

Transportation and Export Report for 20 January 2022

This is certainly not the way vessel owners expected 2022 markets to play out. The Capesize index has lost 90% of its value since last October. Dry Bulk index is down 72 % from February 2021. Slack cargo demand and nervous FFA paper Traders are not supporting freight markets. Panamax and Supramax markets are, of course, following the Capesize leader.

Current predictions are that Russia will invade Ukraine and that serious sanctions will be placed on Russia. If this occurs it would be very bullish on crude oil, wheat, and Oil seed prices. And would likely cause a shift in Black Sea supplied commodities being shipped from other, more distant, origins. In-turn, this would be Bearish Black Sea freight but friendly to longer haul routes.

I presume there are now big war risk insurance policies being implemented on Black Sea shipments, but I don't know the premiums levels. Container logistics remain a mess and will likely remain so through the middle of 2022.

BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices					
20-Jan-2022		This Week	Last Week	Difference	Percent Change
P2A: Gulf/Atlantic - Japan	per day	28877	33114	-4,237	-12.8%
P3A: PNW/Pacific - Korea	per day	15994	19434	-3,440	-17.7%
S1C: US GULF-China-So.Japan	per day	37622	38619	-997	-2.6%
P7: Trial- Miss. River - Qingdao	per ton	63.17	66.20	-3.0	-4.6%
P8: Trial- Santos - Qingdao	per ton	49.34	54.72	-5.4	-9.8%

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

Four weeks ago:	\$9.50-\$13.00
Three weeks ago:	\$9.15-\$12.00
Two weeks ago:	\$8.75-\$10.00
One week ago:	\$7.85-\$9.65
This week	\$7.50-\$7.80

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

Mississippi River: (10 elevators) 3-8 days (9 facilities operating.)

Mid-Stream loaders: (6+ Rigs) 1-2 days

Texas Gulf (5 elevators) 0-4 days (3 facilities at zero days)

Pacific Northwest: (9 elevators) 2 - 16 days (2 facilities over 6 days)

- AGP Grays Harbor/PNW is loading soymeal via a temporary mobile conveyor system
-

Panamax Market Spreads to Asia -China					
20-Jan-2022	GULF	PNW	Bushel Spread	Tonne Spread	Advantage
CORN	1.08	1.68	0.60	\$23.62	PNW
SOYBEANS	1.15	1.95	0.80	\$29.39	BOTH
OCEAN FREIGHT	\$63.25	\$34.00	.74 -.80	\$29.25	March

Current Grain Vessel Market Indications:

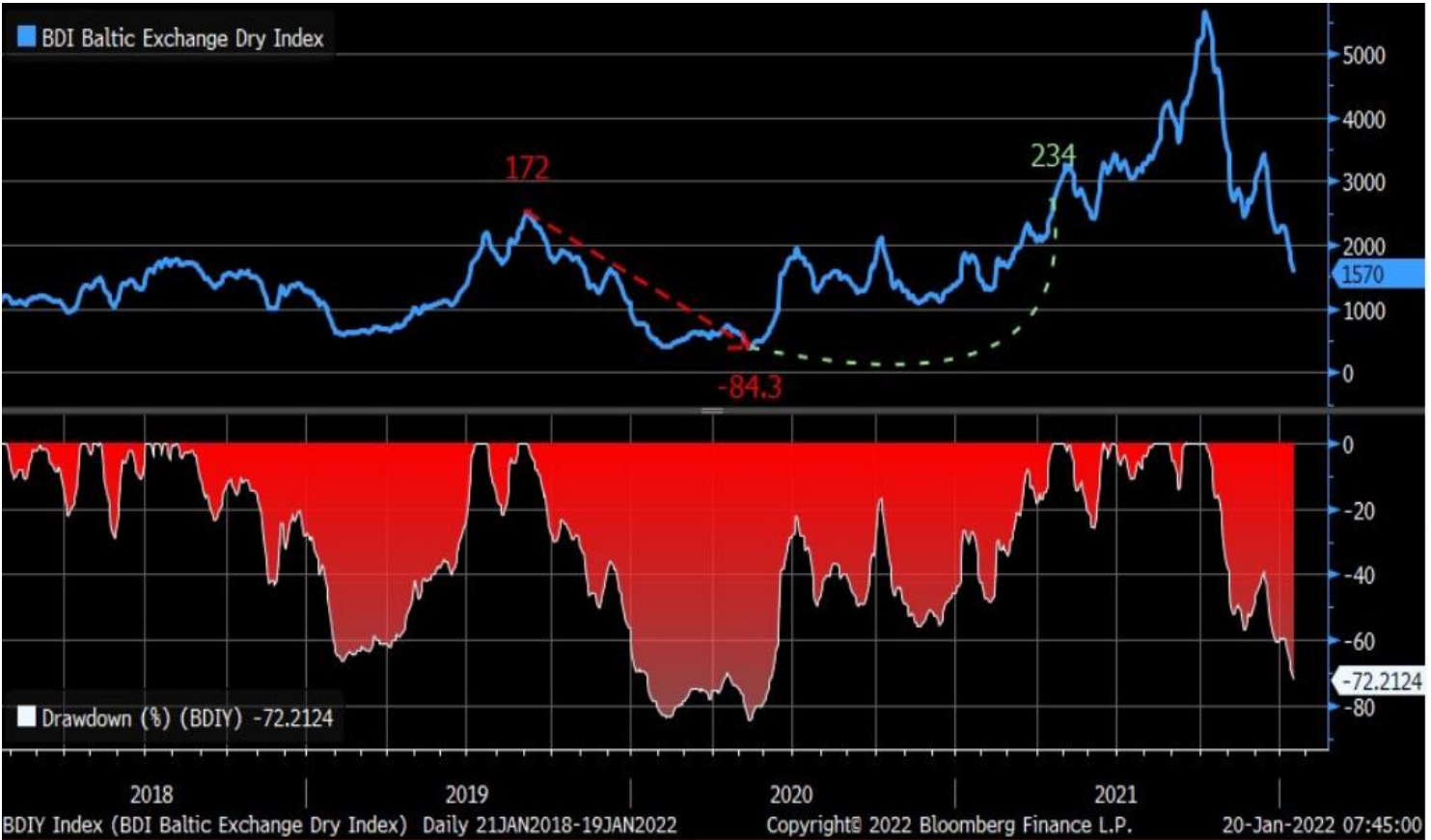
**** Below rates are estimates for the nearby-30-day period. 60-90 days forward physical rates will usually be higher.**

