

Transportation and Export Report for 3 September 2020

Dry-Bulk freight markets continue to be characterized as “dull and uneventful”. Cargo business from the Black Sea has slowed and the oversupply of vessels there are looking for work. Some have even looked to ship wheat to the U.S. Gulf/Mexico but, despite cheap freight of \$24-\$25.00/mt, local fob values will not allow it to pencil out. Current shipping rates from the U.S. Gulf to the closest ports in the North Arc Brazil are close to \$ 20-22/mt. For the moment most freight values are largely unchanged from last week, but a dull market is not a bullish one and vessel owners will likely have to hit the bids as they slip back. Vessel owners have been hoping for a historical fourth quarter market rally but are now fearing that markets could flatten out and not substantially improve until 2021.

Container markets have seen an uptick in cargo demand but must also be wary of the potential for laid up capacity coming back on stream. Back in March-April 25 % of Transpacific container capacity was taken off-line. Ten percent is of it now back at work. It will be a delicate balancing act to maintain rates.

BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices				
3-Sep-2020	This Week	Last Week	Difference	Percent Change
P2A : Gulf/Atlantic - Japan	22580	24127	-1,547	-6.4%
P3A - PNW/Pacific - Japan	13292	13878	-586	-4.2%
S1C -USGULF-China-So.Japan	24444	24386	58	0.2%
P7- Trial- Miss. River - Qingdao	43143	43857	-714	-1.6%
P8- Trial- Santos - Qingdao	32450	33064	-614	-1.9%

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

Four weeks ago:	\$7.60-\$8.50
Three weeks ago:	\$8.10-\$8.20
Two weeks ago:	\$7.50-\$8.00
One week ago:	\$7.25-\$8.50
This week	\$7.50- \$8.20

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

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

Panamax Market Spreads to Asia -China					
3-Sep-2020	PNW	GULF	Bushel Spread	MT Spread	Advantage
CORN	1.47	0.99	0.48	\$18.90	Both
SOYBEANS	1.45	1.11	0.34	\$13.39	PNW
OCEAN FREIGHT	\$24.00	\$44.00	.51-.54	\$20.00	October

Recent Reported Vessel Fixtures:

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

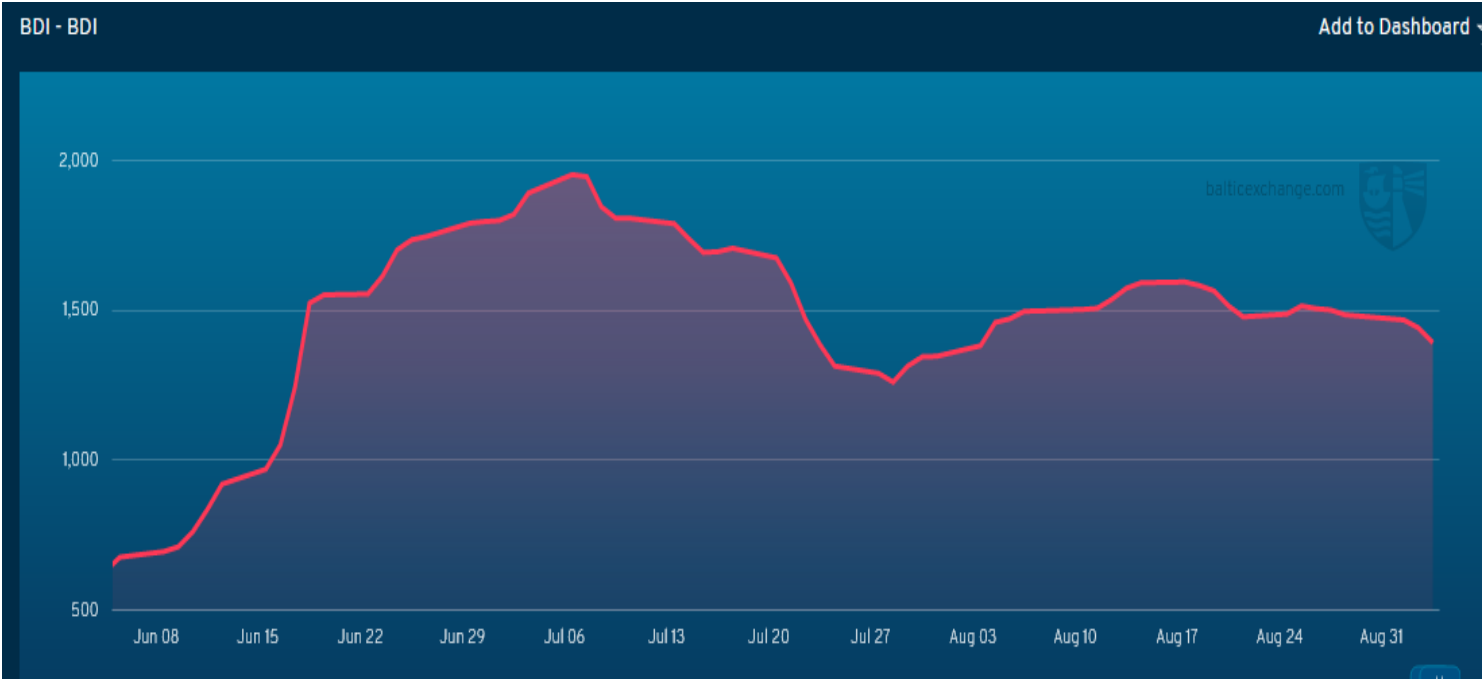
Soybean Panamax USG to Spain is running \$22.00-\$23.00/mt.

Soybean Brazil to Spain about \$25.25-26.25/mt.

