

Transportation and Export Report for 14 October 2021

Volatility continues to be the key word in dry bulk markets. The Capesize vessel market experienced a substantial sell-off as paper traders decided to take profits from the previous run up. Spot Capesize vessel rates dropped from \$85,000/day to \$74,500/day. Maybe things just moved up too high too fast? Panamax and Supramax vessel markets however remained strong and even gained a little ground this week. All freight markets continue to be severely inverted with all the focus on the spot and 30-day periods. Container rates have topped out and even dropped back slightly. But big logistical problems remain and will most likely be with us for the next 4-6 months. Do your holiday shopping early.

BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices					
14-Oct-2021		This Week	Last Week	Difference	Percent Change
P2A: Gulf/Atlantic - Japan	per day	50091	48291	1,800	3.7%
P3A: PNW/Pacific - Korea	per day	39311	37839	1,472	3.9%
S1C: US GULF-China-So.Japan	per day	58238	58328	-90	-0.2%
P7: Trial- Miss. River - Qingdao	per ton	88.93	85.240	3.7	4.3%
P8: Trial- Santos - Qingdao	per ton	70.36	69.410	1.0	1.4%

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

Four weeks ago:	\$15.00-\$15.75
Three weeks ago:	\$16.00-\$20.00
Two weeks ago:	\$17.00-\$22.00
One week ago:	\$22.00-\$22.65
This week	\$18.50-\$22.00

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

Mississippi River:	(10 elevators)	6-18 + days (8 facilities operating.)
Mid-Stream loaders:	(6+ Rigs)	0-6 days
Texas Gulf	(5 elevators)	1-5 days
Pacific Northwest:	(9 elevators)	1 - 8 days (AGP Grays Harbor down for 2-3 months)

Panamax Market Spreads to Asia -China					
10/14/2021	PNW	GULF	Bushel Spread	Tonne Spread	Advantage
CORN	2.45	1.40	1.05	\$41.49	GULF
SOYBEANS	2.40	1.40	1.00	\$36.74	PNW
OCEAN FREIGHT	\$46.50	\$84.00	.95-1.02	\$37.50	November

Current Grain Vessel Market Indications:

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

Soybean Panamax USG to Spain is running \$52.00 - \$54.00/mt.

Soybean Brazil to Spain about \$58.50 -60.00/mt.

Route and Vessel Size	Current Week USD/MT	Change from previous week	Remarks
55,000 U.S. Gulf-Japan	\$84.75	Up \$0.50	Handymax \$85.00 mt
55,000 U.S. PNW- Japan	\$47.00	Up \$0.50	Handymax \$47.00 mt
66,000 U.S. Gulf – China	\$84.00	Up \$0.50	North China
PNW to China	\$46.50	Up \$0.50	
25,000 U.S. Gulf- Veracruz, México	\$30.25	Up \$0.25	3,000 MT daily discharge rate
30-36,000+ U.S. Gulf- Veracruz, México	\$28.25	Up \$0.25	Deep draft and 6,000 MT per day discharge rate.
30-38,000 U.S. Gulf- Colombia	\$46.25	Up \$0.25	<u>West Coast Colombia at \$54.50</u>
50,000 mt USG to E/C Colombia	<u>\$45.25</u>		
From Argentina	\$62.25		
43-45,000 U.S. Gulf - Guatemala	\$51.75	Up \$0.25	Acajutla/Quetzal - 8,000 out
26-30,000 U.S. Gulf – Algeria	\$68.50 \$70.50	Up \$0.50	8,000 mt daily discharge 3,000 mt daily discharge
30,000 US Gulf- Morocco	\$66.00	Up \$0.50	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt	\$69.50	Up \$0.50	60,000 -55,000 mt -Egypt
PNW to Egypt	\$69.75		Romania- Russia- Ukraine \$32.50--\$33.00- \$34.25 France \$44.00
58-75,000 U.S. Gulf – Europe – Rotterdam	\$33.25	Down \$2.00	Handymax at +\$2.00 more
Brazil, Santos – China	\$68.50	Down \$1.00	54-59,000 Supramax-Panamax
Brazil, Santos – China	\$68.00		60-66,000 Post Panamax
Northern Coast Brazil	\$69.00		Upriver No. Brazil Plus -55,000 mt Plus \$7.50-8.00/mt
56-60,000 Argentina/Rosario- China Deep Draft	\$73.75	Down \$1.00	Upriver with BB Top Off Plus \$3.75 - \$4.00mt

