

Transportation and Export Report for 28 January 2021

Q1 of 2021 remains challenging for vessel owners as global cargo demand is not picking up as quickly as hoped. Market action this week was another up and down battle with physical markets not wanting to follow the lead of FFA paper traders. This resulted in a generally soft market at weeks end. The Panamax sector fared a bit better than the Capsize market this week.

I still believe rates will gradually climb as we move through the year, but vessel owners will have to be patient as it will not be a straight shot.

BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices					
28-Jan-2021		This Week	Last Week	Difference	Percent Change
P2A : Gulf/Atlantic - Japan	per day	23841	23518	323	1.4%
P3A - PNW/Pacific -Korea	per day	13051	13230	-179	-1.4%
S1C -USGULF-China-So.Japan	per day	24786	24389	397	1.6%
P7- Trial- Miss. River - Qingdao	per ton	47.336	47.200	0.1	0.3%
P8- Trial- Santos - Qingdao	per ton	36.536	36.636	-0.1	-0.3%

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

Four weeks ago:	\$7.15-\$7.45
Three weeks ago:	\$7.45-\$8.95
Two weeks ago:	\$9.85-\$10.35
One week ago:	\$7.75-\$8.20
This week	\$6.35-\$7.70

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

Mississippi River:	(10 elevators)	2-6 days (1 facility not currently operating)
Miss. River Mid-Stream loaders:	(6+ Rigs)	0-2 days
Texas Gulf	(6 elevators)	1-8 days (1 facility over 5 days)
Pacific Northwest:	(9 elevators)	5-15 days (only 5 facilities over 10 days)

Panamax Market Spreads to Asia -China					
28-Jan-2021	PNW	GULF	Bushel Spread	MT Spread	Advantage
CORN	1.39	0.89	0.50	\$19.68	BOTH
SOYBEANS	1.40	0.85	0.55	\$21.65	GULF
OCEAN FREIGHT	\$25.25	\$45.50	.51-.55	\$20.25	February

Recent Reported Vessel Fixtures:

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

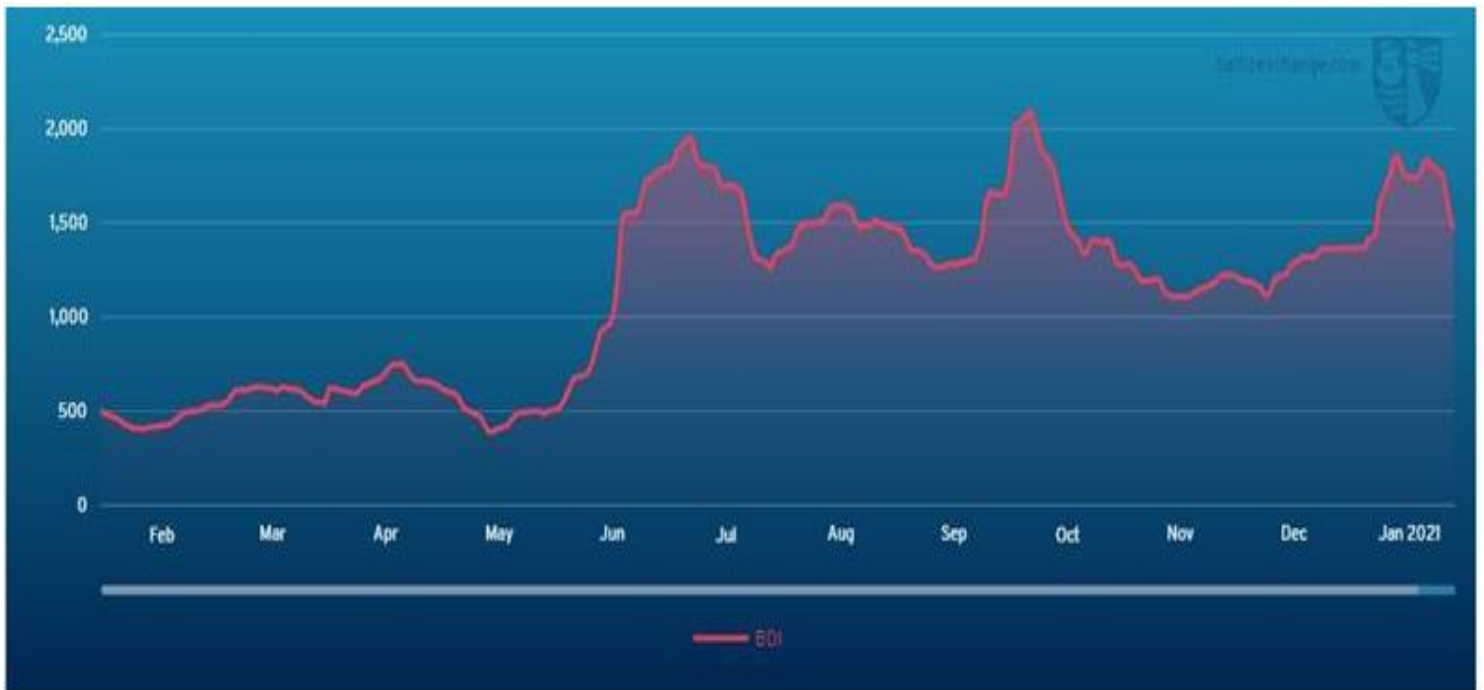
Soybean Panamax USG to Spain is running \$24.25-\$25.25/mt.

Soybean Brazil to Spain about \$28.00-29.00/mt.

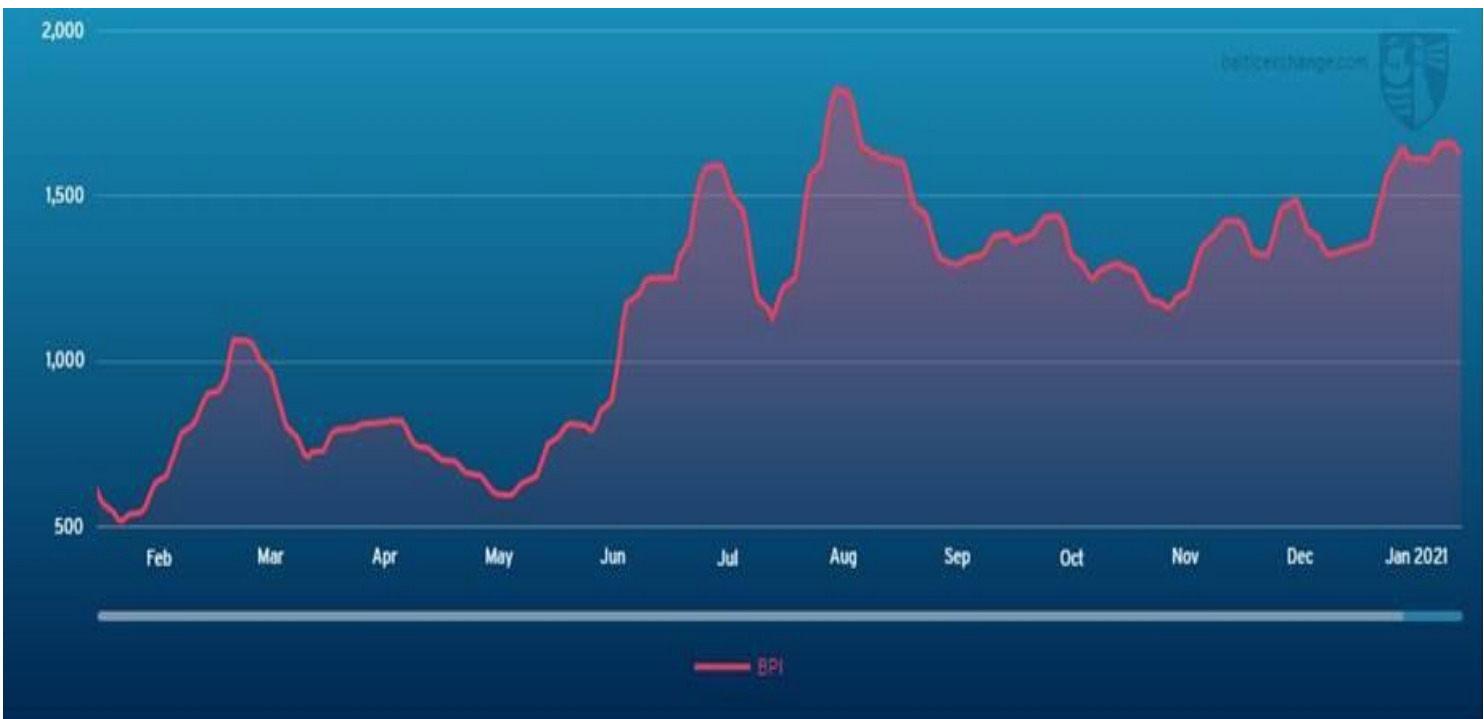
30,000 mt Corn Northern Brazil to Vera Cruz, Mexico \$22.50-\$23.50/mt .To U.S. E/C about \$25.00-\$25.75/mt