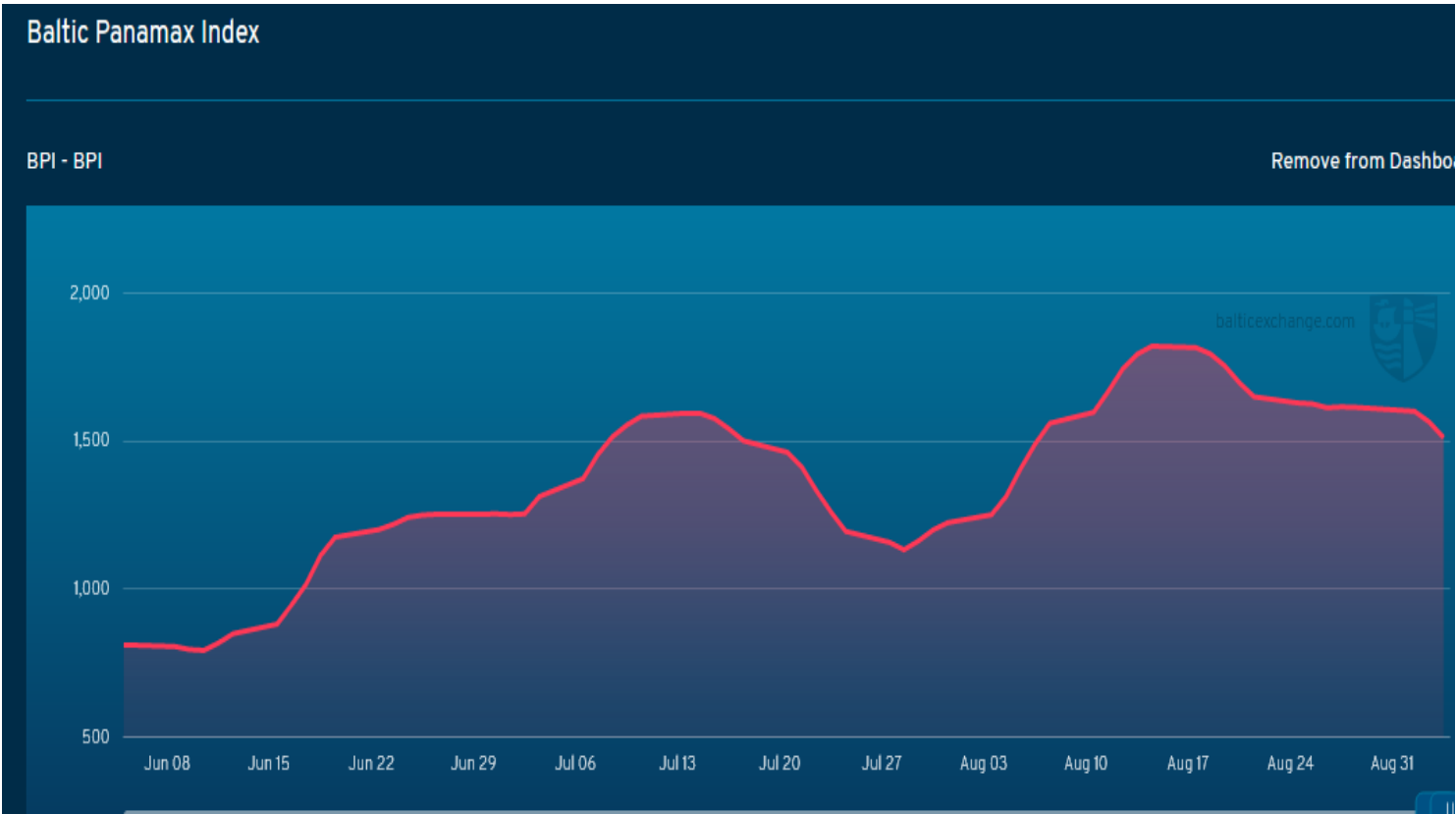
30,000 mt Corn Northern Brazil to Vera Cruz, Mexico \$19.50-\$21.00/mt .To U.S. E/C about \$22.25-23.50/mt

Route and Vessel Size	Current Week USD/MT	Change from previous week	Remarks
55,000 U.S. Gulf-Japan	\$45.00	Unchanged	Handymax \$46.50 mt
55,000 U.S. PNW- Japan	\$24.75	Unchanged	Handymax \$26.00 mt
66,000 U.S. Gulf – China	\$44.00	Unchanged	North China
PNW to China	\$24.00	Unchanged	
25,000 U.S. Gulf- Veracruz, México	\$18.00	Unchanged	3,000 MT daily discharge rate
30-36,000+ U.S. Gulf- Veracruz, México	\$15.25	Unchanged	Deep draft and 6,000 MT per day discharge rate.
30-38,000 U.S. Gulf- Colombia	\$20.50	Down \$0.50	<u>West Coast Colombia at \$32.00</u>
<u>East Coast Colombia</u> From Argentina	<u>\$30.50</u> \$33.00		USG to E/C 50,000 mt at \$18.00
43-45,000 U.S. Gulf - Guatemala	\$29.25	Unchanged	Acajutla/Quetzal - 8,000 out
26-30,000 U.S. Gulf – Algeria	\$39.50 \$41.50	Unchanged	8,000 mt daily discharge 3,000 mt daily discharge
26-30,000 US Gulf-Morocco	\$41.00	Unchanged	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt	\$29.50	Unchanged	60,000 -55,000 mt
PNW to Egypt	\$29.75		Romania- Russia- Ukraine \$15.00-\$15.00 -\$15.50 France \$20.00
60-70,000 U.S. Gulf – Europe – Rotterdam	\$20.00	Unchanged	Handymax at +\$1.75 more
Brazil, Santos – China	\$33.25	Up \$0.25	54-59,000 Supramax-Panamax
Brazil, Santos – China	\$32.75		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	\$37.25	Up \$0.25	Upriver with BB Top Off Plus \$3.75 mt

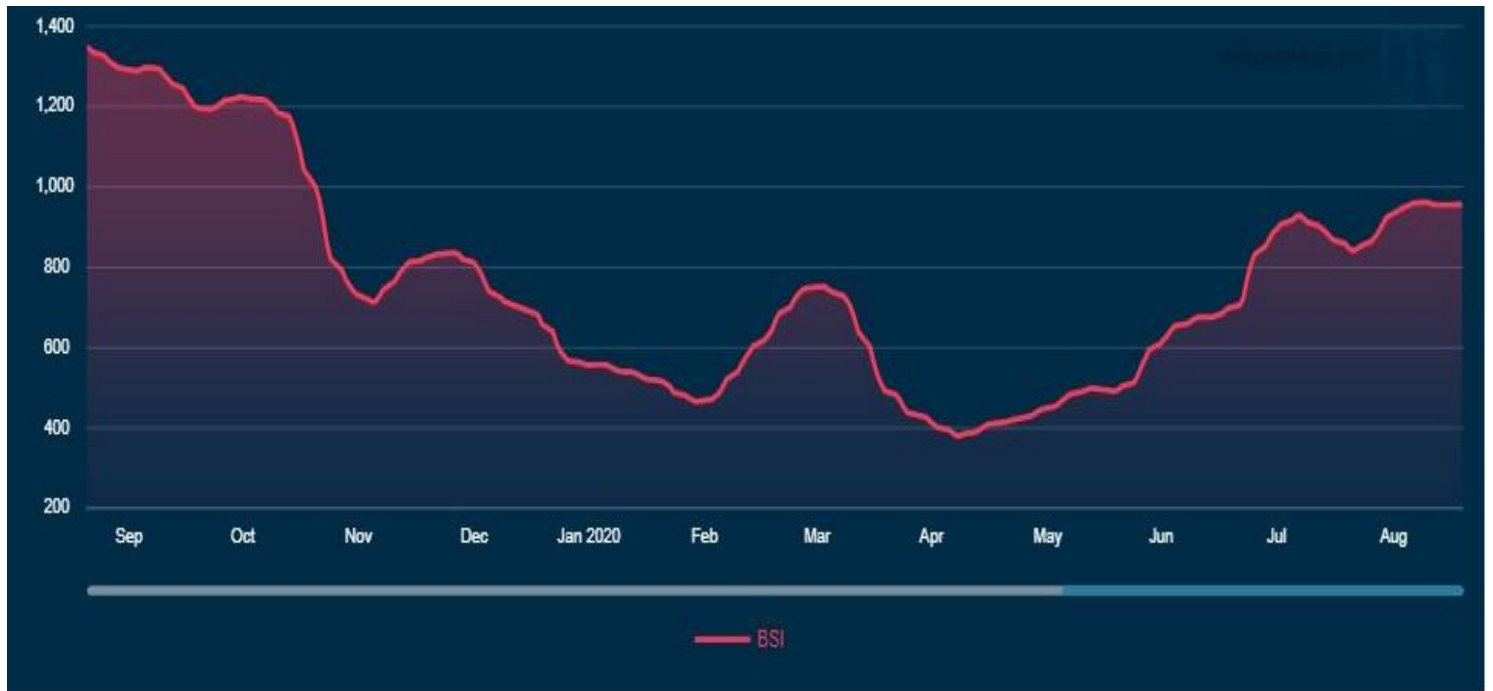
Baltic Dry Bulk Index.



