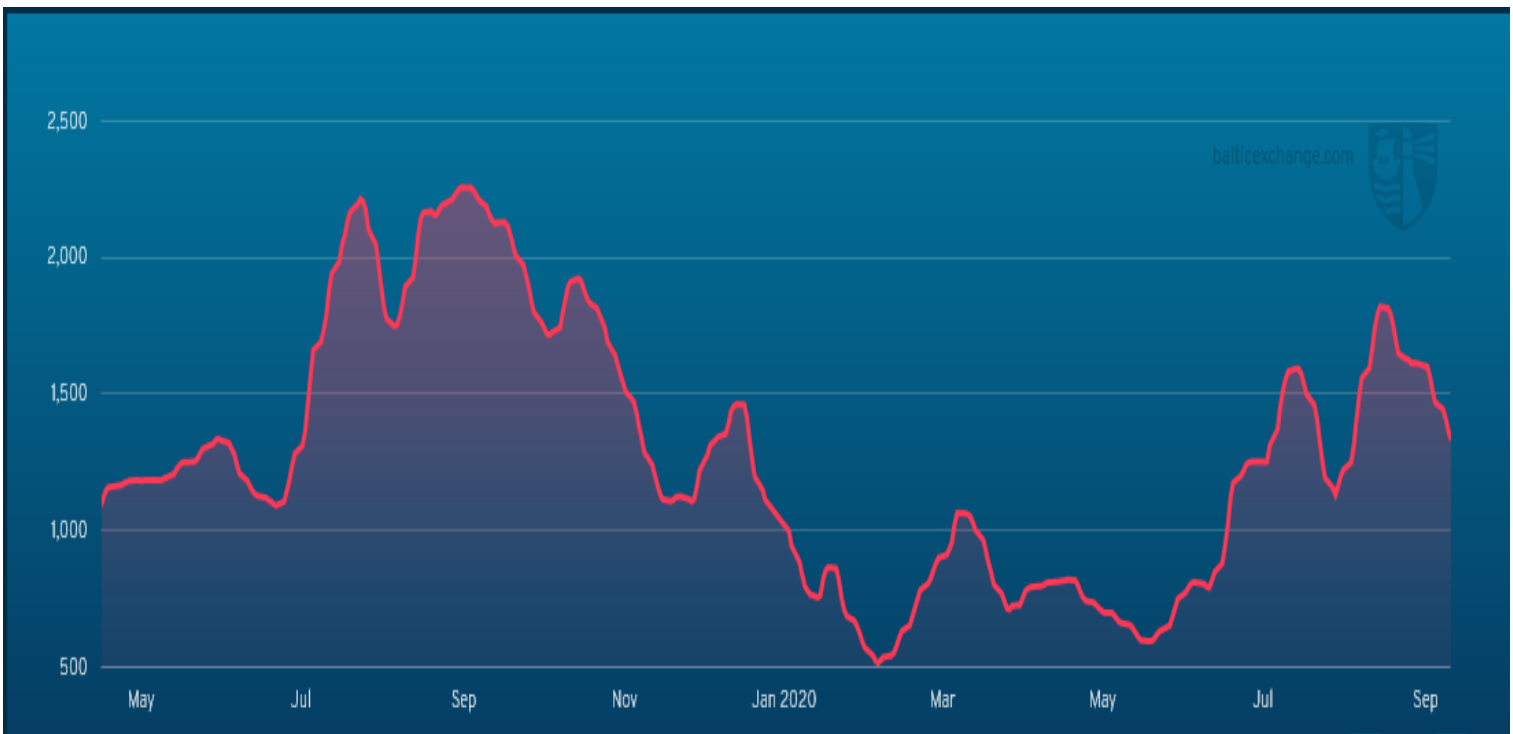
30,000 mt Corn Northern Brazil to Vera Cruz, Mexico \$19.00-\$20.25/mt .To U.S. E/C about \$21.75-22.75/mt

Route and Vessel Size	Current Week USD/MT	Change from previous week	Remarks
55,000 U.S. Gulf-Japan	\$44.00	Down \$1.00	Handymax \$46.50 mt
55,000 U.S. PNW- Japan	\$24.00	Down \$0.75	Handymax \$26.00 mt
66,000 U.S. Gulf – China	\$43.00	Down \$1.00	North China
PNW to China	\$23.25	Down \$0.75	
25,000 U.S. Gulf- Veracruz, México	\$17.75	Down \$0.25	3,000 MT daily discharge rate
30-36,000+ U.S. Gulf- Veracruz, México	\$14.75	Down \$0.50	Deep draft and 6,000 MT per day discharge rate.
30-38,000 U.S. Gulf- Colombia	\$20.25	Down \$0.25	<u>West Coast Colombia at \$32.00</u>
<u>East Coast Colombia</u> From Argentina	<u>\$30.50</u> \$32.00		USG to E/C 50,000 mt at \$17.00
43-45,000 U.S. Gulf - Guatemala	\$29.00	Down \$0.25	Acajutla/Quetzal - 8,000 out
26-30,000 U.S. Gulf – Algeria	\$39.00 \$41.00	Down \$0.50	8,000 mt daily discharge 3,000 mt daily discharge
26-30,000 US Gulf-Morocco	\$40.25	Down \$0.75	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt	\$29.00	Down \$0.50	60,000 -55,000 mt
PNW to Egypt	\$29.25		Romania- Russia- Ukraine \$15.00-\$15.00 -\$15.50 France \$20.00
60-70,000 U.S. Gulf – Europe – Rotterdam	\$19.50	Down \$0.50	Handymax at +\$1.75 more
Brazil, Santos – China	\$33.25	Down \$0.75	54-59,000 Supramax-Panamax
Brazil, Santos – China	\$3200		60-66,000 Post Panamax
Northern Coast Brazil	\$36.25		Upriver No. Brazil Plus -55,000 mt Plus \$7.50/mt
56-60,000 Argentina/Rosario- China Deep Draft	\$36.50	Down \$0.75	Upriver with BB Top Off Plus \$3.75 mt