The Baltic Dry Freight Index



Baltic Panamax Index



Capesize FFA Chart



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



YAMAMIZU Index



China Import Dry Bulk Freight Index

2021-10-14

Description	Volume	Cargo/Vessel Size	Unit	Rate	Change
Composite Index			Point	2099.31	-50.01
Iron ore Freight Index			Point	2176	-102.86
Dampier(West Australia)-Qingdao (China)	170000/10%	Iron ore	\$/ton	18.513	-1.309
Soybean Freight Index			Point	1946.42	18.33
Santos(Brazil)— North China	66000/10%	Soybean	\$/ton	67.98	0.47
Santos(Brazil)—North China	60000/10%	Soybean	\$/ton	68.842	0.512
Tacoma(West America)—North China	63000/10%	Soybean	\$/ton	46.458	0.858
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	83.917	0.837

14 October 2021 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		Z =	5.1675
Max. 14.5% moisture	BASIS	FLAT PRICE	BASIS	FLAT PRICE	H =	5.2575
Nov.	1.40	\$258.55	2.45	\$299.88	K =	5.3175
Dec.	1.28	\$253.82	2.35	\$295.95	N =	5.3225
Jan.	1.07	\$249.10	1.85	\$279.81	U =	5.1900
Feb.	1.02	\$247.13	1.76	\$276.26	Z =	5.1625
Mar.	0.97	\$245.16	1.73	\$275.08		
Apr.	0.90	\$244.77	1.65	\$274.30		

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
Nov.	2.15	\$288.07
Dec.	2.05	\$284.14
Jan.	1.85	\$279.81
Feb.	1.85	\$279.81
Mar.	1.85	\$279.81

Fob vessel Texas Gulf #2 Sorghum is about 111 % 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	
	Nov.	Dec.	Jan.	Feb.
FOB U.S. GULF	\$317.74	\$317.74	\$322.15	\$323.98
Basis	1.40	1.40	1.40	1.45
WZ	7.2475			.
WH	7.3675			
WK	7.4100			