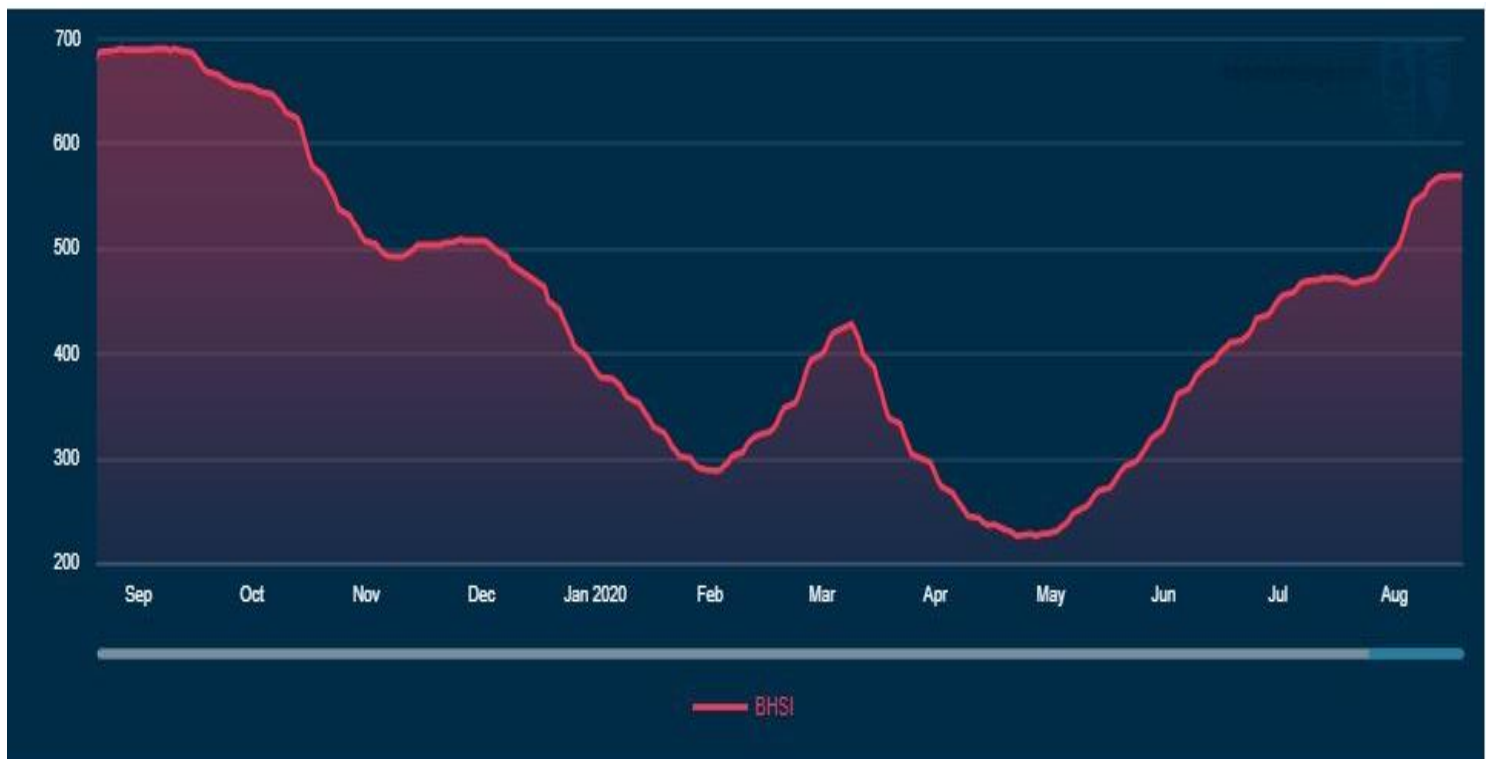
Baltic Panamax Index



Baltic Supramax Vessel Index



Baltic Handy Size Vessel Index

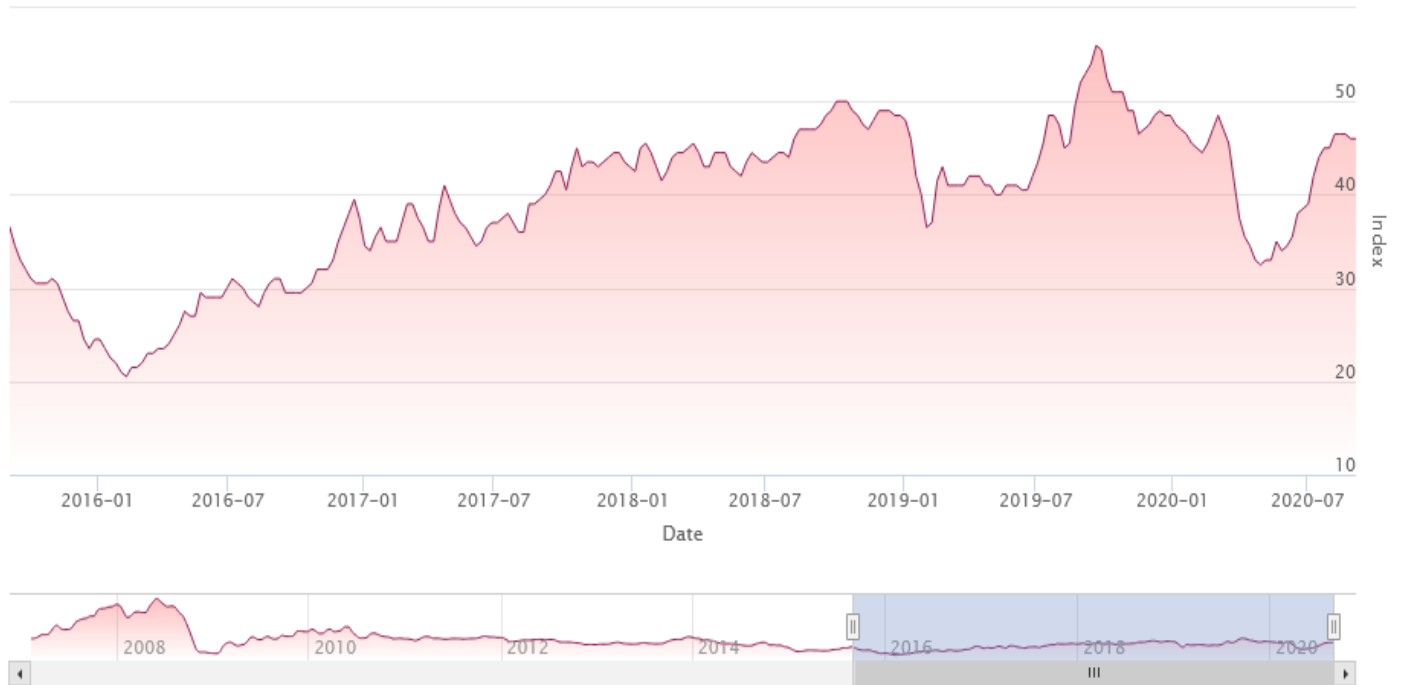


YAMAMIZU Index



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

From 2015-09-02 To 2020-09-02



China Import Dry Bulk Freight Index 2020-09-03

Description	Size MT	Cargo/Vessel Size	Unit	Rate	Change
Composite Index			Point	855.3	-23.72
Iron ore Freight Index			Point	853.85	-42.81
Dampier(West Australia)-Qingdao (China)	170000/10%	Iron ore	\$/ton	7.466	-0.44
Soybean Freight Index			Point	971.64	-3.57
Santos(Brazil)—North China	60000/10%	Soybean	\$/ton	32.593	-0.143
Tacoma(West America)—North China	60000/10%	Soybean	\$/ton	23.721	-0.129
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	43.883	-0.108
Mississippi(US Gulf)—North China	55000/10%	Soybean	\$/ton	45.99	-0.08

