

Transportation and Export Report for 17 September 2020

It was another one of those weeks where Dry-Bulk freight tried to rally early but was forced to retreat at weeks end. The Paper Trade is better supported than the physical market. We will now have to see which one gives in to the other. Overall, the markets remain relatively quiet. October Panamax rates traded at \$12,400/day with Q-4 daily hire rates being flat. This is down about \$400/day from last week. The U.S. Gulf Grain vessel lineup is now showing 68 boats scheduled. This is an 8-year high and Buyers need to be carefully managing their logistics as we move through this Fall Harvest season. U.S. Sorghum values have been historically high verses Corn and Wheat values. There have however been reports of Chinese Buyers requesting delays/extensions in Sorghum shipments.

BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices					
17-Sep-2020		This Week	Last Week	Difference	Percent Change
P2A : Gulf/Atlantic - Japan	per day	19705	19855	-150	-0.8%
P3A - PNW/Pacific - Japan	per day	11822	11940	-118	-1.0%
S1C -USGULF-China-So.Japan	per day	23614	24042	-428	-1.8%
P7- Trial- Miss. River - Qingdao	per ton	40.414	40.971	-0.6	-1.4%
P8- Trial- Santos - Qingdao	per ton	31.021	31.479	-0.5	-1.5%

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

Four weeks ago:	\$7.50-\$8.00
Three weeks ago:	\$7.25-\$8.50
Two weeks ago:	\$7.50-\$8.20
One week ago:	\$7.00-\$7.80
This week	\$7.10- \$7.45

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)	0-10 days (only 1 facility over 2 days)
Pacific Northwest:	(9 elevators)	1-13 days (only 3 facilities over 3 days)

Panamax Market Spreads to Asia -China					
17-Sep-2020	PNW	GULF	Bushel Spread	MT Spread	Advantage
CORN	1.75	1.30	0.45	\$17.72	PNW
SOYBEANS	1.60	1.30	0.30	\$11.81	PNW
OCEAN FREIGHT	\$23.00	\$42.50	.50 -.54	\$19.50	October

Recent Reported Vessel Fixtures:

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

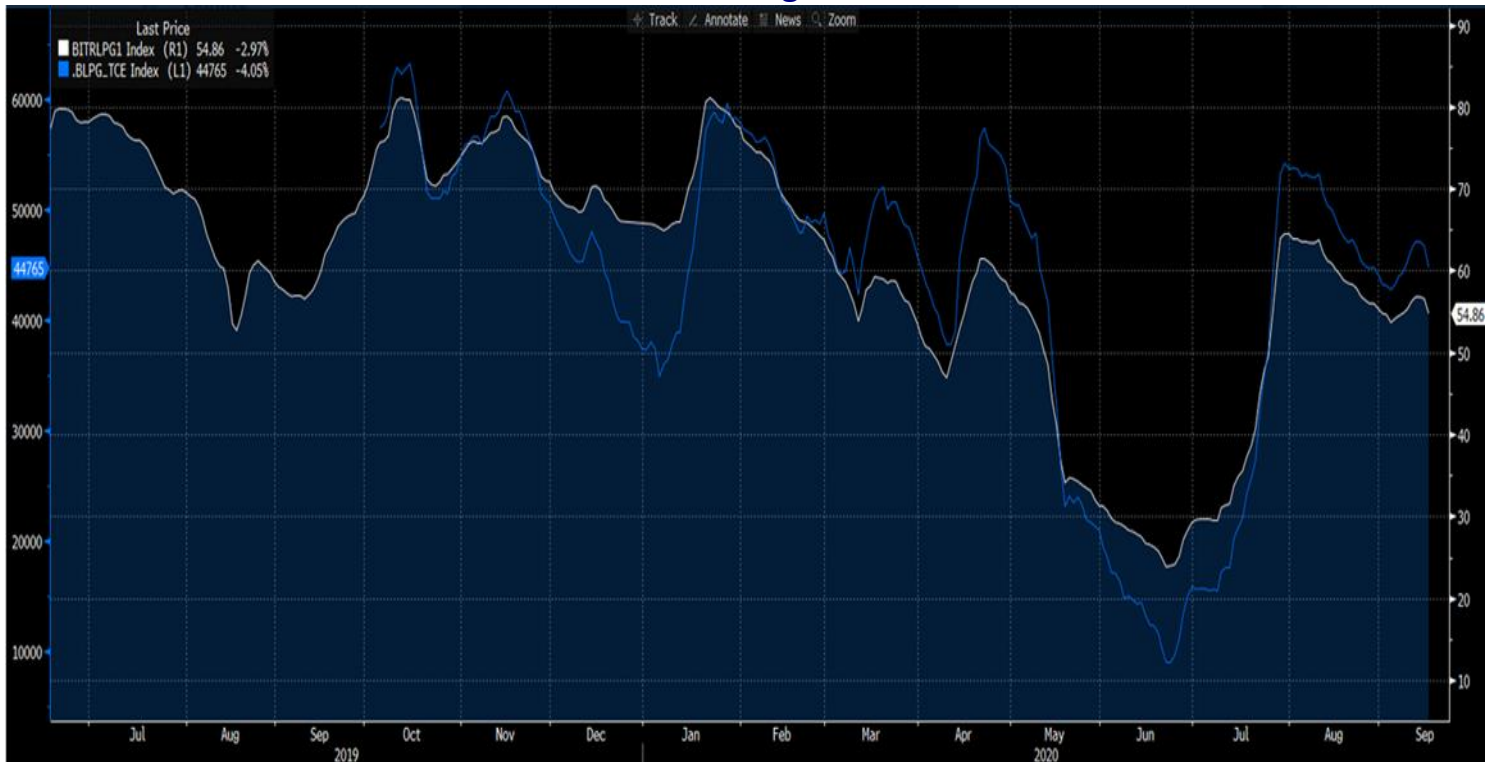
Soybean Panamax USG to Spain is running \$21.00-\$22.005/mt.

Soybean Brazil to Spain about \$24.00-25.00/mt.