CME/CBOT December 2021 (CZ21) Corn Futures Chart



CME/CBOT December 2021 (WZ21) SRW Wheat Futures Chart -

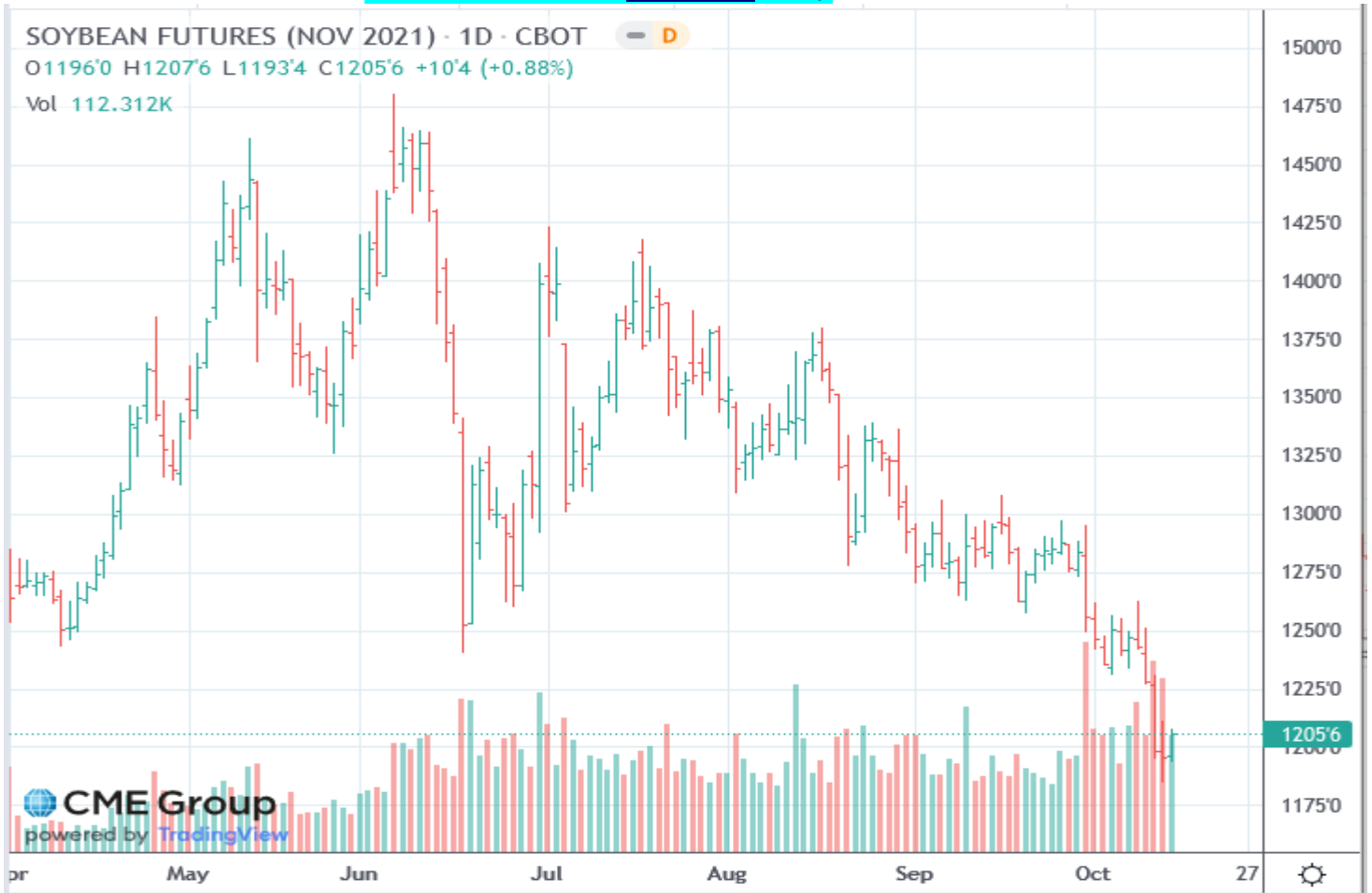


U.S. Soybean and SBM Markets Fob Vessel:

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
Nov.	1.40	\$494.66	2.40	\$531.40
Dec.	1.20	\$490.71	2.20	\$527.45
Jan.	1.21	\$491.07	2.10	\$523.78
Feb.	1.10	\$490.25	1.90	\$519.64
Mar.	1.15	\$492.09	1.95	\$521.48
Soybean Futures				
Nov.	\$ 12.0625			
Jan.	\$ 12.1550			
Mar.	\$ 12.2425			
May	\$ 12.3375			
July	\$ 12.4000			
Aug.	\$ 12.3625			

U.S. SBM (USD/MT) FOB Vessel		
Fob U.S. Gulf Port	47.5 Pro. SBM	
max 12.5 % moisture	Basis	Flat Price
Nov.	50.00	\$ 401.42
Dec.	50.00	\$ 401.42
Jan.	50.00	\$ 402.85
Feb.	50.00	\$ 405.28
Mar.	50.00	\$ 405.28
SBM Futures		
SMZ	\$ 314.10	
SMF	\$ 315.40	
SMH	\$ 317.60	
SMK	\$ 320.80	
SMN	\$ 324.40	
SMQ	\$ 325.30	

CME November 2021 Soybean (SX21) Futures Chart:



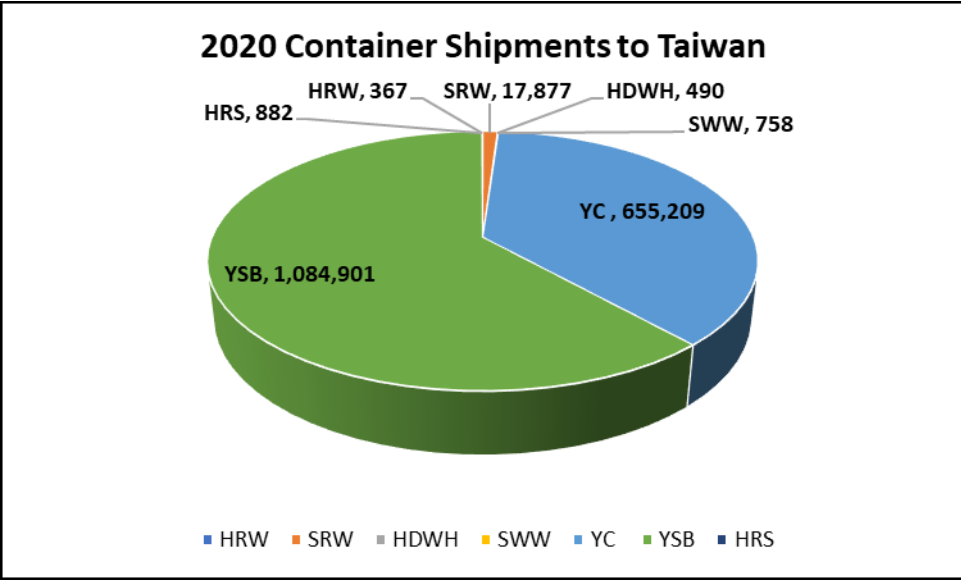
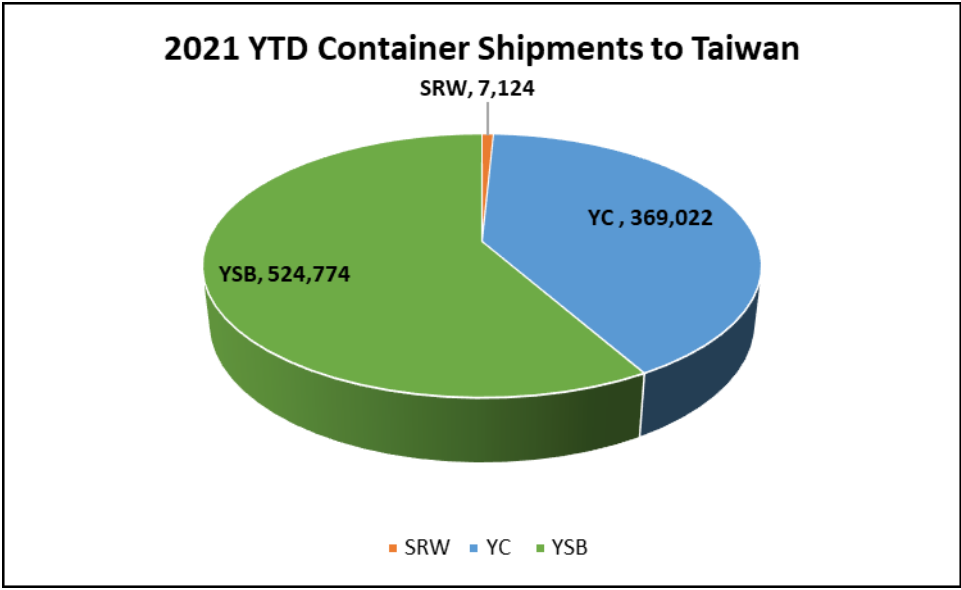
CME December 2021 Soybean Meal (SMZ21) Futures Chart