Soybean Panamax USG to Spain is running \$40.00 - \$41.50/mt.

Soybean Brazil to Spain about \$50.00 - \$51.50/mt.

Route and Vessel Size	Current Week USD/MT	Change from previous week	Remarks
55,000 U.S. Gulf-Japan	\$64.50	Down \$4.00	Handymax \$65.75 mt
55,000 U.S. PNW- Japan	\$35.00	Down \$2.50	Handymax at \$36.25-55.50mt
65,000 U.S. Gulf – China	\$63.25	Down \$4.25	North or South China
PNW to China	\$34.00	Down \$2.50	
25,000 U.S. Gulf- Veracruz, México	\$24.25	Down \$1.00	3,000 MT daily discharge rate
35-40,000 U.S. Gulf- Veracruz, México	\$21.00	Down \$1.25	Deep draft and 6,000 MT per day discharge rate.
30-38,000 U.S. Gulf- Colombia	\$34.00	Down \$2.00	<u>West Coast Colombia at \$41.00</u>
50,000 USG- E/C Colombia	\$33.00		
<u>East Coast Colombia</u> From Argentina	\$49.00		
40-45,000 U.S. Gulf - Guatemala	\$42.50	Down \$2.00	Acajutla/Quetzal - 8,000 out
30,000 US Gulf-Morocco	\$53.00	Down \$3.00	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt	\$52.50	Down \$3.75	55,000-60,000 mt Egypt
PNW to Egypt	\$53.00		Romania - Russia- Ukraine \$21.00-\$22.50-\$22.50 France \$30.00
58-74,000 U.S. Gulf – Europe – Rotterdam	\$24.00	Down \$1.25	Handymax at +\$2.50 more
Brazil, Santos –China	\$52.00	Down \$5.50	54-59,000 Supramax-Panamax
Brazil, Santos –China	\$50.50		60-66,000 Post Panamax
Up-River Port North Brazil	\$59.00		55-60,000 mt
56-60,000 Argentina-China Deep draft	\$57.00	Down \$5.50	Up-River with Top Off Plus \$3.75-\$4.00

The Baltic Dry Bulk Freight Index



Baltic Capesize Index



YAMAMIZU Index



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

From 2007-01-29 To 2022-01-19



China Import Dry Bulk Freight Index					
2022-01-20					
Description	Volume	Cargo/Vessel Size	Unit	Rate	Change
Composite Index			Point	1110.46	-31.42
Iron ore Freight Index			Point	913.47	-29.04
Dampier(West Australia)-Qingdao (China)	170000/10%	Iron ore	\$/ton	7.524	-0.258
Soybean Freight Index			Point	1446.9	-43.99
Santos(Brazil)— North China	66000/10%	Soybean	\$/ton	50.24	-1.9
Santos(Brazil)—North China	60000/10%	Soybean	\$/ton	51.36	-1.98
Tacoma(West America)—North China	63000/10%	Soybean	\$/ton	34.1	-0.66
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	63.14	-1.5

20 January 2022 U.S. FOB Vessel Export Market Values:

U.S. Yellow Corn (USD/MT) FOB Vessel					CORN	FUTURES
#2 YC	GULF # 2 YC		PNW # 3 YC		H=	6.1100
Max. 14.5% moisture	BASIS	FLAT PRICE	BASIS	FLAT PRICE	K =	6.1075
Mar.	1.08	\$283.05	1.68	\$306.68	N =	6.0650
Apr.	0.96	\$278.23	1.58	\$302.64	U =	5.7625
May	0.95	\$277.84	1.57	\$302.25	Z=	5.6225
June	0.86	\$272.62	1.57	\$300.57	H =	5.7000
July	0.81	\$270.65	1.58	\$300.97		
Aug.	0.86	\$260.71	1.58	\$289.06		

The Gulf spread between #2 & #3 YC is currently about .04 cents per bushel (1.60/mt) at USG but is out to .06/bushel in the PNW.

