

Transportation and Export Report for 19 September 2019

Ocean Freight Insights and Comments:

If you are a vessel owner; the market is not going the direction it should. The popular belief was that Dry-bulk freight markets had bottomed out and now had to consistently move upward to cover increasing operating costs. We have seen substantial market increases over the past seven months with the Baltic Dry-Bulk index sitting at 5-year highs. But the market rally seems to be stalling out as worries over the global economic health circulate among traders. The physical markets have not been as enthusiastic as the paper traders and this will have to change for things to move higher.

BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices				
19-Sep-19	This Week	Last Week	Difference	Percent Change
P2A : Gulf/Atlantic - Japan	27938	28709	-771	-2.7%
P3A - PNW/Pacific - Japan	13227	14711	-1,484	-10.1%
S1C -USGULF-China-So.Japan	30414	30114	300	1.0%
P7- Trial- Miss. River - Qingdao	49852	49763	89	0.2%
P8- Trial- Santos - Qingdao	41128	40953	175	0.4%

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

Four weeks ago:	\$8.65-\$9.65
Three weeks ago:	\$10.25-\$10.55
Two weeks ago:	\$10.50 -\$11.25
One week ago:	\$10.50-\$11.00
This week	\$10.50- \$11.00

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

Mississippi River:	(10 elevators)	3-7 days (2 facilities not currently operating)
Miss. River Mid-Stream loaders:	(6+ Rigs)	0-5 days
Texas Gulf	(5 elevators)	0-4 days (only 1 over 0 days)
Pacific Northwest:	(9 elevators)	0-12 days (4 facilities at 0 days)

Panamax Market Spreads to Asia -China					
19-Sep-19	PNW	GULF	Bushel Spread	MT Spread	Advantage
CORN	0.80	0.46	0.34	\$13.39	PNW
SOYBEANS	0.65	0.24	0.41	\$16.14	PNW
OCEAN FREIGHT	\$29.00	\$51.25	.57-.61	\$22.25	October

Recent Reported Vessel Fixtures:

Soybean Panamax USG to Spain is running \$25.00/mt.

Soybean Brazil to Spain at about \$28.00/mt.

30,000 mt Corn Northern Brazil to Vera Cruz, Mexico \$21.50-\$22.00/mt .To U.S. E/C about \$25.00-25.50/mt

Route and Vessel Size	Current Week USD/MT	Change from previous week	Remarks
55,000 U.S. Gulf-Japan	\$52.25	Up \$0.25	Handymax \$53.00 mt
55,000 U.S. PNW- Japan	\$29.50	Up \$0.25	Handymax \$29.75 mt
66,000 U.S. Gulf – China PNW to China	\$51.25 \$29.00	Up \$0.25 Unchanged	North China
25,000 U.S. Gulf- Veracruz, México	\$19.00	Up 0.25	3,000 MT daily discharge rate
30-35,000+ U.S. Gulf- Veracruz, México	\$16.00	Up \$0.25	Deep draft and 6,000 MT per day discharge rate.
25/37,000 U.S. Gulf- <u>East Coast Colombia</u> From Argentina	\$21.50 \$35.00	Unchanged	<u>West Coast Colombia at \$31.00</u>
43-45,000 U.S. Gulf - Guatemala	\$29.25	Unchanged	Acajutla/Quetzal - 8,000 out
26-30,000 U.S. Gulf – Algeria	\$37.00 \$38.00	Unchanged	8,000 mt daily discharge 3,000 mt daily discharge
26-30,000 US Gulf-Morocco	\$38.50	Unchanged	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt PNW to Egypt	\$32.25 \$32.50	Unchanged	60,000 -55,000 mt Romania- Russia- Ukraine \$18.75 -\$16.75 -\$17.75 (France \$21.25-\$22.00)
60-70,000 U.S. Gulf – Europe – Rotterdam	\$21.00	Unchanged	Handymax at +\$1.75 more
Brazil, Santos – China Brazil, Santos – China Itacoatiara-Port Upriver North Brazil	\$40.50 \$41.00 \$42.25	Unchanged	54-59,000 Supramax-Panamax 60-66,000 Post Panamax 60-66,000 mt
56-60,000 Argentina/Rosario- China Deep Draft	\$43.25	Unchanged	Upriver with BB Top Off \$46.25

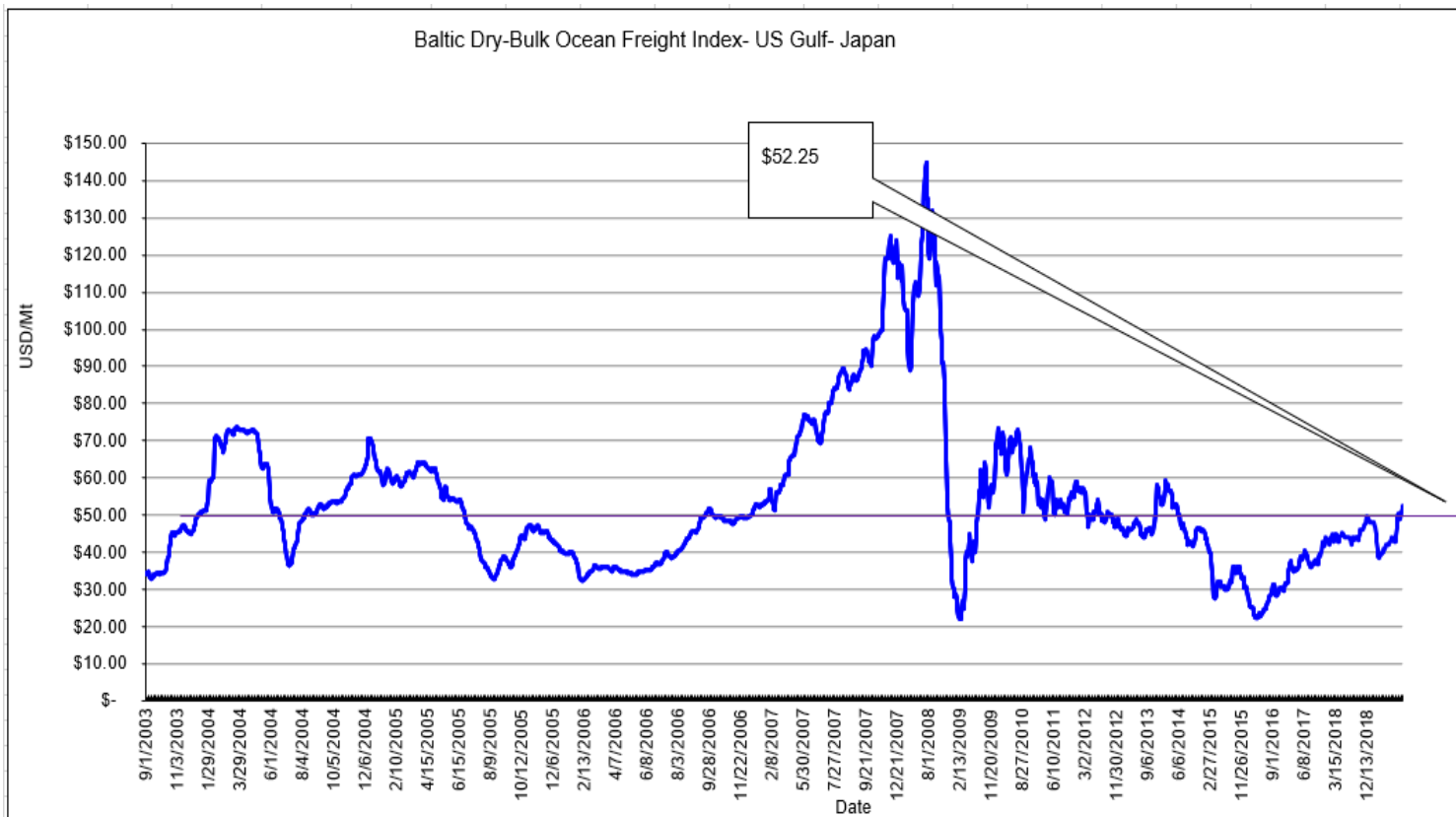
- The above rate estimates reflect the 30-45-day forward ocean freight markets.