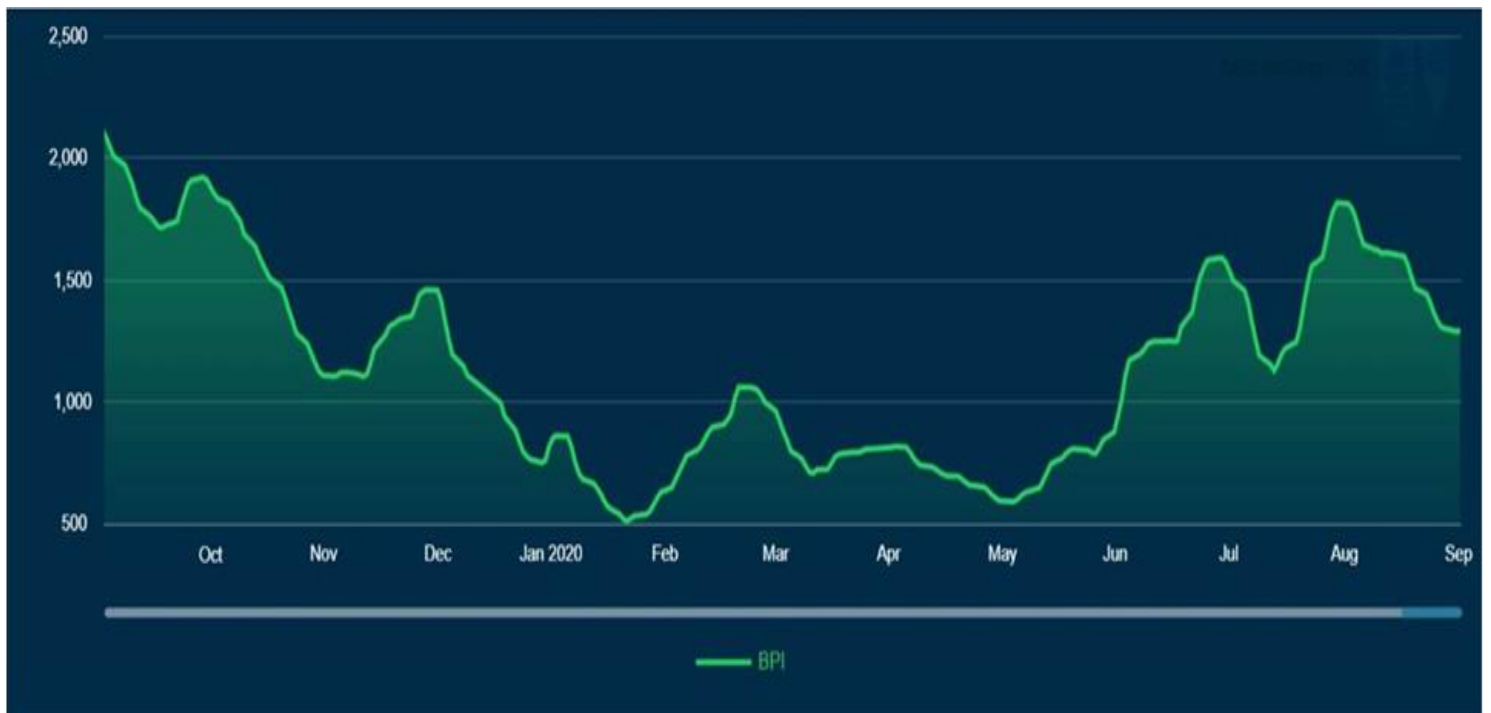
30,000 mt Corn Northern Brazil to Vera Cruz, Mexico \$18.50-\$19.50/mt .To U.S. E/C about \$21.25-22.25/mt

Route and Vessel Size	Current Week USD/MT	Change from previous week	Remarks
55,000 U.S. Gulf-Japan	\$43.50	Down \$0.50	Handymax \$46.00 mt
55,000 U.S. PNW- Japan	\$23.75	Down \$0.25	Handymax \$25.50 mt
66,000 U.S. Gulf – China	\$42.50	Down \$0.50	North China
PNW to China	\$23.00	Down \$0.25	
25,000 U.S. Gulf- Veracruz, México	\$17.50	Down \$0.25	3,000 MT daily discharge rate
30-36,000+ U.S. Gulf- Veracruz, México	\$14.50	Down \$0.25	Deep draft and 6,000 MT per day discharge rate.
30-38,000 U.S. Gulf- Colombia	\$20.00	Down \$0.25	<u>West Coast Colombia at \$31.75</u>
<u>East Coast Colombia</u> From Argentina	<u>\$30.50</u> \$31.50		USG to E/C 50,000 mt at \$16.50
43-45,000 U.S. Gulf - Guatemala	\$29.00	Unchanged	Acajutla/Quetzal - 8,000 out
26-30,000 U.S. Gulf – Algeria	\$38.75 \$40.75	Down \$0.25	8,000 mt daily discharge 3,000 mt daily discharge
26-30,000 US Gulf-Morocco	\$40.00	Down \$0.25	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt	\$28.50	Down \$0.50	60,000 -55,000 mt
PNW to Egypt	\$29.00		Romania- Russia- Ukraine \$13.50-\$13.75 -\$14.50 France \$17.00
60-70,000 U.S. Gulf – Europe – Rotterdam	\$19.25	Down \$0.25	Handymax at +\$1.75 more
Brazil, Santos – China	\$32.75	Down \$0.50	54-59,000 Supramax-Panamax
Brazil, Santos – China	\$31.50		60-66,000 Post Panamax
Northern Coast Brazil	\$35.75		Upriver No. Brazil Plus -55,000 mt Plus \$7.50/mt
56-60,000 Argentina/Rosario- China Deep Draft	\$36.00	Down \$0.50	Upriver with BB Top Off Plus \$3.75 mt