Route and Vessel Size	Current Week USD/MT	Change from previous week	Remarks
55,000 U.S. Gulf-Japan	\$46.50	Up \$0.25	Handymax \$47.00 mt
55,000 U.S. PNW- Japan	\$26.75	Up \$0.25	Handymax \$27.00 mt
66,000 U.S. Gulf – China	\$45.50	Up \$0.50	North China
PNW to China	\$25.25	Up \$0.25	
25,000 U.S. Gulf- Veracruz, México	\$20.50	Up \$0.50	3,000 MT daily discharge rate
30-36,000+ U.S. Gulf- Veracruz, México	\$17.25	Up \$0.50	Deep draft and 6,000 MT per day discharge rate.
30-38,000 U.S. Gulf- Colombia	\$23.50	Up \$0.50	<u>West Coast Colombia at \$33.50</u>
<u>East Coast from USG</u> <u>Colombia</u>	<u>\$33.50</u>		USG to E/C 50,000 mt at \$19.00
E/C from Argentina	\$35.00		
43-45,000 U.S. Gulf - Guatemala	\$30.50	Up \$0.50	Acajutla/Quetzal - 8,000 out
26-30,000 U.S. Gulf – Algeria	\$43.50	Up \$0.50	8,000 mt daily discharge
	\$45.50		3,000 mt daily discharge
26-30,000 US Gulf-Morocco	\$44.50	Up \$0.50	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt	\$33.50	Up \$0.25	60,000 -55,000 mt -Egypt
PNW to Egypt	\$33.25		Romania- Russia- Ukraine \$14.00-\$14.00 -\$14.50 France \$19.50
60-70,000 U.S. Gulf – Europe – Rotterdam	\$18.00	Down \$1.00	Handymax at +\$1.75-\$2.00 more
Brazil, Santos – China	\$36.25	Up \$0.25	54-59,000 Supramax-Panamax
Brazil, Santos – China	\$35.75		60-66,000 Post Panamax
Northern Coast Brazil	\$36.75		Upriver No. Brazil Plus -55,000 mt Plus \$7.50/mt
56-60,000 Argentina/Rosario- China Deep Draft	\$42.00	Up \$0.25	Upriver with BB Top Off Plus \$3.75 mt