Nautical Miles: To Xiamen China (South China)

US Gulf (NOLA) (via Panamá Canal) – 10,232 nautical miles (32 days)

Santos Brazil (via Cape of Good Hope) - 10,441 nautical miles (33 days)

Rosario Argentina (via Cape Horn) - 10,751 nautical miles (34 days)

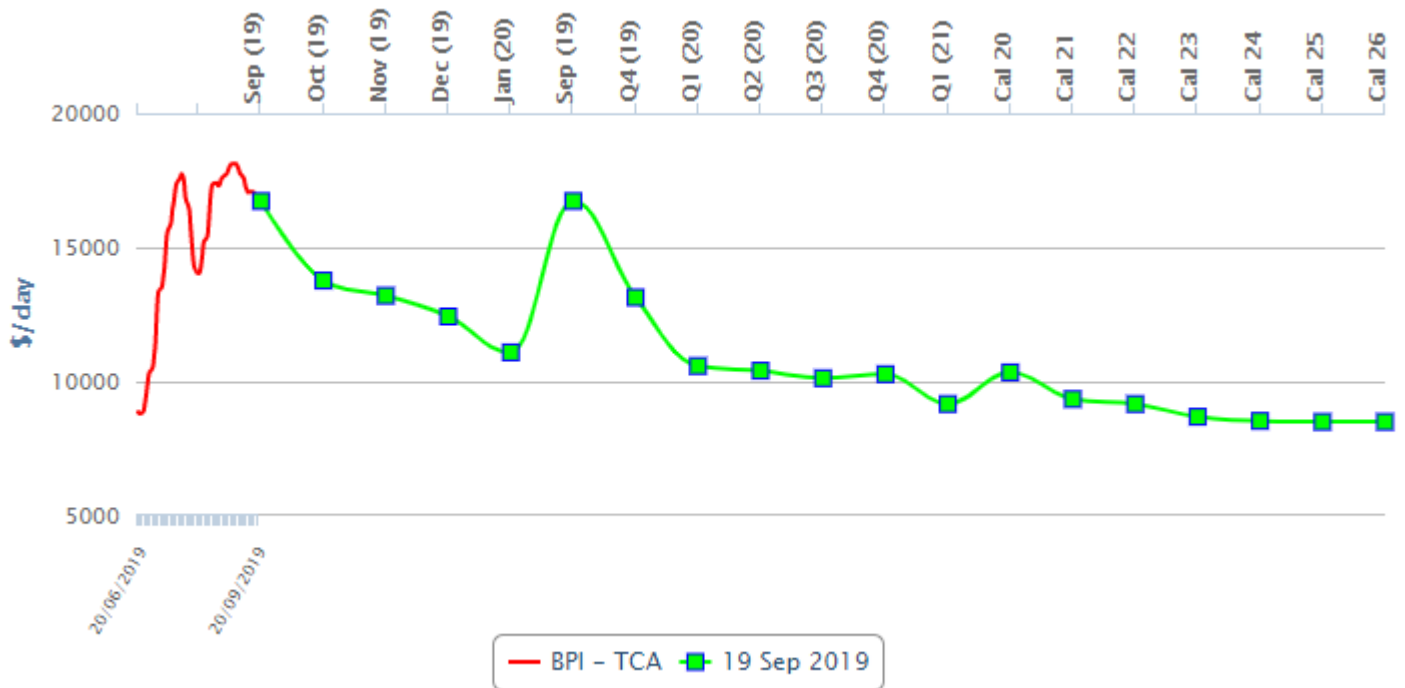


Baltic Dry Index.



Baltic Panamax Forward Curve Chart

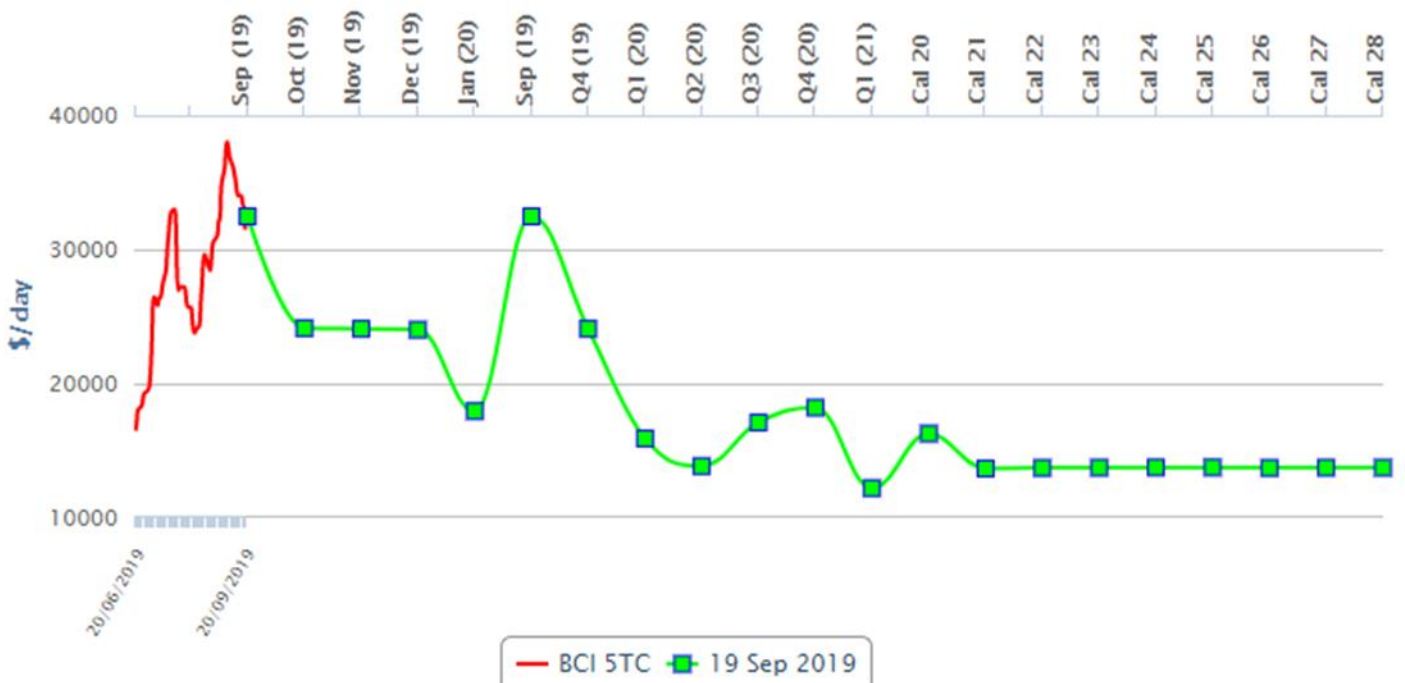
4TC_P-FFA



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Baltic Capesize Forward Curve Chart