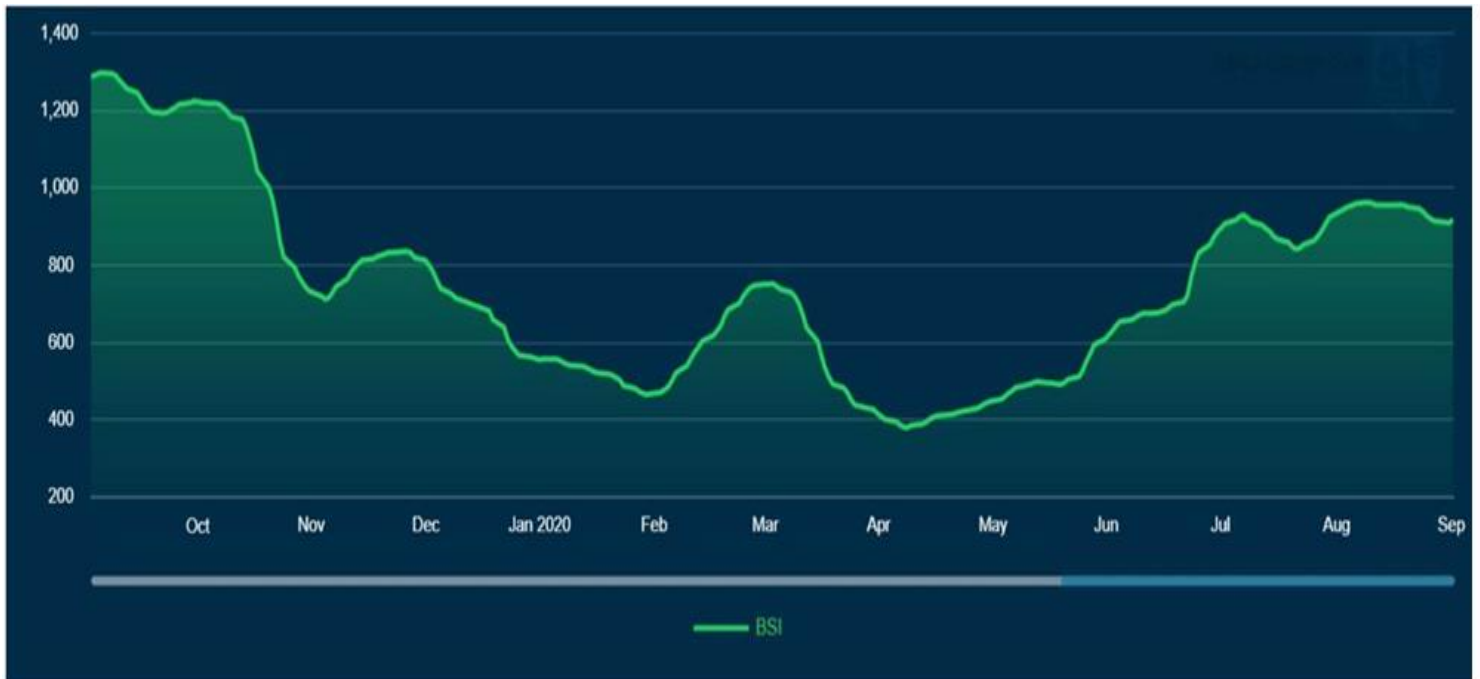
The Baltic Freight Index



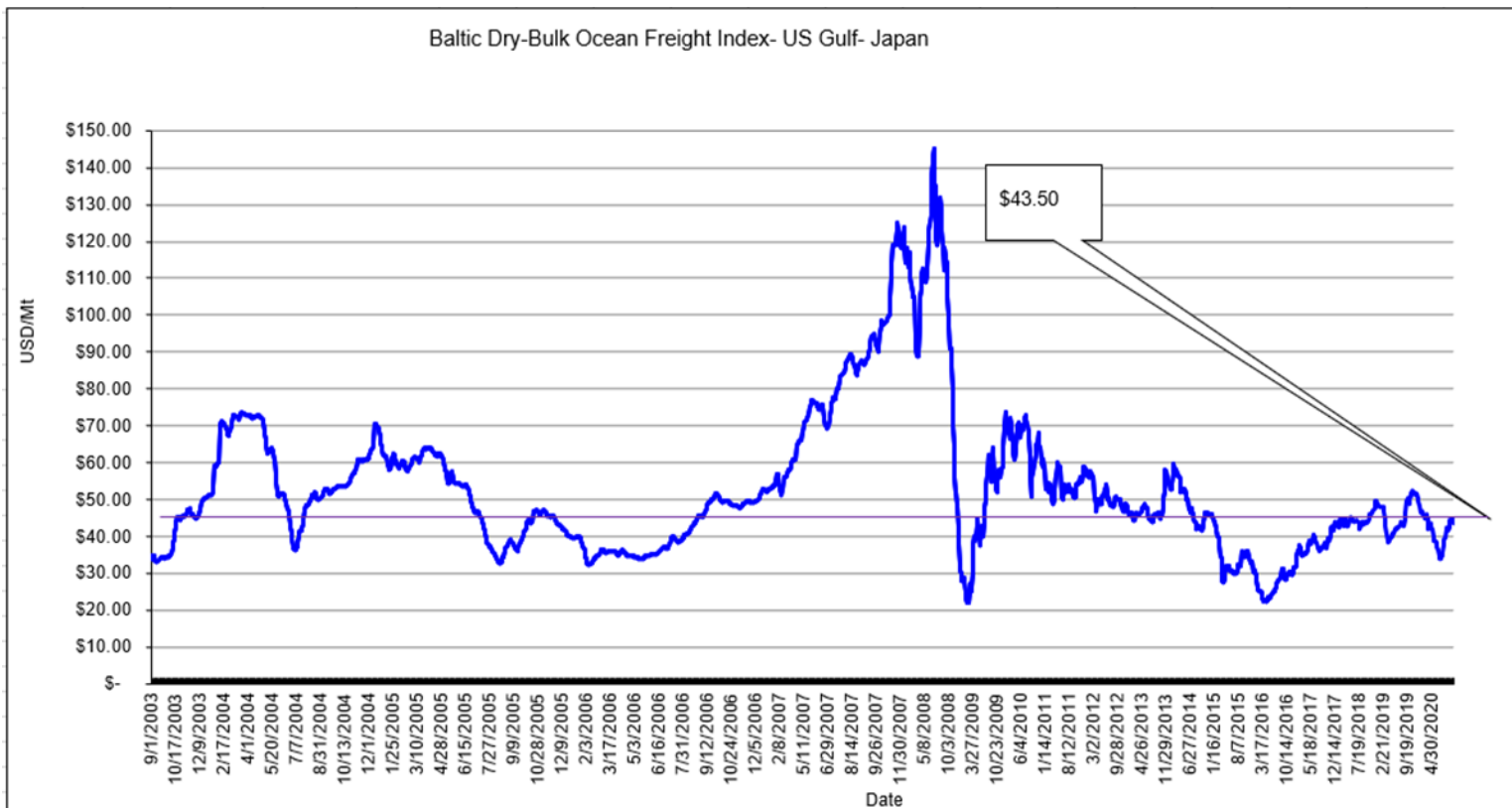
Baltic Panamax Index



Baltic Supramax Vessel Index



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

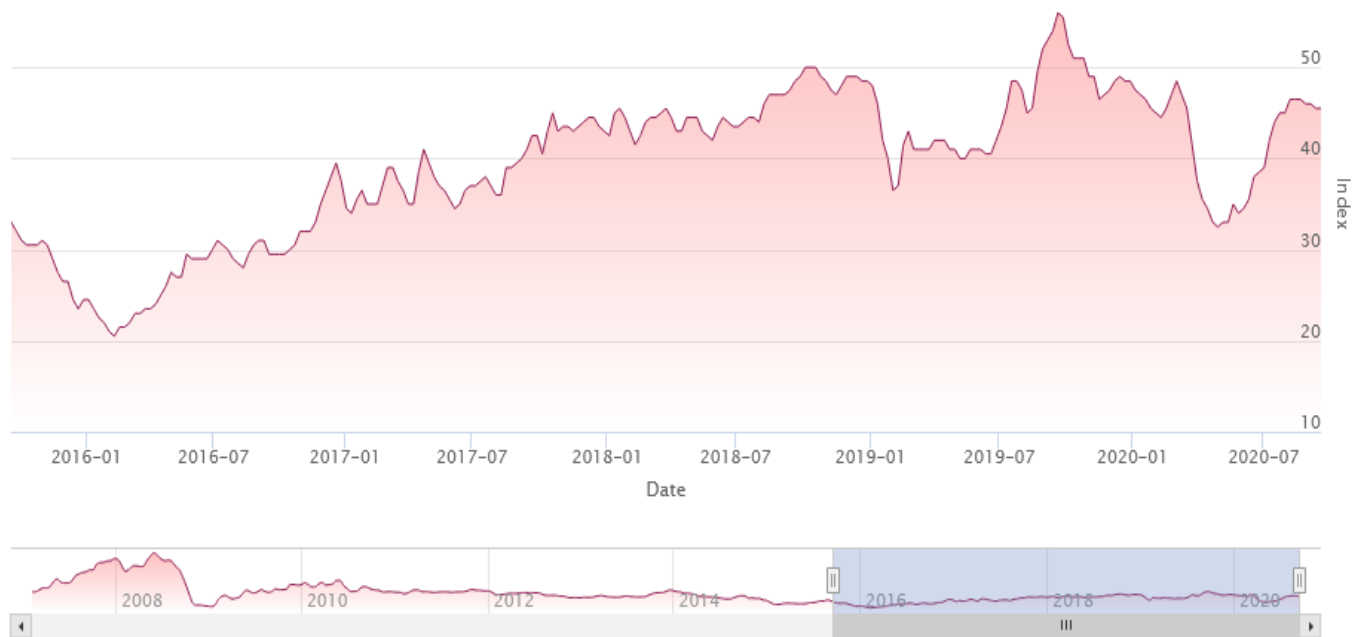


YAMAMIZU Index



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

From 2015-09-16 To 2020-09-16



China Import Dry Bulk Freight Index

2020-09-17

Description	Size MT	Cargo/Vessel Size	Unit	Rate	Change
Composite Index			Point	824.39	-2.99
Iron ore Freight Index			Point	814.35	-5.87
Dampier(West Australia)-Qingdao (China)	170000/10%	Iron ore	\$/ton	7.101	-0.14
Soybean Freight Index			Point	938.3	0.44
Santos(Brazil)—North China	60000/10%	Soybean	\$/ton	31.414	0
Tacoma(West America)—North China	60000/10%	Soybean	\$/ton	22.986	0
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	42.383	0.025
Mississippi(US Gulf)—North China	55000/10%	Soybean	\$/ton	44.58	0.11

17 September 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
Oct.	1.05	\$185.03	1.53	\$203.93
Nov.	1.05	\$185.03	1.50	\$202.74
Dec.	1.00	\$183.06	1.45	\$200.78
Jan.	0.88	\$182.27	1.35	\$200.78
Feb.	0.85	\$181.09	1.32	\$199.59
Mar.	0.83	\$180.30	1.30	\$198.81

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.