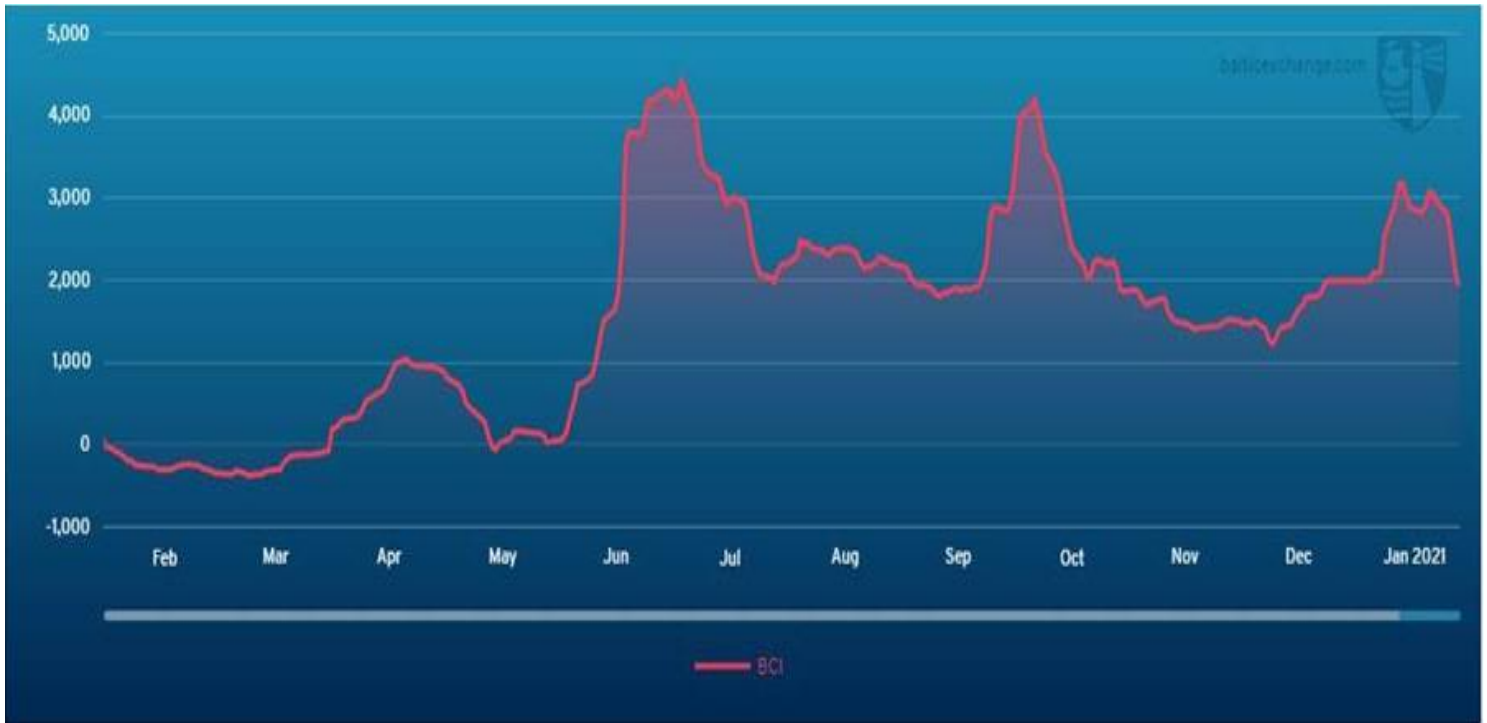
The Baltic Dry Freight Index



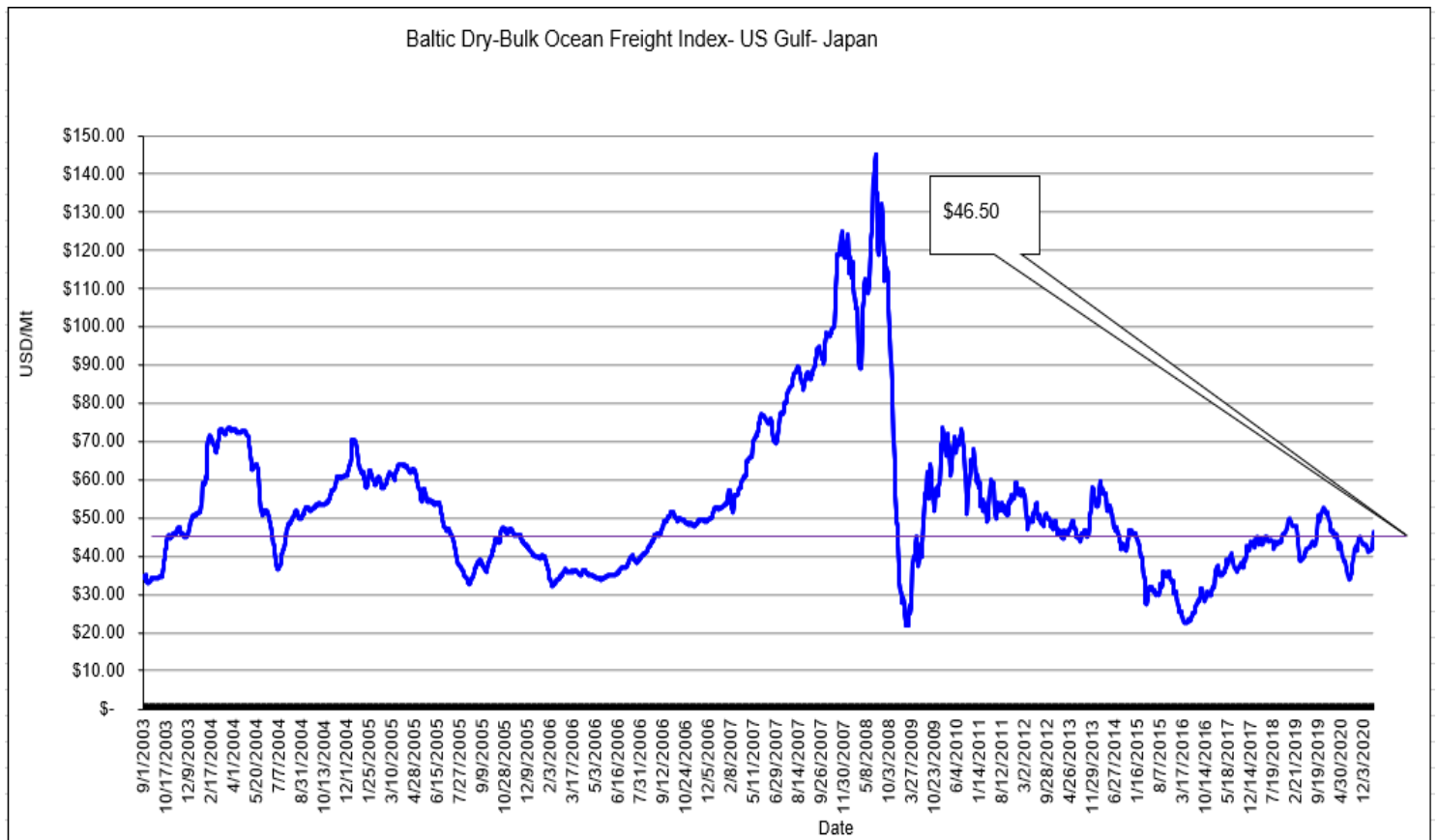
Baltic Panamax Index



Capesize Market Chart



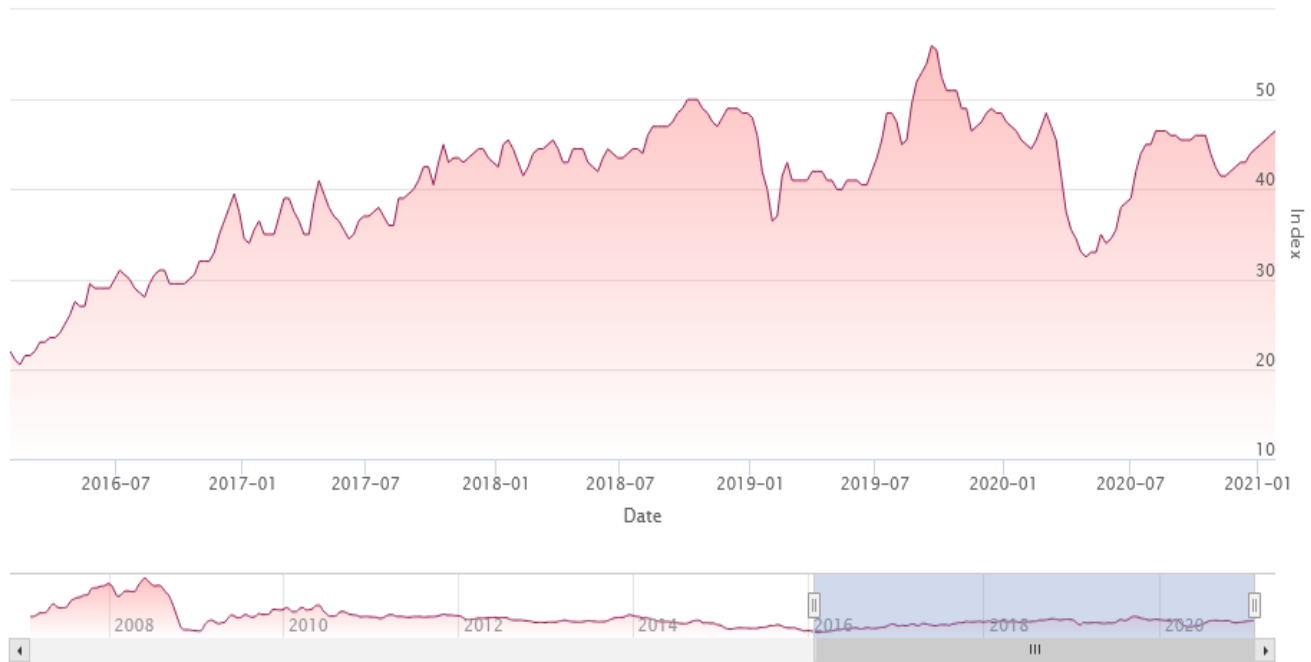
Baltic Dry-Bulk Ocean Freight Index- US Gulf- Japan



YAMAMIZU Index


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

From 2016-01-27 To 2021-01-27



China Import Dry Bulk Freight Index 2021-01-28

Description	Size MT	Cargo/Vessel Size	Unit	Rate	Change
Composite Index			Point	878.25	-20.18
Iron ore Freight Index			Point	796.21	-32.11
Dampier(West Australia)-Qingdao (China)	170000/10%	Iron ore	\$/ton	6.361	-0.412
Soybean Freight Index			Point	1035.26	-2.62
Santos(Brazil)— North China	66000/10%	Soybean	\$/ton	35.417	-0.142
Santos(Brazil)—North China	60000/10%	Soybean	\$/ton	36.008	-0.133
Tacoma(West America)—North China	63000/10%	Soybean	\$/ton	25.208	-0.017
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	45.613	-0.053

28 January 2021 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
Feb.	0.89	\$245.46	1.39	\$265.14
Mar.	0.88	\$245.06	1.39	\$265.14
Apr.	0.88	\$245.75	1.35	\$264.26
May	0.89	\$246.15	1.35	\$264.26
June	0.91	\$243.39	1.35	\$260.71
July	0.88	\$242.21	1.33	\$259.93

The Gulf spread between #2 & #3 YC is currently about .03 cents per bushel (1.18/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
Feb.	3.20	\$336.40
Mar.	3.15	\$334.43
Apr.	3.15	\$335.12
May	3.10	\$333.15
June	3.10	\$329.61

Fob vessel Texas Gulf #2 Sorghum is about 137% the value of #2 Yellow Corn at NOLA.
And is over the price of Fob SRW Wheat at the U.S. Gulf.