3 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.	0.99	\$180.21	1.47	\$199.10
Nov.	0.98	\$179.81	1.45	\$198.32
Dec.	0.95	\$178.63	1.45	\$198.32
Jan.	0.83	\$178.04	1.30	\$196.54
Feb.	0.90	\$180.80	1.28	\$195.76
Mar.	0.91	\$181.19	1.28	\$195.76

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	\$255.40	2.70	\$247.53
Nov.	2.90	\$255.40	2.70	\$247.53
Dec.	2.85	\$253.43	2.65	\$245.56
Jan.	2.70	\$251.66	2.50	\$243.79
Feb.	2.70	\$251.66	2.50	\$243.79

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	
	Oct.	Nov.	Dec.	Jan.
FOB U.S. GULF	\$254.72	\$254.72	\$251.05	\$252.33
Basis	1.40	1.40	1.30	1.25
WU	5.4325			.
WZ	5.5325			
WH	5.6175			

3-Sep-2020	Close	This Week	Last Week.	Last Week.	Last Week	
CME Corn Futures	Bushel	MT.	Bushel	Bu. Diff.	MT	MT Diff.
Sept.	\$ 3.4975	\$ 137.69	\$ 3.4425	0.0550	\$ 135.52	\$ 2.17
Dec.	\$ 3.5875	\$ 141.23	\$ 3.5850	0.0025	\$ 141.13	\$ 0.10
Mar..	\$ 3.6925	\$ 145.37	\$ 3.6950	(0.0025)	\$ 145.46	\$ (0.10)
May	\$ 3.7575	\$ 147.92	\$ 3.7600	(0.0025)	\$ 148.02	\$ (0.10)
July	\$ 3.7950	\$ 149.40	\$ 3.8000	(0.0050)	\$ 149.60	\$ (0.20)
Sept.	\$ 3.7725	\$ 148.52	\$ 3.7800	(0.0075)	\$ 148.81	\$ (0.30)

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	\$395.73	1.45	\$408.22
Nov.	1.10	\$395.36	1.45	\$408.22
Dec.	1.00	\$393.98	1.40	\$408.68
Jan.	1.00	\$393.98	1.40	\$408.68
Feb.	1.02	\$394.90	1.43	\$409.96
Soybean Futures				
Sept.	\$ 9.6875			
Nov.	\$ 9.6600			
Jan.	\$ 9.7225			
Mar.	\$ 9.7275			
May	\$ 9.7425			
July	\$ 9.7675			

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	\$ 366.69
Nov.	25.00	\$ 372.42
Dec.	25.00	\$ 372.42
Jan.	26.00	\$ 375.73
Feb.	27.00	\$ 377.28
SBM Futures		
SMU	305.20	
SMV	307.60	
SMZ	312.80	
SMF	314.80	
SMH	315.20	

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 20 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	322.5	44,491.7	45,600	98%	13,384.1
Sorghum	0	4,625.2	5,330	87%	2,157.6
Soybeans	131.3	47,548.5	44,910	106%	22,423.2
Wheat	790.4	11,878.3	26,540	45%	16.9
Barley	0.0	39.2	110	36%	0.0

U.S. EXPORT INSPECTIONS:

Monday's report 31 August 2020 for the Export week ending 27 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	402,216	892,031	41,668,943	47,172,730	88%
Sorghum	162,678	70,357	4,957,123	2,097,682	236%
Soybeans	804,591	1,223,251	43,126,553	45,741,582	94%
Wheat	516,131	569,593	6,744,636	6,598,431	102%
Barley	1,270	0	3,731	2,987	125%

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

U.S. EXPORT INSPECTIONS:

Monday's report 31 August 2020 for the Export week ending 27 August 2020

Last Week							
(Metric Tons)	YC	%	WC	%	Sorghum	%	Soybeans %
Lakes	0	0%	0	0%	0	0%	22,554 3%
Atlantic	0	0%	0	0%	0	0%	3,331 0%
Gulf	116,297	30%	11,000	79%	162,678	100%	431,111 54%
PNW	137,347	35%	0	0%	0	0%	205,708 26%
Interior Export Rail	134,578	35%	2,994	21%	0	0%	141,887 18%
Metric Tons	388,222		13,994		162,678		804,591

Sorghum Shipments: metric tons

131,898	China Main
30,780	Zimbabwe
162,678	Total

White Corn metric tons

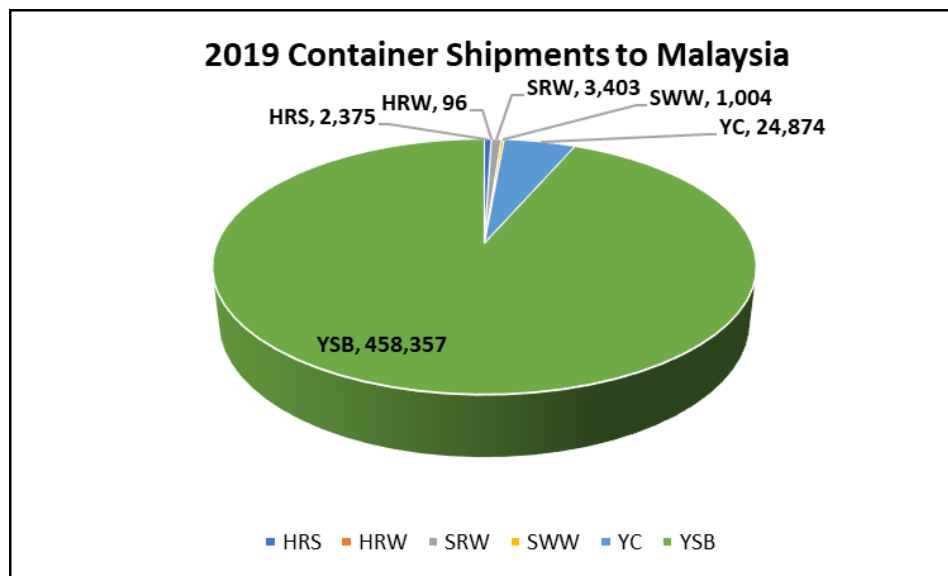
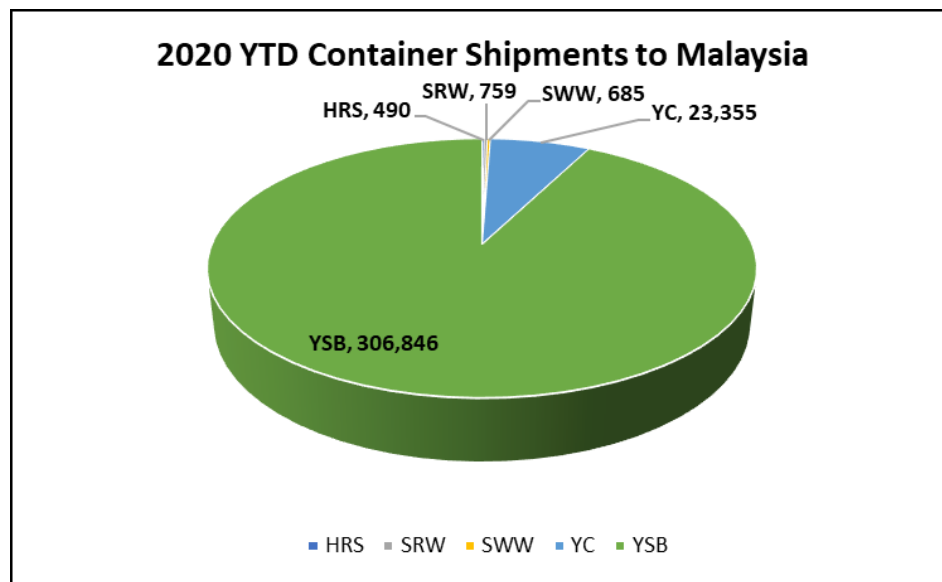
Shipments: 11,000	Colombia
2,994	Mexico
13,994	Total