SORGHUM (USD/MT) FOB VESSEL				
#2 YGS Fob Vessel	NOLA		TEXAS	
Max. 14.0% moisture	BASIS	FLAT PRICE	BASIS	FLAT PRICE
Oct.	2.90	\$257.86	2.70	\$249.99
Nov.	2.90	\$257.86	2.70	\$249.99
Dec.	2.85	\$255.89	2.65	\$248.02
Jan.	2.70	\$253.92	2.50	\$246.05
Feb.	2.70	\$253.92	2.50	\$246.05

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

SRW Wheat	USD/MT	Fob Vessel	US Gulf	
	Oct.	Nov.	Dec.	Jan.
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:

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

U.S. SBM (USD/MT) FOB Vessel		
Fob U.S. Gulf Port	47.5 Pro. SBM	
max 12.5 % moisture	Basis	Flat Price
Oct.	25.00	\$ 372.31
Nov.	25.00	\$ 377.61
Dec.	25.00	\$ 377.61
Jan.	27.00	\$ 381.80
Feb.	27.00	\$ 382.02
SBM Futures		
SMU	\$ 311.10	
SMV	\$ 312.70	
SMZ	\$ 317.50	
SMF	\$ 319.30	
SMH	\$ 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 03 September 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 '21-22 (000 MT)
Corn	3266.5	18,846.9	45,600	41%	206.0
Sorghum	163.9	2,448.0	5,330	46%	0.0
Soybeans	5719.0	29,886.0	44,910	67%	60.0
Wheat	571.0	12,948.1	26,540	49%	16.9
Barley	0.0	39.2	110	36%	0.0

U.S. EXPORT INSPECTIONS:

Monday's report 14 September 2020 for the Export week ending 10 September 2020

	Export Inspections		Current Market Year YTD	Previous Year to Date	2020/21 YTD as Percent of 2019/20 YTD
	This Week	Previous Week			
Corn	878,907	887,889	1,150,827	895,139	129%
Sorghum	72,465	144	72,561	79,399	91%
Soybeans	1,283,936	1,396,077	1,849,421	1,241,963	149%
Wheat	637,226	699,310	8,099,176	7,530,003	108%
Barley	0	1,996	5,727	3,036	189%

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

U.S. EXPORT INSPECTIONS:

Monday's report 14 September 2020 for the Export week ending 10 September 2020

Last Week							
(Metric Tons)	YC	%	WC	%	Sorghum	%	Soybeans %
Lakes	0	0%	0	0%	0	0%	21,867 2%
Atlantic	7158	1%	0	0%	0	0%	2,449 0%
Gulf	491,135	56%	0	0%	72,102	99%	893,894 70%
PNW	206,835	24%	0	0%	49	0%	280,959 22%
Interior Export Rail	173,683	20%	96	100%	314	0%	84,767 7%
Metric Tons	878,811		96		72,465		1,283,936

Sorghum Shipments: metric tons

68,901 China Main

3,299 Japan

49 Korea Rep

216 Mexico

72,465 Total

White Corn metric tons

Shipments: 96 Mexico

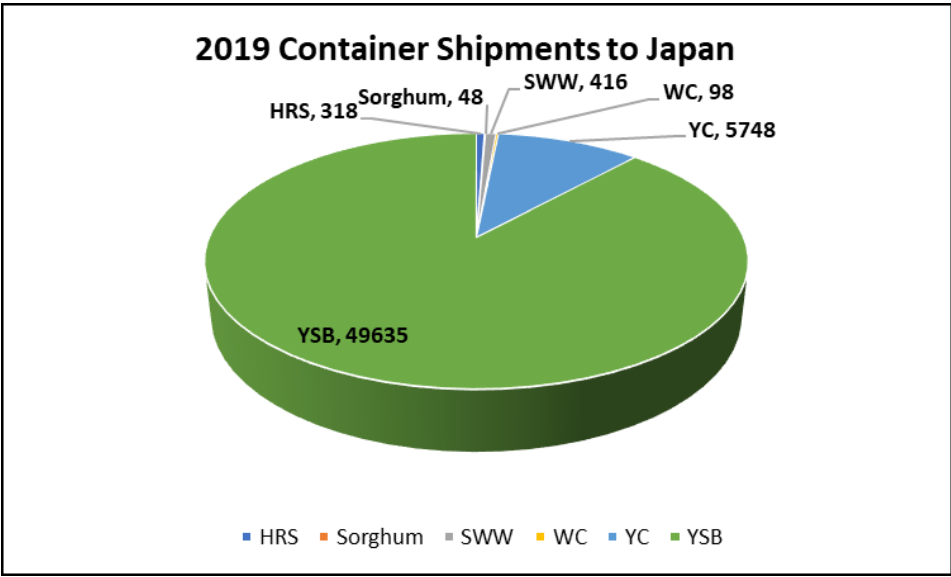
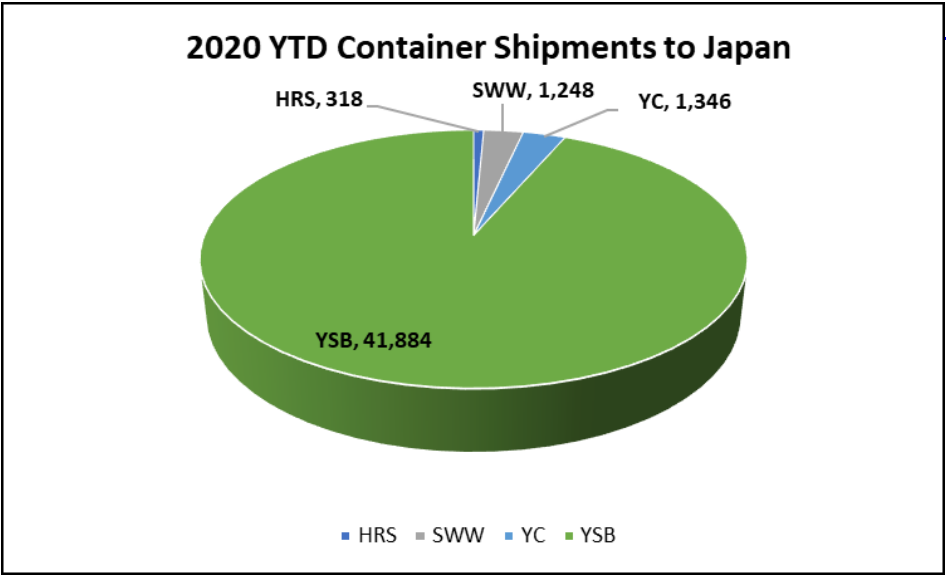
96 Total

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:		10-Sep-2020							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	SWH	HRW	Sorghum	TOTAL
China Main	1,126		3,403					98	4,627
China T	3,010		12,072						15,082
Hong Kong	490								490
Costa Rica	73								73
Indonesia			17,012						17,012
French Poly	220								220
Japan			904						904
Korea Rep.			612						612
Nepal			490						490
Malaysia	294		5,903						6,197
Iran									0
Philippines			856						856
Thailand			3,697						3,697
Cambodia									0
Singapore									0
Bangladesh									0
Burma			954						954
Vietnam			5,533				833		6,366
Sub Total:	5,213	0	51,436	0	0	0	833	98	57,580
USDA Corrections/Additions to previous reports:									
China T	96								96
China Main									0
Hong Kong									0
Korea Rep.									0
Cambodia									0
Japan									0
Philippines									0
Indonesia			1,470						1,470
Malaysia									0
Thailand									0
Vietnam			1,788						1,788
Jordan									0
Nigeria									0
Sub Total:	96	0	3,258	0	0	0	0	0	3,354
Mt. Grand Total	5,309	0	54,694	0	0	0	833	98	60,934
Number of Containers	231	0	2,378	0	0	0	36	4	