5TC_C-FFA



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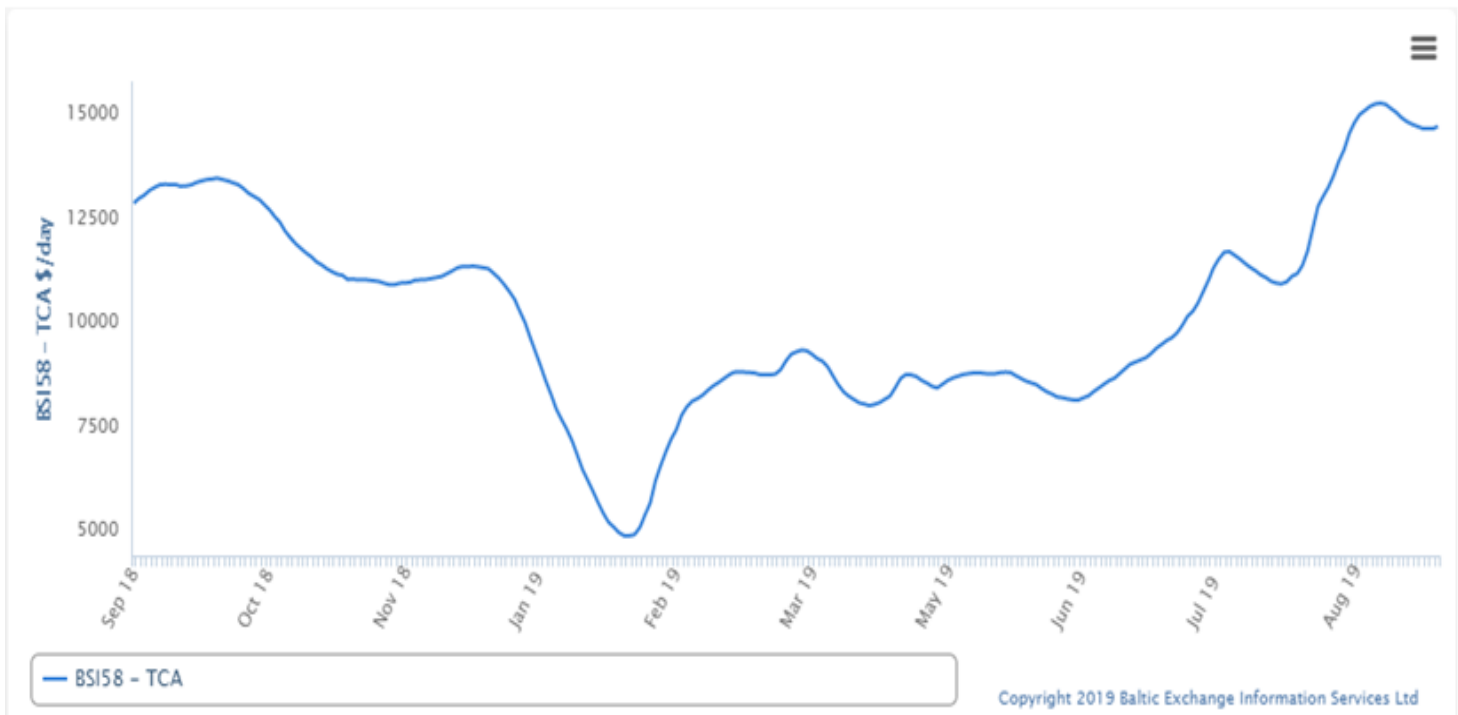
Baltic Panamax Index

Panamax

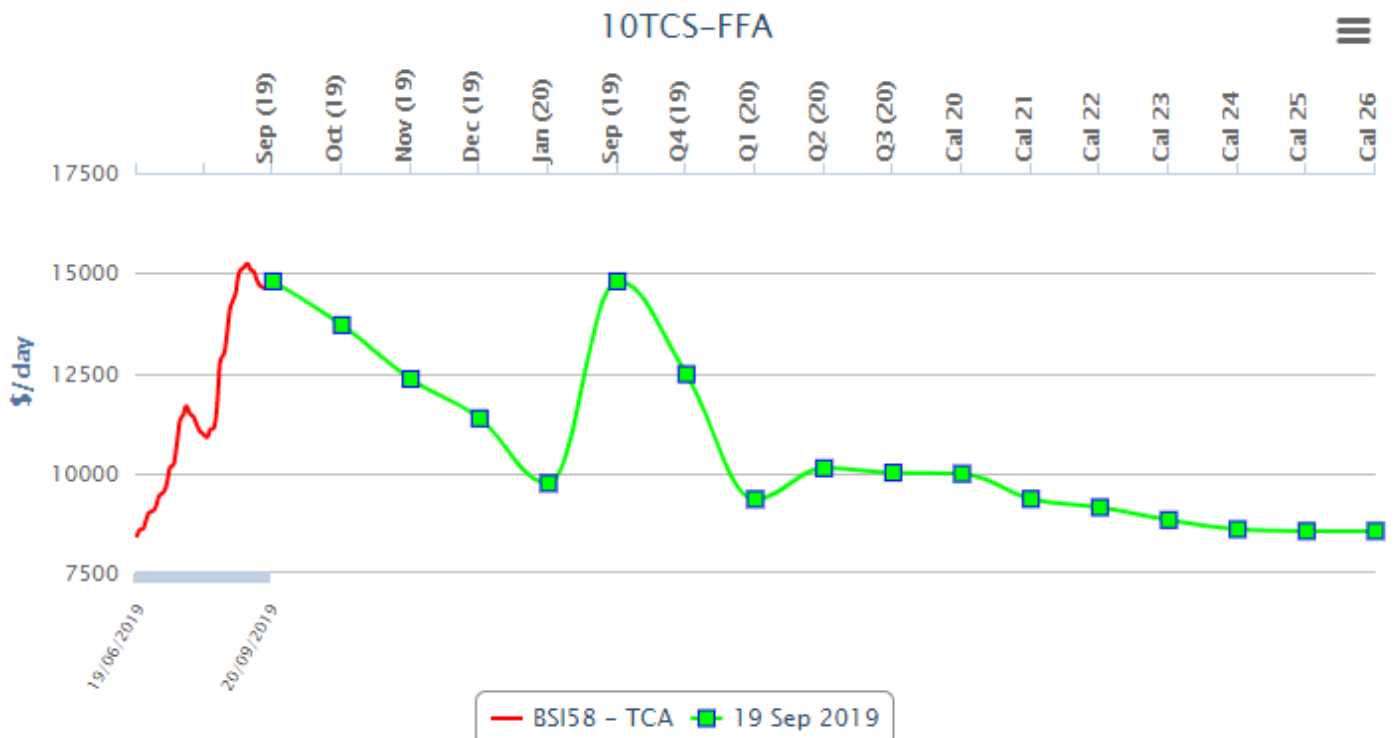


Baltic Supramax Vessel Index

Supramax

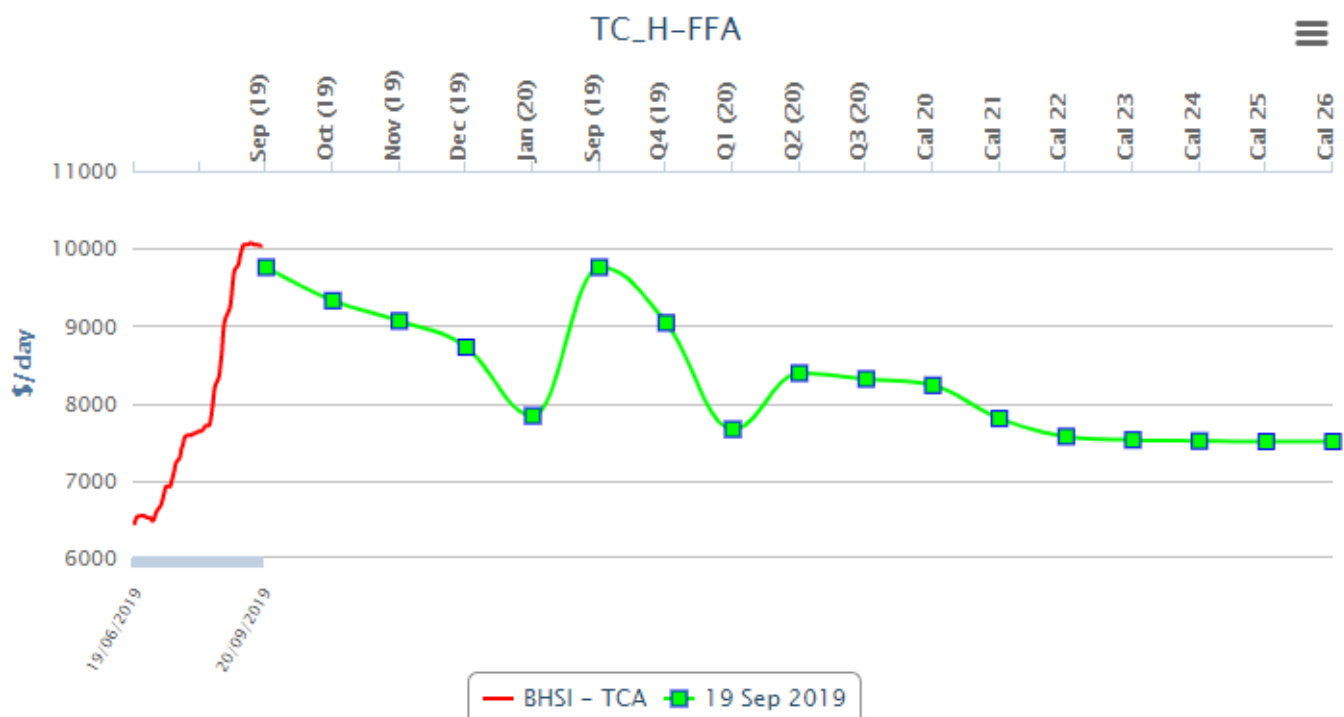


Supramax Dry-Bulk Forward Curve



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Baltic Handy Size Forward Curve