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:		27-Aug-2020							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	SWH	HRW	Sorghum	TOTAL
China Main			4,359						4,359
China T	8,349		8,962						17,311
Hong Kong	1,298								1,298
Costa Rica	98								98
Indonesia			19,712						19,712
French Poly									0
Japan			807						807
Korea Rep.	1,224		416						1,640
Nepal			1,935						1,935
Malaysia	612		8,596	759					9,967
Iran			490						490
Philippines			1,200						1,200
Thailand			5,364						5,364
Cambodia				244		24			268
Singapore									0
Bangladesh									0
Burma			955	441					1,396
Vietnam			10,013						10,013
Sub Total:	11,581	0	62,809	1,444	0	24	0	0	75,858
USDA Corrections/Additions to previous reports:									
China T			1,763						1,763
China Main			4,113					490	4,603
Hong Kong									0
Korea Rep.									0
Cambodia									0
Japan									0
Philippines									0
Indonesia			734						734
Malaysia			294						294
Thailand			808						808
Vietnam									0
Jordan									0
Nigeria									0
Sub Total:	0	0	7,712	0	0	0	0	490	8,202
Mt. Grand Total	11,581	0	70,521	1,444	0	24	0	490	84,060
Number of Containers	504	0	3,066	63	0	1	0	21	

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



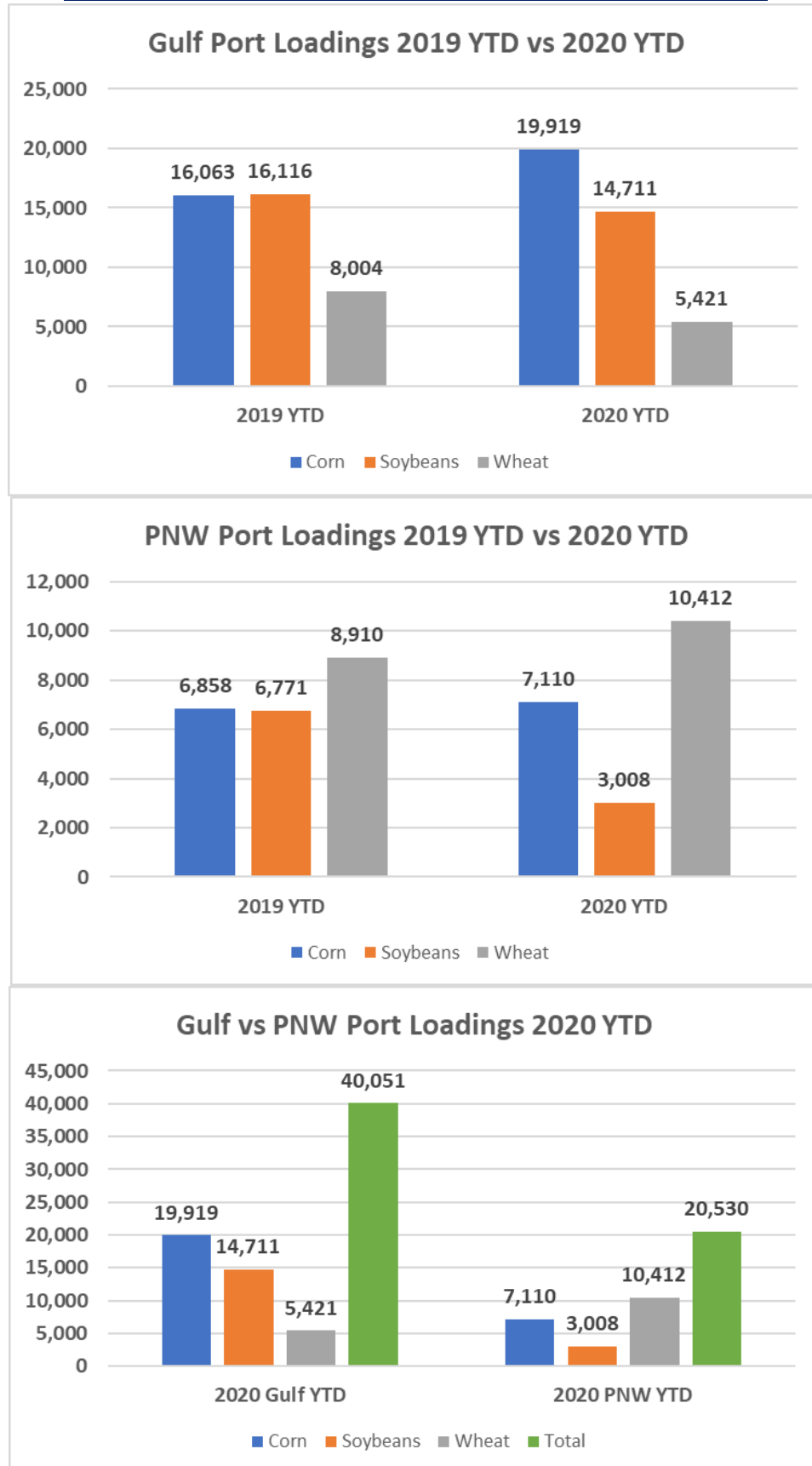
Grain Inspections for Export by U.S. Port Regions:
U.S. Gulf and Pacific Northwest 2019 YTD vs. 2020 YTD

PORT LOADINGS US Gulf				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
GULF				
2019 YTD	16,063	16,116	8,004	40,183
2020 YTD	19,919	14,711	5,421	40,051
2020 as % of 2019	124%	91%	68%	100%

PORT LOADINGS US PNW				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
PNW				
2019 YTD	6,858	6,771	8,910	22,539
2020 YTD	7,110	3,008	10,412	20,530
2020 as % of 2019	104%	44%	117%	91%