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).*

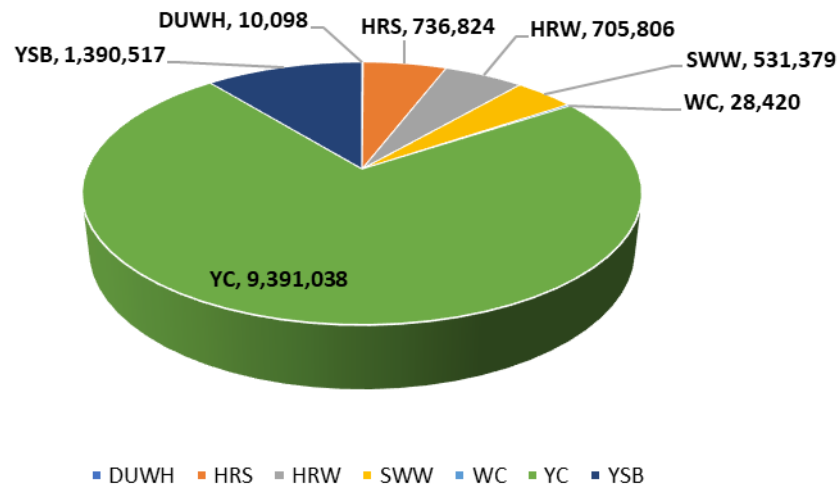
CONTAINER SHIPMENTS of GRAIN									
USDA Grain Inspections Report:		7-Oct-2021							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	SWH	HRW	Sorghum	TOTAL
China	122		22,034	1,640					23,796
Taiwan	2,449		21,014						23,463
Hong Kong	392								392
Costa Rica									0
Indonesia			3,697						3,697
French Poly									0
Japan			1,516						1,516
Korea Rep.	367		1,127	514					2,008
Dominicn Rep									0
Malaysia			1,959						1,959
Colombia									0
Philippines			244						244
Thailand			1,690	1,248					2,938
Un Arab Em			49						49
Burma									0
Bangladesh									0
Cambodia									0
Vietnam			7,787						7,787
Sub Total:	3,330	0	61,117	3,402	0	0	0	0	67,849
USDA Corrections/Additions to previous reports:									
Taiwan									0
China									0
Hong Kong									0
Korea Rep.									0
Cambodia									0
Japan			122						122
Philippines									0
Indonesia									0
Malaysia									0
Thailand									0
Vietnam									0
Bangladesh									0
Ireland									0
Sub Total:	0	0	122	0	0	0	0	0	122
Mt. Grand Total	3,330	0	61,239	3,402	0	0	0	0	67,971
Number of Containers	145	0	2,663	148	0	0	0	0	

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

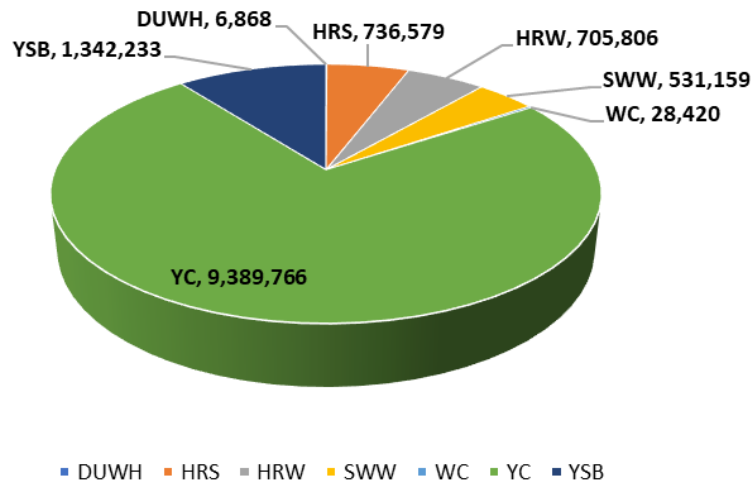


2021 YTD Total Grain Exports reported by USDA (in MT)

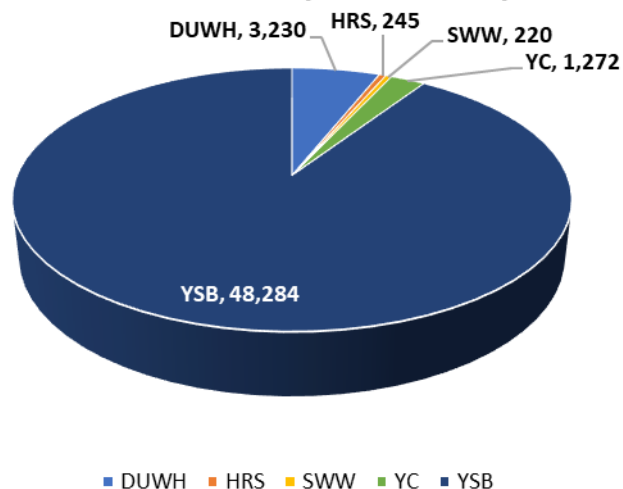
2021 YTD Exports to Japan



YTD Vessel Shipments to Japan



YTD Container Shipments to Japan



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

Source: USDA-data

Shipping News

Greg Knowler @greg_knowler · 6h

...