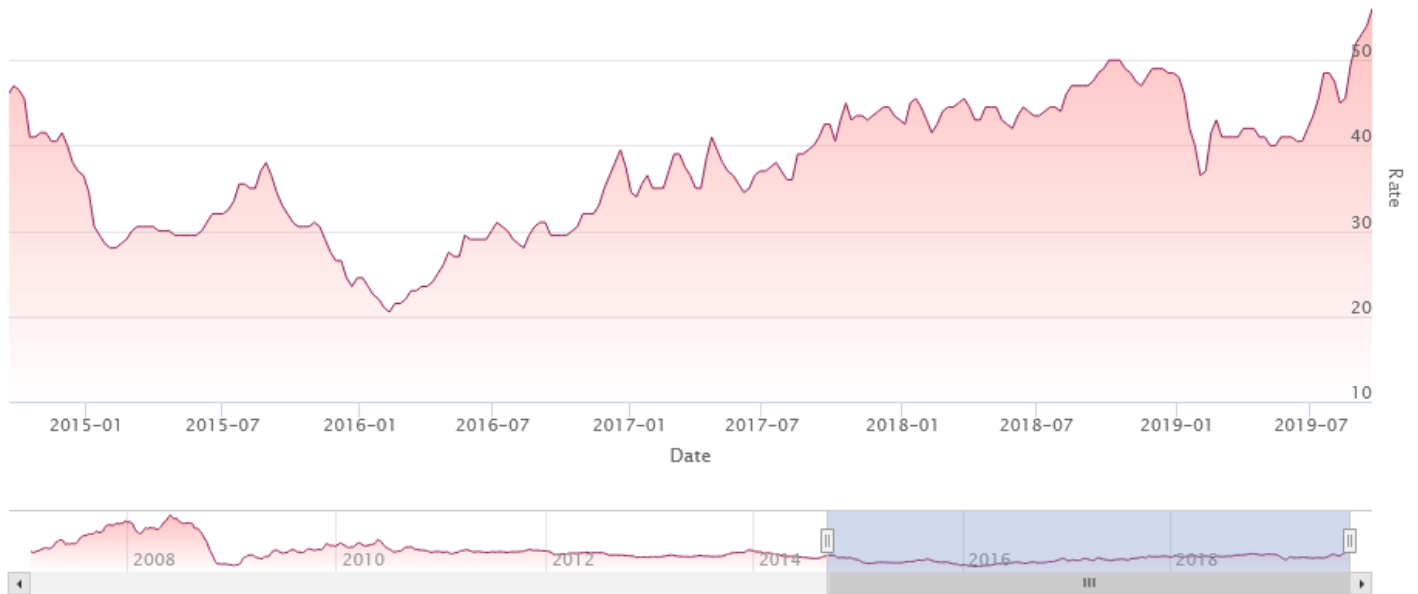
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YAMAMIZU Index



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

From 2014-09-18 To 2019-09-18



China Import Dry Bulk Freight Index					
2019-09-19					
Description	Size MT	Cargo/Vessel Size	Unit	Rate	Change
Composite Index			Point	1145.31	-30.25
Iron ore Freight Index			Point	1180.64	-54.11
Dampier(West Australia)-Qingdao (China)	170000/10%	Iron ore	\$/ton	10.052	-0.425
Soybean Freight Index			Point	1184.24	-3.1
Santos(Brazil)—North China	60000/10%	Soybean	\$/ton	41.194	-0.172
Tacoma(West America)—North China	60000/10%	Soybean	\$/ton	29	-0.133
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	51.046	-0.021
Mississippi(US Gulf)—North China	55000/10%	Soybean	\$/ton	53.07	0.077

19 September 2019 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.	0.46	\$164.85	0.80	\$178.24
Nov.	0.51	\$166.82	0.80	\$178.24
Dec.	0.56	\$168.79	0.85	\$180.21
Jan.	0.50	\$170.86	0.86	\$185.03
Feb.	0.56	\$173.22	0.93	\$187.78
Mar.	0.58	\$174.01	0.96	\$188.97

The Gulf spread between #2 & #3 YC is currently about .03 cents per bushel (1.18/mt)

SORGHUM (USD/MT) FOB VESSEL				
#2 YGS Fob Vessel	NOLA		TEXAS	
Max. 14.0% moisture	BASIS	FLAT PRICE	BASIS	FLAT PRICE
Oct.	0.90	\$184.14	0.60	\$170.36
Nov.	0.95	\$184.14	0.65	\$172.33
Dec.	0.95	\$184.14	0.65	\$172.33
Jan.	0.90	\$186.60	0.60	\$174.79
Feb.	0.95	\$188.57	0.60	\$174.79

Fob vessel Texas Gulf #2 Sorghum is about 103 % the value of #2 Yellow Corn at NOLA.

U.S. SRW Wheat Fob Vessel at the Center U.S. Gulf

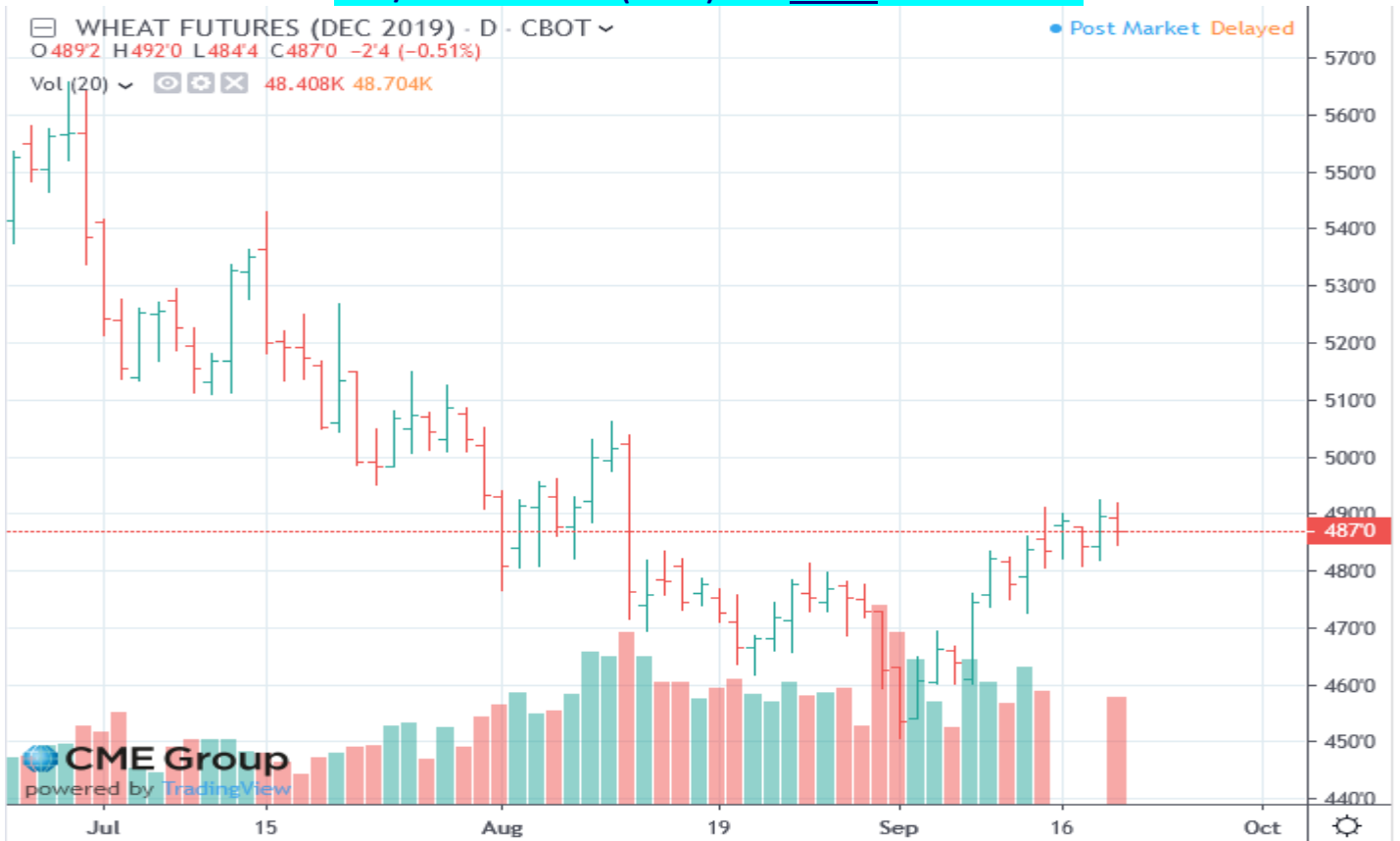
SRW Wheat	USD/MT	Fob Vessel	US Gulf	
	Oct.	Nov.	Dec.	Jan.
FOB U.S. GULF	\$215.32	\$216.05	\$217.89	\$220.18
Basis	0.98	1.00	1.05	1.05
WZ	4.88000			
WH	4.9425			
WK	4.9875			