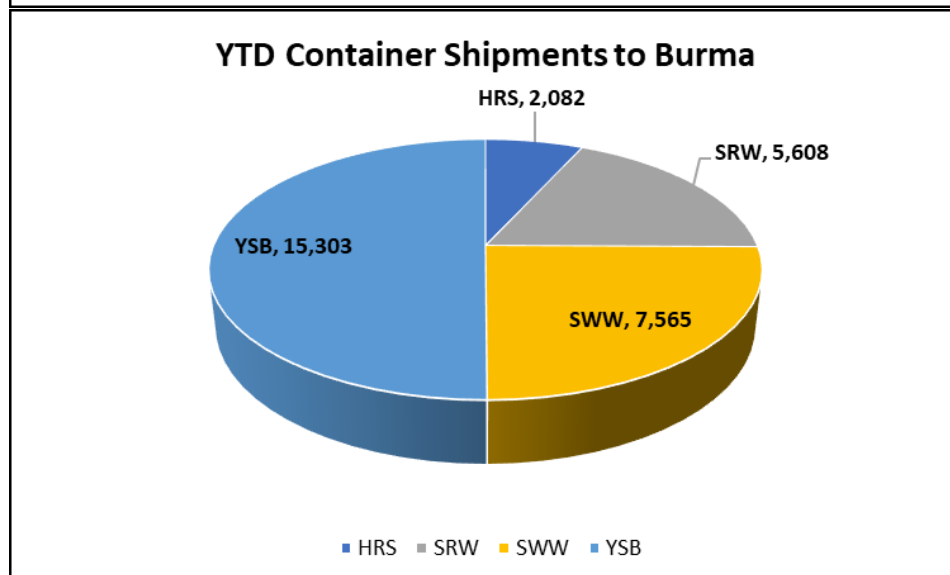
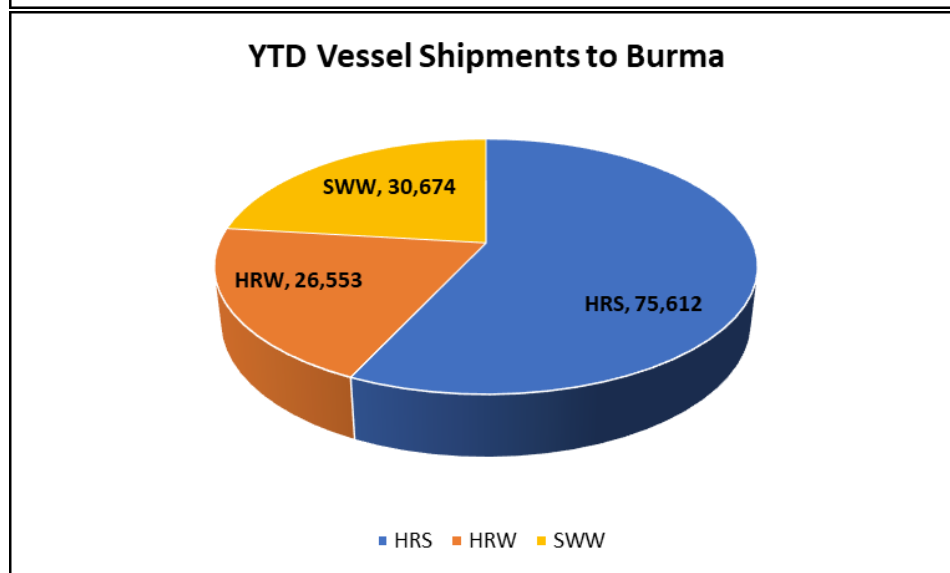
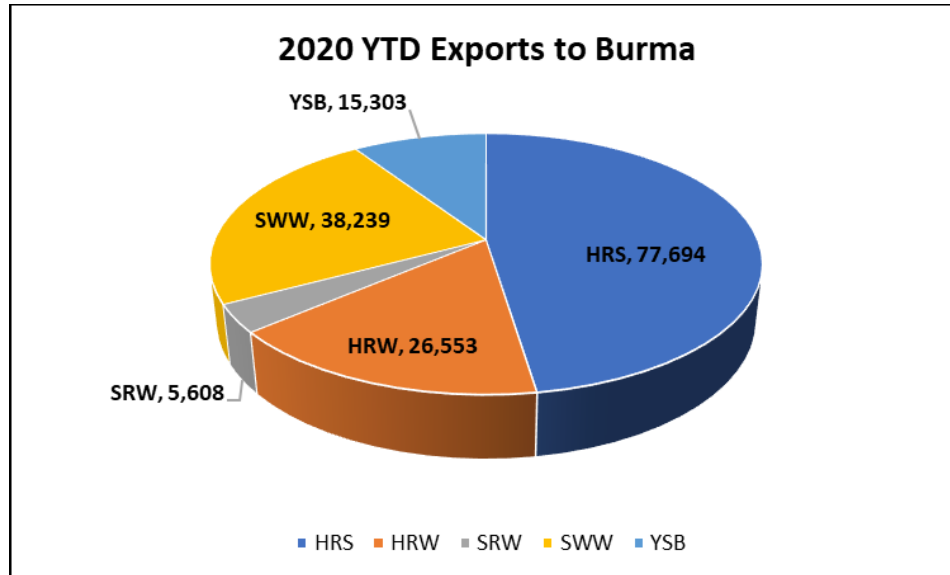
PORT LOADINGS GULF vs. PNW				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
2020 Gulf YTD	19,919	14,711	5,421	40,051
2020 PNW YTD	7,110	3,008	10,412	20,530
TOTAL	27,029	17,719	15,833	60,581
Gulf Percentage	74%	83%	34%	66%
PNW Percentage	26%	17%	66%	34%

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



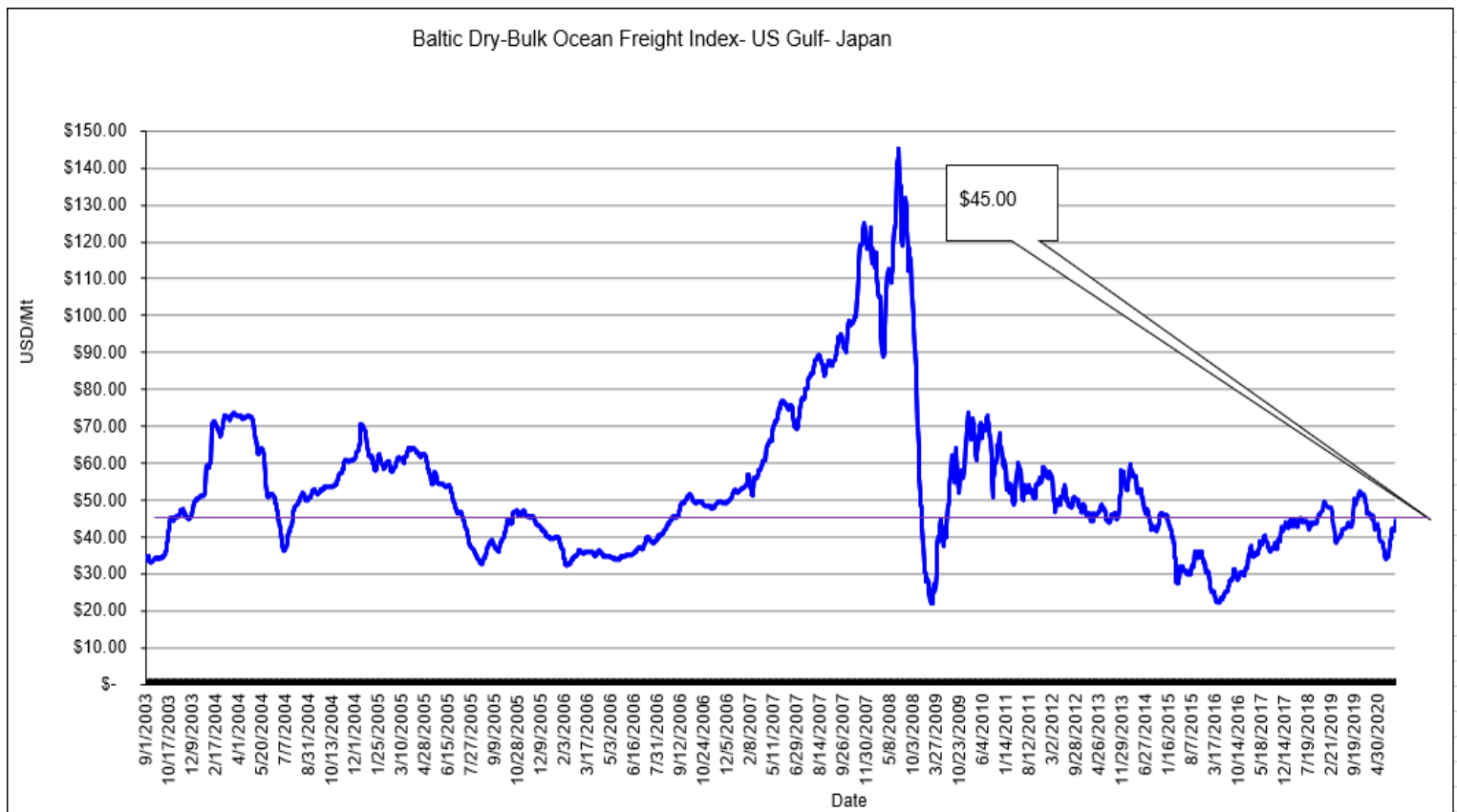
Source: USDA-data

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



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

Shipping News



CRMAGriCommodities and 34 others follow

Grains Gorilla @GrainsGorilla · 8h

French wheat being offered into Mexico \$14 cheaper than HRW.