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

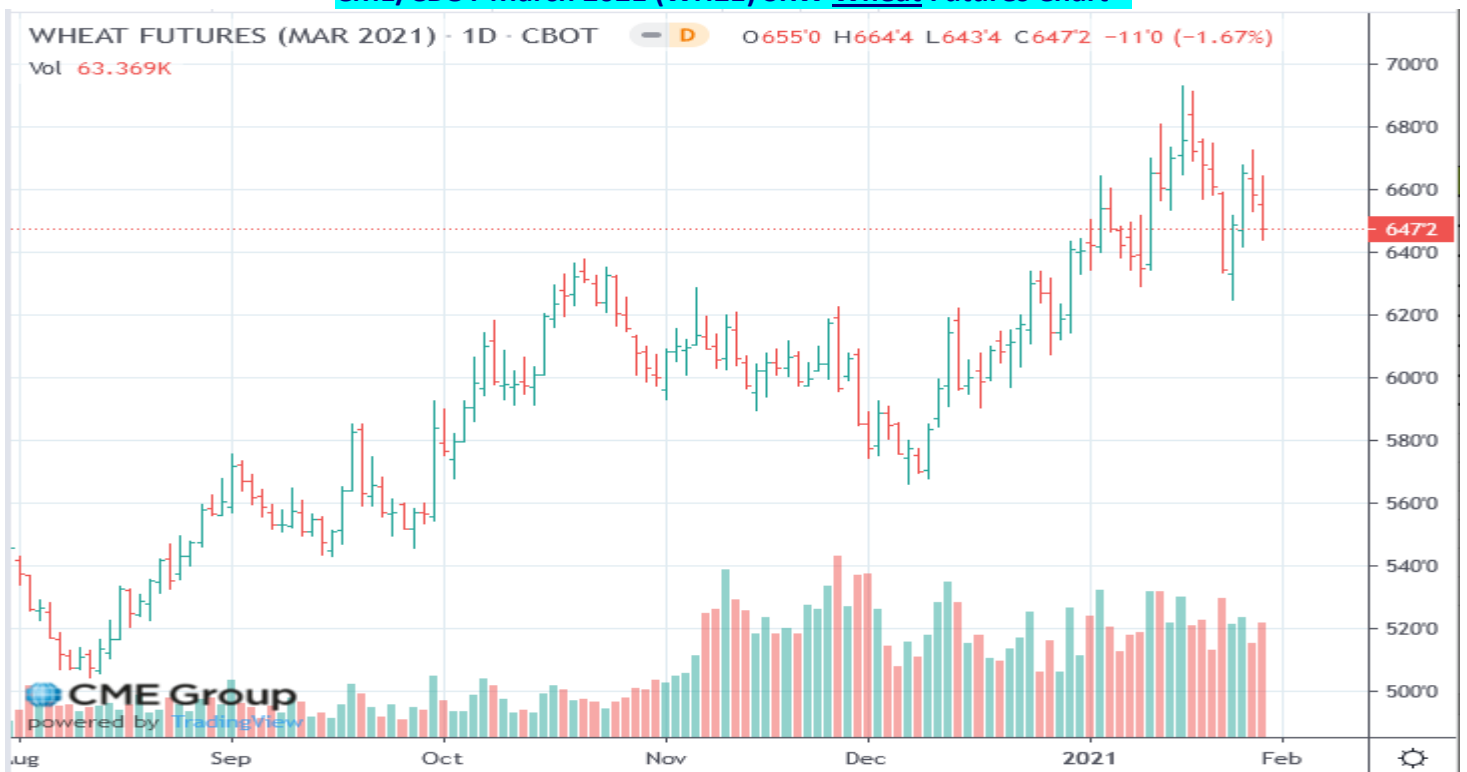
SRW Wheat	USD/MT	Fob Vessel	US Gulf	
	Feb.	March	Apr.	May
FOB U.S. GULF	\$289.90	\$289.17	\$281.82	\$278.15
Basis	1.42	1.40	1.20	1.10
WH	6.4700			.
WK	6.4700			
WN	6.3150			

28-Jan-2021	Close	Close	Last Week.	Last Week.	Last Week	
CME Corn Futures	Bushel	MT.	Bushel	Bu. Diff.	MT	MT Diff.
Mar.	\$ 5.3450	\$ 210.42	\$ 5.3425	0.0025	\$ 210.32	\$ 0.10
May	\$ 5.3625	\$ 211.11	\$ 5.3775	(0.0150)	\$ 211.70	\$ (0.59)
July	\$ 5.2725	\$ 207.57	\$ 5.3475	(0.0750)	\$ 210.52	\$ (2.95)
Sept.	\$ 4.6500	\$ 183.06	\$ 4.8400	(0.1900)	\$ 190.54	\$ (7.48)
Dec.	\$ 4.3875	\$ 172.73	\$ 4.5775	(0.1900)	\$ 180.21	\$ (7.48)
Mar.	\$ 4.4425	\$ 174.89	\$ 4.6275	(0.1850)	\$ 182.17	\$ (7.28)

CBOT March 2021 (CH21) CORN Futures Chart –



CME/CBOT March 2021 (WH21) 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
Feb.	0.85	\$528.46	1.40	\$548.67
Mar.	0.85	\$528.46	1.40	\$548.67
Apr.	0.90	\$529.66	1.40	\$548.03
May	0.90	\$529.66	1.38	\$547.29
June	0.95	\$524.69	1.48	\$544.17
Soybean Futures				
Mar.	\$ 13.5325			
May	\$ 13.5150			
July	\$ 13.3300			
Aug.	\$ 12.8500			
Sept.	\$ 11.8550			
Nov.	\$ 11.3125			

U.S. SBM (USD/MT) FOB Vessel		
Fob U.S. Gulf Port	47.5 Pro. SBM	
max 12.5 % moisture	Basis	Flat Price
Feb.	50.00	\$ 526.00
Mar.	45.00	\$ 520.49
Apr.	45.00	\$ 518.18
May	45.00	\$ 518.18
June	45.00	\$ 512.00
SBM Futures		
SMH	\$ 427.10	
SMK	\$ 425.00	
SMN	\$ 419.40	
SMQ	\$ 404.50	
SMU	\$ 385.60	
SMV	\$ 366.80	

CME March 2021 Soybean (SH21) Futures Chart:



CME March 2021 Soybean Meal (SMH21) Futures Chart



U.S. EXPORT STATISTICS: Report Activity as of Week Ending 14 January 2021

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	1,625.7	46,819.7	64,770	72%	803.4
Sorghum	301.0	5,572.3	7,370	76%	478.0
Soybeans	1,890.9	57,367.5	60,690	95%	2,048.6
Wheat	441.7	21,390.0	26,810	80%	248.1
Barley	0.0	30.6	170	18%	12.5

U.S. EXPORT INSPECTIONS:

Monday's report 25 January 2021 for the Export week ending 21 January 2021

	Export Inspections		Current Market Year YTD	Previous Year to Date	2020/21 YTD as Percent of 2019/20 YTD
	This Week	Previous Week			
Corn	1,391,455	914,880	18,736,777	10,164,040	184%
Sorghum	179,182	159,495	2,817,949	1,130,975	249%
Soybeans	1,978,971	2,273,005	45,280,876	25,240,343	179%
Wheat	523,901	282,627	16,098,759	16,211,697	99%
Barley	0	2,395	23,339	17,662	132%

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

U.S. EXPORT INSPECTIONS:

Monday's report 25 January 2021 for the Export week ending 21 January 2021

Last Week							
(Metric Tons)	YC	%	WC	%	Sorghum	%	Soybeans %
Lakes	0	0%	0	0%	0	0%	0 0%
Atlantic	0	0%	0	0%	367	0%	77,066 4%
Gulf	803,898	58%	0	0%	178,473	100%	1,261,780 64%
PNW	418,375	30%	97	1%	0	0%	466,422 24%
Interior Export Rail	153,493	11%	15,592	99%	342	0%	173,703 9%
Metric Tons	1,375,766		15,689		179,182		1,978,971

Sorghum Shipments: metric tons

179,182 China

179,182 Total

White Corn metric tons

Shipments: 97 Korea Rep

24 Ireland

15,568 Mexico

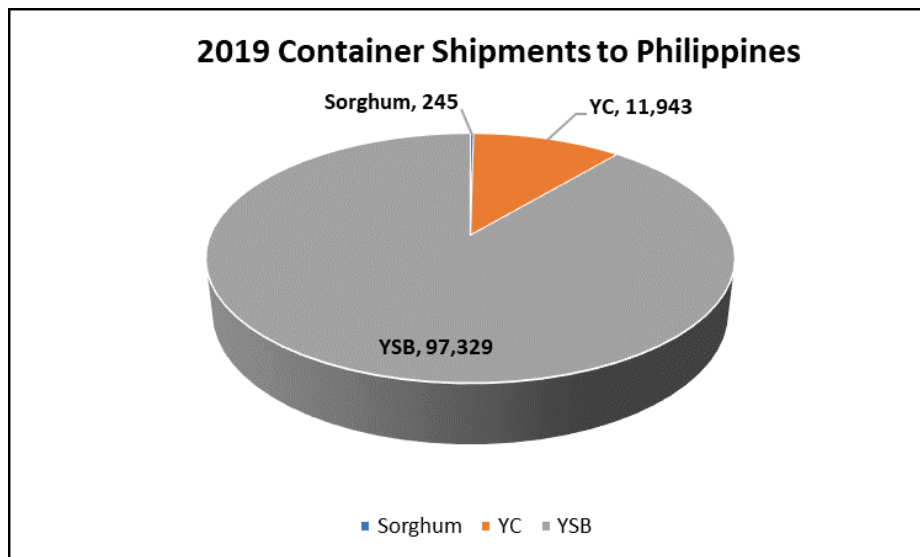
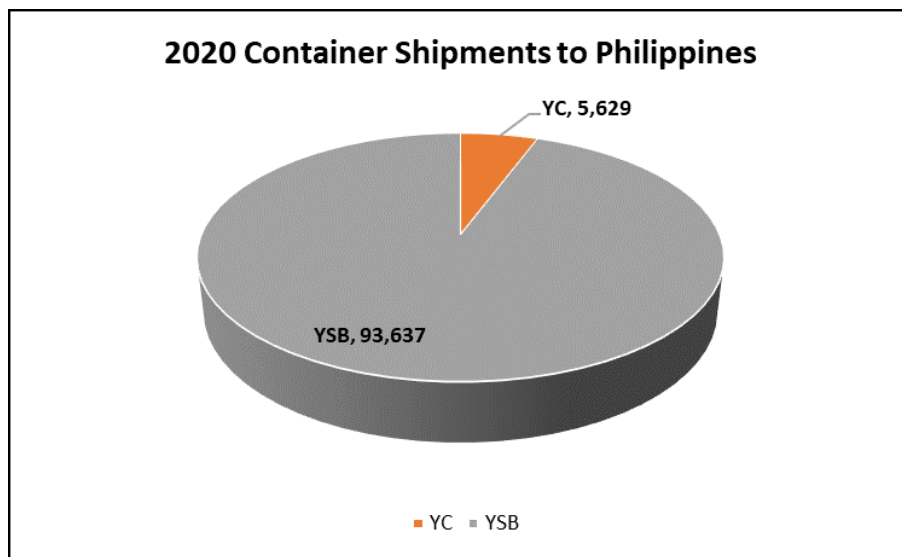
15,689 Total