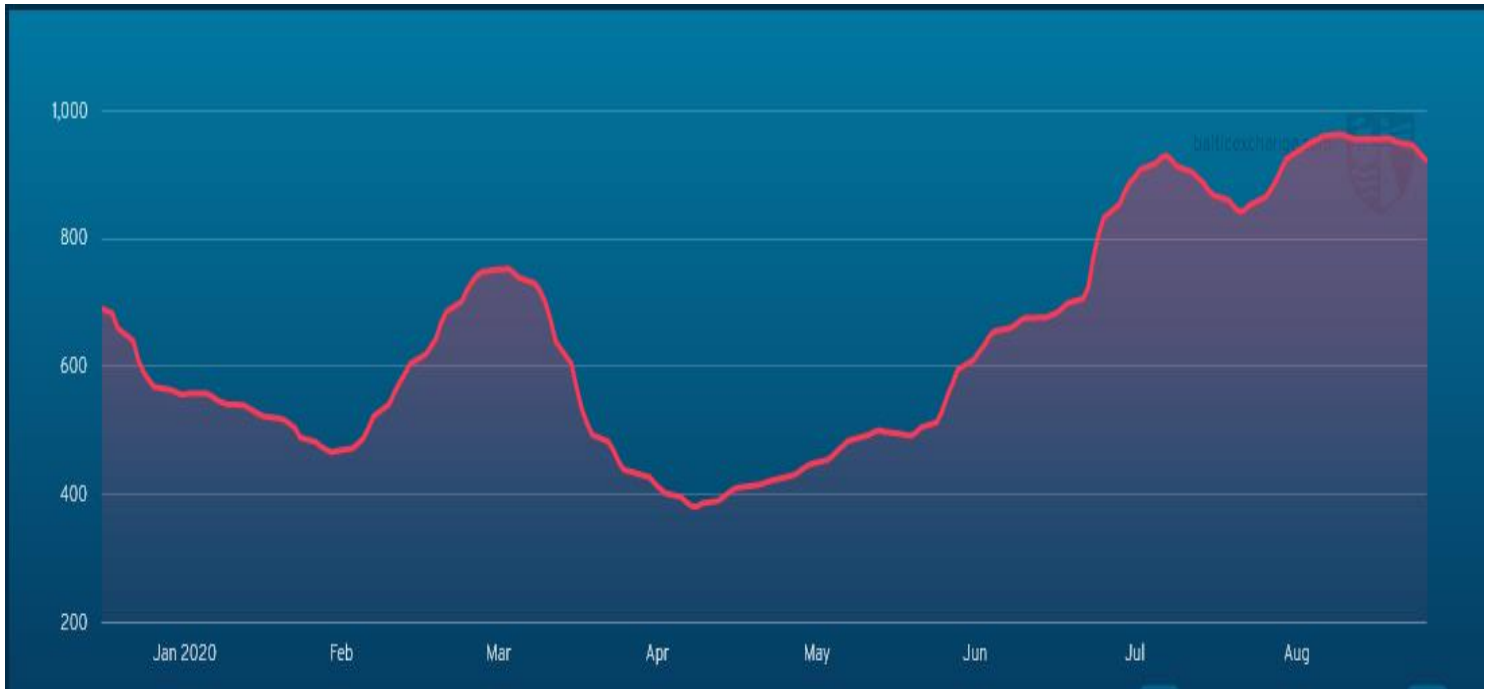
## Baltic Dry Bulk Index.