19-Sep-19	Close	This Week	Last Week.	Last Week.	Last Week	
CME Corn Futures	Bushel	MT.	Bushel	Bu. Diff.	MT	MT Diff.
Dec.	\$ 3.7275	\$ 146.74	\$ 3.5875	0.1400	\$ 141.23	\$ 5.51
Mar.	\$ 3.8400	\$ 151.17	\$ 3.7175	0.1225	\$ 146.35	\$ 4.82
May	\$ 3.9175	\$ 154.22	\$ 3.8075	0.1100	\$ 149.89	\$ 4.33
July	\$ 3.9750	\$ 156.49	\$ 3.8775	0.0975	\$ 152.65	\$ 3.84
Sept.	\$ 3.9975	\$ 157.37	\$ 3.9250	0.0725	\$ 154.52	\$ 2.85
Dec.	\$ 4.0500	\$ 159.44	\$ 3.9925	0.0575	\$ 157.18	\$ 2.26

CBOT Dec. 2019 (CZ19) CORN Futures Chart –



CME/CBOT Dec. 2019 (WZ19) SRW Wheat Futures Chart –

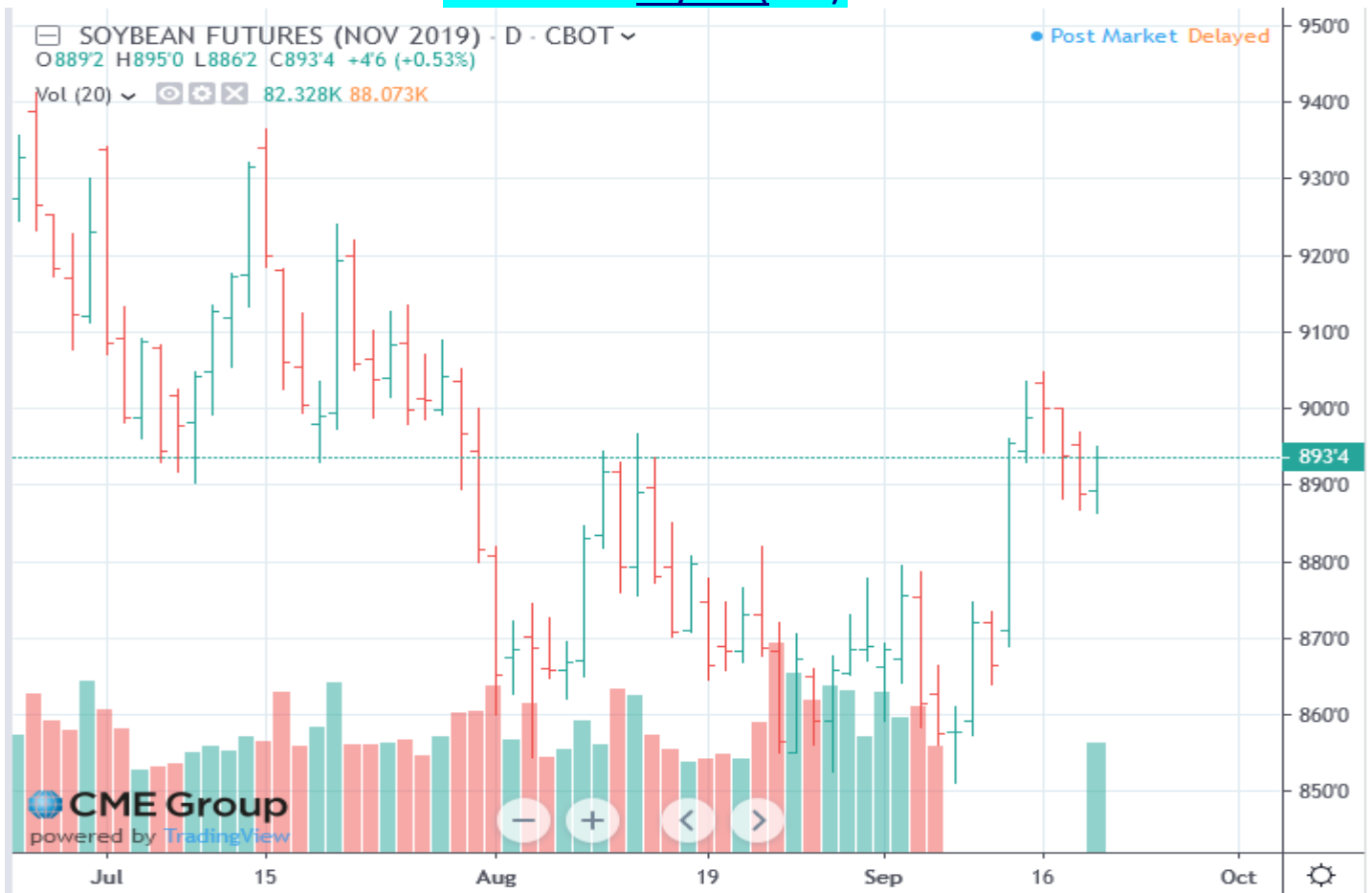


U.S. Soybean and SBM Markets Fob Vessel:

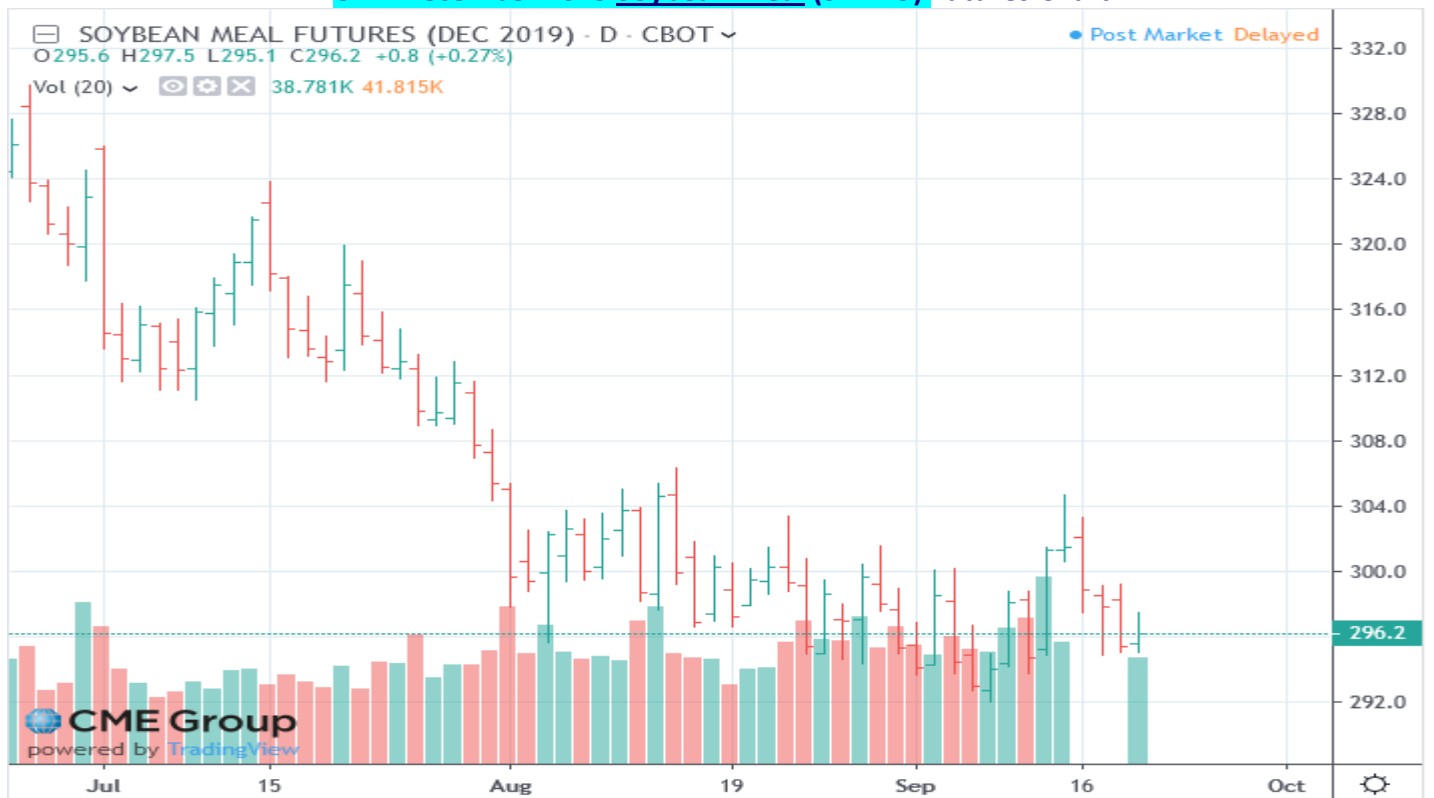
U.S. Yellow Soybeans (USD/MT) FOB Vessel				
# 2 YSB	U.S. Gulf #2 YSB		PNW #2 YSB	
14.0 % Moisture	Basis	Flat Price	Basis	Flat Price
Oct.	0.24	\$336.94	0.65	\$352.00
Nov.	0.30	\$339.14	0.65	\$352.00
Dec.	0.28	\$343.18	0.58	\$354.21
Jan.	0.37	\$346.49	0.62	\$355.68
Feb.	0.35	\$350.26	0.55	\$357.60
Soybean Futures				
Nov.	\$ 8.9300			
Jan.	\$ 9.0600			
Mar.	\$ 9.1825			
May	\$ 9.2875			
July	\$ 9.3750			
August	\$ 9.4075			

U.S. SBM (USD/MT) FOB Vessel		
Fob U.S. Gulf Port	47.5 Pro. SBM	
max 12.5 % moisture	Basis	Flat Price
Oct.	7.00	\$ 329.87
Nov.	7.00	\$ 334.17
Dec.	8.00	\$ 335.27
Jan.	7.00	\$ 335.93
Feb.	6.00	\$ 338.47
SBM Futures		
SMV	292.20	
SMZ	296.10	
SMF	297.70	
SMH	301.00	
SMK	305.40	
SMN	310.20	

CME Nov. 2019 Soybean (SX19) Futures Chart:



CME December 2019 Soybean Meal (SMZ19) Futures Chart



U.S. EXPORT STATISTICS: Report Activity as of Week Ending 05 September 2019

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)
Corn	1317.3	7,190.3	53,340	13%	60.0
Sorghum	58.4	67.5	2,160	3%	0.0
Soybeans	3124.4	9,509.2	46,270	21%	0.0
Wheat	665.6	12,006.3	26,540	45%	8.9
Barley	0.0	57.4	70	82%	0.0

U.S. EXPORT INSPECTIONS:

Monday's report 16 September 2019 for the Export week ending 12 September 2019

	Export Inspections		Current Market Year YTD	Previous Year to Date	2019/20 YTD as Percent of 2018/19 YTD
	This Week	Previous Week			
Corn	421,803	612,065	893,813	1,724,428	52%
Sorghum	45,161	34,549	78,703	2,836	2775%
Soybeans	666,490	977,914	1,239,957	1,621,576	76%
Wheat	459,258	412,608	7,470,221	6,116,454	122%
Barley	0	0	2,987	3,547	84%

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

U.S. EXPORT INSPECTIONS:

Monday's report 16 September 2019 for the Export week ending 12 September 2019

Last Week							
(Metric Tons)	YC	%	WC	%	Sorghum	%	Soybeans %
Lakes	0	0%	0	0%	0	0%	0 0%
Atlantic	0	0%	0	0%	0	0%	2,767 0%
Gulf	235,996	63%	37,129	83%	37,230	82%	349,944 53%
PNW	0	0%	0	0%	0	0%	200,126 30%
Interior Export Rail	140,970	37%	7,708	17%	7,931	18%	113,653 17%
Metric Tons	376,966		44,837		45,161		666,490

Sorghum Shipments:	metric tons	
	37,230	Somalia
	7,931	Mexico
	45,161	Total

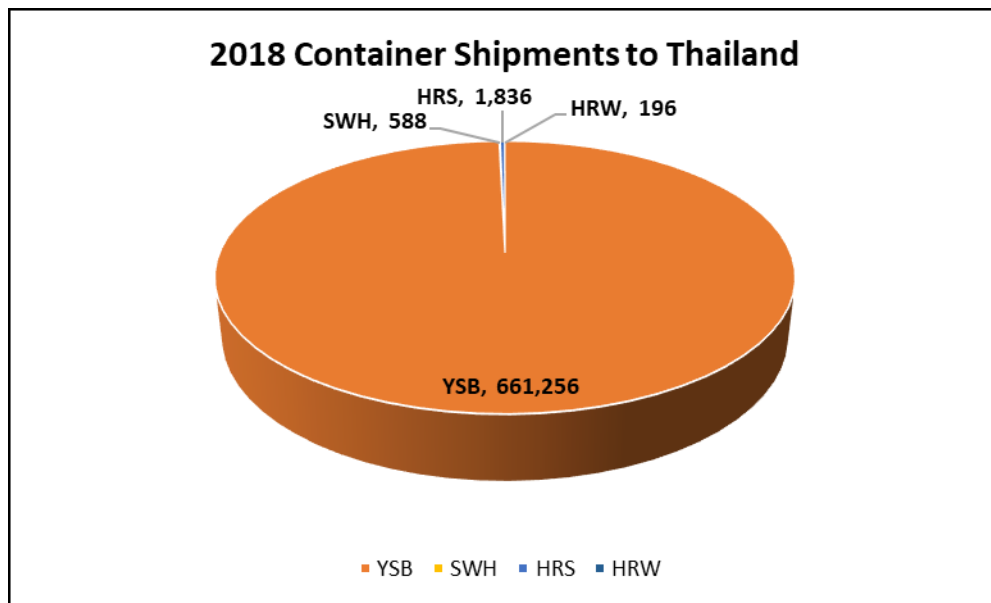
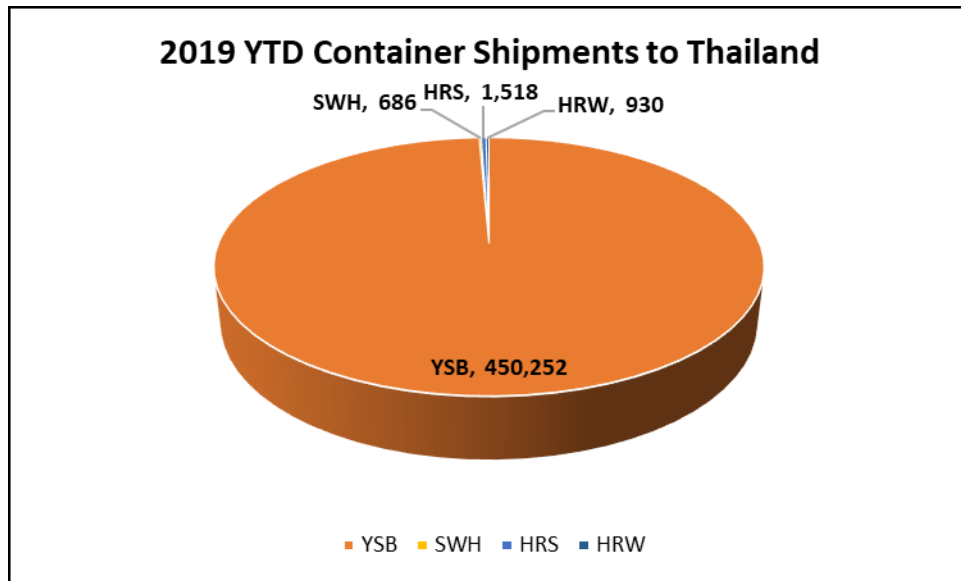
White Corn	metric tons	
Shipments:	40,284	Mexico
	4,529	Venezuela
	24	Ireland
	44,837	Total