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:		21-Jan-2021							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	SWH	HRW	Sorghum	TOTAL
China	245		7,418					342	8,005
Taiwan	21,790		35,457						57,247
Hong Kong	661								661
Costa Rica									0
Indonesia			20,007						20,007
French Poly									0
Japan			1,467						1,467
Korea Rep.	220		1,102						1,322
Nepal			1,470						1,470
Malaysia			1,175						1,175
Oman	441								441
Philippines			1,591						1,591
Thailand	490		9,598						10,088
Ireland		24							24
Italy			24						24
Bangladesh									0
Burma									0
Vietnam			13,663						13,663
Sub Total:	23,847	24	92,972	0	0	0	0	342	117,185
USDA Corrections/Additions to previous reports:									
Taiwan	1,812		1,225						3,037
China									0
Hong Kong									0
Korea Rep.									0
Cambodia									0
Japan									0
Philippines									0
Indonesia									0
Malaysia									0
Thailand									0
Vietnam									0
Bangladesh									0
Costa Rica									0
Sub Total:	1,812	0	1,225	0	0	0	0	0	3,037
Mt. Grand Total	25,659	24	94,197	0	0	0	0	342	120,222
Number of Containers	1,116	1	4,096	0	0	0	0	15	

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



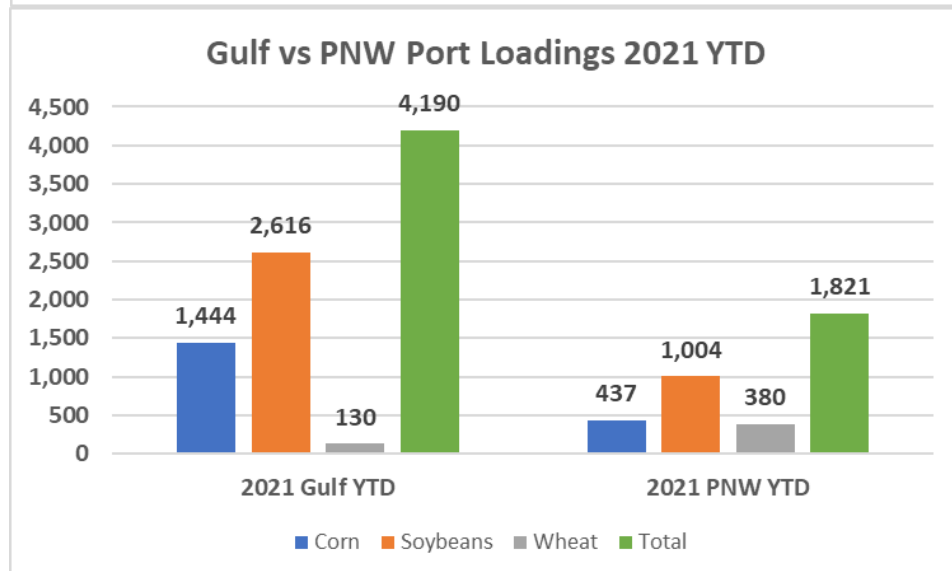
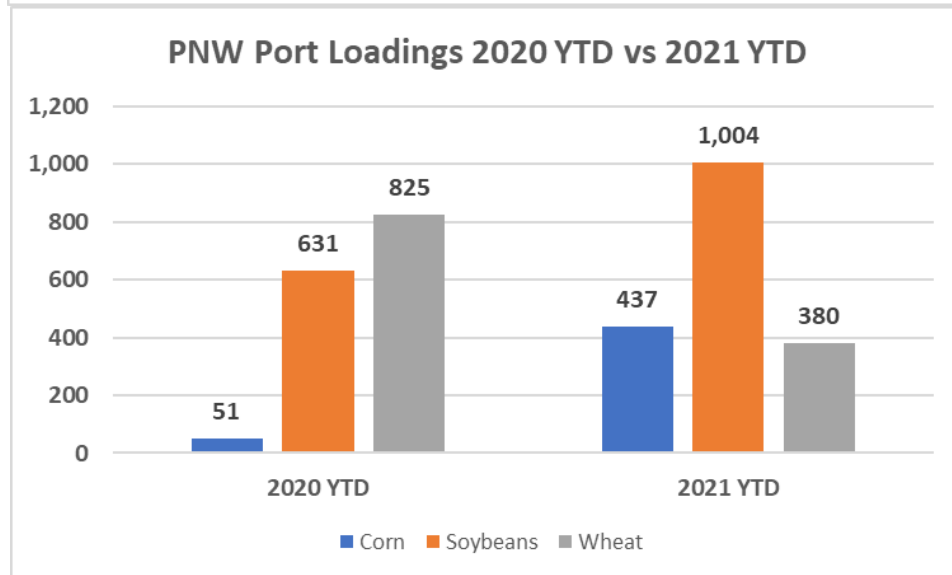
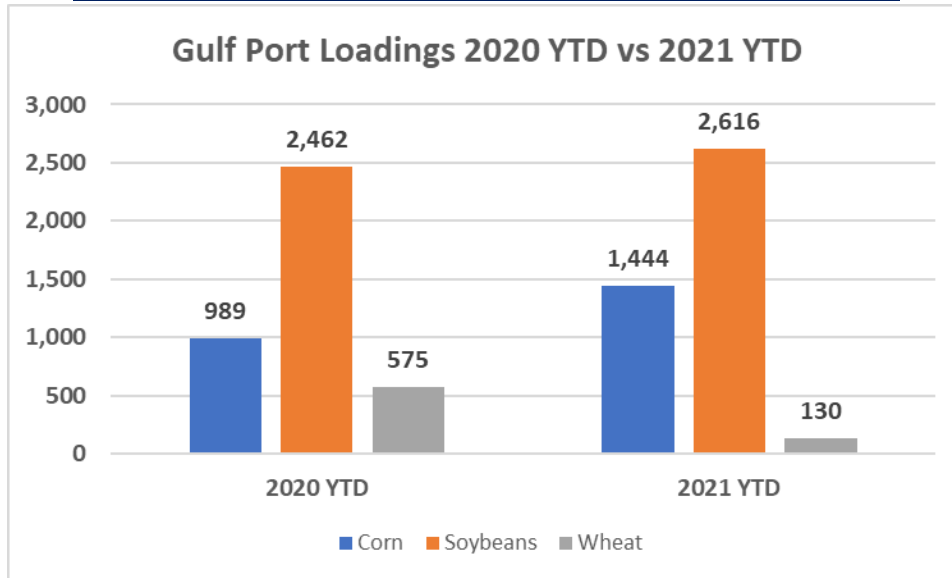
Grain Inspections for Export by U.S. Port Regions:
U.S. Gulf and Pacific Northwest 2020 YTD vs. 2021 YTD

PORT LOADINGS US Gulf				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
GULF				
2020 YTD	989	2,462	575	4,026
2021 YTD	1,444	2,616	130	4,190
2021 as % of 2020	146%	106%	23%	104%