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



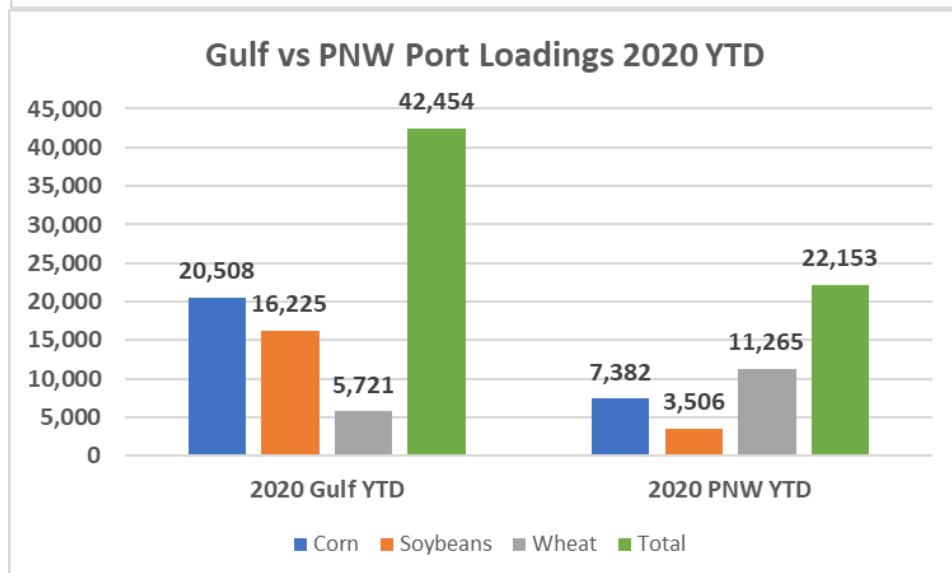
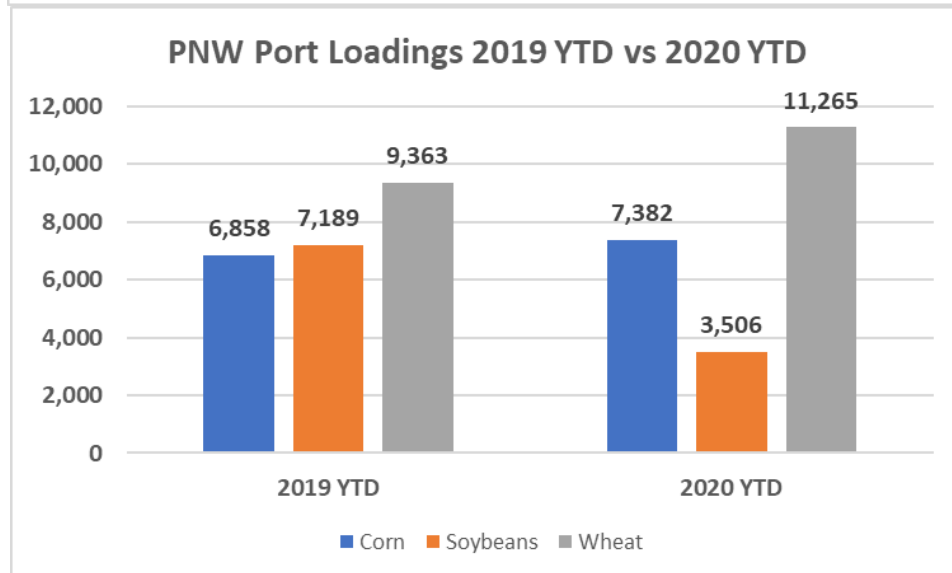
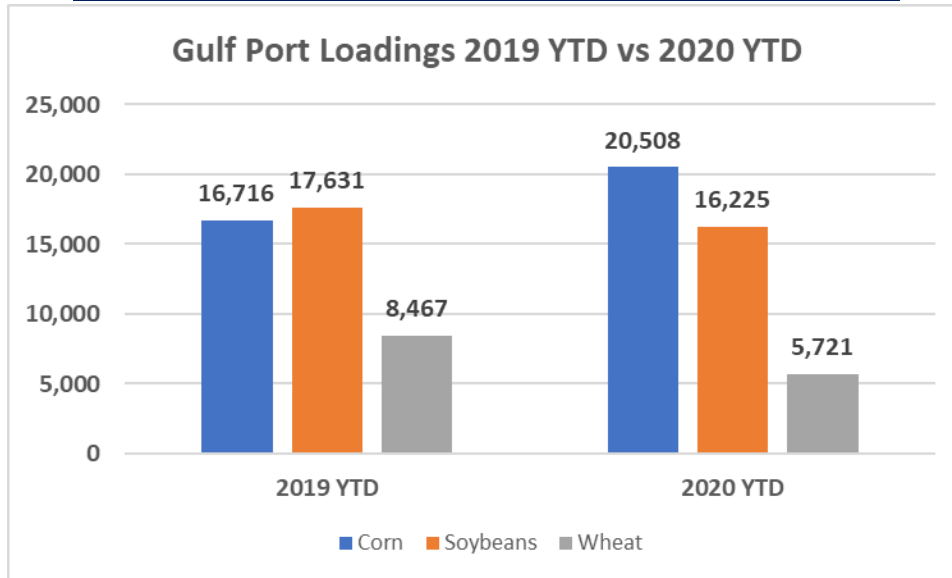
Grain Inspections for Export by U.S. Port Regions:
U.S. Gulf and Pacific Northwest 2019 YTD vs. 2020 YTD

PORT LOADINGS US Gulf				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
GULF				
2019 YTD	16,716	17,631	8,467	42,814
2020 YTD	20,508	16,225	5,721	42,454
2020 as % of 2019	123%	92%	68%	99%

PORT LOADINGS US PNW				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
PNW				
2019 YTD	6,858	7,189	9,363	23,410
2020 YTD	7,382	3,506	11,265	22,153
2020 as % of 2019	108%	49%	120%	95%

PORT LOADINGS GULF vs. PNW				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
2020 Gulf YTD	20,508	16,225	5,721	42,454
2020 PNW YTD	7,382	3,506	11,265	22,153
TOTAL	27,890	19,731	16,986	64,607
Gulf Percentage	74%	82%	34%	66%
PNW Percentage	26%	18%	66%	34%

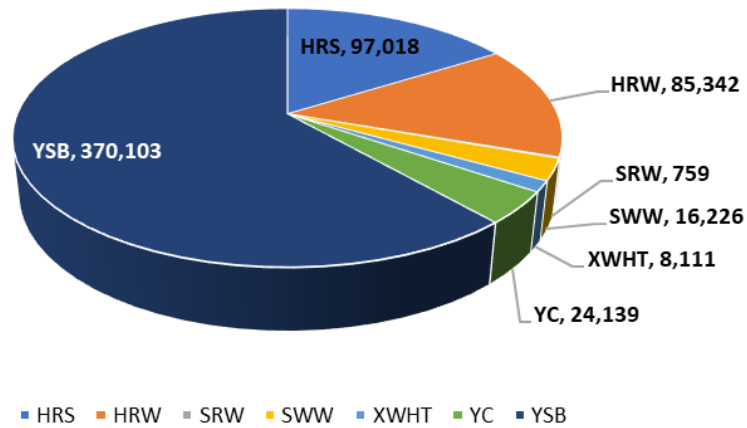
Grain Inspections for Export by U.S. Port Regions (1,000MT):
U.S. Gulf and Pacific Northwest 2019 YTD vs. 2020 YTD