SORGHUM (USD/MT) FOB VESSEL		
#2 YGS Fob Vessel	TEXAS Gulf	
Max. 14.0% moisture	BASIS	FLAT PRICE
March	2.15	\$325.18
Apr.	2.15	\$325.08
May	2.15	\$325.08
June	2.15	\$323.41
Jun.	2.15	\$323.41

Fob vessel Texas Gulf #2 Sorghum is about 115 % 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	
	Apr.	May	Jun.	July
FOB U.S. GULF	\$343.09	\$343.09	\$338.50	\$338.50
Basis	1.40	1.40	1.40	1.40
WH	7.9025			.
WK	7.9375			
WN	7.8125			

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
Mar.	1.15	\$566.12	1.95	\$595.52
Apr.	1.05	\$565.66	1.85	\$595.06
May	1.06	\$566.03	1.85	\$595.06
June	1.03	\$566.49	1.85	\$596.62
July	1.03	\$566.49	1.85	\$596.62
Soybean Futures				
Mar.	\$ 14.2575			
May	\$ 14.3450			
July	\$ 14.3875			
Aug.	\$ 14.1100			
Sept.	\$ 13.5150			
Nov.	\$ 13.2025			

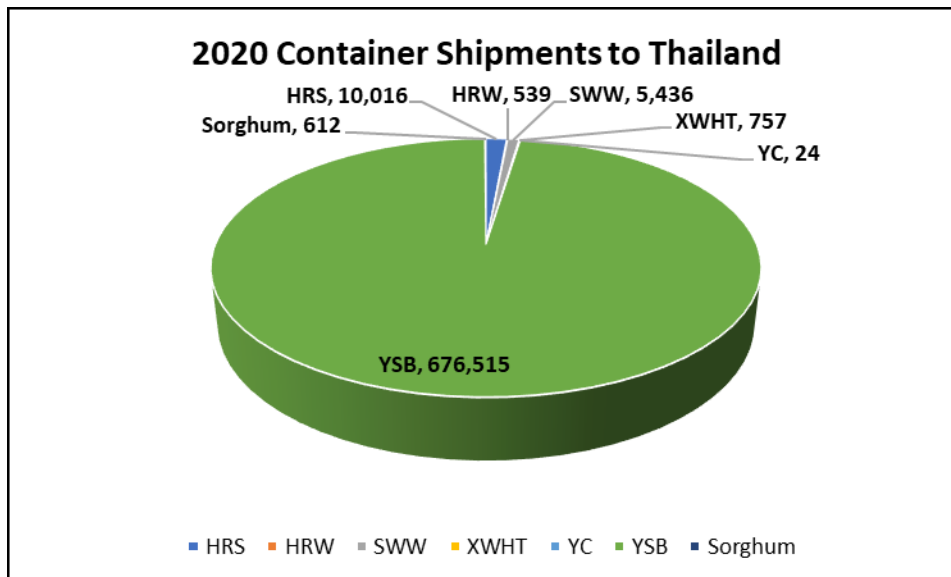
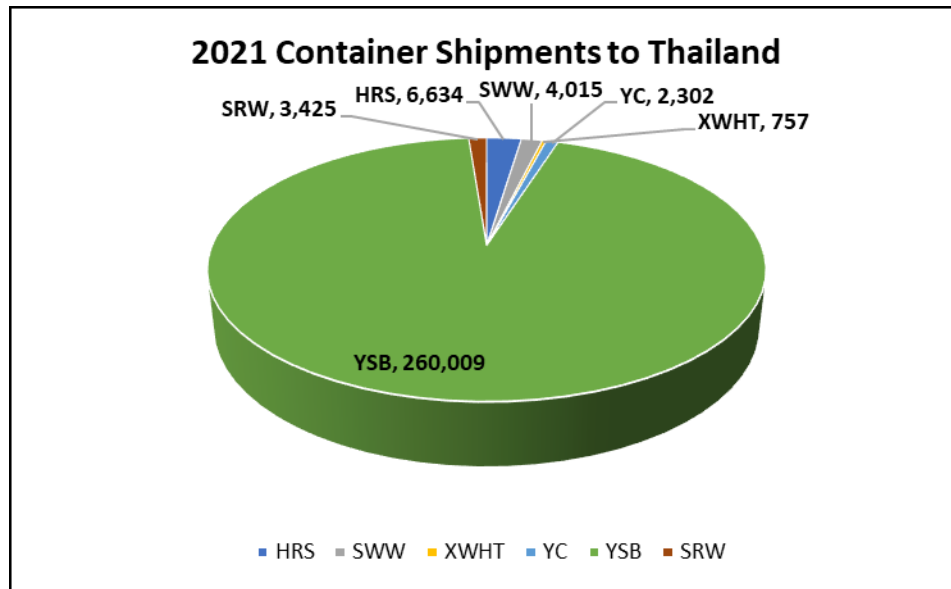
U.S. Soybean and SBM Markets Fob Vessel:

U.S. SBM (USD/MT) FOB Vessel		
Fob U.S. Gulf Port	47.5 Pro. SBM	
max 12.5 % moisture	Basis	Flat Price
Mar.	40.00	\$ 485.98
Apr.	35.00	\$ 478.49
May	35.00	\$ 478.49
June	35.00	\$ 477.49
July	35.00	\$ 477.49
SBM Futures		
SMH	\$ 400.80	
SMK	\$ 399.00	
SMN	\$ 398.10	
SMQ	\$ 392.50	
SMU	\$ 383.40	
SMV	\$ 373.70	

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).*

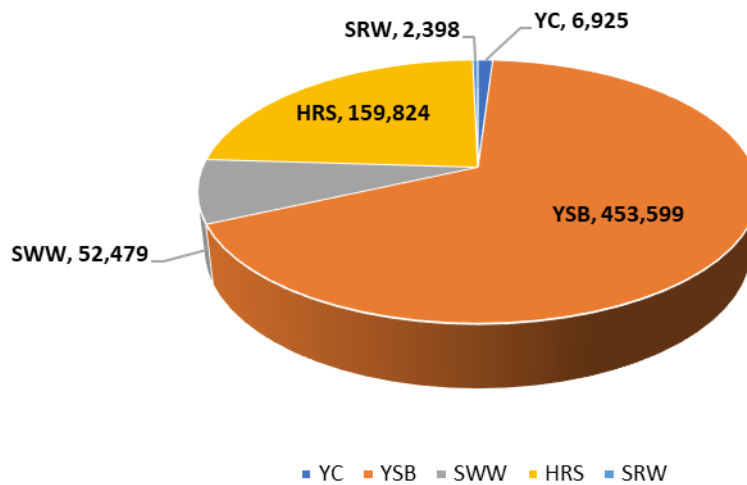
CONTAINER SHIPMENTS of GRAIN									
USDA Grain Inspections Report:		13-Jan-2022							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	SWH	HRW	Sorghum	TOTAL
China			24,244				1,004	3,087	28,335
Taiwan	4,480		11,529						16,009
Hong Kong	269								269
Costa Rica									0
Indonesia	343		15,648						15,991
French Poly									0
Japan			488						488
Korea Rep.	244		1,591						1,835
Ghana			98						98
Malaysia	269		2,570						2,839
Colombia									0
Philippines	73		588						661
Thailand			1,517						1,517
Cambodia			539						539
Burma									0
Un Kingdom									0
Nepal			612						612
Vietnam			4,872						4,872
Sub Total:	5,678	0	64,296	0	0	0	1,004	3,087	74,065
USDA Corrections/Additions to previous reports:									
Taiwan			1,028						1,028
China			1,321						1,321
Hong Kong									0
Korea Rep.									0
Switzerland									0
Japan									0
Philippines									0
Indonesia									0
Malaysia			245						245
Thailand									0
Vietnam			196						196
Bangladesh									0
Canada									0
Sub Total:	0	0	2,790	0	0	0	0	0	2,790
Mt. Grand Total	5,678	0	67,086	0	0	0	1,004	3,087	76,855
Number of Containers	247	0	2,917	0	0	0	44	134	

Jan - Dec 2020 Annual Totals versus 2021 Annual Total Container Shipments (in MT)