Average Asia-Europe arrival delays up to 18 days, says Alphaliner. To cover the delays and maintain weekly sailings on 17 Asia-North Europe loops, the three alliances would need to deploy 44 extra ships of 14,000-24,000 TEU
JOC_Updates shar.es/aWCNEc via @JOC_Updates

VesselsValue @VesselsValue · 8h

...

We are seeing global #Container congestion ease slightly, but it is still substantial.

In California, at the port of @Longbeach, 44 containerships are currently waiting, 13 fewer than Friday 8th October.

#data #supplychain #shipping



Marine Exchange @MXSOCAL · 4m

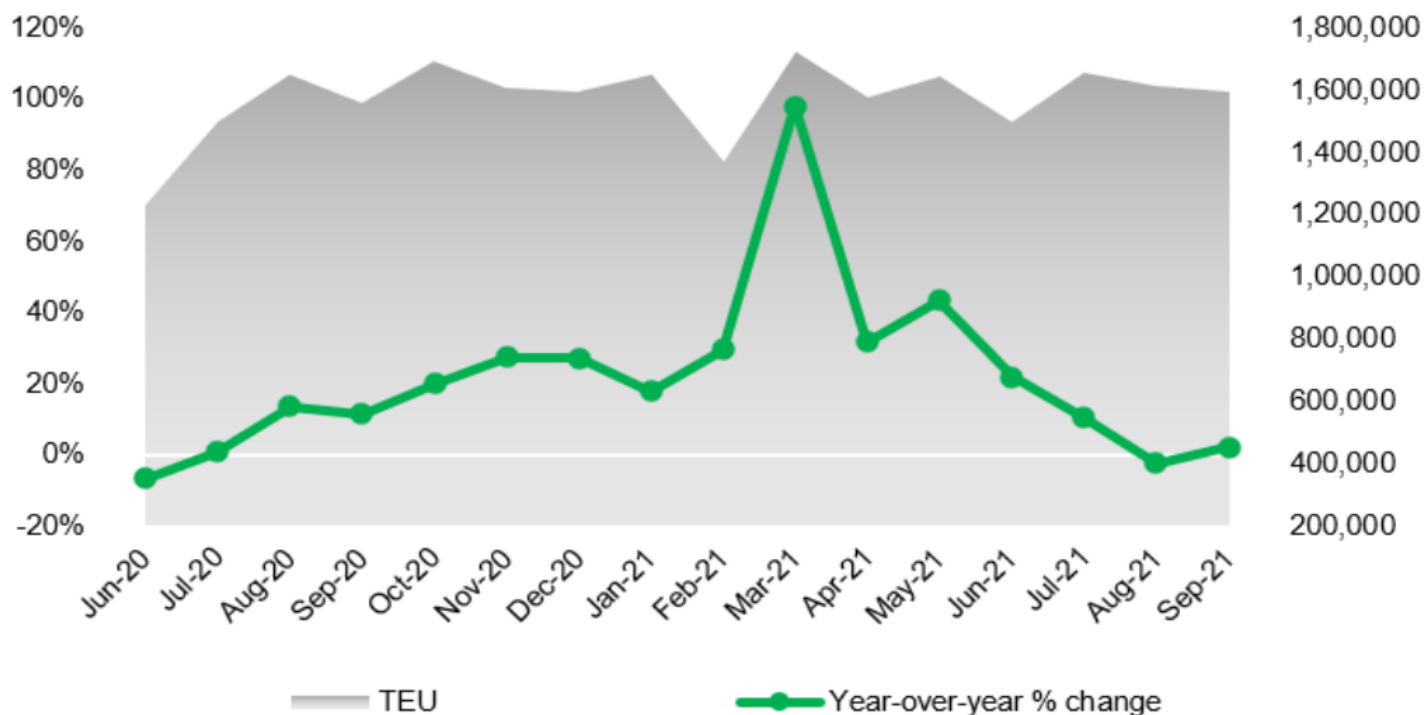
Ship report 10/13: 138 total ships inport LA/LB includes 78 at anchor or drift areas & 60 at berths. Of the 138, 86 are container ships including 56 at anchor or in drift areas & 30 at berth. 27 vessels in holding areas*; 21 container ships, 4 tankers, 1 bulk, 1 heavy lift ship.