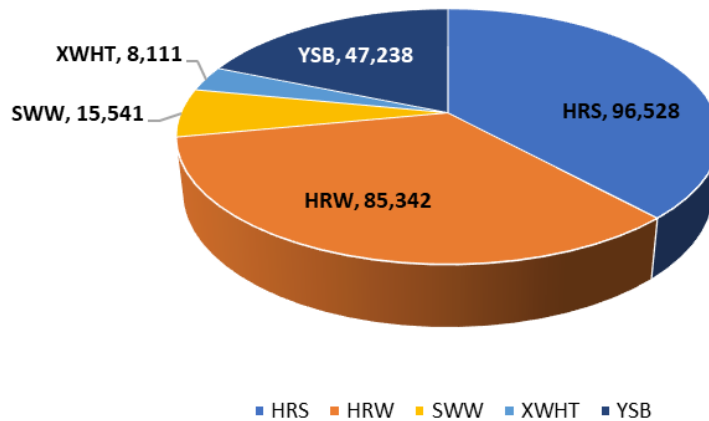
Source: USDA-data

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

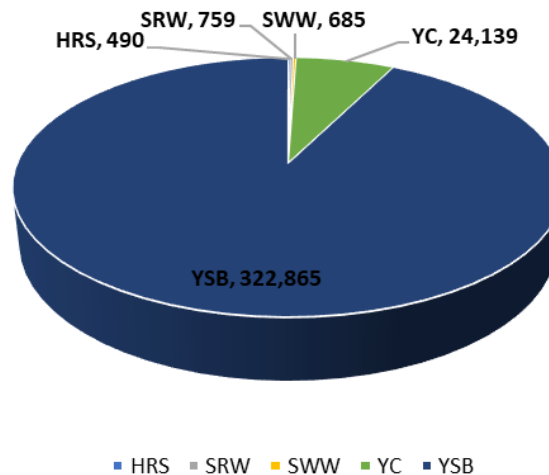
2020 YTD Exports to Malaysia



YTD Vessel Shipments to Malaysia



YTD Container Shipments to Malaysia



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

Shipping News