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:		12-Sep-2019							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	SWH	HRW	Sorghum	TOTAL
China Main									0
China T	11,970		15,478						27,448
Hong Kong	734								734
Costa Rica									0
Indonesia	220		15,768						15,988
French Poly									0
Japan			1,590						1,590
Korea Republic	881		2,228						3,109
Nepal			1,763						1,763
Malaysia	49		7,395						7,444
Ireland		24							24
Philippines			1,102						1,102
Thailand			11,977						11,977
Jordan									0
Lebanon									0
Bangladesh			1,028						1,028
Burma									0
Vietnam			5,141						5,141
Sub total	13,854	24	63,470	0	0	0	0	0	71,179
USDA Corrections/Additions to previous reports:									
China T			906						906
China Main									0
Hong Kong									0
Korea Rep.									0
Canada									0
Japan									0
Philippines									0
Indonesia									0
Malaysia			539						539
Thailand									0
Vietnam			196						196
Burma									0
Bangladesh									0
Sub total	0	0	1,641	0	0	0	0	0	1,641
Mt. Grand Total	13,854	24	65,111	0	0	0	0	0	72,820
Number of containers	602	1	2,831	0	0	0	0	0	

Jan - Dec 2018 Annual Totals versus 2019 Jan.-Dec. YTD Total Container Shipments (in MT)



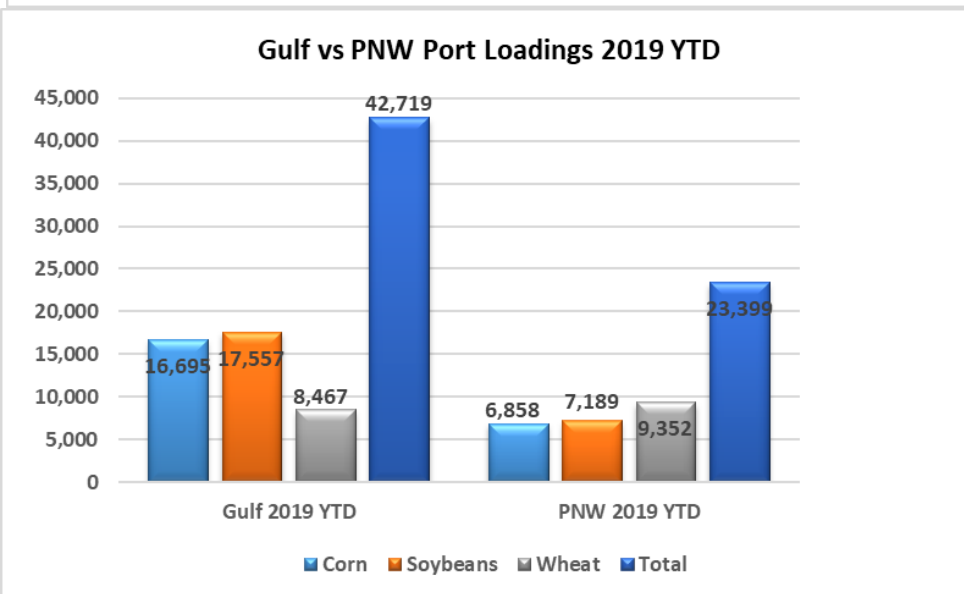
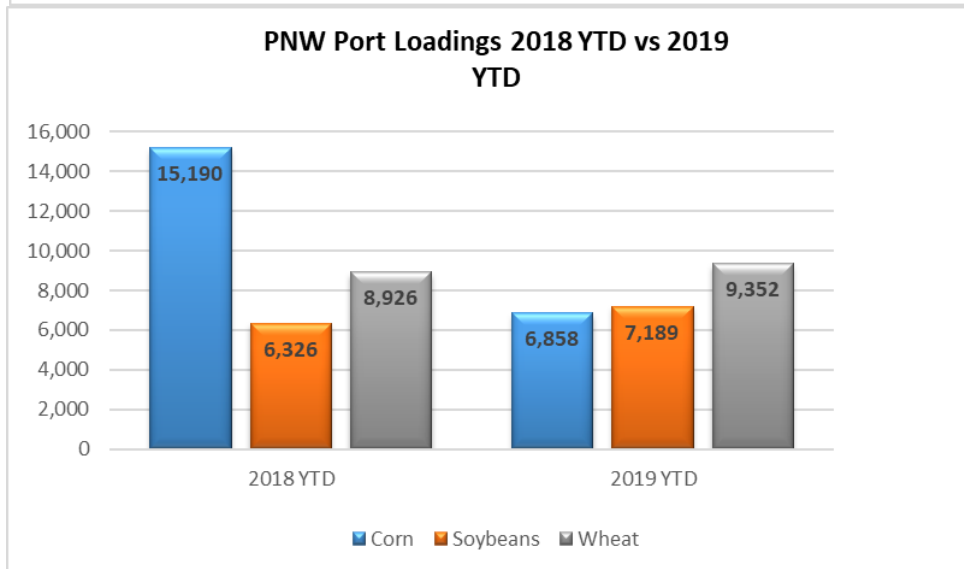
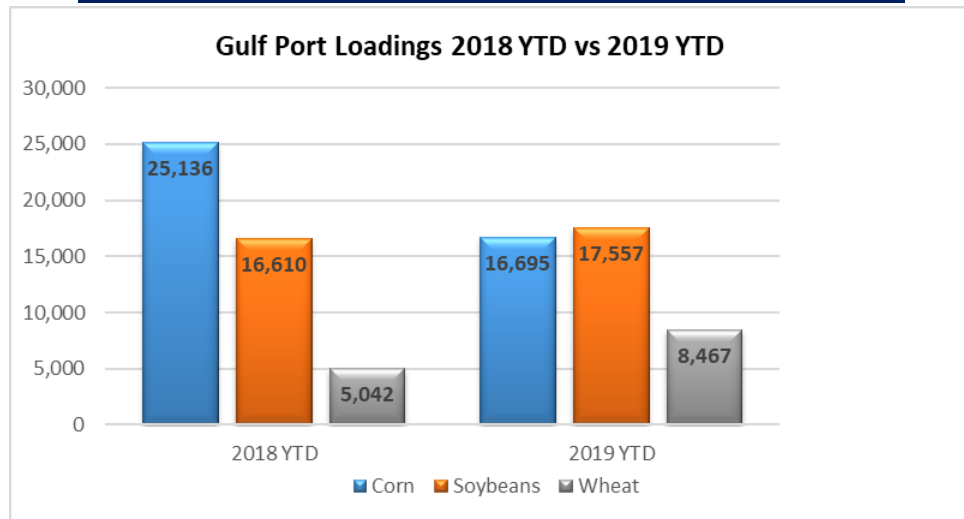
Grain Inspections for Export by U.S. Port Regions:
U.S. Gulf and Pacific Northwest 2018 YTD vs. 2019 YTD

PORT LOADINGS US Gulf				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
GULF				
2018 YTD	25,136	16,610	5,042	46,788
2019 YTD	16,695	17,557	8,467	42,719
2019 as % of 2018	66%	106%	168%	91%

PORT LOADINGS US PNW				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
PNW				
2018 YTD	15,190	6,326	8,926	30,442
2019 YTD	6,858	7,189	9,352	23,399
2019 as % of 2018	45%	114%	105%	77%

PORT LOADINGS GULF vs. PNW				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
2019 Gulf YTD	16,695	17,557	8,467	42,719
2019 PNW YTD	6,858	7,189	9,352	23,399
TOTAL	23,553	24,746	17,819	66,118
Gulf Percentage	71%	71%	48%	65%
PNW Percentage	29%	29%	52%	35%