William Cassidy @willbcassidy · 2h

TEU imports arriving in US on non-container ships rose 32% y-o-y from Jan through Aug, according to PIERS data, with Houston seeing a sizeable jump in non-box ships carrying boxes, my colleague @Janet_Nodar reports: bit.ly/3BnBC1F (gated).

US imports from Asia show year-on-year gain in September

Total monthly TEU volume of US containerized imports from Asia, with year-over-year change



Source: IHS Markit

© 2021 IHS Markit

FuturePorts @FuturePorts · 3h

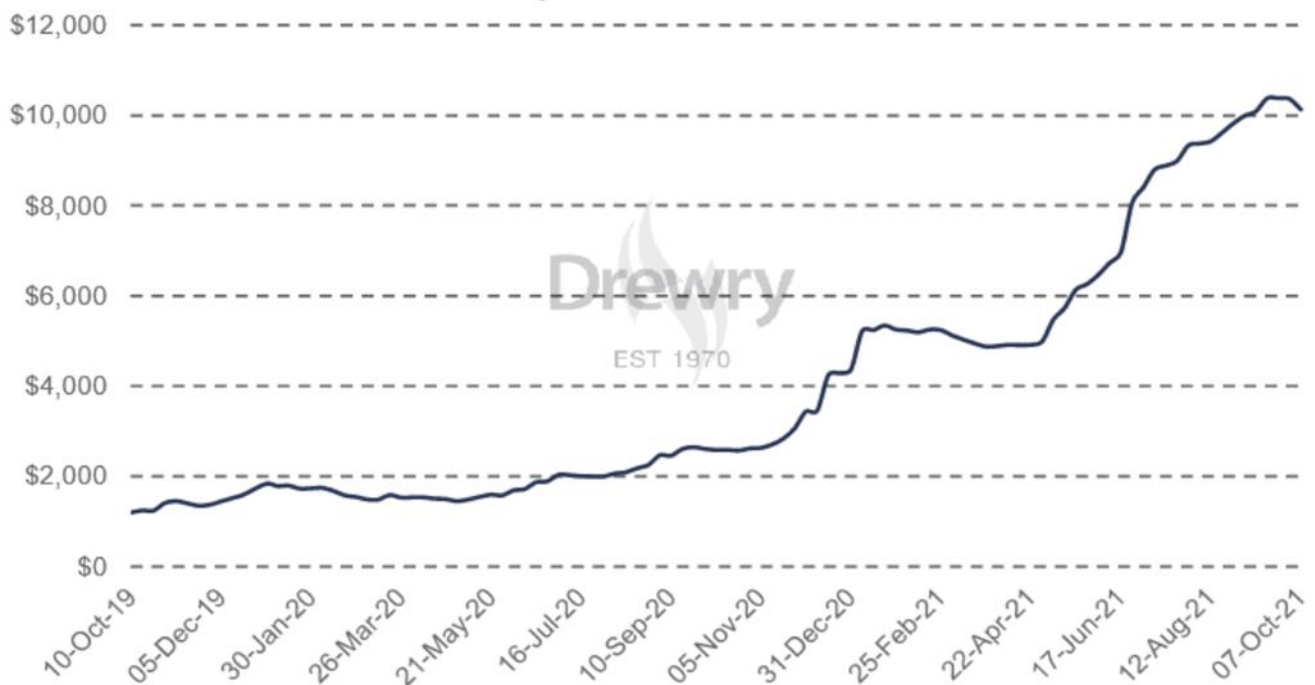
Teamwork makes the dream work! Love seeing our members make it happen. [#sustainablesupplychain](#)