PORT LOADINGS US PNW				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
PNW				
2020 YTD	51	631	825	1,507
2021 YTD	437	1,004	380	1,821
2021 as % of 2020	857%	159%	46%	121%

PORT LOADINGS GULF vs. PNW				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
2021 Gulf YTD	1,444	2,616	130	4,190
2021 PNW YTD	437	1,004	380	1,821
TOTAL	1,881	3,620	510	6,011
Gulf Percentage	77%	72%	25%	70%
PNW Percentage	23%	28%	75%	30%

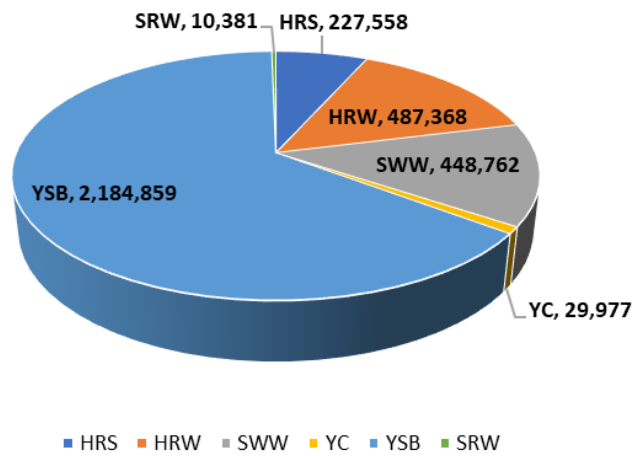
Grain Inspections for Export by U.S. Port Regions (1,000MT):
U.S. Gulf and Pacific Northwest 2020 YTD vs. 2021 YTD



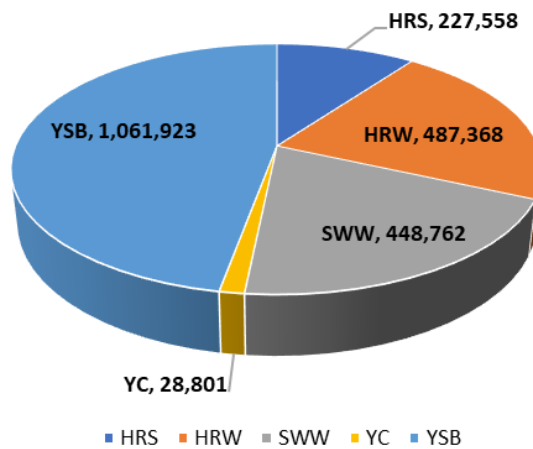
Source: USDA-data

2020 Total Grain Exports reported by USDA (in MT)

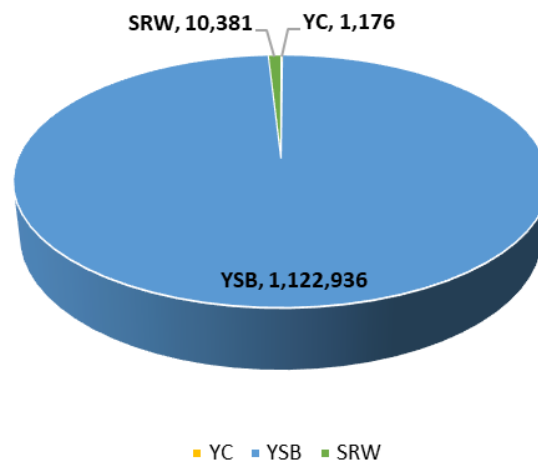
2020 Exports to Indonesia



2020 Vessel Shipments to Indonesia



2020 Container Shipments to Indonesia



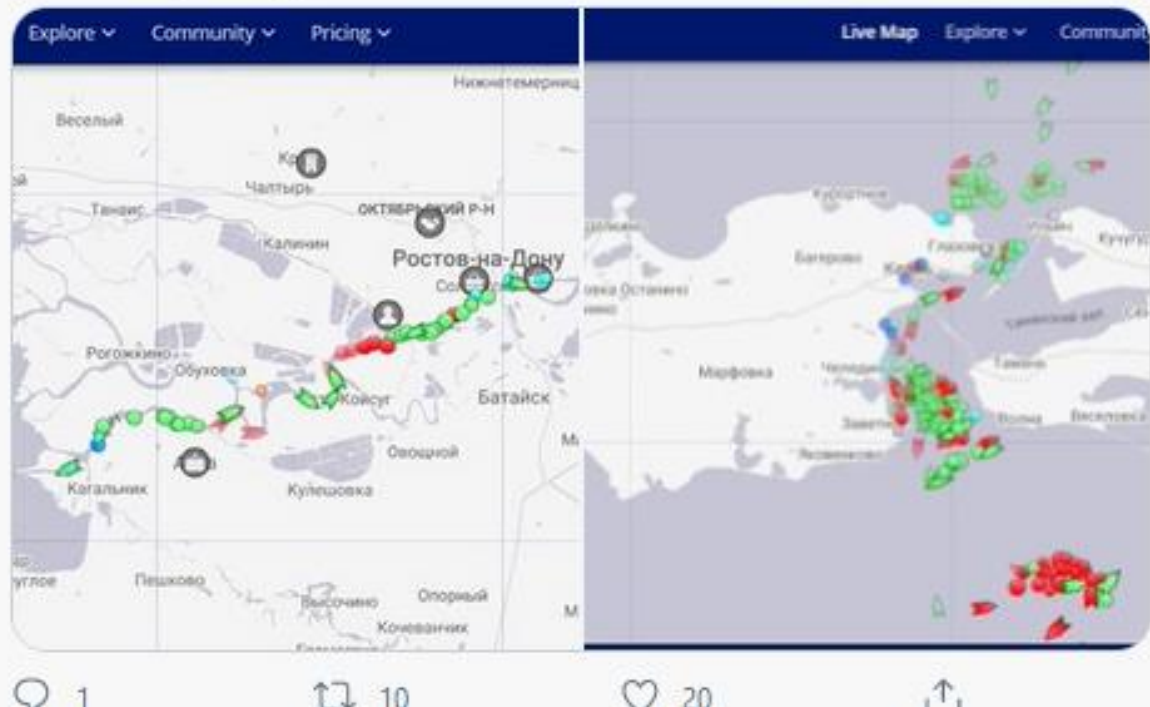
*Please keep in mind that USDA does not report DDGS sales

Shipping News

Atria Brokers @AtriaBrokers · 6h

🚢🚢🚢🌾🇷🇺 Grain escape 2021

Yesterday ~50 volgo-don type vessels were passing in Kerch on way to Rostov&Azov ports. In morning 27 Jan, ~72 ships accumulated near ports. Apparently, max export of wheat from Russia is planned until 15 Feb before 25 Euro export duty.



TM Switter @RussianGrainTra · 6h

ABCD of grain is now ABCCDV with COFCO & VITERRA (formerly Glencore..) & we can add some other letters, such as O for OLAM, W for WILMAR & other niche traders, as detailed in OUT OF THE SHADOWS, the pseudo sequel to MERCHANTS OF GRAIN.