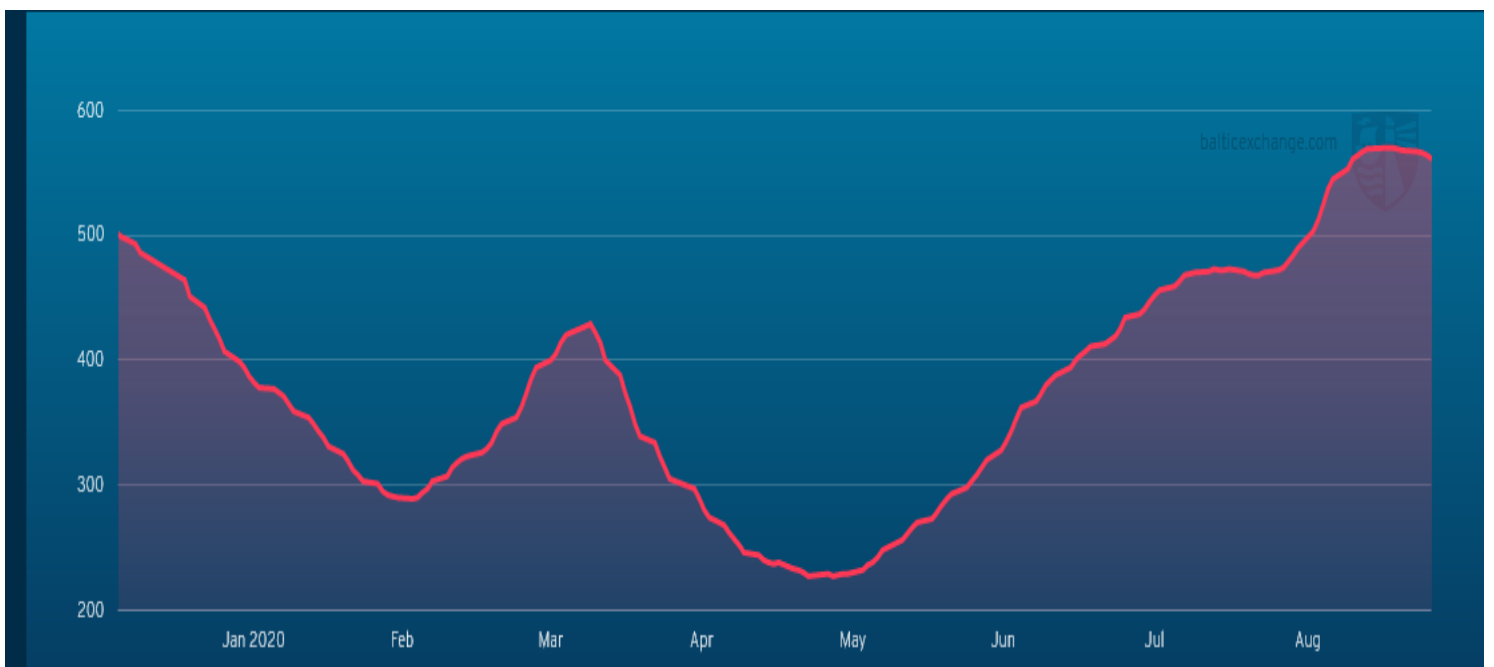
## Baltic Panamax Index



### Baltic Supramax Vessel Index



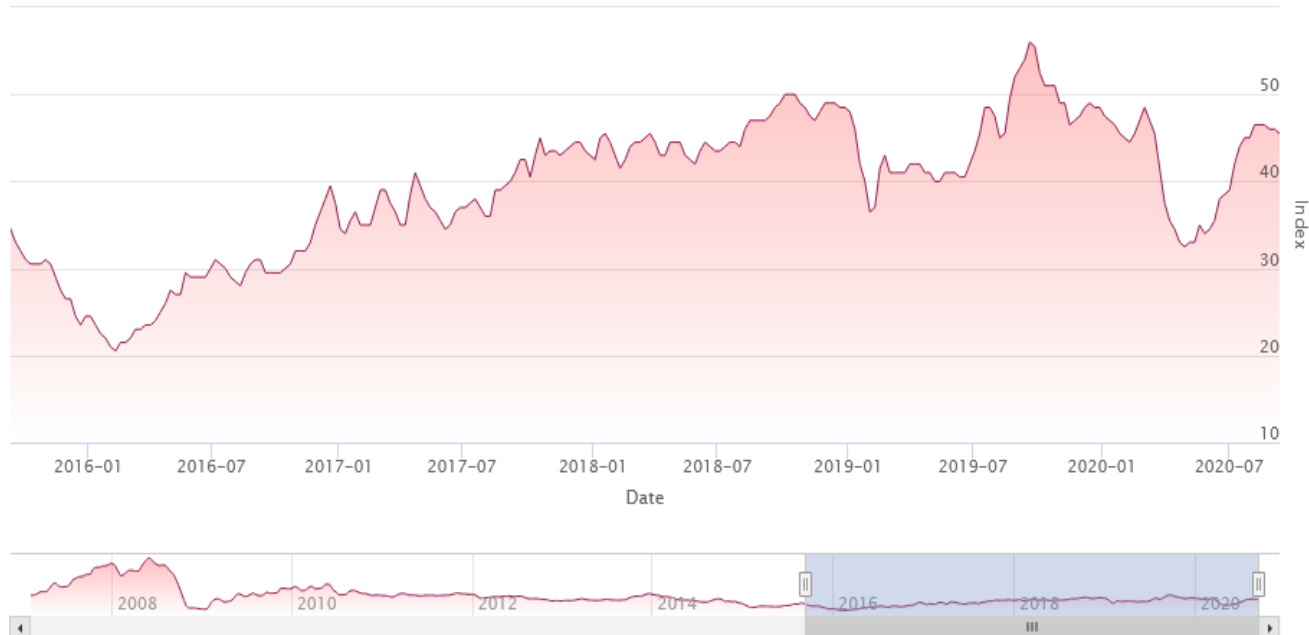
### Baltic Handy Size Vessel Index



## YAMAMIZU Index


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

From 2015-09-09 To 2020-09-09



### China Import Dry Bulk Freight Index

2020-09-10

Description	Size MT	Cargo/Vessel Size	Unit	Rate	Change
Composite Index			Point	813.41	-12.43
Iron ore Freight Index			Point	782.08	-20.97
Dampier(West Australia)-Qingdao (China)	170000/10%	Iron ore	\$/ton	6.697	-0.21
Soybean Freight Index			Point	953.12	-5.44
Santos(Brazil)—North China	60000/10%	Soybean	\$/ton	31.957	-0.171
Tacoma(West America)—North China	60000/10%	Soybean	\$/ton	23.207	-0.086
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	43.092	-0.242
Mississippi(US Gulf)—North China	55000/10%	Soybean	\$/ton	45.21	-0.41

**10 September 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>Oct.</b>	1.05	<b>\$185.03</b>	1.53	<b>\$203.93</b>
<b>Nov.</b>	1.05	<b>\$185.03</b>	1.50	<b>\$202.74</b>
<b>Dec.</b>	1.00	<b>\$183.06</b>	1.45	<b>\$200.78</b>
<b>Jan.</b>	0.88	<b>\$182.27</b>	1.35	<b>\$200.78</b>
<b>Feb.</b>	0.85	<b>\$181.09</b>	1.32	<b>\$199.59</b>
<b>Mar.</b>	0.83	<b>\$180.30</b>	1.30	<b>\$198.81</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>Oct.</b>	2.90	<b>\$257.86</b>	2.70	<b>\$249.99</b>
<b>Nov.</b>	2.90	<b>\$257.86</b>	2.70	<b>\$249.99</b>
<b>Dec.</b>	2.85	<b>\$255.89</b>	2.65	<b>\$248.02</b>
<b>Jan.</b>	2.70	<b>\$253.92</b>	2.50	<b>\$246.05</b>
<b>Feb.</b>	2.70	<b>\$253.92</b>	2.50	<b>\$246.05</b>