LA Port of Los Angeles @PortofLA · 6h

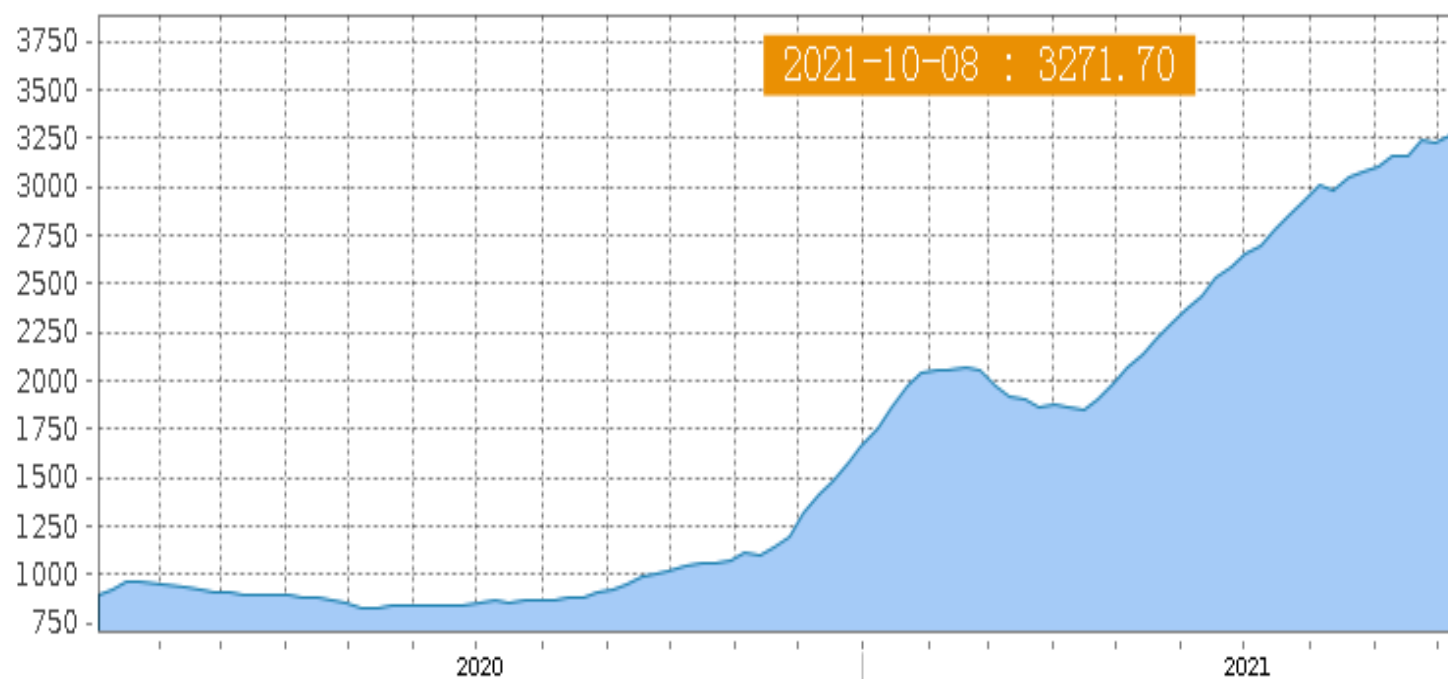
Thanks to our @ILWUlongshore workers, terminal operators and partners at @BNSFRailway, @UnionPacific, and @PHL_Rail, dwell time for rail cargo @PortofLA has dropped from a peak of more than 13 days down to 4.4 days. Together, let's keep it going!



World Container Index - Assessed by Drewry \$ per 40 ft container



China Containerized Freight Index



China Import Dry Bulk Freight Index



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

Placement LH October 2021	% of		Corn	Soybeans-Wheat
	Tariff	MT	BU	BU
Upper Mississippi	500	\$34.12	0.87	0.93
Illinois River (Pekin and South)	460	\$31.39	0.80	0.85
Mid-Mississippi	525	\$25.81	0.66	0.70
Lower Ohio	625	\$30.73	0.78	0.84
St. Louis	560	\$24.63	0.63	0.67

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

Secondary Rail Car Market Placement LH. October 2021	BID USD	ASK USD	BID BU.	ASK BU.	BID MT	ASK MT
BNSF Shuttle Trains	\$ 100.00	\$ 200.00	\$ 0.03	\$ 0.05	\$ 0.98	\$ 1.97
UPRR Shuttle Trains	\$ 200.00	\$ 300.00	\$ 0.05	\$ 0.08	\$ 1.97	\$ 2.95

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 Trader's 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.