Commodity Conversations @jckingsman · 7h

Replying to @RussianGrainTra @isiscarol14 and @iamandyhoffman

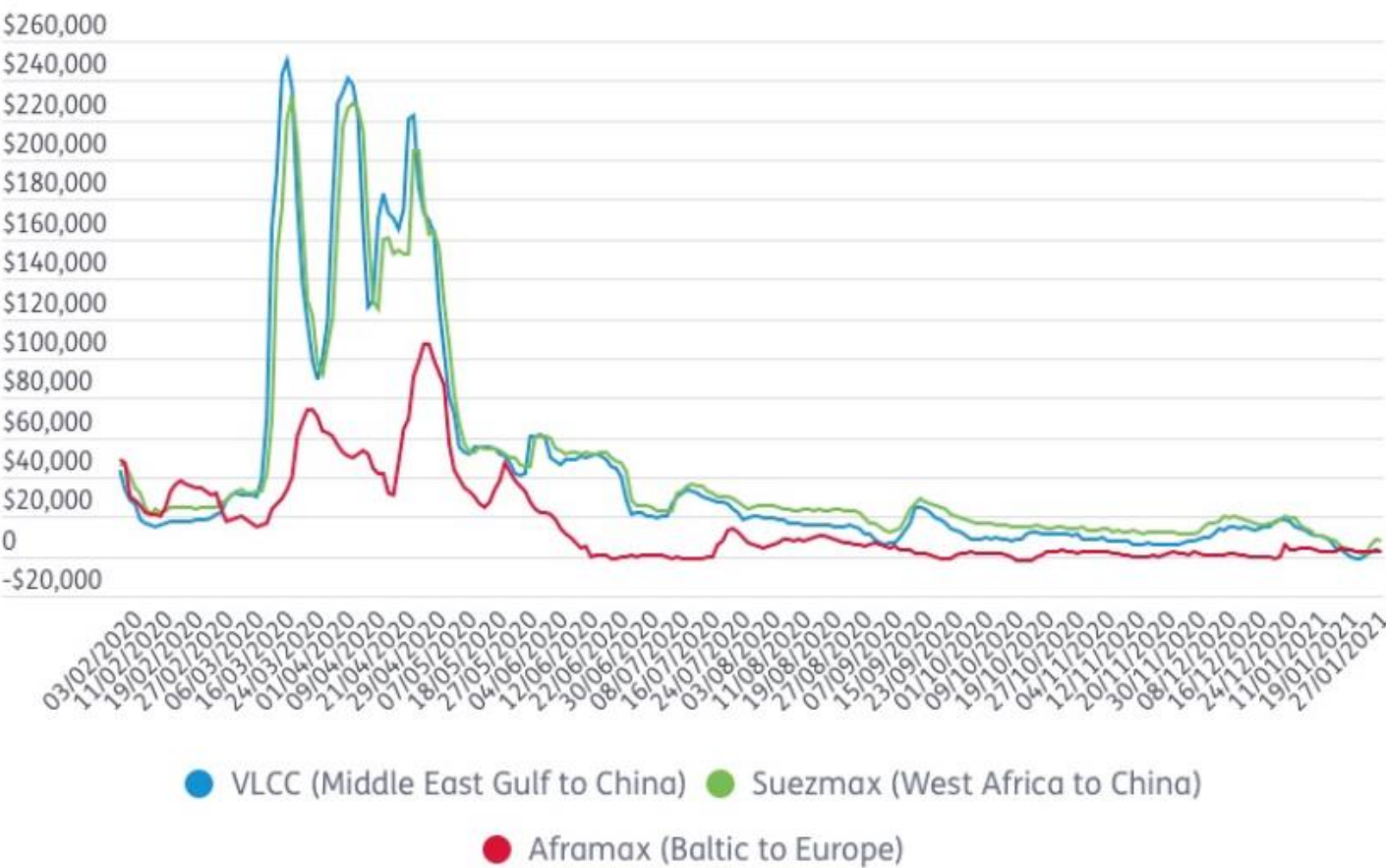
COFCO 2020 revenues of \$77 bln put them in 2nd place behind Cargill. ADM would be 3rd, Bunge 4th and LDC 5th. In my book, I estimated ADM, Bunge & Cargill traded 130-140 mln mt pa, COFCO 110 mln mt and LDC and Glencore 80-85 mln mt in 2019. COFCO has leapt up the league table



9



Crude tanker average time charter earnings (\$/per day)



Source: Baltic Exchange

Lori Ann LaRocco  @loriannlarocco · 4h

FOLLOW UP ON MY @CNBC.COM PIECE-

@ZimShipping announced an 'Equipment Imbalance Surcharge' on US exports across the Pacific. Peter Friedmann of @TheAgTC "Essentially this is another way to deny service to US exporters." #carriers #trade #agriculture

January 26, 2021

Trans-Pacific Trade: Equipment Imbalance Surcharge Update

Dear ZIM Customer,

As previously filed effective February 17, 2021, ZIM will be implementing an equipment imbalance surcharge for all cargo originating from the US destined to the following locations and amounts:

China/Korea/Vietnam/Taiwan/Thailand

- \$150 USD per 20 ft. Dry Container
- \$300 USD per 40 ft. Dry Container
- \$300 USD per 45 ft. Dry Container

Malaysia/India/Japan/Indonesia/Hong Kong/Sri Lanka/Bangladesh/Philippines/Singapore/Cambodia

- \$250 USD per 20 ft. Dry Container
- \$500 USD per 40 ft. Dry Container
- \$500 USD per 45 ft. Dry Container

We appreciate your business and thank you for choosing ZIM. Please feel free to contact your respective Sales representative or Customer Service for any questions.

ZIM Integrated Shipping Services Ltd.

Peter Tirschwell @PeterTirschwell · 1h

Indeed Larry, heard yesterday that there were 54 ships at anchor off of North American ports in total, 30 of them at LA-LB which shows the backups have spread to several over gateways



Lawrence Gross @Intermodalist · 2h

An update from one of the big ocean carriers shows system strains everywhere: Average vessel wait times: Houston-72 hrs. Long Beach-10-14 days. L.A.-14 days. NY/NJ-24-48 hrs. Oakland-3-6 days. Prince Rupert-6-7 days. Savannah-36-72 hrs. Seattle-12-36 hrs. Vancouver-7 days.

Paul Page  @PaulPage · 2h

...

The global shipping industry hopes President Biden will steer U.S. trade policy away from Trump administration tactics that often dragged the maritime sector into market volatility and sanctions-enforcement efforts. [wsj.com /articles/ship-...](https://www.wsj.com/articles/ship-...) via @WSJ



Ship Operators Seek Calmer U.S. Trade Waters Under Biden
Carrier executives say sanctions, trade turmoil under Trump undercut planning and fueled uncertainty in maritime operations.

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

Peter Sand @BIMCO_PS · 6h

...

As is the case for many transportation industries, one leg is much more busy than the other. This affects the spot freight rates too. From [@joinxeneta](#) today:

Far East to US West coast: \$4,090 per FEU vs US West coast to the Far East: \$1,049 per FEU [@loriannlarocco](#) [@business](#) [@FT](#)

Peter Sand @BIMCO_PS · Jan 27

...

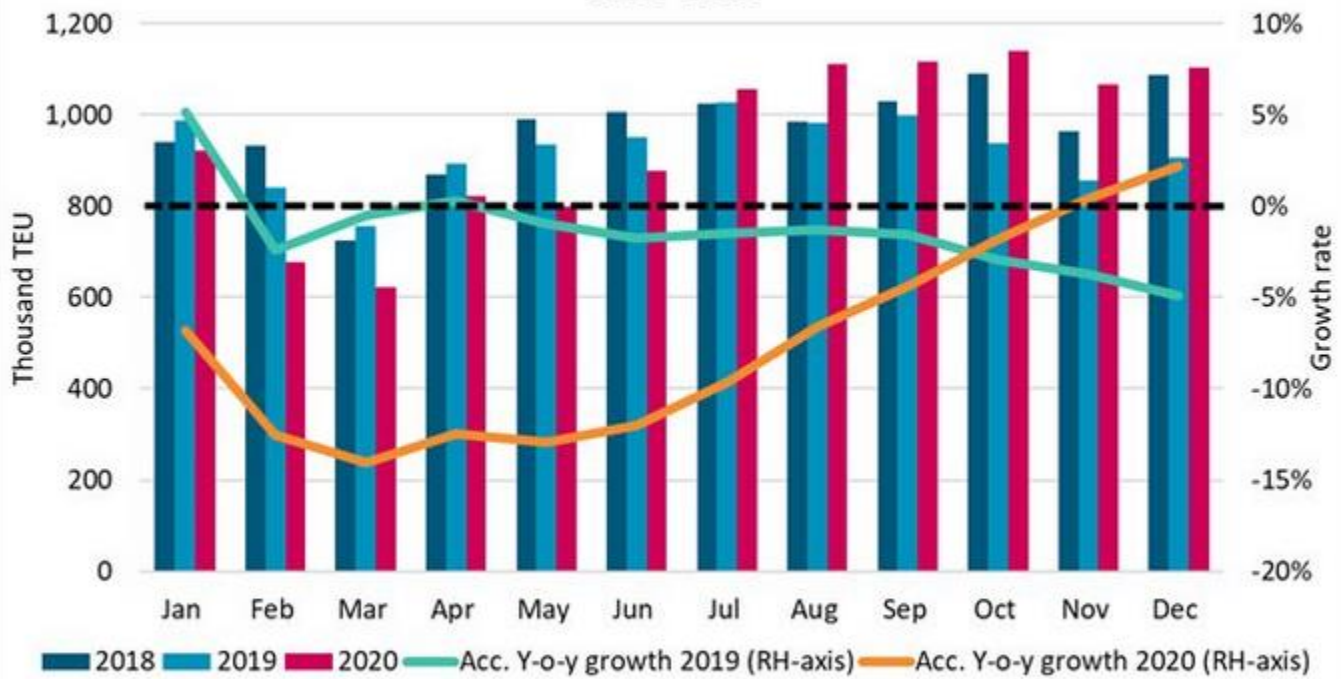
Outbound loaded containers from USWC ports have been a steady flow for years. Past two years are no exception.