Argentina-

James McConachie ⚓ 🇪🇺 🇦🇷 🌱 @JMcConachie · 3m

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





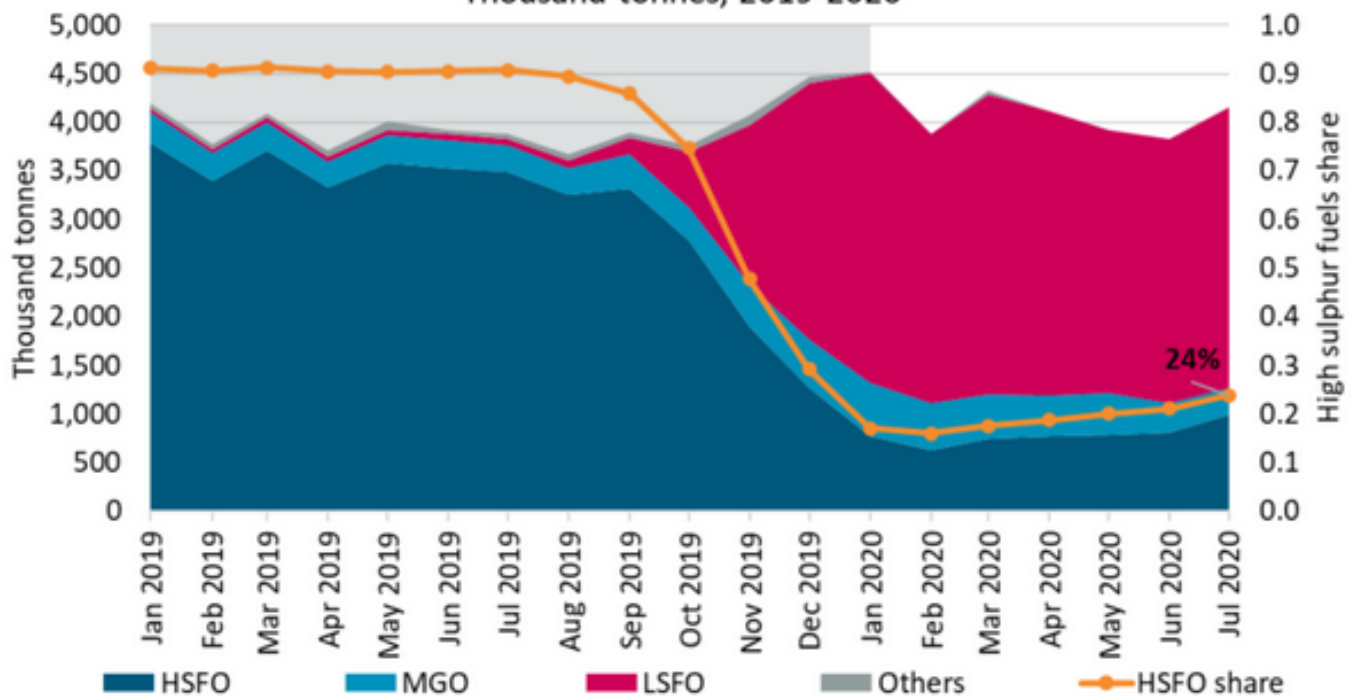
JobsInLogistics @JobsInLogistics · 1h

#logistics #supplychain #didyounow #shipping #funfact

DID YOU KNOW...



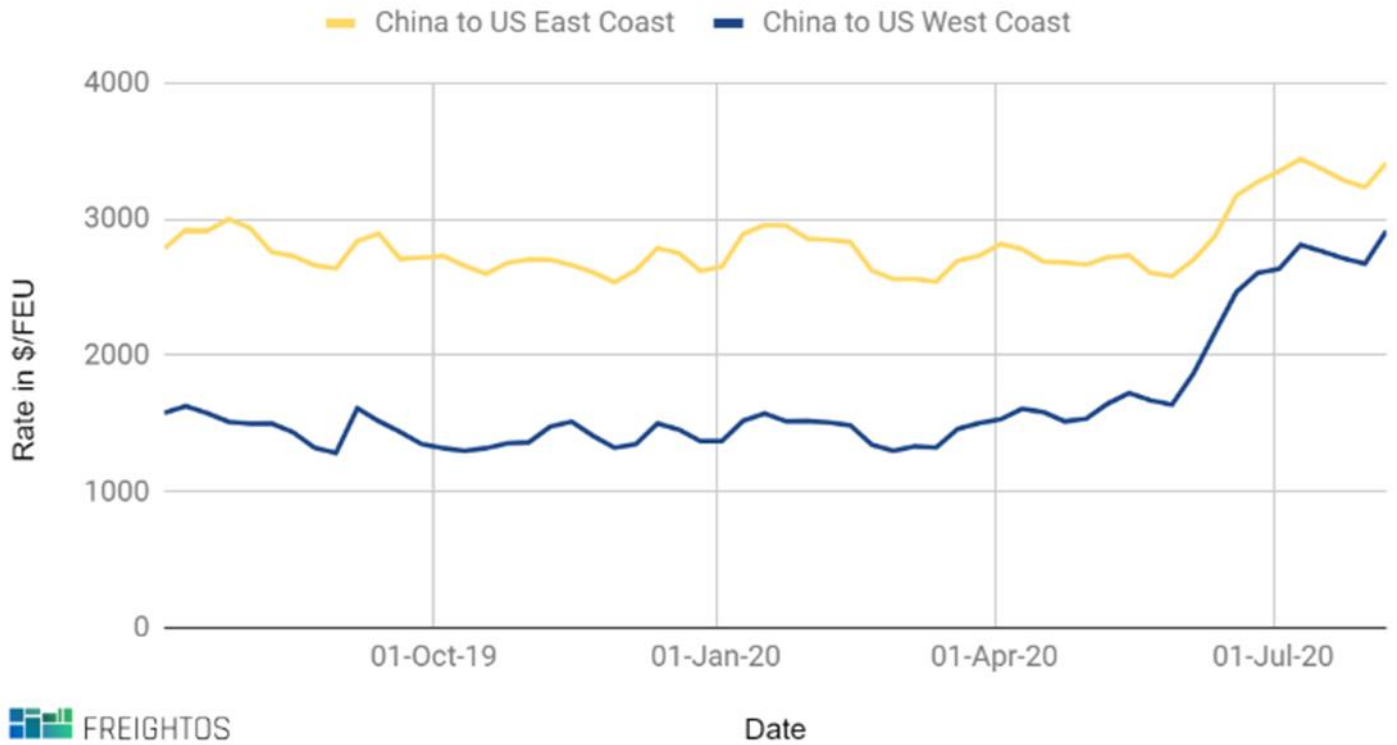
Singapore bunker sales
Thousand tonnes, 2019-2020



Note: July is a preliminary estimate.

Source: BIMCO, Maritime and Port Authority of Singapore

FBX - China to US East and West Coast Ocean Rates



At least 180 people were killed and more than 6,000 injured in a massive explosion at the port in Beirut. Stay informed and read this article now free on [wsj.com](https://www.wsj.com).