Fob vessel Texas Gulf #2 Sorghum is about 135 % 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>Oct.</b>	<b>Nov.</b>	<b>Dec.</b>	<b>Jan.</b>
FOB U.S. GULF	\$251.05	\$251.05	\$247.37	\$248.84
Basis	1.35	1.35	1.25	1.20
WU	5.4000			.
WZ	5.4825			
WH	5.5725			

10-Sep-2020	Close	This Week	Last Week.	Last Week.	Last Week	
CME Corn Futures	Bushel	MT.	Bushel	Bu. Diff.	MT	MT Diff.
Sept.	\$ 3.5725	\$ 140.64	\$ 3.4975	0.0750	\$ 137.69	\$ 2.95
Dec.	\$ 3.6500	\$ 143.69	\$ 3.5875	0.0625	\$ 141.23	\$ 2.46
Mar..	\$ 3.7500	\$ 147.63	\$ 3.6925	0.0575	\$ 145.37	\$ 2.26
May	\$ 3.8150	\$ 150.19	\$ 3.7575	0.0575	\$ 147.92	\$ 2.26
July	\$ 3.8525	\$ 151.66	\$ 3.7950	0.0575	\$ 149.40	\$ 2.26
Sept.	\$ 3.8250	\$ 150.58	\$ 3.7725	0.0525	\$ 148.52	\$ 2.07

### 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>Oct.</b>	1.11	<b>\$399.95</b>	1.45	<b>\$412.44</b>
<b>Nov.</b>	1.10	<b>\$399.58</b>	1.45	<b>\$412.44</b>
<b>Dec.</b>	1.05	<b>\$399.22</b>	1.40	<b>\$412.08</b>
<b>Jan.</b>	1.00	<b>\$397.38</b>	1.40	<b>\$412.08</b>
<b>Feb.</b>	1.02	<b>\$397.56</b>	1.43	<b>\$412.63</b>
<b>Soybean Futures</b>				
<b>Sept.</b>	\$ 9.8500			
<b>Nov.</b>	\$ 9.7750			
<b>Jan.</b>	\$ 9.8150			
<b>Mar.</b>	\$ 9.8000			
<b>May</b>	\$ 9.8050			
<b>July</b>	\$ 9.8250			

<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>Oct.</b>	25.00	<b>\$ 372.31</b>
<b>Nov.</b>	25.00	<b>\$ 377.61</b>
<b>Dec.</b>	25.00	<b>\$ 377.61</b>
<b>Jan.</b>	27.00	<b>\$ 381.80</b>
<b>Feb.</b>	27.00	<b>\$ 382.02</b>
<b>SBM Futures</b>		
<b>SMU</b>	\$ 311.10	
<b>SMV</b>	\$ 312.70	
<b>SMZ</b>	\$ 317.50	
<b>SMF</b>	\$ 319.30	
<b>SMH</b>	\$ 319.50	



### 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 27 August 2020**

**Thursday-Weekly U.S. Export Sales**

<b>Commodity</b>	<b>New Sales (000 MT)</b>	<b>YTD Export Commitments **(000 MT)</b>	<b>Total Projected Export Program for Year (000 MT)</b>	<b>Percent of Export Projection</b>	<b>Total Sales for Next Marketing Year '20-21 (000 MT) (Wheat and Barley 2021/22)</b>
Corn	166.0	44,587.5	45,600	98%	15,773.2
Sorghum	72.4	4,637.1	5,330	87%	2,284.1
Soybeans	97.7	47,511.9	44,910	106%	24,185.9
Wheat	608.7	12,463.7	26,540	47%	16.9
Barley	0.0	39.2	110	36%	0.0

**U.S. EXPORT INSPECTIONS:**

Monday's report 07 September 2020 for the Export week ending 03 September 2020

	<b>Export Inspections</b>		<b>Current Market Year YTD</b>	<b>Previous Year to Date</b>	<b>2020/21 YTD as Percent of 2019/20 YTD</b>
	<b>This Week</b>	<b>Previous Week</b>			
Corn	781,838	423,765	234,122	472,010	50%
Sorghum	96	162,996	96	33,542	0%
Soybeans	1,295,462	808,656	465,262	573,467	81%
Wheat	695,741	534,135	7,458,381	7,012,037	106%
Barley	1,996	1,270	5,727	2,987	192%

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

**U.S. EXPORT INSPECTIONS:**

Monday's report 07 September 2020 for the Export week ending 03 September 2020

<b>Last Week</b>							
<b>(Metric Tons)</b>	<b>YC</b>	<b>%</b>	<b>WC</b>	<b>%</b>	<b>Sorghum</b>	<b>%</b>	<b>Soybeans %</b>
Lakes	28,406	4%	0	0%	0	0%	19,355 1%
Atlantic	0	0%	0	0%	0	0%	4,799 0%
Gulf	437,132	58%	24,370	89%	0	0%	935,865 72%
PNW	129,555	17%	0	0%	0	0%	266,671 21%
Interior Export Rail	159,381	21%	2,994	11%	96	100%	68,772 5%
<b>Metric Tons</b>	<b>754,474</b>		<b>27,364</b>		<b>96</b>		<b>1,295,462</b>