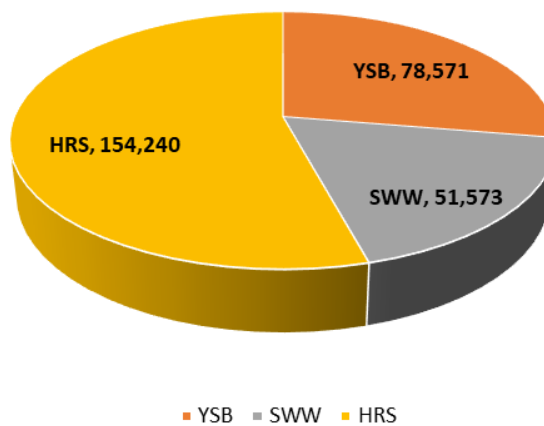


2021 Total Grain Exports reported by USDA (in MT)

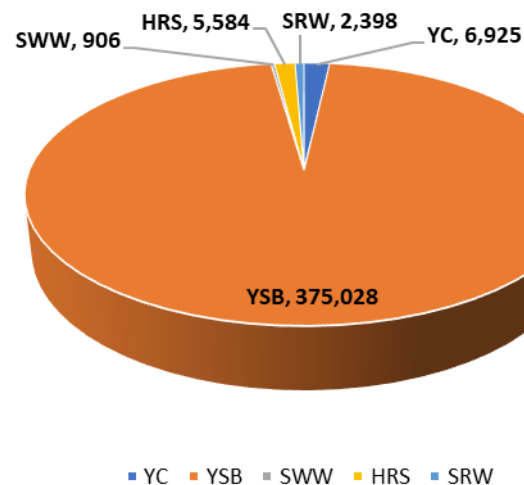
2021 Exports to Malaysia



2021 Vessel Shipments to Malaysia



2021 Container Shipments to Malaysia



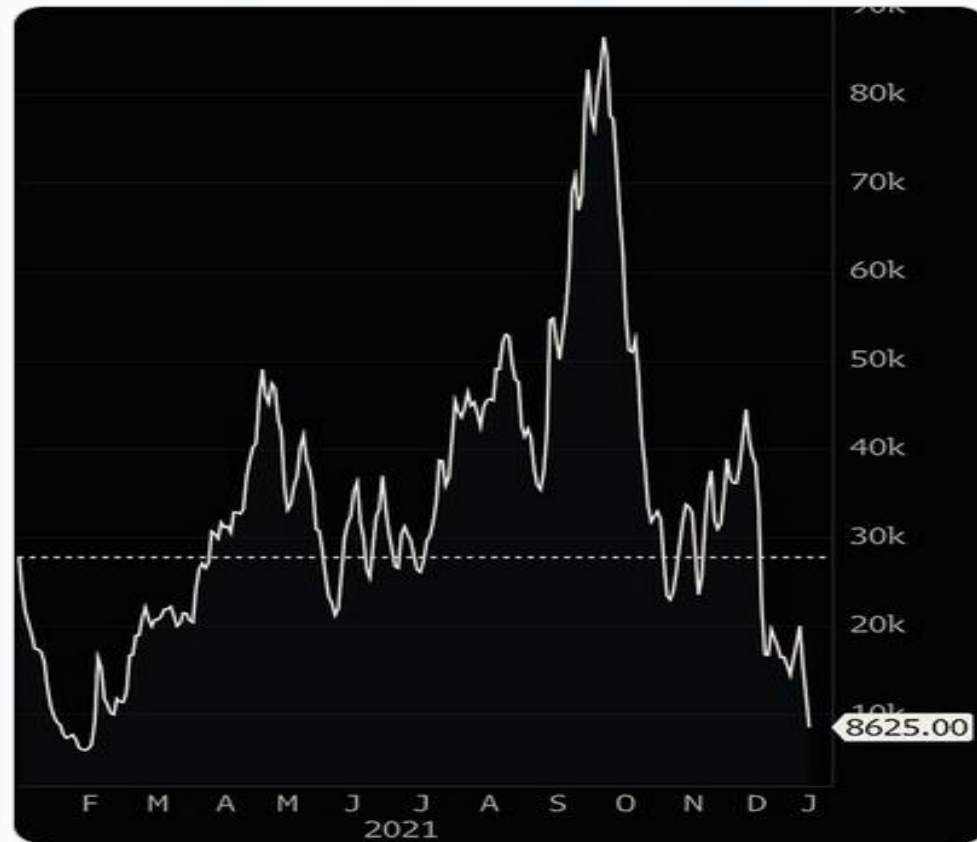
*Please keep in mind that USDA does not report DDGS sales

Source: USDA-data

Shipping News

BreakWave @DryBulkETF · 3h

For the first time in 11 months the Australia to China Capesize freight rate dips below 10,000/day. It peaked at 86,000/d in early October.



Farm Futures @FarmFutures · 28m

The U.S. Army Corps of Engineers will target \$829.1 million investment in lock and dam modernization projects along the Upper Mississippi River.



farmprogress.com

Infrastructure plan funds crucial Lock and Dam 25

Ag sector improves competitiveness with infrastructure implementation of \$829 million ...





Shanghai International Shipping Institute added a post from January 16 to their timeline.

January 16 · 🌐

...

OCEAN Network Express (ONE) has confirmed that around 60 containers were lost overboard with a further 80 damaged in the recent stack collapse on its containership Madrid Bridge.

The 13,900 TEU ship, on the company's EC4 service from Asia to the US east coast, suffered the stack collapse mid-Atlantic and is currently travelling at 19 knots, according to AIS data on VesselsValue, reports UK's The Loadstar.

The Madrid Bridge has tracked south, and is now north-east of the Caribbean, to circumvent a storm, originally thought to be heading for New York.