Clearly a need to bring back empties to the main loading regions, though.

[#carriers](#) [#trade](#) [@loriannlarocco](#)

USWC Inbound loaded containers

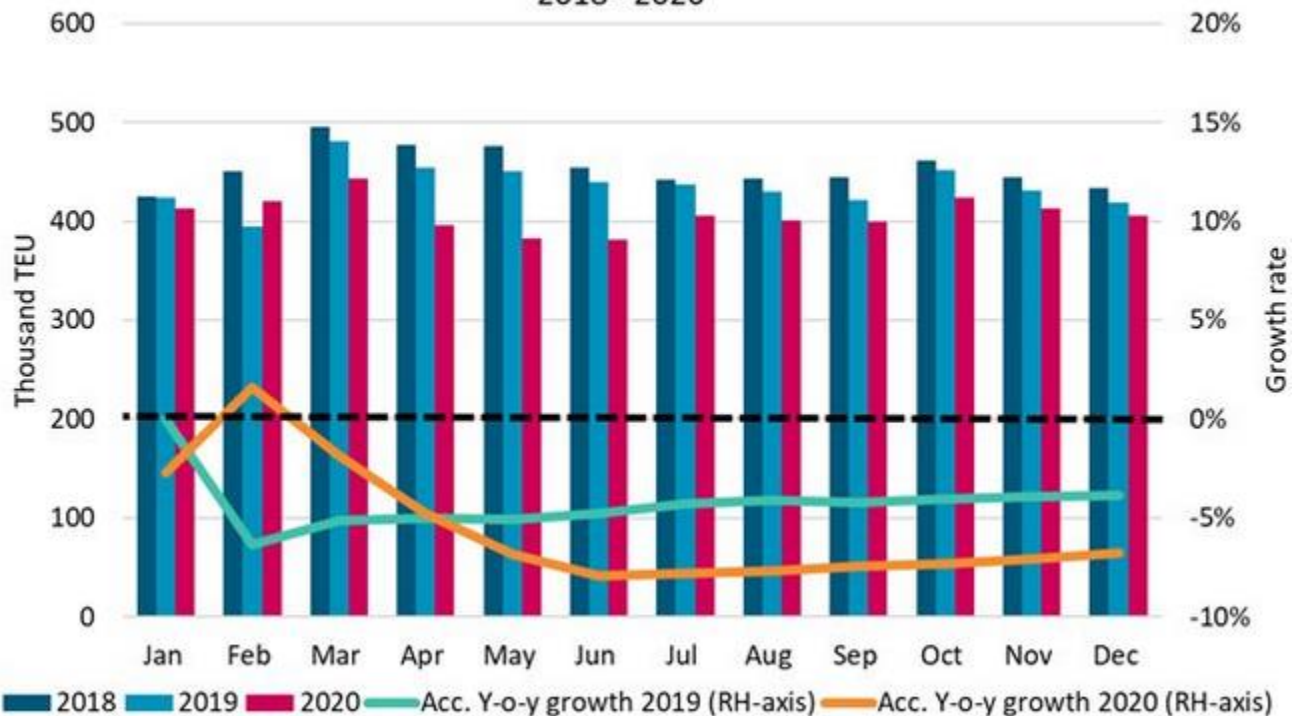
2018 - 2020



Source: BIMCO, Port of Long Beach, Port of Los Angeles, NWSA, Port of Vancouver, Port of Oakland

USWC Outbound loaded containers

2018 - 2020

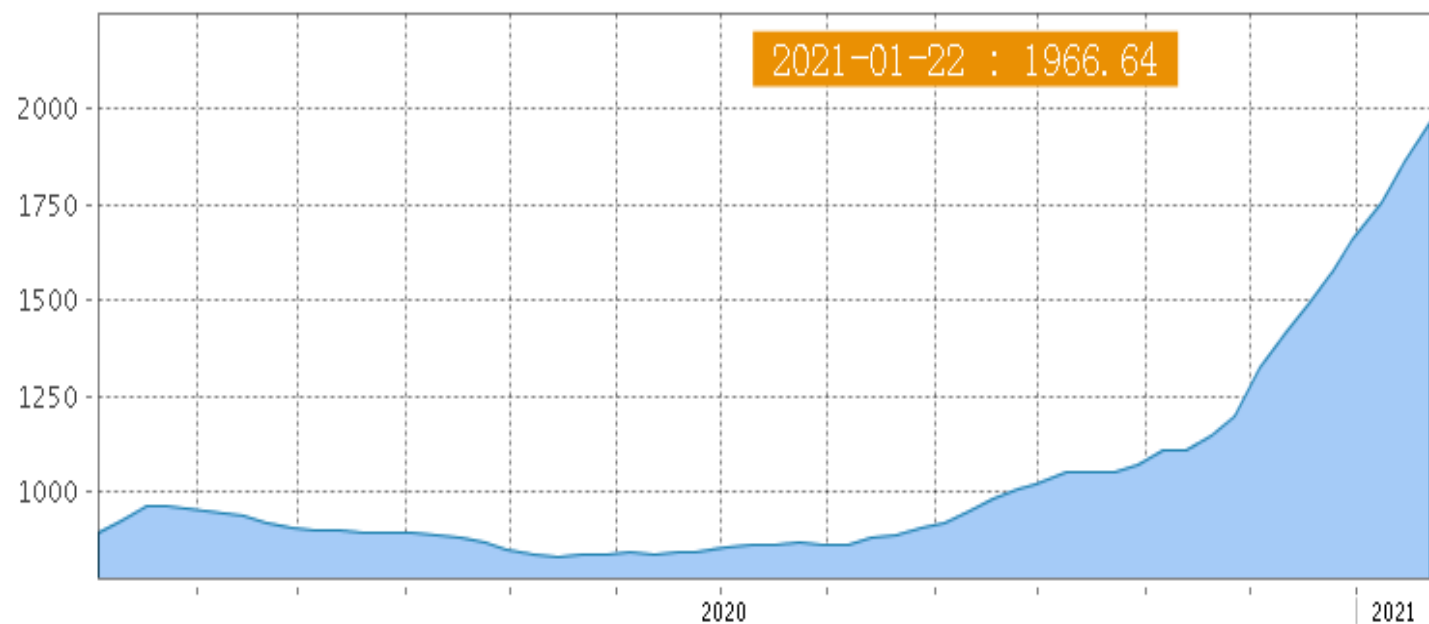


Source: BIMCO, Port of Long Beach, Port of Los Angeles, NWSA, Port of Vancouver, Port of Oakland

China Import Dry Bulk Freight Index



China Containerized Freight Index



U.S. RIVER BARGE FREIGHT
Current Barge Freight for Placement Last Half February 2021

Placement LH February 2021	% of		Corn	Soybeans-Wheat
	Tariff	MT	BU	BU
Upper Mississippi	Closed	\$ -	0.00	0.00
Illinois River (Pekin and South)	390	\$26.61	0.68	0.72
Mid-Mississippi	Closed	\$ -	0.00	0.00
Lower Ohio	305	\$14.99	0.38	0.41
St. Louis	280	\$12.31	0.31	0.34

Secondary Rail Car Market for car placement period: Last Half February 2021.

Secondary Rail Car Market Placement LH. February 2021	BID USD	ASK USD	BID BU.	ASK BU.	BID MT	ASK MT
BNSF Shuttle Trains	\$ -	\$ 200.00	\$ -	\$ 0.05	\$ -	\$ 1.97
UPRR Shuttle Trains	\$ 100.00	\$ 250.00	\$ 0.03	\$ 0.06	\$ 0.98	\$ 2.46

Best Regards,

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

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Follow me on Twitter @ igpjay



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 All market data is subject to change with market conditions and Traders opinions.
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