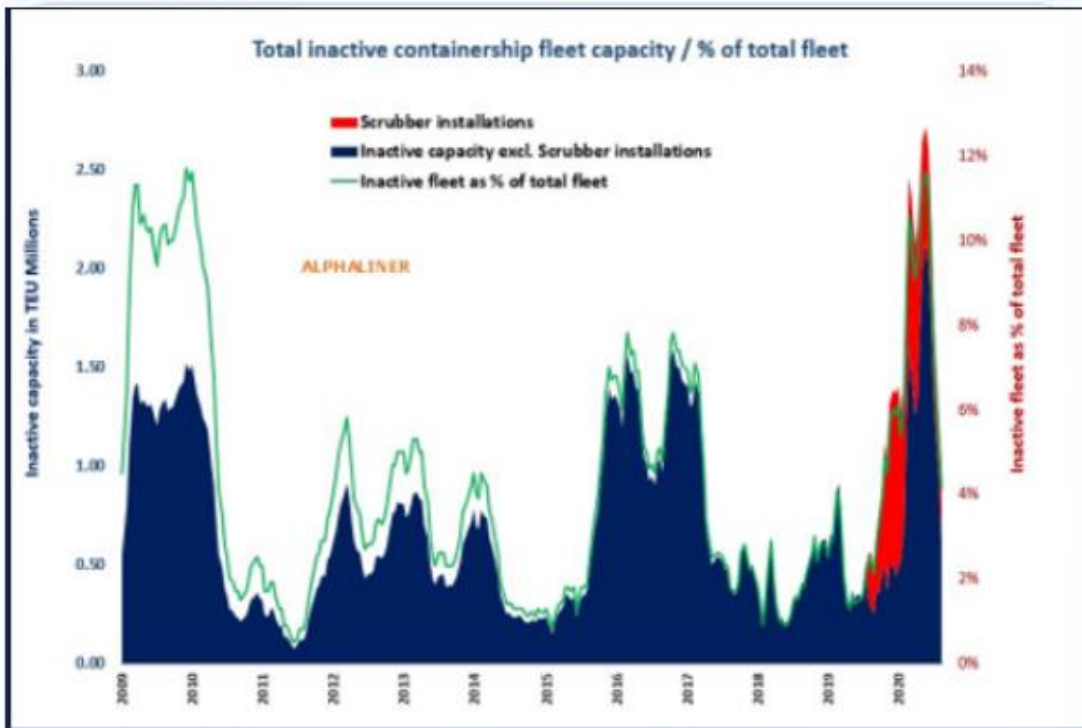


Beirut Explosion: What Happened in Lebanon

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

Mike King @mikeking121 · 1h

The Inactive #container ship fleet is now, finally, below the 1m TEU mark (see Alphaliner chart) as carriers have added capacity in response to rebounding trans-Pac and Asia-Europe demand. As Hapag Lloyd CEO Rolf Habben Jensen notes, markets are now normalising.



Bloomberg @business · 1h

An oil tanker loaded with 2 million barrels of Kuwaiti crude catches fire off Sri Lanka's coast



Tanker With 2 Million Barrels of Oil Catches Fire Off Sri Lanka

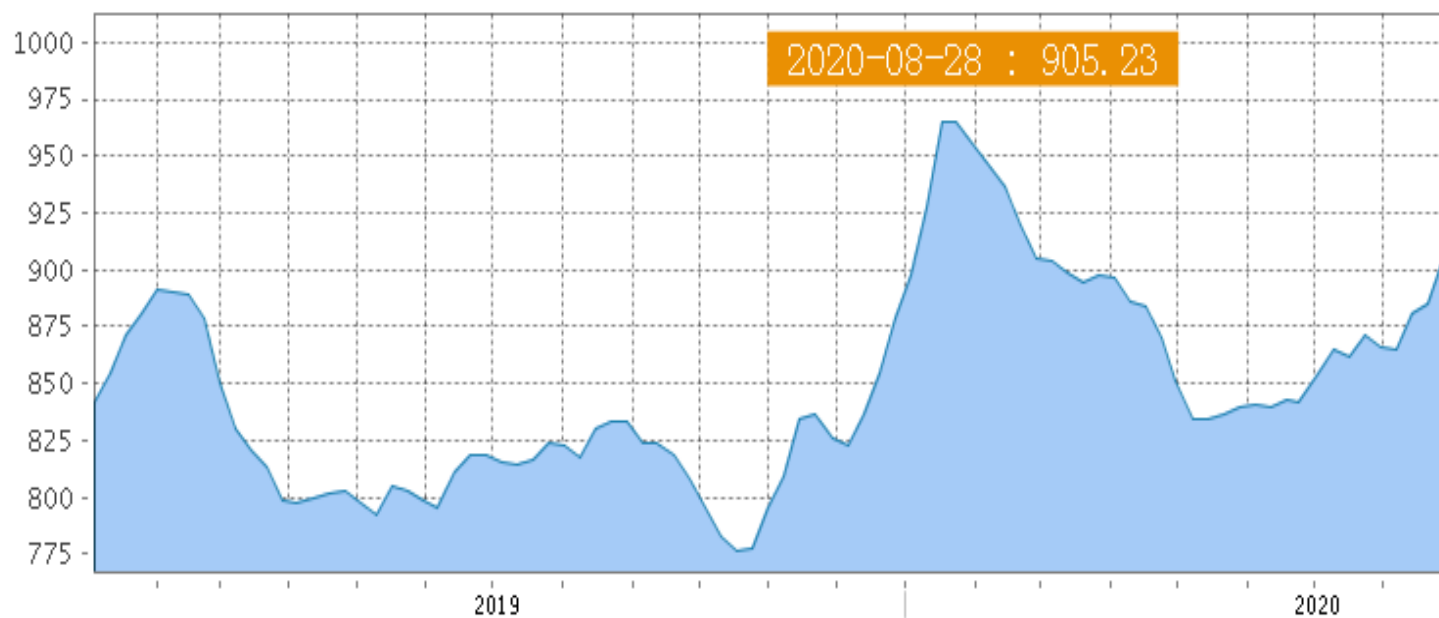
An oil tanker loaded with two million barrels of Kuwaiti crude sailing toward India's Paradip refinery caught fire Thursday morning off Sri ...

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

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	505	\$34.46	0.88	0.94
Illinois River (Pekin and South)	Closed	\$ -	0.00	0.00
Mid-Mississippi	475	\$27.86	0.71	0.76
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	\$ 900.00	\$ 1,300.00	\$ 0.23	\$ 0.33	\$ 8.86	\$ 12.79
UPRR Shuttle Trains	\$ 900.00	\$ 1,200.00	\$ 0.23	\$ 0.30	\$ 8.86	\$ 11.81

Best Regards,

Jay
 Jay O'Neil
 HJ O'Neil Commodity Consulting
 785-410-2303 (cell)

joneil@ksu.edu

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.
 All market data is subject to change with market conditions and Traders opinions.
 Please obtain market updates and reconfirm all values with your regular freight supplier before making any trading decisions based on this data. This message and any attachments may contain confidential or privileged information and are only for the use of the intended recipient of this message. If you are not the intended recipient, please notify the sender by return email, and delete or destroy this and all copies of this message and all attachments. Any unauthorized disclosure, use, distribution, or reproduction of this message or any attachments is prohibited and may be unlawful.
 This E-mail is covered by the Electronic Communications Privacy Act, 18 U.S.C. §§2510-2521, and is confidential.