ONE confirmed: "Based on initial investigations, it is estimated that approximately 60 units were overboard, and 80 units were damaged. The numbers may be updated after further investigations."

It added: "The vessel is currently proceeding towards the east coast of the United States and, if all goes well, will be calling in Charleston for a detailed assessment of the vessel condition and to discharge the affected containers."

EXCLUSIVE-Argentine grains ships cutting cargoes by 30% amid 'record' river decline, ports chamber says - Reuters News

🔥 11-Jan-2022 01:23:03 PM

To view this story on Refinitiv Workspace, click [here](#)

By Maximilian Heath

BUENOS AIRES, Jan 11 (Reuters) - Argentine grains ships leaving the main farming hub of Rosario are having to cut cargoes by some 30% due to a renewed "record" plunge in water levels of the Parana River, the head of the local ports chamber told Reuters on Tuesday.

The Parana, which carries some 80% of Argentina's farm exports, is key for shipments of soy, wheat and corn from the South American country, which is the world's top exporter of processed soy and the second largest of corn.

"The ships are leaving with 30% less cargo", said Guillermo Wade, manager of Argentina's Chamber of Port and Maritime Activities (CAPyM), adding that this equated to 13,000 tonnes less cargo in a Handymax ship and 16,000 tonnes less in a Panamax.

"Today was the record of the river level decline."

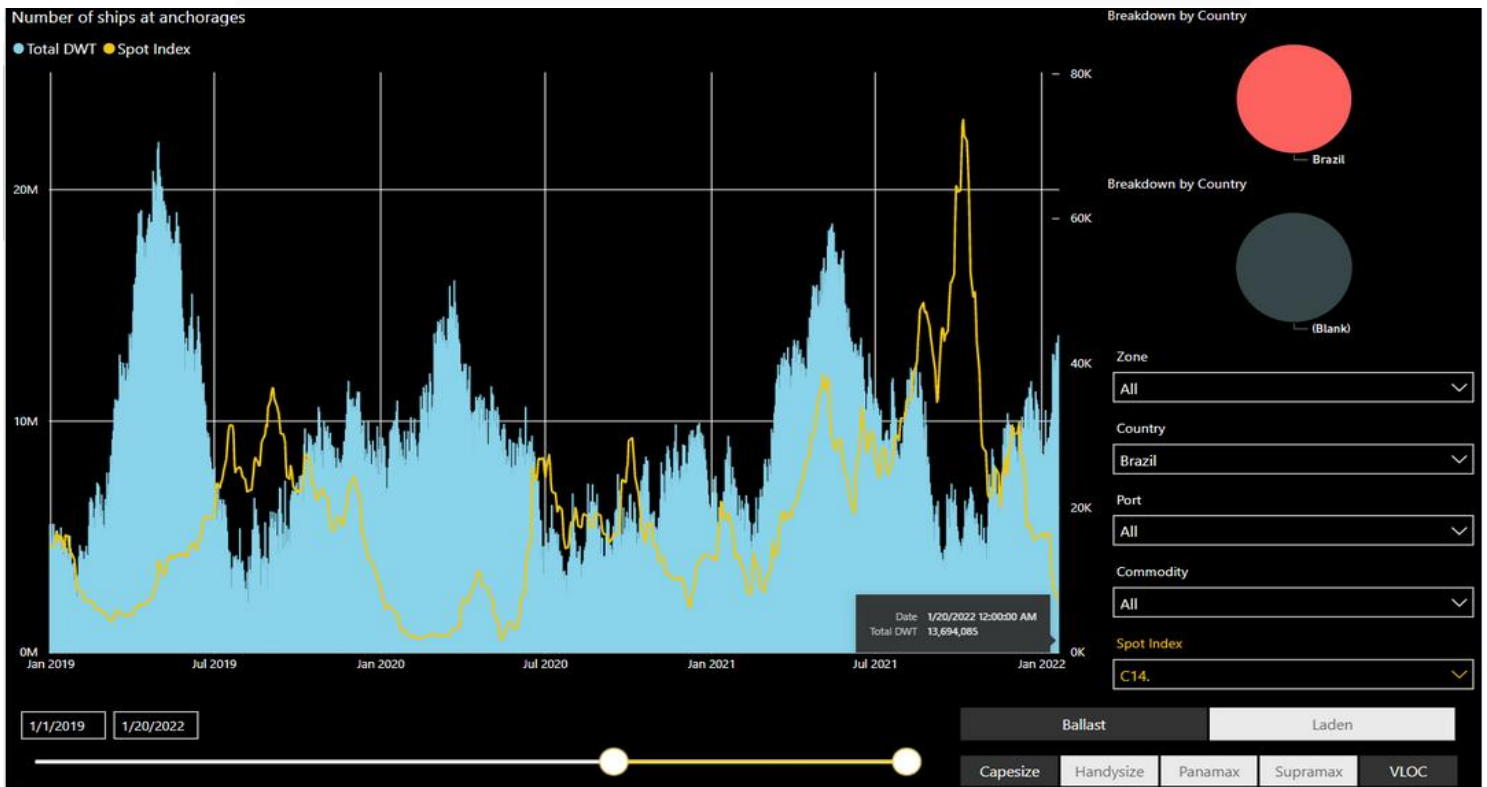
The Parana had risen since hitting a 77-year low in the middle of last year that had hindered grains transport, but has now dropped again to hit a new low-point at Rosario amid a heat-wave gripping the country and low rainfall upriver.