Sorghum Shipments: metric tons

96	Mexico
96	Total

White Corn metric tons

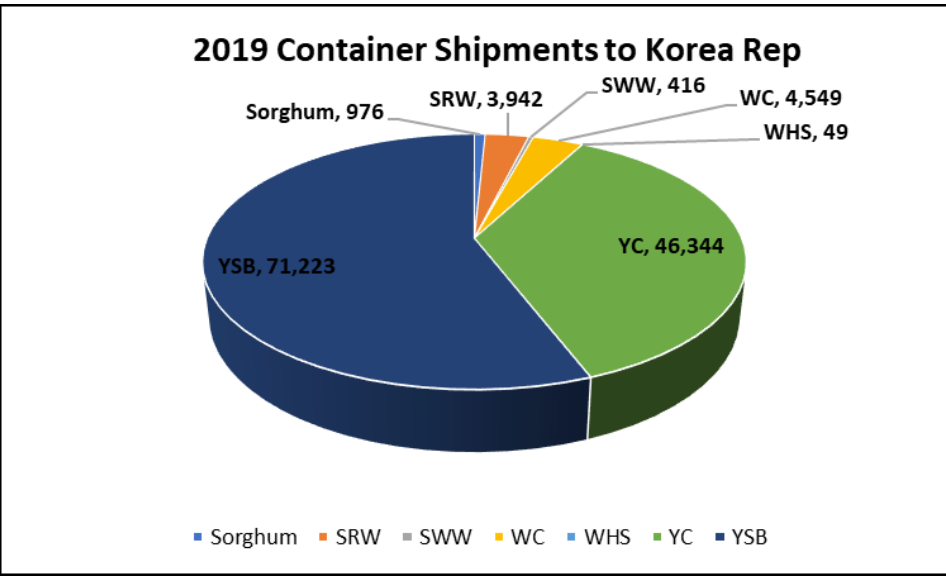
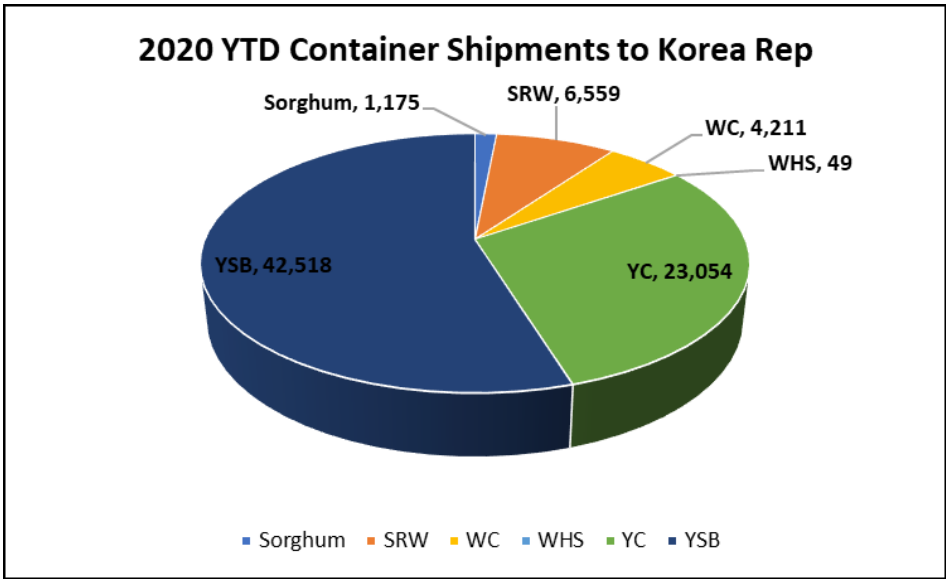
Shipments:	11,848	Colombia
	12,522	El Salvador
	2,994	Mexico
	27,364	Total

## 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:		3-Sep-2020							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	SWH	HRW	Sorghum	TOTAL
China Main	3,453		4,847						8,300
China T	9,986		16,774						26,760
Hong Kong	1,076								1,076
Costa Rica									0
Indonesia			18,560						18,560
French Poly									0
Japan			1,417						1,417
Korea Rep.	441			367					808
Nepal			465						465
Malaysia	490		8,548						9,038
Iran									0
Philippines			1,150						1,150
Thailand			7,150						7,150
Cambodia				245					245
Singapore									0
Bangladesh									0
Burma									0
Vietnam			9,621						9,621
Sub Total:	15,446	0	68,532	612	0	0	0	0	84,590
USDA Corrections/Additions to previous reports:									
China T			1,445						1,445
China Main									0
Hong Kong									0
Korea Rep.	245		588						833
Cambodia									0
Japan			196						196
Philippines									0
Indonesia			2,546						2,546
Malaysia									0
Thailand									0
Vietnam									0
Jordan									0
Nigeria									0
Sub Total:	245	0	4,775	0	0	0	0	0	5,020
<b>Mt. Grand Total</b>	<b>15,691</b>	<b>0</b>	<b>73,307</b>	<b>612</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>89,610</b>
Number of Containers	682	0	3,187	27	0	0	0	0	