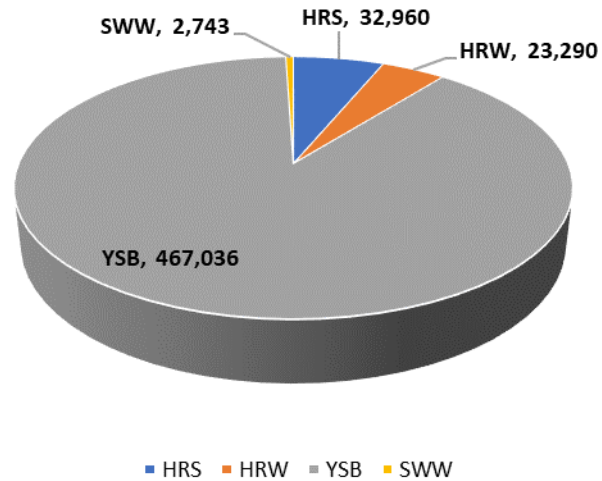
Grain Inspections for Export by U.S. Port Regions (1,000MT):
U.S. Gulf and Pacific Northwest 2018 YTD vs. 2019 YTD



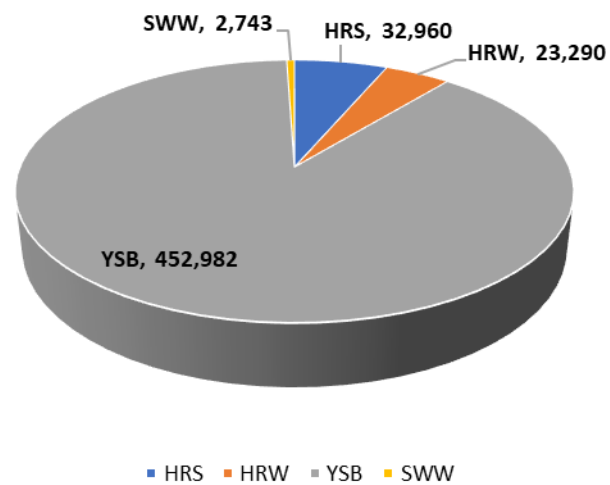
Source: USDA-data

2019 YTD Total Grain Exports reported by USDA (in MT)

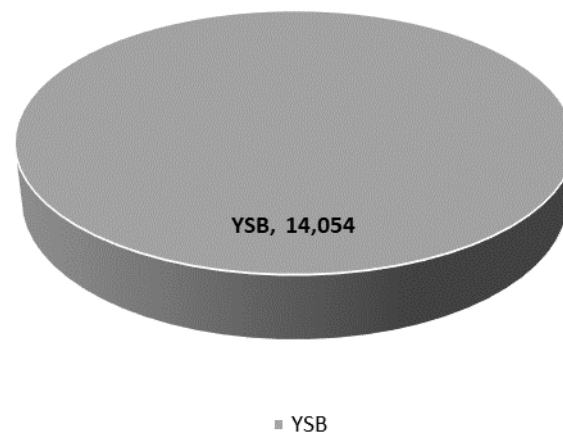
2019 YTD Exports to Bangladesh



YTD Exports to Bangladesh by Vessel



YTD Exports to Bangladesh by Container



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



HOME

NEWS

FUEL PRICES

FUEL C

BWI

BW380

BW180

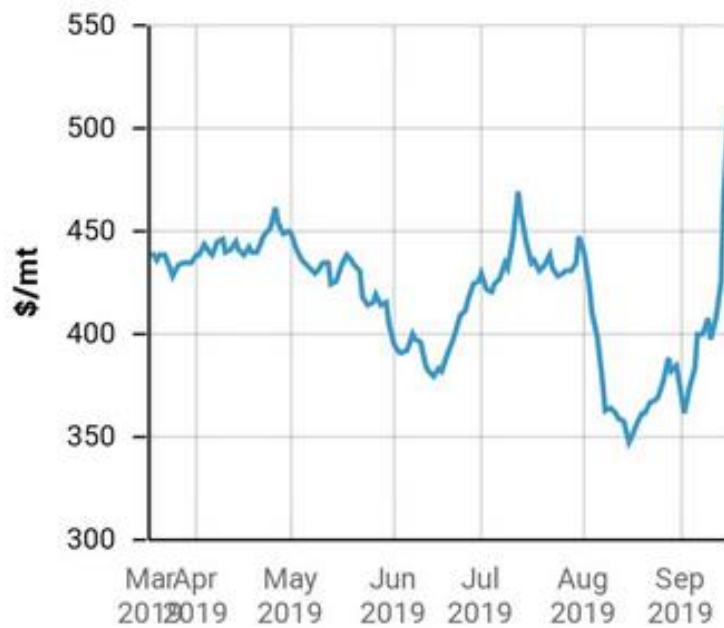
BWDI

BW0.1%S

Crude

BW380

Bunkerworld Index



Karen Braun  @kannbwx · Sep 17

Between these two vessels, about 129,000 tonnes of [#corn](#) from [#Brazil](#) will sail for Wilmington, USA this month, according to shipping lineups.

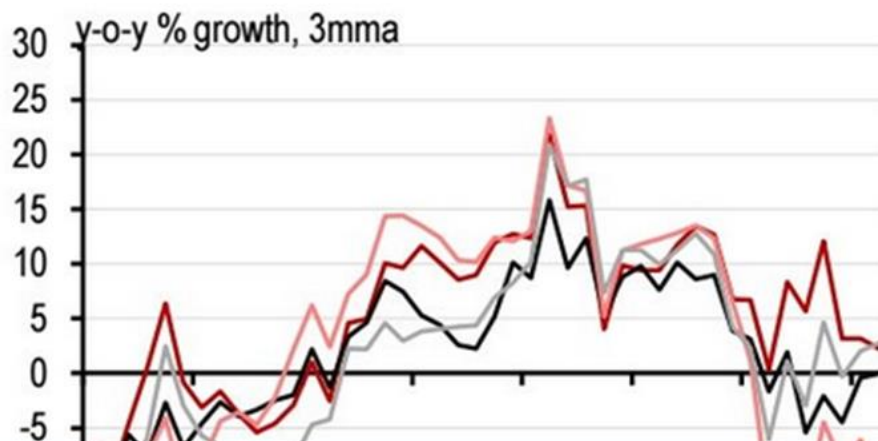
Between Jan-July 2019, some 66,100 tonnes of BR corn came to the USA. In all of 2018, imports totaled 101,522 tonnes.



Chi  @chigrl · Sep 17

[#China](#)'s exports to US contracted by 9.3% y-o-y in the first eight months of 2019, compared to a 12% y-o-y growth in the same period in 2018. Meanwhile, China's exports to other countries have also weakened, suggesting export weakness is compounded by slowing global demand

Chart 1: China's exports have weakened across the board



Scrubber malfunction video goes viral

<https://splash247.com/wp-content/uploads/2019/09/a4fe4fe1-354c-4ab5-854d-96915c914820.mp4? =1>



China Containerized Freight Index



China Import Dry Bulk Freight Index



U.S. RIVER BARGE FREIGHT

Current Barge Freight for Placement First Half October 2019

Placement FH October 2019	% of		Corn	Soybeans-Wheat
	Tariff	MT	BU	BU
Upper Mississippi	400	\$27.29	0.69	0.74
Illinois River (Pekin and South)	395	\$20.94	0.53	0.57
Mid-Mississippi	405	\$23.75	0.60	0.65
Lower Ohio	385	\$18.93	0.48	0.52
St. Louis	375	\$16.49	0.42	0.45

Secondary Rail Car Market for car placement period: First Half October 2019.

Secondary Rail Car Market Placement FH. October 2019	BID USD	ASK USD	BID BU.	ASK BU.	BID MT	ASK MT
BNSF Shuttle Trains	\$ (425.00)	\$ (350.00)	\$ (0.11)	\$ (0.09)	\$ (4.18)	\$ (3.44)
UPRR Shuttle Trains	\$ (300.00)	\$ (150.00)	\$ (0.08)	\$ (0.04)	\$ (2.95)	\$ (1.48)

Best Regards,

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