(Reporting by Maximilian Heath; Editing by Adam Jourdan and Sandra Maler)

SteelLux @SteeLLuux · 9h

Capesize & VLOC [above 95 kDwt] congestion [vessel waiting to load at anchorages] in Brazil continue to increase to 13.6 million Dwt today. Reflecting less iron ore loadings out of Brazil.

#drybulk #ironore #shipping



Harry @HBGrimes · 5h

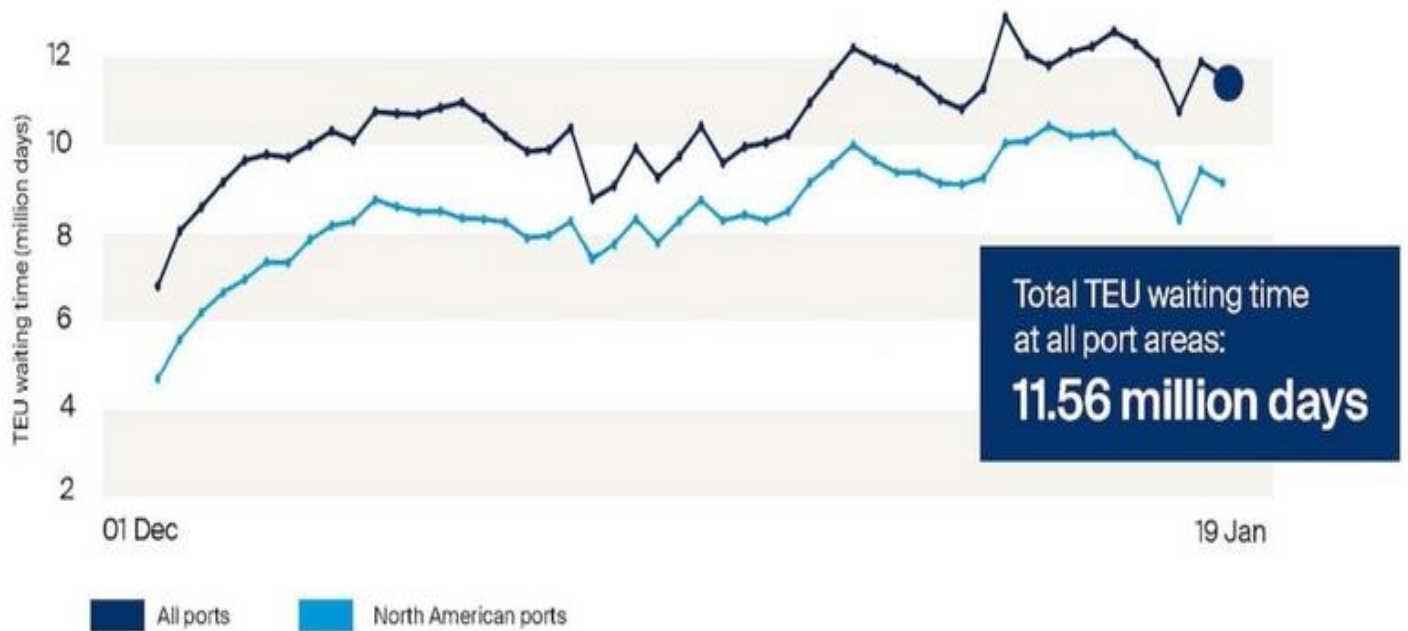
Crikey Mate! 🤖 Since the peak of the Capesize Index last October, it has fallen by over 90%



Splash- Saam Chambers-

Disruption indicator by seaexplorer

Daily total TEU waiting time at Los Angeles - Long Beach, Seattle - Vancouver, Savannah, New York, Oakland, Prince Rupert, Hongkong - Yantian, Shanghai - Ningbo, Rotterdam - Antwerp



Source: Kuehne+Nagel



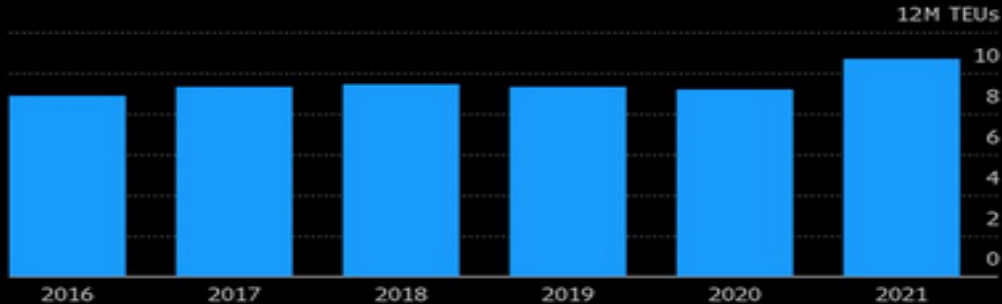
Bloomberg @business · 2h

The Port of Los Angeles moved record cargo volumes last year amid an import surge at the U.S.'s biggest container gateway and supply-chain snarls