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



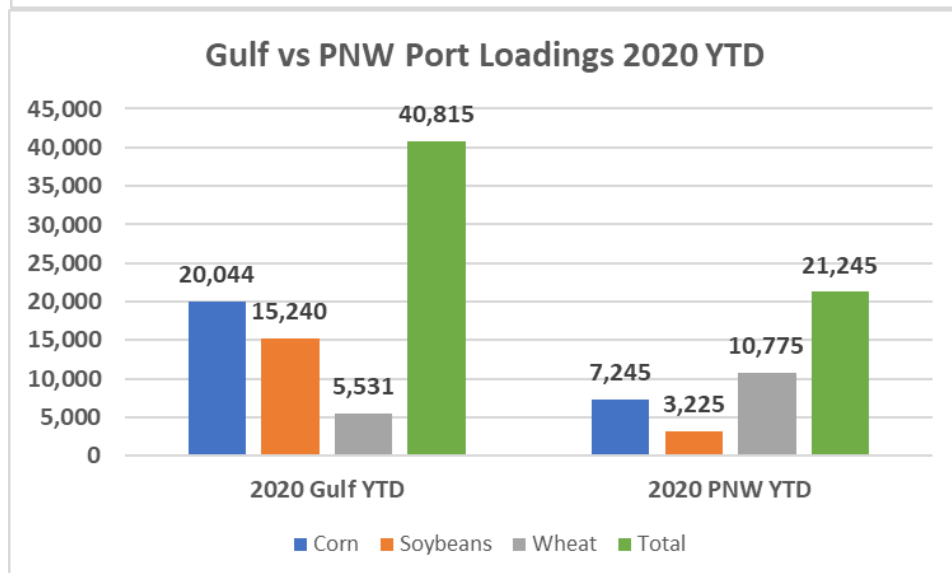
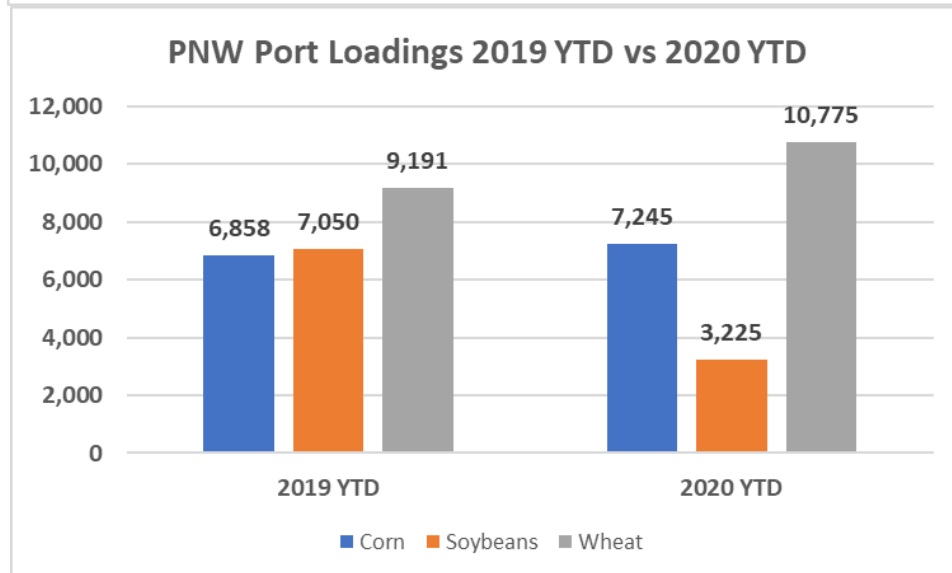
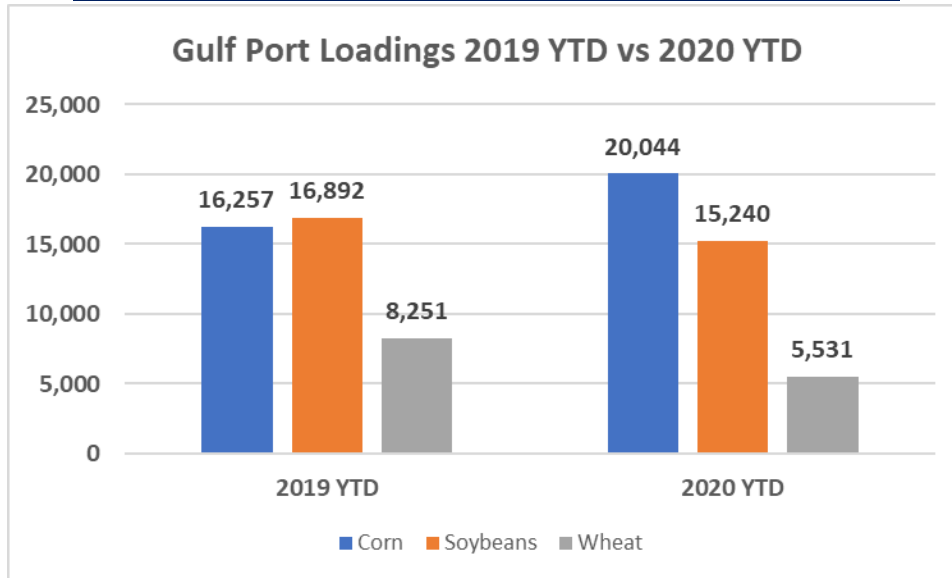
Grain Inspections for Export by U.S. Port Regions:  
U.S. Gulf and Pacific Northwest 2019 YTD vs. 2020 YTD

<b>PORT LOADINGS US Gulf</b>				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
<b>GULF</b>				
2019 YTD	16,257	16,892	8,251	41,400
2020 YTD	20,044	15,240	5,531	40,815
2020 as % of 2019	123%	90%	67%	99%

<b>PORT LOADINGS US PNW</b>				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
<b>PNW</b>				
2019 YTD	6,858	7,050	9,191	23,099
2020 YTD	7,245	3,225	10,775	21,245
2020 as % of 2019	106%	46%	117%	92%