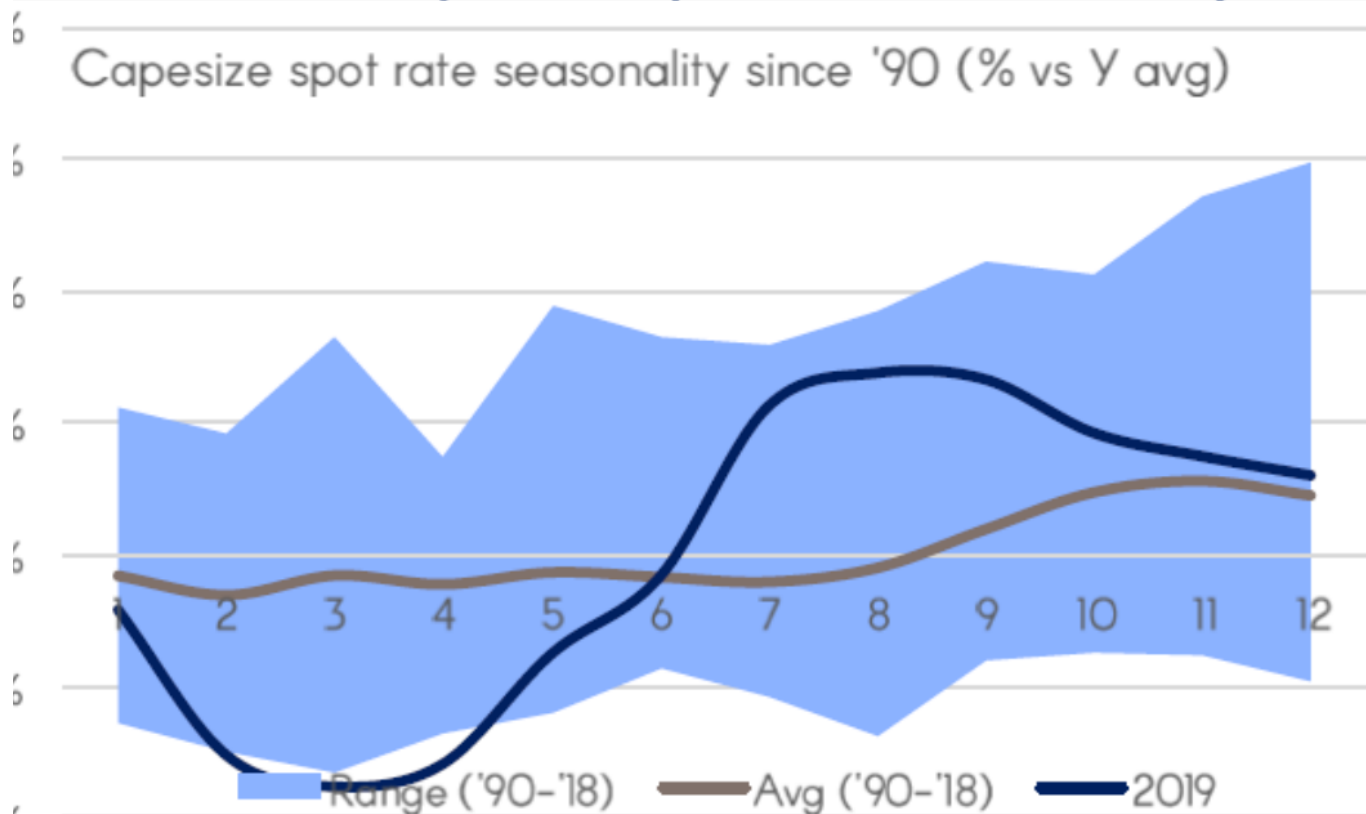
World Index @theworldindex · 21h

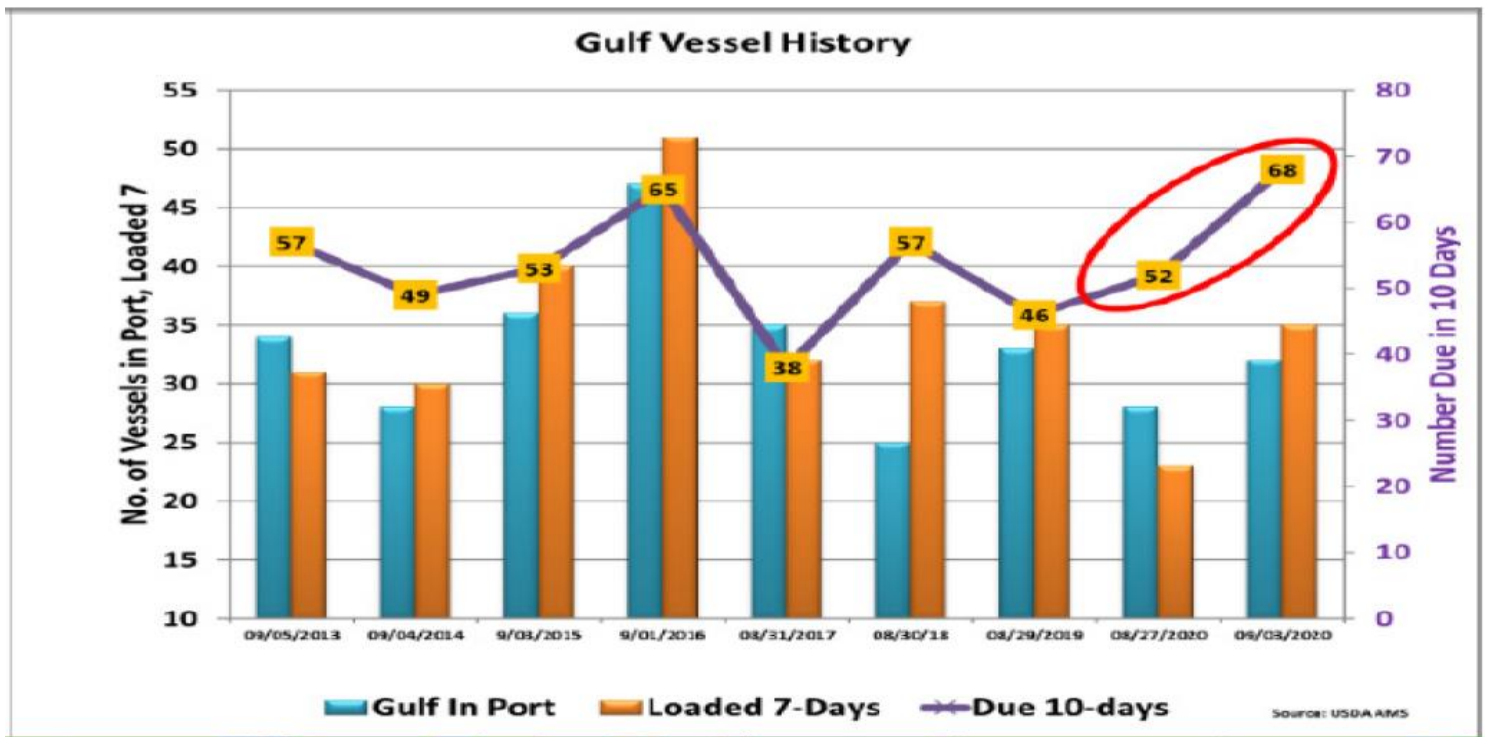
Most Populous Countries in 2100:

1. India: 1.09b
2. Nigeria: 791m
3. China: 732m
4. USA: 336m
5. Pakistan: 248m
6. DR Congo: 246m
7. Indonesia: 229m
8. Ethiopia: 223m
9. Egypt: 199m
10. Tanzania: 186m

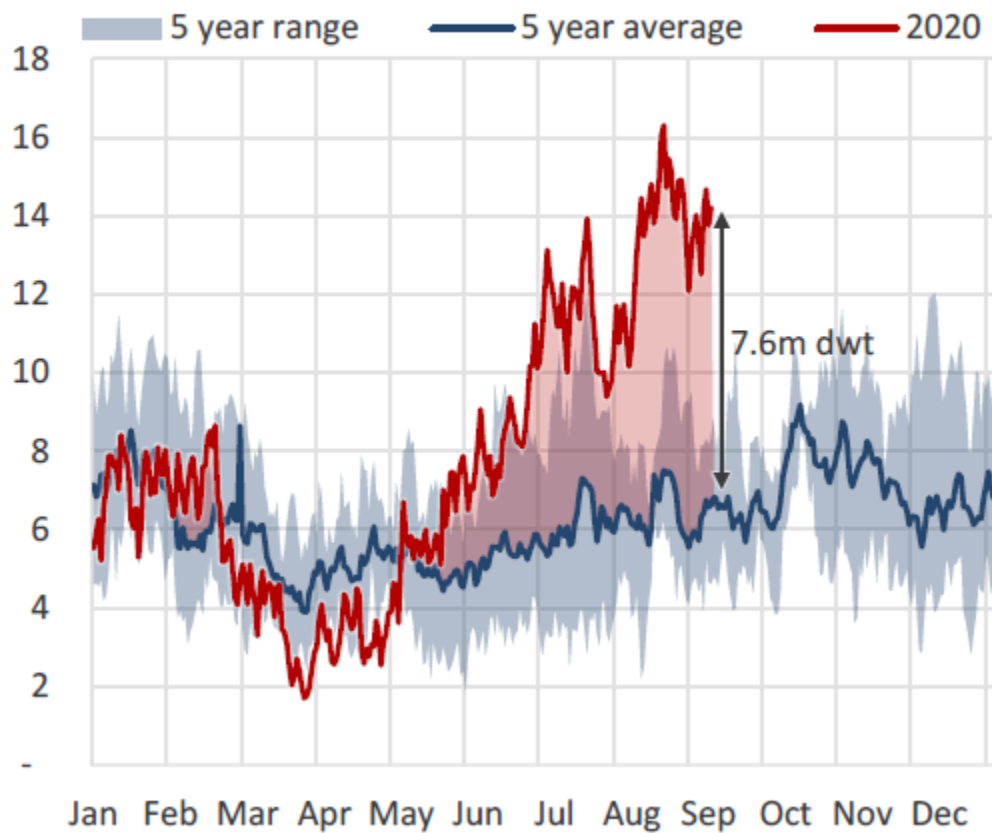
(The Lancet)