Record Year

Port of Los Angeles handled an unprecedented amount of cargo in 2021

■ Total 20-foot equivalent containers processed



Source: Port of Los Angeles

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

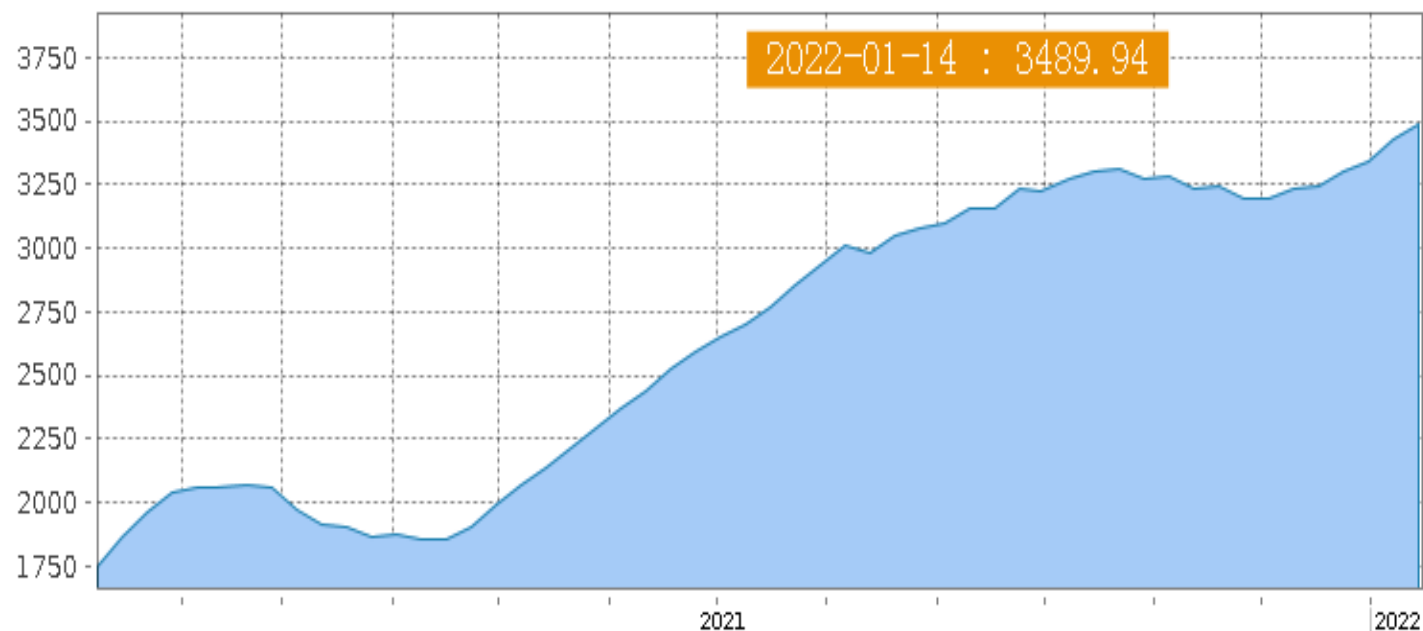
LA Port Saw Record Cargo in 2021 Despite Trade Snarls

Ukraine's location makes it an ideal corridor for transporting oil and gas from Russia and the Caspian Sea to European markets. Disruption of that exchange would pressure both European economies but also Russia's, which is dependent on energy exports.



Source: U.S. Energy Information Administration, INOGATE (Interstate Oil and Gas Transport to Europe), East European Gas Analysis, AP

China Containerized Freight Index



China Import Dry Bulk Freight Index



U.S. RIVER BARGE FREIGHT

Current Barge Freight for Loading Placement Last Half February 2022

Placement LH February 2022	% of		Corn	Soybeans-Wheat
	Tariff	MT	BU	BU
Upper Mississippi	Closed			
Illinois River (Pekin and South)	600	\$40.94	1.04	1.11
Mid-Mississippi	Closed			
Lower Ohio	540	\$26.55	0.67	0.72
St. Louis	550	\$24.19	0.61	0.66

Secondary Rail Car Market for Car placement period: Last Half February 2022.

Secondary Rail Car Market Placement LH. February 2022	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	\$ 1,300.00	\$ 0.23	\$ 0.33	\$ 8.86	\$ 12.79
January values \$1,200 verses \$1,600						

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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