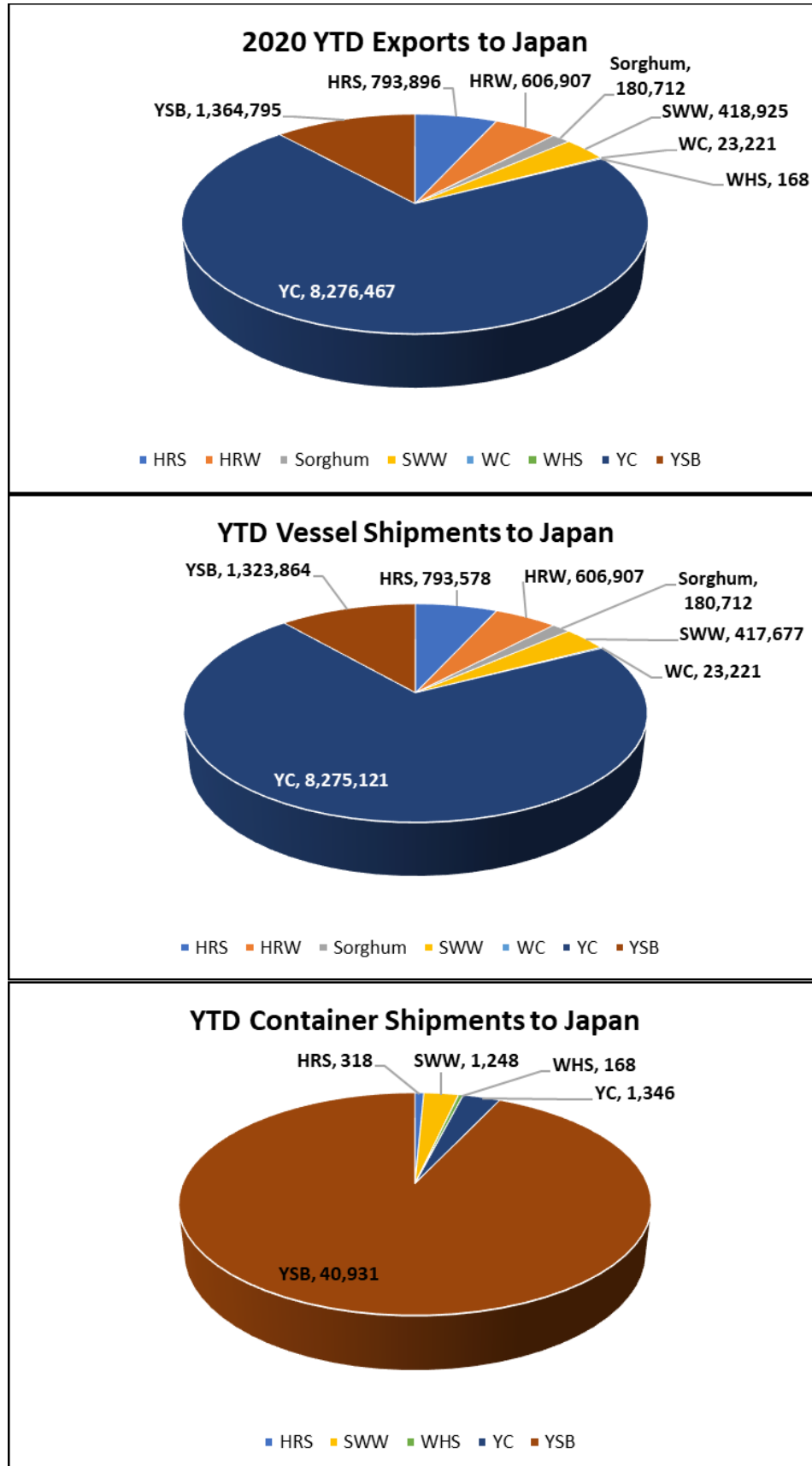
<b>PORT LOADINGS GULF vs. PNW</b>				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
2020 Gulf YTD	20,044	15,240	5,531	40,815
2020 PNW YTD	7,245	3,225	10,775	21,245
TOTAL	27,289	18,465	16,306	62,060
<b>Gulf Percentage</b>	73%	83%	34%	66%
<b>PNW Percentage</b>	27%	17%	66%	34%