Historical Capesize spot rate seasonality





China Capesize congestion *laden vessels, m dwt*

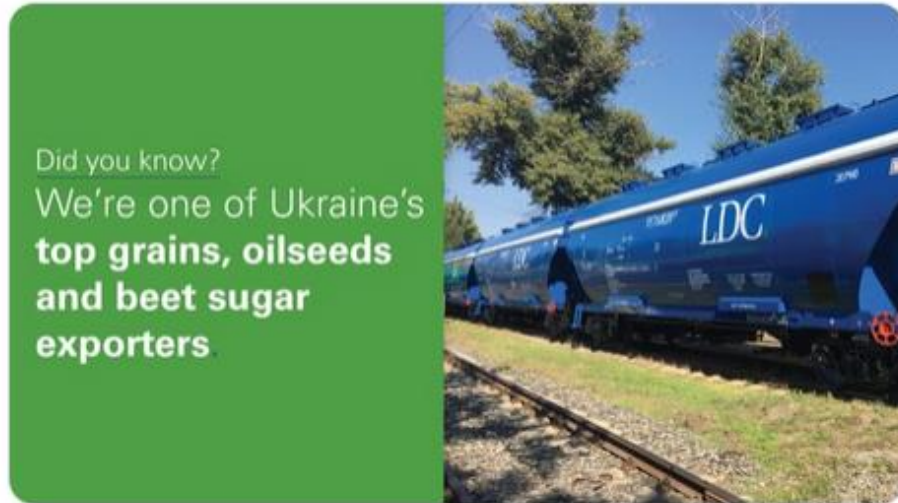


Source: Refinitiv

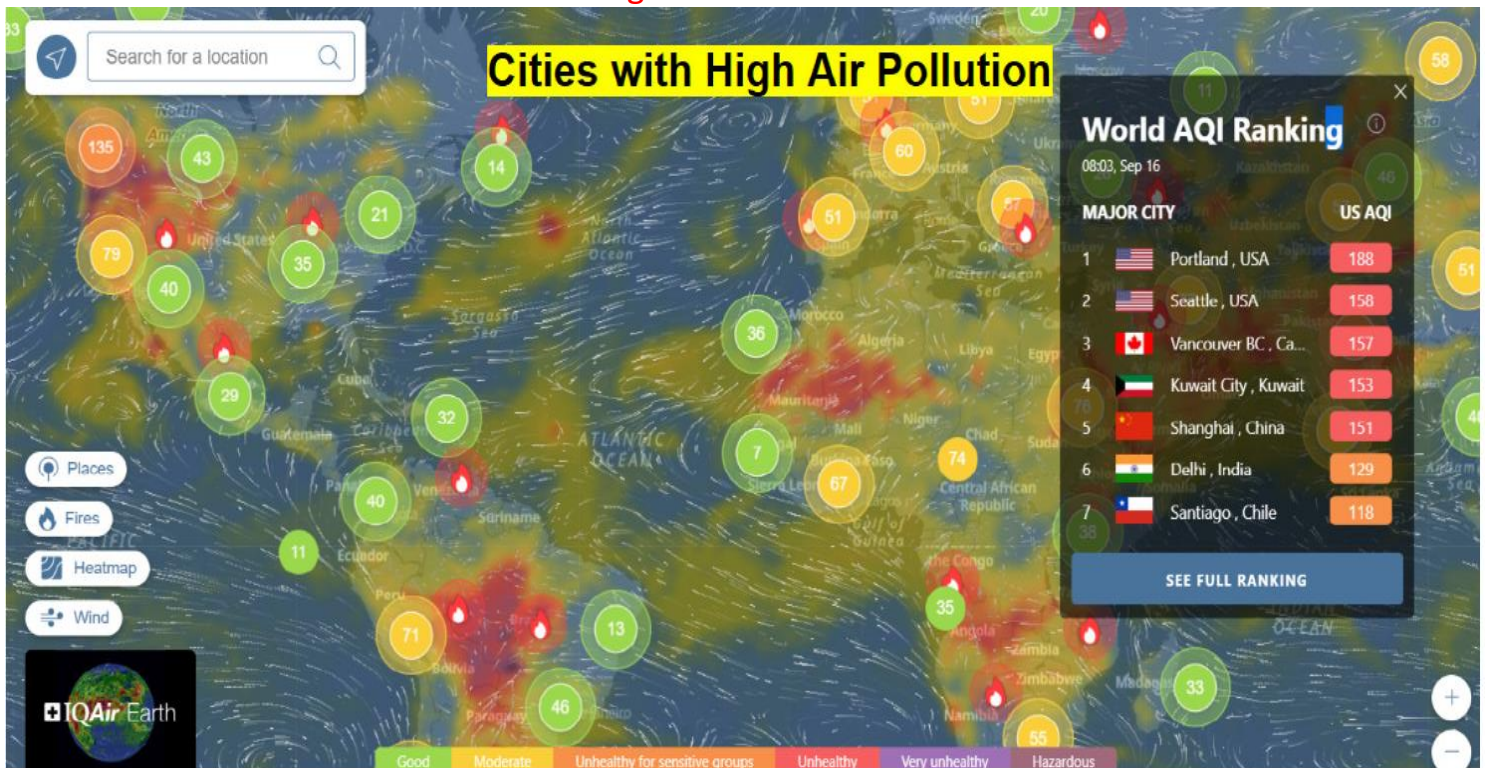
What does this say about LDC's opinion of the future of U.S. Exports

Louis Dreyfus Company @WeAreLDC · 8h

We are investing in Ukraine's infrastructure to continue building an efficient and reliable supply chain, and give Ukrainian farmers greater access to international markets. Find out more about our activities in the country. ow.ly/6NZs50BqXB3



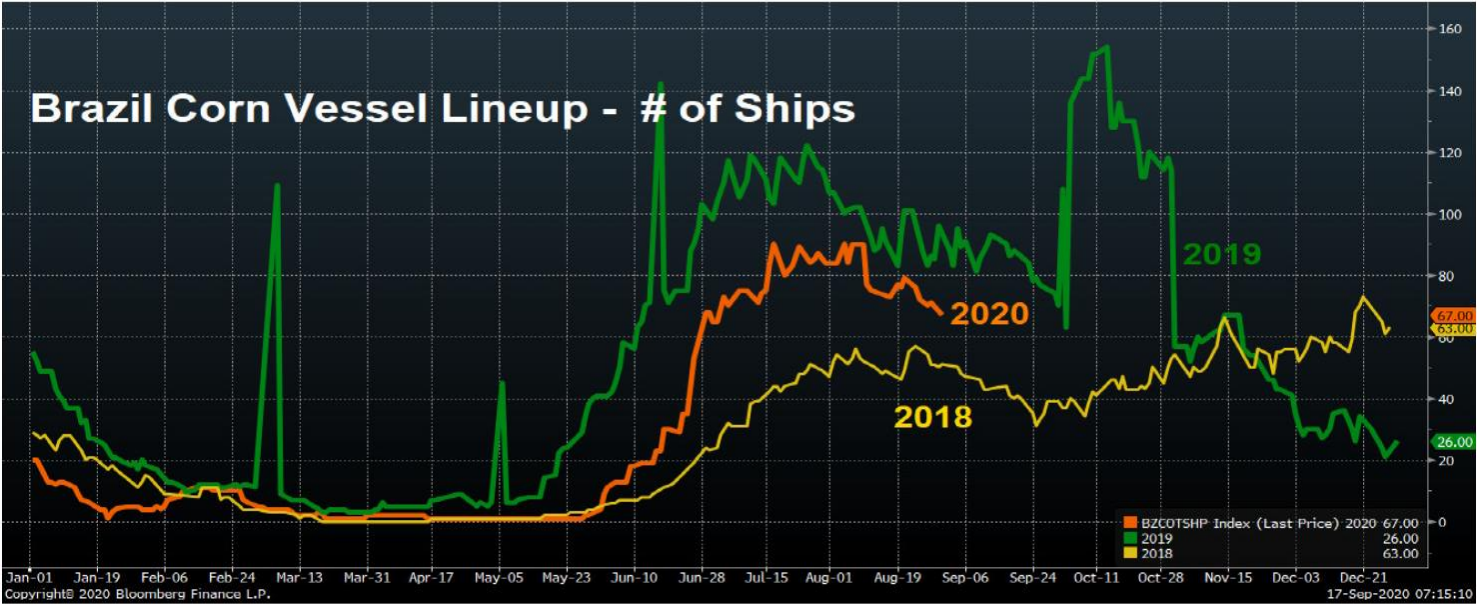
Below Air Quality map is not fully complete. Early this week Souther Oregon AQI was over 300 and in the high Hazard zone. Now at 220



Lawrence Gross @Intermodalist · 1h

L.A./Long Beach have posted some eye-popping y/y gains in August, but TEUs were up "only" 5.8% from July, while my (preliminary) numbers show Southeast US ports up over 20% from prior month, and +13% for Northeast...so the pendulum may be starting to swing back east.

💬 ↺ ❤️ 2 ↗



Olaf Merk @o_merk · 6h

It is China who sets the tone in competition regulation of container shipping. See for example their decisions on P3 and now on the price hikes caused by joint capacity withdrawal by carriers. In the EU: privileges for carriers disguised as competition policy

Splash @Splash_247 · 7h

Liners bow to Beijing's intervention and ease pricing on the transpacific as America issues warning dlvr.it/Rgn5lV



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	515	\$35.14	0.89	0.96
Illinois River (Pekin and South)	Closed	\$ -	0.00	0.00
Mid-Mississippi	495	\$29.03	0.74	0.79
Lower Ohio	485	\$23.84	0.61	0.65
St. Louis	375	\$16.49	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	\$ 1,500.00	\$ 1,800.00	\$ 0.38	\$ 0.45	\$ 14.76	\$ 17.72
UPRR Shuttle Trains	\$ 900.00	\$ 1,300.00	\$ 0.23	\$ 0.33	\$ 8.86	\$ 12.79

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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