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



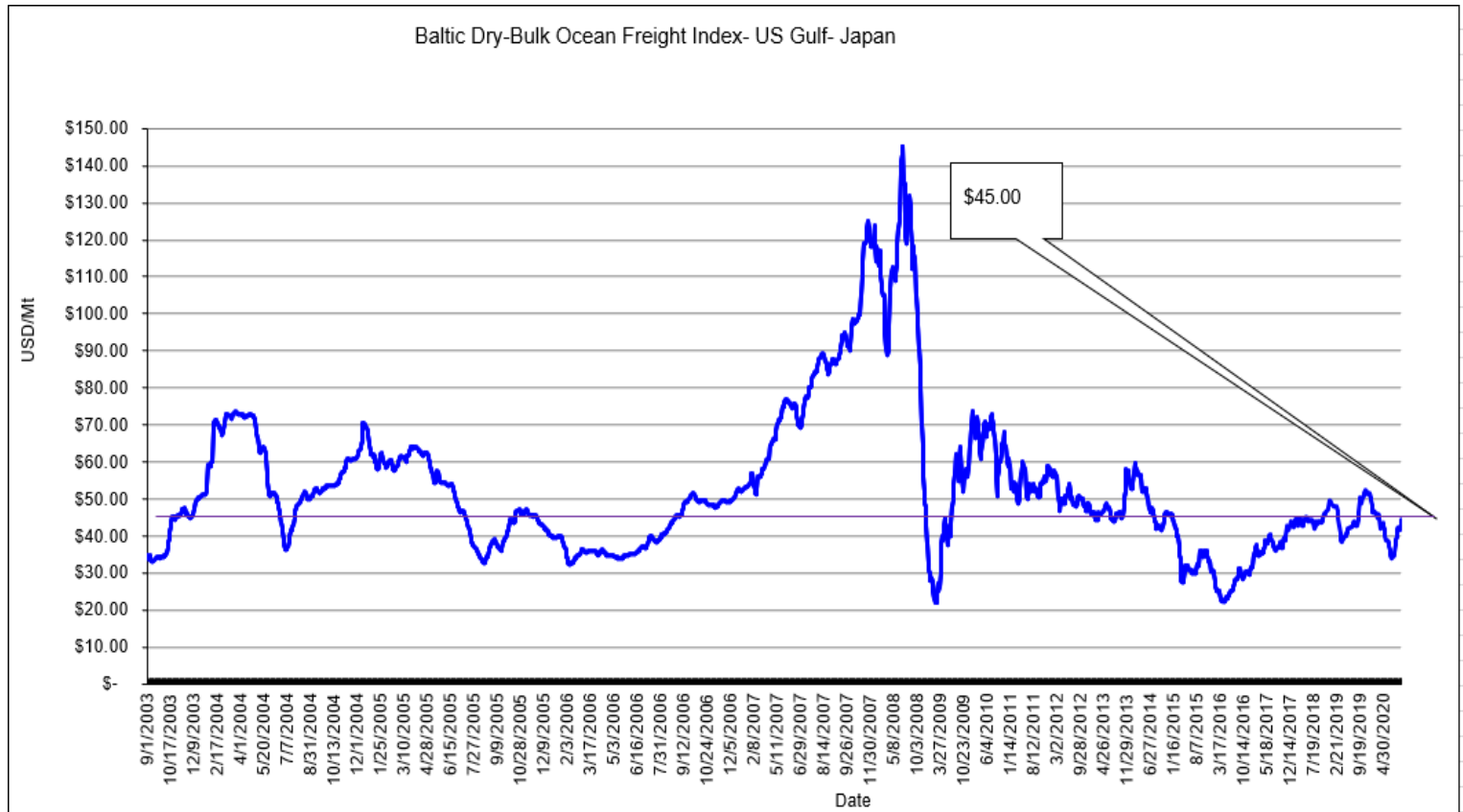
Source: USDA-data

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



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

## Shipping News



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Be careful fixing bulkers ex COFCO berth UPRIVER... Up to their old tricks again with \$60k « fines » or face ship arrest if you don't agree to pay up on a Friday night.. for a failed hold inspection







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Fire train helps battle blaze in Yakima River Canyon [yakimaherald.com/news/local/fir...](https://yakimaherald.com/news/local/fir...) via [@Yakima\\_Herald](https://twitter.com/Yakima_Herald) \*And a huge thank you to [@BNSFRailway](https://twitter.com/BNSFRailway) for developing this equipment and sending it this way for the [#EvansCanyonFire](https://twitter.com/hashtag/EvansCanyonFire) .



Fire train helps battle blaze in Yakima River Canyon

Nearly 1,000 firefighters have fought the Evans Canyon Fire with an impressive array of machines on the ground and in the air — at least 12...  
[yakimaherald.com](https://yakimaherald.com)

**Splash** @Splash\_247 · 7h

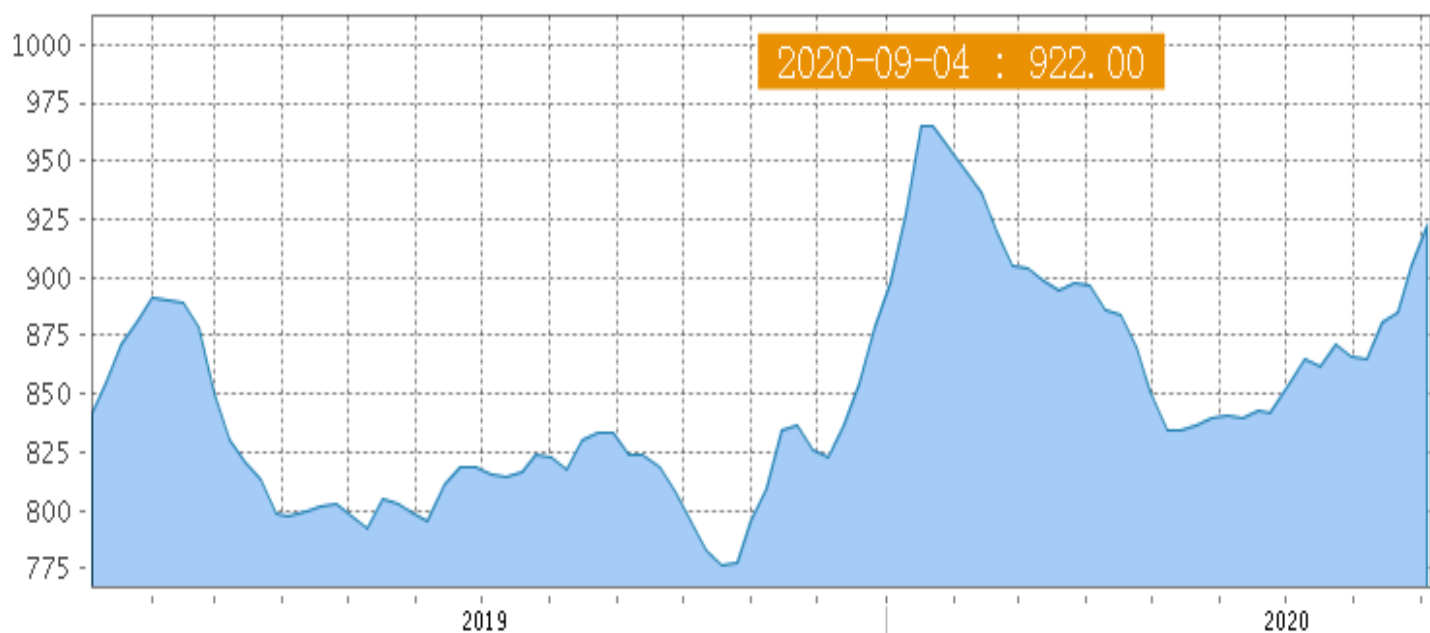
Another giant fire breaks out at Beirut port [dlvr.it/RgL7FW](https://dlvr.it/RgL7FW)



## China Import Dry Bulk Freight Index



## China Containerized Freight Index



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

Placement FH October 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	420	\$24.63	0.63	0.67
Lower Ohio	465	\$22.86	0.58	0.62
St. Louis	380	\$16.71	0.42	0.45

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

Secondary Rail Car Market Placement FH. October 2020	BID USD	ASK USD	BID BU.	ASK BU.	BID MT	ASK MT
BNSF Shuttle Trains	\$ 1,000.00	\$ 1,400.00	\$ 0.25	\$ 0.35	\$ 9.84	\$ 13.78
UPRR Shuttle Trains	\$ 900.00	\$ 1,200.00	\$ 0.23	\$ 0.30	\$ 8.86	\$ 11.81

Best Regards,

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